

**STANDARD LETTER OF AGREEMENT BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME AND
MINISTRY OF WATER RESOURCES
ON THE EXECUTION OF ENHANCING CLIMATE RESILIENCE OF THE VULNERABLE COMMUNITIES AND
ECOSYSTEMS
WHEN UNDP SERVES AS EXECUTING ENTITY**

Your Excellency,

1. Reference is made to the consultations between officials of the United Nations Development Programme (hereinafter referred to as "UNDP") in *Somalia* and officials of *Ministry of Water Resources (SL)* with respect to the realization of activities by *Ministry of Water Resources (SL)* in the Execution of the Enhancing Climate Resilience of the Vulnerable Communities and Ecosystems project (Atlas Project ID# 00084974), as specified in Attachment 1: Project Document, to which UNDP has been selected as executing entity.
2. In accordance with the Project Document and with the following terms and conditions, we confirm our acceptance of the activities to be provided by *Ministry of Water Resources (SL)* towards the project, as specified in Attachment 2: Description of Activities (hereinafter referred to as "Activities"). Close consultations will be held between *Ministry of Water Resources (SL)* and UNDP on all aspects of the Activities.
3. *Ministry of Water Resources (SL)* shall be fully responsible for carrying out, with due diligence and efficiency, all Activities in accordance with its Financial regulations, rules and other directives, only to the extent they are consistent with UNDP's Financial Regulations and Rules. In all other cases, UNDP's Financial Regulations and Rules must be followed.
4. In carrying out the activities under this Letter, the personnel and sub-contractors of *Ministry of Water Resources (SL)* 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 *Ministry of Water Resources (SL)* or its personnel, or of its contractors or their personnel, in performing the Activities or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by *Ministry of Water Resources (SL)*, and its personnel as a result of their work pertaining to the Activities.
5. Any subcontractors, including NGOs under contract with *Ministry of Water Resources (SL)*, shall work under the supervision of the designated official of *Ministry of Water Resources (SL)*. These subcontractors shall remain accountable to *Ministry of Water Resources (SL)* for the manner in which assigned functions are discharged.
6. Upon signature of this Letter, UNDP will make payments to *Ministry of Water Resources (SL)*, according to the schedule of payments specified in Attachment 3: Schedule of Activities, Facilities and Payments.
7. *Ministry of Water Resources (SL)* shall open an account with the financial services provider identified by UNDP in the name of the grant or project or activity. No other contributions are to be received in that specific account. The account must have a minimum of two signatories. In the event of change of any of the signatories, *Ministry of Water Resources (SL)* and the financial services provider undertake to notify UNDP immediately. UNDP reserves the right to request a bank statement from the *Ministry of Water Resources (SL)* or, if necessary, from the financial services provider, for scrutiny and authentication.
8. *Ministry of Water Resources (SL)* shall not make any financial commitments or incur any expenses which would exceed the budget for the Activities as set forth in Attachment 3. *Ministry of Water Resources (SL)* shall regularly consult with UNDP concerning the status and use of funds and shall promptly advise UNDP any time when *Ministry of Water Resources (SL)* is aware that the budget to carry out these Activities is insufficient to

fully implement the project in the manner set out in the Attachment 2. UNDP shall have no obligation to provide *Ministry of Water Resources (SL)* with any funds or to make any reimbursement for expenses incurred by *Ministry of Water Resources (SL)* in excess of the total budget as set forth in Attachment 3.

9. *Ministry of Water Resources (SL)* shall submit a cumulative financial report each quarter (31 March, 30 June, 30 September and 31 December). The report will be submitted to UNDP through the UNDP Country Director or UNDP Resident Representative within 30 days following those dates. The format will follow the standard UNDP expenditure report [a model copy of which is provided as Attachment 4. UNDP will include the financial report by *Ministry of Water Resources (SL)* in the financial report for (Atlas Project ID# 00084974).
10. *Ministry of Water Resources (SL)* shall submit such progress reports relating to the Activities as may reasonably be required by the project manager in the exercise of his or her duties.
11. *Ministry of Water Resources (SL)* shall furnish a final report within 12 months after the completion or termination of the Activities, including a list of non-expendable equipment purchased by *Ministry of Water Resources (SL)* and all relevant audited or certified financial statements and records related to such Activities, as appropriate, pursuant to its Financial Regulations and Rules.
12. Equipment and supplies that may be furnished by UNDP or procured through UNDP funds will be disposed as agreed, in writing, between UNDP and *Ministry of Water Resources (SL)*.
13. Any changes to the Project Document which would affect the work being performed by *Ministry of Water Resources (SL)* in accordance with Attachment 2 shall be recommended only after consultation between the parties.
14. For any matters not specifically covered by this Letter, the Parties would ensure that those matters shall be resolved in accordance with the appropriate provisions of the Project Document and any revisions thereof and in accordance with the respective provisions of the Financial Regulations and Rules of the *Ministry of Water Resources (SL)* and UNDP.
15. The arrangements described in this Letter will remain in effect until the end of the project, or the completion of activities of *Ministry of Water Resources (SL)* according to Attachment 2, or until terminated in writing (with 30 days notice) by either party. The schedule of payments specified in Attachment 3 remains in effect based on continued performance by *Ministry of Water Resources (SL)* unless it receives written indication to the contrary from UNDP.
16. Any balance of funds that is undispersed and uncommitted after the conclusion of the Activities shall be returned within 90 days to UNDP. The balance of funds should also be returned in case the project is closed or is terminated early at the request of either of the parties.
17. Any amendment to this Letter shall be effected by mutual agreement, in writing,
18. All further correspondence regarding this Letter, other than signed letters of agreement or amendments thereto should be addressed to:

George Conway,
Country Director
UNDP Somalia
UN Common Compound, Airport Road,
Mogadishu, Somalia

19. Ministry of Water Resources (SL) shall keep the UNDP Country Director/Resident Representative fully informed of all actions undertaken by them in carrying out this Letter.

20. UNDP may suspend this Agreement, in whole or in part, upon written notice, should circumstances arise which jeopardize successful completion of the Activities.

21. Any dispute between the UNDP and Ministry of Water Resources (SL) 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 shall appoint 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.

22. UNDP has a zero tolerance policy against fraud and other corrupt practices that are inconsistent with the UN Standard of Conduct or involve a loss to UNDP funds. UNDP does not charge fees at any stage of a procurement/contracting/agreement process, whether supplier registration, bids/proposal submission, contract/agreement award, or payment issuance. UNDP takes all reports of alleged wrongdoing seriously. UNDP's Office of Audit and Investigations (OAI) has established an Investigations Hotline and other measures to ensure that persons wishing to report fraud may do so, free of charge, using a number of different options. Anyone with information regarding fraud against UNDP programmes or involving UNDP staff is strongly encouraged to report this information through the Investigations Hotline: hotline@undp.org. UNDP's Anti-Fraud Policy and other options for reporting wrongdoing are available at UNDP's website: http://www.undp.org/content/undp/en/home/operations/accountability/audit/office_of_audit_andinvestigation.html

23. 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 thereby constitute the basis for your Ministry of Water Resources (SL) participation in the execution of the project.

Yours sincerely,

Signed on behalf of UNDP



Digitally signed by George Conway
DN: cn=George Conway, o=UNDP,
ou=UNDP Somalia,
email=george.conway@undp.org,
c=SO
Date: 2017.04.02 15:03:34 +03'00'

George Conway, Country Director

Signed on behalf of Ministry of Water Resources



Hussein Abdi Boss



05/04/2017

Attachment 1

PROJECT DOCUMENT EXTRACT

Somaliland is a region highly affected and most vulnerable to climate change and climate variability, a situation aggravated by the interaction of multiple stresses, occurring at various levels, and coupled with a low adaptive capacity among the population. The existing major climate hazards in Somaliland are droughts and extreme flooding events. Because of the recurrent drought which has a continuing problem to the vulnerable pastoral community and their livestock. The water scarcity and poor vegetation brings the pastoralists to dilapidated situation, which finally ends up stressful situations, resulting to the loss of their livelihood threatened by the drought.

Climate change is a global threat and Somaliland is not an exception. The recurring drought is an integrated factor of climate change and it has heavily impacted the livestock and agricultural sector in Somaliland. Despite the absence of two consecutive poor rainy seasons in 2016, Somaliland witness a severe drought that is turning into a famine in the meantime. Water scarcity, food insecurity, poor sanitation, and displacement are the key challenges faced by the Somaliland pastoral and agro-pastoral communities.

The current drought in Somaliland is arguably the worst in the newest history, the government of Somaliland, its people and the international community are struggling to reverse the effects of this drought to save the life of the people and their livelihood. While all Somaliland is affected, eastern regions are especially in a dire situation. Increasingly pastoralists lose their livestock, up to 90%; people are desperate to get water, food, and other necessities.

UN humanitarian agencies have responded and already are providing substantial support to the drought affected population. In this initiative, UNDP will partner with the Ministry of Water Resources to rehabilitate the damaged water infrastructure for the pastoralist communities of Togdheer region to mitigate the effects of drought and improve the adaptation measure of the pastoralists. The Ministry of Water Resource has the mandate to facilitate, monitor and regulate the development, management and utilisation of fresh water resources of the government of Somaliland. The main responsibilities are to develop functional water sector, coordinate water actors, promote sustainable water utilization and integrate water resource management.

The proposed interventions to be implemented to be implemented by MoWR

Creation of water infrastructure is an important strategy that can mitigate the impact of the drought to the pastoralists. This project is intended to mitigate the problem of water to establish adaptation measures to address climatic effects resulting droughts.

In this activity, the Climate Change Resilience project in collaboration with the Ministry of Water Resources plans to respond to the effects of the existing drought and will implement rehabilitation of 25 water berkedes and 5 shallow wells in Togdheer region. This region is one of the drought prone regions in Somaliland, where lot of pastoralists are living, and are the areas worst hit by the drought. The Ministry of Water Resources has shared with us a list of villages that this activity will be implemented in Togdheer region. The UNDP/CCR project has already implemented water rehabilitation activities, by rehabilitating 48 water berkedes in different villages of this area and this activity will consolidate the water interventions that has been done in the past two years. The priority villages for the MoWR to be implemented in the proposed is as following:

SN	Location	Type of Investment	QTY	Total villages (HH)	estimate # of beneficiaries (HH)
1	Ceeldheere	Berked Rehab.	2	400	20
2	Duruqsi	Berked Rehab.	2	1000	50
3	Warabeye	Berked Rehab.	2	400	20
4	Qorilugud	Shallow Well Rehab.	4	1000	50
5	Balidhiig	Berked Rehab.	3	1000	50
6	Warcibraan	Berked Rehab.	2	900	45
7	Coodanle	Berked Rehab.	5	500	25
8	Libaaxle	Berked Rehab.	1	300	15
9	Jaamac Qabar	Berked Rehab.	1	700	35
10	Harada	Shallow Well Rehab.	1	500	25
11	Candhadhexe	Berked Rehab.	2	500	25
12	Dhoqoshay	Berked Rehab.	3	900	45
13	Habeedley	Berked Rehab.	1	500	25
14	Heere	Berked Rehab.	1	500	25
Totals:			30		455

The local community in the villages will choose the beneficiaries of the project, considering the vulnerable groups of the community such as poor women headed families, orphans and more vulnerable and needy families. UNDP project team and the Ministry of Water officials will assist the community during the selection process.

1. Objective of the Project

The overall goal of the project is to rehabilitate water infrastructure/Berkeds in Togdheer region, a region prone to droughts and heavily dependent on livestock. The area has big water scarcity problem and Berkeds are primarily major sources of water in the area.

The project aims to respond to the drought impact and it improve the livelihood of Togdheer pastoralists in Somaliland with the provision of employment opportunities to youth from the investments to the water infrastructure project in the region. The project will contribute local economy to alleviate poverty and to strengthen peace and stability and finally to encourage for the long-term countryside development, reconstruction and economic recovery framework.

Attachment 2

DESCRIPTION OF ACTIVITIES

Project Number: Project ID# 00084974)
Project Title: Enhancing Climate Resilience Of The Vulnerable Communities And Ecosystems

Rehabilitation of 25 water Berkeds and 5 shallow wells at Togdheer region;

Duration of the activity: The duration of this LOA is six months starting the date the LOA is signed by both parties.

Results to be achieved by Ministry of Water Resources (SL)

Improve the water infrastructure in Togdheer region, by rehabilitating 25 berkeds and 5 shallow wells

Work to be performed by Ministry of Water Resources (SL)

Explain the activities to be carried out by *Ministry of Water Resources (SL)*.

- Sensitizing local authority and project beneficiaries on project activities and implementation schedule.
- The project beneficiaries are selected
- Assessment by UNDP engineer to the sites of the project and taking information of the assets to be rehabilitated; including the before pictures and recording of the GPS coordinates of the assets and developing BoQ and designs
- Contracting with local implementing organization.
- Mobilization of community and project orientation.
- Procurement of tools and project building materials
- Mobilization of labour and Clearance works

Description of inputs:

Provide a detailed description of the project inputs by activity. This may include personnel, contracts, training, and equipment, miscellaneous and micro-capital grants.

Human resources:

Project engineers, community site supervisors, skilled and unskilled labours,

Material inputs:

Construction material, Hand tools, and transportation of materials

Monitoring and Evaluation: How will the project be monitored and evaluated?

Project monitoring and evaluation will be conducted in accordance with UNDP procedures. The project will carry out the outputs and the activities provided in this proposal. MoWR project team will provide a weekly and Monthly project progress updates; those project's activities will be attached with before and after pictures of the project.

There will be an inception meeting before the start of the project to explain the project milestones achieved to all parties (MoWR project implementing team, its management and UNDP project staff, M&E and operations team will participate this meeting. A Project Completion Report will be submitted by MoWR at the end of the project; the project completion report will highlight the challenges, lessons learned, success stories of the project; besides before and after pictures of the project will be attached to the completion report.

The IP is responsible to undertake monitoring activities, including baseline data collection prior to the start of the project, monitoring to assess progress towards intended outputs, reviews or studies if required to measure effect of project, field visits, etc. The IP is expected to provide a complete list of beneficiaries with names, contact details and baseline information as relevant to the project, as well as attendance sheets with participants' names and signatures for activities such as trainings, workshops etc. The IP is also expected to provide, to the extent possible, photographic evidence of the activities undertaken and case studies (including, contact information, quotes, photographs, impact etc.) in the programmatic narrative reports. UNDP and partners (include third party monitoring) will conduct programmatic monitoring and use approaches that involve the community and government, and enable women and children to benefit from the process.

UNDP will share the reporting templates of the project to MoWR when the LOA is signed by both parties.

M&E Indicative Plan

M&E activity	Responsible Parties	Time frame
Inception Workshop	<ul style="list-style-type: none"> ▪ UNDP Team (Project team, M&E and operations team) ▪ (MoWR management team) 	Within the first week of project start up
Project progress updates (with before and after pictures of the activities recorded)	<ul style="list-style-type: none"> ▪ The status of the project progress is shared with UNDP (through emails or written documents) 	Regularly
Project Team Meetings	<ul style="list-style-type: none"> ▪ MoWR Project Manager ▪ UNDP; Project officer/Project team 	At least once every two weeks
Monthly status reports	<ul style="list-style-type: none"> ▪ To be prepared by MoWR Project Manager ▪ 	Monthly
Technical reports	<ul style="list-style-type: none"> ▪ MoWR Project Manager ▪ MoWR management team 	To be determined by MoWR and UNDP
Final Completion Report	<ul style="list-style-type: none"> ▪ MoWR project manager ▪ Approved by the DG and Minister of MoWR 	Not later than 15 days after the end of the project

PERFORMANCE TARGETS

Expected Outputs/results	Targets	Baseline and Indicators	Source(s) of verification	Responsible party
Rehabilitation of 25 berkads and five shallow wells in Togdheer water scarcity areas; - Ceeldheere; Duruqsi; Warabeye; Qorilugud; Balidhiig Warcibraan; Coodanle; Libaaxle; Jaamac Qabar; Harada; Candhadhexe; Dhoqoshay; Habeedley and Heere	455 community members of household bread winners pastoralists (with a minimum 30% gender representation) achieve enhanced livelihood improvement in this project activity	<p>Indicators:</p> <ul style="list-style-type: none"> - # of Berkads and shallow wells rehabilitated per location. - # Community HH members worked in the Rehabilitation of Berkads and shallow wells per location. - # Community HH members benefited from Rehabilitation of Berkads and shallow wells per location. 	<ul style="list-style-type: none"> • The project and programme monitoring reports • Beneficiaries' testimony in the participation of the rehabilitation work. • Berked and shallow wells completion certificates. • Newspaper articles • Evaluations • Case studies 	MoWR

Output	Description of Planned Activities	Planned Budget				Timeline		UNDP Direct Payment Q2-2017	Cash Advance Q2-2017	Implementation arrangements
		Unit	Qty	Unit Cost	Total Cost (USD)	Q1-2017	Q2-2017			
	1 vehicle @ 20 days @ \$130									
1.3 Monitoring and supervision	1.3.1 Project Supervision; Monitoring and supervision costs; 20daysX 2 personsX\$60)	days	20	\$120.00	\$2,400.00			\$2,400.00		MoWR to prepare detailed budget and activity plan. This includes (Authorization of the field visits and back to office reports). UNDP to transfer funds to dedicated project account after certifying the budget and activity plan.
Grand Total					\$206,700.00			\$195,000.00	\$11,700.00	

Note:

- Payments in this LoA will be subject to having received funds from the donors.
- Adjustments within each of the outputs may be made in consultation between UNDP and Ministry of Water Resources (SL). Such adjustments may be made if they are in keeping with the provisions of the Programme and Project Document and if they are found to be in the best interest of the project.

