

STANDARD LETTER OF AGREEMENT BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME IN UGANDA
AND
CPAR UGANDA

ON THE IMPLEMENTATION OF THE STRENGTHENING RECOVERY, RECONCILIATION, PEACE BUILDING
AND DEVELOPMENT (PROJECT ID 00057715)

WHEREAS, the United Nations Development Programme in Uganda (hereafter "UNDP Uganda") and Canadian Physicians for Aid and Relief (hereafter "CPAR Uganda") have collaborated to intervene in the area of early livelihood recovery and reintegration as part their support to the recovery process of Northern Uganda specifically in the Acholi sub region districts of Pader, Agago, Nwoya and Lamwo through the project "**Strengthening, Recovery, Reconciliation, Peace Building and Development in Northern Uganda**" (Project Document attached).

Whereas the interventions of the project "**Strengthening recovery, reconciliation, peace building and development**" will contribute to the restoration of the foundations for sustainable development in the target districts through the strengthening of capacities of communities and authorities to achieve sustained reintegration, recovery and peace building. This will be delivered through four project outputs namely: (i) Strengthening capacity of local authorities to manage recovery and re-integration processes; (ii) Enhancing community security and social cohesion; (iii) Revitalizing community livelihoods and creating conflict sensitive income generation and employment opportunities; and (iv) Building peace and promoting reconciliation.

WHEREAS "CPAR Uganda" has offered to implement the Project 00057715 (work plan included in attached CPAR Uganda project proposal).

WHEREAS, UNDP Uganda as a senior supplier will avail resources and CPAR Uganda has offered to implement the project in collaboration with the respective District Local Governments as responsible parties¹.

WHEREAS, UNDP Uganda and CPAR Uganda (hereafter "the parties") have collaborated in the finalization of the work plan for the project;

The Parties therefore agree as follows:

1. Implementation arrangements

1.1. Role of UNDP Uganda:

- UNDP shall provide services and facilities as described below on the basis of a written request from CPAR Uganda:

¹ A Responsible Party is defined as an entity that has been selected to act on behalf of the Implementing Partner on the basis of a written agreement or contract to purchase goods or provide services using the project budget. In addition, the Responsible Party may manage the use of these goods and services to carry out the project activities and produce goods. All Responsible Parties are directly accountable to the Implementing Partner in accordance with the terms of the agreement or contract with the Implementing Partner.



- Conduct a Harmonized Approach to Cash Transfers (HACT) Assessment of the Financial and Administrative Management Capacity of CPAR;
- Procure physical equipment and services at the request of the IP;
- Procure services of a consultant or consultancy firm to review at midterm and Final Evaluations the project
- Facilitate capacity building activities at the request of the IP
- UNDP in collaboration with CPAR Uganda will monitor the project's progress towards intended outputs. UNDP will specifically support CPAR Uganda in the implementation of project activities and in monitoring and evaluation (M&E) processes.
- Procurement of services of a firm to audit the project;

1.2. Role of CPAR Uganda

- CPAR Uganda shall retain overall responsibility for the project as the implementing partner and shall designate a Programme Manager² who will be the authority in CPAR Uganda to approve and sign all the documents pertaining to the project. These will include, the work plans, requests for advances, financial reports, and combined delivery reports (CDRs);
- CPAR Uganda shall prepare progress reports on a quarterly basis (format attached). The quarterly reports shall include the activities carried out by the Responsible Parties on behalf of CPAR Uganda;
- CPAR Uganda shall prepare quarterly work plans. The quarterly work plans shall include the activities to be carried out by the Responsible Parties on behalf of CPAR Uganda;
- CPAR Uganda shall only engage Responsible Parties to act on their behalf on the basis of a written agreement or contract to provide services using the project budget:
- Where Responsible parties are engaged, CPAR Uganda shall notify UNDP on the nature and value of services to be provided by the Responsible Parties.
- CPAR Uganda shall prepare financial reports on a quarterly basis using the Funding Authorization and Certificate of Expenditure (FACE) form and a final financial report at the end of the implementation period.
- CPAR Uganda shall participate in all the procurement of goods and services as well as in the recruitment of the project personnel for the project.
- CPAR shall ensure that all publications, vehicles and equipment (procured through this project) promotion material, advertisements, brochures and related material shall acknowledge and bear the logo of the United Nations Development Programme and the Government of Uganda.
- CPAR shall remove UNDP Logos and decals attached to equipment/vehicles upon termination and the hand-over of the equipment and vehicles.

2. Financial Arrangements

The National Execution (NEX) advances will be the selected modality for financial implementation Requests for direct payment will be the alternative financial modality. Quarterly advances will be

² The Programme Manager shall be held accountable for the day to day management and operations of the project. S/he is responsible for ensuring that the project produces the outputs and results specified in the project document to the required standard of quality and within the specified constraints of time and cost.

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transferred to CPAR Uganda in its capacity as the Implementing Partner for the obligations and expenditures to be made in support of activities agreed upon in the work plan attached to this letter of agreement.

2.1. UNDP

- UNDP Uganda will provide the required financial resources to support the implementation of the activities agreed in the attached work plan and budget;
- Based on the approved CPAR Uganda Project Proposal (copy attached), UNDP will provide funding to CPAR Uganda based on the agreed work plan over the project period. Funding shall be released based on service delivery level, absorptive capacity and accountability evidence from previous funds received from UNDP within the project cycle.
- Based on the results of the Harmonized Approach to Cash Transfer (HACT) Assessment of CPAR, planned and agreed funds will be transferred through quarterly advances to CPAR or Request for Direct payment by UNDP using the FACE form.
- The funds will be disbursed as advances to CPAR Uganda on a quarterly basis upon submission of a quarterly work plan and recurrent financial accountabilities by CPAR Uganda to UNDP Uganda;
- UNDP Uganda shall not be responsible for expenses incurred by CPAR Uganda beyond the agreed budget or the scope of the activities of the Work Plan;
- UNDP Uganda will closely monitor the implementation of activities in order to verify the correct use of the advanced funds for achieving of immediate results and expected outputs. UNDP Uganda will also monitor the amounts to be advanced to the project, according to the planned activities in any period.

2.2. CPAR Uganda

- CPAR Uganda will administer the resources provided by UNDP Uganda, being responsible for all direct payments generated by the implementation of the activities indicated in the work plan and budget;
- CPAR Uganda shall open a separate bank account for the project;
- CPAR Uganda shall furnish UNDP with a bank guarantee of 10% of the value of the approved project budget.
- CPAR Uganda shall levy administration costs not exceeding 4% of the total project budget;
- The professional fees levied by CPAR Uganda shall be incorporated in the programmatic activities budgets;
- Requests for advances should be prepared in line with the project work plan, and must be signed by the implementing partner or the designated project personnel (Project Coordinator).
- The funds advanced to the project are under the total responsibility of CPAR Uganda as the implementing partner and must only be used for the activities and inputs stated in the work plan, and following UNDP's policies and procedures.
- At the end of the implementation CPAR Uganda will provide to UNDP Uganda with an end of project review report together with a detailed progress and financial report of the expenditures incurred and activities undertaken for the entire life span of the project. The expenditures shall

include those of the responsible parties implementing specific outputs on CPAR Uganda's behalf;

- CPAR Uganda shall not make any financial commitments or incur any expenses which would exceed budgeted amounts. CPAR Uganda shall promptly advise UNDP any time when CPAR Uganda is aware that the estimated budget is insufficient to fully implement the project activities. UNDP shall have no obligation to provide CPAR Uganda with any funds or to make any reimbursement for expenses incurred by CPAR Uganda in excess of the budgeted amounts. CPAR Uganda must keep a good system of accounting recording and appropriate filing of financial documentation on the project (in order to maintain records of all payments made with advances and original expenditure backup documentation);
- CPAR Uganda's Programme Manager shall sign the Financial Report or the Funding Authorization and Certificate of Expenditures (FACE).
- CPAR Uganda's Programme Manager shall approve and sign the Combined Delivery Report (CDR) at the end of the year. The CDRs shall have all the expenditures of the project including the direct payments at UNDP, the expenditures by CPAR Uganda and the expenditures by the Responsible Party on behalf of CPAR Uganda;
- CPAR Uganda will reimburse to UNDP unspent amounts if any.

3. CPAR Uganda shall be fully responsible for carrying out, with due diligence and efficiency, of all services in accordance with its Financial Regulations and Rules.

4. In carrying out the activities under this Letter, the personnel and sub-contractors of CPAR Uganda 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 CPAR Uganda or its personnel, or of its contractors or their personnel, in performing the Services or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by CPAR Uganda, and its personnel as a result of their work pertaining to the project.

5. The personnel assigned by CPAR Uganda to the activity and under contract with CPAR Uganda shall work and shall remain accountable to CPAR Uganda for the manner in which assigned functions are discharged under CPAR Uganda regulations and rules.

6. For any matters not specifically covered by this Letter, the Parties would ensure that those matters shall be resolved in accordance with the respective provisions of the Financial Regulations and Rules of UNDP.

7. The arrangements described in this Letter will remain in effect until the orderly completion of the Project, or until terminated in writing (with 15 days notice) by either party. CPAR Uganda shall not be made to refund amounts which were properly and irrevocably committed in accordance with provisions of the financial Regulations and Rules of UNDP.

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

9. Except as provided in paragraph 6 above, any dispute between the implementing partner and the United Nations agency 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 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.

10. All further correspondence regarding this Letter, other than signed letters of agreement or amendments thereto should be addressed to [LEBOGANG MOTLANA and PLOT 11 YUSUF LULE ROAD of Country Director, UNDP].

11. 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 there by constitute the basis for your [CPAR UGANDA] participation in the implementation of the project.


Signed on behalf of UNDP
Lebogang Motlana
Country Director



03/10/2011
Date:


Signed on behalf of CPAR Uganda
Vanita Walkup-Gilbert, Ag. Executive Director



3/10/2011
Date:

ANNEXES

1. Project Document
2. CPAR Uganda Project Proposal (with Work Plan)
3. CPAR Uganda Project Budget
4. Sample Progress Report