



**LETTER OF AGREEMENT**

**BETWEEN**

**INTERNATIONAL CENTRE FOR INTEGRATED MOUNTAIN DEVELOPMENT  
(ICIMOD)**

**AND**

.....

**FOR**

.....

## Sample Letter of Agreement (LOA)

This Letter of Agreement (LoA) is entered between the International Centre of Integrated mountain Development (ICIMOD) and the ....., hereafter referred to as collaborator, on behalf of the ..... hereafter collectively referred to as the Parties.

**WHEREAS**, the International Centre for Integrated mountain Development (hereafter referred to as ICIMOD), founded by the eight Hindu Kush-Himalayan (HKH) countries of Afghanistan, Bangladesh, Bhutan, China, India, Myanmar, Nepal and Pakistan and incorporated in Nepal under an Act of Parliament in the year 1983 as a regional research and development agency, has been working towards sustainable mountain development in the HKH region and its mission being to help promote the development of an environmentally and economically sound mountain ecosystem, contribute to sustainable management of water resources and flood risk reduction and to improve the living standards of mountain populations in the HKH region.

### THE PARTIES:

#### International Centre for Integrated Mountain Development (ICIMOD)

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Contact person: .....  
Telephone: +977-1-5003222; Ext. 261  
Fax: +977-1-5003299/5003277  
E-mail: .....@icimod.org

.....  
Address:  
Contact Person:  
Telephone:  
Fax:  
E-mail

#### ARTICLE I THE PARTIES AGREE ON THE FOLLOWING ASSIGNMENT

**Title of the assignment** .....

**Objectives:** .....

**Time period of work  
& validation of agreement:** .....

**Activities:** The work shall be carried out according to the attached ToR (Annex1)

**Reporting:** The following reports shall be delivered:  
a) .....  
b) .....

## ARTICLE II **DISBURSEMENT OF FUNDS**

**The total amount payable under this agreement is USD XXXX.** Funds will be disbursed in three installments. The first installment of 40% of the total grant will be released after the sub-grant agreement is signed off. The second installment of 40% will be released based on the recommendation by the Grants Coordinator on satisfactory progress in project implementation and timely receipt of satisfactory trimester financial reports. The last installment of 20% will be released after the submission of the final program/financial report of the project which should be acceptable to the World Bank.

## **OTHER TERMS AND CONDITIONS**

- Article III The Collaborator will carry out the assignment with due diligence and efficiency and in accordance with sound economic, financial, and managerial practices satisfactory to the Association, including in accordance with the provisions of the World Bank's Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient.
- Article IV The Collaborator will organise the necessary research and support staff and provide logistic support for information gathering, analysis and report writing etc. Collaborator will be solely responsible for analysis and interpretation of all data received and for its findings, conclusions and recommendations.
- Article V The Collaborator undertakes full responsibility in respect of any loss, injury or damage arising from the execution of work.
- Article VI Neither the Collaborator, or anyone whom he may employ to carry the work, is to be considered as an agent or member of the staff of ICIMOD, and except as otherwise provided herein, he shall not be entitled to any privileges and immunities, nor is he authorised to commit ICIMOD to any expenditure or other obligations.
- Article VII The Collaborator and ICIMOD will have equal and free access to the data/information generated by the study.
- Article VIII (i) Copyright and any other proprietary right with respect to the manuscript and each and any related part thereof, with the exception of any material already subject to copyright or other proprietary rights, shall be vested exclusively in ICIMOD.
- (ii) As from the date of acceptance of the manuscript and each and any related part thereof, ICIMOD shall in all countries, subject only to the

exception referred to in (i) above, all rights whatever in the manuscript, including, without any limitation thereby, the right to use, edit, print, publish all, or part, of the manuscript in any form in any language.

- (iii) ICIMOD may assign any or all of its rights to third parties upon such terms as it may decide.

Article IX ICIMOD shall not be bound to publish the manuscript(s) or materials delivered under this Contract. If ICIMOD decides not to publish the manuscript(s) or materials delivered under this Contract, publication elsewhere by the Collaborator is subject to receipt of written authorisation from ICIMOD. Second Publication in the form of research papers can be prepared by either institution unilaterally, provided due acknowledgement is given to the counterpart institution.

Article X The Collaborator shall specify any material contained in the manuscript (including illustrations, maps and graphs) which is already subject copyright or some other proprietary right and hereby warrants that he has obtained authorisation to use such material from the owner or owners of such rights or their legal representatives. Any payments that the Collaborator may be required to make in consideration for authorisation to use such material shall be borne by the Collaborator.

Article XI With the exception of any material covered by the preceding Article, the Collaborator hereby warrants that he has the right to grant copyright and all other proprietary rights with respect to the contents of the manuscript.

Article XII The Collaborator shall hereby warrant that the manuscript does not contain any libellous or otherwise unlawful matter.

Article XIII If any claim against ICIMOD, its official or agents should arise out of the breach of any of the warrants made by the Collaborator pursuant to Article IX, X and XI above, the Collaborator shall be responsible for setting such claims and shall indemnify ICIMOD, its officials or agents as a result of a breach of the aforementioned warranties.

Article XIV Any dispute arising out of the terms of this Contract shall be submitted to arbitration. Each party shall appoint one arbitrator and the two arbitrators so appointed shall appoint a third who shall act as Chairman. In the event of the two arbitrators appointed by the parties to the dispute should fail to reach an agreement on the appointment of the third arbitrator within 30 days, either party may request the independent Chairman of the ICIMOD Board to appoint a third arbitrator. The parties agree that any decision rendered by the arbitrators shall be accepted as the final adjudication of the disputes.

Article XV FINANCIAL MANAGEMENT AND CONTROL

- The sub-grantees are required to ensure that the financial management system is maintained and financial statements are prepared in accordance with consistently applied accounting standards acceptable to ICIMOD and the World Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Project.
- The sub-grantees are required to furnish their financial statements to ICIMOD in the agreed format not later than 30 days after the end of each calendar trimester.
- If required, the financial statements submitted by the sub-grantees are subject to audit by ICIMOD auditors any time during the course of the project. Information on requirements of audit and the schedule of audit will be provided in advance to the sub-grantees."

#### ARTICLE XVI

ICIMOD may suspend or terminate the right of the Collaborator to use the proceeds of the sub-grant, or obtain a refund of all or any part of the amount of the sub-grant then withdrawn, upon the Collaborator's failure to perform any of its obligations under this agreement.

#### ARTICLE XVII

Government institutions are allowed to apply for the grants unless they are ineligible or are not permitted or authorized under their charter or some governmental rule. By signing this agreement, the Collaborator represents that it is authorized to enter into this agreement. This agreement shall become effective when both parties have signed it.

Two originals of the text of this agreement have been signed of which the parties have taken one each.

**Programme Manager  
(Grantee)**

.....  
ICIMOD

**Director General**

.....  
ICIMOD

**Collaborator**

.....

.....  
Date    Signature

.....  
Date    Signature

.....  
Date    Signature

## **ANNEX 1: TERMS OF REFERENCE**

**( TO BE COPIED FROM THE AWARDED PROPOSAL (OBJECTIVES & DELIVERABLES)**

**ANNEX 2: Project Operational Plan: Budget Breakdown by Activities and Deliverables**

Activities	.....	Deliverables	Means of Verification	Time Line

### **ANNEX 3: Project Reporting and Monitoring**

The project progress shall be reported and monitored in accordance with the Logical Framework (Annex 2) and the Reporting Requirements (ARTICLE I). The reporting has two components (1) reporting the status of the project planned activities and outputs and (2) verified financial expenditure statements. The project partner shall submit report on a six monthly basis to the Regional Project Coordinator, based at ICIMOD in Kathmandu, Nepal, following the reporting format that is provided below.

#### **Project Progress Report (six monthly bases)**

The project progress report provides the current status of the project as well as any changes that are made to the planned activities. A project progress report should follow the main heading from the project component mentioned in the LOA. In addition to the progress made for each project activity the points listed below should be addressed within the scheduled reporting plan of the project. Any other additional information should be submitted as appendices. Project progress reports, as well as all supporting documents, should be submitted as hard copies and also as electronic copies to the project coordinator.

#### **A Progress Report should contain the following information:**

##### **Project Title:**

##### **Reporting Period:**

##### **Summary**

1. Introduction and Background of the Project
2. Project Implementation Process and Approach
3. Project Activities Undertaken during the Reporting Period (refer to LOA)
4. Any changes (e.g. different approach used to implement project activities, delays, etc.), including justification for changes and corrective actions to minimize or avoid further changes or delays
5. Completed Activities in accordance with LOA
6. Future Steps
7. Problems and Recommendations
8. Annexes: Activity Reports

### **Annex 4: Project Financial Reporting**



Expenditures of ICIMOD funds shall be reported in accordance with the Logical Framework (uses of ICIMOD supports) as per date mentioned in the LOA. They shall be reported in the following format:

**Project Partner:**

.....

**Reporting Period:** From:

To:

[Amount in US Dollars]

**A. Budget Utilization Report**

Sl. #	Outputs/Activities	Fund committed by ICIMOD	Fund Spent	Fund Balance
(i)				
(ii)				
(iii)				
(iv)				
(v)				
(vi)				

**B. Project Fund Status Report**

	Receipts			Payments		
	Date	Amount		Period	Amount	
<b>Total</b>			-			=

Balance

Fund Receivable

Project Coordinator:

Date:

Director .....