

Ref: C68933-APO-07-GM
Amendment No.: 3

Date 31 August 2009

Dear Mr. JVR. Prasada Rao,

With reference to the Memorandum of Agreement dated July 30, 2007 between UNAIDS and the Fund manager for reducing the burden of communicable disease morbidity/mortality in Myanmar, as amended on 2 August 2008 and 03 August 2009, in the area of HIV; and

WHEREAS "UNAIDS" and "the Fund Manager" now wish to further amend said Memorandum of Agreement in order to, inter alia, extend the duration of the project by an additional two years and consequently, revise the payment schedule, the project description, the budget and the work plan, and

WHEREAS such Amendment will result in an increase of USD 687,375 by the additional funds for year 3 and 4 making this amended Agreement total USD 1,113,946.

NOW THEREFORE, the relevant provisions of the Agreement indicated below are hereby amended to read as follows:

A. Section IV - Financial arrangements is hereby amended to read as follows:

1. Schedule of payments

The total amount of the contribution shall not exceed **USD 1,113,946**.

The contribution shall be paid

- USD 171,863 upon signature of the agreement and submission of a request for payment.
- USD 0 upon certification by CEO of receipt and acceptance of the 6 monthly financial and technical progress reports; and submission of a request for payment
- USD 0 upon starting date of the second year of Project on 1 September 2008 and submission of a request for payment.
- USD 151,590 upon certification by CEO of receipt and acceptance of the financial and technical progress reports for the period March – August 2008 and submission of a request for payment
- USD 103,118 upon certification by CEO of receipt and acceptance of the financial report for the period September 2008 to February 2009; and submission of a request for payment.
- USD 219,845 upon signature of amendment 3 and submission of a request for payment.
- USD 186,600 upon certification by CEO of receipt and acceptance of the financial and technical progress reports covering the period 01 September to 31 December 2009 as listed under Section VI; and submission of a request for payment.

- USD 164,100 upon certification by CEO of receipt and acceptance of the financial and technical progress reports covering the period 01 January to 30 June 2010 as listed under Section VI; and submission of a request for payment
- USD 93,730 upon certification by CEO of receipt and acceptance of the financial and technical progress reports covering the period 01 July to 31 December 2010 as listed under Section VI; and submission of a request for payment
- USD 23,100 upon certification by CEO of receipt and acceptance of the financial and technical progress reports covering the period 01 January to 30 June 2011 as listed under Section VI; and submission of a request for payment

Notwithstanding the above mentioned amounts, and without prejudice to articles 3(viii).and (ix) of section IV, the Fund Manager reserves the right to adjust upcoming instalments by the amount of the balance, if any, resulting from funds already transferred by the Fund Manager and funds expended by the Organization, and to reduce proportionally the overall amount mentioned in Article 1 of Section IV without thus incurring any liability of any kind under this agreement.

2. Payment of contribution

The contribution shall be deposited according to the above schedule of payments in the following UNAIDS bank account:

Account name: World Health Organization Geneva
Bank: UBS AG, 1211 Geneva 2
Swift code: UBSWCHZH80A
USD: CH31 0024 0240 C016 9920 3

Clearly indicate that the payment is for UNAIDS.

3. Utilization of funds and accounting

- (i) The contribution shall be used for the purposes indicated in Annex A hereto and shall be administered in accordance with the Financial Regulations and Rules, and financial and administrative rules and practices of UNAIDS and with the provisions of this Agreement. In the event of any discrepancy or inconsistency, the provision of this Agreement shall prevail.
- (ii) The contribution cannot be used for the following charges: customs duty for procurement, previous obligations, bad debts, fines and penalties, land, property and construction or reconstruction of infrastructure of public health structures, hospitality, international travel to conferences, trainings, workshops or any other activity outside the country not directly related to project implementation, depreciation charges or rental of implementing partner's assets.

- (iii) No disbursements under this Agreement will be made to Government agencies bank accounts.
- (iv) All in country payments to national partners will be made in local currency.
- (v) Under this Agreement, UNAIDS can claim up to 6 % indirect costs of the final costs.
- (vi) Any income earned from implementation of activities granted under this Agreement shall be returned to the Fund or used for purposes as set forth in the approved work plan.
- (vii) Income and expenditure recorded in respect of the contribution shall be identified and kept separately by UNAIDS.
- (viii) All unspent funds at the time of closure of the Project, or of termination of this Agreement, shall be returned to the Fund within 30 days from acceptance of the final reports in accordance with section VI art 2.
- (ix) UNAIDS may vary the budgeted cost of any single input in the budget funded by the 3DF, provided that (a) the variation is, cumulatively, not more than ten percent (10%) of the major budget heading (see the Fund Manager's chart of accounts); (b) the variations are within the scope of the work plan, not new or unplanned activities; and (c) the total amount approved by the Fund Manager is not exceeded. Any variation exceeding ten percent (10%), or which involve new, unplanned activities outside as defined in Annex I requires prior written request and consent of the Fund Manager and submission of a detailed justification and an appropriately revised budget.

B. Section V – Implementation is hereby replaced to read as follows:

1. Period of implementation

The starting date of the Project shall be 01 September 2007. The completion date of the Project shall be 31 August 2011. UNAIDS shall have no obligation to implement the Project unless all necessary and sufficient funds for the implementation have been received by UNAIDS as per section IV art 2 above. A period of six months shall be allowed after completion of the Project, or of any termination of this Agreement, to liquidate all obligations for activities completed by UNAIDS prior to completion or termination.

C. Section VI – Reporting is hereby amended to read as follows:

1. Technical

UNAIDS shall transmit to the Fund Manager following technical reports in the form set out in Annex 2E in respect of the Project:

- (i) Technical progress reports on the progress on the activities financed by the contribution as per Annex I .Such reports must be received as per below schedule.

Period Covering	Not later than
September 2007 – February 2008	01 April 2008
March 2008 – December 2008	01 February 2009
January 2009 – June 2009	15 August 2009
July 2009 – December 2009	15 February 2010
January 2010 – June 2010	15 August 2010
July 2010 – December 2010	15 February 2011
January 2011 – June 2011	15 August 2011
Final Technical Report (September 2007 – August 2011)	29 February 2012

- (ii) Additional reports as may reasonably be required by UNOPS in connection with its obligations to submit reports to the donors.

2. **Financial**

UNAIDS shall transmit to UNOPS the following financial reports in the form set out in Annex 2F in respect of the Project:

- (i) Financial reports of income and expenditure shall be provided to the Fund Manager, in the prescribed format. Such reports must be received as per below schedule.

Period Covering	Not Later Than
September 2007 – February 2008	01 April 2008
March 2008 –August 2008	01 October 2008
September 2008 – February 2009	01 April 2009
March 2009 –August 2009	15 October 2009
September 2009 – December 2009	15 February 2010
January 2010 – June 2010	15 August 2010
July 2010 – December 2010	15 February 2011
January 2011 – June 2011	15 August 2011
Final Financial Report (September 2007 –August 2011)	29 February 2012

- (ii) A yearly certified financial statement to be received by the Fund Manager no later than 30 June of the following year.
- (iii) A final certified financial statement of income and expenditure as per Annex 2F, after settlement of all obligations for activities started by UNAIDS prior to 31 August 2011 or early termination of this Agreement due no later than 30 June 2012.
- (iv) An inventory list of non expendable equipment as of 31st December of each year with the financial report covering the same date, in the format as provided by the

3DF which can be found in the Standard Operating Procedures for procurement with grants from the Three Diseases Fund.

- (v) The Organization shall submit a final inventory list of non expendable equipment and the list of drugs unused and other non-pharmaceutical health items procured with the funds provided under this agreement upon completion of the Project or upon termination of this Agreement together with the final financial report due six months after completion of the project or of any termination of this agreement, in the format as provided by the Three Diseases Fund which can be found in the Standard Operation Procedures for procurement with grants from the Three Diseases Fund.
- (vi) UN operational rates of exchange must be applied in all financial reporting. Ref. <http://www.un.org/Depts/treasury/>

D. Section IX – Termination is hereby replaced to read as follows:

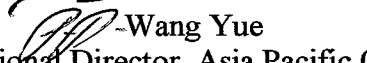
Either party may give the other written notice of termination of this Agreement. Such termination shall enter into effect one month after notice has been received, subject to the settlement of any outstanding obligations. Final reports shall be submitted to the Fund Manager within six months upon termination of this agreement.

E. Annex I – Description of the Project is hereby complemented by:

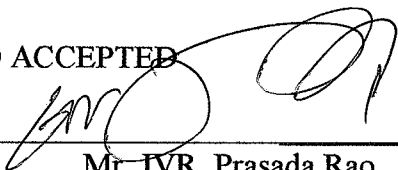
- Annex 3A – Description of Actions for the extended Year 3 and Year 4 period
- Annex 3B – Budget for the extended Year 3 and Year 4 period
- Annex 3C – Work plan for the extended Year 3 and Year 4 period
- Annex 3D – Log frame for the extended Year 3 and Year 4 period

All other terms and conditions of the Agreement, except as amended herein, shall remain unchanged and shall continue in full force and effect.

Sincerely yours,


-Wang Yue
Regional Director, Asia Pacific Office
United Nations Office for Project Services

AGREED AND ACCEPTED

Signature: 

Name: Mr. JVR. Prasada Rao

Title: Regional Director

UN agency: UNAIDS

Date: 09 Sept. 2007

