

**STANDARD LETTER OF AGREEMENT  
BETWEEN  
THE UNITED NATIONS DEVELOPMENT PROGRAMME  
AND  
THE PALESTINIAN MINISTRY OF FOREIGN AFFAIRS ON THE  
IMPLEMENTATION OF ‘SUPPORT TO CAPACITY DEVELOPMENT’**

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Your Excellency,

1. Reference is made to the consultations between officials of the United Nations Development Programme/Programme of Assistance to the Palestinian People (PAPP) (hereinafter referred to as “UNDP”) in occupied Palestinian territory (oPt) and officials of the Ministry of Foreign Affairs (hereinafter referred to as “MoFA”) with respect to the provision of services by UNDP in the implementation of the project ‘Support to Capacity Development’, as specified in Attachment 1: Project Workplan, to which UNDP has been selected as executing entity.

2. In accordance with the Project Workplan and with the following terms and conditions, we confirm our acceptance of the services to be provided by MoFA towards the project, as specified in Attachment 2: Description of Services (hereinafter referred to as “Services”). Close consultations will be held between the MoFA and UNDP on all aspects of the Services.

3. MoFA shall provide UNDP, upon signature of this agreement, with all relevant document and Technical studies related to Information and communication technology (ICT) and ICT aided information management.

The MoFA shall use its best efforts to ensure that personnel recruited for the project are of the highest standards of efficiency, competence, and integrity.

4. The MoFA 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 *labor laws* are complied with and that the principles of competitive bidding are observed.

5. In carrying out the activities under this Letter, the MoFA shall be considered as having the legal status of an independent contractor vis-à-vis UNDP. The personnel and sub-contractors of the MoFA 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 MoFA 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 the MoFA, and its personnel as a result of their work pertaining to the project.

6. As executing entity, UNDP shall retain overall responsibility for the project and shall designate a project coordinator.



7. The personnel assigned by the MoFA to the project, and under contract as civil servants with MoFA shall work under the supervision of the MoFA's project coordinator. The supervisory arrangements shall be determined in mutual consultation between UNDP and the MoFA and described in the relevant terms of reference of the personnel. These personnel shall remain accountable to the MoFA for the manner in which assigned functions are discharged under *applicable laws*.

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

9. Any subcontractors, including NGOs assigned by the MoFA to the project, and under contract with the MoFA, shall work under the supervision of the designated official of the MoFA. These subcontractors shall remain accountable to the MoFA 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, UNDP will make payments to the MoFA, according to the schedule of payments specified in Attachment 3: Schedule of Services, Facilities and Payments.

11. The MoFA 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 Workplan. The MoFA shall regularly consult with UNDP concerning the status and use of funds and shall promptly advise UNDP any time when the MoFA 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 Workplan. UNDP shall have no obligation to provide the MoFA with any funds or to make any reimbursement for expenses incurred by the MoFA in excess of the total budget as set forth in the Project Workplan.

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

13. The MoFA 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 MoFA in the financial report for 'Support to Capacity Development of the MoFA'.

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

15. The MoFA shall submit to UNDP audited or certified statement of accounts showing the status of the funds provided to it by UNDP within two months after completion of the project.






16. The MoFA shall provide UNDP with a report of non-expendable equipment purchased by the MoFA for the project upon the completion of the project. The report shall be submitted within 30 days following the completion of the project, and shall be included by UNDP in the main inventory for the project.
17. The MoFA shall furnish a final report within 3 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 the MoFA, subject to normal wear and tear. The MoFA 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 Workplan which would affect the work being performed by the MoFA 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 appropriate provisions of the Project Workplan and revisions thereof and the appropriate provisions of the Financial Regulations and Rules of UNDP shall apply.
21. The arrangements described in this Letter will remain in effect until the end of the project, or the completion of activities of the MoFA 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 the MoFA unless it receives written indication to the contrary from UNDP.
22. Any balance of funds that is un-dispersed and uncommitted after the conclusion of the project shall be returned to UNDP.
23. Any amendment to this Letter shall be effected by mutual agreement, in writing,
24. All further correspondence regarding this Letter, other than signed letters of agreement or amendments thereto should be addressed to Mr. Jens Toyberg-Frandzen, Special Representative to the Administrator, UNDP/PAPP, 4A Ya'Qubi Street, P.O. Box 51359, Jerusalem.
25. The MoFA shall keep the UNDP/PAPP Special Representative fully informed of all actions undertaken by them in carrying out this Letter.
26. Except as provided in paragraph 8 above, any dispute between the UNDP and the MoFA 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.

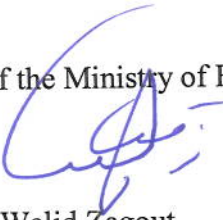
27. If you are in agreement with the provisions set forth above, please sign and return to this office two copies of this Letter. Your acceptance shall thereby constitute the basis for your Ministry's participation in the implementation of the project.

Yours sincerely,  
Signed on behalf of UNDP

  
*Khaled Shahwan*  
Officer in Charge  
UNDP/PAPP

July 24<sup>th</sup>, 2008

Signed on behalf of the Ministry of Foreign Affairs

  
Walid Zagout

Chief of Staff/Ambassador

July 28<sup>th</sup>, 2008





## Attachment 1

### PROJECT WORKPLAN

#### 1. Introduction

This short document sets out the support requirements of UNDP/PAPP for the Ministry of Foreign Affairs (MoFA) in its efforts to develop its capacities in the field of ICT and ICT aided management in order to enhance the ministry's ability to achieve its mission among other; to achieve Palestinian foreign policy goals, to improve its ability to shape and coordinate Palestine foreign policy, to promote Palestinian interests and values as effectively as possible, etc. , in the context of the upcoming construction of the new premises for the Ministry as well as the implementation of the Palestinian Reform and Development Plan (PRDP).

While the mobilization of resources for the construction of the MoFA's new premises is in its final stage, initial and immediate support is needed to ensure that the MoFA remains able to function in an effective and efficient manner so as to ensure its implementation, compliance and contributions under the PRDP. In addition to this initial support, further support is expected to materialize in the course of 2008 with the envisaged construction of a new premise for the MoFA.

#### 2. Purpose

To support the MoFA in developing a) capacity development response strategy for information and communications technology (ICT) and information management. b) develop MoFA's capacity through the provision of equipment/infra-structure for communication technology and information management, which will meet immediate needs of the MoFA's, and provide a foundation and enabling environment for capacity development.

The outcome of the project is improved ability for the MoFA to shape and coordinate Palestinian foreign policy, and to promote Palestinian interests and values as effectively. The outputs that will contribute to the achievement of this outcome complement each other and will be implemented in parallel. These components/outputs are (1) provision of IT equipment to MoFA, and the development of an ICT Capacity Assessment & Strategy for MoFA.

#### 3. Background and Rationale

The vision of the Future Palestinian state as declared by the Palestinian government highlights that it is a progressive state, which values cordial relationships with other states and people in the global community. In this context, active diplomatic relations with the global community requires a well equipped and capable MoFA that is enabled to fulfill its duties to its full potential at the local level as well as internationally.



Instability in the political environment has undermined the PA's capacity to develop and sustain an effective Ministry of Foreign Affairs. The reform efforts on which the PA including the MoFA embarked on came to a halt after the 2006 legislative elections. All the efforts achieved in reforming and building a modern and efficient MoFA were undermined by repeated disruption of government services and functioning as well as the loss of parts of its institutional memory. This has had a direct impact on the MoFA's efficiency and performance capabilities.

International experience suggests that effective public management depends to a large extent on setting up facilitating structures and mechanisms as well as consistent processes and systems.

In order to facilitate the work of MoFA the Ministry would have to embark on the development of a capacity development<sup>1</sup> response strategies and the design of systems and processes, tools and methods for MoFA's communication and coordination with its representation abroad. An action to assess human capacities as well as the enabling environment is crucial as ICT and ICT-aided information management will require competent employees who are able to utilize the available ICT tools and support facilities, and the interest and support of the top level of the ministry in ensuring that measures are implemented and benefits realized.

The process will build on existing consultative and participatory processes which are already in place to ensure national ownership. In addition, accountability mechanisms will be clearly defined for both the formulation and implementation of the above mentioned CD strategy . Finally, the approach will be designed such that it will develop capacity among all involved in the process during the course of the project.




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<sup>1</sup> Capacity is defined as the ability of individuals, organizations and societies to perform functions, solve problems, and set and achieve their own development objectives in a sustainable manner. Capacity development (CD) is thereby the process through which the abilities to do so are obtained, strengthened, adapted and maintained over time. Capacity development is a means towards reaching development outcomes.



## Attachment 2

### DESCRIPTION OF SERVICES

Programme/project number: 00061761

Programme/project title: 'CD of MoFA' in ICT and ICT aided information management.

#### Results to be achieved by the MoFA

Provide a summary of the results to be achieved by the MoFA, particularly the outputs they are expected to produce.

This project has two major components/outputs which complement each other and will be implemented in parallel. These components/outputs are:

**Output I:** Provision of IT equipment to MoFA : providing the requested equipment to will help them to function more effectively on a daily basis, will enhance the performing capabilities of the employees towards achieving duties and mission assigned to them. Additionally, with the upgrading of the potential and capacity of existing facilities and staff (by introducing sound systems to the two existing meeting rooms, it will be possible to utilize them more efficiently, and by purchasing a number of books pertaining to Foreign Affairs, Diplomacy, Protocol, International and Humanitarian Law, it will enable to move a step forward in the establishment of specialized library that will be utilized by all the Palestinian diplomats and students interested in foreign policy and diplomacy.

**Output II:** Capacity Assessment & Strategy: Undertake an assessment of the development and use of information and communications technology and the personnel ICT and information knowledge and capacities at MoFA, Develop a capacity development strategy and action plan for ICT and ICT-aided information management. The approach for the development of a capacity development strategy and the design for the assessment must be agreed upon bilaterally and must be specified and approved by both parties in the Terms of reference.

#### Work to be performed by the MoFA

Explain the activities to be carried out by the MoFA

MoFA will:

1. will procure all necessary input for component 1, and in doing so abide by the Ministry of Finance Procurement procedures.
2. identify a team from its staff to jointly conduct the capacity assessment under component 2 with the UNDP technical team
3. designate a project coordinator (counterpart) for UNDP



4. provide copy of all the previous capacity development and capacity assessment (organizational, human, and enabling environment) related to ICT and ICT aided information management.

Description of inputs:

***Component 1/Equipment:***

No	Description of the item	Quantity	Budget US\$
1	Computers/lcd screen (core 2 duo 2GHZ/1G/160GB/DVD RW/LCD)	40	38,000
2	HD Photocopiers (50 ppm/sorter/feeder/4 paper trays/duplex)	5	30,000
3	Lazer Jet Printers (22 ppm/HP 4230 series)	8	14,800
4	Colored Printers (Lazer/20 ppm/3 trys) (17 pages)	2	6,000
5	multi-functional machine (fax, printer scanner, etc.)	2	6,500
6	Sound system for the Minister's meeting room (20 mics and 4 head phones)&(the general meeting room 40 mics and 4 head phones)		10,000
7	ID printer & 1000 ID cards & two sets of ink for the printer	1	10,000
8	Shredders (1410 SP)	6	1,000
9	Contribution to the MoFA's specialized library in the form of references and encyclopedias on Foreign Affairs, Diplomacy, Protocol, International and Humanitarian Law, Political Science, etc		15,000
<b>Sub Total</b>			<b>131,300</b>

The title for the above list of IT equipment will be transferred to MoFA upon UNDP approval for the financial report submitted by MoFA

***Component 2/Capacity Development:***

Technical support for developing a capacity development strategy for MoFA's ICT and ICT aided information management





100,000

Annexes:

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







