

18 August 2015

Dear Mr. Stephen O'Malley,

<u>Subject: INDC Activity Plan – Saint Vincent and the Grenadines; ATLAS BU: BRB10 - Project No.: 00089257 - Output No.: 00095586</u>

This is with reference to the project "Intended Nationally-Determined Contributions-St Vincent" (#00089257). As result of a contribution provided by the European Commission, resources were made available to select countries – including Saint Vincent and the Grenadines – to support the elaboration of their Intended Nationally Determined Contributions (INDC) for submission to the UNFCCC, before the Paris climate negotiations in December 2015, as well as INDC-related follow-up activities after Paris.

As a result of an extended discussion between the Low Emission Capacity Building (LECB) team in HQ and the LECB focal points in your Country Office over the last 3 (three) months, I am pleased to inform you that the INDC Activity Proposal from Saint Vincent was cleared and that 160,500 USD (inclusive of GMS and ISS) has been allocated to INDC-St. Vincent for the implementation of the related activities.

As stated in the submitted INDC Activity Proposal and Annual Work Plan it is understood that the activities will be embedded as Output 00095586 "Intended Nationally Determined" of the Project 00089257. This letter serves as a delegation of authority to your office to manage USD 160,500 (inclusive of GMS and ISS), on behalf of UNDP.

Upon submission of the required documents, funds will be issued immediately to cover 2015 INDC activities and associated GMS via cash transfer (GLJE). Please note that UNDP-BPPS is not in a position to increase the project budget above the amount already approved. Therefore, any over-expenditure on this project would have to be absorbed by other Country Office resources.

Mr. Stephen O'Malley UN Resident Coordinator UNDP Resident Representative Barbados



Please note that the applicable GMS for this fund is 7% and the distribution should follow the 2015 UNDP GMS policy. As you know GMS is intended to cover the costs of project support, supervision and oversight, not project implementation. Where a government, as implementing agency, requests UNDP to provide specific services as part of project implementation, then the government party is responsible for reimbursing UNDP in accordance with UNDP policies on cost recovery. In such a case your office must maintain appropriate record of these implementation services.

We take the opportunity to draw your attention to the following mandatory requirements for BPPS projects:

- Any changes contemplated with respect to the project objectives and outcomes, and related budget revisions will have to be discussed and approved by LECB Project Manager in HQ. In this regards, please forward any modifications to Ms. Fabiane Flesch (<u>fabiane.flesch@undp.org</u>) with copy to <u>lowemission@undp.org</u> at UNDP HQ.
- All projects will be audited in accordance with UNDP Financial Regulations and Rules and Audit policies.
 UNDP-BPPS reserves the right to withhold fee payments and to suspend the project if this requirement is not met in a timely fashion.
- Applicable corporate GMS rate will apply.

In conclusion, I would like to assure you of the UNDP-BPPS Team's and my personal commitment to successful implementation of the project. We look forward to continue to collaborate with your office and thank you for your support.

Yours sincerely,

Climate Change and Disaster Risk Reduction Cluster
Bureau for Policy and Programme Support