

**STANDARD LETTER OF AGREEMENT
BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME
AND
THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS
ON
THE IMPLEMENTATION OF THE PROJECT “APPUI À LA FORMULATION DE LA
STRATÉGIE NATIONALE DE DÉVELOPPEMENT DE LA PÊCHE ET DE
L’AQUACULTURE (AVEC UNE ATTENTION PARTICULIÈRE SUR LA PÊCHE
ARTISANALE) 2015-2020”**

1. Reference is made to the consultations between officials of the United Nations Development Programme in Algeria (hereinafter, referred to as “UNDP”) and officials of the Food and Agriculture Organization of the United Nations (hereinafter, referred to as “FAO”) with respect to the implementation of the project “*Appui à la formulation de la stratégie nationale de développement de la pêche et de l’aquaculture (avec une attention particulière sur la pêche artisanale) 2015-2020*” (award ID 00076168, Project ID 00087694, FAO project symbol ALG/14/001/ /01/34), as specified in Attachment 1: Project Document (to be defined at a later stage), to which UNDP has been requested to provide support as implementing partner of the Ministry of Fisheries and Marine Resources of Algeria. The total amounts paid by the Contributing Agency shall match the total budget amount of USD 200 000 (two hundred thousand United States Dollars). The payment will be made through the FAO-UNDP Project Clearing Account (PCA) funding mechanism.
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 FAO towards the project, as specified in Attachment 2: Description of Services (hereinafter, referred to as “Services”). Close consultations will be held between FAO and UNDP on all aspects of the Services.
3. FAO shall use its best efforts to ensure that personnel recruited for the project are of the highest standards of efficiency, competence and integrity.
4. FAO shall be fully responsible for the provision, with due diligence and efficiency, of all services performed by its personnel and for ensuring that all relevant FAO rules and regulations are complied with and that the principles of competitive bidding are observed.
5. In carrying out the activities under this Letter, FAO shall be considered as having the legal status of an independent contractor *vis-à-vis* UNDP. The personnel and sub-contractors of FAO 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 FAO or its personnel, or of its contractors or their personnel, in performing the Services under the project or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by FAO, and its personnel as a result of their work pertaining to the project.

6. As implementing partner on behalf of the Ministry of Fisheries and Marine Resources of Algeria, UNDP shall retain overall responsibility for the project and shall designate a project manager.

7. The personnel assigned by FAO to the project, and under contract with FAO, shall work under the supervision of the project manager. The coordination arrangements between UNDP and the personnel assigned by FAO to the project shall be determined in mutual consultation between UNDP and FAO and described in the relevant terms of reference of the personnel. These personnel shall remain accountable to FAO for the manner in which assigned functions are discharged under FAO rules and regulations.

8. In the event of disagreement between the project manager and the project personnel of FAO, the project manager shall refer the matter under dispute to FAO for the purpose of finding a satisfactory solution. In the interim, the decisions of the project manager shall prevail.

9. Any subcontractors, including NGOs assigned by FAO to the project, and under contract with FAO, shall work under the supervision of the designated official of FAO. These subcontractors shall remain accountable to FAO for the manner in which assigned functions are discharged.

10. Upon signature of this Letter and pursuant to the budget and the work plan of the Project Document, UNDP will make payments to FAO, according to the schedule of payments specified in Attachment 3: Schedule of Services, Facilities and Payments.

11. FAO shall not make any financial commitments or incur any expenses which would exceed the budget for implementing the project as set forth in the Project Document. FAO shall regularly consult with UNDP concerning the status and use of funds and shall promptly advise UNDP any time when FAO is aware that the budget to carry out these Services is insufficient to fully implement the project in the manner set out in the Project Document. UNDP shall have no obligation to provide FAO with any funds or to make any reimbursement for expenses incurred by FAO in excess of the total budget as set forth in the Project Document.

12. FAO shall maintain separate accounts, records and supporting documentation relating to the project, including funds received and disbursed by FAO.

13. FAO shall submit a cumulative financial report each quarter (31 March, 30 June, 30 September and 31 December). Quarterly financial reports will be submitted to the UNDP HQ through the UNDP Core Project Delivery Report (PDR) mechanism. The report will be submitted to UNDP through the UNDP Deputy 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 FAO in the financial report for the project.

14. FAO shall submit such progress reports relating to the project as may reasonably be required by the project manager in the exercise of his or her duties.

15. FAO shall submit annually to UNDP audited or certified statement of accounts showing the status of the funds provided to it by UNDP.

16. FAO shall provide UNDP with an annual report of non-expendable equipment purchased by FAO for the project. The report shall be submitted within 30 days following 31 December, and shall be included by UNDP in the main inventory for the project.

17. FAO shall furnish a final report within 12 months after the completion or termination of the project, including all relevant audited or certified financial statements and records related to such project.

18. Title to any equipment and supplies that may be furnished by UNDP or procured through UNDP funds shall rest with UNDP until such time as ownership thereof is transferred. Except for equipment whose title has been transferred, all other equipment shall be returned to UNDP at the conclusion of the project. Such equipment, when returned to UNDP, shall be in the same condition as when delivered to FAO, subject to normal wear and tear. FAO shall be liable to compensate UNDP for equipment determined to be damaged or degraded beyond normal wear and tear.

19. Any changes to the Project Document which would affect the work being performed by FAO in accordance with Attachment 2 shall be recommended only after consultation between the parties.

20. For any matters not specifically covered by this Letter, the Parties would ensure that those matters shall be resolved in accordance with appropriate provisions of the Project Document and any revisions thereof and in accordance with the respective provisions of the Financial Regulations and Rules of FAO and UNDP.

21. The arrangements described in this Letter will remain in effect until the end of the project, or the completion of activities of FAO according to Attachment 3, 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 FAO unless it receives written indication to the contrary from UNDP. The obligations assumed by the parties under this Letter shall survive the termination of the Letter to the extent necessary to permit the orderly conclusion of activities, the withdrawal of personnel, funds and property, the settlement of accounts between the parties hereto and the settlement of contractual liabilities that are required in respect of personnel, subcontractors, consultants or suppliers.

22. Subject to paragraph 11, FAO shall not be required to commence or continue the provision of the Services until the respective payments referred to above have been received by FAO and it shall not be required to assume any liability in excess of the funds paid into the account referred to above.

23. Any balance of funds that is unspent and uncommitted after the conclusion of the project shall be returned to UNDP.

N.A.

24. Any amendment to this Letter shall be effected by mutual agreement in writing.
25. All further correspondence regarding this Letter, other than signed letters of agreement or amendments thereto should be addressed to the UNDP Deputy Resident Representative.
26. FAO shall keep the UNDP Deputy Resident Representative fully informed of all actions undertaken by them in carrying out this Letter.
27. Except as provided in paragraph 8 above, any dispute between UNDP and FAO 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.
28. 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 FAO participation in the implementation of the project.

Signed on behalf of FAO



Nabil Assaf
FAO Representative in Algeria



Signed on behalf of UNDP

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Cristina Amaral
Director
Resident Coordinator/Representative, Algeria

Date: 23/03/2014

Date:

Attachment 1

PROJECT DOCUMENT

To be prepared at a later stage

N.A.

Attachment 2

DESCRIPTION OF SERVICES

Project title: « *Appui à la formulation de la stratégie nationale de développement de la pêche et de l'aquaculture (avec une attention particulière sur la pêche artisanale) 2015-2020* »

Project number: Award Id 00076168, Project ID 00087694, FAO project symbol ALG/14/001/ /01/34

Work to be performed by FAO

Référence produit		Activities
1	ENS	Expert national en sociologie
2	ENJ	Expert national juridique
3	EIJ	Expert international juridique
4	ENE	Expert national environnement
5	ENH	Expert national halieute
6	EIIPA	Expert international industrie des pêches et aquaculture
7	EIA	Expert international en aquaculture
8	EIOGPP	Expert international en organisation et gestion des ports de pêche
9	ENC	Expert national en communication
10	EIPPS	Expert international programmation et planification

N.A.

N.A.

Attachment 3
Scheduled of Services, Facilities and Payments

Year 2014

	Référence produit	Intitulé des activités	Montant par activité-année 2014 USD	Indirect support cost -7% par activité USD	Total en USD/année 2014
1	ENS	Expert national en sociologie	28 037.38	1 962.62	30 000.00
2	ENJ	Expert national juridique	18 691.59	1 308.41	20 000.00
3	EIJ	Expert international juridique	10 280.37	719.63	11 000.00
4	ENE	Expert national environnement	13 084.11	915.89	14 000.00
5	ENH	Expert national halieute	23 364.49	1 635.51	25 000.00
6	EIIPA	Expert international industrie des pêches et aquaculture	23 364.49	1 635.51	25 000.00
7	EIA	Expert international en aquaculture	SIF	SIF	SIF
8	EIOGPP	Expert international en organisation et gestion des ports de pêche	23 364.49	1 635.51	25 000.00
9	ENC	Expert national en communication	23 364.49	1 635.51	25 000.00
10	EIPPS	Expert international programmation et planification	23 364.49	1 635.51	25 000.00
		Grand Total	186 915.89	13 084.11	200 000.00

The Payments will be done on the timing of each activity under the following conditions:

- 50 percent of the estimated budget of the activity upon validation of the ToR;
- 50 percent of the estimated budget of the activity upon validation of the deliverable.

Note:

- Adjustments within each of the sections may be made in consultation between UNDP and FAO. Such adjustments may be made if they are in keeping with the provisions of the 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				

N.A.