



The United Nations Development Programme (UNDP) presents its compliments to the Permanent Mission of Japan to the United Nations and has the honour to refer to the latter's Note Verbale No. SC/05/017 dated 23 February 2005 concerning the Japanese contribution of fifteen million U.S. dollars (US\$15,000,000, hereinafter referred to as the "Grant") through the UNDP Trust Fund for the Programme of Assistance to the Palestinian People (PAPP) for the execution of the following five projects: "Rehabilitation of Municipal Infrastructure in Beit Hanoun and Rafah (US\$2,000,000)", "Rehabilitation of Destroyed Agriculture Sector in Northern Gaza Strip (US\$4,000,000)", "Emergency Humanitarian Aid Programme – Paving of Internal Roads in Rural Communities of the West Bank (CAP II – West Bank) (US\$2,000,000)", "Emergency Humanitarian Aid Programme – Construction of Schools & Additional Classrooms in the West Bank (CAP II – West Bank) (US\$5,000,000)" and "Emergency Humanitarian Aid Programme – Upgrading of Water Supply and Distribution Systems in Rural Areas of the West Bank (CAP II – West Bank) (US\$2,000,000)" (hereinafter jointly referred to as "the Projects") (details attached).

UNDP wishes to thank the Government of Japan for its generous offer and confirms its acceptance. UNDP will assure that:

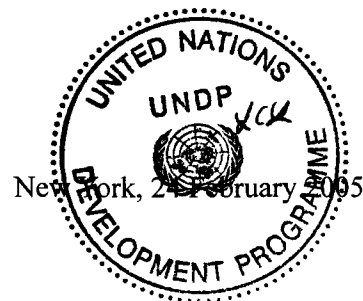
- (1) UNDP will notify in writing the Government of Japan of the number and type of the US dollar bank account of the headquarters of UNDP (with the name and address of the bank) to receive the Grant from the Government of Japan.
- (2) The Grant will be used for the Projects appropriately and exclusively as soon as possible.
- (3) Every effort will be made to publicize and to increase the visibility of the Japanese contribution through, for example, the issuance of press releases, as well as attaching the Japanese national flag, printing "From the people of Japan" on UNDP's equipment procured with the Grant, or placing sign boards which identify the contribution of the Government of Japan. However, UNDP will immediately consult with the Government of Japan when UNDP determines that such actions may jeopardize the United Nations privileges and immunities provided under the 1946 Convention on the Privileges and Immunities of the United Nations and the safety and



security of UN and UNDP staff. The Government of Japan understands that the UNDP equipment and vehicles routinely carry the UNDP logo and other indications of ownership prominently displayed.

- (4) A detailed report on the use and the effect of the Grant will be submitted to the Permanent Mission of Japan periodically and upon its request.
- (5) The Grant will be credited to UNDP accounts in the year received.
- (6) The Projects will be implemented in accordance with the project document and UNDP will carry out the activities in accordance with its regulations, rules, policies and procedures.
- (7) With the understanding that the activities would be subject exclusively to the internal and external audit laid down in UNDP Financial Regulations and Rules. UNDP will make available relevant documents related to such audits expeditiously to the Permanent Mission of Japan upon its request.
- (8) The Government of Japan and UNDP will consult with each other in respect of any matter that may arise from or in connection with the Grant.

The United Nations Development Programme avails itself of this opportunity to renew to the Permanent Mission of Japan to the United Nations the assurances of its highest consideration.



(Attachment)

The contribution of the Government of Japan decided on 18 February 2005 is earmarked for the following activities:

1. Personal Costs of Project Managers and Site Engineers
2. Various Activities
 - (1) Rehabilitation of Municipal Infrastructure
 - (2) Rehabilitation of Agricultural Sector
 - (3) Paving Roads
 - (4) Construction of Schools and Classrooms
 - (5) Upgrading of Water Supply

PERMANENT MISSION OF JAPAN
TO THE UNITED NATIONS
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SC/05/071

The Permanent Mission of Japan to the United Nations presents its compliments to the United Nations Development Programme (UNDP) and, under instructions from the Government of Japan, has the honour to inform the latter that the Government of Japan has decided to make a contribution of fifteen million U.S. dollars (US\$15,000,000, hereinafter referred to as the “Grant”) through the UNDP Trust Fund for the Programme of Assistance to the Palestinian People (PAPP) for the execution of the following five projects: “Rehabilitation of Municipal Infrastructure in Beit Hanoun and Rafah (US\$2,000,000),” “Rehabilitation of Destroyed Agriculture Sector in the Northern Gaza Strip (US\$4,000,000),” “Emergency Humanitarian Aid Programme: Paving of Internal Roads in Rural Communities of the West Bank (CAP II – West Bank) (US\$2,000,000),” “Emergency Humanitarian Aid Programme: Construction of Schools and Additional Classrooms in the West Bank (CAP II–West Bank) (US\$5,000,000),” and “Emergency Humanitarian Aid Programme: Upgrading of Water Supply and Distribution Systems in Rural Areas of the West Bank (CAP II–West Bank) (US\$2,000,000)” (hereinafter jointly referred to as “the Projects”). A list of details is attached hereto.

The Permanent Mission of Japan has further the honour to request UNDP to be good enough to ensure the following points:

- (1) UNDP will notify in writing the Government of Japan of the number and type of the U.S. dollar bank account of the headquarters of UNDP (with the name and address of the bank) that will receive the Grant from the Government of Japan.
- (2) The Grant will be used for the Projects appropriately, exclusively, and as soon as possible.
- (3) Every effort will be made to publicize and increase the visibility of the Japanese contribution through, for example, the issuance of press releases, attaching the Japanese national flag to or printing “From the people of Japan” on UNDP equipment procured with the Grant, or placing signs to identify the contribution of the Government of Japan. However, UNDP will immediately consult with the Government of Japan when UNDP determines that such actions may jeopardize the United Nations privileges

and immunities provided under the 1946 Convention on the Privileges and Immunities of the United Nations or the safety and security of UN and UNDP staff. The Government of Japan understands that UNDP equipment and vehicles routinely display the UNDP logo and other indications of ownership prominently.

- (4) A detailed report on the use and the effect of the Grant will be submitted to the Permanent Mission of Japan periodically and upon its request.
- (5) The Grant will be credited to UNDP accounts in the year received.
- (6) The Projects will be implemented in accordance with project documents, and UNDP will carry out the activities in accordance with its regulations, rules, policies, and procedures.
- (7) With the understanding that the activities are subject exclusively to internal and external audits laid down in UNDP Financial Regulations and Rules, UNDP will make available relevant documents related to such audits expeditiously to the Permanent Mission of Japan upon its request.
- (8) The Government of Japan and UNDP will consult with each other with respect to any matter that may arise from or in connection with the Grant.

The Permanent Mission of Japan to the United Nations avails itself of this opportunity to renew to the United Nations Development Programme the assurances of its highest consideration.

23 February 2006



(Attachment)

The contribution of the Government of Japan decided on 18 February 2005 is earmarked for the following activities:

1. Personnel Costs of Project Managers and Site Engineers

2. Various Activities

- (1) Rehabilitation of Municipal Infrastructure
- (2) Rehabilitation of Agriculture Sector
- (3) Paving Roads
- (4) Construction of Schools and Classrooms
- (5) Upgrading of Water Supply