MEMORANDUM OF UNDERSTANDING

BETWEEN

THE ELEPHANT BLANC

AND

THE ROYAL GOVERNMENT OF CAMBODIA

SECTION I

PREAMBLE

- "Whereas" The Royal Government of Cambodia has expressed a desire that ELEPHANT BLANC will engage exclusively in humanitarian activities for social welfare and public benefit in cooperation with the Royal Government of Cambodia; and
- "Whereas" **ELEPHANT BLANC** with its international headquarters in Republic of France and main office in Phnom Penh, is a non-profit, humanitarian organization as described in the accompanying organizational documents, mission statement and program of activities of **ELEPHANT BLANC**;
- "Whereas" ELEPHANT BLANC agrees to comply with the laws and regulations of the Kingdom of Cambodia.

The Royal Government of Cambodia, represented by the Ministry of Foreign Affairs and International Cooperation, for the purposes of the present MOU, and **ELEPHANT BLANC** have mutually agreed to the followings:

SECTION II

Undertaking of the Royal Government of Cambodia
The Royal Government of Cambodia undertakes to the following:

Article 1

Recognizes that **ELEPHANT BLANC** is authorized to open its office in Phnom Penh or other provincial cities to conduct its humanitarian activities and to implement its approved projects within the laws and regulations of the Kingdom of Cambodia and in accordance with the provisions of this MOU.

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Allows **ELEPHANT BLANC** to carry out its humanitarian projects in other locations or provincial cities upon due approval of relevant governmental authorities based on government priorities and on **ELEPHANT BLANC**'s field of competence and budget availabilities.

Article 3

Issues ID cards to expatriate staff with the understanding that expatriate staff must obtain work permit from the Ministry in charge of labor as required by the laws of the Kingdom of Cambodia. The term "expatriate staff" is defined to include the country representative, the foreign staff, consultants and contractors, recruited to perform a specific job based on proven skills and expertise.

Article 4

Grants permission for temporary residency to **ELEPHANT BLANC**'s expatriate staff when the period of their specific assignment exceeds three months and within the laws and regulations of the Kingdom of Cambodia.

Article 5

Authorizes **ELEPHANT BLANC** to collaborate directly with its Cambodian relevant Ministries and other Government Institutions concerned for the purpose of the project planning, implementation, monitoring and evaluation.

Article 6

Informs **ELEPHANT BLANC** of new law, regulations, administrative decision or other related rulings governing non-governmental organizations.

Article 7

Authorizes **ELEPHANT BLANC** to lease land, rent or construct its office and buildings needed for its humanitarian activities in conformity with local laws and regulations and to recruit local staff with due respect to the rules and regulations of labour laws.

Article 8

Allows the import of materials, equipment, machinery as defined in the approved project proposals according to the rules and regulations of the Kingdom of Cambodia. The import taxes are paid by the Government.

The import of personnel effects and vehicles are approved according to the rules of the temporary admission (A.T.).

NBP

Agrees that **ELEPHANT BLANC** and its expatriate staff will benefit from and receive the same advantages as other NGOs and their staff authorized to operate in the Kingdom of Cambodia, except as described in article 19.

Article 10

Issues all necessary visas free of charge by the Cambodian diplomatic missions abroad for the approved expatriate staff and their family members for an initial period of one month stay in Cambodia. Any visa extension thereafter upon request will be free of charge. The term "family member "is defined to include husband, wife, children and parents.

SECTION III

Undertaking of ELEPHANT BLANC ELEPHANT BLANC undertakes to the following:

Article 11

Respects fully the laws and regulations of the Kingdom of Cambodia and will not allow its staff to engage in any activities which might disturb peace, stability and public order or undermine national security, unity, culture and tradition of the Cambodian society.

Article 12

Carries out its activities and implements its assistance program in Cambodia within the limitations of its personnel, resources and funding, as described in detail and annexed to this MOU.

Article 13

Engages exclusively in the type of activities that have been authorized for the social welfare and public interest. Refrains from engaging in any profit making activities and any political activities inconsistent with its declared humanitarian objectives and social development. Provides to the Ministry of Foreign Affairs and International Cooperation quarterly reports detailing **ELEPHANT BLANC**'s activities in planning, training and implementing of the projects and programs.

MIS

Opens a bank account in any bank recognized by the National Bank of Cambodia, ensures that average administrative costs do not exceed 25% of its total budget, and submits annual financial reports and other documents to the Ministry of Foreign Affairs and International Cooperation and the Ministry of Economy and Finance at latest ninety (90) days after closing its account or the fiscal year of the Kingdom of Cambodia.

Article 15

Provides the Ministry of Foreign Affairs and International Cooperation with regular up-dated lists of its expatriate staff and their work contracts and notify it immediately of any change thereafter as well as of its office address in Cambodia.

The list should include the following information:

- 1. Full name
- 2. Nationality
- 3. Passport number or ID or other relevant documents
- 4. Position in the NGO
- 5. Duration of Contract; work permit,
- 6. Name of accompanying family members; and
- 7. Address in Cambodia.

Provides the Ministry of Foreign Affairs and International Cooperation with a list of names and positions of local staff.

Article 16

Employs, wherever possible, a greater number of Cambodian staff with due respect to their labour rights and reduces to a minimum the number of expatriate employed in any project or program in line with its clearly stated policy to maximize the transfer of skills and expertise to Cambodian staff.

Article 17

Refrains from recruiting a tourist or an illegal immigrant to work in any capacity. Expatriate staff must obtain a work permit issued by the Ministry in charge of labour of the Kingdom of Cambodia.

Article 18

Works in close consultation with counterpart government institutions and local authorities to implement the approved projects or programs. In particular, requires to inform counterpart while assigning a consultant to work in the field or requesting visa extension for an expert to complete the job.

NY

Agrees that local and expatriate staffs are subject to income tax regulations of the Kingdom of Cambodia, except as described in other decision of the Royal Government.

ELEPHANT BLANC agrees to comply with the taxation rules and regulations of the Kingdom of Cambodia.

SECTION IV

Concluding words

Article 20

ELEPHANT BLANC's director or country representative in Cambodia or other officially designated representative is recognized to act on behalf of **ELEPHANT BLANC** with the Royal Government of Cambodia after this MOU has been signed.

Article 21

ELEPHANT BLANC is entitled to suspend its activities by informing the Royal Government of Cambodia, sixty days in advance by a registered letter. This NGO may restart its activities again after informing by registered letter to the Ministry of Foreign Affairs and International Cooperation.

Article 22

The Royal Government of Cambodia may, after duly notifying by registered letter **ELEPHANT BLANC**, terminate this MOU in the event of gross violation of the present MOU by **ELEPHANT BLANC** and terminate the temporary residency permit of an expatriate staff if found guilty of violation of this MOU.

Article 23

Any dispute between the Royal Government of Cambodia and the **ELEPHANT BLANC** concerning the implementation of the MOU shall be settled through direct negotiation between parties in good faith.

Article 24

This MOU may be terminated by either party after sixty (60) days of written notice by registered letter delivered to the other party.

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This MOU comes into force after signing by both parties and is valid for (3) years and may be renewed for another term by mutual consent.

Article 26

This MOU is written in duplicate, in Khmer and English, both texts are equally authentic.

FOR THE GOVERNMENT

FOR ELEPHANT BLANC



OUCH BORITH
SECRETARY OF STATE



BON MARIE-LAURENCE REPRESENTATIVE

Annex

The <u>Non-governmental Organization</u>: may be defined as the Organization which has been established by an individual or by any group of individuals to carry out humanitarian activities and non-profit, social development for social welfare and public benefit. The NGO refrains from any activities in support of any political Parties.

<u>Administrative costs</u> - include the expense of the administrative office, the administrative staff's salaries and the Director's salaries.

Expert staff - are the technical experts and the technical advisers.

<u>Immigrants</u> – are foreigners who have a legal entry into Cambodia for a long stay in order to perform their professions or conduct activities relating to an industry, services or agriculture.

NB