

## **Memorandum of Understanding**

This Memorandum of understanding (hereinafter called the MOU) is made on this \_\_\_day of \_\_\_\_\_20\_\_.

### **Between**

M/s. Punjab Municipal Development Fund, a Company incorporated under Section 42 of the Companies Ordinance, 1984 (hereinafter referred to as 'The Funding Company' which expression shall mean and include its successors in interests).

### **And**

Tehsil Municipal Administration \_\_\_\_\_, an institution established under the Punjab Local Government Ordinance 2001 (hereinafter referred to as 'The Grantee' which expression shall mean and include its successors in interests).

### **WHEREAS**

The Grantee has applied to the Funding Company for funds and other assistance for the purpose of institutional development, capacity building (hereinafter called technical assistance 'TA') and municipal infrastructure development.

And Funding Company is willing to provide the TA grant to the Grantee for institutional development and capacity building but no matching funds will be contributed by the Grantee.

Now therefore, the parties hereto agree as follows:

1. That the TA will be provided to the Grantee and for this purpose the Funding Company will make available to the Grantee the services of consultants, staff support and hardware/peripherals etc. as and when required.
2. That the consultants hired by the Funding Company will also provide assistance for preparation of municipal infrastructure schemes which will be presented to the Funding Company after seeking approval from the competent forums of the Government.

3. That the funds approved for TA grant will be administrated by the Funding Company. However, the Grantee shall have the right to know the details of approved grant amount.

The Funding Company will follow its own procedures for procurement of consultancies and hardware components etc.

4. The TA grant will be spent on performance improvement plan (PIP) placed at Annex-I.
5. Funds for the implementation of infrastructure development schemes will be provided to the Grantee after the approval of Board of Directors of the Funding Company. For which a separate grant agreement will be executed between the parties.
6. At all stages of the implementation of TA and infrastructure components, the Grantee shall provide full logistical and staff support to the consultants and Funding Company employees during their official visits. This support shall be restricted only to the area of agreed activities and shall not involve any expenditure which is not allowable by the Funding Company from its own resources.
7. The responsibility to follow legal and codal formalities as prescribed by Government shall rest with the Grantee.
8. If at any stage of the implementation it is felt that the Grantee is not interested in continuing the agreed activities or if any dispute, controversy or question be raised between the parties at any time as to the construction, interpretation or

compliance or non-compliance of the MOU shall first be settled through negotiation between the parties. Failing which the matter shall be referred to the Board of Directors of Funding Company for a decision. The decision of the Board shall be final and binding on both the parties.

In witness whereof both the parties have set their hand on the present MOU on the day and year first above mentioned.

P M D F C

Tehsil Municipal Administration

**Managing Director**

**Tehsil Nazim /Administrator**  
**Tehsil Municipal Administration**

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**General Manager ID**

**Tehsil Municipal Officer**  
**Tehsil Municipal Administration**

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**Witness – 1**  
*(name with designation)*

**Witness – 2**  
*(name with designation)*

**PERFORMANCE IMPROVEMENT PLAN (PIP)**

<b>Sr. #</b>	<b>Capacity Building Tasks</b>	<b>PMDFC Interventions</b>	<b>TMA's Responsibilities</b>
<b>I. TMO</b>			
1.	Computerized Complaint Tracking System	<ul style="list-style-type: none"> <li>• Standard design of the complaint register</li> <li>• Standard operating procedures (SOPs)</li> <li>• Provision of printed complaint register</li> <li>• Complaint tracking software</li> <li>• Hands on training</li> </ul>	<ul style="list-style-type: none"> <li>• Entry of complaints in complaint register as per format provided by PMDFC</li> <li>• Registration and follow-up of complaints as per SOPs</li> <li>• Quick resolution of complaints</li> <li>• Regular updation of data</li> </ul>
2.	TMA – Website	<ul style="list-style-type: none"> <li>• Standard templates for website.</li> <li>• Training of TMA staff for regular update of websites.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular updation of website</li> </ul>
3.	Performance Management System (PMS)	<ul style="list-style-type: none"> <li>• Performance management indicators for service delivery/capacity building interventions</li> <li>• Mechanism for collection of performance indicators data</li> <li>• Format of monthly/periodic reports</li> </ul>	<ul style="list-style-type: none"> <li>• Collection of baseline values</li> <li>• Agreement on target values</li> <li>• Compliance with the agreed target values against each indicator.</li> <li>• Periodic data collection on core indicators for service delivery &amp; capacity building</li> <li>• Submission of periodic reports on performance indicators</li> </ul>
4.	Trainings	<ul style="list-style-type: none"> <li>• Computer trainings</li> </ul>	<ul style="list-style-type: none"> <li>• Nomination of TMA staff</li> <li>• Assuring minimum 80% attendance in the training sessions by each participant.</li> </ul>
5.	Computers & Printers	<ul style="list-style-type: none"> <li>• Provision of computers and printers</li> </ul>	<ul style="list-style-type: none"> <li>• Computerization of TMA budgets</li> <li>• Computerization of TMA database particularly financial, regulation &amp; I&amp;S database and updation of that data for GIS</li> </ul>
<b>2. TO (F)</b>			
6.	Financial Management System	<ul style="list-style-type: none"> <li>• Provision of financial management software</li> <li>• Hands on trainings for nominated TMA staff</li> </ul>	<ul style="list-style-type: none"> <li>• Nomination of dedicated &amp; qualified TMA staff for FMS</li> <li>• Clarification &amp; compliance of job description for TMA staff working on FMS</li> <li>• Compliance with defined SOPs</li> <li>• Financial data recording &amp;</li> </ul>

			<ul style="list-style-type: none"> <li>• updation using FMS</li> <li>• Submission of periodic (fortnightly / monthly / quarterly / annually) reports through FMS</li> </ul>
<b>3. TO (I&amp;S)</b>			
7.	4. TO (I&S) i) Development of O&M framework for municipal services (water supply, sewerage, solid waste collection, street lights, roads, slaughter houses)	<ul style="list-style-type: none"> <li>▪ PMDFC will develop and provide O &amp; M framework for municipal services.</li> <li>▪ Arrangement of required hands-on trainings.</li> </ul>	<ul style="list-style-type: none"> <li>• Allocation / utilization of funds for O&amp;M of municipal services as per agreement with PMDFC</li> <li>• Compliance with the laid down procedures of O&amp;M as given in O&amp;M framework being provided by PMDFC for municipal services</li> </ul>
8.	Engineering Equipments	<ul style="list-style-type: none"> <li>• Provision of Engineering &amp; Lab equipments on need basis</li> <li>• Training of concerned eng. staff of TMA</li> </ul>	<ul style="list-style-type: none"> <li>• Nomination of engg. staff for trainings on use of engg. &amp; Lab equipments</li> <li>• Regular use of engg. Equipments</li> <li>• Tests using equipments provided by PMDFC</li> </ul>
<b>4. TO (P)</b>			
9.	Municipal Services Maps	<ul style="list-style-type: none"> <li>• Procurement of satellite image of TMA CO units.</li> <li>• Development of maps: <ul style="list-style-type: none"> <li>i. Basic maps of municipal services</li> <li>ii. Descriptive maps of municipal services</li> <li>iii. Thematic maps</li> </ul> </li> <li>• Training to TMA staff on mapping services and developing the services database</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of available data and maps of municipal services</li> <li>• Updation of data and descriptive maps of municipal services</li> </ul>
10.	Urban Planning	<ul style="list-style-type: none"> <li>• Data collection of municipal services</li> <li>• Identification of development &amp; capacity projects</li> <li>• Prioritization of development &amp; capacity projects</li> </ul>	<ul style="list-style-type: none"> <li>• Spearheading / supervision of planning process by Tehsil Nazim</li> <li>• Formation of Steering Committee and Working Group.</li> <li>• Coordination for data collection and analysis of municipal services.</li> <li>• Compliance with the prioritization list of development &amp; capacity projects</li> </ul>