



## **GENERIC LETTER OF AGREEMENT COVERING PROJECTS FROM FIRST COMPETITIVE CALL**

Date

Address of signatory for the 'recipient'

Dear

**Project Number:**    **X**  
**Project Title:**

Letter of Agreement between the International Water Management Institute (IWMI) acting on behalf of the Challenge Program on Water and Food, and the xx (the 'Recipient') for a grant to the amount of USDxx (the 'Grant') as provided by various donors to support the Challenge Program on Water and Food (the 'Challenge Program'). The project will be managed by the xx (the 'Managing Center') under the conditions contained in the Memorandum of Understanding (MOU), and in accordance with the Standard Clauses contained in the Project Agreement which forms part of that MOU.

### **1.     Purpose of the Grant**

The purpose of the Grant is to assist the Recipient in financing the implementation of its research activities under the Challenge Program as approved by the Consortium Steering Committee.

### **2.     Program of Work**

IWMI, acting on behalf of the Challenge Program, hereby agrees to provide funding to support, and the Recipient hereby agrees to perform, the program of work set forth in the Project Proposal attached as Exhibit 1 (the 'Project'). It is hereby agreed that the Project Leader for the Recipient shall be xx for the term of the Project. The Recipient must obtain prior written approval from the Managing Center before using a different Project Leader. It is hereby agreed that the Project Manager for the Managing Center is xx, or such other person as the Managing Center may designate from time to time by giving written notice to the Recipient.

### **3. Term**

This Agreement will begin on xx. The finish date of the services to be provided in the Project is xx, being a xx year project. A three phase project cycle will apply to the services. The first phase has been identified to reach completion on or before xx. The second phase will reach completion on xx. The third phase will reach completion on the finish date identified above. It is understood that these dates are estimates and that the Challenge Program may, at their convenience and upon written notice to the Recipient, postpone, shorten or expand these dates. The Recipient must obtain written approval from the Challenge Program for any extension of the term of the Agreement.

### **4. Payment**

The total maximum payment to be made for work under this Agreement is USDxx, which will be met with funds drawn from the Challenge Program. All payments will be made in US currency (unless otherwise agreed), upon receipt of invoices bearing the contract number and a report in the format provided by the CPWF.

Payments will be made according to the schedule set out in Attachment 1, provided however, that IWMI shall have the right to defer or withhold payment or any installment if the Managing Center determines that the Recipient has not made satisfactory progress toward the accomplishment of the Project described in Exhibit 1. Clause 4 of the Project Agreement applies regarding financial management. Clause 8 applies regarding assessment of satisfactory progress.

### **5. Use of Funds**

The Recipient shall exercise care in the administration of the Grant having due regard to economy and efficiency and the need to uphold the highest standards of integrity in the administration of public funds. In the event that the Grant is not fully spent by the end of the period, the Recipient shall promptly return the unspent funds in accordance with Clause 4.12 of the Project Agreement.

### **6. Implementation**

The Recipient shall (a) carry out the Project with due diligence and efficiency; (b) promptly provide the funds, facilities, services and other resources required for that purpose; (c) furnish all information covering the Project and the use of the Grant proceeds as the Managing Center may reasonably request; and (d) from time to time exchange views with CPWF representatives on the progress and results of the Project.

## **7. Financial Management, audits, and reporting**

The Recipient shall maintain a financial management system, including records and accounts, in accordance with generally accepted accounting practices, to enable the Managing Center to prepare reports in the format of the CGIAR Financial Guidelines Series No 1 (Financial Management). In addition, the Recipient shall prepare financial statements, which are in accordance with CGIAR Financial Guidelines Series No. 2 (Accounting Policies and Reporting Practices Manual).

The Recipient shall (a) have the records, accounts and financial statements referred to above externally audited; (b) furnish to the Managing Center, not later than three months after the year-end, a copy of its externally audited financial statements, together with the opinion of the external auditors on such statements. Such financial statements should indicate the receipt and use of Grant funds.

The Recipient shall provide regular financial reports as part of the reporting requirements listed at Attachment 2.

## **8. Reports**

The Recipient shall report to the Managing Center on the implementation of its work on the Challenge Program in accordance with Clause 8 of the Project Agreement and at the times set out in Attachment 2 of this letter. Reporting proformas are provided in a separate M&E booklet. These reports are to also be provided to the CPWF Basin Coordinators, and the CPWF Theme Leaders that are appropriate for the Project. These will be provided to you separately by email.

## **9. Phase One Requirements**

During phase one, you are required to work with your partners to draw up a Milestones Plan, Gantt Chart (work plan), and a revised budget for the first two years of activities. You will also be required to undertake a third party intellectual asset audit of any tangible and intangible property owned by others to which you or your partners need access in order to carry out the services. If you do need access to protected property, you will also need to submit the agreement that you have reached regarding access, as it is imperative that results of the services supported are available free of charge as a global public good.

Please be aware of the clauses contained in the Project Agreement that apply to this and other phases of the project cycle. The documents resulting from phase one become an integral part of this letter as Annexes, replacing any current draft documents.

## **10. General Provisions**

This Agreement includes the clauses contained in the Project Agreement attached as Exhibit 2, which are incorporated herein by reference. In the case where this Agreement and the Project Agreement conflict, this Agreement will be the primary document.

In signing this letter the Recipient agrees to provide the matching funds as identified in the Project Proposal, in cash or in kind, and in accordance with the clauses contained in the Project Agreement, to the value of USDxx.

Countersignature on the original and duplicate of this letter constitutes authority for the CGIAR Managing Center to implement the services according to the Memorandum of Understanding reached between the Consortium CGIAR Centers and IWMI. All correspondence and reports are to be provided to that Center as the Managing Center, with copies to the CP Secretariat as required in the Project Agreement.

I look forward to a co-operative partnership between the CPWF, the Managing CGIAR center, and xx and your partners in our mutual endeavours towards meeting the CPWF objectives.

Yours sincerely,

Prof Frank Rijsberman  
Director General, IWMI and  
Chair, CPWF Steering Committee

IN WITNESS WHEREOF, the parties have signed this Agreement on the date as indicated below. This Agreement will not be effective until it has been signed below.

For Recipient:            Name of Recipient: xx

[signature ] \_\_\_\_\_  
(as the legal representative of the Recipient)

By:    xx  
Title    xx  
Date:    \_\_\_\_\_

Witnessed by: \_\_\_\_\_

Name: \_\_\_\_\_

Attachment 1: Schedule of payments

Attachment 2: Schedule of reports

Exhibit 1: Project Proposal, revised according to project negotiations.

Exhibit 2: Project Agreement: standard clauses

Annex 1: Draft Milestone plan

Annex 2: Draft Work plan

Annex 3: Revised budget

Annex 4: Intellectual Asset Audit

## Schedule of Payments

Payment Number	Amount (US\$)	Comment
<b>PHASE ONE PAYMENT</b>		
1	xx	Paid on return of the signed Letter of Agreement. These funds are to cover the Phase one activities of the project – specifically implementation meetings (20% of first year budget inclusive of funds already provided).
<b>PHASE TWO PAYMENTS</b>		
2	xx	Paid on acceptance of the documentation required in Clause 6.03 of the Project Agreement to commence phase two operations.
3	xx	Paid on acceptance of the first six month progress report (see Clause 8 of the Project Agreement for the recommendations and actions taken regarding progress reports which activate this and all other payments)
4	xx	Paid on acceptance of the first year annual report.
5	xx	Paid on acceptance of the second year six month report
6	xx	Paid on acceptance of the second year annual report (Note that a third year milestones and workplan must be submitted at this point – refer to Clause 6.04 of the Project Agreement)
7	xx	Paid on acceptance of the third year six month progress report.
8	xx	Paid on acceptance of the third year annual report. (Note that a fourth and fifth year milestones and workplan must be submitted at this point if the project is to progress to Phase Three – refer to Clause 6.06 of the Project Agreement. An external review may also be undertaken)
<b>PHASE THREE PAYMENTS</b>		
9	xx	Paid on acceptance of the fourth year six month progress report.
10	xx	Paid on acceptance of the fourth year annual report.
11	xx	Paid on acceptance of the fifth year six month progress report.
12	xx	Paid on acceptance of the Project Completion Report and an external audit report (See Clause 4.11 of the Project Agreement) (10% of final year budget)

## SCHEDULE OF REPORTS

Note: all reports are both technical and financial.

Report Number	Date due	Use Report Type	Comment
<b>PHASE ONE</b>			
1			Provide reports of implementation workshops.
<b>PHASE TWO</b>			
2	Sept 15 2004	Proforma 1	First year: three months from project commencement – milestone report
3	Dec 15 2004	Proforma 2	Six months from project commencement – progress report
4	March 15 2005	Proforma 1	Nine months from project commencement – milestone report
5	June 15 2005	Proforma 3	<b>End of year one – annual report</b>
6	Sept 15 2005	Proforma 1	Second year: three month milestone report
7	Dec 15 2005	Proforma 2	Six month progress report
8	March 15 2006	Proforma 1	Nine month milestone report
9	June 15 2006	Proforma 3	<b>End of year two – annual report</b>
10	Sept 15 2006	Proforma 1	Third year - three month milestone report
11	Dec 15 2006	Proforma 2	Six month progress report
12	March 15 2007	Proforma 1	Nine months milestone report
13	June 15 2007	Proforma 3	<b>End of year three – annual report</b>
<b>PHASE THREE</b>			
14	Sept 15 2007	Proforma 1	Fourth year – three month milestone report
15	Dec 15 2007	Proforma 2	Six month progress report
16	March 15 2008	Proforma 1	Nine month milestone report
17	June 15 2008	Proforma 3	<b>End of year four – annual report</b>
18	Sept 15 2008	Proforma 1	Fifth year – three month milestone report
19	Dec 15 2008	Proforma 2	Six month progress report
20	March 15 2009	Proforma 1	Nine month milestone report
21	June 15 2009	Proforma 4	<b>End of Project Completion Report</b>