

Annex-1


UNITED NATIONS
DEVELOPMENT
PROGRAMME



UNDP/ADM/LEG/SBA/ 96

12 December 1986

To: Participating and Executing Agencies of UNDP

From: Eugene Youkel 
Deputy Assistant Administrator
Bureau for Finance and Administration

Subject: Agreement between the Government of the People's Republic of Bangladesh and the United Nations Development Programme concerning assistance by UNDP to the Government

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1. Attached is a copy of the Standard Basic Assistance Agreement between the Government of the People's Republic of Bangladesh and UNDP which was signed on 25 November 1986 by the Adviser for Finance on behalf of the Government and by the Administrator on behalf of UNDP. The Agreement incorporates exchanges of letters relating to Article IX, paragraph 5 and to Article X, paragraph 1(e). Copies of the letters are also attached.

2. Article XIII, paragraph 1, of the Agreement provides for its entry into force upon signature. The Agreement, therefore, has been in effect since 25 November 1986.



AGREEMENT
BETWEEN
THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH
AND
THE UNITED NATIONS DEVELOPMENT PROGRAMME

WHEREAS the General Assembly of the United Nations has established the United Nations Development Programme (hereinafter called the UNDP) to support and supplement the national efforts of developing countries at solving the most important problems of their economic development and to promote social progress and better standards of life; and

WHEREAS the Government of the People's Republic of Bangladesh (hereinafter called the Government) wishes to request assistance from the UNDP for the benefit of its people;

NOW THEREFORE the Government and the UNDP (hereinafter called the Parties) have entered into this Agreement in a spirit of friendly cooperation.

Article I

Scope of this Agreement

1. This agreement embodies the basic conditions under which the UNDP and its Executing Agencies shall assist the Government in carrying out its development projects, and under which such UNDP-assisted projects shall be executed. It shall apply to all such UNDP assistance and to such Project Documents or other instruments (hereinafter called Project Documents) as the Parties may conclude to define the particulars of such assistance and the respective responsibilities of the Parties and the Executing Agency hereunder in more detail in regard to such projects.
2. Assistance shall be provided by the UNDP under this Agreement only in response to requests submitted by the Government and approved by the UNDP. Such assistance shall be made available to the Government, or to such entity as the Government may designate, and shall be furnished and received in accordance with the relevant and applicable resolutions



and decisions of the competent United Nations organs, and subject to the availability of the necessary funds to the UNDP.

Article II

Forms of Assistance

1. Assistance which may be made available by the UNDP to the Government under this Agreement may consist of:

(a) The services of advisory experts and consultants, including consultant firms or organizations, selected by the UNDP or the Executing Agency concerned, in consultation with the Government and responsible, under the terms of their contracts and other arrangements, to the UNDP or the Executing Agency;

(b) The services of operational experts selected by the Executing Agency, in consultation with the Government, to perform functions of an operational, executive or administrative character as civil servants of the Government or as employees of such entities as the Government may designate under Article I, paragraph 2, hereof;

(c) The services of members of the United Nations Volunteers (hereinafter called the volunteers);

(d) Equipment and supplies;

(e) Seminars, training programmes, demonstration projects, expert working groups and related activities;

(f) Scholarships and fellowships, or similar arrangements under which candidates nominated by the Government and accepted by the Executing Agency concerned may study or receive training; and

(g) Any other form of assistance which may be agreed upon by the Parties.

2. Requests for assistance shall be presented by the Government to the UNDP through the UNDP Resident Representative in the country (referred to in paragraph 4(a) of this Article), and in the form and in accordance with procedures established by the UNDP for such requests. The Government shall provide the UNDP with all appropriate facilities and relevant information to appraise the request. With respect to a request for an investment-oriented project, the Government shall also provide the



UNDP with information on the Government's plans for the anticipated follow-up of such project.

3. (a) Assistance may be provided by the UNDP to the Government either directly, with such external assistance as mutually agreed upon by the Parties, or through an Executing Agency, which shall have primary responsibility for carrying out UNDP assistance to the project and shall have the status of an independent contractor vis-a-vis UNDP for this purpose.

(b) Where assistance is provided by the UNDP directly to the Government, all references in this Agreement to an Executing Agency shall be construed as referring to the UNDP, unless clearly inappropriate from the context.

(c) Where assistance is provided by the UNDP to the Government, with the Government acting as an Executing Agency, all references in this Agreement to an Executing Agency shall be construed as referring to the Government, unless clearly inappropriate from the context or modified by the provisions of the relevant Project Document.

4. (a) The UNDP may maintain a permanent mission, headed by a Resident Representative, in the country to represent the UNDP therein and be the principal channel of communication with the Government on all Programme matters. The Resident Representative shall have full responsibility and ultimate authority, on behalf of the UNDP Administrator, for the UNDP programme in all its aspects in the country, and shall be team leader in regard to such representatives of other United Nations organizations as may be posted in the country, taking into account their professional competence and their relations with appropriate organs of the Government. The Resident Representative shall maintain liaison, on behalf of the Programme, with the appropriate organs of the Government, including the Government's co-ordinating agency for external assistance, and shall inform the Government of the policies, criteria and procedures of the UNDP and other relevant programmes of the United Nations. He shall, upon request, assist the Government, as may be required, in the preparation of UNDP country programme and project requests, as well as proposals for country programme or project changes, assure proper co-ordination of all assistance rendered by



the UNDP through various Executing Agencies or its own consultants, assist the Government, as may be required, in co-ordinating UNDP activities with national, regional, bilateral and multilateral programmes within the country, and carry out such other functions as may be entrusted to him by the Administrator or by an Executing Agency.

(b) The UNDP mission in the country shall have such other staff as the UNDP may deem appropriate to its proper functioning. The UNDP shall notify the Government from time to time of the names of the members, and of the families of the members, of the mission, and of changes in the status of such persons.

Article III
Execution of Projects

1. The Government shall remain responsible for its UNDP-assisted development projects and the realization of their objectives as described in the relevant Project Documents, and shall carry out such parts of such projects as may be stipulated in the provisions of this Agreement and such Project Documents. The UNDP undertakes to complement and supplement the Government's participation in such projects through assistance to the Government in pursuance of this Agreement and the Work Plans forming part of such Project Documents, and through assistance to the Government in fulfilling its intent with respect to investment follow-up. The Government shall inform UNDP of the Implementing Agency of the Government directly responsible for the Government's participation in each UNDP-assisted project. Without prejudice to the Government's overall responsibility for its projects, the Parties may agree that an Executing Agency shall assume such responsibilities for execution of a project in consultation and agreement with the Implementing Agency, and any arrangements to this effect as shall be stipulated in the project Work Plan forming part of the Project Document together with arrangements, if any, for transfer of such responsibility, in the course of project execution, to the Government or to an entity designated by the Government.



2. Compliance by the Government with any prior obligations agreed to be necessary or appropriate for UNDP assistance to a particular project shall be a condition of performance by the UNDP and the Executing Agency of their responsibilities with respect to that project. Should provision of such assistance be commenced before such prior obligations have been met, it may be suspended or terminated after appropriate consultation with the Government.

3. Any agreement between the Government and an Executing Agency concerning the execution of a UNDP-assisted project or between the Government and an operational expert shall be subject to the provisions of this Agreement.

4. The Implementing Agency shall, as appropriate and in consultation with the Executing Agency, provide a national director for each project, who shall perform such functions as are assigned to him by the Implementing Agency. The Executing Agency shall, as appropriate and in consultation with the Government, appoint a Chief Technical Adviser (CTA) or Project Co-ordinator responsible to the Executing Agency to oversee the Executing Agency's participation in the project at the project level. He shall supervise and co-ordinate activities of experts and other Executing Agency personnel and be responsible for the on-the-job training of national Government counterparts. He shall be responsible for the management and efficient utilization of all UNDP-financed inputs, including equipment provided to the project, and the CTA or Project Co-ordinator will work under the supervision of the national director for the realization of project objectives.

5. In the performance of their duties, advisory experts, consultants and volunteers shall act in close consultation with the Government and with persons or bodies designated by the Government, and shall comply with such instructions from the Government as may be appropriate to the nature of their duties and the assistance to be given and as may be mutually agreed upon between the UNDP and the Executing Agency concerned and the Government. Operational experts shall be solely responsible to, and be under the exclusive direction of, the Government or the entity to which they are assigned, but shall not be required



to perform any functions incompatible with their international status or with the purposes of the UNDP or of the Executing Agency.

6. Recipients of fellowships shall be nominated by the Government and selected by the Executing Agency. Such fellowships shall be administered in accordance with the fellowship policies and practices of the Executing Agency with due regard to the policies and practices of the Government.

7. Technical and other equipment, materials, supplies and other property financed or provided by the UNDP shall belong to the UNDP unless and until such time as ownership thereof is transferred, on terms and conditions mutually agreed upon by the Parties, to the Government or to an entity nominated by it.

8. With reference to patent rights, copyright rights, and other similar rights relating to inventions and discoveries:

(a) The patent rights, copyright rights and other similar rights to any discovery or work which results solely and specifically from UNDP assistance under this Agreement shall belong to the UNDP;

(b) The Government shall have the right to use and exploitation in the country free of royalty or any charge of similar nature, and to grant licenses of use and exploitation on the terms and conditions it deems relevant, by simple notification of its desire to the UNDP;

(c) The UNDP shall have the right to grant licenses of use and exploitation outside the country, by simple notification of its desire to the Government and taking note of the points of view of the latter;

(d) The UNDP shall inform the Government of all patent rights, copyright rights and other similar rights relating to inventions and discoveries which are available to it under similar agreements with other countries; and

(e) The Government shall be entitled to benefits hereunder not less favourable than those to which any other country may be entitled under any similar agreements between UNDP and any such country.



Article IV
Information concerning Projects

1. Subject to laws and regulations in force relating to security in Bangladesh, the Government shall furnish the UNDP with such relevant reports, maps, accounts, records, statements, documents and other information, as it may request concerning any UNDP-assisted project, its execution or its continued feasibility and soundness, or concerning the compliance by the Government with its responsibilities under this Agreement or Project Documents.
2. The UNDP undertakes that the Government shall be kept currently informed of the progress of its assistance activities under this Agreement, including information based on best available data relating to expenditure status made available to the Government in a format agreed upon by the Parties once a quarter. Either Party shall have the right, at any time, to observe the progress of operations on UNDP-assisted projects.
3. The Government shall, subsequent to the completion of a UNDP-assisted project, make available to the UNDP, at its request, information as to benefits derived from and activities undertaken to further the purposes of the project, including information necessary for, or appropriate to, its evaluation or to the evaluation of UNDP assistance, and shall consult with and permit observation by the UNDP for this purpose.
4. Any information or material which the Government is required to provide to the UNDP under this Article shall be made available by the Government to an Executing Agency at the request of the Executing Agency concerned.
5. The Parties shall consult each other regarding the publication, as appropriate, of any information relating to any UNDP-assisted project or to benefits derived therefrom. However, any information relating to any investment-oriented project may be released by the UNDP to potential investors, unless and until the Government has requested the UNDP in writing to restrict the release of information relating to such projects.



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Article V
Participation and Contribution of Government
in execution of Project

1. In fulfilment of the Government's responsibility to participate and co-operate in the execution of the projects assisted by the UNDP under this Agreement, it shall contribute the following in kind to the extent detailed in relevant Project Documents:
 - (a) Local counterpart professional and other services, including national counterparts to operational experts; and
 - (b) Land, buildings, and other facilities, including equipment, materials and supplies available within the country.
2. Whenever the provision of equipment forms part of UNDP assistance to the Government, the latter shall meet charges relating to customs clearance of such equipment, its transportation from the port of entry to the project site together with any incidental handling or storage and related expenses, its insurance after delivery to the project site, and its installation and maintenance.
3. The Government shall also meet the salaries of trainees and recipients of fellowships during the period of their fellowships in accordance with Government rules and regulations.
4. If so provided in the Project Document, the Government may, at its own expense, request UNDP or the Executing Agency to provide the items enumerated in paragraph 1 of this Article. The terms and conditions of the provision of such items by UNDP or the Executing Agency, including accounting for any expenditures thereon and matters relating to cost estimates of Government contribution to the execution of the project, shall be stipulated in the Project Document.
5. The Government shall as appropriate display suitable signs at each project identifying it as one assisted by the UNDP and the Executing Agency.



Article VI

Assessed programme costs
and other items payable in local currency

1. In addition to the contribution referred to in Article V above, the Government shall assist the UNDP in providing it with assistance in kind as may be specified in the relevant Project Document in respect of the following:

(a) Local administrative and clerical services, including necessary local secretarial help, interpreter/translators, and related assistance;

(b) Transportation of personnel within the country; and

(c) Postage and telecommunications for official purposes.

2. The Government shall also pay or cause the Implementing Agency to pay each operational expert directly the salary, allowances and other related emoluments which would be payable to one of its nationals if appointed to the post involved. It shall grant an operational expert the same annual and sick leave as the Executing Agency concerned grants its own officials, and shall make any arrangement necessary to permit him to take home leave to which he is entitled under the terms of his service with the Executing Agency concerned. Should his service be terminated by the Government or the Implementing Agency, as the case may be, under circumstances which give rise to an obligation on the part of an Executing Agency to pay him an indemnity under its contract with him, the Government or the Implementing Agency, as the case may be, shall contribute to the cost thereof the amount of separation indemnity which would be payable to a national civil servant whose service is terminated in the same circumstances.

3. The Government undertakes to furnish in kind the following local services and facilities:

(a) The necessary office space and other premises, as specified in the Project Document;

(b) Such medical facilities and services for international personnel as may be available to national civil servants;



- (c) Simply furnished accommodation to volunteers; and
 - (d) Assistance in finding suitable housing accommodation for international personnel, including operational experts.
4. The Government shall also contribute towards the expenses of maintaining the UNDP mission in the country by paying annually to the UNDP a lump sum mutually agreed between the Parties for the purposes of the following expenditures:
- (a) An appropriate office with equipment and supplies to serve as local headquarters for the UNDP in the country;
 - (b) Appropriate local secretarial and clerical help, interpreters, translators and related assistance;
 - (c) Transportation of the Resident Representative and his staff for official purposes within the country;
 - (d) Postage and telecommunications for official purposes; and
 - (e) Subsistence for the internationally recruited staff while in official travel status within the country.
5. The Government shall have the option of providing in kind the facilities referred to in paragraph 4 above, with the exception of items (b) and (e).
5. Moneys payable under the provisions of this Article, other than under paragraph 2, shall be paid by the Government and administered by the UNDP in accordance with the applicable financial regulations of UNDP.

Article VII

Relation to assistance from other sources

In the event that assistance towards the execution of a project is obtained by either Party from other sources, the Parties shall consult each other and the Executing Agency with a view to effective co-ordination and utilization of assistance received by the Government from all sources. Unless otherwise agreed upon by the Parties, the obligation of the Government or UNDP hereunder shall not be modified by any arrangements it may enter into with other entities co-operating with it in the execution of a project.



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Article VIII
Use of assistance

The Government shall exert its best efforts to make the most effective use of the assistance provided by the UNDP and shall use such assistance for the purpose for which it is intended. Without restricting the generality of the foregoing, the Government shall take such steps to this end as are specified in the Project Document.

Article IX
Privileges and Immunities

1. The Government shall apply to the United Nations and its organs, including the UNDP and United Nations subsidiary organs acting as UNDP Executing Agencies, their property, funds and assets, and to their officials, including the Resident Representative and other members of the UNDP mission in the country, the provisions of the Convention on the Privileges and Immunities of the United Nations.
2. The Government shall apply to each Specialized Agency acting as an Executing Agency, its property, funds and assets, and to its officials, the provisions of the Convention on the Privileges and Immunities of the Specialized Agencies, including any Annex to the Convention applicable to such Specialized Agency. In case the International Atomic Energy Agency (the IAEA) acts as an Executing Agency, the Government shall apply to its property, funds and assets, and to its officials and experts, the Agreement on the Privileges and Immunities of the IAEA.
3. Members of the UNDP mission in the country may be granted such additional privileges and immunities as may be necessary for the effective exercise by the mission of its functions, if agreed upon by the Parties.
4. (a) Except as the Parties may otherwise agree in Project Documents relating to specific projects, the Government shall grant all persons, other than Bangladesh nationals, performing services on behalf of the



UNDP, a Specialized Agency or the IAEA who are not covered by paragraphs 1 and 2 above the same privileges and immunities as officials of the United Nations, the Specialized Agency concerned or the IAEA under Sections 18, 19 or 18 respectively of the Conventions on the Privileges and Immunities of the United Nations or of the Specialized Agencies, or of the Agreement on the Privileges and Immunities of the IAEA, keeping in view the provisions of sections 20 and 21 of the Convention on the Privileges and Immunities of the United Nations and the corresponding provisions of the Convention and Agreement on the Privileges and Immunities of the Specialized Agencies and the IAEA respectively;

(b) For purposes of the instruments on privileges and immunities referred to in the preceding parts of this Article:

- (1) All papers and documents relating to a project in the possession or under the control of the persons referred to in sub-paragraph 4(a) above shall be deemed to be documents belonging to the United Nations, the Specialized Agency concerned, or the IAEA, as the case may be; and
- (2) Equipment, materials and supplies brought into or purchased or leased by those persons within the country for purposes of a project shall be deemed to be property of the United Nations, the Specialized Agency concerned, or the IAEA, as the case may be.

5. The expression "persons performing services" as used in Articles IX, X and XIII of this Agreement includes operational experts, volunteers, consultants, and governmental or non-governmental organizations or firms which UNDP may retain, whether as an Executing Agency or otherwise or which an Executing Agency may retain to execute or to assist in the execution of UNDP assistance to a project, and their employees, except Bangladesh nationals. Nothing in this Agreement shall be construed to limit the privileges and immunities or facilities conferred upon such organizations or firms or their employees in any other instrument.



Article X

Facilities for execution of UNDP assistance

1. The Government shall take any measures which may be necessary to exempt the UNDP, its Executing Agencies, their experts and other persons performing services on their behalf from regulations or other legal provisions which may interfere with operations under this Agreement, and shall grant them such other facilities as may be necessary for the speedy and efficient execution of UNDP assistance. It shall, in particular, grant them the following rights and facilities:

(a) Prompt clearance of experts and other persons performing services on behalf of the UNDP or an Executing Agency;

(b) Prompt issuance without cost of necessary visas, licenses or permits;

(c) Access to the site of work and all necessary rights of way, subject to security laws and regulations in force in Bangladesh;

(d) Free movement within or to or from the country, to the extent necessary for proper execution of UNDP assistance, subject to security laws and regulations in force in Bangladesh;

(e) The most favourable legal rate of exchange;

(f) Any permits necessary for the importation of equipment, materials and supplies, and for their subsequent exportation;

(g) Any permits necessary for importation of property belonging to and intended for the personal use or consumption of officials of the UNDP, its Executing Agencies, or other persons performing services on their behalf, and for the subsequent exportation of such property; and

(h) Prompt release from customs of the items mentioned in subparagraphs (f) and (g) above.

2. Assistance under this Agreement being provided for the benefit of the Government and people of Bangladesh, the Government shall bear all risks of operations arising under this Agreement. It shall be responsible for dealing with claims which may be brought by third parties against the UNDP or an Executing Agency, their officials or other persons performing services on their behalf, and shall hold them



harmless in respect of claims or liabilities arising from operations under this Agreement. The foregoing provision shall not apply where the Parties and the Executing Agency are agreed that a claim or liability arises from the gross negligence or wilful misconduct of the above-mentioned individuals.

Article XI

Suspension or termination of assistance

1. The UNDP may by written notice to the Government and to the Executing Agency concerned suspend its assistance to any project if in the judgement of the UNDP, after consultations with the Government, any circumstance arises which interferes with or threatens to interfere with the successful completion of the project or the accomplishment of its purposes. The UNDP may, in the same or a subsequent written notice, indicate the conditions under which it is prepared to resume its assistance to the project. Any such suspension shall continue until such time as such conditions are accepted by the Government and as the UNDP shall give written notice to the Executing Agency that it is prepared to resume its assistance.
2. If any situation referred to in paragraph 1 of this Article shall continue for a period of thirty days after notice thereof and of suspension shall have been given by the UNDP to the Government and the Executing Agency, then at any time thereafter during the continuance thereof, the UNDP may by written notice to the Government and the Executing Agency terminate its assistance to the project.
3. The provisions of this Article shall be without prejudice to any other rights or remedies the UNDP may have in the circumstances, whether under general principles of law or otherwise.

Article XII

Settlement of disputes

1. Any dispute between the UNDP and the Government arising out of or relating to this Agreement which is not settled by negotiation



or other agreed mode of settlement shall be submitted to arbitration at the request of either Party. Each Party shall appoint one arbitrator, and the two arbitrators so appointed shall appoint a third, who shall be the chairman. If within thirty days of the request for arbitration either Party has not appointed an arbitrator or if within fifteen 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 an arbitrator. The procedure of the arbitration shall be fixed by the arbitrators, and the expenses of the arbitration shall be borne by the Parties as assessed by the arbitrators. The arbitral award shall contain a statement of the reasons on which it is based and shall be accepted by the Parties as the final adjudication of the dispute.

2. Any dispute between the Government and an operational expert arising out of or relating to the conditions of his service with the Government may be referred to the Executing Agency providing the operational expert by either the Government or the operational expert involved, and the Executing Agency concerned shall use its good offices to assist them in arriving at a settlement. If the dispute cannot be settled in accordance with the preceding sentence or by other agreed mode of settlement, the matter shall at the request of either Party be submitted to arbitration following the same provisions as are laid down in paragraph 1 of this Article.

Article XIII

General Provisions

1. This Agreement shall enter into force upon signature. It shall continue in force until terminated under paragraph 3 below. Upon the entry into force of this Agreement, it shall supersede existing Agreements concerning the provision of assistance to the Government out of UNDP resources and concerning the UNDP office in the country, and it shall apply to all assistance provided to the Government and to the UNDP office established in the country under the provisions of the Agreements now superseded.



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2. This Agreement may be modified by written agreement between the Parties hereto. Any relevant matter for which no provision is made in this Agreement shall be settled by the Parties in keeping with the relevant resolutions and decisions of the appropriate organs of the United Nations. Each Party shall give full and sympathetic consideration to any proposal advanced by the other Party under this paragraph.

3. This Agreement may be terminated by either Party by written notice to the other and shall terminate sixty days after receipt of such notice.

4. The obligations assumed by the Parties under Article IV (concerning project information) and VIII (concerning the use of assistance) hereof shall survive the expiration or termination of this Agreement. The obligations assumed by the Government under Article IX (concerning privileges and immunities), X (concerning facilities for project execution) and XII (concerning settlement of disputes) hereof shall survive the expiration or termination of this Agreement to the extent necessary to permit orderly withdrawal of personnel, funds and property of the UNDP and of any Executing Agency, or of any persons performing services on their behalf under this Agreement.

IN WITNESS WHEREOF the undersigned, duly appointed representatives of the United Nations Development Programme and of the Government, respectively, have on behalf of the Parties signed the present Agreement in the English language in two copies at Dhaka this day of twenty-five November 1986.

For the United Nations Development
Programme:

For the Government of
The People's Republic of Bangladesh:

/S/ William H. Draper III
Administrator

/S/ M. Syeduzzaman
Adviser for Finance

Attachment

The complete text of Paragraph 5, Article IX, as it appears in the Standard Basic Assistance Agreement between the Government of the People's Republic of Bangladesh and the United Nations Development Programme.

5. The expression "persons performing services" as used in Articles IX, X and XIII of this Agreement includes operational experts, volunteers, consultants and governmental or non-governmental organizations or firms which UNDP may retain, whether as an Executing Agency or otherwise, or which an Executing Agency may retain, to execute or to assist in the execution of UNDP assistance to a project and their employees, except Bangladesh nationals. Nothing in this Agreement shall be construed to limit the privileges and immunities or facilities conferred upon such organizations or firms or their employees in any other instrument.



M. Syeduzzaman
Advisor for Finance

Ministry of Finance
Government of the
People's Republic of Bangladesh
Dhaka

November 25, 1986.

Excellency,

I have the honour to acknowledge receipt of your letter of November 1986 in which you conveyed to me the understanding of UNDP with respect to the Agreement of 25 November 1986 between the Government of the People's Republic of Bangladesh and the United Nations Development Programme concerning assistance to my Government by UNDP.

In this regard, I wish to confirm that the understanding of my Government with respect to the Agreement is as follows :

The provision of Article X, paragraph 1 (e), which grants to UNDP the most favourable rate of exchange, will have the same meaning and implications as have been the practice since the coming into force of the Revised Standard Agreement on 31 July 1972.

I have the honour to agree to the proposal that your letter of 25 November 1986 and this reply be regarded as constituting an agreement in the matter.

Accept, Excellency, the assurances of my highest consideration.

(M. Syeduzzaman)

H. E. Mr. William H. Draper III,
Administrator,
United Nations Development Programme,
1 United Nations Plaza,
New York, N. Y. 10017.

25 November 1986

Sir,

I have the honour to refer to the Agreement of 25 November 1986 between the Government of the People's Republic of Bangladesh and the United Nations Development Programme (UNDP) concerning assistance to your Government by UNDP.

In this regard, I wish to convey to you the understanding of UNDP with respect to Article X of the Agreement, as follows:

The provision of Article X, paragraph 1(e), which grants to UNDP the most favourable legal rate of exchange, will have the same meaning and implications as have been the practice since the coming into force of the Revised Standard Agreement on 31 July 1972.


If the foregoing represents the understanding of your Government as well, I wish to propose that this letter and your reply in that sense be regarded as constituting an agreement in the matter.

Accept, Sir, the assurances of my highest consideration.



William H. Draper III

His Excellency
Adviser for Finance
Ministry of Finance
Dhaka
Government of the
People's Republic of Bangladesh


M. Syeduzzaman
Adviser for Finance

Ministry of Finance
Government of the
People's Republic of Bangladesh
Dhaka

November 25, 1986.

Excellency,

I have the honour to refer to the Agreement of 25 November 1986 between the Government of the People's Republic of Bangladesh and the United Nations Development Programme (UNDP) concerning assistance to my Government by UNDP.

In this regard, I wish to convey to you certain understandings of my Government with respect to that Agreement as set out below :

(a) Privileges and immunities granted to individuals and entities referred to in Article IX, paragraph 5 (the text of which is attached to this letter) are granted to them in the interest of UNDP and not for the personal benefit of the individuals and the entities as described in relevant project documents.


(b) The privileges and immunities to be granted to the individuals and entities referred to in Article IX, paragraph 5, shall be in conformity with those enumerated in Article V of the convention on Privileges and Immunities of the United Nations, to which my Government became a party on 13 January 1978.

(c) Volunteers and non-governmental organizations to be employed by UNDP in consultation with the Government shall be regarded as United Nations officials with respect to the granting of privileges and immunities for functional and operational purposes only.

If the foregoing represents the understanding of UNDP as well, I have the honour to propose that this letter and your reply in that sense be regarded as constituting an agreement in the matter.

Accept, Excellency, the assurances of my highest consideration.

His Excellency
Mr. William H. Draper III
Administrator, UNDP
1 United Nations Plaza
New York N. Y. 10017.


(M. Syeduzzaman)



THE ADMINISTRATOR
UNITED NATIONS DEVELOPMENT PROGRAMME

25 November 1986

Sir,

I have the honour to acknowledge receipt of your letter of 25 November 1986 in which you conveyed to me certain understandings of your Government with respect to the Agreement of 25 November 1986 between the Government of the People's Republic of Bangladesh and the United Nations Development Programme (UNDP) concerning assistance to your Government by UNDP.

In this regard, I wish to confirm that the understanding of your Government as stipulated in your letter with respect to Article IX, paragraph 5, of the said Agreement is the same as that of UNDP and is set out below:

(a) Privileges and immunities granted to individuals and entities referred to in Article IX, paragraph 5, are granted to them in the interest of UNDP and not for the personal benefit of the individuals and the entities concerned. The privileges and immunities so granted relate only to the official duties of such individuals and entities as described in relevant project documents.

(b) The privileges and immunities to be granted to the individuals and entities referred to in Article IX, paragraph 5, shall be in conformity with those enumerated in Article V of the Convention on the Privileges and Immunities of the United Nations, to which your Government became a party on 13 January 1978.

(c) Volunteers and Non-government organizations to be employed by UNDP in consultation with the Government shall be regarded as United Nations officials with respect to the granting of privileges and immunities for functional and operational purposes only.

I have the honour, therefore, to agree to your proposal that your letter of 25 November 1986 and this reply be regarded as constituting an agreement in the matter.

Accept, Sir, the assurances of my highest consideration.

A handwritten signature in dark ink, appearing to read 'William H. Draper III', followed by a horizontal line extending to the right.

William H. Draper III

His Excellency
Adviser for Finance
Ministry of Finance
Dhaka
Government of the
People's Republic of Bangladesh