

**STANDARD LETTER OF AGREEMENT BETWEEN UNDP AND MINISTRY OF FINANCE  
OF THE REPUBLIC OF SERBIA FOR THE PROVISION OF SUPPORT SERVICES**

Dear Sir,

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

2. The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of the Ministry 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 project budget.

3. The UNDP country office may provide, at the request of the Ministry, the following support services for the activities of the programme/project:

- a) Recruitment of international and national consultants and reimbursement of their costs;
- b) Travel and other logistic arrangements and organization related to workshops and processing of payments related to travel arrangements;
- c) Daily project management , including backstopping and monitoring;
- d) Procurement of miscellaneous goods and services required for the implementation of project activities ;
- e) other procedures and processes as required by the Ministry;

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 programme support document or project document, in the form provided in the 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 designated institution.

5. The relevant provisions of the Standard Basic Agreement between the Government of SFRY and UNDP, signed by the parties on 24<sup>th</sup> March 1988 (the "SBAA"), including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Ministry shall retain overall responsibility for the nationally managed programme or project through its designated institution. 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 of the SBAA.

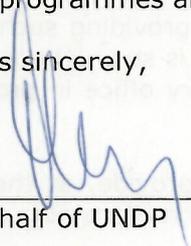
7. The manner and method of cost-recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be specified in the annex to the programme support document or project document.

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. Financial reports will be presented in USD in accordance with UNDP rules and procedures.

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 the Ministry and UNDP on the terms and conditions for the provision of support services by the UNDP country office for nationally managed programmes and projects.

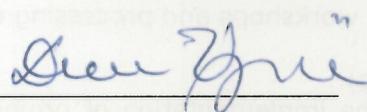
Yours sincerely,



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On behalf of UNDP

Ms. Steliana Nedera  
Deputy Resident Representative



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The Ministry of Finance  
Mrs. Dusan Vujovic, Minister

Date:

## Attachment

### **DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES**

1. Reference is made to consultations between the **Ministry of Finance** and officials of UNDP with respect to the provision of support services by the UNDP country office for the nationally managed project 92490-97177 " Enhancement of the Capacities of the Ministry of Finance for the EU Accession Process " -the Project".
2. In accordance with the provisions of the signed agreement and the project document, the UNDP country office shall provide support services for the Project as described below.
3. Support services to be provided:

Support services	Schedule for the provision of the support services	Cost to UNDP of providing such support services <sup>1</sup>	Amount authorized to be disbursed by UNDP (where appropriate) <sup>2</sup>
Consultants (International and National )	As per AWP	Actual Costs	135,000 USD
Training and Workshop costs	As per AWP	Actual Costs	4,550 USD
Management and backstopping , -cost of provision of services	As per AWP	Actual Costs	20,000 USD
Travel	As per AWP	Actual Costs	10,000 USD

4. Description of functions and responsibilities of the parties involved will be arranged in accordance with the project document. The Ministry will provide facilities with internet access for the team of consultants engaged on the project by UNDP. The Ministry will also assign a team of employees who will work closely with the team of experts engaged by UNDP and facilitate access to relevant documents and information.

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<sup>1</sup> Support services actual cost adheres to the „UNDP Cost Recovery Operational Guideliness for Implementation of Direct Project Costing“ effective as of January 2014

<sup>2</sup> A revision of the Annual Work Plan (including adjustment to the actual funds availability to the project) , provided in the Project Document, conducted in agreement with the MOF may result in the adjustment of amounts authorized to be disbursed by UNDP, which will be reflected in the revision of the AWP to be signed by the National Project Director and UNDP.

