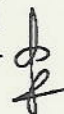


2011/DTIE/Chems-UNDP/LoA056
QSP Project No.: IX.07.NGO.PROBICOU
Project Account No.: SM/4030-06-42-2101
BAC: 2011-SML-2310-2B64-1151-2101
Overall Cost to UNEP: US\$ 250,000--



**LETTER OF AGREEMENT BETWEEN
THE UNITED NATIONS ENVIRONMENT PROGRAMME (UNEP)
AND**

**THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP), represented by
the UNDP Country Office in Uganda, and having its Office at Plot 11 Yuzuf Lule Road,
P.O Box 7184 Kampala, Uganda**

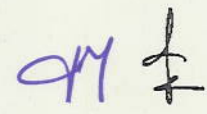
**For the Programme Trust Fund of the Strategic Approach to International
Chemicals Management**

WHEREAS the Strategic Approach to International Chemicals Management (SAICM) is a policy framework, which supports the achievement of the goal agreed at the 2002 Johannesburg World Summit on Sustainable Development of ensuring that, by the year 2020, chemicals are produced and used in ways that minimize significant adverse impacts on the environment and human health. SAICM was adopted by the International Conference on Chemicals Management (ICCM) in February 2006 in Dubai (United Arab Emirates). In its resolution I/4, the ICCM established the Quick Start Programme (QSP) to support "initial enabling capacity-building and implementation activities" in developing countries and countries with economies in transition and invited the Executive Director of UNEP to establish a Trust Fund for the QSP.

WHEREAS UNEP through its Governing Council Decision SS.IX/1, endorsed SAICM and has a mandate to establish and manage the QSP Trust Fund to support initial implementation of SAICM. The QSP Trust Fund was officially established on 1 December 2006. It will be open for contributions until 30 November 2011 and will continue disbursements until 30 November 2013.

WHEREAS UNDP Country Office in Uganda is the executing agency of the project identified as: "Promoting chemical safety for children at work in rural agricultural communities"(the Project) and shall maintain the overall responsibility for project implementation in accordance with the activities and timeline specified in the UNDP Project Document entitled "UNDP "Promoting chemical safety for children at work in rural agricultural communities", as annexed to this Letter of Agreement (hereinafter LOA).

WHEREAS UNDP Country Office in Uganda is prepared to receive and administer the contribution for the execution of the project.



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NOW THEREFORE, UNDP Country Office in Uganda and UNEP hereby agree as follows:

Article 1
Amount

1. UNEP's financial participation under the present LOA shall not exceed US\$250,000 (Two Hundred Fifty Thousand United States Dollars). UNDP Country Office in Uganda will administer the funds in accordance with its regulations, rules, policies and procedures and will be responsible for managing the disbursement of the Project funds in line with the attached Project Document.
2. UNEP shall transfer to UNDP Country Office in Uganda the total approved contribution of US\$250,000 (Two Hundred Fifty Thousand United States Dollars) from the QSP Trust Fund (BAC:2011-SML-2310-2B64-1151-2101). The total funding will be made in one installment upon signature of this Agreement and will be paid on the following bank account:

Beneficiary: UNDP
Bank: Bank of America
A/C Name: UNDP REPRESENTATIVE UGANDA
Address: 730 15th Street, N.W. 7th Floor
Washington DC 20005
USA
Account: 3572211270
Currency: US\$
Bank ID: ABA: 111000012 (US Banking Code)
Bank SWIFT Code: BOFAUS3N

3. UNEP will inform UNDP Country Office in Uganda when the contribution is paid via an e-mail message with remittance information to contributions@undp.org
4. 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 8%, indicated as "project support cost" in the budget in annex II. 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

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project budget against a relevant budget line and borne by the project accordingly.

5. 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.
6. UNDP shall reimburse UNEP any portion of cash advances remaining unspent or uncommitted by UNDP on completion of the activities under the present agreement after all commitments and liabilities have been satisfied.

Article 2 Reporting

UNDP Country Office in Uganda shall provide the following substantive reports to UNEP:

1. A narrative report of project progress and the latest available approved budget, on a half-yearly basis and at the latest by 31 July and 31 January of each project year, reviewed and endorsed by UNDP Country Office in Uganda.
2. Within six month after the date of completion or termination of the Agreement, a final report summarizing project activities and impact of activities, reviewed and endorsed by the UNDP Country Office in Uganda, as well as provisional financial data.

UNDP Country Office in Uganda shall provide the following financial reports:

3. A half-yearly financial progress reports. On a half-yearly basis and at the latest by 31 July and 31 January of each project year. The financial reports will include detailed breakdown of expenditures incurred, using the forms provided in Annexes IV of the present LOA.
4. From UNDP Bureau of Management/Comptroller's Division, an annual certified financial statement as of 31 December every project year to be submitted no later than 30 June of the following year,
5. From UNDP Bureau of Management/Comptroller's Division, on completion of the project, not later than 30 June of the year following the financial closing of the project, a certified financial statement, consistent with the budget in annex II of the present agreement. For the avoidance of doubt, "financial closing" means that all project activities are operationally completed and all related financial obligations and liabilities have been settled.

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Article 3
Account

1. UNDP Country Office in Uganda shall maintain a separate record for the receipt and administration of funds disbursed to it by UNEP under this LOA for the Project. Administration of the funds will be in accordance with UNDP's own regulations, rules, policies and procedures.

Article 4
Evaluation

1. All UNDP programmes and projects are evaluated in accordance with UNDP Evaluation Policy. UNDP Country Office in Uganda in consultation with other stakeholders will jointly agree on the purpose, use, timing, financing mechanisms and terms of reference for evaluating a project including an evaluation of its contribution to an outcome which is listed in the Evaluation Plan. UNDP Country Office in Uganda shall commission the evaluation, and the evaluation exercise shall be carried out by external independent evaluators. The first evaluation report will be submitted one year after the signature of the present LOA and the second at the end of the project. All costs will be covered under the project budget contained in the project document.

Article 5
Audit

1. UNDP Country Office in Uganda account shall be subject exclusively to its internal and external auditing procedures laid down in its financial regulations, rules, directives and procedures applicable. Should the biennial Audit Report of the Board of Auditors of UNDP Country Office in Uganda to its governing body contain observations relevant to the contributions, such information shall be made available to UNEP.

Article 6
Dispute settlement

1. The Parties shall use their best efforts to promptly settle through direct negotiations any dispute, controversy or claim arising out of or in connection with this Letter of Agreement or any breach thereof. Any such dispute, controversy or claim which is not settled within sixty (60) days from the date either party has notified the other party of the nature of the dispute, controversy or claim and of the measures which should be taken to rectify it, shall be resolved through consultation between the Executive Heads of the Parties.

[Handwritten signatures]

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Article 7
Correspondence

1. All correspondence regarding the present agreement should be addressed to:

UNDP Country Office in Uganda:

Mr. Lebogang Motlana
Country Director
United Nations Development
Programme (UNDP)
Plot 11 Yuzuf Lule Road
P.O Box 7184
Kampala, Uganda

UNEP
Mr. Per Bakken
Head, Chemicals Branch
Division of Technology, Industry and
Economics
United Nations Environment Programme
11-13, Chemin des Anémones
CH-1219 Geneva, Switzerland
Tel: 00 41 22 917 81 83
Fax: 00 41 22 917 797 34 60
E-mail: per.bakken@unep.org

With a copy to:

Mr. Abubaker S. Wandera
National Coordinator
GEF Small Grants Programme Uganda
United Nations Development Programme
P.o Box 7184 Kampala, Uganda
Tel: + 256 312 260265
E-mail: abubaker.wandera@undp.org

With a copy to:

Ms. Leonor Alvarado
Coordinator, SAICM Secretariat
Chemicals Branch
Division of Technology, Industry and
Economics
United Nations Environment Programme
11-13, Chemin des Anémones
CH-1219 Geneva, Switzerland
Tel: 00 41 22 917 8741
Fax: 00 41 22 917 797 34 60
E-mail: leonor.alvarado@unep.org


With a copy to:

Mr. John Noisette
Chief Corporate Services Section (CSS),
United Nations Environment Programme
P.O. Box 30552, Nairobi 00100, Kenya
E-mail: john.noisette@unep.org
Phone: +254 (020) 762 5454
Fax: +254 (020) 762 3718/3568

With a copy to:

Mr. Ardeshir Zamani
Administrative Officer
DTIE/Chemicals Branch
United Nations Environment Programme
11-13, Chemin des Anémones
CH-1219 Geneva, Switzerland
Tel: 00 41 22 917 82 59
Fax: 00 41 22 917 797 34 42
E-mail: ardeshir.zamani@unep.org

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Article 8
Notification and Amendments

1. UNDP Country Office in Uganda shall notify UNEP when all activities relating to the Project have been completed.
2. The Parties shall notify each another in writing, within 1 month of any proposed or actual changes that the other Party deems necessary for the execution of this LOA.
3. Upon receipt of such request, the Parties shall consult each other with a view to reaching an agreement.
4. This LOA and its Annexes may be amended only by mutual agreement of the Parties reflected in writing.

Article 9
Duration, Amendment and Termination

1. Annexes to this LOA shall be construed as an integral part of this LOA.
2. This LOA shall become effective upon signature and shall remain effective for a period of 24 months from the last date of signature.
3. After consultations have taken place between UNEP and UNDP Country Office in Uganda and provided that the payments already received are, together with other funds available to the Project, sufficient to meet all commitments and liabilities incurred in the execution/implementation of the Project, this LOA may be terminated by UNDP Country Office in Uganda or by UNEP. The Agreement shall cease to be in force 30 (thirty) days after either of the Parties have given notice in writing to the other Party of its decision to terminate the Agreement.
4. Notwithstanding termination of all or part of this LOA, UNDP Country Office in Uganda shall continue to hold unutilized payments until all commitments and liabilities incurred in the execution/implementation of all or the part of the Project, for which this LOA has been terminated, have been satisfied and Project activities brought to an orderly conclusion.

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Article 10
Entry into force

1. This LOA shall enter into force upon signature by the authorized officials of the Parties, being effective 24 months from the date of the latest signature.

IN WITNESS WHEREOF, the duly authorized representatives of UNEP and UNDP Country Office in Uganda affix their signatures below.

For UNEP

fol
Ms. Sylvie Lemmet

Director *Spougan*
Division of Technology, Industry and
Economics (DTIE)

Date: *14/6/11*

For UNDP Country Office in Uganda

in Motiana
Mr. Debogang Motiana

Country Director
United Nations Development
Programme (UNDP) Country Office
Kampala, Uganda

Date: *11/07/2011*

CM *[Signature]*

Annex II, Budget in USS UNDP Country Office Uganda -PROBICOU (round IX)

	Year 1	Year 2	TOTAL
10 PROJECT PERSONNEL COMPONENT			
1200 Consultants			
1201 National programme Coordinator	8,400	8,400	16,800
1202 Project Recruitment local personnel	3,600	0	3,600
1203 Project assistant national	2,400	2,400	4,800
1204 Consultant pesticide management and training	6,000	6,000	12,000
1205 National chemical safety Specialist	6,000	6,000	12,000
1206 International consultant	0	9,000	9,000
1207 Finance and administration personnel (national)	3,600	3,600	7,200
1208 Travel for International Consultant	6,000	6,000	12,000
1209 Travel for National Consultants	3,400	3,400	6,800
1299 Total	39,400	44,800	84,200
1999 Component Total	39,400	44,800	84,200
30 TRAINING COMPONENT			
3200 Group training			
3201 Training workshops	23,681	24,000	47,681
3202 Regional training meetings	18,900	18,900	37,800
3299 Total	42,581	42,900	85,481
3300 Meetings/conferences			
3301 National meetings	14,000	14,000	28,000
3302 Experts Meetings	7,200	7,200	14,400
3399 Total	21,200	21,200	42,400
3999 Component Total	63,781	64,100	127,881
40 EQUIPMENT AND PREMISES COMPONENT			
4100 Expendable equipment (items under \$1,500 each)			
4101 Laboratory Equipment	1,500	1,500	3,000
4199 Total	1,500	1,500	3,000
4999 Component Total	1,500	1,500	3,000
50 MISCELLANEOUS COMPONENT			
5500 Independent Monitoring and Evaluation & Audi			
5501 Monitoring and Evaluation	4,200	4,200	8,400
5502 Auditing	4,000	4,000	8,000
5599 Total	8,200	8,200	16,400
5999 Component Total	8,200	8,200	16,400
Direct Project Cost	112,881	118,600	231,481
Programme Support costs (8%)	9,031	9,488	18,519
99 GRAND TOTAL	121,912	128,088	250,000

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