ANNEX 3 – LETTER OF AGREEMENT BETWEEN UNDP AND MEW

STANDARD LETTER OF AGREEMENT
BETWEEN UNDP AND THE GOVERNMENT OF LEBANON
FOR THE PROVISION OF SUPPORT SERVICES

Excellency,

Reference is made to consultations between officials of the Government of Lebanon and officials of UNDP with respect to the provision of support services by the UNDP country office for the nationally managed project award ID 00058662 Lebanean Centre for Water Conservation and Management Project. UNDP and the Ministry of Energy and Water hereby agree that the UNDP country office may provide such support services at the request of the Government of Lebanon through the Ministry of Energy and Water being the institution designated in the relevant project document, as described below.

1. The UNDP country office may provide support services and, in doing so, shall ensure that the capacity of the Ministry of Energy and Water is strengthened to enable it to carry out such activities directly.

2. The UNDP country office may provide, at the request of the designated institution, the following implementation support services for the activities related to project delivery:
   i. Payments, disbursements and other financial transactions
   ii. Recruitment of staff, project personnel, and consultants
   iii. Procurement of services and equipment, including disposal
   iv. Organization of training activities, conferences, and workshops, including fellowships
   v. Travel authorization, visa requests, ticketing, and travel arrangements
   vi. Shipment, custom clearance, vehicle registration, and accreditation

3. The UNDP country office will also provide, the following general oversight and management services for the activities of the project which include the following:
   i. Project identification, formulation, and appraisal
   ii. Determination of execution modality and local capacity assessment
   iii. Briefing and de-briefing of project staff and consultants
   iv. General oversight and monitoring, including participation in project reviews
   v. Receipt, allocation and reporting to the donor of financial resources
   vi. Thematic and technical backstopping through Bureaus

4. The procurement of goods and services and the recruitment of project personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies and procedures. If the requirements for support services by the country office change during the life of the project, the project document is revised with the mutual agreement of the UNDP Resident Representative and the Ministry of Energy and Water.
The relevant provisions of the Standard Basic Agreement with the Government (the “SBAA”), dated 10 February 1986, including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Ministry of Energy and Water shall retain overall responsibility for the nationally managed project. The responsibility of the UNDP country office for the provision of the support services described herein shall be limited to the provision of such support services detailed in paragraphs 3 and 4.

Any claim or dispute arising under or in connection with the provision of support services by the UNDP country office in accordance with this letter shall be handled pursuant to the relevant provisions of the SBAA.

The cost of UNDP country office in providing the implementation support services (ISS) related to the project activities described in paragraph 3 above shall be recovered directly from the project budget on the basis of the UNDP Universal Price List (available upon request).

The management cost of UNDP country office for the provision of general oversight and management of the project described in paragraph 4 above shall be deducted from the project budget.

Any modification of the present arrangements shall be effected by mutual written agreement of the parties hereto.

If you are in agreement with the provisions set forth above, please sign and return to this office two signed copies of this letter. Upon your signature, this letter shall constitute an agreement between the Ministry of Energy and Water and UNDP on the terms and conditions for the provision of support services by the UNDP country office for nationally managed 00058662 Lebanese Centre for Water Conservation and Management Project.

For the Government of Lebanon
H.E. Mr. Gibran Bassil
Ministry of Energy and Water

Signed on behalf of UNDP
Ms. Marta Ruedas
Resident Representative

13 May 2010