



**AGREEMENT BETWEEN THE UNITED NATIONS AND
THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)**

A. PROJECT SUMMARY

Project Title: "Strengthening rural livelihoods severely affected by climate change –induced drought in Lesotho"

Reference number: **FAO-AF-09-074**

Time frame: 01 March 2011 – 28 February 2013 (2 years)

Location: Lesotho

Contribution amount: US \$213,381.54 (UNDP portion only)

Donor: United Nations Trust Fund for Human Security

Executing Agency: United Nations Development Programme (UNDP)

B. PROJECT DESCRIPTION AND IMPLEMENTATION

1. The contribution governed by this Agreement shall be utilized exclusively for, and in accordance with, the attached project document and its annexes; any revision thereto is subject to the same approval process as applied to the original project. This contribution will be administered in accordance with the regulations and rules applicable to UNDP.

C. SCHEDULE OF PAYMENTS

2. This contribution will be allocated in two installment(s). The first installment of US \$72,192.90 shall be issued immediately after both parties have signed this Agreement. The second installment of US\$141,188.64 will be issued upon receipt of satisfactory substantive consolidated reports from the lead agency and financial reports from UNDP. These reports should indicate that 70% or more of the first installment has been committed and/or expended. The total contribution is inclusive of a programme support cost (7% of project total) for UNDP.

D. REPORTING**Substantive Progress Reporting**

3. Substantive reports shall detail outputs, achievements and constraints with regards to the utilization of this contribution. The first substantive progress report for the period through 28 February 2012 should be submitted to the leading agency for further submission to the UN and the consolidated substantive report is due no later than 31 March 2012. This report will be accompanied by the interim financial report certified by the Resident Representative of UNDP (country). Subsequent substantive reports shall be provided at annual intervals (by 31 January) thereafter until the final substantive report required by this Agreement is submitted. These reports will be accompanied by the interim financial report certified by the Resident Representative of UNDP Lesotho (see paragraph 5).

4. Within six (6) months after this contribution has been fully expended, or the Project has been completed, whichever is first to occur, UNDP shall provide a final substantive report detailing outputs, achievements and constraints with regards to the utilization of the contribution for the whole project. This will be accompanied by the final financial report certified by the Comptroller of UNDP (see paragraph 5).

Financial Reporting

5. Financial reports shall reflect the amount received in relation to expenditure from the contribution. Annual interim financial reports, certified by the Resident Representative of UNDP Lesotho, will be submitted by 31 January and annual financial reports certified by the Comptroller of UNDP will be submitted by 30 June of each year following the reporting period. Within six (6) months after the close of UNDP's books for the financial year during which the contribution has been fully expended or the Project has been financially complete, whichever is first to occur, a final financial report certified by the Resident Representatives of UNDP Lesotho will be submitted accompanied by the final substantive report. The final financial report certified by the Comptroller of UNDP will be submitted by 30 June of the following year (see paragraph 4).

6. The financial report submitted by the Resident Representative of UNDP Lesotho will provide information according to the following categories:

- a. Amount received
- b. Interest income
- c. Staff and other personnel costs
- d. Travel
- e. Contractual services
- f. Operational expenses
- g. Acquisitions
- h. Fellowships, Grants and other
- i. Sub-total
- j. Programme Support Costs
- k. TOTAL EXPENDITURES

7. At the termination of the Project, any unexpended or uncommitted part of the Contribution, including interest income, will be returned to the UN, jointly with the financial statement as stipulated under section D.4. of this Agreement.

E. PAYMENT INSTRUCTIONS

8. Upon receipt of this Agreement, the funds shall be paid into the following account:

Account Details:	Account Name:	UNDP Contributions Account
	Account Number:	015-002284
	Bank Name:	JP Morgan Chase Bank International Agencies Banking
	Swift Code:	CHASUS33
	ABA No:	021000021
	Reference:	Lesotho / Trust Fund for Human Security

F. CERTIFICATION AND AGREEMENT BY UNDP

9. UNDP certifies that the statement herein, under the heading "Project description and implementation" and the corresponding annexes, is an accurate description of the Project and that agreement and acceptance of the terms and conditions of this Agreement Document is indicated by the duly authorized signature below.

Signed:



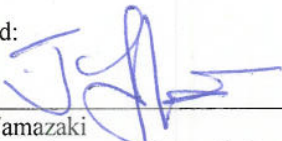
Ms. Ahunna Eziakonwa-Onochie
Resident Representative
UNDP Lesotho

Date: 05 MAY 2011

G. CERTIFICATION BY THE UN

10. It is hereby certified that the activities described in this document are consistent with the Objectives of the United Nations Trust Fund for Human Security and that agreement and acceptance of this Agreement Document is indicated by the duly authorized signature below.

Signed:



Jun Yamazaki
Assistant Secretary-General, Controller

Date: 17 April 2011