



UNIT PERANCANG EKONOMI
 Economic Planning Unit
 JABATAN PERDANA MENTERI
 Prime Minister's Department
 BLOK B5 & B6,
 PUSAT PENTADBIRAN KERAJAAN PERSEKUTUAN
 62502 PUTRAJAYA,
 MALAYSIA

Telefon: 88883333
 Fax:

Ruj. Tuan:
 Your Ref:

Ruj. Kami:
 Our Ref: (2) UPE801/100/299

Tarikh:
 Date: 13 December 2001

BY FAX: (03)2552870 / BY HAND

Resident Representative
 United Nations Development Programme
 Wisma UN
 Blok C Komplek Pejabat Damansara
 Jalan Dungun
 Damansara Heights
 50490 KUALA LUMPUR

REC'D: 26 DEC 2001	
RR	✓ <i>AKO</i>
DRR	
ADMIN.	<i>AK</i>
FINANCE	
GEN. SVC	
PROG. 1	
PROG. 2	
PROG. 3	
<i>PRO300/GEN/NDM</i>	

to send HQ

Dear Madam,


Letter of Agreement Between UNDP and the Government For the Provision of Support Services under National Execution

Reference is made to your letter dated 26 October 2001 on the above subject.

2. We are pleased to attach herewith two (2) copies of the duly signed letter of agreement for your further action.

Thank you.

Yours sincerely,


 (Patricia Chia Yoon Moi)
 for Director General
 Economic Planning Unit



Dear Sir,

1. Reference is made to consultations between officials of the Government of Malaysia (hereinafter referred to as "the Government") and officials of UNDP with respect to the provision of support services by the UNDP country office for nationally executed programmes or projects. UNDP and the Government hereby agree that the UNDP country office may provide such support services at the request of the Government through its Executing Agent designated in the relevant project document, as described below.

2. The UNDP country office may provide support services for execution activities, such as assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of the Executing Agent is strengthened to enable it to carry out such activities directly. The costs incurred by the UNDP country office in providing such support services shall be recovered from the cost-sharing component of the project where applicable.

3. In addition, the UNDP country office may provide, at the request of the Executing Agent, the following support services for implementation activities:

- (a) Identification and assistance with and/or recruitment of project and programme personnel;
- (b) Identification and facilitation of training activities, including fellowship, short-term training and study tours;
- (c) Procurement of goods and services; and

4. The procurement of goods and services and the recruitment of project and programme personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies and procedures. Support services described in paragraph 3 above shall be detailed in an annex to the project document, in the form provided in Attachment hereto. If the requirements for support services by the country office change during the life of a programme or project, the annex to the project document is revised with the mutual agreement of the UNDP Resident Representative and the Executing Agent.

5. The relevant provisions under Article VIII of the Agreement between United Nations Special Fund and the Government of the Federation of Malaya concerning assistance from the Special Fund dated 25 July 1961, regarding facilities, and privileges and immunities, shall apply to the provision of such support services. The Government shall retain overall responsibility for the nationally executed programme or project through its designated Executing Agent. The responsibility of the UNDP country office for the provision of the support services described herein shall be limited to the provision of such support services detailed in the annex to the project document.

6. Any claim or dispute arising under or in connection with the provision of support services by the UNDP country office in accordance with this letter shall be handled pursuant to the relevant provisions under Article IX of the Special Fund Agreement.

7. The manner and method of cost recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be specified in the annex to the project document.

8. The UNDP country office shall submit progress reports on the support services provided and shall report on the costs reimbursed in providing such services, as may be required.

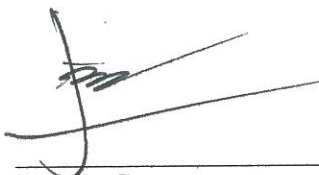
9. Any modification of the present arrangements shall be effected by mutual written agreement of the parties hereto.

10. If you are in agreement with the provisions set forth above, please sign and return to this Office two signed copies of this letter. Upon your signature, this letter shall constitute an agreement between your Government and UNDP on the terms and conditions for the provision of support services by the UNDP country office for nationally executed programmes and projects.

Yours sincerely,



Signed on behalf of UNDP
Maxine Olson
Resident Representative



For the Government
Name/title **Dato' Iskandar Dzakurnain b. Badarudin**
Date **Director General**
Economic Planning Unit
Prime Minister's Department

6 DEC 2001