

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE GOVERNMENT OF THE KINGDOM OF THAILAND

AND

THE GOVERNMENT OF THE REPUBLIC OF ITALY

CONCERNING

STUDY FOR NINE PROVINCIAL TOWNS WATER SUPPLY

The Government of the Kingdom of Thailand and the Government of the Republic of Italy ;

Within the framework of the Basic Agreement on Cooperation of February 10, 1983;

Wishing to cooperate on the Study for Nine Provincial Towns Water Supply in Thailand ;

Have agreed as follows :

ARTICLE I

1.1 The Government of the Kingdom of Thailand designates the Provincial Waterworks Authority, hereinafter referred to as "PWA", as the agency responsible for the implementation of its obligations under this Memorandum of Understanding.

1.2 The Government of the Republic of Italy indicates C. Lotti & Associati S.p.A., Italy, hereinafter referred to as "Lotti", as the organization responsible for the implementation of its obligations under this Memorandum of Understanding.

ARTICLE II

2.1 The two Governments shall cooperate in the Study for Nine Provincial Towns Water Supply in Thailand, hereinafter referred to as "the Study" .

2.2 The objectives of the Study are to improve the water supply in the provincial centres of (1) Had Yai; (2) Songkhla; (3) Sadao; (4) Lampon; (5) Karnchanaburi; (6) Mukdaharn; (7) Ban Phai; (8) Chonnabot; (9) Amnat Charoen.

The main steps of the Study will be a master plan for the long-range development of these systems (25 years), a feasibility study of the water supply systems for the first phase (15 years) of the master plan and the detailed engineering design and tender documents of the first phase.

2.3 The Study is planned to be carried out in a timespan lasting about (15) fifteen calendar months.

ARTICLE III

The Government of the Kingdom of Thailand, in accordance with the prevailing laws and regulations, shall make the contributions which will be specified through another Exchange of Notes.

ARTICLE IV

4.1 The Government of the Republic of Italy, in accordance with the prevailing laws and regulations, shall make the following contributions :

- Italian experts for a total of 90 man/months to be spent in Thailand and 141 man/months to be spent in Italy.
- 5 vehicles and field equipment for hydrogeological researches and leakage detection .
- Training of PWA personnel both in Italy and Thailand.

4.2 The total amount of the grant will be specified through Exchange of Notes after the contract between the Thai implementing agency and the appointed Italian company has been signed .

ARTICLE V

The Government of the Kingdom of Thailand will assure to the Italian experts working in Thailand for the execution of the Study by :

- exempting the Italian experts from income taxes derived from their activities under the Study;

- exempting the Italian experts from customs duties on personal effects imported within six months after the first arrival of the experts in Thailand;
- assisting the Italian experts and their dependents with respect to any necessary entry and exit visas, stay permits, and other documents required for their stay and services in Thailand .

ARTICLE VI

The Government of the Kingdom of Thailand will :

- facilitate prompt clearance of any equipment, materials or supplies required for the services and of the personal effects of the Italian experts, except those banned for import;
- exempt from customs duties and taxes on the importation of the equipment, materials and supplies required for the implementation of the Study.

ARTICLE VII

The two Governments and their designated implementing organizations (PWA and Lotti) shall ensure that this Memorandum of Understanding is carried out with due diligence and efficiency and each shall furnish the other with all information that may be considered necessary for the realization of the Study.

ARTICLE VIII

8.1 This Memorandum of Understanding shall enter into force on the date of the signature and shall expire upon completion of the Study or on any date mutually agreed upon by the two Governments.

8.2 This Memorandum of Understanding which is stipulated in accordance with ARTICLE III of the Basic Agreement on Co-operation Between the Kingdom of Thailand and the Republic of Italy is of a technical nature and is intended only to set out the administrative responsibility of the two Governments in relation to the carrying out of the Study within the framework of the above - mentioned Basic Agreement on Co-operation between the two Countries.

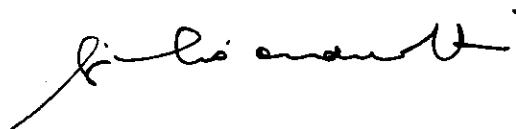
8.3 This Memorandum of Understanding may be amended at any time with the mutual consent of both Governments by Exchange of Letters.

8.4 Any dispute arising out of the interpretation or implementation of this Memorandum of Understanding shall be settled amicably by consultation or negotiation between the two Governments.

IN WITNESS WHEREOF, the Undersigned, have signed this Memorandum of Understanding.


SIGNED in Bangkok on May 8th, 1986 in duplicate in the English language.

FOR THE GOVERNMENT OF THE
REPUBLIC OF ITALY



(Giulio Andreotti)
Minister of Foreign Affairs

FOR THE GOVERNMENT OF THE
KINGDOM OF THAILAND

Air Chief Marshal 

(Siddhi Savetsila)
Acting Deputy Prime Minister
and
Minister of Foreign Affairs