



Section Officer (INGOs/NGOs)
Phone: 051-9201789

Islamabad, the 30th March 30, 201

SUBJECT:- SIGNING OF MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN GOVERNMENT OF PAKISTAN AND M/S WATER, ENVIRONMENT AND SANITATION SOCIETY (WESS)

Dear Sir,

This is to inform you that that the Government of Pakistan is pleased to register and sign MoU with M/S Water, Environment and Sanitation Society (WESS) for a period of two years with the following conditions;

- i. Annual Action Plan (APA) of every new Activity/Project involving foreign funding will be required to be submitted to EAD along with the Project and Financing Agreement with the Donor/INGO well in time before commencing the project
 - ii. NGO will seek concurrence of EAD if it changes its thematic area of working and expands geographical location of its activities other than that given in the signed MoU.
 - iii. NGO will not employ any individual of Indian and Israeli nationality/origin.
 - iv. Limit your work to concrete socio-economic activities.
 - v. Not to use controversial terms like "Peace & Conflict Resolution, IDPs etc in your annual reports or any other Documents/Correspondence/Agreements.
 - vi. Receive funds and work only with registered INGOs.
 - vii. The organization is not allowed to retain foreign contributions in foreign exchange or in your foreign currency accounts but it will have to convert the same into PKR for utilization in line with the purposes specified in MoU. However, if there is a justifiable need to retain a part of foreign contribution in foreign currency, SBP's approval shall be required.
 - viii. Organization shall receive foreign contributions through banking channel only. However, while doing so, it will have to comply with the Anti Money Laundering and other relevant rules as per applicable in Pakistan.
2. Duly signed MoU, in original, is enclosed herewith.

With regards,


(Irfan Baloch)

Mr. Pervez Iqbal
Chief Executive
M/S Water, Environment and Sanitation Society (WESS)
House no. 112-A, 25th Lane, Main Commercial Area, Jinnah Town,
Quetta

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE GOVERNMENT OF ISLAMIC REPUBLIC OF PAKISTAN
AND
WATER, ENVIRONMENT & SANITATION SOCIETY

This MOU is made between the Government of Pakistan through the Economic Affairs Division, (hereinafter referred to as “the Government”) and Water, Environment & Sanitation Society (WESS) (hereinafter referred to as “the Organization”), a not-for-profit organization registered under the Societies Registration Act, 1860 at Director General Industries & Commerce, Office of the Registrar of Societies, Sirki Road, Quetta, Balochistan and having their registered office at House No. 112-A, 25th Lane, Main Commercial Area, Jinnah Town , Quetta, Balochistan.

Whereas the Organization, Water, Environment & Sanitation Society (WESS) desires to undertake work for the socio-economic development in the country, particularly in the area(s) of 1) Water & Sanitation, 2) Education, 3) Health, 4) Community Physical Infrastructure, 5) Advocacy & Capacity Building, 6) Natural Resource Management, 7) Livelihood Security & Income Generation, 8) Vocational Trainings & Life Skills Education, 9) Sustainable Community Development, 10) Child Labor and Child Protection, 11) Humanitarian Assistance & Emergency Relief and 12) Appraisals, Research and Technical Surveys and located in Quetta, Loralai and Chaghi districts, and for this purpose has submitted an application for registration accompanied by requisite documentary information.

Now, the Government is pleased to allow the organization to carry out its work on the following conditions:-

1. This MOU shall be governed by laws and policies of the Government of Pakistan.

2. **The Government may:**

2.1. Allow Water, Environment & Sanitation Society to receive foreign contributions including funds, materials and services, emanating from declared sources, through legal channels, subject to reporting requirements.

2.2. Allow Water, Environment & Sanitation Society to open, maintain and operate accounts for the execution of its work.

Provided that for opening and operating foreign currency accounts, the Water, Environment & Sanitation Society shall seek permission of the State Bank of Pakistan, under the applicable law and rules;

2.3 Allow Water, Environment & Sanitation Society to maintain its office at House No. 112-A, 25th Lane, Main Commercial Area, Jinnah Town , Quetta, Balochistan and to open other offices, if required, with prior written approval of the Government, subject to the concurrence of the Provincial Government / local government and compliance with applicable law / rules.

3. **Import / Tax Regulations**

3.1. The Water, Environment & Sanitation Society may avail 100% tax credit subject to the provisions of the Section 100C and approval of the Commissioner Inland Revenue concerned, under Section 2(36)

of the Income Tax Ordinance 2001.

4. Obligations of the Organization

The Organization shall:-

- 4.1. Use funds, materials and services received by it as foreign contribution or foreign economic assistance from declared sources, through legal channels, for its specified work, and provide to the Government every six months complete information regarding flow of such funds, materials and services and when required by the Government.
- 4.2. Obtain prior concurrence of the Government for any additional funding or different source of funding other than that specified by the Water, Environment & Sanitation Society.
- 4.3. Appoint and employ a representative and other senior management personnel as appropriate, who will manage the work and supervise the staff on behalf of the Water, Environment & Sanitation Society and liaise with the Government, and the Provincial / local Governments.
- 4.4. Make payment above Rs.20,000/- (Twenty Thousand) in Pakistan through banking channels and to provide complete details in this respect to the Government every six months.
- 4.5. Ensure that all staff shall pay applicable taxes.
- 4.6. Ensure withholding of tax, wherever applicable, and deposit of the same in Government treasury.
- 4.7. Ensure that the administrative expenses do not exceed 30% of the project cost.
- 4.8. Ensure filing of Income Tax Return and withholding statements.
- 4.9. Ensure that its entire work is undertaken in accordance with the laws and policies of Government of Pakistan.
- 4.10. Inform respective Provincial Governments and concerned Local Governments / district authorities regarding its programs / projects in their area and obtain their approval/permission/NOC for carrying out permissible activities.
- 4.11. Ensure that every expatriate has obtained an NGO visa prior to his / her entry into Pakistan as required under existing rules / regulations of Pakistan. The Organization shall not employ expatriates who are in the country on any other visa.
- 4.12. Obtain prior written permission from the Government for visits to prohibited areas by expatriate personnel.
- 4.13. Ensure that all expatriate staff are informed that while they are in Pakistan, they (a) shall be subject to the laws and regulations of Pakistan, and (b) respect religious injunctions and cultural norms in Pakistan.
- 4.14. Provide updated lists of its foreign and locally hired staff to the Government on a six monthly basis.
- 4.15. Submit to the Government every six months, and when required, written reports covering its activities and progress on the projects, funds received from abroad and their expenditure in Pakistan.
- 4.16. Submit, on yearly basis, independent or third party evaluation including quantitative and qualitative assessment and impact of its work to the Government, Provincial Government and local government.
- 4.17. Have its performance audit done from a panel of Auditors approved by the NGO Committee.

The Organization shall not:-

- 4.18. Engage in any activity defined as an offence in Chapters 14 & 15 of Pakistan Penal Code
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(Act XLV of 1860) or any other law prevailing in the country

- 4.19. Engage in money laundering, terrorist financing, weapon smuggling, anti-state activities and maintaining links with proscribed organizations.
- 4.20. Take part or assist in any kind of political activity; conduct research or survey unrelated to their TORs unless sanctioned by the Government; carry out missionary work in Pakistan or any other unauthorized or prohibited activities.
- 4.21. Transfer or rent / lease out its possessions or allow their use for purposes other than those specified and agreed upon between the Parties in this MOU.
- 4.22. Indulge in distribution of any material or pamphlet causing or likely to cause religious resentment in the area of its activities.
- 4.23. Indulge in any activity in any manner including distribution or dissemination of any material or pamphlet causing or likely to cause religious resentment in the areas of activities.

5. Termination of MOU

- 5.1. The Government reserves the right to immediately terminate this MOU and cancel registration of the Water, Environment & Sanitation Society in case of non-compliance with any provision of this MOU.
 - 5.2. The Government may also terminate this MOU on the following grounds:-
 - 5.2.1. The Water, Environment & Sanitation Society has been found to be working in a geographical area other than the areas authorized.
 - 5.2.2. The non-cooperation or breach of security or participation in any activity inconsistent with national interests, and religious sentiments of the people.
 - 5.2.3. The objectives stated by the Water, Environment & Sanitation Society are not being pursued.
 - 5.2.4. False, incomplete or misleading information has been furnished to the Government.
 - 5.2.5. No reasonable activity has been undertaken by the Water, Environment & Sanitation Society for a period of one year after signing of this MOU.
 - 5.2.6. The Water, Environment & Sanitation Society has ceased to exist.
 - 5.3. In case of termination of this MOU, the registration of the Water, Environment & Sanitation Society will stand cancelled and it shall cease all its activities forthwith.
- 6.** The Water, Environment & Sanitation Society may file a written request for cancelation of its registration and closing of its activities with 3 months prior notice to the Government for its approval and clearance in accordance with the laid down procedure.

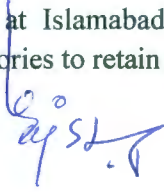


7. Entry into Force and Duration of MOU

This MOU shall enter into force on the date of signatures and shall remain valid for a period of two years.

In witness whereof, the undersigned representatives, duly authorized by the Government and the Water, Environment & Sanitation Society, have signed this Memorandum of Understanding.

Done at Islamabad, on this 30th day of March, 2018, in English language in two originals, the signatories to retain a copy each.



Joint Secretary
For the Government of the
Islamic Republic of Pakistan

(RANA KAISER ISHAQUE)
Joint Secretary (UN/INGOs/NGOs)
Economic Affairs Division
Government of Pakistan
Islamabad



Pervez Iqbal – Chief Executive
Organization Representative

