

**No. 21513**

---

**DENMARK  
and  
BANGLADESH**

**Exchange of letters constituting an agreement concerning  
Danish support to ongoing activities at the Chittagong  
Fish Harbour. Dacca, 4 and 9 March 1982**

*Authentic text: English.*

*Registered by Denmark on 4 January 1983.*

---

**DANEMARK  
et  
BANGLADESH**

**Échange de lettres constituant un accord relatif à un appui  
financier danois à certaines activités en cours dans le  
port de pêche de Chittagong. Dacca, 4 et 9 mars 1982**

*Texte authentique : anglais.*

*Enregistré par le Danemark le 4 janvier 1983.*

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE KINGDOM OF DENMARK AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH CONCERNING DANISH SUPPORT TO ONGOING ACTIVITIES AT THE CHITTAGONG FISH HARBOUR

I

KONGELIG DANSK AMBASSADE  
ROYAL DANISH EMBASSY  
DACCA

Dacca, Bangladesh

*Dato:* 4.3.1982  
*Date:*

*Ref.:* 104 Bangl.40

Sir,

With reference to previous discussions and correspondence regarding a grant for a scheme to support ongoing activities at the Chittagong Fish Harbour, excluding Fisheries Training Centre, by the Government of the Kingdom of Denmark to the Government of the People's Republic of Bangladesh, I have the honour to propose that the following provisions shall govern the transfer of the grant:

I

Under this agreement, the Government of Denmark undertakes to support the ongoing activities at the Chittagong Fish Harbour in order to improve the operation of the trawlers and the harbour facilities in the fields of:

- a. Economy, with the aim of creating a balance between income and costs as soon as possible;
- b. Technology, aiming at maintaining the trawlers and the harbour facilities in good running condition;
- c. Management, aiming at the establishment of a competent harbour organization, capable of running the harbour with satisfactory economic and technical results.

For these purposes, a total amount of up to Danish Kroner 7.5 million has been allocated by the Government of Denmark.

II

The commitments of the Government of Denmark up to a maximum of Danish Kroner 7.5 million under this agreement are:

- a. To cover running costs, including maintenance for the operation of a trawler fleet of 5 trawlers (*Golda, Bagda, Datina, Katla* and *Rupchanda*) in as far as such costs are not met by the income, created by the same trawlers, from their fishing activity;

<sup>1</sup> Came into force on 9 March 1982, the date of the letter in reply, in accordance with the provisions of the said letters.

- b. To cover running costs for the operation of the harbour facilities, in as far as such running costs are not met by the income created by these facilities through sale of fish and services to the public and to the trawler fleet.

The maximum amount available for item *a* and *b* is Danish Kroner 2.22 million.

- c. To finance a major overhaul of the trawler *Rupchanda* and extraordinary repairs on *Datina* and *Katla* within the sum of Danish Kroner 0.55 million;
- d. To supply additional equipment and spare parts for the five trawlers and the harbour facilities up to an amount of Danish Kroner 1.33 million;
- e. To finance the building-up of sufficient stock of fish for the harbour's own marketing up to a maximum of Danish Kroner 1.11 million;
- f. To supply limited additional equipment for improvement of fish handling and processing methods, and to develop further such methods with the aim of improving the marketability of catches within an amount of Danish Kroner 0.75 million;
- g. To undertake on-the-job training of trawler and harbour staff up to an amount of Danish Kroner 0.37 million.

### III

Over and above the commitments of Danish Kroner 7.5 million, the Government of Denmark will on request supply technical assistance regarding trawler and harbour operations, including a Chief Adviser to the General Manager of the Harbour.

The Government of Denmark will also carry out a survey of B.F.D.C.'s 5 (five) other trawlers with the view of establishing which can feasibly be brought into operation.

### IV

The commitments of the Government of the People's Republic of Bangladesh under this agreement are:

- a. To secure that the harbour and trawler fleet under the direction of the Board of B.F.D.C. are established as a separate entity with its separate accounting system;
- b. To ensure that funds to cover taxes and duties are made available to the harbour without delay;
- c. To constitute a special committee to advise on the running of the Chittagong Fish Harbour and Trawler Operation and supervise the utilization of the Danish Funds. The committee shall comprise a representative from each of the following bodies: B.F.D.C., Ministry of Fisheries, Ministry of Finance, and the Danida-Mission;
- d. To employ a General Manager acceptable to the special committee mentioned under para *c*;
- e. To ensure that, within the funds created by the income from the Fish Harbour's activities and the funds committed by Danida, the General Manager is given authority to and responsibility for the management of the harbour and trawler operations in the best economical and commercial manner;
- f. To submit audited accounts within six months from the termination of the financial year.

### V

A plan of operation comprising among other subjects the following will be worked out through consultation between the two parties:

- a. Principles for accounting and reporting;
- b. Preparation of budgets showing the expected cash flow incl. the utilization of the Danish Funds;
- c. Principles for half-yearly monitoring of the activities;
- d. Principles for the transfer of funds from Danida.

## VI

The items provided by the Government of Denmark will become the property of the Government of Bangladesh on completion of the scheme.

## VII

The present scheme shall be established on the understanding that an additional scheme, comprising trial and test fishing operations and further training of harbour and trawler staff, be initiated during the implementation of the present scheme. The details of the additional scheme and the Danish Development Funds required will be agreed upon during the first six months of the present scheme.

## VIII

The present agreement shall enter into force on the date of its signature and shall remain in force until two years after the date of signature. The agreement may be terminated at any time by either party giving three months' notice in writing to the other party.

The present agreement may be amended by exchange of letters.

If the foregoing provisions are acceptable to the Government of Bangladesh, I have the honour to suggest that this letter and your reply to it shall constitute an agreement between our two Governments.

Please accept, Sir, the assurances of my highest consideration.

Yours sincerely,

[Signed]

JENS EGE

Minister Counsellor  
Chargé d'affaires a.i.

Mr. M. Muhiuddin  
Section Chief (Joint Secretary)  
ERD  
Ministry of Finance  
Dacca

## II

EXTERNAL RESOURCES DIVISION  
MINISTRY OF FINANCE  
DACCRA

*Date:* March 9, 1982

From: James Hilton, Deputy Secretary  
D.-O. No. ERD-VIII(3)DK-131/81

Sir,

I have the honour to acknowledge receipt of your letter of 4th March, 1982, which reads as follows :

[See letter I]

I have the honour to inform you that our Government is in agreement with the foregoing.

Please accept, Sir, the assurances of my highest consideration.

Yours faithfully,

[Signed]

JAMES HILTON

Mr. Jens Ege  
Minister Counsellor  
Chargé d'affaires a.i.  
Royal Danish Embassy  
Dacca

---