

# UNITED NATIONS DEVELOPMENT PROGRAMME

## Project Document

**Project number :** MAL/99/009/A /01/99  
**Project title:** Development Support Programme  
  
**Project short title:** Development Support Programme  
**Estimated start date:** 1 January 2000  
**Estimated end date:** Dec 2001  
  
**Management arrangement:** National Execution  
**Designated institution:** Economic Planning Unit  
  
**Project site:** Kuala Lumpur

### Classification information

ACC sector and subsector ; General Development Issues/National Development Planning  
 DCAS sector and subsector: Development Administration/Technology policy and planning  
 Government sector and subsector: National Development Policies and Strategies/Macro economic strategies  
  
 Primary areas of focus/sub-focus: Other UNDP development priorities  
 Secondary areas of focus/sub-focus: Other UNDP development priorities  
  
 Primary type of intervention: Direct support  
 Secondary type of intervention: Operational assistance  
  
 Primary target beneficiaries: Government  
 Secondary target beneficiaries : Local Government Organisations

LPAC review date: 13 October 1999

Programme Officer:

### Summary of UNDP and cost-sharing inputs

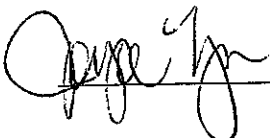
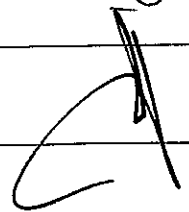
(as per attached budgets)

UNDP:	TRAC (1 & 2)	US\$ 200,000
		200,000
Cost-sharing:	Government (Programme)	200,000
Total		400,000
<b>Administrative and operational services</b> (where applicable)		
	Country Office Admin. Costs	6,000
Total:		6,000
<b>TOTAL</b>		<b>406,000</b>

**Government inputs:** (local currency)  
(in kind)

### Brief description:

In response to the challenges faced as a result of the economic downturn and the rapid socio-political environment in which Malaysia is engaged, a flexible and responsive funding mechanism needs to be established. The ~~TRAC~~ will support the goals of Country Programme and the National Economic Recovery Plan (NERP) by funding well-targetted interventions which are not large enough to warrant individual technical assistance projects and otherwise, are not eligible to be funded from other ongoing projects. This Programme would also support efforts leading to compliance related to decisions arising from the UN Conferences, international conventions and protocols. In addition, upstream sectoral interventions related to the preparations of the Eighth Plan would be supported.

On behalf of:	Signature	Date	Name/Title
UNDP:		29 DEC 1999	Joyce Yu Resident Representative a.i.
Executing Agent:	—	—	—
Government:		28 DEC 1999	DATO' DR. SAMSUDIN BIN HITAM Director General Economic Planning Unit Prime Minister's Department

## Section A: Development Context

The Mid-Term Review period of the Seventh Malaysia Plan will be remembered as a time when the national economy faced many challenges arising from the effects of the recession in 1998. The period will also be remembered for the unprecedented measures taken, and the willingness of both the public and private sectors to adopt appropriate policy adjustments for economic recovery.

The Seventh Malaysian Plan was launched in 1996, at a time when the economy was robust with relatively strong economic fundamentals, having grown rapidly at an average rate of 8.5 per cent per annum since 1990. The definitive Plan presented a pragmatic blend of proven and new development strategies and programmes that would propel Malaysia into the twenty-first century. Strategies formulated sought to enhance output, augment efficiency and increase competitiveness so as to sustain rapid growth as well as to ensure a balanced development and an equitable distribution of benefits among all Malaysians, states, and the rural and urban population.

After a commendable economic performance during the first two years of the Plan period, the economy was adversely affected in 1998 by the financial crisis which began in July 1997.

The crisis that affected the East Asian region was triggered by speculative activities of hedge funds, which made huge profits through massive short-term capital flows, and in the process, seriously destabilized these East Asian currencies. Malaysia was not spared the regional contagion effects of the crisis. This crisis compelled the Government to undertake a series of strong measures to ensure the stability of the nation was not further adversely affected. The National Economic Action Council (NEAC) established in January 1998, and launched the National Economic Recovery Plan (NERP) in July 1998.

Besides responding to the immediate economic crisis, the NERP also provided a comprehensive framework to address structural and medium-term issues. These measures are pragmatic and designed to resolve the critical issues facing the country and, undoubtedly, require the full commitment, not only on the part of the Government, but also of Malaysians from all walks of life to ensure the success of the economic recovery.

The UNDP Country Cooperation Framework was drafted in early 1997 and reflects the goals of the Seventh Plan. In 1998, the Economic Planning Unit and UNDP consolidated the themes of the CCF into two streams: human development and sustainable environmental management and indicated a preference for a significant pool of resources be designated as contingency.

Against this backdrop, it is essential for UNDP and its counterpart Economic Planning Unit to provide the structured mechanism for this needed flexibility. The proposed Programme covers the remaining Plan period as well as supporting the strategies that have been fine-tuned to facilitate the attainment of the National Development Policy (NDP) and the status of a developed nation as envisaged in Vision 2020.

During the Fourth and Fifth cycle of UNDP support, an umbrella project for consultancies and training (MAL/93/015) was in force to enable funding for human resource development of public

sector and ad hoc publications. This project over the two previous cycles has proven to be useful in furthering human resource development in the public sector by funding participation of individuals in conferences and seminars and workshops.

The current situation dictates a broader, more development-focus tied to the goals of the CCF and to the NERP. Compliance, particularly related to decisions arising from the UN conferences, international conventions and protocols would benefit from opportunities for Malaysians to participate in regional and global foray and to conduct policy and/or action oriented research. In addition, upstream sectoral interventions related to the preparations of the Eighth Plan would be in keeping with UNDP's partnership with the Government.

Given the progressive increase in human development indicators in Malaysia, resource mobilization for the UNDP programme is essential to maximize impact and effectiveness. Thus, it is envisioned that the proposed Programme will serve as a facility for preparatory activities for resource mobilization efforts where seed money can expedite access to larger resources.

In doing so, resource mobilization efforts attracting cost-sharing from loan resources, national budget, UNDP regional and global resources and bilateral sources would enhance and expand the UNDP country cooperation framework.

It is expected, at the end of this Programme that the activities supported would further the goals of the CCF and the NERP. The target beneficiaries would be the stakeholders, executing and implementing agents of programmes and projects under the Country Cooperation Framework 1997-2001 and government officials.

The Economic Planning Unit (EPU), Prime Minister's Department, has as part of its mandate to plan and coordinate development projects throughout Malaysia. Specialized sections exist within EPU to give advice and scrutinize potential projects within each sector, while the responsibility for overall coordination, final endorsement and follow-up of all development assistance emanating from external agencies as well as from other Governments rest with the External Assistance Section.

The Programme will be nationally executed with UNDP assisting EPU to make all direct payments. However, the implementing agency will still maintain an accounting and record keeping system that reflects all financial transaction of the project. Details of the accounting and financial procedures are attached as annex to the project document. UNDP Kuala Lumpur office will assist to facilitate the said work.

The main function of the Programme is to facilitate in a flexible manner a wider coverage of the socioeconomic development concerns through well-targetted small interventions. The programme will recruit national and international consultants, arrange training programmes in Malaysia or abroad, conduct preparatory and project formulation exercises and fund conference attendance, seminars and workshops and selected publications.

The Programme will enrich the Country Cooperation Framework by funding those development efforts with high catalytic impact but which are not large enough to warrant formulation of individual projects and otherwise, eligible to be funded from other ongoing projects.

## Section B: Strategy for use of UNDP Resources

As a broker for development cooperation programme, UNDP is well placed to facilitate access to expertise, specialised training and global and inter-regional and regional outreach/networking for development. The framework of the CCF and the Seventh Malaysian Plan provide the policy blueprints for utilisation of funds under this Programme. The scope of interventions under the thematic emphasis of the CCF is not intended to be a rigid box. There are many unprescribed opportunities in the context of a rapidly changing global political and economic world and UNDP is attempting to assist the Malaysian Government meet its development challenges.

The economic downturn beginning in mid 1997 serves as an excellent illustration of the critical importance to have flexibility and quick response in meeting urgent needs. Thus, timeliness and relevance to the CCF and the Plan serve as the main criteria for accessing this programme insofar that other programmes or projects are not able to respond. Additionally, the progressive reduction of core UNDP resources assigned to Malaysia requires that resources be leveraged and serve as seed funds or preparatory functions attracting larger funds from other sources. These sources should include but not limited to GEF, UNDP Regional and Global Programmes, bilateral, other UN agencies and IFIs and private sector. In support of strengthening civil society, opportunities to encourage partnerships with NGOS, CBOS and private sector firms and organisations would also be supported.

Support to follow-up to UN Conferences has particular importance for this Programme in that there will be funding for Malaysia to attend related meetings, conferences scheduled in support of the UN Conferences. In turn, policy-making and formulation of projects fulfilling global commitments often occur as modest expenditures which have a certain amount of risk in their potentiality or opportunistic nature and where a full-fledged programme or project is not needed nor appropriate.

Despite the economic success of Malaysia and its prominent voice in global forums, there is recognition that continuing exposure and exchange of ideas, and experiences is useful to Malaysian authorities. UNDP provides the neutral avenue for this continuing presence.

A careful evaluation and monitoring process will insure that the Programme remain focused on the themes of the CCF and the Plan and not be used as a catch-all with little measurable impact. Gender balance and distribution of training opportunities and consultancies will also be monitored.

In implementing the above, national and international sub-contractors can be utilized for specific activities requested by the Government. As with other CP interventions, concepts for assistance through this Programme may originate or can be developed by a variety of sources of expertise: EPU, UNDP or any public or private institution. However, a written request from EPU is required in order to allocate project funds for an activity. Quarterly Country Programme Review Meetings should provide good opportunities for discussions of potential project activities and ongoing monitoring.

## **Section C: Objectives, Outputs and Activities**

### **Development Objective:**

To enhance the capacity of the Government of Malaysia to respond to rapidly changing political, social and economic conditions and resultant needs for appropriate governmental and nongovernmental policies and actions in the promotion of sustainable human development and in strengthening capacities to comply with international conventions and protocols.

### **Immediate Objective 1:**

To support enabling activities that contribute to better informed policy making and development practice in pursuit of sustainable human development.

#### **Activities 1 :**

- feasibility studies
- preparatory and project formulation exercises
- workshops and consultations
- pilot and strategic intervention

### **Immediate Objective 2:**

To contribute to improved human resource development amongst government and civil society stakeholders to better carry out their specific roles and functions.

#### **Activities 2 :**

- training and fellowships

### **Immediate Objective 3:**

To contribute to capacity building of relevant government ministries and agencies and selected NGOs.

#### **Activities 3 :**

- workshops, seminars, conferences

### **Immediate Objective 4:**

To support costs of relevant publications (electronic or print) or multimedia tools.

#### **Activities 4 :**

- production of relevant publications

### **Outputs**

Due to the spontaneous nature of this programme, individual outputs cannot be detailed at the start. However, activities funded will lead to support resource mobilisation endeavours and

support policymaking. It is estimated that there will be a number of technical reports, feasibility studies, meetings and workshop papers to result from the various activities supported. Preparatory and project formulation consultancies will spearhead new funding initiatives.

#### **Section D: INPUTS**

UNDP/GOM cost sharing will be used to leverage additional resources and to catalyse initiatives in support of global commitments and in line with the CCF and the Seventh Plan.

Inputs include: consultancies, training, and formulation exercises

Personnel – national and international consultants	\$215,000
Training :	
Fellowships including participation at regional, and global foray	\$100,000
Participation in workshops and seminars	\$ 80,000
Monitoring/evaluation	\$ 3,000
Sundries	\$ 2,000

No individual request should exceed US\$50,000.

#### **SECTION E: RISKS**

1. Each utilisation of this Programme will have the approval of EPU. So, success depends upon follow-through and some level of institutional commitment by the relevant agency to internalise the information received or gathered at external events.
2. It may be difficult to predict the impact of some of the initiatives and some may have greater positive impact than anticipated and others may have less. This should be recognised as an unavoidable aspect of creating a flexible programme.
3. When assessing impact at the completion of the programme, due to the opportunistic nature of the activities, the rationalisation of all expenditures will require continual ongoing assessment to keep the Programme focused and to avoid too wide a range of activities.

#### **Prior Obligations**

As noted earlier, this Programme was preceded by an umbrella project entitled: Support to Country Programme through Consultancies and Training beginning in 1996 - December 1999. That project totalled \$259,500 in expenditures and supported ad hoc participation in international foray, additional support to other UNDP projects for discrete activities; consultancies for project formulation, etc.

EPU felt that the prior project was especially useful for short-term flexible support to the Country Programme and requested the formulation of a similar programme for the current programming cycle.

#### **SECTION F: MANAGEMENT**

For each request, both UNDP and EPU will assess the relevance to the CCF and the Seventh Plan and global commitments. By direct payment, UNDP will process all contracts and travel authorisations and other expenditures, and complying with UNDP rules and regulations. An agreed upon format for submission of a request will be developed.

#### **SECTION G: MONITORING AND EVALUATION**

Regular monitoring and reviews according to UNDP rules will be undertaken including TPRs. The Programme will be reviewed at least once every 12 months (TPR) with the preparation of an Annual Programme Report (APR) attached. In the first quarter, the effectiveness of the form developed will be evaluated and revised as needed. Oversight will include assessment of follow-through and relevance to the CCF and the Plan and moreover, to emerging needs.

EPU and UNDP will approve each submission. Most activities will be implemented by direct payment requests and thus, financial reporting will be expedited. A summary table of all activities will be compiled quarterly jointly between UNDP and EPU and as needed will inform any adjustments in programming for the next quarter. The table and any other issues will be discussed at regular meetings between EPU and UNDP.

Following completion of the Programme, an external evaluation will be conducted using national expertise. Terms of reference and precise timing will be determined with EPU.

#### **SECTION H: LEGAL CONTEXT**

This project document shall be the instrument envisaged in the Supplemental Provisions to the Project Document, attached hereto. The host country implementing agency shall for, the purpose of the Supplemental Provisions to the Project Document, refer to the Government co-operating agency described in the Supplemental Provisions.

The following types of revisions may be made to this project document with the signature of the UNDP resident representative only, provided he/she is assured that the other signatories of the project document have no objections to the proposed changes:

- a) Revisions in, or additional of, any of the annexes of the project document;
- b) Revisions which do not involve significant changes in the immediate objectives, outputs or activities of a project, but are caused by the rearrangement of inputs agreed to or by cost increases due to inflation; and
- c) Mandatory annual revisions which rephrase the delivery of agreed project inputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility.

**SECTION I: WORK PLAN**

As a flexible and responsive programme, there is not a set work plan that would defeat the purpose of the Programme.

For each direct payment request, EPU will provide an agreed upon signed form describing the activities to be undertaken and required need to utilise this modality.

**SECTION J: BUDGETS**

As attached.





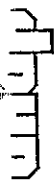
Main Source of Funds: 01 - UNDP IPF/TRAC  
 Executing Agency.....: NEX - National Execution

SBLN	Description	Implementing Agency	Total	1999	2000	2001	2002
<b>010.</b>	<b>PROJECT PERSONNEL</b>						
<b>011.</b>	<b>International Experts &amp; Consultants</b>	NEX					
011.51	Short Term Consultants		Net Amount		70,000	45,000	
			Total		70,000	45,000	
<b>011.99</b>	<b>Line Total</b>		Net Amount		70,000	45,000	
			Total		70,000	45,000	
<b>017.</b>	<b>National Professionals</b>	NEX					
017.01	National Consultants		Net Amount		65,000	35,000	
			Total		65,000	35,000	
<b>017.99</b>	<b>Line Total</b>		Net Amount		65,000	35,000	
			Total		65,000	35,000	
<b>019.</b>	<b>PROJECT PERSONNEL TOTAL</b>		Net Amount		135,000	80,000	
			Total		135,000	80,000	
<b>030.</b>	<b>TRAINING</b>						
<b>031.</b>	<b>Fellowships</b>	NEX					
031.01	Individual Fellowships		Net Amount		60,000	40,000	
			Total		60,000	40,000	
<b>031.99</b>	<b>Line Total</b>		Net Amount		60,000	40,000	
			Total		60,000	40,000	
<b>032.</b>	<b>Group Training</b>	NEX					
032.01	Group Training		Net Amount		45,000	25,000	
			Total		45,000	25,000	
<b>032.99</b>	<b>Line Total</b>		Net Amount		45,000	25,000	
			Total		45,000	25,000	
<b>033.</b>	<b>In-Service Training</b>	NEX					
033.01	Seminars/Workshops		Net Amount		10,000		
			Total		10,000		
<b>033.99</b>	<b>Line Total</b>		Net Amount		10,000		
			Total		10,000		



Main Source of Funds: 01 - UNDP IPF/TRAC  
 Executing Agency.....: NEX - National Execution

SBLN	Description	Implementing Agency	Total	1999	2000	2001	2002		
								Net Amount Total	Net Amount Total
039.	TRAINING TOTAL		180,000 180,000		115,000 115,000	65,000 65,000			
050.	MISCELLANEOUS								
052.	Reporting Costs	NEX	3,000			3,000			
052.01	Monitoring/Evaluation		3,000			3,000			
052.99	Line Total		3,000			3,000			
053.	Sundries	NEX	2,000		2,000				
053.01	Sundries		2,000		2,000				
053.99	Line Total		2,000		2,000				
059.	MISCELLANEOUS TOTAL		5,000		2,000	3,000			
099.	BUDGET TOTAL		400,000	0	252,000	148,000	0		
			400,000	0	252,000	148,000	0		



Main Source of Funds: 01 - UNDP IPF/TRAC  
 Executing Agency.....: NEX - National Execution

SBLN	Donor	Funding Institution	Total	1999	2000	2001	2002
101.	Government cost-sharing						
101.01	MAL	MAL					
		Net Contrib.	200,000		100,000	100,000	
		CO Adm. %	3,000		3,000	3,000	
		CO Adm.	6,000		3,000	3,000	
		Total	206,000		103,000	103,000	
101.99	Line Total	Net Contrib.	200,000		100,000	100,000	
		CO Adm. %	3,000		3,000	3,000	
		CO Adm.	6,000		3,000	3,000	
		Total	206,000		103,000	103,000	
109.	COST SHARING TOTAL	Net Contrib.	200,000		100,000	100,000	
		CO Adm. %	3,000		3,000	3,000	
		CO Adm.	6,000		3,000	3,000	
		Total	206,000		103,000	103,000	
999.	NET CONTRIBUTION	Net Contrib.	200,000	0	152,000	48,000	0
		Total	200,000	0	152,000	48,000	0

ANNEXES

1. Description of UNDP Country Office Support Services (Attachment 1)
2. Annual Programme Report (APR)
3. Supplemental Provisions to the Project Document
4. Request for Direct Payment Form

**DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES**

1. Reference is made to consultations between the Economic Planning Unit (EPU) the institution designated by the Government of Malaysia and Officials of UNDP with respect to the provision of support services by the UNDP Country Office for the nationally executed project : Development Support Programme (MAL/99/009/01/99).
2. In accordance with the provisions of the letter of agreement signed on \_\_\_\_\_ and the project document, the UNDP Country Office shall provide the support services for the Development Support Programme as described below:

<i>SUPPORT SERVICES</i>	<i>SCHEDULE</i>	<i>AMOUNT &amp; METHOD OF REIMBURSEMENT TO UNDP</i>
1. Travel arrangements	Upon request	\$6,000
2. Issuance of DSA	" "	
3. Contracts	" "	
4. Procurement	" "	

4. Description of functions and responsibilities of parties involved.

EPU will provide signed authorisations to UNDP for the following:

- Travel requests for participation in conferences, seminars, foray, workshops and expert missions.
- Travel requests for visiting missions.
- Travel requests for visiting experts to participate in Malaysian events.
- Issuance of DSA for related travel or for support to local costs of missions undertaken.
- Vetting and issuance of contracts for short-term consultancies to undertake tasks related to project formulation; studies; assessments; concept papers and others.
- Drafting of terms of reference for consultant experts – either local or international – to undertake activities in support of technical assistance.
- Procurement according to UNDP rules of expendable equipment in support of activities not possible to be funded from other modalities.

UNDP will undertake all necessary steps to accomplish the requested actions according to rules and quality standards inclusive of the above and any others needed. Time lines will be established for each request or tasks.

## ANNUAL PROGRAMME/PROJECT REPORT

**Basic Programme/Project Information** (To be provided by programme/project management)

Project Number and title : \_\_\_\_\_

Executing agency : \_\_\_\_\_

Project starting date

Originally planned : \_\_\_\_\_ Actual: \_\_\_\_\_

Project completion date

Originally planned : \_\_\_\_\_ Actual: \_\_\_\_\_

Total budget (US\$)

Originally planned : \_\_\_\_\_ Latest signed revision : \_\_\_\_\_

Period covered by the report : \_\_\_\_\_

Date of tripartite/bipartite review (Indicate if planned or actual) : \_\_\_\_\_

### *PART I. NUMERICAL RATING*

Rate the relevance and performance of the programme or project using the following scale :

- 1 – Highly satisfactory
- 2 – Satisfactory
- 3 – Unsatisfactory, with some positive elements
- 4 – Unsatisfactory
- X – Not applicable

Place your answers in the column that corresponds to your role in the programme or project.

<b>SUBSTANTIVE FOCUS</b>	<b>Target Group(s)</b>	<b>Programme Or Project Manager</b>	<b>Government</b>	<b>UNDP</b>
<i>Relevance</i>				
1. How relevant is the programme or project to the development priorities of the country?				
2. How relevant is the programme or project to the promotion of sustainable human development?				

3. Are appropriate Beneficiary groups being targeted by the programme or project?				
<b><u>SUBSTANTIVE FOCUS</u></b>	<b>Target Group(s)</b>	<b>Programme or Project Manager</b>	<b><u>Government</u></b>	<b>UNDP</b>
4. Does the programme or project address the gender-differentiated needs of the target groups?				
5. Given the objectives of the programme or project, are the appropriate institutions being assisted?				
<i>Performance</i>				
1. Using the following indicators, rate the contribution of the outputs to the achievement of the immediate objectives : *				
a. (Indicator 1)				
b. (Indicator 2)				
c. (Indicator 3)				
d.				
2. Rate the production of target outputs.				
3. Are the management arrangements of the programme or project appropriate?				
4. Are programme or project resources (financial, physical and manpower) adequate in terms of:				
a. quantity?				

b. quality?				
5. Are programme or project resources being used efficiently to produce planned results?				
6. Is the programme or project cost-effective compared to similar interventions?				

\*Prior to the distribution of the form, the indicators must be listed, as reflected in the project document or as agreed on by the stakeholders.

<b>SUBSTANTIVE FOCUS</b>	<b>Target Group (s)</b>	<b>Programme or Project Manager</b>	<b>Government</b>	<b>UNDP</b>
7. Based on its work plan, how would you rate the timeliness of the programme or project in terms of:				
a. production of outputs and initial results?				
b. input delivery?				

Please indicate your overall rating of the programme or project using the following letters:

- A – Highly satisfactory
- B – Satisfactory
- C – Unsatisfactory, with some positive elements
- D – Unsatisfactory
- E – Not applicable

<b>SUBSTANTIVE FOCUS</b>	<b>Target Groups(s)</b>	<b>Programme or Project Manager</b>	<b>Government</b>	<b>UNDP</b>
Overall rating of the programme or project				

Explain the basis of your rating, which need not be limited to, or which may be different from, the relevance and performance criteria rated above. For the last year of the programme or project, the overall rating should include an assessment of the potential success of the programme or project as well as its relevance and performance.







10. What factors affected the implementation of the programme or project?
  
11. What lessons (both positive and negative) can be drawn from the experience of the programme or project?
  
12. What are the views of the target groups with regard to the programme or project? Please note any significant gender-based differences in those views.
  
13. If the programme or project has been evaluated, what is the implementation status of the recommendations made by the evaluators?
  
14. What activities or steps do you recommend as follow-up to the project?

\_\_\_\_\_  
Rater's Name, Title, and Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Rater's Name, Title and Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Rater's Name, Title and Signature

\_\_\_\_\_  
Date

Standard annex to project documents for use in countries which are not parties to the Standard Basic Assistance Agreement (SBAA)

Standard Text; Supplemental Provisions to the Project Document:  
The Legal Context

General responsibilities of the Government, UNDP and the executing agency

1. All phases and aspects of UNDP assistance to this project shall be governed by and carried out in accordance with the relevant and applicable resolutions and decisions of the competent United Nations organs and in accordance with UNDP's policies and procedures for such projects, and subject to the requirements of the UNDP Monitoring, Evaluation and Reporting System.
2. The Government shall remain responsible for this UNDP-assisted development project and the realization of its objectives as described in this Project Document.
3. Assistance under this Project Document being provided for the benefit of the Government and the people of (the particular country or territory), the Government shall bear all risks of operations in respect of this project.
4. The Government shall provide to the project the national counterpart personnel, training facilities, land, buildings, equipment and other required services and facilities. It shall designate the Government Co-operating Agency named in the cover page of this document (hereinafter referred to as the "Co-operating Agency"), which shall be directly responsible for the implementation of the Government contribution to the project.
5. The UNDP undertakes to complement and supplement the Government participation and will provide through the Executing Agency the required expert services, training, equipment and other services within the funds available to the project.
6. Upon commencement of the project the Executing Agency shall assume primary responsibility for project execution and shall have the status of an independent contractor for this purpose. However, that primary responsibility shall be exercised in consultation with UNDP and in agreement with the Co-operating Agency. Arrangements to this effect shall be stipulated in the Project Document as well as for the transfer of this responsibility to the Government or to an entity designated by the Government during the execution of the project.

7. Part of the Government's participation may take the form of a cash contribution to UNDP. In such cases, the Executing Agency will provide the related services and facilities and will account annually to the UNDP and to the Government for the expenditure incurred.

(a) Participation of the Government

1. The Government shall provide to the project the services, equipment and facilities in the quantities and at the time specified in the Project Document. Budgetary provision, either in kind or in cash, for the Government's participation so specified shall be set forth in the Project Budgets.

2. The Co-operating Agency shall, as appropriate and in consultation with the Executing Agency, assign a director for the project on a full-time basis. He shall carry out such responsibilities in the project as are assigned to him by the Co-operating Agency.

3. The estimated cost of items included in the Government contribution, as detailed in the Project Budget, shall be based on the best information available at the time of drafting the project proposal. It is understood that price fluctuations during the period of execution of the project may necessitate an adjustment of said contribution in monetary terms; the latter shall at all times be determined by the value of the services, equipment and facilities required for the proper execution of the project.

4. Within the given number of man-months of personnel services described in the Project Document, minor adjustments of individual assignments of project personnel provided by the Government may be made by the Government in consultation with the Executing Agency, if this is found to be in the best interest of the project. UNDP shall be so informed in all instances where such minor adjustments involve financial implications.

5. The Government shall continue to pay the local salaries and appropriate allowances of national counterpart personnel during the period of their absence from the project while on UNDP fellowships.

6. The Government shall defray any customs duties and other charges related to the clearance of project equipment, its transportation, handling, storage and related expenses within the country. It shall be responsible for its installation and maintenance, insurance, and replacement, if necessary, after delivery to the project site.

7. The Government shall make available to the project - subject to existing security provisions - any published and unpublished reports, maps, records and other data which are considered necessary to the implementation of the project.

5. The Executing Agency may, in agreement with the Government and UNDP, execute part or all of the project by subcontract. The selection of subcontractors shall be made, after consultation with the Government and UNDP, in accordance with the Executing Agency's procedures.

6. All material, equipment and supplies which are purchased from UNDP resources will be used exclusively for the execution of the project, and will remain the property of the UNDP in whose name it will be held by the Executing Agency. Equipment supplied by the UNDP shall be marked with the insignia of the UNDP and of the Executing Agency.

7. Arrangements may be made, if necessary, for a temporary transfer of custody of equipment to local authorities during the life of the project, without prejudice to the final transfer.

8. Prior to completion of UNDP assistance to the project, the Government, the UNDP and the Executing Agency shall consult as to the disposition of all project equipment provided by the UNDP. Title to such equipment shall normally be transferred to the Government, or to an entity nominated by the Government, when it is required for continued operation of the project or for activities following directly therefrom. The UNDP may, however, at its discretion, retain title to part or all of such equipment.

9. At an agreed time after the completion of UNDP assistance to the project, the Government and the UNDP, and if necessary the Executing Agency, shall review the activities continuing from or consequent upon the project with a view to evaluating its results.

10. UNDP may release information relating to any investment oriented project to potential investors, unless and until the Government has requested the UNDP in writing to restrict the release of information relating to such project's Rights, Facilities, Privileges and Immunities.

1. In accordance with the Agreement concluded by the United Nations (UNDP) and the Government concerning the provision of assistance by UNDP, the personnel of UNDP and other United Nations organizations associated with the project shall be accorded rights, facilities, privileges and immunities specified in said Agreement.

2. The Government shall grant UN volunteers, if such services are requested by the Government, the same rights, facilities, privileges and immunities as are granted to the personnel of UNDP.

(d) As in the case of concessions currently granted to UNDP and Executing Agency's personnel, any property brought, including one privately owned automobile per employee, by the firm or organization or its personnel for their personal use or consumption or which after having been brought into the country, may subsequently be withdrawn therefrom upon departure of such personnel.

6. The Government shall ensure:

(a) prompt clearance of experts and other persons performing services in respect of this project; and

(b) the prompt release from customs of:

(i) equipment, materials and supplies required in connection with this project; and

(ii) property belonging to and intended for the personal use or consumption of the personnel of the UNDP, its Executing Agencies, or other persons performing services on their behalf in respect of this project, except for locally recruited personnel.

7. The privileges and immunities referred to in the paragraphs above, to which such firm or organization and its personnel may be entitled, may be waived by the Executing Agency where, in its opinion or in the opinion of the UNDP, the immunity would impede the course of justice and can be waived without prejudice to the successful completion of the project or to the interest of the UNDP or the Executing Agency.

8. The Executing Agency shall provide the Government through the resident representative with the list of personnel to whom the privileges and immunities enumerated above shall apply.

9. Nothing in this Project Document or Annex shall be construed to limit the rights, facilities, privileges or immunities conferred in any other instrument upon any person, natural or juridical, referred to hereunder.

#### Suspension or termination of assistance

1. The UNDP may by written notice to the Government and to the Executing Agency concerned suspend its assistance to any project if in the judgement of the UNDP any circumstance arises which interferes with or threatens to interfere with the successful completion of the project or the accomplishment of its purposes. The UNDP may, in the same or a subsequent written notice, indicate the conditions under which it is prepared to resume its assistance to the project. Any such suspension shall continue until such time as such conditions are accepted by the Government and as the UNDP shall give written notice to the Government and the Executing Agency that it is prepared to resume its assistance.



REQUEST FOR DIRECT PAYMENT

Project title :

Project number :

The Resident Representative

UNDP P.O. Box 12544

Kuala Lumpur.

Dear Sir,

In accordance with UNDP requirements, we hereby request that UNDP make the following payment to the payee listed below

Amount: RM \_\_\_\_\_

This payment is being requested to procure/pay: \_\_\_\_\_

Payment method:

Bank transfer:

Budget line to charge :

Payee information: \_\_\_\_\_

For bank transfer only :

Bank : \_\_\_\_\_

Name : \_\_\_\_\_

Address : \_\_\_\_\_

Address : \_\_\_\_\_

Account No. \_\_\_\_\_

Invoice No. \_\_\_\_\_

Certification :

The undersigned authorized government official hereby certifies:

- that this payment has not previously been made ;
- that this payment is in accordance with the programme support document/project document;
- that this payment is covered by funds available in the project budget ;
- that this payment is for goods and services that have been delivered to the satisfaction of the Government ;
- that copies of invoices and other supporting documentation will be available for audit verification.

Yours sincerely,

[Name and signature of authorized government official]

PAYMENT CONFIRMATION

[to be completed by UNDP and returned to the executing agent]

Payment details :

Amount paid : \_\_\_\_\_ Date : \_\_\_\_\_

Copies of supporting documents attached (where relevant) : \_\_\_\_\_

Signature :