



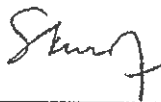
LETTER OF AGREEMENT  
BETWEEN THE GOVERNMENT OF THE REPUBLIC OF YEMEM AND UNDP  
FOR THE PROVISION OF SUPPORT SERVICES  
UNDER THE COUNTRY PROGRAMME ACTION PLAN (CPAP) 2007-2011

Excellency,

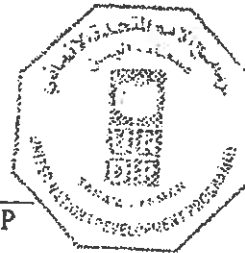
1. Reference is made to consultations between officials of the Government of the Republic of Yemen (hereinafter referred to as "the Government") and officials of UNDP with respect to the provision of support services by the UNDP Country Office for nationally managed programmes and projects. UNDP and the Government hereby agree that the UNDP Country Office may provide such support services at the request of the Government through its institution designated in the relevant programme support document or 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 Government-designated institution 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 administrative budget of the office.
3. The UNDP Country Office may provide, at the request of the designated institution, the following support services for the activities of the programme/project:
  - (a) Identification and/or recruitment of project and programme personnel;
  - (b) Identification and facilitation of training activities;
  - (c) Procurement of goods and services.
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 programme support document or project document is revised with the mutual agreement of the UNDP Resident Representative and the designated institution.

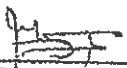
5. The relevant provisions of UNDP standard basic assistance agreement with the Government of the Republic of Yemen (the "SBAA"), signed by both parties on 11 April 1977, and reconfirmed by the Republic of Yemen on 22 May 1990, including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Government 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 programme support document or 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.
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 managed programmes and projects.

Yours sincerely,



Signed on behalf of UNDP  
Selva Kamachandran  
Country Director



  
For the Government  
H.E. Mr. Abdul Karim Ismail Al-Arhabi  
Deputy Prime Minister for Economic Affairs and  
Minister of Planning and International Cooperation