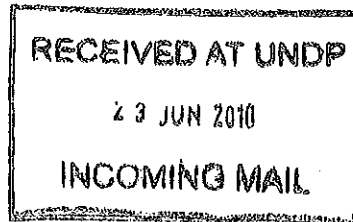


23 June 2010

United Nations Development Programme (UNDP)
Level 8, Kadavu House Building
Victoria Parade
Private Mail Bag
Suva
Fiji



Attention: Toily Kurbanov
AI – Resident Representative

CT file: GRA/148/50/H
Koru record ID: #13009
Programme file: AID/SG/16
Activity code: A01030-A01

Dear Mr Kurbanov,



**TUVALU PROGRAMME
SUPPORTING LOCAL GOVERNANCE PROJECT – PHASE TWO
LETTER OF VARIATION No ONE**

The Ministry of Foreign Affairs and Trade (MFAT)¹, acting through the New Zealand Secretary of Foreign Affairs and Trade, wishes to offer you a variation to the above-Party Cost-Sharing Arrangement between MFAT and the United Nations Development Programme (UNDP) dated 15 April 2009 (the Arrangement).

Scope of Variation

1. To extend the term of the Arrangement by amending the current end date from 31 March 2012 to 28 February 2013.
2. To confirm the tasks and activities as per the 2010 Annual Work Plan, attached as **Annex A**.
3. To approve the reallocation of existing funding towards the costs associated with the 2010 Annual Work Plan, included in **Annex A**.
4. To delete the current Reporting and Payments Schedule (provided in Letter of Variation No 1) and substitute the amended approved Reporting and Payments Schedule, attached as **Annex B**.

¹ MFAT is responsible for managing NZAID. NZAID is the New Zealand government's international aid and development programme.

Initial for MFAT	
Initial for UNDP	

Amended Total Grant Funding

Original grant funding	US\$599,112
Grant funding under this variation	Fiscally Neutral
Total amended grant funding	US\$599,112

Acceptance

Please read through the above details to ensure that it properly reflects what has been agreed.

Except as amended by this letter, all other terms and conditions of our Arrangement and all subsequent letter(s) of variation shall continue to apply.


Should you wish to accept the terms of this Variation please sign the duplicate copy of this letter and return it to the New Zealand High Commission at Suva, for on-forwarding to Contracts Operation Team, Ministry of Foreign Affairs and Trade, Private Bag 18-901, Wellington 6160, New Zealand.

Yours sincerely,



Phillip Taula
Acting New Zealand High Commissioner to Fiji
for the Secretary of Foreign Affairs and Trade

This variation is accepted by signing as follows:

For and on behalf of the United Nations Development Programme

Signature
Toily Kurbanov
Full Name
AI – Resident Representative
Position
23 June 2010
Date

Navin Bhan

From: Ronald Ho
Sent: Wednesday, 23 June 2010 1:54 PM
To: Navin Bhan
Subject: FW: TUV SLG II LOV NZAID REVISED 23/06/2010 11:27

For your follow up action. Please attach email when submitting for Toily's signature.

Regards

-----Original Message-----

From: Knut Ostby
Sent: Wednesday, 23 June 2010 1:48 PM
To: Ronald Ho
Cc: Sainimili Nabou
Subject: RE: TUV SLG II LOV NZAID REVISED 23/06/2010 11:27

Agreed

--- original message ---

From: "Ronald Ho" <Ronald.Ho@undp.org>
Subject: TUV SLG II LOV NZAID REVISED 23/06/2010 11:27
Date: 23rd June 2010
Time: 10:16:10 am

Dear Knut,

Based on the discussions with NZAID and in taking into consideration the proposed options suggested for the In-Schools Project; attached please find the revised text under point 2 of the amended CSA for the Tuvalu SLG project.

Text under the scope of variation under point 2 reads as: To confirm the tasks and activities as per the 2010 Annual Work Plan, attached as Annex A.

In addition the approved 2010 AWP signed between the Government of Tuvalu and together with the detailed work plan would be annexed. However given as the documents form part of the CSA agreement; requested that these also be initialed.

If you are in agreement; requesting if this could be submitted to Toily for signature today to allow release of the funds to be expedited.

Thanking you in advance for your continued guidance.


With kind regards

ANNEX B
Amended Approved Reporting & Payment Schedule

Date payment due	Up to the following Amount	Reporting/documentation to be submitted to Donor prior to payment being approved by Donor
On signing	US\$95,000 (payment made)	On return of signed Arrangement to Donor
On signing	US\$113,743	<p>A Nine-Monthly Progress Report delivered to Donor by 30 March 2010 for the reporting period 15 Apr 2009 – 31 Dec 2009 covering the following:</p> <ol style="list-style-type: none"> 1. a narrative report of all activities completed, and activities currently underway 2. an assessment of the extent to which the Project objectives are being met 3. a note of any problems or issues which have occurred or any emerging risks affecting the implementation of the Project 4. an <u>Acquittal Report</u> providing a full reconciliation of expenditure against budget for the reporting period, detailing the amount of any unspent funds.
31 August 2010	US\$100,000	<p>A Six Monthly Project Report delivered to Donor by 31 July 2010 for the reporting period 1 January – 30 June 2010 (content as per initial Six Monthly Progress Report)</p>
28 February 2011	US\$101,305	<p>An Annual Progress Report delivered to Donor by 31 Jan 2011 for the reporting period 1 Jan 2010 – 31 Dec 2010 (content as per initial Six Monthly Progress Report)</p>
31 August 2011	US\$100,000	<p>An Six Monthly Project Report delivered to Donor by 31 July 2011 for the reporting period 1 Jan – 30 Jun 2011 (content as per initial Six Monthly Progress Report)</p>
28 February 2012	US\$89,064	<p>A Annual Progress Report delivered to Donor by 31 Jan 2012 for the reporting period 1 Jan 2011 – 31 December 2011 (content as per initial Six Monthly Progress Report)</p>
Total funding (up to):	US\$599,112	

The Donor will inform UNDP when the contribution is paid via an e-mail message with remittance information to contributions@undp.org quoting project number 00070469.

Any additional payments or costs will be confirmed by Letter of Variation to this Arrangement.

Initial for MFAT	
Initial for UNDP	