

## STANDARD LETTER OF AGREEMENT BETWEEN UNDP AND THE GOVERNMENT FOR THE PROVISION OF SUPPORT SERVICES

Dear Mr. Çuçi,

1. Reference is made to consultations between officials of the Government of *Albania* (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-designated institution 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 office.
3. The UNDP country office may provide, at the request of the designated institution, the following support services for the activities of the programme/project:
  - (a) Identification and/or recruitment of project personnel;
  - (b) Identification and facilitation of training activities;
  - (c) 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 programme support document or 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 programme or project, the annex to the programme support document or project document is revised with the mutual agreement of the UNDP resident representative and the designated institution.
5. The relevant provisions of the UNDP Standard Basic Assistance Agreement between UNDP and the Government of Albania of 17 June 1991, 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 programme or project through its designated institution. 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 programme support document or 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 SBAA.
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 programme support document or 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.

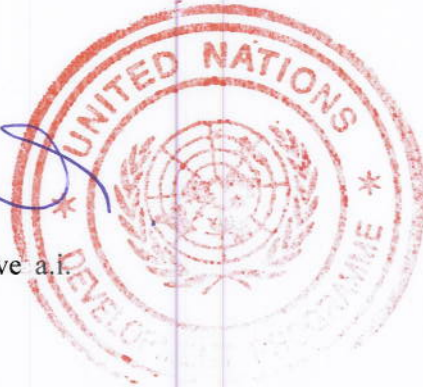
9. Any modification of the present arrangements shall be effected by mutual written agreement of the parties hereto.

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,



Yesim Oruc  
UNDP Resident Representative a.i.



8/11/2013



Bledar Çuçi  
Minister for Local Issues



8/11/2013



Attachment

**DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES**

1. Reference is made to consultations between the Ministry of Local Affairs, the institution designated by the Government of Albania and officials of UNDP with respect to the provision of support services by the UNDP country office for the nationally managed project **Support to Administrative and Territorial Reform** "the *Project*".

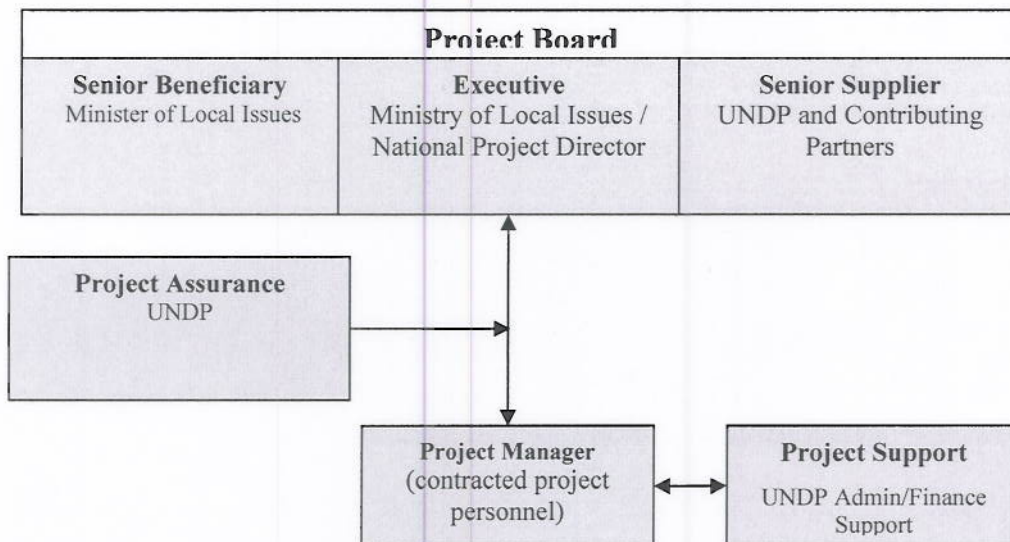
2. In accordance with the provisions of the letter of agreement signed on 8/11/2013 and the project document, the UNDP country office shall provide support services for the *Project* as described below.

3. Support services to be provided:

<b>Support services (insert description)</b>	<b>Schedule for the provision of the support services</b>	<b>Cost to UNDP of providing such support services (where appropriate)</b>	<b>Amount and method of reimbursement of UNDP (where appropriate)</b>
1.Human Resources management	Continuously for all contracts (both national and locally recruited internationals)	According to Universal Price List	According to Universal Price List
2.Procurement of Goods/Services related to this project	Continuously for all procurement	According to Universal Price List	According to Universal Price List
3.Financial management	Continuously	According to Universal Price List	According to Universal Price List

4. Description of functions and responsibilities of the parties involved:

Project management arrangements will follow the standard UNDP project management structure that establishes a relationship between key project stakeholders, quality assurance and support functions:



Project Board:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the project manager;
- Provide guidance on new project risks and agree on possible countermeasures and management actions to address specific risks;
- Review the project progress and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- Review combined delivery reports prior to certification by the implementing partner;
- Appraise the project annual review report, make recommendations for the next annual work plan, and inform the outcome group about the results of the review;
- Provide ad-hoc direction and advice for exception situations when project manager's tolerances are exceeded;
- Assess and decide to proceed on project changes through appropriate revisions;

Project Director/Implementing partner:

- A Project Director is designated by Government, and is given the authority to request advances, payments, contracts, etc.
- The National Project Director (NPD) is responsible for the achievement of project objectives.
- The Project Director will be the official liaison between the Minister of Local Affairs and UNDP to ensure proper project execution.
- Approve work plans for planned expenditures;
- Approve and sign the Combined Delivery Report (CDR) at the end of the year;
- Sign the Financial Report or the Funding Authorization and Certificate of Expenditures (FACE).

Senior Beneficiary:

- Group of individuals representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Project Board is to ensure the realization of project results from the perspective of Minister of Local Affairs.



### Development Partners (also called Supplier):

- Individuals or groups representing the interests of the parties concerned which provide funding and/or technical expertise to the project. Senior Suppliers in this specific case are considered all international partners contributing to the project budget that will be represented in the Board. In light of the significance of ongoing programmatic work supported by the international community in Albania, the SWG will designate a participant on behalf of the broader “donor” community to participate in the Project Board

### Project Manager:

- Reports to the National Project Director
- Plan the activities of the project and monitor progress against the approved work-plan;
- Mobilize personnel, goods and services, training and micro-capital grants to initiative activities, including drafting terms of reference and work specifications and overseeing all contractors’ work;
- Monitor events as determined in the project monitoring schedule plan, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, through advance of funds, direct payments, or reimbursement using the FACE (Fund Authorization and Certificate of Expenditures);
- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
- Be responsible for preparing and submitting financial reports to UNDP on a quarterly basis;
- Manage and monitor the project risks initially identified and submit new risks to the project board for consideration and decision on possible actions if required; update the status of these risks by maintaining the project risks log;
- Capture lessons learnt during project implementation – a lessons learnt log can be used in this regard (MS Word template)
- Perform regular progress reporting to the project board as agreed to with the board;
- Prepare the annual review report, and submit the report to the project board and the outcome group;
- Prepare the annual work plan for the following year, as well as quarterly plans if required;
- Update the Atlas Project Management module if external access is made available.

### UNDP project assurance:

- Ensure that funds are made available to the project;
- Ensure the project is making progress towards intended outputs;
- Perform regular monitoring activities, such as periodic monitoring visits and “spot checks”;
- Ensure that resources entrusted to UNDP are utilized appropriately;
- Ensure that critical project information is monitored and updated in Atlas;
- Ensure that financial reports are submitted to UNDP on time, and that combined delivery reports are prepared and submitted to the project board;
- Ensure that risks are properly managed, and that the risk log in Atlas is regularly updated

### UNDP Project Support:

- Set up and maintain project files;
- Collect project related information data;
- Assist the project manager in updating project plans;
- Administer project board meetings;
- Administer project revision control;
- Establish document control procedures;
- Compile, copy and distribute all project reports;
- Assist in the financial management tasks under the responsibility of the project manager;
- Provide support in the use of Atlas for monitoring and reporting;