



**LETTER OF AGREEMENT BETWEEN  
THE UNITED NATIONS DEVELOPMENT PROGRAMME AND  
THE CIVIL SERVICE AGENCY OF FEDERATION OF BIH,  
BOSNIA AND HERZEGOVINA  
ON THE IMPLEMENTATION OF PROJECTS:  
"INTEGRATED LOCAL DEVELOPMENT PROJECT", "SDGs  
ROLL-OUT SUPPORT AND PRIVATE SECTOR  
ENGAGEMENT" AND "DIASPORA FOR DEVELOPMENT"  
WHEN UNDP SERVES AS IMPLEMENTING PARTNER**

1. Reference is made to the consultations between officials of the United Nations Development Programme (*hereinafter referred to as "UNDP"*) in Bosnia and Herzegovina and officials of the Civil Service Agency of the Federation of BiH (*hereinafter referred to as "the Agency"*) with respect to the realization of activities by the Agency in the implementation of projects: 00096620 – Integrated Local Development Project, a joint initiative of the UNDP BiH and the Swiss Agency for Development and Cooperation, 00107219 - SDGs Roll-out Support and Private Sector Engagement, funded by the Government of Sweden and 00095614 – Diaspora for Development, a project of the Ministry of Human Rights and Refugees of BiH and Government of Switzerland, in partnership with UNDP BiH and IOM BiH, to which UNDP has been selected as implementing partner. Subject to this Letter of Agreement is the support to delivery of the two training programmes. The first one is intended for entity, cantonal and local self-governments employees related to strategic, mid-term and short-term planning, monitoring and reporting as defined by the FBiH Law on Development Planning and Management, which will also reflect priority actions that governments at these levels will undertake in implementing Agenda 2030 and mainstreaming Sustainable Development Goals. The second training programme will focus on local governments employees in order to engage diaspora in local development.
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 the Agency towards the project, as specified in Attachment 2: "Description of Activities" (*hereinafter referred to as "Activities"*). Close consultations will be held between the Agency and UNDP on all aspects of the Activities.
3. The Agency 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 the Agency 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 the Agency 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 the Agency, and its personnel as a result of their work pertaining to the Activities.
5. Any sub-contractors, including non-governmental organisations under contract with the Agency, shall work under the supervision of the designated official of the Agency. These sub-contractors shall remain accountable to the Agency for the manner in which assigned functions are discharged.
6. Upon signature of this Letter and received request for advance in the form of the Funding Authorization and Certificate of Expenditures Form (*hereinafter referred to as "FACE Form"*) from the

Agency, UNDP will make payments to the Agency, according to the schedule of payments specified in Attachment 3: Schedule of Activities, Facilities and Payments.

7. The Agency shall not make any financial commitments or incur any expenses which would exceed the budget for the Activities as set forth in Attachment 3. The Agency shall regularly consult with UNDP concerning the status and use of funds and shall promptly advise UNDP any time when the Agency 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 the Agency with any funds or to make any reimbursement for expenses incurred by the Agency in excess of the total budget as set forth in Attachment 3.

8. The Agency shall submit a financial report each quarter (31 March 2020, 30 June 2020 and 30 September 2020 and 30 November 2020). The report will be submitted to UNDP through the UNDP Resident Representative within 7 days following those dates. The format will follow the standard FACE Form (provided as Attachment 4). UNDP will include the Financial Report by the Agency in the financial report for 00096620 –Integrated Local Development Project, 00107219- SDGs Roll-out Support and Private Sector Engagement and 00095614 – Diaspora for Development.

9. The Agency shall submit Narrative Progress Reports (as per Attachment 6) relating to the Activities every 3 months.

10. The Agency shall submit Annual Financial Reports (based on the FACE Form and including Cash Statement as per Attachment 5) and furnish a Final Narrative and Financial Reports within 2 weeks after the completion or termination of the Activities, including a list of non-expendable equipment purchased by the Agency and all relevant audited or certified financial statements and records related to such Activities, as appropriate, pursuant to its Financial Regulations and Rules.

11. If applicable, the equipment and supplies that may be furnished by UNDP or procured through UNDP funds will be disposed as agreed, in writing, between UNDP and the Agency.

12. Any changes to the Project Document which would affect the work being performed by the Agency in accordance with Attachment 2 shall be recommended only after consultation between the parties.

13. 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 Agency and UNDP.

14. The arrangements described in this Letter will remain in effect until the end of the project, or the completion of activities of the Agency 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 the Agency unless it receives written indication to the contrary from UNDP.

15. Any balance of funds, transferred to Agency as advance payment by UNDP as per Article 6., that is undisbursed and uncommitted after the conclusion of the Activities shall be returned within 20 days to UNDP.

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

17. All further correspondence regarding this Letter, other than signed letters of agreement or amendments thereto should be addressed to Steliana Nedera, Resident Representative, UNDP BiH, Zmaja od Bosne b.b., 71000 Sarajevo.

18. The Agency shall keep the UNDP Resident Representative fully informed of all actions undertaken by them in carrying out this Letter.

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

20. Any dispute between the UNDP and the 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

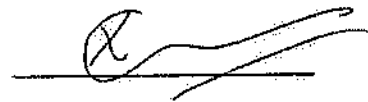
arbitrators so appointed shall appoint a third arbitrator, who shall be the chairperson of the Tribunal. If, within 15 days of the appointment of two arbitrators, the third arbitrator has not been appointed, either party may request the President of the International Court of Justice to appoint the arbitrator 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.

21. 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 the Agency participation in the implementation of the project.

This Agreement is to be signed in four (4) copies, out of which two (2) shall be in the English and two (2) in the Bosnian language. In case of a dispute, the English language version shall prevail.

Yours sincerely,

Signed on behalf of UNDP  
Sukhrob Khoshmukhamedov, Deputy Resident Representative



21/07/2020

Signed on behalf of the Agency

Refik Begić, Director

  
05/08/2020  
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