



Embassy
of the Federal Republic of Germany
Ashgabat

RECEIVED 13 APR 2018

Dear Madam,

Ashgabat, 13 April 2018

I am pleased to inform you that the Federal Republic of Germany, represented by the Federal Minister for Foreign Affairs, the latter acting through the agency of the Ambassador of the Federal Republic of Germany in Turkmenistan, Ms. Margret Uebber (hereinafter referred to as the "Donor"), has decided to make a non-repayable contribution of fifty five thousand and nine hundred US dollars and 62 cents (55,900.62 USD), not exceeding forty five thousand Euros (45,000 EUR) over the life of the Project (hereinafter referred to as the "Grant") to the United Nations Development Programme (hereinafter referred to as "UNDP"), a subsidiary organ of the United Nations, an international organization established by treaty, represented by its Resident Representative, with offices at Ashgabat, Turkmenistan, for the Project "Empowering CSOs to participate in policy making and social service delivery" (details attached).

The donor shall grant the recipient the above-mentioned amount in a deficit-spending mode as other funding sources may contribute to the Project. The allocation may only be requested and used to achieve the intended purpose of the allocation when the recipient's own and other funds envisaged for the project have been exhausted.

The contribution shall be deposited to the following Bank and account:

Bank name: Turkmen-Turkish Joint-Stock commercial bank
Bank account: 23203840273168400274000
Correspondent account: 21101840110100600008000
MFO 390101731

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The Donor will inform UNDP when the contribution is paid via an e-mail message with remittance information to contributions@undp.org

~~UNDP shall receive and administer the contribution in accordance with UNDP's Financial Regulations and Rules, policies and procedures, and on the following terms and conditions:~~

(1) The Contribution shall be paid in accordance with the following schedule:

<u>Date payment due</u>	<u>Amount</u>
April 19, 2018	32,000.00 USD
August 1, 2018	23,900.62 USD*

*The value of the payment made by August 1, 2018 may vary according to the exchange rate fluctuations and will be limited by the total amount of the grant as specified not exceeding €45,000.

(2) The above schedule of payments takes into account the requirement that the payments shall be made in advance of the execution/implementation of planned activities. It may be amended to be consistent with the progress of project delivery.



- (3) This Grant will be used exclusively for the Project "Empowering CSOs to participate in policy making and social service delivery" referred to in the application dated 23.02.2018.
- (4) The financing plan in the version dated 23.02.2018 as attached to this application shall be deemed binding. Individual items of the Financing Plan may exceed by up to a maximum of 20%, provided that the excess on each individual item is offset by savings elsewhere.
- (5) The authorized period shall be from 1 April 2018 to 30 November 2018. The allocation referred to in paragraph 1 of the present Agreement shall be approved for the 2018 financial year (1 January to 31 December 2018). Parts of the allocation not disbursed cannot be carried forward to the succeeding 2019 financial year.
- (6) The donor reserves the right subsequently to reduce the allocation or to terminate the present Agreement in the event that all or part of the funds required for the allocation should be unavailable due to unforeseeable circumstances (e.g. owing to a budget freeze). In such case, if the payments referred to in Article I above are not received in accordance with Article I, the assistance to be provided to the Project under this Agreement may be reduced, suspended or terminated by UNDP. The Parties acknowledge and agree that UNDP shall not pre-finance any activity under the Project. If sufficient funding for the activities are not available, UNDP shall have the faculty to reduce, suspend and/or terminate the Project.
- (7) Participation of the Donor, where opportune, has to be made visible through the use of the Donor's Logo and respective statements.
- (8) In accordance with the decisions and directives of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the contribution shall be subject to cost recovery for indirect costs incurred by UNDP headquarters and country office structures in providing General Management Support (GMS) services. To cover these GMS costs, the contribution shall be charged a fee of at least 8%. Furthermore, as long as they are unequivocally linked to the specific project(s), all direct costs of implementation, including the costs of executing entity or implementing partner, will be identified in the project budget against a relevant budget line and borne by the project accordingly.
- (9) ~~The recipient shall submit an utilization of funds report set by 28 February 2019 at the latest. This utilization of funds report set shall comprise a substantive report, a statement of account and a list of receipts. The recipient must use the forms made available for this purpose. However, no original or copies of receipts shall be attached to the report and/or submitted to the donor.~~
- (10) The substantive report must give detailed information about how the allocation was used, describe the measures implemented, present the result achieved and state to what extent the intended purpose has been achieved. In the report the recipient should explain the main positions of the statement of account and justify the necessity and appropriateness of the completed project activities. The statement of account must give separate information about income and expenditures in chronological order – in accordance with the Financing Plan of 23.02.2018. The statement of account must contain all income and expenditure in connection with the intended purpose. The utilization of funds report must contain confirmation that the expenditures were neces-



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sary, that the allocation was used economically and that the figures contained therein coincide with those in the books and original receipts. Auditing shall be conducted in accordance with the UN Single Audit Principle. No external audit by the donor is allowed.

- (11) The contribution and activities financed there from shall be subject exclusively to internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP. Should an Audit Report of the Board of Auditors of UNDP to its governing body contain observations relevant to the contributions, such information shall be made available to the Donor.
- (12) Any payments that remain unexpended after all commitments and liabilities have been satisfied shall immediately and without being asked be transferred to the donor's account at the State Bank for Foreign Economic Affairs of Turkmenistan, USD Account 23203000220183800008000, SWIFT-CODE: SBFETM22 in .744000 Ashgabat, Garashyzyk Str. 32 quoting the project number. The donor must at the same time be informed in writing that this has been done. The Donor and UNDP will consult with each other in respect of any matter that may arise from or in connection with the Grant.

This letter and your acceptance of this contribution on the terms set forth herein shall constitute an agreement between Federal Minister for Foreign Affairs of the Federal Republic of Germany and UNDP on the subject matter hereof.

Sincerely yours,

Margret Uebber

Embassy of the Federal Republic of Germany
Ashgabat

Date of Acceptance:

16/04/2018

Ms. Elena Panova
UNDP Resident Representative