

MEMORANDUM OF UNDERSTANDING

BETWEEN

**Rajasthan Export Promotion Council (REPC)
Department of Industries and Commerce,
Government of Rajasthan**

And

Consumer Unity & Trust Society (CUTS International)

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (MoU) is made on 21st May, 2024.

BY AND BETWEEN

The Rajasthan Export Promotion Council (REPC), an initiative of Department of Industries and Commerce, Government of Rajasthan, having its office at Udyog Bhawan, Tilak Marg, C-Scheme, Jaipur, Rajasthan hereinafter referred to as “REPC GoR” (which expression shall be deemed to mean and include its successors and permitted assigns) through its Chief Executive Officer, Mr. P R Sharma.

AND

Consumer Unity and Trust Society (CUTS International), a Society registered under Rajasthan Societies Registration Act with the registration number 99/1984-85 dated 11-6-1984 and having its office at D-217, Bhaskar Marg, Bani Park, Jaipur-302016, hereinafter referred to as “CUTS” (which expression shall be deemed to mean and include its successors and permitted assigns) through its Advisor, Varidhi Singh.

WHEREAS:

- A. REPC GoR is responsible for promoting industrial development and managing investments within the state of Rajasthan, aiming to stimulate economic growth and job creation through the Trade promotion also.
- B. CUTS is renowned for its research and advocacy, particularly in economic policy and trade development, aiming to apply its expertise to enhance the investment climate in the State of Rajasthan.
- C. The partnership aims to endeavor the transformation of Rajasthan into a leading global investment destination, creating significant employment opportunities and boosting the state's economic development through strategic advisory services and capacity building.

The parties hereto in consideration of the mutual covenants set forth herein and subject to the terms and conditions set forth in this Memorandum of Understanding agree as follows:



NOW THIS MEMORANDUM OF UNDERSTANDING WITNESSETH AS UNDER:

1. Scope of Memorandum of Understanding (MoU)

The Memorandum of Understanding is to engage CUTS International as a consultant to facilitate investment flows into the state of Rajasthan through various means which include but is not limited to:

- a) analyzing trade agreements with foreign countries which can help attract investments,
- b) reviewing opportunities in various parts of the state to localize investment as per the plans of the State in terms of sectors and geographies etc,
- c) keeping a track of investment flows and accompanying risks with the idea of minimizing the risks,
- d) identifying and advocating for necessary regulatory reforms to eliminate investment barriers, researching and implementing international best practices tailored to local needs,
- e) conducting capacity building programmes for REPC GoR staff at the grassroot to enable effective absorption of investment, and
- f) assisting REPC GoR and other agencies in communication with the Union Government and other agencies (both national and international) for exploring beneficial trade agreements [and international relations] which boost foreign direct investment in and exports from the State leading to local development and employment creation.

(Detailed scope of work is provided in Annexure I.)

2. Roles and Responsibilities of REPC GoR:

- 2.1 Considering that the REPC GoR is not providing any financial support for this partnership it will actively support external funding to CUTS from donors such as Foundations, World Bank, Asian Development Bank, AIIB and so on.
- 2.2 Furthermore, the REPC GoR shall provide comprehensive support to ensure the smooth execution of the initiatives outlined in this MoU. This includes offering logistical assistance and strategic policy guidance aligned with both local and national economic objectives to foster a conducive environment for investment and development.
- 2.3 The REPC GoR shall act as a crucial bridge, enhancing communications and enabling fruitful interactions between potential investors and relevant government entities. This role is vital for facilitating negotiations, expediting processes, and ensuring that interactions are efficient, thus aiming to create a seamless experience for investors.
- 2.4 The REPC GoR shall curate and disseminate essential information to investors, including updates on regulatory changes, upcoming investment opportunities, and sector-specific insights.



- 2.5 The REPC GoR shall appoint a nodal agency and a nodal officer to act as the single point of contact to ensure smooth coordination and implementation of activities under this partnership.
- 2.6 The REPC GoR will issue necessary instructions to relevant government officials and agencies to extend all necessary support to CUTS. This includes both staff and consultants, ensuring they have access to all information required for implementing the agreed initiatives.
- 2.7 The REPC GoR shall provide suitable workspace in its offices for two or more staff from CUTS, based on the requirements that may arise from time to time.
- 2.8 The REPC GoR shall convene regular project review meetings, chaired by the Principal Secretary of the Department of Industries and Commerce, to monitor the progress of activities and achieve the milestones detailed out as part of this collaboration.
- 2.9 The REPC GoR shall take effective and appropriate measures to expedite any pending activities and tasks highlighted during review meetings or in the interim periods.
- 2.10 The REPC GoR will facilitate CUTS in coordinating with various departments and agencies in the State or outside the State including the Union government as necessary for the implementation of the activities detailed in this MoU.
- 2.11 This MOU does not bar CUTS from accessing any funding opportunities which may be launched by REPC GoR which are open to any competitive bidding.

3. Roles and Responsibilities of CUTS

- 3.1 CUTS shall facilitate, coordinate, and implement the initiatives as outlined in the annexed 'scope of the partnership'. This will include the operational execution of the agreed activities to achieve the collaboration's objectives.
- 3.2 CUTS shall design a capacity-building framework that meets the benchmark requirements as envisaged by the relevant ministries and governmental departments, focusing on enhancing the capabilities of government officials to be able to deliver the mandate for any investment.
- 3.3 CUTS shall lead the development and implementation of targeted training programmes and workshops designed to enhance the capabilities of government officials and local entrepreneurs. These educational initiatives will focus on elevating participants' understanding of international trade practices, investment strategies, and regulatory frameworks.
- 3.4 CUTS shall undertake comprehensive research studies to inform policy development and produce detailed policy briefs with an aim to refine investment-related policies and encourage a more market-friendly environment within the State of Rajasthan.
- 3.5 CUTS shall engage with international experts and partners and endeavour to attract investors and bring best global practices to Rajasthan ensuring that the local frameworks and strategies are aligned with international standards and innovations.
- 3.6 CUTS will actively engage with resource persons and agencies to utilise their expertise in capacity development and skills building, bringing the most effective training and development strategies to the partnership.



- 3.7 The role of CUTS shall be primarily advisory. While CUTS will not receive financial compensation directly from REPC GoR for its services, but it would need funding from third-party donors or funding agencies as stated in Para 2.1 to generate the resources needed for delivering the agreed outputs.
- 3.8 CUTS may also advocate for securing funding from donor organisations or funding agencies to support specific projects or components of this collaboration as per exigencies which are not known today.

4 Exclusions from the Scope of this Memorandum of Understanding

This Memorandum expressly delineates the responsibilities not covered under this agreement, affirming the limitations of the collaboration between REPC GoR and CUTS. It is hereby agreed that:

- 4.1 Implementation of Agreements and Projects: The execution and realisation of agreements and projects arising from the initiatives discussed herein are solely the responsibility of the REPC GoR and respective investors. CUTS will provide only a facilitative and advisory role, and is not responsible for the direct implementation of projects or the enforcement of agreements.
- 4.2 Identification of investment opportunities and locations: The discovery and decision-making process regarding potential investment opportunities and choice of locations are the exclusive responsibilities of the investors in consultation with the REPC GoR. CUTS may assist in providing information and advisory support but do not participate in the final decision-making processes.
- 4.3 Resolution of disputes between investors and the REPC GoR: Any disputes, misunderstandings, or disagreements that arise between the investors and the REPC GoR shall be managed and resolved by the parties directly involved, without intervention from CUTS. The role of CUTS is confined to advisory and consultative capacities and does not extend to mediation or arbitration in investor-state disputes.
- 4.4 Tasks Beyond the Defined Scope: This MoU does not encompass any obligations, tasks, or responsibilities that are not explicitly outlined within the documented scope of this agreement. Any additional tasks that may arise during the tenure of this MoU and require collaborative effort will necessitate a separate agreement or amendment to this MoU, agreed upon by both parties in writing and subject to resources being available.

5 Dispute Resolution and Jurisdiction

In case of any dispute arising from this MoU, the parties will seek to resolve the matter through mutual consultation or mediation before resorting to arbitration under the Indian Arbitration Act.

6 Notices

Any notice or other communication required or permitted to be given hereunder shall be in writing and dispatched by hand delivery or Registered Post Acknowledgement Due (RPAD) or by courier to the given address, or transmitted to the given facsimile number and/or email address,



and shall be deemed sufficiently made or given on the date of delivery if delivered by hand, or on the date of mailing if dispatched by registered post acknowledgement due or by courier or on the date the facsimile or the email was sent. Either party may change its address or facsimile number or email address, by written notice to the other.

7. Representations of CUTS

CUTS is a Society registered under Rajasthan Societies Registration Act with the registration number 99/1984-85 dated 11-6-1984, and it is also registered with the Director of Exemption under the Income Tax Act which is valid and subsisting as on date.

8. Limitation on the liability

Given the non-financial nature of the agreement, and the dependency on REPC GoR for the success of this collaboration, no party is liable in any way. Also, the fulfilment of obligations by CUTS shall depend on the availability of funds/resources which need to be generated by CUTS with the active support of the REPC GoR.

9. Termination

Both parties can terminate this MoU in writing to the other party with three months' notice, which should be well reasoned.

10. Indemnity

CUTS confirms that REPC GoR shall not be liable or responsible in any manner for any act or omission of CUTS, and hereby indemnifies and keeps indemnified and holds REPC GoR harmless from and against all or any loss, damage, charges, costs and expenses that may be incurred or suffered by REPC GoR or any one of its employees on account of any claim made by any person directly arising out of REPC GoR's association with this collaboration. The same will operate in a vice versa fashion i.e. REPC GoR agrees to indemnify CUTS as detailed above.

11. Variation

The terms of this Memorandum of Understanding may be amended or modified with the mutual consent in writing of both parties.

12. Force Majeure

Any delay or failure in fulfilling the responsibilities as stated in Clauses II/III shall be excused if and to the extent caused by the occurrence of a Force Majeure. For purposes of this MoU, Force Majeure shall mean a cause or event that is not reasonably foreseeable or otherwise caused by or under the control of the Party claiming Force Majeure, including acts of God, fires, floods, explosions, riots, war, hurricane, sabotage, terrorism, vandalism, accident, pandemic and other like events that are beyond the reasonable anticipation and control of any or all of the parties affected thereby, despite the party's reasonable efforts to prevent, avoid, delay, or mitigate the effect of such acts, events or occurrences, and which events or the effects thereof are not attributable to the party's failure to perform its obligations under this MoU.



Demand for any fee/remuneration or any other funding by CUTS will not be accepted by REPC GoR, since CUTS has mentioned it will not seek any compensation or remuneration from REPC GoR as part of this partnership, with exceptions as specified in the MOU.

For and on behalf of

Rajasthan Export Promotion Council (REPC)

Department of Industries and Commerce, Government of Rajasthan



21.5.2024

(P R Sharma)

Chief Executive Officer

For and on behalf of



Consumer Unity and Trust Society (CUTS International)


21.5.24.

(Varidhi Singh)

Advisor

In the august presence of


21.5.24
Shri Ajitabh Sharma
Principal Secretary
Department of Industries and Commerce
Government of Rajasthan
Shri Pradeep S Mehta
Secretary General
Consumer Unity and Trust Society
(CUTS International)

Annexure I

Detailed Scope of Partnership between REPC GoR and CUTS

1. Policy Expertise

- 1.1 Investment policy and promotion:** Established in 1983 in Jaipur, CUTS has huge and long working experience on investment policy and trade policy matters. It is accredited to UNTAD, Geneva and its divisions on Investment Policy and Entrepreneurship, Trade Policy and Commodities and is a member of its eTrade for all Initiative. For several years, CUTS has been a member of the GOI's National Advisory Committee on International Trade and its subsidiary bodies; Board of Trade; Think Tank on E Commerce; NGO Advisory Body to the Director General, World Trade Organisation (three times) and with Trade & Industries Ministries in India, Kenya, Ghana and Zambia.
- 1.2** On the OCED's Multilateral Agreement on Investment being drafted in late 1980s Department of Commerce, GOI assigned a research assignment to CUTS International which led to a global standard report. The agreement has since been abandoned by the OECD due to opposition by its own members as well as developing countries such as India. The report has since guided GOI in the matter whenever investment policy comes up for discussion and negotiation on international fora, such as the WTO.
- 1.3** On investment policy matters, CUTS has been engaged by UNTAD to deliver research reports from a developing country perspective and provide advise on its annual World Investment Reports. Furthermore, CUTS has also done active reporting from UNTAD's World Investment Summits on a regular basis. This activity alone has been able to build CUTS capabilities on the nuances of investment policy matters across the world, including active engagement with World Association of Investment Promotion Agencies (WAIPA). Invest India is a member of WAIPA.

2. CUTS' Roles under this MoU

- 2.1 Regulatory Reforms:** CUTS has been associated with the GOI's Department of Industrial Policy and Promotion's and Planning Commission's committees on Business Regulatory Reforms and also with GoR on the same issue. Under this MOU, CUTS will collaborate closely with the Rajasthan Export Promotion Council, Government of Rajasthan (REPC GoR) to identify legal and regulatory barriers that hinder potential investors. Through meticulous analysis and stakeholder consultations, CUTS will advocate for and advise the REPC GoR for appropriate implementation of necessary reforms aimed at streamlining administrative procedures, reducing bureaucratic obstacles, and ensuring adherence to international standards.

2.2 Best Practices: The partnership will focus on the research and adoption of international best practices that have been effective in stimulating investment in other regions. CUTS will facilitate in customising such practices to fit the unique socio-economic and environmental context of Rajasthan, with special emphasis on sustainable development, technological integration, and enhancing investor services.

2.3 Trade Agreements: CUTS will aid the REPC GoR or appropriate agency in exploring trade and investment agreements [and international relations] that can help to enhance the state's export capabilities and attract more foreign direct investment. This effort will include the identification of strategic markets and sectors where Rajasthan holds competitive advantages, aiming to maximise these strengths on a global scale.

Given CUTS's association with international trade and investment bodies and its familiarity with the state of Rajasthan's economy, it shall extend its support to facilitate international trade and investment flows in the State of Rajasthan.

CUTS shall also assist in evaluation and exploring the opportunities for the exporters and investors in the state under various FTAs signed by Govt of India.

CUTS shall also assist in advising the policy and other supports to promote and establish some potential product specific MSME parks especially focusing on defence manufacturing in the state.

3. Capacity Building

3.1 Tailored Training for Officials: Specialised case study-based training programmes will be developed for state and district-level government officials to enhance their understanding of international investment dynamics, trade regulations, and economic policymaking. The goal is to empower these officials to effectively manage and promote as well as effectively absorb both foreign and domestic investments within Rajasthan.

3.2 Education on Trade Agreements: Focused educational sessions will be conducted for various stakeholders, detailing the nuances and benefits of trade agreements. These sessions are designed to equip participants with the necessary knowledge to effectively leverage these agreements in order to boost trade and investment in the State.

4. Stakeholder Engagement and Networking

4.1 Facilitate Strategic Meetings and Partnerships: CUTS International will utilise its extensive network to arrange and facilitate strategic meetings between Rajasthan government officials and potential investors, both from within India and internationally. These interactions are intended to foster trust, facilitate mutual understanding of investor needs, and cultivate long-term partnerships.

5. Promotion and Marketing

5.1 Promote Rajasthan as a Prime Investment Destination: CUTS will advise the REPC GoR to launch an extensive array of marketing campaigns to position Rajasthan as a premier global investment destination. These campaigns will include participation in

international trade fairs, investment summits, and targeted digital marketing efforts to showcase Rajasthan's investment opportunities and its investor-friendly climate.

6. Advocacy for Inclusive Economic Growth

6.1 Promote Equitable Growth Strategies: The partnership will champion growth strategies that aim to distribute economic benefits broadly across different segments of society. This includes enhanced support for small and medium enterprises (SMEs), the promotion of entrepreneurship, and targeted investment in economically lagging regions.

7. Monitoring and Evaluation

7.1 Assess the Impact of Initiatives: A robust monitoring and evaluation framework will be established to track the progress and assess the impact of the various initiatives undertaken as part of this partnership. This framework will aid in evaluating the outcomes of policies and programmes, enabling course corrections to ensure that the desired objectives are met effectively.

