Dear (name),

1. Reference is made to consultations between officials of our Organizations with respect to the association of your Organization in the implementation of United Nations Development Programme (hereinafter referred to as “UNDP”) assistance to project (Number and title) for which the [name of agency] is the executing agency.

2. In accordance with the Project Document and with the following terms and conditions, we confirm our acceptance of the services to be provided by your Organization towards the implementation of this project.

3. (Name of agency) (hereinafter referred to as the “Implementing Agency”) shall, under the general supervision of and in close cooperation with the [name of agency] (hereinafter referred to as the “Executing Agency”) assume responsibility for providing those services and facilities as described in annex I of this letter and in accordance with the terms of reference included therein, as well as in accordance with the overall project workplan prepared by the [UNDP Resident Representative (hereinafter referred to as the “Resident Representative”), or, if applicable, the Project Coordinator/Manager] in consultation with the personnel assigned by the Implementing Agency to the project.

4. The Executing Agency shall retain the overall responsibility for the implementation of UNDP assistance to the project through its delegation of authority to [the Resident Representative, or, if applicable, the Project Coordinator/Manager] who shall be the representative of the Executing Agency and of the Implementing Agency vis-à-vis the Government.

5. The personnel assigned by the Implementing Agency to the project shall work under the general supervision of the [Resident Representative, or, if applicable, of the Project Coordinator/Manager], with the technical supervision of the Implementing Agency. The personnel assigned by the Implementing Agency to the project shall be responsible for submitting an annual workplan to the [Resident Representative, or, if applicable, to the

(Name)
(Title)
(Organ. Unit)
(Organization)
(City, Country)
Project Coordinator/Manager] for his/her approval. This workplan may be revised in consultation with the [Resident Representative, or, if applicable, the Project Coordinator/Manager]. In addition, the personnel assigned by the Implementing Agency to the project shall be responsible for reporting to the [Resident Representative, or, if applicable, the Project Coordinator/Manager] on their activities under the project on a regular basis. These project personnel shall participate in all coordination meetings called by the [Resident Representative, or, if applicable, the Project Coordinator/Manager].

6. In the event of a disagreement between the Project Coordinator and the project personnel of the Implementing Agency, the matter under dispute shall be referred by the Resident Representative to the Executive Director of the Executing Agency, who shall consult with the Implementing Agency for the purpose of finding a satisfactory solution. In the meantime, in order to ensure the smooth working of the project, the decisions of the Resident Representative shall prevail.

7. Upon your acceptance of this letter and pursuant to the Project Budget of the Project Document and the workplan, the Executing Agency shall reserve funds in the amounts set out in annex II, subject to the following:

(a) Expenditures for personnel services as may be provided in section I of annex II are limited to salaries, allowances and other emoluments including, where necessary, the reimbursement of income taxes due to the Implementing Agency's personnel under its rules and regulations, travel costs on appointment to the project, duty travel within the project country or region and repatriation. The Executing Agency shall reimburse the Implementing Agency for the provision of such services on the basis of actual costs for category I cost elements and, where applicable, the Implementing Agency average cost for category II cost elements effective at the time of provision of such services. Adjustments in the stipulated months of services, referred to in annex II, may be made in consultation between the Executing Agency and the Implementing Agency, if this is found to be in the best interest of the project and if such adjustments are in keeping with the provisions of the Project Document;

(b) Expenditures for subcontracting as may be provided in section II of annex II are limited to those incurred in accordance with the Implementing Agency's rules and regulations;

(c) Expenditures for fellowships, or other training, as may be provided in section III of annex II, are limited to those incurred in accordance with the fellowships or other relevant regulations of the Implementing Agency. Within such total allocation, adjustments with respect to the training component
may be made in consultation between the Implementing Agency and the Executing Agency, if this is found to be in the best interest of the project and if such adjustments are in keeping with the provisions of the Project Document;

(d) Expenditures for procurement of equipment as may be provided in section IV of annex II are limited to those incurred in accordance with the Implementing Agency’s rules and regulations;

(e) Within the budgetary limitations of the Project Document, the Executing Agency shall be responsible for providing miscellaneous services such as secretarial assistance, postage and cable services and transportation, as may be required by the Implementing Agency personnel in carrying out their assignment. However, expenditures for these services may be incurred directly by the Implementing Agency within such amounts as may be specified in section V of annex II.

(f) [To the Drafter: Please use one of the following paragraphs as appropriate:]

[The amount provided for in Section VI of annex III represents (%) of the total amount as provided for in Sections 1, 2, 3, 4 and 5 of this annex.] or

[The amount provided in the AOS columns of annex III represents the total amount of the [Implementing Agency’s] support costs for services provided for in Sections 1, 2, 3, 4 and 5 of this annex.]

8. A statement of expenditure shall be submitted by the Implementing Agency to the Executing Agency in accordance with the form attached hereto as annex III. The statement covering the period 1 January to 30 June shall be submitted by 15 July and shall include only months served by experts and consultants and disbursements made during that period. The statement covering the period 1 July to 31 December shall be submitted by 15 January and shall include all man-months served through 31 December and unliquidated obligations as at that date, and may include an estimate in respect of December, if actual amounts cannot be determined by the time the report is submitted. The Executing Agency shall arrange to have the Implementing Agency reimbursed by the time the report is submitted. The Executing Agency shall arrange to have the Implementing Agency reimbursed upon receipt of these statements, it being understood that charges for expenditures outside the limitations set out in paragraph 7 above shall not be accepted if prior authorization by the Executing Agency has not been obtained. Reimbursement to the Implementing Agency shall then be handled centrally by the Accounts Section of UNDP on the basis of statements of expenditure (annex III) as approved by the Executing Agency;
the Implementing Agency’s Operating Fund shall be credited and the Executing Agency’s Operating Fund debited accordingly.

9. The Implementing Agency shall recost and rephase the Schedule of Services and Facilities (annex II) as necessary when submitting the statement of expenditure referred to in paragraph 8. The Executing Agency shall review and, if found acceptable, approve the revision submitted by the Implementing Agency and adjust its records accordingly.

10. The Implementing Agency shall include in its expenditure statement to the Executing Agency covering the first six months of the year (annex III) an estimate of its projected expenditure for the next six months and, in its expenditure statement covering the second half of the year, it shall include an estimate of its projected expenditures for the next twelve months.

11. The Implementing Agency shall submit such report as may reasonably be required by the Executing Agency in connection with its obligations to submit reports to the Government and to UNDP.

12. The Implementing Agency shall provide the Executing Agency at the end of each calendar year with a statement listing all equipment purchased for the project. Such equipment shall be included by the Executing Agency in its main inventory for the project.

13. The Implementing Agency shall provide the Executing Agency with curricula vitae and job descriptions of the personnel assigned to the project.

14. The Implementing Agency shall be responsible for obtaining clearance by the Government of the personnel assigned to the project and shall keep the Executing Agency informed in this regard.

15. The privileges and immunities to which the Implementing Agency and its personnel are entitled may be waived only by the Secretary General of the United Nations or the Director-General of the Implementing Agency.

16. Any changes to the Project Document which would affect the work being performed by the Implementing Agency as described in annex I shall be considered only after consultation with the Implementing Agency.

17. Any amendments to these arrangements shall be effected by mutual agreement through an appropriate supplementary letter of agreement.

18. For any matters not specifically covered by this agreement, the appropriate provisions of the Project Document and amendments or adjustments thereto, and the appropriate provisions of the UNOPS Financial Regulations and UNDP Financial Rules shall apply, *mutatis mutandis*.

19. All further correspondence regarding the implementation of this agreement, other than amendments to this letter of agreement should be addressed to:
Title
Address Executing Agency
Ref: (Project number)

If you are in agreement with the above, please sign and return to this office two copies of this letter. Your acceptance shall thereby constitute the basis for your Organization’s association in the execution of the project.

Yours sincerely,

Executive Director

Agreed on behalf of (Implementing Agency)

_______________________________
(Name)

_______________________________
(Name)

_______________________________
(Name)

Attach separate page as follows:

DESCRIPTION OF SERVICE - ANNEX I

Project number:
Project title:

Work to be performed by the Implementing Agency:

Terms of reference: