



# **Memorandum of Understanding**

between

**The International Trade Centre** 

and

The Kyrgyz State Technical University (KSTU)

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# The Kyrgyz State Technical University (KSTU)

WHEREAS the International Trade Centre (hereinafter referred to as "ITC"), with Headquarters in Geneva, Switzerland, the development partner for trade success, is the joint technical cooperation agency of the World Trade Organization and the United Nations;

WHEREAS ITC, in its aim to contribute to the achievement of the goals of the United Nations 2030 Agenda for Sustainable Development, generates sustainable incomes and livelihoods especially for poor households, by connecting enterprises to regional and global markets and enables small business trade success in developing and transition countries by providing, with partners, inclusive and sustainable trade development solutions to the private sector, trade and investment support institutions (TISIs) and policymakers;

WHEREAS ITC aspires to hold up the values of vision, integrity, excellence, pragmatism and responsiveness;

WHEREAS ITC is leveraging its strategic objectives which are: building awareness and improving the availability and use of trade intelligence; strengthening TISIs; enhancing policies for the benefit of exporting enterprises; building the export capacity of enterprises to respond to market opportunities; mainstreaming inclusiveness and sustainability into trade promotion and export development policies;

WHEREAS ITC bases its integrated solutions around the following focus areas where the organization has a comparative advantage in: (1) providing trade and market intelligence; (2) building a conducive business environment; (3) strengthening TISIs; (4) connecting to international value chains; (5) promoting and mainstreaming inclusive and green trade; and (6) supporting regional economic integration and South-South links;

WHEREAS the Kyrgyz State Technical University named after I.Razzakov (hereinafter referred to as "KSTU"), with headquarters at Bishkek, is the flagship of technical education in Kyrgyzstan. The University offers several bachelor's and master's degree programs. At the faculty of technology, the Department of "Technology of light industry products" prepares highly qualified specialists in the area of "Technology and design of light industry products", sections: (1) technology of garments, (2) design of garments, (3) technology of textiles and leather, (4) technology of leather products and technology of leather and fur;

**NOW, THEREFORE,** ITC and KSTU (hereinafter collectively referred to as the "Parties", and each individually as a "Party") have agreed to the following:

# Article 1 PURPOSE

The purpose of this Memorandum of Understanding (hereinafter referred to as "MOU") is to set-up close collaboration between ITC and KSTU on the establishment of a training centre for the textile and clothing sector of Kyrgyzstan, within the framework of the Global Textiles (GTEX) programme financed by SECO. Under the GTEX programme, ITC aims to sustain the creation of knowledge and capacities at institutional level to serve enterprises and meet their demand for services, thus building trust in more efficient and competent TISIs.

# Article 2 AREAS OF COOPERATION

- 1. Subject to the availability of funds, the Parties' respective strategic frameworks and priorities, and without prejudice to the necessary approvals required pursuant to the Parties' internal regulations and rules in effect at the time of the planned implementation, the Parties' cooperation will be related to establishing a training centre to develop and/or upgrade two (2) core-skills requirements of the Kyrgyzstan garment industry: 1) garment sewing operators; 2) Computer Aided Design (CAD) operators for pattern making, grading and marker making. KSTU will utilize its expertise on these topics and the sector to develop and deliver short and targeted trainings to students and enterprises. Through this MOU, KSTU will also play a central role in enabling stronger collaboration between industry-educational institutions and carry out educational activities beyond the duration of this MOU as a result of the capacity building received.
- 2. The activities to be performed by KSTU shall include:

# Core skill area 1: Training programme for sewing operators

- Develop/adopt training materials for various skill/knowledge levels in consultation with ITC, enterprises and the sector association;
- Establish training schemes, including length of training and associated fee for various skill levels/knowledge in consultation with ITC, enterprises and the sector association;
- Allocate and set up classroom facilities for sewing operators training with capacity to accommodate 15-20 sewing machines, cutting table and finishing section;
- Oversee the installation of special/selected sewing machine (Overlock, flat seam and button hole and button sewing machine) one (1) of each type procured directly by ITC;
- Roll out the training programme and provide implementation report to ITC following each training delivered.

# Core skill area 2: Training programme on Computer Aided Design (CAD) for Pattern making, Grading and Marker Making

- Develop/adopt training materials for various skill/knowledge levels in consultation with ITC, enterprises and the sector association;
- Establish training schemes, including length of training and associated fee for various skill levels/knowledge in consultation with ITC, enterprises and the sector association;
- Allocate and setup classroom facilities for CAD training, including fifteen (15) computers for the training;
- Oversee the installation of the CAD software and plotter and fit mannequins procured by ITC;

- Assign dedicated staff(s) to receive training on the new system delivered by the selected software provider;
- Roll out the training programme and provide implementation report to ITC following each training delivered.
- 3. In order to enable KSTU to implement the above-mentioned activities, ITC will:1
  - Assist KSTU in developing/adopting training materials in line with sector training requirements;
  - Procure directly a CAD software and plotter, selected sewing machines and mannequins, as set forth in Annex II;
  - Provide coordination support to KSTU to bring enterprises and sector association to discuss and agree on training content and schemes;
  - Where needed, ITC will engage international experts to share best practices in sector-educational institution linkages;
  - Organize quarterly review meeting to take account of progress, opportunities and challenges with enterprises, the sector association and KSTU.

# Article 3 CONTRIBUTIONS

- 1. KSTU will provide to ITC the following In-kind contributions:
  - Staff time to organise the activities specified in Article 2;
  - Staff time to develop and deliver training programme on a cost recovery basis as per agreed schemes with sector association and enterprises;
  - Provide classroom facilities for planned trainings with capacity to accommodate 18 sewing machines, cutting table and finishing section;
  - Provide 18 lockstitch sewing machines for trainings;
  - Provide classroom facilities with capacity to accommodate 15-20 computers;
  - Provide 10-15 computers ready to install pattern-making software,

which are estimated at US\$ 38,771.

- 2. The above contribution will be provided as set forth in Annex I.
- 3. ITC will remain responsible for administering the resources provided by KSTU in accordance with the established United Nations Regulations and Rules and related ITC administrative procedures.

#### Article 4 LICENSE

1. Any tools, methodologies, documents or other materials (the "MOU Materials") distributed or rendered accessible as the case may be by ITC to KSTU in the framework of this MOU are provided free of charge to KSTU on a non-exclusive basis as a means to ensure timely implementation of activities under the project and technical work on a non-commercial basis, uniquely for use of KSTU. Access to or use of the MOU Materials for other purposes is strictly prohibited without ITC prior written consent. KSTU by signing this MOU acknowledges and agrees that all rights (except the rights addressed in paragraph 2 of Article 4), title and interests in and to the MOU Materials, including without limitation the copyright to the MOU Materials and all intellectual property rights therein, belong to and are possessed or owned by ITC and

<sup>&</sup>lt;sup>1</sup> ITC will provide the contributions concerned through procurement of goods/services and ITC consultant contracts – for more details please see Annex II.

that ITC retains the right to make such use of the MOU Materials as it may consider necessary in its sole discretion. KSTU shall therefore refrain from attributing in any manner whatsoever the MOU Materials or any portion thereof to itself or to any person or entity other than ITC.

2. Transfer of ownership of equipment, supplies and other property financed by ITC under the MOU will be made after full completion of activities under Article 2 by KSTU, and in accordance with ITC rules and donor agreement for transfer of ownership and by signing of a Delivery-Acceptance Certificate by ITC and KSTU.

## Article 5 IMPLEMENTATION OF THE MOU

- 1. The Rector of KSTU and the Executive Director of ITC shall make the necessary arrangements to ensure satisfactory implementation of the MOU.
- 2. The Parties agree to communicate from time to time to exchange views and report on accomplishments with regard to this MOU.
- 3. The Parties shall regularly monitor and review their activities under this MOU, and evaluate the results of the implementation of geographic, sectoral and thematic programmes, in order to ascertain whether the objectives have been met and enable them to formulate recommendations with a view to improving future cooperation and activities.

#### Article 6 VISIBILITY

- 1. KSTU acknowledges and agrees that ITC, in its sole discretion, may provide appropriate acknowledgement concerning the Parties' collaboration under this MOU and therefore publish in any form and medium, including on its web site the name of KSTU and the purpose of the present cooperation.
- 2. All publications by KSTU pertaining to the cooperation that have received support from ITC, in whatever form and whatever medium, including the internet, shall carry the following or a similar disclaimer: "This document has been produced with the financial assistance and/or support of the Government of Switzerland, the Swiss State Secretariat for Economic Affairs (SECO) and the International Trade Centre (ITC). The views expressed herein can in no way be taken to reflect the official opinion of the ITC."
- 3. KSTU shall not, in any manner whatsoever, use the name, emblem or official seal of ITC, or any abbreviation of the name of ITC in connection with its business or otherwise without the prior written permission of ITC. Under no circumstances shall authorization be provided to use the name, emblem or official seal of ITC, or any abbreviation of the name of ITC, for commercial or profit purposes.
- 4. KSTU shall not make any announcement or issue press releases in connection with the existence or subject matter of this MOU without first obtaining the written permission of ITC.

#### Article 7 LIABILITY

1. ITC shall neither be liable for any damage sustained by KSTU in the implementation of the MOU, nor for any act or default on the part of KSTU in the implementation of the MOU.

2. KSTU shall indemnify, hold and save harmless, and defend, at its own expense, ITC, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of KSTU, or the KSTU's employees, officers, agents or sub-contractors, in the implementation of this MOU. This provision shall extend, inter alia, to claims and liability in the nature of workmen's compensation, products liability and liability arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by KSTU, its employees, officers, agents, servants or sub-contractors. The obligations under this Article do not lapse upon termination or expiry of this MOU.

# Article 8 CONTACTS AND NOTICES

1. For purposes of communications, requests or notices with respect to this MOU,

ITC shall be represented by

Elena Boutrimova
Chief, Office for Eastern Europe and Central Asia,
at the following address:
Palais des Nations, 1211 Geneva 10,
Switzerland

and

KSTU named after I. Razzakov shall be represented by

Murataly Djamanbaev
Rector,
at the following address:
66 Chyngyz Aitmatov Ave, Bishkek, 720044,
the Kyrgyz Republic

2. Unless otherwise specified in writing, all communications between the Parties should be between the above representatives.

# Article 9 GLOBAL COMPACT PRINCIPLES

This MOU is agreed upon within the policy framework for cooperation between United Nations organizations and its subsidiary organs with the private sector and civil society that has been established by the Secretary-General of the United Nations as part of his programme of reform. In accordance with the United Nations Global Compact<sup>2</sup>, KSTU, by entering into this MOU, confirms that it is not complicit in human rights abuses, it does not tolerate forced or compulsory labour or the use of child labour, it is not involved in the sale or manufacture of anti-personnel mines or their components, is committed to the protection of the environment, and works against all forms of corruption, including extortion and bribery.

# Article 10 PRINCIPLES FOR RESPONSIBLE MANAGEMENT EDUCATION

The MOU is undertaken within the policy framework of the Principles for

<sup>&</sup>lt;sup>2</sup> <u>http://www.unglobalcompact.org.</u>

Responsible Management Education (PRME),<sup>3</sup> an initiative in partnership of eight (8) international co-convening organizations, including the UN Global Compact<sup>4</sup>. KSTU by entering into this MOU, confirms that KSTU is willing to integrate corporate responsibility and sustainability in a gradual but systemic manner in its curricula, research, teaching methodologies and institutional strategies.

# Article 11 PROTECTION FROM SEXUAL EXPLOITATION AND SEXUAL ABUSE

- 1. Sexual exploitation and sexual abuse violate universally recognized international legal norms and standards and have always been unacceptable behaviour and prohibited conduct for United Nations staff. Such conduct is prohibited by the United Nations Staff Regulations and Rules.
- 2. In signing the MOU, KSTU acknowledges the receipt of a copy of the ITC Executive Director's Bulletin ITC/EDB/2012/06 of 24 December 2012, titled "Special measures for protection from sexual exploitation and sexual abuse", and accepts the United Nations and ITC standards in relation to the prohibition of sexual exploitation and sexual abuse; and to take all appropriate measures to prevent sexual exploitation or sexual abuse of anyone by KSTU or by any of its employees to perform any activities under the MOU.
- 3. Failure by KSTU to take preventive measures against sexual exploitation or sexual abuse, to investigate allegations thereof, or to take corrective action when sexual exploitation or sexual abuse has occurred, shall constitute grounds for termination of this MOU.

# Article 12 ITC LEGAL STATUS

The International Trade Centre is a joint subsidiary organ of the World Trade Organization and the United Nations and enjoys privileges and immunities as granted under the Convention on the Privileges and Immunities of the United Nations adopted by the General Assembly of the United Nations on 13 February 1946. KSTU's agents or employees shall not be considered in any respect as being officials or staff members of ITC.

#### Article 13 LEGAL STATUS OF KSTU

KSTU represents and warrants to ITC that: (i) it is a Technical University with legal personality -a public entity established in 1954 by the Order No. 953 of the Ministry of Higher Education of the Kyrgyz Soviet Socialist Republic-, duly incorporated and validly existing under the laws of the Kyrgyz Republic; (ii) it has the power and authority to enter into and perform the obligations to be assumed by KSTU under this MOU; (iii) it has taken all necessary internal steps to authorize the execution, delivery and performance of this MOU; (iv) that the entering into, execution, and performance by KSTU of the activities under this MOU do not violate any law or regulation applicable to KSTU or its constitutive documents; and (v) that the signatory of KSTU has full power and authority to sign individually this MOU in the name and on behalf of KSTU.

<sup>&</sup>lt;sup>3</sup> http://www.unprme.org/the-6-principles/index.php.

<sup>&</sup>lt;sup>4</sup> http://www.unglobalcompact.org.

## Article 14 RELATIONSHIP BETWEEN THE PARTIES

Nothing in this MOU shall create any employer/employee, agency, distributor, partnership or any form of joint venture relationship between the Parties. Except, as expressly set forth in this MOU, neither Party shall have the authority to act on behalf of, be liable for the acts of the other Party or bind the other Party in any way. The Parties hereby recognize that the collaboration under this MOU is non-exclusive.

# Article 15 NO WAIVER

Any waiver or excuse by a Party of a breach of a provision of this MOU will not operate or be construed to be a waiver or excuse of any other breach of that provision or of any breach of any other provision of this MOU. A failure or a delay by a Party to insist upon strict adherence to any term of this MOU will not be considered a waiver or deprive that Party of the right thereafter to insist upon strict adherence to that term or any other term of this MOU. Any waiver must be in writing and signed by the Party giving the waiver or excuse.

# Article 16 SETTLEMENT OF DISPUTES

- 1. The Parties shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of the MOU or the breach, termination, or invalidity thereof. Where the Parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the Conciliation Rules then obtaining of the United Nations Commission on International Trade Law (hereinafter referred to as "UNCITRAL"), or according to such other procedure as may be agreed between the Parties in writing.
- Any dispute, controversy, or claim between the Parties arising out of the MOU or the breach, termination, or invalidity thereof, unless settled amicably under paragraph 1 of this Article, within sixty (60) days after receipt by one Party of the other Party's written request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The decisions of the arbitral tribunal shall be based on general principles of international commercial law. The arbitral tribunal shall be empowered to order the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided under the MOU, order the termination of the MOU, or order that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided under the MOU, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 ("Interim Measures") and Article 34 ("Form and Effect of the Award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the MOU, the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy, or claim.
- 3. Nothing in or relating to this MOU shall constitute or imply the waiver by ITC of any of its privileges and immunities.

#### Article 17 DURATION

- 1. This MOU shall become effective upon signature by both Parties, for a period of eighteen (18) months, on the understanding that either Party is at liberty to terminate it at any time, after furnishing to the other Party a written notice of termination thirty (30) days in advance of the date on which the Party furnishing such notice wishes to have the MOU terminated.
- 2. Without prejudice to the foregoing, reasonable steps shall be taken to ensure that termination of this MOU shall not be prejudicial to any activities or programmes undertaken within the framework of the MOU or to the completion of tasks for which binding obligations exist.

## Article 18 AMENDMENT

This MOU, including the Annex, may be amended only by written agreement of the duly authorized representatives of the Parties.

## Article 19 STATUS OF ANNEXES

The Annex forms an integral part of the MOU. Any reference to this MOU includes the Annex.

#### Article 20 ENTIRE AGREEMENT

This MOU contains and constitutes the entire agreement and understanding of the Parties concerning the subject matter hereof and supersedes any and all prior or other representations, communications, understandings, agreements and proposals, whether written or oral, by and between the Parties on this subject.

**IN WITNESS HEREOF**, the undersigned, being duly authorized thereto, have on behalf of the Parties hereto signed this MOU in two (2) originals in English at the place and on the day below written.

At Bishkek, on Lat-May, 2018

At Geneva, on 13-May 201)

For and on behalf of the Kyrgyz State Technical University:

For and on behalf of the International Trade Centre:

Murataly Diamanbaev Rector

Gerard Lynch Director

Division of Programme Suppor

# ANNEX I In-Kind Contribution from KSTU

Foc	Focus area 1: Training programme for sewing operators	ing operator	S			1 100	
	o III		Resource required	iired	Tim	Timeline	rtik e g a g and viik bite
Š	Activities	Items	Basis of calculation	Estimated Budget (USD)	Start	End	Expected Outcome
_	Develop/adopt training materials in line with industry needs	Staff time (KSTU)	CIK (KTSU)	200	May	June	Training programme and action
7	Develop training schemes for various skill/knowledge levels available in the industry	Staff time (KSTU)	CiK (KTSU)	500	May	June	plan for roll out of the programme validated by stakeholders
n	Allocate and setup classroom facilities for sewing operators training with capacity to accommodate 20 sewing machines, cutting table and finishing section (repair and restructure the premises)	the undersiders of the signed this mitten.	CiK (KTSU)	5227	June	And And only	Sewing machines, white boards,
4	Procure and install 18 sewing machines GACK A4	ed ea www.	CiK (KTSU)	1101	June	July	projector and screen, iron, chairs, cutting table installed in the
2	Procure and install 2 sewing machines GACK A <sub>2</sub>	es Mad cay b	CiK (KTSU)	989	June	July	training facilities
9	Procure and install iron with steam generator	dini di to bin n	CiK (KTSU)	171	May	May	
7	Procure and install ironing table	w v larie 6 bri	CiK (KTSU)	7868	May	May	gie i s is o (06 ove d isoni

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	Sewing machines delivered and installed	Training of sewing operators by the end of the project (Target – 250)		r Making)		Expected Outcome	Training programme and action	plan for roll out of the programme validated by stakeholders	White boards, projector and	installed		<ul> <li>Software installed and training provided to KSTU staff</li> </ul>
July	July	Decemb		ind Marke	Timeline	End	July	July	Мау	July	July	July
June	June	October		Grading a	Time	Start	May	May	Мау	June	June	June
1845	0	300	17,598	attern making,	ired	Estimated Budget	200	200	7868	9657	2748	0
CIK (KTSU	Based on average machine price		Subtotal	Design for (Pa	Resource required	Basis of calculation	CiK (KTSU)	CiK (KTSU)	CiK (KTSU)	CIK (KTSU)	CIK (KTSU)	Based on average machine
	Staff time (KSTU)	Staff time (KSTU)		uter Aided		Items	Staff time (KSTU)	Staff time (KSTU)				Staff time (KSTU)
Procure furniture for the classroom	Install special/selected sewing machine (Overlock, flat seam and button hole and button sewing machine) one of each, procured by ITC	Roll out training programme and provide implementation report to ITC following each training delivered		Focus area 2: Training programme on Computer Aided Design for (Pattern making, Grading and Marker Making)		Activities	Adopt and/or upgrade existing training materials in line with industry needs	Develop training schemes for various skills/knowledge levels available in the industry	Allocate and setup classroom facilities for CAD training (repair and restructure the premises)	Procure 15 computers for the training	Procure furniture	Oversee the installation of the CAD software and plotter and fit mannequins procured by ITC
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	Assign dedicated staff(s) to receive						ready to start training
		Staff time					וכמת וכ פומור וומוווווופ
	training on the new system delivered by		CIK/KTS/	200	Pino	hilly	
		(KSTI)	(00131)	202	מחום	July	
	the selected software provider	(2)					
							<ul> <li>CAD training integrated into</li> </ul>
		O. 1. 12 1.					
	Boll out of training: monitoring and	Start time					KTSU's regular course
α		/KCTIII		000	Oatobo	Decemb	All and the second second
,	reporting on implementation	(0101)		200	Jegopo	2	onering to students
						D	The state of the s
							on pattern makers from the
							industry trained on CAD
			Cultitate	27770			
			Sublotal	21,173			
			-	71111 00			
			lotal	38,771			

# ANNEX II

# Contribution from ITC

(Directly procurement of goods/services by ITC and ITC expert contracts)

Goal: To provide access to versatile skills development programme that responds to the current and emerging needs of the garment sector

Foc	Focus area 1: Training programme for sewing operators	ators					
			Resource required		Tin	Timeline	
Z	Activities	Items	Basis of calculation	Estimated Budget (USD)	Start	End	
-	Procurement of selected sewing machines	4	Previous ITC purchase	5,000	May	July	1
N	Procurement of fit mannequins	က	Industry estimate 1000x3	3,000	May	July	
m	Support to develop/adopt training material in line with sector training requirements	-	Consultant fee (USD 500x15 days)	7,500	May	July	
g	Subtotal	6		15.500			
00	Focus area 2: Training programme on Computer Aided Design for (Pattern making, Grading and Marker Making)	ded Desig	n for (Pattern making, Grading	g and Marker Maki	ng)		
	Procurement of CAD software and installation/training service	10	Industry estimate	30,450	May	July	
2	Procurement of plotter	-	Industry estimate	10,000	May	July	
9	Coordination support to KSTU to bring enterprises and sector association to discuss and agree on training content, and schemes	01	Meeting venue/coffee/tea	200	May	July	
4	Where needed, ITC will engage international experts to share best practices in sectoreducational institution linkages	-	Workshop Consultant 500x3 Travel/DSA	3,500	TBC	TBC	
			Subtotal	44,450			
			Total	59,950			