

LETTER OF AGREEMENT

**STANDARD LETTER OF AGREEMENT
BETWEEN
INTERNATIONAL HUMANITARIAN/DEVELOPMENT PARTNERS
AND THE GOVERNMENT OF SOMALILAND**

This Letter of Agreement outlines the rights and responsibilities of each party to the agreement in relation to the particular activities to be carried out, the terms for reporting, monitoring and evaluation, and the disposition of any material assets used thereafter.

The overarching objective of this LOA is to facilitate an effective environment in which to carry out projects in a planned manner so that duplication and wastage are avoided.

Through this agreement, all parties demonstrate their commitment to carry out their roles and responsibilities in the spirit of the *New Deal Principles*, as well as the *Paris Declaration on Aid Effectiveness* and the *Accra Agenda for Action*.

Additionally, all parties demonstrate their commitment to comply with the laws and customs of Somaliland, to the extent that they are not inconsistent with international legal frameworks.

ARTICLE 1: PARTIES TO THE AGREEMENT

This is a Letter of Agreement (LOA) between the _____
{hereafter referred to as the “Organization”} agree to provide assistance to support and/or complement the development and humanitarian efforts of the Somaliland Government and the People based on the National Development Plan and relevant sector strategies;

AND

_____ Name of Somaliland Government Institution
{hereafter referred to as “Government Partner”};

AND

The **Ministry of National Planning and Development** (MoNPD){hereafter referred to as “the Ministry”}, which has been delegated the responsibility by the Government of Somaliland to coordinate the activities of all national, foreign and international development and humanitarian activities being implemented in Somaliland.

ARTICLE 2

OBLIGATIONS OF THE ORGANIZATION

The Organization has the following obligations:

1. **Registration:** Have the appropriate type of registration based on the type of organization they are (non-government organisation (NGO), International NGO (INGO), United Nations Agency, or private contractor implementing development or humanitarian projects);
2. **Letter of Agreement:** Prior to engaging in any new project activity, sign a Letter of Agreement with the relevant Government Partner(s) and the Ministry that establishes and clarifies the working relationship and any special arrangements that are to be made between the Government Partner(s) in implementing the Organization's activities based on the **Project Document** and **Plan of Operation**;
3. **Compliance with the Project Document:** Provide assistance Somaliland in accordance with the terms of the relevant Project Agreement(s) which provides the details of a particular project activity to be carried out based on the **Plan of Operation** and/or **Annual Plan**;
4. **Plan of Operation to be submitted with the Letter of Agreement.** Plan of Operation shall provide information on the aims and objectives of the Organization and the type of activities to be undertaken in Somaliland. It shall also identify the Organization's country of origin, location of headquarters in that country, anticipated administrative and operational arrangements, implementing agencies, selected project area(s), expected duration of projects, anticipated costs, disposition of any material assets used, etc (See Annexes I, II and III).
5. **Alignment with the National Development Plan and sector strategies:** Ensure that the project is aligned with the National Development Plan and the relevant sector strategy;
6. **Amendment of the Letter of Agreement:** In the event that the terms of a Letter of Agreement must be altered, sign an amendment to that Project Agreement together with the other signatories of the original Agreement (the Ministry and the relevant Government Partner(s)).
7. **Reporting and knowledge sharing:** Submit to the Ministry and relevant Government Partner information and reports pertaining to project activities. These include, but not limited to:
 - a. **Annual plans** submitted at the beginning of each year that outlines the Organization's planned activities for that year. The Annual Plan shall be an update of the initial Plan of Operation and shall identify specific projects whose implementation is anticipated;
 - b. **Mid-year and annual reports** shall be a report submitted at the middle and end of each calendar year that outlines the activities carried out during that year. In the event that activities specified in the Annual Plan were not implemented or priorities were shifted, the Annual Report will explain the reasons for this;
 - c. **Socioeconomic surveys**, Research including feasibility studies, assessments;: These will be done in coordination of the Ministry, and comply with the provisions of the Statistical Act;

8. **Development Assistance Database:** Use the Development Assistance Database (DAD) for its project reports;¹
9. **Organisational Focal Point:** Assign a focal point and at least one alternate within the Organization to liaise with the Government Partner(s) and the Ministry; The Organization should ensure that both the Government Partner(s) and the Ministry are provided with current details of focal points.
10. **Sector Coordination Forum Participation:** Participate in at least one Sector Coordination Forum in its core area of work in Somaliland;
11. **Asset transfer:** Upon expiry or termination of the Project, hand over the project activities along with its assets to the Ministry. In the event that some of the project assets are required for similar activities within Somaliland each party shall give full consideration to any proposal advanced by the other party; However, where the Organization has in its agreement with the donor, an obligation to dispense of project's assets, the agreement with the donor will control dispensation of the assets, provided proof of such an agreement is provided and its terms are included in the LOA signed with its counterpart. (See Annex IV)

ARTICLE 3: OBLIGATIONS AND RESPONSIBILITIES OF THE GOVERNMENT PARTNER

The Government Partner shall:

1. Act as the government implementing partner for this project;
2. In coordination with the Ministry, facilitate the provision of tax exemption documents for imported equipment and materials necessary for the project;
3. Coordinate with the Ministry to conduct monitoring and evaluation of project activities in accordance with the Monitoring and Evaluation Policy of Somaliland;
4. Coordinate with the Ministry prior to any material changes to the project; and
5. Ensure that the project is aligned with the National Development Plan and the relevant sector strategy.

ARTICLE 4: OBLIGATIONS AND RESPONSIBILITIES OF THE MINISTRY OF NATIONAL PLANNING AND DEVELOPMENT

The Ministry shall:

1. Act as the sole government body charged with registration of nongovernmental organizations operating in Somaliland;
2. Liaise between the Organization, regional administration, Government Partner(s), and other Government Agencies in all matters relating to the Organization's activities in Somaliland;

¹See dad.synisys.com/dadsomaliland

3. Provide technical support in planning and coordination of project activities to ensure that they are aligned with the National Development Plan, and the relevant sector strategy;
4. In the event that the Ministry evaluates the work of the Organization, make available to the Organization its findings for review and comment before finalization;
5. Subject to this Agreement and the terms of the project Agreement/s that may be entered into hereafter, facilitate the operations of the Organization including customs clearances, tax exemptions, visas, and work permits.

ARTICLE 5: BOOKS OF ACCOUNTS AND RECORDS

1. The Organization shall keep and maintain full and accurate accounts of its assets, liabilities, income and expenditures in accordance with standard international accounting practices.

ARTICLE 6: DISPUTE RESOLUTION

1. A resolution to any dispute between the Organization and the Ministry or Government Partner(s) or any other entity arising out of or relating to this Agreement or any specific Project Agreement, shall first be sought through negotiation, compromise or arbitration.

ARTICLE 7: RESPONSIBILITY FOR CLAIMS

1. The Government Partner and International Implementing Partner are each responsible for their own acts or omissions, and those of their employees, contractors or any other personnel engaged by them in the execution of the project. Each party is responsible for its own gross negligence and intentionally harmful actions

ARTICLE 8: EFFECTIVE DATE, DURATION, RENEWAL AND TERMINATION

1. This Agreement shall enter into force and be effective when duly signed by the three parties. This Agreement shall remain in full force and in effect for the duration of the project.
2. This Agreement may be renewed by mutual consent of the parties made in writing no less than three months prior to the expiry date.
3. Parties may terminate this Agreement with two months' prior written notice to the other party.
4. However, decisions to terminate this Agreement from the Government side may be made only by the Ministry.
5. In a state of "force majeure" the Organization may terminate performance of its obligations under this Agreement, and any or all project Agreements forthwith, without prior notice, to the extent and at such times as the Organization deems it necessary to ensure the safety of its personnel and property.

ARTICLE 9: MISCELLANEOUS PROVISIONS

1. Any previous Agreement made between the Organization, the Ministry and any Government Partner(s) is hereby replaced by this Agreement. Any project activity undertaken under previous agreement shall, however, be completed in accordance with original plans as long

as they are in conformity with the provision of this Agreement and general Government policy.

2. Any relevant matter for which no provision is made in this Agreement shall be settled by the parties in keeping with the purpose of the Agreement and the intention of the parties, in which case, each party shall give full and sympathetic consideration to any proposal advanced by the other party under this provision.
3. Failure to adhere to the terms and consideration of this Agreement may result in its cancellation with two months' notification.
4. The Ministry and representatives of the Organizations have agreed that this Agreement may require amendments from time to time. The Ministry, through an established procedure, will give consideration to amendments proposed either by the Ministry or the Organizations.
5. All parties are committed to abide by the spirit as well as the letter of this Agreement.

ARTICLE 10

6. This Agreement is made on the [____] day of [____] month, [____] year

For the Government Partner:	For International Implementing Partner:
Name:	Name:
Position:	Position:
Signature:	Signature:

Endorsement of the Ministry of National Planning and Development

For the Ministry of National Planning & Development:

Name:
Position: Minister of National Planning and Development
Signature:

ANNEX I: OVERVIEW OF PROJECT/PROGRAM TO BE IMPLEMENTED IN SOMALILAND

Project/Program Name								
Project/Program Number		As per project agreement document with donor OR project number in accordance with Organizations Files.						
Project/Program Duration		Insert number of years and months.						
Project/Program Goal		Insert as stated in Project Design Document.						
Start Date of the Project/Program		Insert Date/Month/Year						
End date of the Project/Program		Insert Date/Month/Year						
Total Project/Program Budget		Insert Total in USD						
PROJECT/PROGRAM LOCATION, BUDGET ALLOCATION (BY REGION, AND ALIGNMENT WITH NDP								
Project/Program Regional location (Please tick)	Marodijeh	Togdheer	Sahil	Sanaag	Sool	Awdal		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Regional Budget Allocation	USD	USD	USD	USD	USD	USD	Total USD	
Alignment with NDP Pillar (Please check NDP and tick)		Economy	Governance	Social	Infrastructure	Environment		
<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Alignment with NDP Sector (Please tick)	Economy	Governance	Health & Nutrition	Education	Infrastructure	Water	Environment	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

ANNEX II: PROJECT/PROGRAM DETAILS

2.1. The Project/Program Details shall provide information on the aims and objectives of the Project/Program, and the types of activities to be undertaken in Somaliland.

2.2. The minimum requirements to be included in the Project/Program Documents submitted by the International Implementing Partner are:

- a. Project/Program proposal
- b. Operational plan, including Project/Program, duration
- c. Location of Project/Program activities
- d. Intended beneficiaries
- e. Logical Framework a Results Framework Minimum requirements to be included in the Logical Framework submitted by International Implementing Partner are:

PROJECT/PROGRAM EXPECTED IMPACT	Insert anticipated project results or impacts as stated in the Project Design Document.			
ACTIVITIES	EXPECTED OUTPUTS	OUTPUT INDICATORS	OUTCOME	OUTCOME INDICATORS

- f. Monitoring and Evaluation Framework
- g. Budget allocation by region, identifying budget amounts anticipated for capital investments such as, but not limited to, construction, rehabilitation, reconstruction activities.

ANNEX III: DETAILS OF SPECIFIC IMPLEMENTING ARRANGEMENTS BETWEEN THE PARTIES

ANNEX IV: ASSET DISPOSAL REQUIREMENTS UNDER DONOR AGREEMENT