



His Majesty's Government

MINISTRY OF FINANCE

Bagh Durbar,
KATHMANDU
NEPAL.

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Article V

Privileges, Immunities and Facilities

The provisions of Article IX and X of the UNDP Standard Basic Assistance Agreement dated 23 February 1984 shall apply mutatis mutandis to matters covered by this BASIC AGREEMENT, including matters covered by a PROJECT AGREEMENT.



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Article VI

Suspension or Termination of ASSISTANCE

1. The UNCDF may, by written notice and after consultation with the GOVERNMENT, suspend the ASSISTANCE to a PROJECT if, in its judgement: (a) any circumstance arises which interferes with or threatens to interfere with the effective utilization of the ASSISTANCE or the accomplishment of the purpose of the PROJECT; or (b) continuation of the ASSISTANCE would not serve the purpose for which it was intended. The UNCDF may, in such written notice, indicate the conditions under which it is prepared to resume its ASSISTANCE to the PROJECT. If any situation referred to in (a) or (b) above continues for a period specified in such notice, or in any subsequent notice, then at any time after the expiration of such period and if such situation should continue, the UNCDF may by written notice to the GOVERNMENT terminate the ASSISTANCE to the PROJECT.
2. The provisions of this Article shall be without prejudice to any other rights or remedies the UNCDF may have in the circumstances whether under general principles of law or otherwise. No delay in exercising or omitting to exercise any right or remedy available to the UNCDF, under this BASIC AGREEMENT or otherwise, shall be construed as a waiver thereof.
3. The PARTIES may by mutual agreement suspend or terminate, in whole or in part, the ASSISTANCE to a PROJECT.



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Article VII

Settlement of Disputes

1. Any dispute between the UNCDF and the GOVERNMENT arising out of or relating to this BASIC AGREEMENT or a PROJECT AGREEMENT which is not settled by negotiation or other agreed mode of settlement shall be submitted to arbitration at the request of either PARTY.
2. Each PARTY shall appoint one arbitrator, and the two arbitrators so appointed shall appoint a third, who shall be the Chairman. If within sixty days of the receipt of the request for arbitration either PARTY has not appointed an arbitrator or if within thirty days of the appointment of two arbitrators the third arbitrator has not been appointed, either PARTY may request the President of the International Court of Justice to appoint the arbitrator or the Chairman as the case may be.
3. The procedure of the arbitration shall be fixed by the arbitrators and the expenses of the arbitration shall be borne by the PARTIES as assessed by the arbitrators. The arbitral award shall contain a statement of the reasons on which it is based and shall be accepted by the PARTIES as the final adjudication of the dispute.



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Article VIII

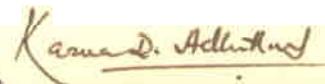
Final Clauses

1. This BASIC AGREEMENT shall enter into force upon signature and shall continue in force until terminated under paragraph 3 below.
2. This BASIC AGREEMENT may be modified by written agreement between the PARTIES. Each PARTY shall give full and sympathetic consideration to any proposal advanced by the other PARTY under this paragraph.
3. This BASIC AGREEMENT may be terminated by either PARTY by written notice to the other and shall terminate sixty days after receipt of such notice.
4. The obligations assumed by the PARTIES under this BASIC AGREEMENT shall survive the termination of this BASIC AGREEMENT to the extent necessary to ensure that work already undertaken and commitments entered into pursuant to this BASIC AGREEMENT and the related PROJECT AGREEMENTS are brought to a satisfactory conclusion, and to ensure orderly withdrawal of the personnel, funds and property of the United Nations (including the UNCDF), the Specialized Agencies or the International Atomic Energy Agency (IAEA), or persons performing services on their behalf under this BASIC AGREEMENT.

IN WITNESS WHEREOF the undersigned, duly appointed representatives of the GOVERNMENT and the UNITED NATIONS CAPITAL DEVELOPMENT FUND respectively, have on behalf of the PARTIES signed the present BASIC AGREEMENT.

Done in two copies in English at Kathmandu this 23 day of February 1984

For HIS MAJESTY'S
GOVERNMENT OF NEPAL


Karna Dhoj Adhikary
Secretary of Finance

For the UNITED NATIONS
CAPITAL DEVELOPMENT FUND


Toshiyuki Niwa
Resident Representative
United Nations Development
Programme