



MEMORANDUM OF AGREEMENT
BETWEEN
THE GOVERNMENT OF ITALY
AND
THE UNITED NATIONS DEVELOPMENT PROGRAMME
ON THE

**CENTER OF RESEARCH AND EXPERIMENTATION
APPLIED TO ZOOTECHNICS AND FODDER CULTURE
IN THE SIRT REGION
LIBYA**



Italian Cooperation April 25th 2005 Tripoli

MEMORANDUM OF AGREEMENT
BETWEEN
THE GOVERNMENT OF ITALY AND
THE UNITED NATIONS DEVELOPMENT PROGRAMME
FOR
MANAGEMENT AND OTHER SUPPORT SERVICES TO BE PROVIDED BY UNOPS
TO THE GOVERNMENT OF LIBYAN ARAB JAMAHIRIYA
IN RESPECT OF THE
*Center of research and experimentation applied to zootechnics and fodder culture
in the Sirt Region*

The Basic Assistance Agreement signed on 20 May 1976 between the United Nations Development Programme (hereinafter UNDP) and the Government of Libyan Arab Jamahiriya contains the basic conditions under which UNDP assists the Government in its endeavour to realize sustainable human development in line with national development programmes and priorities.

In furtherance of the mentioned Basic Assistance Agreement, the Government of the Libyan Arab Jamahiriya has requested assistance from UNDP with respect to management and other support services to be provided through the United Nations Office for Project Services (hereinafter UNOPS), as specified in this Memorandum of Agreement, including Appendices I through VI thereof (hereinafter this Agreement).

1. (a) The Government of the Republic of Italy (hereinafter the Donor Government), after consultation with the Government of the Libyan Arab Jamahiriya (hereinafter the Recipient Government), has decided to use Euro 931,590 (Nine Hundred and Thirty One Thousand Five Hundred and Ninety Euro) equivalent to USD 1,208,288 at the UN operational exchange rate prevailing in April 2005, in connection with financing the Center of research and experimentation applied to zootechnics and fodder culture in the Sirt Region described in Appendix I (hereinafter referred to as the "Project") and to engage UNOPS's in accordance with this Agreement.

(b) UNDP has confirmed with the Recipient Government the latter's concurrence that UNOPS provide services via this Agreement (see Appendix VI). The Recipient Government shall be represented by The General People's Committee for Foreign Liaison and International Cooperation for all matters related to the implementation of the Project.

2. (a) The Recipient Government shall retain overall responsibility for the execution of the Project.

(b) UNOPS shall be responsible, with due diligence and efficiency, to make available its services for the provision of such project services and inputs as are described in Appendix II (hereinafter called the "Services" and "Project Inputs", respectively). The duration of this Agreement is estimated to be 2 years calculated from the date on which this Agreement becomes effective in accordance with the provision of paragraph 16 hereof.

(c) UNOPS and the Recipient Government shall consult closely with respect to all aspects of the provision of the Project Inputs.

(d) Contracting of individual consultants and firms shall be in accordance with the specific requirements of the Donor Government, as indicated in Appendix II.

3. The total cost of implementing this Agreement is estimated at USD 1,208,288 (One million Two Hundred Eight Thousand and Two Hundred Eighty Eight United States Dollars), which includes an estimated management fee of US\$ 109,844 (One Hundred Nine Thousand and Eight Hundred Forty Four US dollars); and a detailed Budget is attached hereto as Appendix III. This total cost shall not be exceeded without prior agreement of the Donor Government. Any change in the duration of this Agreement, in the total Budget amount and/or in the scope of the Services may require consultations between the parties with a view to agreeing on a revised management fee.

4. (a) The Donor Government undertakes, promptly after the effective date of this Agreement, to deposit Euro 931,590 (Nine Hundred and Thirty One Thousand Five Hundred and Ninety Euro) in UNDP Contributions Account number 600862722022 at the Bank of America (Swift address BOFAGB22) 1 Alie Street, London, E1 8 DE England. This amount represents the total estimated cost of the provision of the Project Inputs and Services.

(b) UNOPS shall not be required to commence the provision of Project Inputs and Services until the payment referred to above has been received and shall not enter into obligations in excess of the funds received.

(c) Interest will be apportioned annually to the undisbursed balance of funds, which have been received in accordance with (a) above.

(d) UNDP will keep at the Donor Government's disposal any interest accrued on the undisbursed balance of funds received according to paragraph (a) above, for use for project related purposes.

5. (a) UNOPS shall provide on behalf of the Recipient Government, Project Inputs as specified in Appendix II, in accordance with the Annex to the UNDP Financial Regulations and Rules, which are applicable to UNOPS.

(b) UNOPS shall procure the equipment and supplies referred to in Appendix II.

- i) Upon receipt and acceptance of such equipment and supplies by the Recipient Government agency concerned, title shall vest in the Recipient Government.
- ii) To the extent that the costs in respect of any custom duties, levies or charges related to the clearance of such equipment and supplies into the country are not the subject of an exemption by the Recipient Government, the Recipient Government shall be responsible for such costs out of its own resources other than those specified in Appendix III.

(c) With respect to insurance arrangements for Project Inputs:

- (i) UNOPS shall arrange insurance under its standard procedures for fellows, individual consultants, equipment and supplies.
- (ii) Consulting firms shall be required to make their own insurance arrangements, according to the terms of their respective contracts.
- (iii) If the Recipient Government notifies UNOPS of special insurance requirements in respect of Project Inputs, UNOPS shall endeavor to make appropriate arrangements for obtaining such other insurance, the cost of which shall be debited to the project account.

(d) In case of claims of any nature, including loss of or damage to equipment and supplies, UNOPS shall pursue settlement of such claims, and UNOPS liability shall be limited to the proceeds recovered.

6. Except as otherwise agreed upon in writing between the Donor Government and UNOPS, UNOPS shall not be responsible for costs required for the implementation of the Project, other than those specified in Appendix III.

7. (a) Funds received under this Agreement shall be administered in accordance with the Annex to the UNDP Financial Regulations and Rules, which are applicable to UNOPS. All financial accounts and statements shall be subject exclusively to the internal and external auditing procedures laid down in the Financial Regulations, Rules and Directives of UNDP.

(b) All financial transactions shall be recorded in a separate ledger account established for this project and expressed in United States dollars. Transactions in currencies other than United States dollars shall be carried out and recorded at the UN operational rate of exchange in effect on the date of the transaction.

8. The following general financial and accounting arrangements shall be followed in respect of the provision of Project Inputs under this Agreement:

(a) Expenditures for the purchase of equipment and supplies, including insurance and freight, shall be limited to the items requested by the Recipient Government and to the budgetary provisions provided in Appendix III.

(b) UNOPS shall prepare, in full consultation with the Donor Government, any budget revisions which it deems appropriate to ensure that the project budget reflects as accurately as possible the likely delivery of project Inputs and Services. Simple budget rephasings shall enter into effect immediately upon signature by UNOPS. All other budget revisions which do not shift allocations among budget categories, including budget revisions reflecting project completion, shall enter into effect automatically 30 days after being proposed by UNOPS, unless the Government objects within that period.

(c) If, due to unforeseen circumstances, the funds received under this Agreement ever should be projected to be insufficient to cover the total cost of the Project Inputs and Services specified in Appendix II, UNOPS shall inform the Donor and Recipient Governments accordingly. The Governments and UNOPS shall then hold consultations with a view to agreeing upon appropriate modifications to the Project Inputs and/or Services so as to ensure that funding shall be sufficient to cover all expenses for the provision of such Project Inputs and Services.

9. (a) UNOPS shall submit such reports relating to the Project Inputs and Services as may reasonably be required by the Donor or the Recipient Governments.

(b) Following completion of the Services, a final financial statement shall be submitted to the Donor Government, in accordance with the format given in Appendix IV.

10. Any balance of funds received and uncommitted on completion of the Services shall be refunded promptly to the Donor Government.

11. The Basic Assistance Agreement between UNDP and the Recipient Government signed on 20 May 1976 (SBAA), and in particular Articles IX and X shall apply, mutatis mutandis, to all UNOPS activities under this Agreement (see Appendix V).

12. (a) Any dispute, controversy or claim arising out of or in connection with this Agreement or any breach thereof, shall, unless it is settled by direct negotiation, be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force. Unless otherwise agreed, the appointment authority under the Rules shall be the President of the Permanent Court of Arbitration. The parties hereto agree to be bound by any arbitration award rendered in accordance with this provision as the final adjudication of any dispute.

(b) Where, in the course of such direct negotiation referred to above, the parties wish to seek an amicable settlement of such dispute, controversy or claim by conciliation, the conciliation shall

take place in accordance with the UNCITRAL Conciliation Rules as at present in force, or according to such other procedure as may be agreed between the parties.

(c) Nothing in or relating to any provision in this Agreement shall be deemed a waiver of the privileges and immunities of the United Nations, including UNDP and UNOPS.

13. Any amendment to this Agreement or to any Appendix hereto shall be effected by mutual agreement of the parties through an appropriate supplementary letter of agreement.

14. The Recipient Government, UNOPS, and the UNDP Resident Representative shall keep each other fully informed of all actions undertaken in carrying out this Agreement or that may affect it.

15. All correspondence regarding the implementation of this Agreement, other than this signed Memorandum of Agreement or amendments thereto, shall be addressed to:

UNOPS:

Christophe Bouvier
Regional Director
Regional Office for
Central Asia, North Africa, the Near East and Europe (CANANE)
UN Office for Project Services
11-13, chemin des Anémones
1219 Châtelaine – Genève
Switzerland
Tel: 0041-22-9178384
Fax: 0041-22-9178062

Donor Government:

Italian Embassy
Cooperation Office
Tripoli
Libya
Tel: 00218-21-3334131
Fax: 00218-21-3331673

16. This Agreement shall become effective on the date on which it has been signed by both parties.

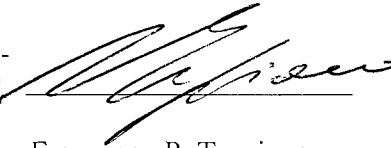
17. (a) This Agreement may, at any time, be terminated by either party by written notice to the other, if, in its opinion, an event beyond its reasonable control occurs which makes it impossible to carry out its obligations under this Agreement. Termination shall be effective thirty days after receipt of the above notice.

(b) The obligations assumed by the parties under this Agreement shall survive the termination of the Agreement to the extent necessary to permit the orderly conclusion of activities, the withdrawal of personnel, funds and property, the settlement of accounts between the parties hereto and the settlement of contractual liabilities that are required in respect of personnel, contractors, consultants or suppliers.

18. Agreement and acceptance of this Memorandum of Agreement is indicated by the signature of the duly authorized representatives of the parties.

On behalf of the Government of Italy

(signed)



Name: Francesco P. Trupiano

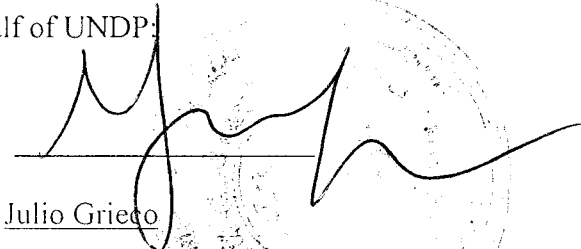
Title: Ambassador of Italy to Libya

Date: 27 AVE 2005



On behalf of UNDP:

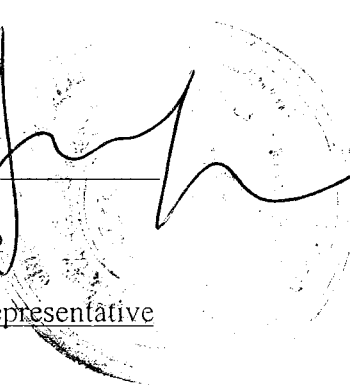
(signed)



Name: Julio Grieco

Title: Resident Representative

Date: _____



On behalf of UNOPS:

(signed)



Name: Julio Grieco

Title: Resident Representative

Date: _____



Appendices

Appendix I	A. PROJECT DESCRIPTION B. PROCUREMENT CONDITIONS
Appendix II	DESCRIPTION OF PROJECT INPUTS AND OF MANAGEMENT AND OTHER SUPPORT SERVICES
Appendix III	BUDGET
Appendix IV	FINAL FINANCIAL STATEMENTS
Appendix V	ARTICLES IX AND X OF THE STANDARD BASIC ASSISTANCE AGREEMENT REGARDING FACILITIES, EXEMPTIONS, PRIVILEGES AND IMMUNITIES
Appendix VI	RECIPIENT GOVERNMENT REQUEST FOR UNOPS SERVICES

Appendix I
PROJECT DESCRIPTION