

**AGREEMENT BETWEEN THE UNITED NATIONS DEVELOPMENT
PROGRAMME AND THE METROPOLITAN WATERWORKS AUTHORITY**

WHEREAS the United Nations Development Programme (hereinafter referred to as "UNDP") and the Metropolitan Waterworks Authority (hereinafter referred to as the "MWA") have agreed to co-operate in the implementation of the Water for People' Partnership: Small Grants Programme (WPP-SGP) which Project is summarized in Attachment A to this Agreement;

WHEREAS the MWA has informed UNDP of its willingness to contribute funds (hereinafter referred to as "the contribution") to the UNDP on a cost-sharing basis to increase the resources available for the Project;

WHEREAS the UNDP shall designate an implementing partner for the implementation of each project financed from the contribution (hereinafter referred to as "Implementing Partner")

NOW THEREFORE, UNDP and the MWA hereby agree as follows:

Article I

1. The MWA shall, in the manner referred to in paragraph 2 of this Article, place at the disposal of UNDP the contribution of THB 20,000,000. This contribution is earmarked for the implementation of planned activities under this Agreement.
2. The MWA shall, in accordance with the schedule of payments set out below, deposit the contribution in UNDP Thai Baht bank account as per bank details indicated:

Bank Name: Bank of America NA
 Account Name: UNDP Representative in Thailand (Thai Baht) Account
 Account Number: 620431507019
 Bank Address: All Season Place, CRC Tower, 87/2 Wireless Road,
 Bangkok 10330 Thailand
 Bank ID: 0270001
 SWIFT Address: BOFATH2X

Please send bank deposit payin-slip via email to APRC.FinanceUnit@undp.org or fax to +66 2 280 0556

	<u>Date payment due</u>	<u>Amount(THB)</u>
(a)	15 days after signature on the agreement	5,000,000.-
(b)	June 2012, upon receipt of satisfactory report.	5,000,000.-
(c)	June 2013, upon receipt of satisfactory report.	5,000,000.-
(d)	June 2014, upon receipt of satisfactory report.	5,000,000.-

The above schedule of payments takes into account the requirement that contributions shall be paid in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.

3. All financial accounts and statements shall be expressed in United States dollars.
4. UNDP agrees to accept contribution-payments in Thai Baht according to schedule in Article I, paragraph 2 above. Any change in the currency of contribution--payments shall be made only in agreement with UNDP.
5. The value in USD of the Thai Baht contribution payment shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by UNDP of the contribution-payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the MWA with a view to determining whether any further financing could be provided by the MWA. Should such further financing not be available, the assistance to be provided to the Project under this Agreement may be reduced, suspended or terminated by UNDP.
6. Any interest income attributable to the contribution shall be credited to the UNDP Account and shall be utilized in accordance with established UNDP procedures.

Article II

1. In accordance with the decisions and directives of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the Contribution shall be subject to cost recovery for indirect costs incurred by UNDP headquarters and country office structures in providing General Management Support (GMS) services. To cover these GMS costs, the contribution shall be charged a fee equal to 3%. Furthermore, as long as they are unequivocally linked to the specific project(s), all direct costs of implementation, including the costs of executing entity or implementing partner, will be identified in the project budget against a relevant budget line and borne by the project accordingly.
2. The aggregate of the amounts budgeted for the project, together with the estimated costs of reimbursement of related support services, shall not exceed the total resources available to the project under this Agreement as well as funds which may be available to the project for project costs and for support costs under other sources of financing.

Article III

1. The contribution shall be administered by the UNDP in accordance with UNDP regulations, rules and directives, applying its normal procedures for the execution of its projects.
2. Project management and expenditures shall be governed by the regulations, rules and directives of UNDP and, where applicable, the regulations, rules and directives of the Implementing Partner.

Article IV

1. The implementation of the responsibilities of the UNDP and of the Implementing Partner pursuant to this Agreement and the relevant project document shall be dependent on receipt by the UNDP of the contribution in accordance with the schedule of payments set out in Article I, paragraph 2, above.
2. MWA has confirmed no increase in contribution will be contemplated, if unforeseen increases in expenditures or commitments are expected or realized (whether due to inflationary factors, fluctuation in exchange rates or unforeseen contingencies) UNDP in consultation with MWA will adjust the project activities accordingly, to be within the budget limits.

Article V

Ownership of equipment, supplies and other property financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

Article VI

The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP.

Article VII

UNDP shall provide the MWA on request with financial and other reports prepared in accordance with UNDP reporting procedures.

Article VIII

1. UNDP shall notify the MWA when all activities relating to the contribution have been completed.
2. Notwithstanding the completion of all activities relating to the contribution, UNDP shall continue to hold unutilized contribution-payments until all commitments and liabilities incurred in implementation of the activities finance by the contribution have been satisfied and these activities brought to an orderly conclusion.
3. If the unutilized contribution-payments prove insufficient to meet such commitments and liabilities, UNDP shall notify the MWA and consult with the MWA on the manner in which such commitments and liabilities may be satisfied. The remaining fund will be programmed until fully-utilised.
4. Any contribution-payments that remain unexpended after such commitments and liabilities have been satisfied shall be disposed of by UNDP in consultation with the MWA.

Article IX

1. After consultations have taken place between the two Parties to this Agreement and provided that the contribution-payments already received are, together with other funds available to the Project, sufficient to meet all commitments and liabilities incurred in the implementation of the Project, this Agreement may be terminated by UNDP or by the MWA. The Agreement shall cease to be in force thirty days after either of the Parties may have given notice in writing to the other Party of its decision to terminate the Agreement.
2. If the unutilized contribution-payments, together with other funds available to the Project, are insufficient to meet such commitments and liabilities, UNDP shall notify the MWA and consult with the MWA on the manner in which such commitments and liabilities may be satisfied.
3. Notwithstanding termination of this Agreement, UNDP shall continue to hold unutilized contribution-payments until all commitments and liabilities incurred in implementation of the activities financed by the contribution have been satisfied and these activities brought to an orderly conclusion.
4. Any contribution-payments that remain unexpended after such commitments and liabilities have been satisfied shall be disposed of by UNDP in consultation with the MWA.

Article X

This Agreement shall enter into force upon signature and deposit by the MWA of the first contribution-payment to be made by the MWA in accordance with the schedule of payments set out in Article I, paragraph 2 of this Agreement.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in two copies.

For the Metropolitan Water Work Authority:

For the United Nations Development Programme:



(Signature)

(Signature)

Name: Mr. Chareon Passara

Name: Mr. Yuxue Xue

Title: MWA Governor

Title: UNDP Resident Representative a.i.

Date:

24 JUN 2011

Place:

Date:

24 JUN 2011

Place: