



Section Officer (INGOs/NGOs)
Phone: 051-9209260

Islamabad, the 2nd December, 2020

SUBJECT:- **SIGNING OF MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN GOVERNMENT OF PAKISTAN AND M/S SINDH DEVELOPMENT ORGANIZATION (SDO)**

Dear Sir,

This is to inform you that that the Government of Pakistan is pleased to register and sign MoU with M/S Sindh Development Organization (SDO) for a period upto 31st December, 2022 for the projects “(i) Distribution of Food Packets to Disaster Struck and / or Poverty Struck Families in the Month of Ramdan and Meat Packets in the month of Zul Hijah (ii) Provisions of Water and Improved Accessibility in Sindh (iii) School-Mosque Project (iv) Construction of Houses for Low Income Households (v) Promoting Micro Entrepreneurship to alleviate Poverty” located in Province of Sindh with the following conditions;

- i. Annual Action Plan (APA) of every new Activity/Project involving foreign funding will be required to be submitted to EAD along with the Project and Financing Agreement with the Donor/INGO well in time before commencing the project
- ii. Organization will seek concurrence of EAD if it changes its thematic area of working and expands geographical location of its activities other than that given in the signed MoU.
- iii. Organization will work with registered INGOs.
- iv. Not to use controversial terms like “Peace & Conflict Resolution, IDPs etc in your annual reports or any other Documents/Correspondence/Agreements.
- v. Organization will not employ any individual of Indian and Israeli nationality/origin.
- vi. The organization will declare to the Government all foreign contributions, along with the terms and conditions of those contributions, as well as details of all bank accounts maintained by it. The organization will maintain accounts under internationally recognized accounting standards, get these accounts audited on an annual basis by a registered Chartered Accountancy firm and will provide to the Government a copy of the audited annual statements, alongwith a certificate from the Auditors to the effect that the foreign contributions have been utilized for the objectives of the organization as specified in the MOU.
- vii. Organization shall receive foreign contributions through banking channel only. However, while doing so, it will have to comply with the Anti Money Laundering and other relevant rules as per applicable in Pakistan
- viii. Limit your work to concrete socio-economic activities.
- ix. **NGO will not indulge in any advocacy related activity during project execution.**
- x. **NOC for current project only; completion report will be forwarded by NGO to EAD.**
- xi. **No deviation from stated project and location without security clearance from EAD.**

2. Duly signed MoU, in original, is enclosed herewith.

With regards,

(Asad Ullah Nasar)

✓ **Mr. Muneer Ahmed,**
Chairman,
Sindh Development Organization (SDO),
Opposite Sindh Bank, Naudero,
Larkana, Sindh

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE GOVERNMENT OF ISLAMIC REPUBLIC OF PAKISTAN

AND

SINDH DEVELOPMENT ORGANIZATION (SDO)

This MOU is made between the Government of Pakistan through the **Economic Affairs Division**, (hereinafter referred to as "the Government") and **Sindh Development Organization (SDO)**, (hereinafter referred to as "the Organization"), a not-for-profit organization registered under The Societies Registration Act 1860 at office of Provincial Assist Registrar, Joint Stock of Companies Larkana at Opposite Sindh Bank, Naudero, Larkana, Sindh.


Whereas the Organization **Sindh Development Organization (SDO)** desires to undertake work for the projects (i) **Distribution of Food Packets to Disaster Struck and /or Poverty Struck Families in the Month of Ramdan and Meat Packets in the month of Zul Hijjah** (ii) **Provisions of Water and Improved Accessibility in Sindh** (iii) **School-Mosque Project** (iv) **Construction of Houses for Low Income Households** (v) **Promoting Micro Entrepreneurship to alleviate poverty** located in Province of Sindh and for this purpose has submitted an application for registration accompanied by requisite documentary information. Now, the Government is pleased to allow the organization to carry out its work on the following conditions: -

1. This MOU shall be governed by laws and policies of the Government of Pakistan.
2. **The Government may:**
 - 2.1. Allow **Sindh Development Organization (SDO)** to receive foreign contributions including funds, materials and services, emanating from declared sources, through legal channels, subject to reporting requirements.
 - 2.2. Allow **Sindh Development Organization (SDO)** to open, maintain and operate accounts for the execution of its work.

*Provided that for opening and operating foreign currency accounts, the **Sindh Development Organization (SDO)** shall seek permission of the State Bank of Pakistan, under the applicable law and rules;*
 - 2.3. Allow **Sindh Development Organization (SDO)** to maintain its office at **Opposite Sindh Bank, Naudero, Larkana, Sindh** and to open other offices, if required, with prior written approval of the Government, subject to the concurrence of the Provincial Government / local government and compliance with applicable law / rules.
3. **Import / Tax Regulations**
 - 3.1. The **Sindh Development Organization (SDO)** may avail 100% tax credit subject to the provisions of the Section 100C and approval of the Commissioner Inland Revenue concerned, under Section 2(36) of the Income Tax Ordinance 2001.
4. **Obligations of the Organization**

The Organization shall:-

 - 4.1. Use funds, materials and services received by it as foreign contribution or foreign economic assistance from declared sources, through legal channels, for its specified work, and provide to the Government every six months complete information regarding flow of such funds, materials and services and when required by the Government.
 - 4.2. Obtain prior concurrence of the Government for any additional funding or different source of funding other than that specified by the **Sindh Development Organization (SDO)**.
 - 4.3. Appoint and employ a representative and other senior management personnel as appropriate, who will manage the work and supervise the staff on behalf of the **Sindh Development Organization (SDO)** and liaise with the **Government**, and the **Provincial / local Governments**.


22.12.2020




- 4.4. Make payment above Rs.20, 000/- (Twenty Thousand) in Pakistan through banking channels and to provide complete details in this respect to the **Government** every six months.
- 4.5. Ensure that all staff shall pay applicable taxes.
- 4.6. Ensure withholding of tax, wherever applicable, and deposit of the same in **Government** treasury.
- 4.7. Ensure that the administrative expenses do not exceed 30% of the project cost.
- 4.8. Ensure filing of Income Tax Return and withholding statements.
- 4.9. Submit to the Government when required, written reports covering its activities and progress on the projects, funds received from abroad and their expenditure in Pakistan.
- 4.10. Have its performance audit done from a panel of Auditors approved by the **NGO Committee**.
- 4.11. Ensure that its entire work is undertaken in accordance with the laws and policies of **Government of Pakistan**.
- 4.12. Inform respective Provincial Governments and concerned Local Governments / district authorities regarding its programs / projects in their area and obtain their approval/permission/NOC for carrying out permissible activities.

The Organization shall not:-

- 4.13. Engage in money laundering, terrorist financing, weapon smuggling, anti-state activities and maintaining links with proscribed organizations.
- 4.14. Take part or assist in any kind of political activity; conduct research or survey unrelated to their TORs unless sanctioned by the Government; carry out missionary work in Pakistan or any other unauthorized or prohibited activities.
- 4.15. Transfer or rent / lease out its possessions or allow their use for purposes other than those specified and agreed upon between the Parties in this MOU.
- 4.16. Indulge in distribution of any material or pamphlet causing or likely to cause religious resentment in the area of its activities.

5. Termination of MOU

- 5.1. The Government reserves the right to immediately terminate this MOU and cancel registration of the **Sindh Development Organization (SDO)** in case of non-compliance with any provision of this MOU.
- 5.2. The Government may also terminate this MOU on the following grounds:-
 - 5.2.1. The **Sindh Development Organization (SDO)** has been found to be working in a geographical area other than the areas authorized.
 - 5.2.2. The non-cooperation or breach of security or participation in any activity inconsistent with national interests, and religious sentiments of the people.
 - 5.2.3. The objectives stated by the **Sindh Development Organization (SDO)** are not being pursued.
 - 5.2.4. False, incomplete or misleading information has been furnished to the Government.
 - 5.2.5. No reasonable activity has been undertaken by the **Sindh Development Organization (SDO)** for a period of one year after signing of this MOU.


02.12.2020



5.2.6. The **Sindh Development Organization (SDO)** has ceased to exist.

5.3. In case of termination of this MOU, the registration of the **Sindh Development Organization (SDO)** will stand cancelled and it shall cease all its activities forthwith.

6. The **Sindh Development Organization (SDO)** may file a written request for cancellation of its registration and closing of its activities with 3 months prior notice to the Government for its approval and clearance in accordance with the laid down procedure.

7. **Entry into Force and Duration of MOU**

This MOU shall enter into force on the date of signatures and shall remain valid up to 31-12-2022

In witness whereof, the undersigned representatives, duly authorized by the Government and the **Sindh Development Organization (SDO)**, have signed this Memorandum of Understanding.

Done at Islamabad, on this 2nd day of Dec, 2020, in English language in two originals, the signatories to retain a copy each.

Sh. Dule

Joint Secretary 02-12-2020
For the Government of the
Islamic Republic of Pakistan

Joint Secretary (NGO/INGO)
Economic Affairs Division
Government of Pakistan
Islamabad

M. Muneer Ahmed

Mr. Muneer Ahmed
Chairman,
SINDH DEVELOPMENT ORGANIZATION (SDO)

