

**LETTER OF AGREEMENT BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME AND
NATIONAL ELECTIONS COMMISSION
ON THE IMPLEMENTATION OF SUPPORT TO ELECTIONS AND DEMOCRATIC
PROCESSES PROJECT**

Your Excellency,

1. Reference is made to the consultations between the officials of the United Nations Development Programme (hereinafter referred to as "UNDP") in Sudan and National Elections Commission (hereinafter referred to as "NEC") on 26 January 2010, with respect to the realization of activities by NEC in the implementation of the project no. 00060753 Support to National Elections and Democratic Processes, as specified in Attachment 1: Project Document, to which UNDP has been selected as implementing partner.
2. In accordance with the Project Document and with the following terms and conditions, we confirm our acceptance of the activities to be provided by NEC towards the project, as specified in Attachment 2: Description of Activities (hereinafter referred to as "Activities"). Close consultations will be held between NEC and UNDP on all aspects of the Activities.
3. NEC shall be fully responsible for carrying out, with due diligence and efficiency, all Activities in accordance with its Financial Regulations and Rules.
4. In carrying out the activities under this Letter, the personnel and sub-contractors of NEC shall not be considered in any respect as being the employees or agents of UNDP. UNDP does not accept any liability for claims arising out of acts or omission of NEC or its personnel, or of its contractors or their personnel, in performing the Activities or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by NEC, and its personnel as a result of their work pertaining to the Activities.
5. Any subcontractors, including NGOs under contract with NEC shall work under the supervision of the designated official of NEC. These subcontractors shall remain accountable to NEC for the manner in which assigned functions are discharged.
6. Upon signature of this Letter, UNDP will make payments to NEC according to the schedule of payments specified in Attachment 3: Schedule of Activities, Facilities and Payments.
7. NEC shall not make any financial commitments or incur any expenses which would exceed the budget for the activities as set forth in Attachment 3. NEC shall regularly consult with UNDP concerning the status and use of funds and shall promptly advise UNDP any time when NEC is aware that the budget to carry out these Activities is insufficient to fully implement the project in the manner set out in Attachment 2. UNDP shall have no obligation to provide NEC with any funds or to make any reimbursement for expenses incurred by NEC in excess of the total budget as set forth in Attachment 3.

8. NEC shall maintain separate accounts, records and supporting documentation relating to the project, including funds received and disbursed by NEC. NEC shall submit to UNDP, Electoral High Committees' details of bank accounts at state capitals which details shall include Account name, account number, Bank name, branch and SWIFT CODE to enable UNDP effect Electronic Fund Transfers on time. The names of focal persons should also be provided to facilitate coordination.

9. NEC shall reconcile progressively all advances received from UNDP and submit supporting documentation in the following order: Car Rentals in every 10 days; trainings venue and DSA paid both at constituency and state capital levels within seven days from the completion of the training. Reconciliation of advances and supporting documentation are to be submitted to UNDP through the Elections Project Manager.

10. NEC shall submit a progress report upon completion of activities in attachment 2. The report will be submitted to UNDP through the UNDP Country Director or UNDP Resident Representative within 30 days following those dates. The format will follow the standard UNDP progress report (a model copy of which is provided as Attachment 4). UNDP will include the NEC progress report in its report for "Support to Elections and Democratic Processes Project".

11. NEC shall furnish a final narrative and expenditure report within 30 days after the completion or termination of the Activities, including a list of non-expendable equipment purchased by NEC and all relevant audited or certified financial statements and records related to such Activities, as appropriate, pursuant to its Financial Regulations and Rules.

12. Equipment and supplies that may be furnished by UNDP or procured through UNDP funds will be disposed as agreed, in writing, between UNDP and NEC.

13. Any changes to the Project Document which would affect the work being performed by NEC in accordance with Attachment 2 shall be recommended only after consultation between the parties.

14. For any matters not specifically covered by this Letter, the Parties would ensure that those matters shall be resolved in accordance with the appropriate provisions of the Project Document and any revisions thereof and in accordance with the respective provisions of the Financial Regulations and Rules of NEC and UNDP.

15. The arrangements described in this Letter will remain in effect until the end of the project, or the completion of activities of NEC according to Attachment 2, or until terminated in writing (with 30 days notice) by either party. The schedule of payments specified in Attachment 3 remains in effect based on continued performance by NEC unless it receives written indication to the contrary from UNDP.

16. Any balance of funds that is unspent and uncommitted after the conclusion of the project shall be returned to UNDP.

17. Any amendment to this Letter shall be effected by mutual agreement, in writing,

18. All further correspondence regarding this Letter, other than signed letters of agreement or amendments thereto should be addressed to Claudio Caldarone, Country Director, UNDP Compound, House 7, Block 5, Gama'a Avenue, P.O.Box 913, Khartoum, Sudan.


19. NEC shall keep the UNDP Country Director fully informed of all actions undertaken by them in carrying out this Letter.

20. UNDP may suspect this Agreement, in whole or in part, upon written notice, should circumstances arise which jeopardize successful completion of the Activities.

21. Any dispute between the UNDP and NEC arising out of or relating to this Letter which is not settled by negotiation or other agreed mode of settlement, shall, at the request of either party, be submitted to a Tribunal of three arbitrators. Each party shall appoint one arbitrator, and the two arbitrators so appointed shall appoint a third arbitrator, who shall be the chairperson of the Tribunal. If, within 15 days of the appointment of two arbitrators, the third arbitrator has not been appointed, either party may request the President of the International Court of Justice to appoint the arbitrator referred to. The Tribunal shall determine its own procedures, provided that any two arbitrators shall constitute a quorum for all purposes, and all decisions shall require the agreement of any two arbitrators. The expenses of the Tribunal shall be borne by the parties as assessed by the Tribunal. The arbitral award shall contain a statement of the reasons on which it is based and shall be final and binding on the parties.

22. If you are in agreement with the provisions set forth above, please sign and return to this office two copies of this Letter. Your acceptance shall thereby constitute the basis for your NEC participation in the implementation of the project.

Yours sincerely,
Signed on behalf of UNDP


Claudio Caldarone, Country Director
Date: 4 MAR 2010

Signed on behalf of NEC


Mr. Abel Aleir, Chairman National Election Commission
Date: 8/3/2010



Attachment 1

PROJECT DOCUMENT

Country: SUDAN

Project Title: **Support to Elections and Democratic Processes**
UNDAF Outcome(s)/Indicator(s): By the end of 2012, improved democratic governance at all levels based on human rights standards, aimed at achieving sustainable peace and development
Expected CP Outcome(s)/Indicator(s): Outcome 3: Institutions, systems and processes of democratic governance are strengthened
Implementing partner: UNDP
Responsible parties: UNMIS (Police, Rule of Law), UNIFEM, International Organization for Migration, the Carter Center

The purpose of UNDP's **Support to Elections and Democratic Processes project** is to support the democratic process in Sudan; to support the holding of elections in 2010, which are recognized as transparent and credible elections by national and international observers; and to promote the participation of voters and other civil society stakeholders in all the democracy strengthening events. Assistance will be provided to the National Elections Commission (NEC) and its subsidiary bodies - Southern Sudan Elections High Committee and state high committees; the Political Parties Affairs Council (PPAC); and stakeholders in the democratic process such as political parties, media, observers, women, youth and special needs groups.

Project Duration: April 2009 – December 2010
Key Result Area: Democratic Governance
Project Title: **Support to Elections and Democratic Processes**
Project ID: 00060753 and 00069414
Management Arrangements: DIM (Direct Implementation)

Total Budget	315,010,812 USD
Allocated basket fund resources:	
• Government:	84,216,835 USD
• UNMIS:	
• Other stakeholders:	139,492,159 USD
• Basket fund funding gap:	55,020,000 USD
• Budget still under discussion:	12,045,960 USD
	6,930,065 USD
• Italy:	17,305,792 USD
• DFID:	
• Norway:	2,785,515 USD
• Denmark - Danida:	15,494,540 USD
• Sweden - SIDA:	5,499,694 USD
• Spain:	7,772,107 USD
• Japan:	6,955,764 USD
• European Commission:	1,000,000 USD
• Netherlands:	10,033,328 USD
• France:	18,824,250 USD
	14,345,700 USD
	1,505,940 USD

Attachment 2

Description of Activities

Project number: 00060753 and 00069414
Project title: Support to Elections and Democratic Processes Project

Results to be achieved by NEC

RESULT 1: Training of polling officials

The Sudanese Nation Elections Commission (NEC) is mandated to administer the 2010 elections for the President of Sudan, the President of Southern Sudan, 25 State Governors, the National Assembly, the Southern Sudan Assembly and the 25 State Assembly's.

As part of this NEC is responsible for implementing the training of polling officials in the whole of Sudan. The voter registration period is scheduled to take place in March 2010.

The training will take place in several steps and NEC will be responsible to distribute funds for phase 2 and 3.

For **phase 2**, NEC will distribute DSA (covering transportation, food and accommodation) for 1121 Constituency Electoral Offices (CEO) in the 25 state capitals. The cost will be of 300SDG per day per trainee, for three days for 1121 CEO. Or a total in the amount of **SDG1, 008,900**.

For **phase 3**, NEC will distribute DSA (covering transportation, food and accommodation) to 100,000 trainees at the constituency level, DSA for 1121 CEO and a small fee for rental of the venue.

The first cost will be of DSA of 25 SDG per day per trainee, for 2 days for 100,000 trainees; or a total amount of **SDG 5,000,000**.

DSA for trainers cost will be of DSA of 25 SDG per day per trainer/monitor. For 2 days for 1121 trainees. Or a total of **SDG 56,050**.

The rental of venue cost will be of sum of 50SDG per training center (749) per day for 2 days. Or a total of **SDG 74,900**.

TOTAL RESULT 1: SDG 6,139,850

RESULT 2: Rental of cars for CEO

As part of the plan to transport electoral materials to the states and monitor the process of elections by constituency officers, the NEC will have to rent 2 cars per constituency. The cost will be the rental of 2 cars per constituency (749 constituencies) with driver at SDG 377.6 per day for 30 days. So a total cost for result 2 of **SDG 16,969,344**.

For all Results NEC will use its own human and financial resources, where required, to complete the task according to the details of the results and within the frame of this agreement.

Work to be performed by NEC

The following two activities will be carried out by NEC:

- i) Provide for phase 2 of the training DSA to 1121 Constituency Elections Offices at the state capital level and provide phase 3 of the training DSA to 100,000 trainees and 1121 trainers/monitors and funds for rental of venue in 749 locations
- ii) Hire cars for 30 days as per the agreed budget.

Description of inputs:

The detailed description of the activities is as follows:

- i) Attendance form of trainees, trainers and monitors with signature that DSA was received by the trainees, trainers and monitors (use the form provided in attachment).
- ii) Payment tracking sheet for the car rental and invoice.

Annexes:

Details forms for the rental contract of cars and form for the attendance and transfer of DSA are in attachment

Attachment 3

Scheduled of Activities, Facilities and Payments

Starting March, 2010

In SDG EXPECTED CP OUTPUTS and indicators including annual targets	PLANNED ACTIVITIES <i>List all activities to be undertaken during the year towards stated outputs</i>	Timeframe				Planned Budget Amount SDG	Schedule of payments by UNDP						
		Q1	Q2	Q3	Q4		Q1 Jan - March	Q2 March - April	Q3	Q4			
Training of polling officials	Phase 2: distribution of DSA to 1121 trainees at the state capital level					1,008,900				SDG 1,008,900			
	Phase 3: distribution of DSA to 100,000 trainees, DSA to 1121 trainers/monitors and funds for hiring the venues					5,000,000				SDG 5,000,000			
						56,050				SDG 56,050			
						74,900				SDG 74,900			
Rental of vehicles for CEO	Rental of 1498 vehicles for the CEO					16,969,344				SDG 16,969,344			
Total						23,109,194				SDG 23,109,194			

Note:

- The amount committed here for the three activities is SDG 23,109,194 and any additional expenses need to be borne by NEC.
- March 2010 exchange rate is used to convert LOA in SDG is: USD\$ 1 = SDG 2.36
- NEC will have to hire 4 coordinators in the south to ensure fast payment and reporting on the expenditures.
- NEC should request the Office of General Auditor to seek its support consisting of posting accountants in NEC to help them manage the funds.
- NEC will be responsible for briefing SHC and Constituency officers in regard with disbursement and accountability procedures attached to use of UNDP funds using templates provided in annex 5 and 6. A circular produced in close coordination with UNDP will be disseminated by the NEC.
- A detailed disbursement plan per state will be provided by UNDP in close consultation with NEC no later than 7th of March.

Procedures for Training of polling officials:

- The total funds available for training will be disbursed to NEC prior to the trainings.
- NEC SHC Officials will be in charge of distribution of DSA for training at state capital level (1121 trainees). The same NEC SHC officials are also in charge of ensuring that attendance sheets for each session are properly filled and signed by each trainee.
- UNDP will be responsible of transfer of funds required prior to the training sessions. The total amount required for each training is to be sent to its respective NEC state committee bank account. In southern states when NEC has no bank account the funds will be transferred to NEC bank account in Juba. NEC will then be responsible for delivering them physically to the state capitals.
- For the training sessions organized at constituency level (100,000 trainees);
 1. NEC Constituency Officers will be in charge of distribution of DSA as well as management of attendance lists ensuring they are properly filled and signed. They should also process payment to suppliers for rental of training venues. Fully signed attendance lists along with invoices for rental of venues are to be delivered to the respective NEC State Committee offices.
 2. UNDP is responsible of transfer of funds to the respective NEC state committees' bank account. In southern states when NEC has no bank account the funds will be transferred to NEC bank account in Juba; NEC will be in return responsible for delivering physically the funds to the respective state capitals.
- For all the payment listed above (DSA, rental of venues and car rental), NEC is accountable toward UNDP to ensure that required support document meet UNDP minimum standard requirements. For DSA (attendance lists with 4 names for Sudanese participants; amount paid and signature of attendees); for rental of vehicles and venues (invoice with suppliers' name and address number of days of rental with unit and total price. The invoices have to be signed too by the suppliers).
- The SHC and Constituency Officers to disburse the funds to the trainees and account for the funds disbursed using the attendance sheet in annex 5.

Procedure for rental of vehicles at constituency level:

- In order to minimize the advance to NEC, NEC must sign contracts in Khartoum state its surroundings with car rental companies in order for UNDP to process direct payment to suppliers where applicable.
- In the states where the first option is not feasible, UNDP will transfer 50% of the funds in advance to NEC/SHC respective state committees' bank account. In southern states when SHC offices have no bank account the funds will be transferred to SHC bank account in Juba. NEC will then be responsible for transferring physically the funds to the state capitals.
- NEC must rent cars from individuals no higher than the overall budget amount. NEC will then compile a list of names of car owners complete with the car registration numbers indicating the number of days worked as per annex 6. The list is certified by two members of respective local Electoral committee every ten days.

- Reconciliation of car rental advances are to be done on a 10 day basis.
- 15 days after issuance of the first car rental advance and upon receipt of NEC's reconciliation; UNDP will release the second and last tranche upon receipt of a signed request from NEC.
- NEC is to provide the list of bank account of all the SHC to UNDP no later than 8 March 2010.
- NEC is responsible for briefing the SHC on funds disbursement and reconciliation.

