

## STANDARD LETTER OF AGREEMENT

### BETWEEN UNDP AND THE GOVERNMENT FOR THE PROVISION OF SUPPORT SERVICES

1. Reference is made to consultations between officials of the Government of The Republic of the Palau (hereinafter referred to as “the Government”) and officials of UNDP with respect to the provision of support services by the UNDP country office for nationally managed programmes and projects. UNDP and the Government hereby agree that the UNDP country office may provide such support services at the request of the Government through its institution designated in the relevant project document, as described below.

2. The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of the Government (Palau Energy Office) is strengthened to enable it to carry out such activities directly. The costs incurred by the UNDP country office in providing such support services shall be recovered from the administrative budget of the Project office.

1. The UNDP country office may provide, at the request of the Palau Energy Office, the following support services for the activities of the project:

- (a) Identification and/or recruitment of project personnel;
- (b) Identification and facilitation of training activities;
- (a) Procurement of goods and services;

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. Support services described in paragraph 3 above shall be detailed in an annex to the project document, in the form provided in the Attachment hereto. If the requirements for support services by the country office change during the life of a project, the annex to the project document is revised with the mutual agreement of the UNDP resident representative and the Implementing Partner.

5. The relevant provisions of the Agreement between the Republic of Palau and the United Nations Development Programme concerning assistance by UNDP to the Government signed on 18 July 2008 or the Supplemental Provisions forming part of the project document, including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Government shall retain overall responsibility for the nationally managed project through its Implementing Partner. 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 the annex to the project document.

6. 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 OPAS.

7. The manner and method of cost-recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be specified in the annex to the project document.

8. The UNDP country office shall submit progress reports on the support services provided and shall report on the costs reimbursed in providing such services, as may be required.

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

10. 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 your Government and UNDP on the terms and conditions for the provision of support services by the UNDP country office for nationally managed programmes and projects.

Yours sincerely,



Signed on behalf of UNDP

Mr. Knut Ostby

Resident Representative

United Nations Development Programme  
Multi Country Office Fiji

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## ATTACHMENT

### DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES

1. Reference is made to consultations between the institution designated by the Government of Republic of Palau and officials of UNDP with respect to the provision of support services by the UNDP country office for the nationally managed Sustainable Economic Development through Renewable Energy Applications (SEDREA) .

2. In accordance with the provisions of the letter of agreement for Sustainable Economic Development through Renewable Energy Applications (SEDREA) signed on 22<sup>nd</sup> December 2008 and the UNDP country office shall provide support services for the Project as described below.

3. Support services to be provided: SEDREA MSP

Support services (insert description)	Schedule for the provision of the support services	Cost to UNDP of providing such support services (where appropriate)	Amount and method of reimbursement of UNDP (where appropriate)
2. Actual REFW in Palau	Quarter 3 and 4 2010 Quarter 1 2011	Based on UNDP Standard Universal Price List	USD400,000

2. Description of functions and responsibilities of the parties involved: UNDP MCO Fiji will be liable for making the Direct Payment to the vendor for Purchase of Equipment SEDREA MSP project.

Details will be provided later