

**STANDARD LETTER OF AGREEMENT BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME AND
[A GOVERNMENT MINISTRY/INSTITUTION/IGO]
TO CARRY OUT ACTIVITIES
WHEN UNDP PROVIDES SUPPORT SERVICES TO THE [NAME OF NIM PROJECT]**

HOW TO USE THIS LETTER

- This Letter is used when a Government ministry/institution or an International Governmental Organization (IGO) cooperates with UNDP to carry out activities when UNDP provides support services to a NIM project.
- This Letter can be used as a guideline and tailored to different situations where UNDP enters into an agreement with the different Government ministries/institutions/IGOs. Therefore, not every clause would necessarily be applicable. However, any deviation from this standard Letter should be cleared by HQ.

Dear Sir/Madame,

1. Reference is made to the consultations between officials of the United Nations Development Programme (hereinafter referred to as “UNDP”) in *[the name of programme country]* and officials of *[name of the Government ministry/institution/IGO]* with respect to the realization of activities by *the Government ministry/institution/IGO* in the implementation of the UNDP support services to the project *[number and title of project]*, as specified in Attachment 1: Project Document, to which UNDP has been selected as a responsible party.

2. In accordance with the LOA signed between the government implementing partner and UNDP for support services and with the following terms and conditions, we confirm our acceptance of the activities to be provided by *[the Government ministry/institution/IGO]* towards the project, as specified in Attachment 2: Description of Activities (hereinafter referred to as “Activities”). Close consultations will be held between *[the Government ministry/institution/IGO]* and UNDP on all aspects of the Activities.

3. *[The Government ministry/institution/IGO]* shall be fully responsible for carrying out, with due diligence and efficiency, all Activities in accordance with its Financial Regulations and Rules.

4. In carrying out the activities under this Letter, the personnel and sub-contractors of *[the Government ministry/institution/IGO]* shall not be considered in any respect as being the employees or agents of UNDP. UNDP does not accept any liability for claims arising out of acts or omission of *[the Government ministry/institution/IGO]* or its personnel, or of its contractors or their personnel, in performing the Activities or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by *[the Government ministry/institution/IGO]*, and its personnel as a result of their work pertaining to the Activities.

5. Any subcontractors, including NGOs under contract with *[the Government ministry/institution/IGO]*, shall work under the supervision of the designated official of *[the Government ministry/institution/IGO]*. These subcontractors shall remain accountable to *[the Government ministry/institution/IGO]* for the manner in which assigned functions are discharged.

6. Upon signature of this Letter, UNDP will make payments to *[the Government ministry/institution/IGO]*, according to the schedule of payments specified in Attachment 3: Schedule of Activities, Facilities and Payments.

7. [The Government ministry/institution/IGO] shall not make any financial commitments or incur any expenses which would exceed the budget for the Activities as set forth in Attachment 3. [The Government ministry/institution/IGO] shall regularly consult with UNDP concerning the status and use of funds and shall promptly advise UNDP any time when [the Government ministry/institution/IGO] is aware that the budget to carry out these Activities is insufficient to fully implement the project in the manner set out in the Attachment 2. UNDP shall have no obligation to provide [the Government ministry/institution/IGO] with any funds or to make any reimbursement for expenses incurred by [the Government ministry/institution/IGO] in excess of the total budget as set forth in Attachment 3.

8. [The Government ministry/institution/IGO] shall submit a cumulative financial report each quarter (31 March, 30 June, 30 September and 31 December). The report will be submitted to UNDP through the UNDP Country Director or UNDP Resident Representative within 30 days following those dates. The format will follow the standard UNDP expenditure report [a model copy of which is provided as Attachment 4]. UNDP will include the financial report by [the Government ministry/institution/IGO] in the financial report for [number and title of project].

9. [The Government ministry/institution/IGO] shall submit such progress reports relating to the Activities as may reasonably be required by the project manager in the exercise of his or her duties.

10. [the Government ministry/institution/IGO] shall furnish a final report within 6 months after the completion or termination of the Activities, including a list of non-expendable equipment purchased by [the Government ministry/institution/IGO] and all relevant audited or certified financial statements and records related to such Activities, as appropriate, pursuant to its Financial Regulations and Rules.

11. Equipment and supplies that may be furnished by UNDP or procured through UNDP funds will be disposed as agreed, in writing, between UNDP and [the Government ministry/institution/IGO].

12. Any changes to the LOA between the government implementing partner and UNDP for support services which would affect the work being performed by [the Government ministry/institution/IGO] in accordance with Attachment 2 shall be recommended only after consultation between the parties.

13. For any matters not specifically covered by this Letter, the Parties would ensure that those matters shall be resolved in accordance with the appropriate provisions of the LOA for support services and any revisions thereof and in accordance with the respective provisions of the Financial Regulations and Rules of the [Government ministry/institution/IGO] and UNDP.

14. The arrangements described in this Letter will remain in effect until the end of the project, or the completion of Activities according to Attachment 2, or until terminated in writing (with 30 days notice) by either party. The schedule of payments specified in Attachment 3 remains in effect based on continued performance by [the Government ministry/institution/IGO] unless it receives written indication to the contrary from UNDP.

15. Any balance of funds that is undispersed and uncommitted after the conclusion of the Activities shall be returned within 90 days to UNDP.

16. Any amendment to this Letter shall be effected by mutual agreement, in writing,

17. All further correspondence regarding this Letter, other than signed letters of agreement or amendments thereto should be addressed to [name and address of Country Director/Resident Representative, UNDP].

18. *[The Government ministry/institution/IGO]* shall keep the UNDP Country Director/Resident Representative fully informed of all actions undertaken by them in carrying out this Letter.

19. UNDP may suspend this Agreement, in whole or in part, upon written notice, should circumstances arise which jeopardize successful completion of the Activities.

20. Any dispute between the UNDP and *[the Government ministry/institution/IGO]* arising out of or relating to this Letter which is not settled by negotiation or other agreed mode of settlement, shall, at the request of either party, be submitted to a Tribunal of three arbitrators. Each party shall appoint one arbitrator, and the two arbitrators so appointed shall appoint a third arbitrator, who shall be the chairperson of the Tribunal. If, within 15 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 referred to. The Tribunal shall determine its own procedures, provided that any two arbitrators shall constitute a quorum for all purposes, and all decisions shall require the agreement of any two arbitrators. The expenses of the Tribunal shall be borne by the parties as assessed by the Tribunal. The arbitral award shall contain a statement of the reasons on which it is based and shall be final and binding on the parties.

21. If you are in agreement with the provisions set forth above, please sign and return to this office two copies of this Letter. Your acceptance shall thereby constitute the basis for your *[Government ministry's/institution's/IGO's]* participation in the implementation of the project.

Yours sincerely,
Signed on behalf of UNDP

[Name and title]
[Date]

Signed on behalf of *[the Government ministry/institution/IGO]*
[Name and title]
[Date]

Attachment 1

PROJECT DOCUMENT

Attachment 2

DESCRIPTION OF ACTIVITIES

Project number:

Project title:

Results to be achieved by [the Government ministry/institution/IGO]]

Provide a summary of the results to be achieved by [the Government ministry/institution/IGO]], particularly the outputs they are expected to produce.

Work to be performed by [the Government ministry/institution/IGO]]

Explain the activities to be carried out by [the Government ministry/institution/IGO]].

Description of inputs:

Provide a detailed description of the project inputs by activity. This may include personnel, contracts, training, equipment, miscellaneous and micro-capital grants.

Annexes:

Attach, as appropriate, job descriptions for consultants, terms of reference for contracts, technical specifications for equipment items, training nomination forms, etc.

Attachment 3

Scheduled of Activities, Facilities and Payments

Year _____

EXPECTED CP OUTPUTS and indicators including annual targets	PLANNED ACTIVITIES <i>List all activities to be undertaken during the year towards stated outputs</i>	Timeframe				Planned Budget		Schedule of payments by UNDP			
		Q1	Q2	Q3	Q4	Budget Description	Amount	Q1	Q2	Q3	Q4
						Total					

Note:

- Expenditures for personnel services may be limited to salary, allowances and other entitlements, including the reimbursement of income taxes due and travel costs on appointment to the project, duty travel within the programme country or region and repatriation costs.
- Adjustments within each of the sections may be made in consultation between UNDP and *[the Government ministry/institution/IGO]*. Such adjustments may be made if they are in keeping with the provisions of the Programme Support/Project Document and if they are found to be in the best interest of the project.

Attachment 4

MODEL UNDP EXPENDITURE REPORT

Period _____

EXPECTED CP OUTPUTS and indicators including annual targets	PLANNED ACTIVITIES <i>List all activities to be undertaken during the year towards stated outputs</i>	Planned Budget		Payments and Expenditures		
		Budget Description	Amount	Payments received	Expenditures	Balance
		Total				