

## **Agreement on Establishment of Training Centre for Leather Industry**

September 29, 1973

### **AGREEMENT BETWEEN THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF DENMARK REGARDING ESTABLISHMENT OF TRAINING CENTRE FOR LEATHER INDUSTRY**

#### **New Delhi**

The Government of DENMARK and The Government of INDIA

DESIROUS of continuing and strengthening the friendly relations between the two countries and their populations,

RECOGNISING their mutual interest in promoting their economic and technical development, particularly in providing means for education and training and implementation of the Agreement of February 16, 1970, between the Government of India and the Government of Denmark concerning technical co-operation,

HAVE agreed as follows :

#### **Article I**

The two Governments will co-operate in the development of the small scale leather, footwear and leather goods industry in India by establishing a Prototype Development & Training Centre for Leather and Footwear Machinery at Madras.

#### **Article II**

The activities of the Prototype Development and Training Centre will be as follows :

Prototype development of leather and footwear machinery and related testing equipment and adaptation of advanced technologies in the field to suit Indian conditions for enabling the reproduction of such prototypes on commercial basis by small scale units.

Organisation and implementation of training courses, ranging from short-term specialised courses for machine operators to Post-Graduate courses for engineers in the design of machinery for the tanning and leather working industry.

Technical advice for the Tanning and Leather - Working Industry.

Job work on such items as cannot be executed by all the small-scale industries.

The prototype Development & Training Centre for Leather and Footwear Machinery will be placed under the administration of the National Small Industries Corporation Limited or any other agency as may be decided by the Government of India.

#### **Article III**

The commitments of the Governments of Denmark under this Agreement comprise :

1. provision for the prototype Development and Training Centre of equipment upto a c.i.f. value of 1,84 million Danish Kroner. The imported equipment will be delivered at Madras port;
2. provision of drawings of Danish Machinery and production rights upto a value of 0.5 million Danish Kroner;

3. recruitment and payment of international travel expenses, salaries and insurance from the entry into force of this Agreement for upto seven (7) experts as follows :

1 Chief Adviser

1 Construction Engineer

1 Production and Planning Engineer

4 Short term experts.

The Individual tenure of the Chief Adviser, Construction Engineer and the Production and Planning Engineer will be for a period of upto 5 years. The tenure of the 4 short-term experts will be for upto a total of 48 man months, all taken together.

4. fellowships of a duration of six to twelve months, including travel expenses for eight Indian Officers employed at the Prototype Development & Training Centre; the National Small Industries Corporation/any other agency will ensure that the Indian beneficiaries of the above fellowships, after their return to India, will serve at the Development and Training Centre for a suitable period.

5. the selection of machinery and equipment mentioned in Clause (a) and (b) above will be done jointly by the Danish and Indian authorities.

#### **Article IV**

Delivery of items mentioned under Article III and the sending out of the experts mentioned under the same article will take place in accordance with stipulations laid down in the Plan of Operation annexed to this Agreement.

#### **Article V**

The commitments of the Government of Denmark under this Agreement are :

1. procurement of suitable site and construction of buildings with all installations for the Prototype Development and Training Centre, including all working expenses;

2. procurement of necessary indigenous machinery and equipment at an approximate cost of Rs. 14 Lacs;

3. installation of machinery and equipment;

4. recruitment of Indian staff members and personnel as follows :

One Director

One Development Engineer

One Design Engineer

Technical Officers

Supervisors

Clerical Staff

5. payment of all other necessary expenses for the establishment and operation of the project not listed above and not mentioned under the commitment of the Government of Denmark.

#### **Article VI**

Procedures will be set up by the Government of India, whereby import duties and other fiscal charges, if any, on all the equipment including spare parts and materials for the Prototype Development and Training Centre, to be supplied by the Government of Denmark in pursuance of Article III are not payable by the Government of Denmark.

## **Article VII**

The Government of India will provide suitable residences for the experts to be sent out in pursuance of Article III and accord them such privileges as are normally accorded to comparable personnel at technical cooperation projects under the rules and regulations of the General Agreement between the Government of Denmark and the Government of India concerning Technical Co-operation of February 16, 1970.

## **Article VIII**

The items provided by the Government of Denmark in accordance with the provisions of Article III of the Agreement will become the property of the Government of India upon its arrival in the Indian territory on the condition that they remain at the disposal of the experts during the period of their assignment and for the purposes thereof under the present Agreement.

## **Article IX**

The Government of India will ensure that the equipment, donated by the Government of Denmark, after completion of the project, will continue to be used for the purpose for which it was intended.

## **Article X**

During the period of validity of the Agreement, representative of the Indian and Danish authorities shall have full access to the Centre. At the end of each year after the Agreement comes into force, a copy of the accounts as also a copy of a report on the activities during the past year shall be forwarded to the authorities concerned by the Centre.

Two years after the entry into force of the Agreement and one year before its expiry there shall be a joint inspection by the Indian and Danish authorities for reviewing the performance of the Centre.

## **Article XI**

The present Agreement shall enter into force on the day of its signature and shall remain in force for a period of five years. The Agreement may be terminated at any time by either Party giving six months' notice in writing to the other Party.

The present Agreement may be amended by an exchange of letters between the two Governments.

IN WITNESS WHEREOF, the undersigned, duly authorised by their respective Governments, have signed this Agreement.

DONE in duplicate in English in New Delhi on this Twenty ninth day of September 1973.

**For the Government of India**

**Sd/-**

**ABID HUSSAIN**

**Joint Secretary to the Government of India,  
Ministry of Industrial Development**

**For the Government of Denmark**

**Sd/-**

**HENNING HALCK**

**Ambassador Extraordinary and  
Plenipotentiary of Denmark to India**