

**STANDARD LETTER OF AGREEMENT BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME AND
THE MINISTRY OF PLANNING, INVESTMENT AND ECONOMIC DEVELOPMENT (MOPIED)
ON THE RECOVERY AND RESILIENCE FRAMEWORK (RRF)
WHEN UNDP SERVES AS EXECUTING ENTITY**

Your Excellency,

1. Reference is made to the consultations between officials of the United Nations Development Programme (hereinafter referred to as "UNDP") in *Somalia* and officials of the Ministry of Planning, Investment and Economic Development (MOPIED) with respect to the realization of activities by MOPIED in the Execution of the project 00109195 Project Initiation Phase – Recovery and Resilience Framework (RRF), as specified in Attachment 1: Project Document, to which UNDP has been selected as executing entity.
2. In accordance with the Project Document and with the following terms and conditions, we confirm our acceptance of the activities to be provided by Ministry of Planning, Investment and Economic Development (MOPIED) towards the project, as specified in Attachment 2: Description of Activities (hereinafter referred to as "Activities"). Close consultations will be held between Ministry of Planning, Investment and Economic Development (MOPIED) and UNDP on all aspects of the Activities.
3. The Ministry of Planning, Investment and Economic Development (MOPIED) shall be fully responsible for carrying out, with due diligence and efficiency, all Activities in accordance with its financial regulations, rules and other directives, and to the extent possible they are consistent with UNDP's Financial Regulations and Rules.
4. In carrying out the activities under this Letter, the personnel and sub-contractors of the Ministry of Planning, Investment and Economic Development (MOPIED) 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 Ministry of Planning, Investment and Economic Development (MOPIED) or its personnel, or of its contractors or their personnel, in performing the Activities or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by the Ministry of Planning, Investment and Economic Development (MOPIED), and its personnel as a result of their work pertaining to the Activities.
5. Any subcontractors, including NGOs under contract with the Ministry of Planning, Investment and Economic Development (MOPIED), shall work under the supervision of the designated official of the Ministry of Planning, Investment and Economic Development (MOPIED). These subcontractors shall remain accountable to the MOPIED for the manner in which assigned functions are discharged.
6. Upon signature of this Letter, UNDP will make payments to the Ministry of Planning, Investment and Economic Development (MOPIED), according to the schedule of payments specified in Attachment 3: Schedule of Activities, Facilities and Payments.
7. The Ministry of Planning, Investment and Economic Development (MOPIED) *shall use its Account at the Central bank or* open an account with the financial services provider identified by UNDP in the name of the grant or project or activity. No other contributions are to be received in that specific account. The account must have a minimum of two signatories. In the event of change of any of the signatories, the Ministry of Planning, Investment and Economic Development (MOPIED) and the financial services provider undertake to notify UNDP immediately. UNDP reserves the right to request a bank statement from the Ministry of Planning, Investment and Economic Development (MOPIED) or, if necessary, from the financial services provider, for scrutiny and authentication.

8. The Ministry of Planning, Investment and Economic Development (MOPIED) shall not make any financial commitments or incur any expenses which would exceed the budget for the Activities as set forth in Attachment 3. The Ministry of Planning, Investment and Economic Development (MOPIED) shall regularly consult with UNDP concerning the status and use of funds and shall promptly advise UNDP any time when the Ministry of Planning, Investment and Economic Development (MOPIED) is aware that the budget to carry out these Activities is insufficient to fully implement the project in the manner set out in the Attachment 2. UNDP shall have no obligation to provide the Ministry of Planning, Investment and Economic Development (MOPIED) with any funds or to make any reimbursement for expenses incurred by the Ministry of Planning, Investment and Economic Development (MOPIED) in excess of the total budget as set forth in Attachment 3.
9. The Ministry of Planning, Investment and Economic Development (MOPIED) shall submit a cumulative financial report from the date this LOA comes to force (1st September and 30th November, 2018). 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 Ministry of Planning, Investment and Economic Development (MOPIED) in the financial report for Project Initiation Phase – Recovery and Resilience Framework (RRF).
10. The Ministry of Planning, Investment and Economic Development (MOPIED) shall submit such progress reports relating to the Activities as may reasonably be required by the project manager in the exercise of his or her duties.
11. The Ministry of Planning, Investment and Economic Development (MOPIED) shall furnish a final report after the completion or termination of the Activities, including a list of non-expendable equipment purchased by the Ministry of Planning, Investment and Economic Development (MOPIED) and all relevant audited or certified financial statements and records related to such Activities, as appropriate, pursuant to its Financial Regulations and Rules.
12. Equipment and supplies that may be furnished by UNDP or procured through UNDP funds will be disposed as agreed, in writing, between UNDP and Ministry of Planning, Investment and Economic Development (MOPIED).
13. Any changes to the Project Document which would affect the work being performed by Ministry of Planning, Investment and Economic Development (MOPIED) in accordance with Attachment 2 shall be recommended only after consultation between the parties.
14. For any matters not specifically covered by this Letter, the Parties would ensure that those matters shall be resolved in accordance with the appropriate provisions of the Project Document and any revisions thereof and in accordance with the respective provisions of the Financial Regulations and Rules of the Ministry of Planning, Investment and Economic Development (MOPIED) and UNDP.
15. The arrangements described in this Letter will remain in effect until the end of the project, or the completion of activities of the Ministry of Planning, Investment and Economic Development (MOPIED) according to Attachment 2, 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 Ministry of Planning, Investment and Economic Development (MOPIED) unless it receives written indication to the contrary from UNDP.
16. Any balance of funds that is undispersed and uncommitted after the conclusion of the Activities shall be returned within 90 days to UNDP. The balance of funds should also be returned in case the project is closed or is terminated early at the request of either of the parties.

17. Any amendment to this Letter shall be effected by mutual agreement, in writing,
18. All further correspondence regarding this Letter, other than signed letters of agreement or amendments thereto should be addressed to:

*George Conway,
Country Director
UNDP Somalia
UN Common Compound, Airport Road,
Mogadishu, Somalia*

19. The Ministry of Planning, Investment and Economic Development (MOPIED) shall keep the UNDP Country Director/Resident Representative fully informed of all actions undertaken by them in carrying out this Letter.

20. UNDP may suspend this Agreement, in whole or in part, upon written notice, should circumstances arise which jeopardize successful completion of the Activities.

21. Any dispute between the UNDP and the Ministry of Planning, Investment and Economic Development (MOPIED) 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 the judicial system of Somalia.

22. UNDP has a zero tolerance policy against fraud and other corrupt practices that are inconsistent with the UN Standard of Conduct or involve a loss to UNDP funds. UNDP does not charge fees at any stage of a procurement/contracting/agreement process, whether supplier registration, bids/proposal submission, contract/agreement award, or payment issuance. UNDP takes all reports of alleged wrongdoing seriously. UNDP's Office of Audit and Investigations (OAI) has established an Investigations Hotline and other measures to ensure that persons wishing to report fraud may do so, free of charge, using a number of different options. Anyone with information regarding fraud against UNDP programmes or involving UNDP staff is strongly encouraged to report this information through the Investigations Hotline: hotline@undp.org. UNDP's Anti-Fraud Policy and other options for reporting wrongdoing are available at UNDP's [website:](http://www.undp.org/content/undp/en/home/operations/accountability/audit/office_of_audit_andinvestigation.html)
http://www.undp.org/content/undp/en/home/operations/accountability/audit/office_of_audit_andinvestigation.html

23. 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 of Planning, Investment and Economic Development (MOPIED) participation in the execution of the project.

Yours sincerely,
Signed on behalf of UNDP



Digitally signed by George Conway
DN: cn=George Conway, o=UNDP,
ou=UNDP Somalia,
email=george.conway@undp.org,
c=SO
Date: 2018.09.30 09:21:04 +03'00'

George Conway, Country Director



Signed on behalf of the MOPIED

H.E Gamal Mohamed Hassan, Minister of Planning, Investment and Economic Development (MOPIED),
Federal Government of Somalia (FGS)

Attachment 1
United Nations Development Programme
Country: SOMALIA

Project Document Extract

Agreement duration: 1st September 2018 to 30th November 2018

Project Title: Project Initiation Phase (PIP) - Recovery and Resilience Framework (RRF)

NDP alignment: Chapter 9: Building Resilience Capacity

The specific objectives of the PIP are:

- 1) Development of a recovery and resilience vision, guiding principles, and policy-setting for recovery;
- 2) Cross-sector prioritization of recovery, durable solutions to displacement, and resilience strengthening and resilience needs;
- 3) Definition of institutional arrangements and capacity requirements across government and its partners, leading to the establishment of a management framework for the RRF;
- 4) Comprehensive frameworks for recovery and resilience financing;
- 5) Monitoring and evaluation systems, as well as a communication strategy

Short Description of the Project Initiation Phase – Recovery and Resilience Framework (RRF):

The Federal Government of Somalia (FGS), together with its Federal Member States (FMS), and with the support of the UN system, World Bank, European Union and other international partners, has taken significant steps forward in developing broader and more integrated strategies for addressing famine risk and other drought-impact needs, and provide the basis for policy making, institutionalization and financing of recovery. The Drought Impact Needs Assessment (DINA) has been an initiative to identify and prioritize drought-caused needs in a sector-based recovery strategy with a cross-cutting, integrated perspective.

With the DINA finalized, the roadmap and guiding principles for a Recovery and Resilience Framework (RRF) process is now being announced by the Federal Government, with the proactive engagement of the Federal Member States (FMS), and with support from the core DINA partners. The RRF will be an iterative process and platform, to be rolled out and implemented. The RRF objective is to promote a sustainable recovery while addressing the underlying drivers of drought vulnerability.

The proposed Recovery and Resilience Framework (RRF) process is to support Somalia's progress from early drought recovery interventions towards medium-term drought recovery, longer-term resilience, and disaster preparedness. The RRF is guiding the recovery efforts of the government, partners, and other relevant stakeholders and facilitating the coordination of the different actors to implement the findings of the DINA by prioritizing recovery and resilience interventions sector-wise, geographically, and temporally, through strengthening government and communities capacity to deal with, recover from and build resilience against natural shocks. These efforts are expected to pave the way for the progressive realization of an enabling environment for regular developmental activities to take root in Somalia. The intended longer-term impact of the proposed activity is to empower communities and households, reduce and mitigate the adverse impacts created by recurrent natural disasters and related links with conflicts and governance.

The Somalia National Development Plan (NDP) is the first NDP drafted by the central government of Somalia since 1986. It defines the Government's short to medium term strategic direction,

development priorities and proposed implementation mechanisms including the use of development aid. The key theme of the NDP is to accelerate socio-economic transformation to achieve the stated objectives for 'poverty alleviation, economic revival and societal transformation in a socially just and gender equitable manner.' The objectives of the RRF are closely aligned with, and designed to support, the NDP's policy priority for creating "more resilient communities that can withstand internal and external shocks including cyclical droughts and other natural disasters through integrated approaches towards risk management and development ¹." Therefore, the components of the RRF will be aligned with NDP Pillars and coordinate pillars to maximize complementarity of efforts and results with the RRF ultimately contributing to the NDP implementation.

The RRF is expected to play a key role in scaling up, leveraging and building on the impacts created by the range of drought response interventions by creating complementarities and pathways to short- and medium-term recovery, durable solutions and resilience building with a focus on empowerment of communities and households – particularly the most vulnerable women, children, elderly and displaced population groups. It will do so by harnessing and strengthening the Government's capacity to lead and coordinate integrated and sequenced drought recovery interventions ensuring the involvement of a wider range of stakeholders.

The RRF is expected to have tangible intermediate outputs as well as long-term development impacts. These include but are not limited to:

- a. Continued consensus among Somalia government, partners, private sector and donors on strategic priorities for drought recovery, durable solutions to displacement and long-term drought resilience;
- b. Strengthening FGS capacity to plan and lead high impact, low-risk sustainable recovery durable solutions and resilience building interventions; and strengthened capacity of Federal Member States to implement and monitor these programs;
- c. Mobilize objectively prioritized financing for recovery, durable solutions, and resilience;
- d. Increasing the capacity of FGS, FMS and other institutions and communities for effective disaster preparedness, response, mitigation, prevention and recovery to protect lives, livelihoods, property, environment, and economy as outlined in the National Disaster Management Policy, the National Development Plan and the Sustainable Development Goals (SDGs).

This process, led centrally by the FGS Ministry of Planning, Investment and Economic Development (MoPIED) and supported by the Federal Ministry of Humanitarian Affairs and Disaster Management (MoHADM), is directly informed by the DINA findings, translating the findings and recommendations of the DINA into actionable recovery plans and tangible structures, policies, and results not fully covered by existing support and cooperation mechanisms. The RRF refocus and prioritize interventions that help communities to recover on a more sustainable basis and build capacities and access to resources (technical, operational and financial) with the objective of responding to shocks and crises. The RRF is undertaken as more than a resource efficacy tool, and pursued alongside the Humanitarian Response Plan, supporting recovery and development interventions in a crisis setting.

The PIP provides technical and financial resources to flesh out the details of RRF. The PIP is considered to be critical for the MoPIED to hold consultations and build consensus on the scope, priorities, financing and implementation modalities of the RRF.

¹ Somalia National Development Plan 2017-2019; <http://mopic.gov.so/wp-content/uploads/2016/11/SOMALIA-NATIONAL-DEVELOPMENT-PLAN-2017-2019.pdf>

Attachment 2

DESCRIPTION OF ACTIVITIES

Project number: 00109195

Project title: Project Initiation Phase (PIP) - Recovery and Resilience Framework (RRF)

Duration: 1st September 2018 to 30th November 2018

Results to be achieved by MOPIED

The overall aim is to strengthen national ownership, coordination and leadership of the MOPIED for implementation of the activities in the development of RRF.

The specific results that the MOPIED is expected to achieve are:

1. Establish strong government ownership, oversight and leadership of the RRF development process;
2. Strengthen coordination and national ownership of the RRF in close partnership with the UN, EU and the World Bank
3. Promote aid effectiveness and monitor existing support related to the RRF to avoid duplication and overlap

The main steps foreseen for the achievement of above are:

- a) Pillar Working Groups Outreach/Update
- b) Update and Presentation of the RRF for the National Development Council
- c) Validation Workshops
- d) Final Validation Workshop; Mogadishu
- e) RRF Institutionalization (Federal Level Engagement)
- f) Outreach for investment and resource mobilization

Work to be performed by MOPIED

The support under the LOA will help MOPIED to perform following functions: -

Coordination and national ownership:

- Conduct and facilitate coordination meetings, invite stakeholders and provide logistic and administrative support to national counterparts.
- Provide support to the technical team and the top-level decision-making bodies, including, Executive Committee for RRF, Somalia Development and Reconstruction Facility Steering Committee, National Development Council.
- Promote inter-ministerial coordination and engagement in the implementation, strengthen dialogue and engaging regions and federal member states in the RRF.
- Undertake outreach activities for Investment and resource mobilisation for the implementation of prioritized actions under RRF
- Chair or Co-chair the decision-making bodies or consultative meetings at the federal, member states and national/international partners levels.

Oversight and Monitoring:

- The ministry in collaboration with the UN, the EU and the World Bank will conduct progress monitoring regularly.

Regional Engagement

- Ensure inclusive engagement of regions in the RRF process through information sharing and consultation to make the final RRF inclusive.
- Support regional ministries of planning to participate in the implementation of the project activities at state level.
- Provide administrative and logistical support for convening national and international stakeholders during the RRF development phase

Description of inputs:

UNDP will provide the financial, technical and advisory support to carry out this agreement enabling the ministry to coordinate with the stakeholders. Following is the key support that UNDP will provide to the ministry:

- Facilitate the engagement of the regions and other stakeholders including women networks and CSOs in the RRF development phase by providing financial support for bringing on-board national experts, coordination meetings, consultations and finalization of RRF
- Operational costs including communications specific to the RRF coordination.
- Provide operational cost support for the ministry specific to the MOPIED for RRF process

Release of Funds and Payment Modalities - Notes:

- UNDP will only pay for works or services that are specified in this LOA or that have been added with UNDP advance approval, that do adhere to UNDP rules, and that are in line with the available budget under this LOA;
- When requesting for release of funds, the Ministry will submit an official letter to UNDP signed by the Minister or appointed official, together with duly authorized receipts (in the case of goods), certification of service (in the case of contribution to salaries), or copy of personnel contract and certification of service (in the case of personnel) for the funds previously received;
- For all recruitments and soliciting of services by the MOPIED, UNDP Resilience and Climate Change staff will be involved in the development of specifications, TORs, and in the evaluation of the bids and recruitment of consultants/vendors. TORs for advisors should clearly state deliverables, duration of assignment and rate of payment.
- Adjustments within each of the sections (beyond 10%) may be made in consultation between UNDP and MOPIED. Such adjustments may be made if they are in keeping with the provisions of the Programme Support/Project Document and if they are found to be in the best interest of the project;
- Shifts between budget lines of less than 10 % will be accepted as long as the total amount of the budget is not exceeded;

Attachment 3: Schedule of Activities, Facilities and Payments

Year: 2018
IP code: MOPIED-0009567

Expected Outputs	Planned Activities	Sub-activities (agreed between UNDP and MOPIED)	Timeframe				Planned Budget	Amount (USD)	Activity Based schedule of payment			
			Q1-18	Q2-18	Q3-18	Q4-18			Q1 18	Q2 18	Q3 18	Q4 18
Output 1: RRF Coordination Support Office in the Ministry of Planning, Investment and Economic Development (MOPIED) Established Baseline (2018): 1. MOPIED needs capacities for dedicated work on RRF; 2. Insufficient Resources for Coordination with the Federal Member States and other stakeholders Targets (2018): 1. Fully functional coordination office operational in MOPIED; 2. Sufficient Resources available for coordination and consultations Indicators: 1. Coordination Office Functional; 2. RRF approved for implementation with consensus of all stakeholders	1.1. Establishment of strong coordination network with Federal Member States, Federal Ministries, CSOs, Private Sector, development and humanitarian organisations	1.1.1 National coordinators housed in the MOPIED 1.1.2 Communication and facilitation of RRF coordination					Salary for two coordinators (@ USD 2500/Month for 3 months) 1 Printer, 1 Camera, Internet, Telecommunication, Projector, Computers	15,000				
			1.2 Stakeholder meetings focused on federal and regional government	1.2.1 Coordination meetings/workshops at inter-ministerial at federal and regional levels	4 coordination meetings/workshops in Mogadishu or regional capitals @ USD 6,000 (including venue, transport, vehicle, stationary, DSA for non-residents and refreshments)	24,000			18,000	6,000		
		1.2.2 Mobility support to the MOPIED					Rented Vehicles by MOPIED for 3 months (Two vehicles @ of USD 2,000/per month for 3 month)	12,000			4,000	8,000
		Total						62,000			36,000	26,000

Attachment 4. Cash Transfer Modality

Sub-activities (agreed between UNDP and MOPLED)	Planned Budget		Cash transfer modality								UNDP Direct Imp	Implementation		
	Budget Description	Amount (USD)	Direct Cash transfer (MOPLED)				Direct payment							
			Q1 18	Q2 18	Q3 18	Q4 18	Q1 18	Q2 18	Q3 18	Q4 18				
1.1. RRF Coordination Support Office in the Ministry of Planning, Investment and Economic Development (MOPLED) Established	1.1.1. Establishment of strong coordination network with Federal Member States, Federal Ministries, CSOs, Private Sector, development and humanitarian organisations	Salary for two coordinators @ USD 2500/Month for 3 months)	15,000			5,000	10,000							UNDP to be part in developing the TORs and deliverables of the coordinators
Baseline (2018): 1. MOPLED needs capacities for dedicated work on RRF; 2. Insufficient Resources for Coordination with the Federal Member States and other stakeholders	1.1.2 Stakeholder meetings focused on federal and regional government	4 coordination meetings/workshops in Mogadishu or regional capitals @ USD 6,000 (including venue, transport, vehicle, stationary, DSA for nonresidents and refreshments)	24,000			18,000	6,000							MOPLED to prepare detailed budget and activity plan.
		Rented Vehicles by MOPLED for 3 months (Two vehicles @ of USD 2,000/per month for 3 month)	12,000			4,000	8,000							MOPLED to collect quotations from the car hire companies. Cars to the hired from the company that is evaluated as most competitive.

Targets (2018):
1. Fully functional
coordination
office operational
in MOPLED; 2.
Sufficient
Resources
available for
coordination and
consultations

Sub-activities (agreed between UNDP and MOPIED)	Planned Budget			Cash transfer modality								UNDP Direct Imp	Implementation	
	Budget Description	Amount (USD)	Q1 18	Q2 18	Q3 18	Q4 18	Direct payment							
							Q1 18	Q2 18	Q3 18	Q4 18				
Indicators: 1. <i>Coordination Office Function;</i> 2. RRF approved for implementation with consensus of all stakeholders														
Total		62,000			36,000		26,000							

Note:

- NB: As part of this LOA, UNDP will independently and directly do the following:
- Adjustments within each of the outputs may be made in consultation between UNDP and MOPIED. Such adjustments may be made if they are in keeping with the provisions of the Program and Project Document and if they are found to be in the best interest of the project.
- **Monitoring, Evaluation and Reporting:**
 The IP is responsible to undertake monitoring activities, including baseline data collection prior to the start of the project, monitoring to assess progress towards intended outputs, reviews or studies if required to measure effect of project, field visits, etc. The IP is expected to provide a complete list of beneficiaries with names, contact details and baseline information as relevant to the project, as well as attendance sheets with participants' names and signatures for activities such as trainings, workshops etc. The IP is also expected to provide, to the extent possible, photographic evidence of the activities undertaken and case studies (including, contact information, quotes, photographs, impact etc.) in the programmatic narrative reports. UNDP and partners will conduct programmatic monitoring and use approaches that involve the community and government, and enable women and children to benefit from the process.

Attachment 5 a : Cash Advance payment process and schedule

- The cash advance of USD 62,000,000 will be split in Two tranches with specific deliverable.

Tranche	Amount (USD)	Deliverable
1 st	36,000	1 st installment will be release upon signature of this LOA.
2 nd	26,000	2 nd installment will be released on MOPIED submission and approval of UNDP the narrative/ progress report and financial report for the 1 st installment advance funds released, including the supporting documents for completed activities, as specified in the budget description with at least 80% funds utilization of 1 st installment.
Total	62,000	

Attachment 5b Cash Transfer Modality (CTM)

S/N	Cost Type	Budget	%	CTM
1	National coordinators	15,000	24	Cash Advance
2	Communication and facilitation of the RRF	11,000	18	Cash Advance
3	Coordination Meetings/workshops	24,000	39	Cash Advance
4	Mobility/Rent of Vehicles	12,000	19	Cash Advance
	Total	62,000	100	

