

**MEMORANDUM OF UNDERSTANDING
REGARDING THE OPERATION OF THE INTERNATIONAL
NETWORK
FOR THE IMPROVEMENT OF BANANA AND PLANTAIN**

PREAMBLE

Whereas the Agreement Establishing the International Network for the Improvement of Banana and Plantain (hereinafter referred to as the "INIBAP Establishment Agreement") went into effect on 25 August 1990;

Whereas the International Network for the Improvement of Banana and Plantain (hereinafter referred to as "INIBAP") has as its general objective to increase the productivity and stability of banana and plantain on smallholdings;

Whereas INIBAP was admitted as one of the International Agricultural Research Institutes of the Consultative Group on International Agricultural Research (hereinafter referred to as "CGIAR") on 1 January 1991, as an institute working in an innovative mode;

Whereas the CGIAR has expressed its desire to see the completion of the trial period of INIBAP's mode of operation through 1996;

Whereas the International Plant Genetic Resources Institute (hereinafter referred to as "IPGRI") was established through an international Agreement on 9 October 1991 as one of the institutes of the CGIAR with the mandate to advance the conservation and use of plant genetic resources for the benefit of present and future generations;

Whereas the CGIAR and the INIBAP Support Group have expressed their desire to bring INIBAP under the governance and administration of IPGRI;

Whereas the IPGRI Board of Trustees is prepared to accept the responsibilities for the future of the INIBAP banana and plantain research and research-related activities within the CGIAR;

Whereas the INIBAP Board of Trustees views IPGRI as a suitable successor to govern and administer INIBAP;

Now, therefore, the Parties to this Memorandum of Understanding have agreed as follows:

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**ARTICLE I
(Purpose)**

1. The purpose of this Memorandum of Understanding is to establish a framework for the integration of the INIBAP programme into IPGRI for the benefit of the Parties and for the ultimate benefit of all countries, with particular reference to developing nations.

**ARTICLE II
(General responsibilities of IPGRI)**

1. IPGRI will implement the annual workplan and budget of the INIBAP programme and will ensure that this is in accordance with the INIBAP Medium Term Plan as approved by the INIBAP Board in March 1994 (and appended to this Memorandum of Understanding), subject to the availability of funds.

2. IPGRI will ensure that INIBAP retains its name and programme identity as an international network dedicated to the improvement of the production of banana and plantain grown by small farmers within producing countries.

3. IPGRI will continue to locate INIBAP's major operational base in or near the city of Montpellier, France and will maintain INIBAP's networking operations in the regions as required for the delivery of the INIBAP programme.

4. IPGRI will not take any steps regarding INIBAP as a legal entity at least until after the next External Review of IPGRI in 1996.

5. IPGRI will pursue the ratification of the INIBAP Headquarters' Agreement with the French Republic. Subsequent to the approval of the INIBAP Headquarters' Agreement by the ^{ratification} 'Conseil d'Etat', IPGRI will develop, sign and pursue the ratification of IPGRI's Agreement with the French Republic to provide the requisite privileges and immunities to the entire IPGRI operation in France.

6. IPGRI will ensure that at all times the Board of Trustees has adequate representation of banana/plantain producing countries, and will make all efforts to comply with Article 13, paragraphs (b) and (c) of the INIBAP Establishment Agreement.

7. Notwithstanding the provisions in paragraph 3 of Article III of this Memorandum of Understanding, the IPGRI Board will continue to operate in accordance with the IPGRI Constitution.

**ARTICLE III
(General responsibilities of INIBAP)**

1. The outgoing INIBAP Board of Trustees will propose to the INIBAP Support Group that the IPGRI Board of Trustees be also designated as the new INIBAP Board of Trustees as of the date of signature of this Memorandum of Understanding.

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2. The INIBAP Support Group will appoint the IPGRI Board of Trustees as the INIBAP Board of Trustees. This appointment will be effective as of the date of signature of this Memorandum of Understanding.

3. The INIBAP Support Group will continue to meet in accordance with Articles 10 and 11 of the INIBAP Establishment Agreement and receive reports from and provide advice and recommendations to the Board of Trustees.

4. The INIBAP Support Group will monitor the fulfilment of this Memorandum of Understanding.

ARTICLE IV (Work programme and reporting)

1. The annual workplan and budget of the INIBAP programme will, from 1 January 1995, be an integral part of IPGRI's annual programme of work and budget, and will be in accordance with the INIBAP Medium-Term Plan as approved by the INIBAP Board in March 1994, subject to the availability of funds.

2. The Director of INIBAP shall be a member of IPGRI's Management Committee, shall be responsible for Musa research, and shall report directly to the Director General in accordance with IPGRI procedures.

ARTICLE V (Financial and administrative arrangements)

1. For 1994, the income, expenditures, assets, liabilities, depreciation and reserves (capital fund and operating reserves) of the INIBAP programme will be administered by the INIBAP Director and will be audited in accordance with current INIBAP Policies and Procedures.

2. As of 1 January 1995 donors to the INIBAP programme will be requested to deposit their contributions in the IPGRI accounts, designating their contributions for the INIBAP programme.

3. The core and complementary funding provided to IPGRI for INIBAP, including a proportionate share of any World Bank funds received by IPGRI, shall exclusively be used to finance the INIBAP programme, and shall be administered and accounted for in accordance with IPGRI's Financial Policies and Procedures. It is further understood that IPGRI shall not be required to incur any financial liabilities in excess of the amounts received for the INIBAP programme.

4. As of 1 January 1995, income, expenditures, assets, liabilities, depreciation and reserves of the INIBAP programme will be recorded as an integral, but identifiable part of IPGRI's financial system and reporting procedures, and will be audited in accordance with IPGRI's Financial Policies and Procedures. All land, buildings, leaseholds and fittings and fixtures therein shall remain the property of INIBAP as an Institute, as will all liens, charges and mortgages on these assets. Only in the event that IPGRI becomes the owner of these assets on the dissolution of INIBAP by arrangement with the French State, will they be

recorded in the Financial Statements of IPGRI. IPGRI shall make no commitment to guarantee any liability incurred by INIBAP as an Institute.

5. Following the ratification of the INIBAP Headquarters Agreement with the French Republic, INIBAP will be in a position to initiate building its new premises in Montpellier, France. The new premises might comprise additional space for IPGRI staff, and IPGRI will be responsible for identifying the necessary funding and approvals for such an expansion. Before construction is initiated, IPGRI will need to receive reassurance that should INIBAP be dissolved IPGRI will not be liable for any residual construction loan obligations. In developing IPGRI's Agreement with the French Republic, IPGRI will initiate discussions with the relevant French authorities to decide on the issue of the ultimate ownership of these premises in Montpellier.

6. The issues of privileges and immunities of INIBAP and IPGRI in France, will be settled in liaison with the host country.

ARTICLE VI

(Future arrangements)

1. In the period following the 1996 External Review of IPGRI and before the termination of this Memorandum of Understanding, the INIBAP Support Group will decide on the future of INIBAP.

ARTICLE VII

(Settlement of disputes)

1. At the request of the INIBAP Support Group or IPGRI, this Memorandum of Understanding may be modified by mutual agreement of both these Parties.

2. Any disputes between the INIBAP Support Group and IPGRI concerning the interpretation or application of this Memorandum of Understanding, which is not settled by negotiation or other agreed modes of settlement, shall be referred to arbitration by a tribunal composed of three arbitrators: one to be appointed by IPGRI, one to be appointed by the INIBAP Support Group and the third, who shall be the Chairman of the tribunal, to be appointed by the first two arbitrators. A majority vote of the arbitrators shall be sufficient to reach a decision, which shall be final and binding on the Parties.

ARTICLE VII

(Final provisions)

1. This Memorandum of Understanding shall enter into force on the date upon which the Memorandum of Understanding is executed by the Parties and shall remain in force for an initial period of three years, and shall be automatically renewed thereafter for further periods of one year.

2. Should the INIBAP Support Group decide not to re-establish an independent INIBAP this Memorandum of Understanding shall terminate at an appropriate time as determined by the Support Group on the advice of the Board of Trustees.

3. Should the INIBAP Support Group decide to re-establish an independent INIBAP, IPGRI and the INIBAP Support Group will enter into appropriate consultations with a view to reaching agreement on the practical modalities of the administrative separation of INIBAP from IPGRI. Upon signature by IPGRI and the INIBAP Support Group of an agreement for the administrative separation of INIBAP from IPGRI, this Memorandum shall be terminated with immediate effect, provided that INIBAP shall continue to be responsible for settling all liabilities outstanding at the date of termination. Any balance of funds remaining unspent after all liabilities have been covered, as well as INIBAP's material, equipment and Archives held in trust by IPGRI, will be handed over to the Chairman of the new INIBAP Board of Trustees, who will receive them on behalf of all donors.


Done at New Delhi, on the 22nd day of *May* 1994, in three originals each in English, French and Spanish, each text being equally authentic.

FOR THE INTERNATIONAL NETWORK
FOR THE IMPROVEMENT OF
BANANA AND PLANTAIN

FOR THE INTERNATIONAL PLANT
GENETIC RESOURCES INSTITUTE

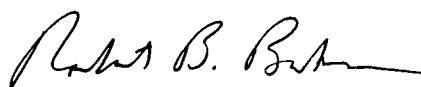


Coenraad ter Kuile
Chair, Board of Trustees



Wanda W. Collins
Chair, Board of Trustees

FOR THE INIBAP DONOR SUPPORT GROUP



Rob Bertram
Chair