

Contract
for
The implementation of a Training course on shrimps pond management
for the staff of the Fisheries Iranian Organization

between

The Research and Studies Centre for the Fishery, S.C.A.R.L, called "C.I.R.S.PE" below, resident in No.21- Gigli D'ORO Ave. 00186 Roma, represented by the president, Dr Massimo GUERRIERI, resident in No.21 Gigli d'Oro Ave. Roma

and

The Network of Aquaculture Centres in Asia-Pacific called "NACA" below, resident in Suraswadi Building, Department of Fisheries, Kasetsart University Campus, Ladyao, Jatujak, Bangkok 10900 Thailandia rapresented by the General Director Mr. Sena De Silva, resident in Suraswadi Building, Department of Fisheries, Kasetsart University Campus, Ladyao, Jatujak, Bangkok 10900 Thailand.

Introduction

-Referring to the financing of the project Aquaculture in Sistan-Baluchestan Province of the Islamic Republic of Iran approved by the Italian Ministry of Foreign Affairs - the General Director of Cooperation of the Development,

-Referring to the presentation of the above emission from the Italian Government to the United Nations Development Project (UNDP) in Teheran based on a reciprocate agreement on the subject,

-Referring the direct intervention of SHILAT, Iranian Fisheries Organization, in both administration and operation of the project in order to respect the technical and professional contribution of Iranians that is the principle of the Italian cooperation in the development.

Both parts agree on and draw up what follows

Article 1

NACA undertakes to carry out the following activities with its own structures and staff:

- Implementation of a Training Course on shrimp ponds management for the staff of the Fisheries Iranian Organization. The analysis of the activities is drawn in the ANNEXURE A which is part of this contract and it is subscribed by both parts.

The Training Course will take place in Thailand, it will last two weeks and it will be referred to 20 people of the IFO staff.

CIRSPE will carry the international flights cost Teheran/Bangkok/Teheran. CIRSPE will also carry out the allowances for the trainees for a maximum of a total amount of 9.000,00 €(nine thousand euro) for food/lunches/dinner of the trainees.

NACA will carry the cost of accommodation for the trainees and breakfast will be included in the package of the booking for accommodation in Bangkok and other place during the field visit. The accommodation will be double occupancy with air-con, minibar, TV, telephone, hot water for shower or bath. NACA will book participants at KU Home (Kasetsart University Hotel) or Maruay Garden Hotel. Out of Bangkok NACA will book the participants at tourist or business hotels.

NACA undertakes to provide CIRSPE and the trainees with all the didactic papers and training materials that will be given such as teaching support.

NACA undertakes to provide to CIRSPE a detailed report after the ending of the Training Course, with all the activities done within the Course. This report must be in accordance with the technical specifics provided in the ANNEXURE A.

Article 2

NACA assures that the staff assigned for the implementation of the Training Course is qualified and willing to perform the services described above. NACA assures all work required under this contract are carried out in accordance with the highest standards of the profession of craft.

NACA shall carry appropriate workers compensation and hazard insurance coverage for NACA employed staff during the term of this contract.

NACA shall be responsible for the welfare of its staff employed under the contract. Any additional expenses which CIRSPE may incur for the welfare of such staff will be reimbursed by NACA

CIRSPE will pay the insurance for the course participants for the entire period of the Training Course

Article 3

This contract will begin the 1st of September 2006 and will end on the 15st of December 2006. Any extension to this term must be written and signed by both parts.

The Training Course shall end within the month of October 2006, during November and December NACA will write the report of the activities. This report shall be provided to CIRSPE office in Rome within the 15st of December 2006.

Article 4

As a support of the implementation of the Training Course, CIRSPE will provide NACA a financial contribution of US \$ 38,860 (Thirty eight thousand eight hundred and sixty US dollars)

The payments will be made according to the following schedule:

- a) A payment of 20% of the total amount at the signing of the contract;
- b) A payment of 30% of the total amount 30 days before the starting of the Training Course:
- c) A payment of the 30% of the total amount at the ending of the Training Course
- d) A payment of the remaining 20% after the approval from the CIRSPE office in Rome of the report of the activities done by NACA.

NACA will provide the invoices of the payments described in a), b), c) and d) of this article, to the CIRSPE office in Rome.

CIRSPE will pay with a bank remittance within 20 days after the receiving of the invoice and after the approval of the services provided by NACA.

NACA will provide a receipt proving the payments.

Article 5

CIRSPE and/or NACA can rescind this contract, with a written note, if one of the party believes that it is impossible or inopportune to go on with the developing of the Training Course for any reason out of CIRSPE or NACA control; or in the event of delay or lack of one of the party. If that happens, the work done up 'till that moment will be paid.

For any inobservance of the conditions of this contract from one of the contractors, the other party can write a note with the detailed inobservance, indicating also the corrections to be done within 60 days. If the party does not make the requested actions, the other party can rescind this contract without loosing any of its right.

Article 6

All the papers and technical matters produced within the project will be at disposal of the Controller Committee of the project and C.I.R.S.P.E., therefore, has the right to publish and divulgate a part or the integral version of the papers referring to their institutional aims.

All the materials are owned also by NACA and that can be used by NACA; provided acknowledgement of other parties is to be given

Article 7

The contractors undertake to consider data and information managed during the carrying out of the present work and concerning the other party, strictly confidential.

Article 8

All disputes arising in connection with the interpretation or execution of this Contract shall be settled by mutual consent. If CIRSPE and NACA are unable to reach agreement on any question in dispute or on a mode of settlement other than arbitration, either party shall have the right to request arbitration in accordance with the Arbitration Rules of the United Nations Commission on

International Trade Law (UNCITRAL), as at present in force. The place of arbitration shall be Rome, Italy. CIRSPE and NACA agree to be bound by any arbitration award in accordance with the above, as the final adjudication of any such dispute.

Article 9

This contract will begin at the signing of the contractors. Any changes of the contract must be discussed, written and signed by both parts.

This contract is signed in 4 original copies, 2 in English and 2 in Italian.

Rome, 26th of July 2006

Network of Aquaculture Centres in
Asia – Pacific

Mr. Sena De Silva

C.I.R.S.PE.

The President

Massimo GUERRIERI

Terms and conditions mentioned in art. 1,3,4,5,8 and 9 are accepted and confirmed.

Network of Aquaculture Centres in
Asia – Pacific

Mr. Sena De Silva

C.I.R.S.PE.

The President

Massimo GUERRIERI

DETAILED BANKING INSTRUCTIONS:

Account Name : Network of Aquaculture Centres in Asia-Pacific (NACA)
Account No : 004-015657-02-1002
Name of Bank : Siam Commercial Bank, UN Branch
Branch : United Nations Building Branch
Bank Address : Rajdamnoern Nok Avenue, Bangkok 10200, Thailand

Annexure A

Training course on shrimp pond management for staff of the Fisheries Iranian Organization

Background

The Islamic Republic of Iran and the Italian Government are reinforcing their political and economic relations in consideration of their reciprocal interest in the exploitation of Iran's raw materials and for exporting Italian technology, industrial products and consumer goods.

In June 2000 the General Department of Development Cooperation of the Italian Ministry of Foreign Affairs and the Iranian Ministry of Foreign Affairs signed a "Meeting Memorandum" in which the Italian party expressed its intention to finance cooperation activities in the Province of Sistan Baluchestan.

The topics relevant to the cooperation program were deeply studied during technical missions carried out by the General Department of Cooperation Development. Upon examination, priority was given to the development of aquaculture. The Province of Sistan-Beluchestan borders with Afghanistan and with Pakistan, giving it a strategic role. This province is the poorest in the Republic of Iran (UNDP, 1999 "National Human Development Report"). There are interesting prospects for the development of aquaculture in the zone of Chabahar, in the south-east of Iran, suitable for the raising of shrimp.

This activity is already practiced in the internal zones, with the technical context in the area of Zahedan (Sistan), where there are several facilities, playing a very important social, cultural and economic role. The local industry presents readily apparent, macroscopic limitations in terms of technology, service and the marketplace. In short, along with the high potential, recognised by the central system, which continues to invest on structures and equipment, there are unmistakable problems of growth and consolidation that can essentially be traced to the technical-cultural isolation that the country has experienced over the last decade.

Technical Project proposal has been prepared on 2002; in June 2003 the General Directorate of Development Cooperation/Italian Ministry of Foreign Affairs has approved for financing the project "Aquaculture development in Sistan Baluchestan" (act n.49; 24/6/2003; N. aid 6945.01.3), identifying the UNDP as International Agency in Iran and the modality of cost-sharing agreement to allocate the project budget in the beneficiary Country.

The United Nations Development Programme ("UNDP") and the Ministry of Foreign Affairs of Italy – General Directorate for Development Co-operation of Italy agreed to co-operate in the implementation of a project in the Islamic Republic of Iran "Aquaculture Development in Sistan-Baluchistan".

The Ministry of Jihad and Agriculture – SHILAT Iran has been designated as the implementing agency and the CIRSPE (Centro Italiano Ricerche Studi per la Pesca), via De' Gigli d'Oro 21, 00186 Roma, has been designated as the contractor for providing technical assistance and training. UNDP manages the budget, according the project proposal, to buy technical equipment.

A large facility for the shrimps raising (600 hectares) has been constructed near the location of Gowater, roughly 110 km east side of the city of Chabahar. Inside this area there is an active perimeter of 20 hectares managed by the SHILAT for pilot and demonstration project currently underway. West side of Chabahar, near the Bahu Kalat river, another 4,000 hectares of ponds are being constructed for shrimp.

According to the Project Proposal financed by the Italian Ministry of Foreign Affairs (act n.49; 24/6/2003; N. aid 6945.01.3), the project, therefore, shall consist of:

- production initiatives in the public facilities of the SHILAT, with the results to be transferred to the private beneficiaries (the extension service of the SHILAT, seminars, Internet/newsletter);
- training and on-job-training reserved for the technicians of the SHILAT/the Ministry of Agriculture, with forecast fall-out on the private operations, given that the individuals trained are employed in the extension service;
- supply of technology to the public facilities in order to improve their efficiency and guarantee an adequate supply to private parties, demonstrating the worth of the new production strategies and, finally, testing and proposing technical packages which are innovative but appropriate to the context.

Immediate objective of CIRSPE project

According to the Project Proposal financed by the Italian Ministry of Foreign Affairs (act n.49; 24/6/2003; N. aid 6945.01.3), the general and specific objectives can be described as follows.

The general objective of the project is to reduce poverty and social imbalance while raising the income level of the local populations and communities in the Province of Sistan-Baluchestan through the reinforcement and dissemination of aquaculture activities.

The project wants to expand and reinforce aquaculture activities in terms of both production/technology and economic results; to raise the socio-economic level of the groups and populations involved.

The specific objectives, therefore, are:

- i)The Identification of valid production strategies for aquaculture in Sistan-Baluchestan;
- ii)The Identification of appropriate technologies for the different contexts;
- iii)The Expansion of the production base and diversification of the product;
- iv) The building of an Institutional capacity for Ministry of Agriculture Jihad, and professional growth on the part of the SHILAT-Iranian Fisheries Organisation .

Expected results

The Project Proposal financed by the Italian Ministry of Foreign Affairs (act n.49; 24/6/2003; N. aid 6945.01.3), underlines the following expected results.

a) Operating strategies correlated to the market (species, sizes, period of sale, markets) in the shrimp sector (at least 2 strategies shall be drawn up). The productive pilot activities in Gowater (Chabahar) will test different strategies based on the stocking density, feeding and fertilisation, comparing the different results both from productive and economical point of view. Attention will be given to diseases that in other region of the world and also in Iran can affect the rearing, reducing the economical sustainability of this sector.

b) Innovative technological packages

Under the project, technological packages shall be prepared for the shrimp rearing (at least 2 packages shall be prepared and tested, for instance oxygenation system, stocking density, pre-fattening etc.).

c) Expansion of the production base and diversification of production

Production diversification reduces the risks of business operations; keeping this in mind, new species shall be considered for aquaculture.

d) Synergies between public (SHILAT)/private sectors

Improving the capacity of the public service, necessary for the new responsibilities and assignments tied to a great dissemination of operations, with the training of personnel, especially in management and technical activities. Reinforcement of the extension service, with the undertaking of a clear-cut effort to disseminate the technologies prepared during the project activities. Specific initiatives (Internet, Newsletter, Seminars, Interviews) will be organised to donor visibility, both international and national, in part to contribute on bringing together supply and demand (technology and production).

Outputs of the CIRSPE project

The program is assigned to the UNDP office in Teheran. The procedure for the liaison and the formalisation of the commitments is a cost-sharing agreement. In this way the formal phases of the preparation and the signing of the agreement can be accelerated, while facilitating the operating ties between the financier and the executor of the initiative. The decision-making and operating activities can be controlled by the UNDP headquarters in Teheran,

The cost-sharing system must give the financier adequate visibility, together with direct participation and control of the different performance phases with the structure managing the project. The possibility of drawing on Italian technology and experts provided is an additional guarantee for the Italian Ministry of Foreign Affairs and the General Department of Cooperation Development, based on the specific characteristics of the subjects dealt with and Italy's leading role in this sector on a European level.

The project is structured in 3 components consisting of technical assistance, training and the supplying of technology/equipment. A number of initiatives are designed for the dissemination/visibility of the project, for the monitoring of the work in progress and for evaluation.

Technical assistance consists of an initial block involving a "project technical unit", with tasks that include planning and control of technical, operating, logistical and administrative factors. This unit is structured and organised in a dynamic, flexible manner; managing and executing the activities in

accordance with the stipulated objectives and deadlines, it is possible to arrange for the experts to return to the headquarters on a frequent basis, making possible, in the face of the operating difficulties in Iran and the isolated nature of the project areas, the use of elements who possess the necessary professional qualifications.

The Project Technical Unit is organised as follows.

- Scientific coordinator: Prof. Stefano Cataudella, expert with a high level of academic training who guarantees the technical, methodological and scientific validity of the project.
- Technical/operating manager: Mr. Roberto Ugolini, expert with international experience who plans the initiatives by correlating local demands, timing and procedures from both a technical and an administrative point of view. Serves as the operating contact and the liaison between the different participating institutions and the financier. Handles the organisation of the visibility (Internet pages and Newsletter), as well as the seminars with the beneficiaries and the extension service. He is also in charge in technical backstopping by CIRSPE Rome office. He is in charge in technical aspects, in contact with Italian Ministry of Foreign Affairs (Mr. G. Giordano, Mr. F. Longobardi) with Prof. Cataudella .
- Project technician. Mr. Alvaro Insenga, technician with a significant amount of international experience in coordination activities. He is involved in the logistic organisation. Also takes part in other project activities in functional and/or management roles
- Administrative officer involved in accountability of the project and administrative control of all the expenditures (Administrative backstopping) All the expenditures will be registered and filled according to the date and the UNDP code, this will permit to have a picture of the project progress and to control the expenditures code by code
- Administrative control on project accountability (Rome administrative backstopping)
- Bank control (Rome administrative backstopping)
- Data analysis (questionnaires), Draft Report preparation such as project backstopping. (Technical backstopping.
- Local consultants (Iranian) both for logistic and technical aspects that are employed on the base of the project needs by CIRSPE Teheran office for its management

The second block of technical assistance consists of specific professional figures that will be recruited according the project needs.

For instance:

- Experts in the management of aquaculture facilities; experts on diseases control; shrimps rearing, freshwater species rearing, aquaculture technologies. The experts lead the activities: management of the production cycles, installation of the equipment and preparation of technological packages. They participate to the extension service, the seminars and the dissemination activities. CIRSPE can recruit both international and Iranian consultants and international Iranian agency/company.

According to the Project Proposal financed by the Italian Ministry of Foreign Affairs (act n.49; 24/6/2003; N. aid 6945.01.3), the training components includes both training course and on-job-training.

The recipients of the training course in Thailand are the technicians of the Shilat (20 people) indicated by the responsible authorities of the Ministry and assigned to operate at the facilities and the offices (Chabahar), as well as in the extension service, for the entire duration of the project. The training course must be organised in modules by NACA

The project proposal remarked the importance to give the Aquaculture Development in Sistan Baluchestan programme a great visibility, both for the exigency of the Donor and to divulgate project activities and results. CIRSPE and Shilat must organise the web site and the Newsletters and the parties agreed to identify a private company in Iran in order to manage this initiative.

Gadgets will be prepared and distributed. The gadget will be personalised with the logo of the project partners: Shilat, Italian Cooperation, UNDP and CIRSPE.

The supply consists of technical equipment for the support of the production activities: first of all, scientific laboratory materials for the facilities in Chabahar. In addition, informatics equipment is to be supplied for the management of the SHILAT project offices (Zahedan, Chabahar and Teheran). The project supply plans also include vehicles for the needs of the experts tied to the project.

Training must take into account the technical working programme of SHILAT/CIRSPE for shrimp rearing in Chabahar, as follows:

- i) Management of the productive plant of SHILAT in Gowater (c.ca 6-8 ha);
- ii) Maintenance of the equipments related to the act of breeding (For example: Pumps, filters, oxygenating machines);
- iii) Identification and monitoring of hatcheries for the production of Post Larvae;
- iv) Transport of the Post Larvae;
- v) Stocking density (various densities) in ponds;
- vi) Program for two cycles rearing in Gowater area;
- vii) Cooperation with the private farms
- viii) Planning, control of the fertilization and feeding of the ponds;
- ix) Use of aerators in the ponds;
- x) Monitoring of the production with sampling;
- xi) Periodic monitoring of the environmental parameters;

Outputs

This agreement will lead to the following output

Conducting a 2-weeks training course on shrimp pond management for 20 people of the staff of the Fisheries Iranian Organization.

Activities

- Conducting a 2-weeks training course on shrimp pond management for 20 staff of the Fisheries Iranian Organization
- IFO officers will be trained on better management practices for shrimp farming. A 2 weeks training course for 20 participants will be delivered in Thailand.
- Experts having experience on P.indicus farming will be involved in the training program. Special attention will be given to delivering expertise in shrimp disease prevention and effective use of aerators.
- A training course will be organized in modules and the specialist will prepare the relevant technical documents;
- Questionnaires for evaluation will be prepared for participants to the training course.
- Documents must be prepared to certify the training activity.

Inputs

1 man month, to be delivered mainly by 1 trainer (for 2 weeks training plus training course preparation) with the additional support of other NACA shrimp specialists

NACA specialists to be involved with this Training Course will include, but are not limited to:

Dr Flavio Corsin: aquatic animal epidemiologist and coordinator of NACA activities in Viet Nam

Dr C.V. Mohan: aquatic animal health specialist and head of the NACA aquatic animal health program

Dr Pornlerd Chanratchakool: shrimp farming expert and author of the book “Health Management in Shrimp Ponds”

Mr Mongkhon: shrimp farming expert

The time availability of additional specialists to be involved in the implementation of the Training Course is being explored.

Responsibilities of NACA

NACA will support the implementation of the above plan throughout its stages. Specialists of adequate knowledge to fulfill the assignment will be identified and will operate under the direct supervision of NACA personnel.

Responsibilities of CIRSPE

CIRSPE will cover the costs of international travel Teheran-Bangkok-Teheran and allowances for participants to the training course.

CIRSPE will pay the insurance for the course participants for the entire period of the Training Course

Budget

	Cost/Unit (USD)	Total Cost
Fee for trainers (1mm @ 300 USD/day)	9,000	9,000
DSA in Thailand for trainers (accommodation, per diem & allowances)	100	3,000
Accommodation for 20 trainees for 15 days	50	15,000
Training material	25	500
Local travel (23 people x 14 days)	10	3,220
		0
Expense subtotal		30,720
Contingency (10%)		3,072
TOTAL		33,792
NACA Overheads (15%)		5,068
GRAND TOTAL \$		38.860
GRAND TOTAL Euro		34.240

**Draft Outline of Shrimp farming training in Thailand for SHILAT technical officers
2006**

Participants: 20

Date: Between September – October 2006

Duration: 15 days

Logistics:

In Iran Selection of participants / trainees
 Passport and government clearance
 International travel arrangement

In Thailand Thailand entry visa facilitation (2 weeks lead time required)
 Classroom and vehicle booking
 Hotel booking

Methodology:

(Note: The number of days on right side is indicative, reflecting approximately the time allocated to that particular activity or aspect. Classroom activities, for example, do not necessarily mean that trainees will sit in the classroom for 5 consecutive days.)

Classroom activities (5 days)

(In the beginning and interspersed during the training course)

Expectations by trainees

Expectation by trainers

Theoretical lectures on major subjects issues in shrimp farming

Interactive discussions on each subject/session

Case study and guided analysis by trainees and trainer

Final wrap-up session

Field visits (5 days)

Pre-visit briefing the night before or early in morning

Visit to hatchery (nauplii producer)

Visit to hatchery (nauplii to PL)

Visit to grow-out farms of different farming practices

Shrimp farmer club(s) / group(s)

Debriefing/reflection by individuals in evening

Daily wrap-up

Institutional/agency visits (2 days)

Government extension station/centres

Government monitoring and diagnosis station(s)/laboratories

Inspection and certification agency

Inspection and testing laboratories

Existing certification scheme and technical guidelines (CoC/GAP, traceability, regulations, quality control systems, etc.)

Other relevant visits	(2 days)
Wholesale / auction market	
Processing factories	
Supplier's shop	
Feed manufacturer (s)	
Day off / cultural exposure	(1 day)

Major subjects to be covered:

Operation and maintenance of hatchery and farm equipments and apparatus (pumps, filters, oxygenating machines, etc)

Briefing on present status and major issues of shrimp farming in SE Asia

Identification and monitoring of PL suppliers

- Hatchery types in Thailand
 - nauplii producers (keep brooders and produce nauplii for sale to other hatcheries)
 - PL producers (from nauplii to PL)
- Accreditation of shrimp hatcheries as basis for identification as PL supplier
- Self monitoring at hatchery
- Monitoring of hatcheries by farmers or farmer groups

Transport of Post Larvae

- counting the numbers
- packaging
- cautions in transport
- acclimatization

Cultured species

- *P. monodon* vs *P. vannamei* vs other local species
 - advantage / desirable qualities
 - disadvantage / potential problems
- major criteria / considerations for making a choice
 - technical consideration
 - business management and market prospectus
 - environmental / social responsibilities and government regulations

Stocking density (various densities) in ponds

- considerations in determining stocking density
- comparison among stocking density, survival, harvest size and output/input ratio

Cooperation with the private farms

- formation and organization of farmer clubs / groups
- self-discipline / self-regulation by farmer clubs / groups
- contract farming

Use of fertilizer in rearing ponds

- purpose of fertilization & types of fertilizers usable in shrimp rearing ponds

- fertilizing scheme
- adjustment of quantity / dose in relation to shrimp conditions, water quality, soil condition and weather

Feeds and feeding

- commercial feeds vs farm made feeds
- available commercial feeds and comparison
- feeding regime
- daily ration as percentage of biomass (body weight)
- adjustment of daily ration
- sampling and monitoring

Use of aerators in rearing ponds

- types of aerators; comparison of effectiveness and operation costs
- aerator installation and arrangements in ponds
- matching of aerator capacity and pond size
- guideline for use of aerators

Water management and water quality monitoring

- Water exchange
- On farm and off farm water quality monitoring
- physio-chemical parameters
- equipment and measuring procedures
- frequency

Disease control and health management - integrated and comprehensive approach (focus on improved production through disease control)

- Major diseases of farmed shrimps in Thailand
- Prevention and control of shrimp diseases
- Responsible use of chemicals and drug

Harvest and post-harvest handling of shrimp

- Harvesting techniques
- Measures for ensuring quality

On-farm record and book keeping.

Existing quality control systems and certification scheme

- Code of Conduct (CoC) and Good Aquaculture Practice (GAP) certification
- Technical guidelines for hatchery, grow-out farm, brokers
- Measures to ensure from-farm-to-table traceability of input / raw material
- Processing, quality control, inspection and certification
- Shrimp industry stakeholders dialogue mechanism in place and function

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