

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

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Other Reference:

LETTER OF AGREEMENT

between

the Food and Agriculture Organization of the United Nations

and

University of Southern Mindanao (USM)

Kabacan, Cotabato

for the provision of services to

Conduct of Re-Echo Training to Farmers' Cooperatives/Associations on Soil Sampling, Analysis, and Fertilizer Management On Site in the Provinces of Maguindanao del Sur, Maguindanao del Norte, and SGA

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This Letter of Agreement (hereinafter the “LoA” or the “Agreement”) is made between the Food and Agriculture Organization of the United Nations (hereinafter referred to as “FAO”) and *University of Southern Mindanao* (USM) (hereinafter referred to as the “Service Provider”).

FAO and the Service Provider (hereinafter collectively referred to as the “Parties”), in consideration of the mutual covenants and agreements contained herein, hereby agree as follows:

1. Scope of Services

The Service Provider will provide certain services (the “Services”) described in detail in Annex B in support of *“The Project for Sustaining Rice and Corn Production in BARMM thru Provision and Efficient Use of Fertilizers amidst the Global Impacts of Ukraine Crisis (OSRO/PHI/077/JPN),”* through the conduct of re-echo training to farmer’s cooperative/associations on site on soil sampling, analysis, and fertilizer management in Maguindanao del Sur, Maguindanao del Norte and SGA.

2. Definitions

For the purposes of this Agreement, if not otherwise defined herein, the definitions listed in Annex A shall apply.

3. Compensation

To enable the Service Provider to provide the Services, FAO will pay the Service Provider a total amount not exceeding *Three Million Two Hundred Eighty-eight Thousand Two Hundred Seventeen Pesos only (PHP3,288,217.00)*, which represents FAO’s maximum financial liability under this Agreement (“Maximum Financial Liability”). Payments shall be made in accordance with the payment provisions set forth in Annex B.

4. Designation of the FAO LoA Manager

Mr. Alberto Aduna, Project Team Leader, 19 Delcano Street, Rosary Heights X, Cotabato City, with mobile number 0917-587-1463, and email address alberto.aduna@fao.org, is designated the officer responsible for the management of this Agreement (“LoA Manager”) on behalf of FAO.

5. Entry into Force and Term

The Agreement will enter into force upon the later of 30 January 2024 and the date both Parties have signed the agreement (the “Effective Date”). Services shall be provided until **21 March 2024** (the “Services End Date”), unless terminated earlier in accordance with the provisions below, or extended by mutual, written agreement (the period between the Effective Date and the Services End Date, is hereinafter referred to as the “Operational Period”). Following the Operational Period there will be an additional period of 30 calendar days during which the Service Provider shall complete and submit to FAO the Final Report (the “Closure Period”). The Agreement shall terminate at the end of the Closure Period.

6. Purpose of the LoA

The purpose for which the funds provided by FAO under this Agreement shall be used is the following: *Conduct of re-echo training to farmers’ cooperative/associations on site on soil sampling, analysis, and fertilizer management in Maguindanao del Sur, Maguindanao del Norte and SGA.*

b. The Service Provider will produce, achieve or deliver the following outputs: The Service Provider will deliver the following outputs:

- Conduct on-site re-echo training for target farmer's cooperatives/associations and irrigator's associations based on the module used in the Training of Trainers (ToT);
- The training module for farmers should be "laymanized" for easier understanding by the local farmers;
- Provide printed copies of the training module to training participants;
- Prepare and submit a training design with proposed training materials (e.g., Powerpoint, flipchart, etc.) before the conduct of the on-site training (at least two weeks before the actual training);
- Lecture, hands-on and other experiential activities should be included in the conduct of the on-site training;
- Prepare and submit draft training report to FAO and the Regional Technical Working Group (RTWG) for their review;
- Submit to FAO the final training report integrating all aspects of work conducted under this LOA including the financial statement/report.

A detailed description of the Services, including technical and operational requirements, budget, work plan and timeframe, performance indicators and means of verification, as well as inputs to be provided free-of-charge by the Parties, if any, are set out in detail in Annex B.

7. Notices and Communications

All notices and other binding communications shall be in English, Spanish or French and shall be deemed to have been validly given (a) when delivered in person, (b) upon receipt after dispatch by registered or certified mail or international courier service, (c) upon confirmation of receipt by facsimile transmission or by email, in each case addressed as follows:

If to FAO:

Mr. Alberto Aduna, Project Team Leader
19 Delcano Street, Rosary Heights X, Cotabato City
Email address alberto.aduna@fao.org,
Mobile number: 0917-587-1463,

if to the Service Provider:

Mary Joy S. Cañolas, Assistant Project Team Leader
USM, Kabacan, Cotabato
Email address: mSCANOLAS@usm.edu.ph op@usm.edu.ph
Mobile number: 0960-422-0433

or to such other address as either Party may from time to time specify in writing to the other Party.

8. Terms and Conditions; Interpretation of the Contract

This Agreement is subject to the General Terms and Conditions for Letters of Agreement attached hereto as Annex A. The provisions of such Annex shall control the interpretation of this Agreement and in no way shall be deemed to have been derogated by the contents of this LoA or any other Annexes, unless otherwise expressly stated under Annex C of this LoA, entitled "Special Conditions and Derogations."

9. Annexes, Appendices, Schedules; Integration

The Annexes, Appendices and Schedules to this Agreement constitute an integral part of this Agreement and together constitute a single binding contractual instrument.


10. Entire Agreement; No Prior Agreement

This Agreement constitutes the entire agreement between the Parties and terminates and supersedes any and all prior agreements and understandings (whether written or oral) between the Parties with respect to the subject matter of this Agreement.

Signed on behalf of the Food and Agriculture Organization of the United Nations (FAO):

Name and title of FAO Officer:

LIONEL DABBADIE
FAO Representative in the Philippines

Signature:  _____

Date: 26 January 2024

Signed on behalf of University of Southern Mindanao (USM):

Name and title of the authorized signatory for Service Provider:

FRANCISCO GIL N. GARCIA, PhD
USM President

Signature:  _____

Date: 30 January 2024

The Service Provider will sign two copies of this Agreement and initial each page of this Agreement and its Annexes and return one complete executed set to the LoA Manager.

**ANNEX A TO LETTER OF AGREEMENT:
GENERAL TERMS AND CONDITIONS FOR LETTERS OF AGREEMENT**

Article I. DEFINITIONS

Section 1.01 Agreement: As defined in the preamble to the LoA, the agreement between the Parties hereto.

Section 1.02 Closure Period: As defined in the LoA in paragraph 5, the additional period of time granted to the Service Provider to prepare and submit to FAO the Final Report.

Section 1.03 Confidential Information: As defined in this Annex A, Section 13.01, below.

Section 1.04 Credit Event: Any sudden and tangible (negative) change in the Service Provider's credit standing or decline in credit rating or other event that brings into question the Service Provider's ability to repay its debt.

Section 1.05 Effective Date: As defined in the LoA in paragraph 5, the date this Agreement enters into force.

Section 1.06 Executing Institution: An Executing Institution can be any of the following institutions selected to provide Services to, or on behalf of, FAO under the provisions of Manual Section 507: i) a United Nations or other Intergovernmental organization; ii) a national or local government body; iii) an Eligible Entity with whom FAO has established by means of a Memorandum of Understanding an official partnership agreement with a partnership objective relevant to the purpose and the activities of this Agreement. For purposes of this Agreement, (i) the Executing Institution shall be the entity named in the preamble to the LoA and (ii) the terms Service Provider and Executing Institution are used interchangeably.

Section 1.07 FAO: Food and Agriculture Organization of the United Nations.

Section 1.08 Final Report: As defined in this Annex A, Section 9.01, below.

Section 1.09 Financial Period: , The period from the Effective Date at the outset of the Operational Period to the end of the Closure Period[referred to in the LoA in paragraph 5].

Section 1.10 Force Majeure: As defined in this Annex A, Section 17.03, below.

Section 1.11 Intergovernmental: An organization established by a treaty or charter, and which is made up of sovereign nations.

Section 1.12 Key Personnel: Any persons whose names are set forth on Annex B, Appendix 2, if any.

Section 1.13 LoA: Specifically, this Letter of Agreement. Generally, a contractual instrument used to obtain Services from a Service Provider in accordance with FAO's policies, regulations and procedures described in detail in Section 507 of the Administrative Manual.

Section 1.14 LoA Manager: The person named in paragraph 4 of the LoA, or such other person as has duly been appointed by FAO to replace such person.

Section 1.15 Manual Section 507: FAO's Administrative Manual for letters of agreement

Section 1.16 Maximum Financial Liability: As defined in the LoA in paragraph 3, the amount representing FAO's maximum financial liability under this Agreement.

Section 1.17 Miscellaneous Income: As defined in this Annex A, Section 8.02, below.

Section 1.18 Operational Period: As defined in the LoA in paragraph 5, the period between the Effective Date and the Services End Date.

Section 1.19 Party or Parties: As defined in the preamble to the LoA, each of FAO and the Service Provider shall be a Party under this Agreement and collectively shall be referred to as the Parties.

Section 1.20 Returnable Items: As defined in this Annex A, Section 8.01, below.

Section 1.21 Service Provider: The entity named in the preamble to the LoA, selected to provide Services to, or on behalf of, FAO under the provisions of FAO Manual Section 507. In specific circumstances the Service Provider may be referred to in the LoA as the Executing Institution. For the purpose of this Agreement, the terms Service Provider and Executing Institution are used interchangeably.

Section 1.22 Services: Those services defined in the LoA in paragraph 1 and more fully described in Annex B of this Agreement. For purposes of any LoA with an Executing Institution the terms Services and Activities are used interchangeably.

Section 1.23 Services End Date: As defined in the LoA in paragraph 5, the date the Operational Period ends.

Section 1.24 Termination Event: As defined in this Annex A, Section 18.01.

Section 1.25 VAT: Value Added Tax.

Article II. LEGAL STATUS OF THE PARTIES

Section 2.01 Pursuant, inter alia, to the FAO Constitution and the Convention on the Privileges and Immunities of the Specialized Agencies, FAO has full juridical personality and enjoys such privileges and immunities as are necessary for the independent fulfilment of its purposes.

Section 2.02 Nothing contained in this Agreement or in any document or arrangement relating thereto shall be construed as conferring any privileges or immunities of FAO on the Service Provider, its personnel or any other persons providing the Services on its behalf.

Section 2.03 The Service Provider shall be registered as a governmental, Intergovernmental (e.g. other United Nations organization), non-governmental or other not-for-profit entity. It shall have independent legal status vis-à-vis FAO, and it shall be fully responsible, in particular, for the acts and omissions of its personnel, agents and other representatives.

Section 2.04 None of the officials, representatives, employees, or subcontractors of either of the Parties shall, by virtue of this Agreement, be considered in any respect as being an employee or agent of the other Party and nothing contained in this Agreement or in any document or arrangement relating thereto shall be construed as establishing or creating between the Parties the relationship of employer and employee or of principal and agent. The personnel assigned by the Service Provider to provide the Services shall not be considered in any respect as being employees or agents of FAO.

Article III. RESPONSIBILITY FOR EMPLOYEES; KEY PERSONNEL

Section 3.01 The Service Provider will be responsible for all activities related to the provision of the Services and the acts or omissions of all employees, agents (including subcontractors) and other representatives providing the Services on its behalf.

Section 3.02 FAO will not be held responsible for any accident, illness, loss or damage that may occur during the provision of the Services or any claims, demands, suits or judgements arising therefrom, including for any injury to the Service Provider's employees, agents (including subcontractors) or other representatives or to third parties, or any loss of, damage to, or destruction of property of third parties, arising out of or connected to the Service Provider's work or performance under this Agreement. Consequently, FAO will not entertain any request or accept any claim for indemnities resulting from such occurrence.

Section 3.03 Upon FAO's request, the names of the persons selected by the Service Provider to provide Services hereunder shall be set forth on Appendix 2 to Annex B (such persons shall be deemed "Key Personnel"). FAO may also require that detailed personal history statements for Key Personnel be furnished to FAO. During the Operational Period, the Service Provider shall not substitute any Key Personnel without FAO's prior authorization. In the event a substitution becomes necessary, the Service Provider shall offer for FAO's consideration only persons having equal or comparable experience and skills to the Key Personnel being substituted. After a substitution has been approved by FAO, Appendix 2 shall be revised to reflect the substitution and the new individual shall be considered Key Personnel.

Section 3.04 The Service Provider shall be responsible for the professional and technical competence of the Key Personnel under this Agreement and will select reliable and competent individuals who will be able to effectively perform the obligations under this Agreement and who, while doing so, will respect the local laws and customs and conform to a high standard of moral and ethical conduct.

Section 3.05 FAO may request that the Service Provider replace any personnel, including Key Personnel, who, in the opinion of FAO, have not met appropriate standards of conduct or who are not performing as required under this Agreement.

Article IV. INSURANCE

Section 4.01 The Service Provider shall make and thereafter maintain, in compliance with national legislation, or as otherwise required by FAO, provision for adequate insurance to cover such risks as damage to property and injuries to persons affected by the performance of this Agreement, as well as third party liability claims.

Section 4.02 The Service Provider acknowledges and agrees that FAO accepts no responsibility for providing life, health, accident, travel or any other insurance coverage which may be necessary or

desirable in respect of any personnel performing Services for the Service Provider in connection with this Agreement.

Section 4.03 Unless otherwise provided in this Agreement, prior to commencement of performance of any other obligations hereunder, and subject to any limits set forth hereunder, the Service Provider shall take out and shall maintain for the entire Financial Period:

- a) insurance reasonably adequate to deal with losses against travel related risks for all travelers whose travel costs are funded under this Agreement, or ensure that travelers have undertaken such insurance themselves at own initiative and cost;
- b) to the extent required by national legislation and local law where Services are being performed, all risks insurance to cover damage to property as a result of the performance of this Agreement, including any equipment or vehicles, or other transportation means, whether or not owned by the Service Provider, used during or in connection with the performance of this Agreement;
- c) to the extent required by national legislation and local law where Services are being performed, workers' compensation insurance, or its equivalent, or employer's liability insurance, or its equivalent, with respect to the Service Provider's personnel sufficient to cover all claims for injury, death and disability, or any other benefits required to be paid by law, in connection with the performance of the Agreement and particularly in view of the limitation of liability provisions of Section 3.02; and
- d) such other insurance as may be agreed upon in writing between FAO and the Service Provider.

Article V. FAO RIGHTS OF ACCESS

Section 5.01 FAO's LoA Manager or authorized agents shall be granted access to all documentation and sites related to the Services, including during implementation of field activities and after the Operational Period, for review and audit purposes. The Service Provider agrees to comply without delay with any request by FAO that it submit evidence of expenses.

Article VI. SUBCONTRACTING; ASSIGNMENT

Section 6.01 In the event the Service Provider requires the services of subcontractors to perform any obligations under this Agreement, except as may be provided in this Agreement, the Service Provider shall obtain the prior written authorization of FAO. FAO shall be entitled, in its sole discretion, to review the qualifications of subcontractors and to reject any proposed subcontractor that FAO reasonably considers is not qualified to perform obligations under the Agreement.

Section 6.02 The Service Provider shall have the sole and full responsibility for the performance of its obligations under this Agreement. Any subcontracting arrangement shall in no way relieve the Service Provider of its responsibility to deliver the Services in accordance with this Agreement.

Section 6.03 Subcontracts of the Services or procurement of the items set forth in the Annex shall be carried out in conformity with the Service Provider's own procurement rules and procedures. The Service Provider confirms that its procurement rules and procedures, and their implementation, ensure that the procurement process is transparent and consistent with generally-accepted principles governing public sector procurement to obtain best value for money.

Section 6.04 The Service Provider will ensure that any agreement with any subcontractor requires such subcontractor (i) to maintain appropriate records to satisfy the requirements of Section 9.02 for a period of five years after the Financial Period, or such longer period as has been notified to the Service Provider, and (ii) to provide FAO access to all documentation and sites related to the Services, including during implementation of field activities and after the Financial Period, for review and audit purposes.

Section 6.05 The terms of any subcontract shall be subject to, and shall be construed in a manner that is fully in accordance with, all of the terms and conditions of this Agreement.

Article VII. REIMBURSEABLE AMOUNTS: PERMITTED AND INELIGIBLE EXPENDITURES

Section 7.01 FAO will cover or reimburse eligible direct costs incurred in connection with implementation of the Services that:

- a) are specifically agreed and recorded in the Budget;
- b) are necessary for carrying out the Services, directly attributable to such activities, and have been charged in proportion to their actual use;

- c) are incurred during the Operational Period, with the exception of costs related to any audit of the Final Report;
- d) are actually incurred by the Service Provider, i.e. they represent real expenditure definitively and genuinely borne by the Service Provider;
- e) are recorded using historical cost;
- f) are reasonable, justified, identifiable and backed by supporting documents; and
- g) have not been claimed, reimbursed or budgeted for funding from any other source other than FAO pursuant to this Agreement.

Section 7.02 FAO will not cover or reimburse costs outside the scope of this Agreement, including but not limited to, the following costs:

- a) bonuses or other exceptional remuneration other than ordinary salary;
- b) purchase cost of equipment and assets unless such asset or equipment is specifically purchased for the execution of activities under the Agreement and ownership is transferred to a beneficiary designated by FAO or, in the absence of such designation, remains with the Service Provider;
- c) duties, taxes and charges, including VAT, that are recoverable or deductible by the Service Provider;
- d) debts and debt service charges;
- e) provision for losses, debts or potential future liabilities;
- f) banking charges incurred in connection with the transfer of funds from FAO;
- g) costs incurred after the Operational Period, other than those permitted pursuant to Section 7.01(b), or after notification by FAO to the Service Provider to suspend activities under the Agreement or that the Agreement is being terminated, with the exception of such costs as are expressly agreed to by FAO;
- h) the purchase of land or buildings;
- i) interest owed by the Service Provider to any third party; and
- j) currency exchange losses.

Section 7.03 FAO shall not pay interest or other charges to the Service Provider for late payment by FAO.

Article VIII. RETURN OF UNEXPENDED FUNDS AND ASSETS; FAO'S RIGHT TO WITHHOLD, OFFSET OR RECOVER CERTAIN FUNDS AND ASSETS

Section 8.01 Upon termination of the LoA, the Service Provider shall return to FAO any unexpended funds budgeted and paid by FAO under this Agreement, any non-expendable assets that were procured by FAO and used by the Service Provider in executing the Services under this Agreement (other than those that were explicitly transferred to the Service Provider pursuant to transfer of ownership form), or the value thereof if the return of such assets is impracticable, as well as any inputs which have not, at the time of such termination, been distributed to the Beneficiaries (collectively, the "Returnable Items"). Returnable Items shall also include any Miscellaneous Income (as defined below) which was not authorized to be used, if any.

Section 8.02 "Miscellaneous Income" shall consist of, inter alia, proceeds or receivables from the sale of any item or other asset provided under this Agreement, as well as any bank interest earned or accrued on funds remitted by FAO and which have been deposited or temporarily placed in an interest-bearing account. For LoAs with a Maximum Financial Liability of \$200,000 or greater, the Service Provider shall record all Miscellaneous Income as credit against funds receivable from FAO. The Service Provider shall not use Miscellaneous Income during the Operational Period except in the event FAO has granted express authorization to use Miscellaneous Income for the Services. Upon termination of the LoA, the Service Provider shall, in accordance with Section 8.01 credit such unused Miscellaneous Income to FAO in its Final Report.

Section 8.03 FAO reserves the right to withhold, offset or recover from the Service Provider an amount equal to the value of:

- a) any expenditure found ineligible under criteria provided in this Agreement, including expenditures that are not included or properly reflected in any financial report or supported by appropriate documentation, as required by this Agreement;
- b) any Returnable Items; and

- c) any expenditure made by the Service Provider (or payment made by FAO) as a result of any irregularity or corrupt, fraudulent, collusive, coercive, unethical and/or obstructive practice, as defined in this Agreement, by the Service Provider, any successors or assigns, employees, agents or representatives, or such other amount as is determined by FAO to be equitable under the circumstances.

Section 8.04 FAO shall formally notify the Service Provider of its intention to withhold, offset or recover any such sums, specifying the amount and the reasons therefor and inviting the Service Provider to provide additional documentation in connection with the disqualified expenditure or Returnable Items within 30 days from the date of receipt of the notice. After examination of any additional documentation submitted by the Service Provider or if the Service Provider does not submit any additional documentation by the stated deadline, FAO will formally notify the Service Provider of its decision to withhold or offset other amounts payable to the Service Provider under this or any other agreement, and/or to proceed with a recovery of the disqualified expenditure or Returnable Items. Where FAO selects to proceed with a recovery, it shall also provide the Service Provider with a final deadline for repayment to FAO.

Article IX. REPORTING AND RECORD MAINTENANCE REQUIREMENTS

Section 9.01 The Service Provider shall submit to the LoA Manager the Reports listed in Annex B on the dates set forth therein, including a final report consisting of a narrative report and a financial report within 30 days following the Services End Date (the "Final Report"). The Final Report must be sufficiently detailed to allow certification of deliverables and of expenditures, including spot checks on representative or risk-based transactions. The Final Report shall be signed and certified as to its correctness by a duly designated representative of the Service Provider (e.g. executive officer, chief financial officer, chief accountant or similar).

Section 9.02 The Service Provider shall keep accurate financial records and maintain supporting documentation showing the utilization of inputs and funds under this Agreement and any other documentation related to the Services for a period of five years following the Financial Period, or such longer period as has been notified by FAO, during which period FAO, or a person designated by FAO, or the relevant auditing authority (e.g. national audit office) shall have the right, at any time, to conduct reviews and/or audits relating to any aspect of this Agreement. The Service Provider shall provide its full and timely cooperation with any such review or audit. Full and timely cooperation shall include, but not be limited to, making available to respond to questions employees or agents with knowledge of the Agreement and granting to FAO or other designated persons or relevant authority, access at reasonable times and conditions to the Service Provider's premises or other sites where documentation related to this Agreement is kept or activities related to this Agreement are carried out. This obligation will survive the expiration or termination of this Agreement.

Section 9.03 In addition to the requirements set forth in Section 9.01, the Final Report for LoAs having a Maximum Financial Liability of \$200,000 or greater shall also be signed by an independent third party auditor. Such auditor's fees may be included in the LoA budget and reimbursed to the Service Provider.

Section 9.04 If the Service Provider fails to submit the Final Report specified in Section 9.01 above within 30 calendar days following the Services End Date, FAO shall, after notice to the Service Provider, be under no further obligation to make payment to the Service Provider under this Agreement.

Article X. MAXIMUM FINANCIAL LIABILITY

Section 10.01 This Agreement is a cost reimbursable contract, and FAO shall pay only costs actually incurred pursuant to the budget set forth in Annex B. Funds provided by FAO under this Agreement are to be used by the Service Provider exclusively for the provision of the Services in accordance with the terms of this Agreement. Neither the Service Provider nor its personnel nor any other persons providing the Services on its behalf, will incur on behalf of FAO any additional commitment or expense exceeding the Maximum Financial Liability.

Article XI. USE OF NAME, EMBLEM OR OFFICIAL SEAL

Section 11.01 FAO does not, through this Agreement, endorse or recommend any commercial products, processes or services. The Service Provider may, in any information disseminated to the press, internal stakeholders or beneficiaries of the Services, including in any related publicity material, official notices,

external communications, reports or publications about the Services, acknowledge the contributions of FAO. Any such acknowledgment should also provide a disclaimer that FAO's contributions should not be considered as an endorsement of the Service Provider's products, processes or services, or, in connection with a report or publication, its views, unless FAO has explicitly authorized the relevant text. The Service Provider may also refer to this Agreement and to FAO's funding thereof in any financial or other report that the Service Provider is required to issue in order to comply with reporting requirements set by national law or its own internal statutes and regulations. No further use of the FAO name shall be permitted unless expressly authorized by FAO in writing.

Section 11.02 FAO may, in certain cases, direct the Service Provider to use the FAO logo in connection with outputs described in this Agreement. Other than when directly required by FAO, FAO's logo may not be used by the Service Provider without the prior approval of FAO. Any requests for approval shall be directed to the LoA Manager named in this Agreement copying the email address "logo@fao.org". All use of the FAO logo shall be carried out in accordance with FAO logo policy, which, together with the appropriate FAO logo electronic files, will be provided upon request by the LoA Manager.

Section 11.03 FAO reserves the right to request that the Service Provider limit use of its name and logo at any time, including when publicity under this provision could put the staff of the Parties at risk.

Article XII. COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS

Section 12.01 Any intellectual property rights including copyright, of material such as publications, software and designs, made available by the Parties to be used in implementing activities under this Agreement will remain with the originating Party. All intellectual property rights, including copyright, in the outputs produced under this Agreement are vested in FAO, including, without any limitations, the right to use, publish, translate, sell or distribute, privately or publicly, any item or part thereof. FAO hereby grants to the Service Provider a non-exclusive royalty-free license to use, publish and distribute the outputs delivered under this Agreement for non-commercial purposes, provided that FAO is acknowledged as the source and copyright owner.

Article XIII. CONFIDENTIALITY

Section 13.01 Neither the Service Provider nor its personnel will communicate to any other person or entity any "Confidential Information" disclosed to it by FAO nor will they use this information for private or corporate advantage. For purposes of this provision, Confidential Information is information (a) that has been provided by FAO and marked or flagged as confidential or (b) that is not available to the general public at the time of such disclosure (and which does not otherwise become available to the public through any dissemination or breach by the Service Provider).

Section 13.02 The Service Provider may disclose Confidential Information to the extent required by law, subject to and without any waiver of the privileges and immunities of FAO, provided that the Service Provider gives FAO sufficient prior notice of a request for the disclosure in order to allow FAO a reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.

Section 13.03 To comply with disclosure requirements and enhance transparency, FAO reserves the right to release and/or publish the following information about this Agreement: (i) the name and nationality of the Service Provider; (ii) a brief description and location of the Services provided; and (iii) the amount of this Agreement. FAO may also disclose information about this Agreement or the Service Provider to the extent required by the FAO Constitution or consistent with or pursuant to resolutions or regulations of the Conference of FAO. The Service Provider specifically consents to the release and/or publication of the foregoing information. FAO will not release or publish information that has been marked or flagged as confidential.

Section 13.04 This Article will survive the expiration or termination of this Agreement.

Article XIV. REQUIRED DISCLOSURE

Section 14.01 The Service Provider agrees that it will notify FAO immediately of any of the following events:

- a) events or circumstances which are likely to affect significantly or delay the implementation of the LoA activities or the Service Provider's ability to deliver the Services;

- b) bankruptcy, insolvency, receivership or winding up or other Credit Event by or affecting the Service Provider or its controlling entity;
- c) use of FAO's name other than as expressly permitted pursuant to Section 11.01;
- d) changes in Key Personnel, as per Section 3.03;
- e) any conflict or problem arising in relation to national authorities, as per Section 23.02; and
- f) any other circumstances which could reasonably affect FAO's decision to award the LoA or the Service Provider's ability to comply with the requirements of this Agreement.

Section 14.02 The Service Provider agrees that it will notify FAO immediately of any knowledge of any plans to change its name, legal status or direct or indirect controlling entity, which in any event shall be no less than five (5) days prior to any such change.

Article XV. TAX EXEMPTION

Section 15.01 FAO enjoys certain privileges and immunities which include exemption from payment of sales taxes such as VAT, customs duties and importation restrictions. The Service Provider may not charge any tax to FAO for the provision of its Services but may request the reimbursement of the full value, including tax of items procured for the provision of the Services, if FAO agrees the recovery of such tax from the relevant fiscal authorities is exceptionally onerous or impossible.

Article XVI. ESSENTIAL TERMS

Section 16.01 The Service Provider acknowledges and agrees that each of the provisions of this Article constitutes an essential term of this Agreement and that any breach of any of these provisions shall entitle FAO to terminate this Agreement immediately upon notice to the Service Provider, without any liability for termination charges or any other liability of any kind.

Section 16.02 SOURCE OF INSTRUCTIONS. The Service Provider shall neither seek nor accept instructions from any authority external to FAO in connection with the performance of the Services. Should any authority external to FAO seek to issue any instructions concerning or impose any restrictions on the Service Provider's performance under the Agreement, the Service Provider shall promptly notify FAO and provide all reasonable assistance required by FAO in order to help resolve the matter. The Service Provider shall not take any action in respect of the performance of its obligations under the Agreement that may adversely affect the interests of FAO, and the Service Provider shall perform the Services with the fullest regard to the interests of the FAO.

Section 16.03 CODE OF CONDUCT, CONFLICT OF INTEREST AND VENDOR SANCTIONS. The Service Provider shall observe the highest standard of ethics in providing the Services and agrees to adhere to the United Nations Supplier Code of Conduct, which can be viewed at http://www.un.org/depts/ptd/pdf/conduct_english.pdf.

The Service Provider shall take all reasonable precautions to avoid any conflict of interest in the implementation of the Services. The Service Provider agrees that it shall inform FAO without delay of any situation constituting or likely to entail a conflict of interest, including any FAO personnel or first degree relatives of FAO personnel having a financial interest or employment relationship of any kind in the Service Provider's activities. The Service Provider warrants that no official, staff member or representative of FAO, or any family member of any such person, derives any benefit from this Agreement.

The Service Provider confirms that it has not engaged in, nor will engage in, any corrupt, fraudulent, collusive, coercive, unethical or obstructive practices in entering into or implementing this Agreement. If FAO determines that the Service Provider has engaged in such practices, it may impose sanctions, including termination of the Agreement, as provided by FAO's Sanctions Procedures (http://www.fao.org/fileadmin/user_upload/procurement/docs/FAO_Vendors_Sanctions_Policy_-_Procedures.pdf). In addition, information on sanctioned Service Providers and other third parties may be shared with other Intergovernmental or United Nations organizations. This provision must be included in all subcontracts, sub-agreements or assignments entered into by the Service Provider under this Agreement.

For the purpose of this Agreement, the following terms shall have the following meanings:

- a) "*Fraudulent practice*" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain, financial and/or other benefit and/or to avoid an obligation;

- b) “*Coercive practice*” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- c) “*Collusive practice*” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- d) “*Corrupt practice*” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value whether tangible or intangible to improperly influence the actions of another party;
- e) “*Unethical practice*” is an act or omission contrary to the conflict of interest, gifts and hospitality or post-employment FAO policy: (<http://www.fao.org/unfao/procurement/codedeconduitethique/en/>), as well as any provisions or other published requirements of doing business with FAO, including the United Nations Supplier Code of Conduct; and
- f) “*Obstructive practice*” is an act or omission by the Service Provider or its affiliates, successors or assigns that may prevent or hinder the work of the Investigation Unit of the FAO Office of the Inspector General.

In order to enter into an agreement with FAO, the Service Provider represents that neither it, nor any of its agents or authorized subcontractors, has been suspended, debarred or otherwise identified as ineligible by any other United Nations Organization or Organization within the World Bank Group, nor is it listed on the United Nations Security Council Consolidated List and that neither it, nor any of its agents or authorized subcontractors is subject to any sanction or temporary suspension imposed by any such organization. The Service Provider is therefore required to disclose to FAO whether itself, or any of its affiliates or agents, is, has been or becomes subject to any such sanction or measure at any time during the three years prior to this Agreement and at any time throughout the execution of this Agreement. The Service Provider recognizes that a misrepresentation under this provision will entitle FAO to terminate its Agreement with the Service Provider immediately upon notice to the Service Provider, without any liability for termination charges or any other liability of any kind of FAO and that material misrepresentations on its status constitute a fraudulent practice.

In accordance with the United Nations Supplier Code of Conduct, Service Providers are expected to refrain from offering employment to any FAO staff for a period of one year following their separation from FAO.

Section 16.04 LABOR. The Service Provider shall:

- a) respect the prohibition of forced or compulsory labor in all its forms;
- b) respect the freely exercised right of workers, without distinction, to organize, to further and defend their interest as well as the protection of those workers who exercise their right to organize;
- c) ensure equality of opportunity and treatment in respect of employment and occupation; and
- d) ensure fair and reasonable conditions of safety, health and welfare.

The Service Provider represents and warrants that neither it, its parent entities (if any), nor any of the Service Provider’s subsidiary or affiliated entities (if any) is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, <http://www.unhcr.org/protection/children/50f941fe9/united-nations-convention-rights-child-crc.html> including Article 32 thereof, which inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child’s education, or to be harmful to the child’s health or physical, mental, spiritual, moral or social development.

Section 16.05 TERRORISM. The Service Provider agrees to undertake all reasonable efforts to ensure that none of the funds received from FAO under this Agreement are used to provide support to individuals or entities i) associated with terrorism, as included in the list maintained by the Security Council Committee established pursuant to its Resolutions 1267 (1999) and 1989 (2011) or ii) that are the subject of sanctions or other enforcement measures promulgated by the United Nations Security Council. This provision must be included in all subcontracts, sub-agreements or assignments entered into under this Agreement.

Section 16.06 SEXUAL EXPLOITATION. The Service Provider shall take all appropriate measures to prevent sexual exploitation or abuse of any beneficiary of the Services provided under this Agreement, or to any persons related to such beneficiaries, by its employees or any other persons engaged and controlled by the Service Provider to perform any Services under this Agreement. For

these purposes, sexual activity with any person less than eighteen years of age shall constitute the sexual exploitation and abuse of such person. In addition, the Service Provider shall refrain from, and shall take all reasonable and appropriate measures to prohibit its employees or other persons engaged and controlled by it from exchanging any money, goods, services, or other things of value, for sexual favours or activities, or from engaging in any sexual activities that are exploitive or degrading to any direct beneficiary of the Services provided under this Agreement or to any persons related to such beneficiaries.

Article XVII. FORCE MAJEURE

Section 17.01 In the event of and as soon as possible after the occurrence of any cause constituting Force Majeure, the affected Party shall give notice and full particulars in writing to the other Party, of such occurrence or cause if the affected Party is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Agreement. The affected Party shall also notify the other Party of any other changes in condition or the occurrence of any event which interferes or threatens to interfere with its performance of this Agreement. If the affected party is the Service Provider, not more than fifteen (15) days following the provision of such notice of Force Majeure or other changes in condition or occurrence, the Service Provider shall also submit a financial statement to FAO detailing the use of funds up to the date of notice as well as the estimated expenditures that will likely be incurred for the duration of the change in condition or the event of Force Majeure. FAO shall not be liable for any excess costs incurred as a result of lack of prompt notice by the Service Provider of the Force Majeure event.

Section 17.02 On receipt of the notice(s) required hereunder, FAO shall have the right to suspend or terminate the Agreement in accordance with Article XVIII or take such other action as it reasonably considers to be appropriate or necessary in the circumstances, including the granting to the affected Party of a reasonable extension of time in which to perform any obligations under this Agreement. In any case, FAO shall be entitled to consider the Service Provider permanently unable to perform its obligations under this Agreement in case the Service Provider is unable to perform its obligations, wholly or in part, by reason of Force Majeure for any period in excess of ninety (90) days.

Section 17.03 "Force Majeure" as used herein means any unforeseeable and irresistible act of nature, any act of war (whether declared or not), invasion, revolution, insurrection, terrorism, or any other acts of a similar nature or force, provided that such acts arise from causes beyond the control and without the fault or negligence of the Service Provider (or on the part of its personnel, agents, other representatives, or authorized subcontractors), and proves insurmountable in spite of all due diligence. Defects in equipment, material or supplies, or delays in their availability (unless due to Force Majeure), labor disputes, strikes or financial difficulties shall not constitute an event of Force Majeure. Notwithstanding anything to the contrary herein in this Agreement, the Service Provider recognizes that the provision of Services may from time to time be performed under harsh or hostile conditions, including civil unrest, in areas in which FAO is engaged, preparing to engage in, or disengaging from any humanitarian or similar operations. Consequently, delays or failure to perform caused by foreseeable events arising out of, or in connection with, such difficult conditions, shall not, in and of themselves, constitute Force Majeure under this Agreement.

Article XVIII. SUSPENSION; TERMINATION; REMEDIES

Section 18.01 Any of the following shall be considered a "Termination Event" under this Agreement:

- a) transfer by the Service Provider to third parties, either directly or indirectly through an intermediary, of all or part of the rights and obligations pertaining to the Services under this Agreement, except for subcontracts duly authorized by FAO;
- b) changes in the Service Provider's name, legal status or control, except those which, following prior disclosure to FAO under Article XIV, have been expressly permitted in writing;
- c) the Service Provider's bankruptcy, insolvency, receivership or winding up;
- d) willful misconduct by the Service Provider;
- e) unjustified delay in the execution of the Services, so as to substantially prejudice the achievement of FAO's objectives under this Agreement;
- f) serious contractual breaches by the Service Provider that have not been remedied notwithstanding notice by FAO and an opportunity to cure;

- g) breach by the Service Provider of any of the Essential Terms; and
- h) non-compliance with the disclosure requirements of Article XIV.

Section 18.02 FAO shall have the right to suspend performance of all or part of the Services under this Agreement upon written notice to the Service Provider if (a) it suspects that a Termination Event has occurred or is occurring and needs additional time to determine how to proceed or (b) in the event of Force Majeure.

Section 18.03 Following suspension of the Agreement, FAO may:

- a) revoke the suspension and require the Service Provider to proceed with the performance of the Services. In this case, if the period of suspension has exceeded more than thirty (30) days, FAO may, in its sole discretion based on the circumstances of the suspension, compensate the Service Provider for expenses incurred as a result of the suspension and resumption of its Services, and the Services End Date shall be extended for a period equal to the time during which the performance of the Services had been suspended;
- b) revoke the suspension subject to certain conditions which, if not met by the Service Provider, will give rise to a new Termination Event; or
- c) terminate the Agreement by written notice to the Service Provider, which termination shall be effective upon notification.

Section 18.04 FAO shall have the right to terminate the Agreement for unforeseen causes beyond the control of FAO or an event of Force Majeure affecting FAO. In the event of termination pursuant to this paragraph, FAO shall provide notice to the Service Provider of such termination and shall complete all payments for expenses that have been incurred by the Service Provider up to the date of receipt of notice by the Service Provider of such termination. After the notice date, additional expenses involved in winding down the Services may be approved by FAO on a case by case basis and must be in writing.

Section 18.05 Either Party shall have the right to terminate this Agreement at any time upon sixty (60) day's advance written notice to the other Party.

Section 18.06 In the event of termination of this Agreement:

- a) The Service Provider shall (i) refrain from undertaking any further or additional commitments under the Agreement as of and following the date of receipt of such notice; except as may be approved in writing by FAO, (ii) terminate all subcontracts, (iii) take all reasonable measures to avoid any loss or deterioration of goods, equipment, materials or supplies, or any other damage and (iv) shall be responsible for refunding to FAO any payment already received in respect of Services that have not been performed to a standard considered acceptable to FAO.
- b) FAO shall complete all payments which may be due and payable up to the effective date of termination, less any amounts subject to adjustment based on claims arising from or connected with the performance of this LoA, as well as the pertinent provisions of this Agreement, and in particular those of Article VIII of this Agreement. In the event of termination on the basis of Force Majeure affecting the Service Provider, the Service Provider shall also refund to FAO any funds already received in respect of Services that have not been performed.

Section 18.07 FAO shall have the right to terminate this Agreement without any liability whatsoever to the Service Provider, following written notice to the Service Provider, for breach of the obligations and warranties set forth in Article XVI, Essential Terms, as more fully described therein. In addition to the rights set forth in Sections 9.04; and 8.04 to withhold, offset or recover certain amounts, FAO shall take other action as it deems appropriate. Failure to comply with such repayment and/or other remedial action requested by FAO may result in further proceedings and/or sanctions against the Service Provider in accordance with FAO's Vendor Sanctions Procedures.

Article XIX. AMENDMENTS

Section 19.01 No amendment shall be permitted:

- a) which would have the effect of significantly altering the scope and/or purpose of this Agreement; or
- b) which increases the Maximum Financial Liability by more than one hundred percent of the original Maximum Financial Liability, except in such cases where a provision has explicitly been made that the Agreement is subject to officially agreed periodic revisions of the work plan and budget.

Section 19.02 The following changes or amendments to this Agreement shall be permitted only if evidenced by a writing signed by both Parties:

- a) budget reallocations or variations of more than 25% between the major headings of the Agreement budget;
- b) budget reallocations of any amount that indicate a serious deterioration of the Service Provider's cost efficiency, whereby costs of salaries, fees, travel and accommodation and/or per-diems for the Service Provider staff or subcontractors increase significantly from the original or previously amended budget, without commensurate changes to the quality or quantity of deliverables;
- c) cost increases;
- d) extensions of the Operational Period of the Agreement, but only if made prior to the Services End Date. Any such extension shall be requested by the Service Provider by notice to FAO no later than one calendar month prior to the Services End Date and provide a documented justification and an interim financial report; or
- e) changes to the payment instructions.

Section 19.03 Any deviations in performance under, or amendments to the terms of, this Agreement, other than those expressly prohibited in Section 19.01 or permitted by a signed writing in Section 19.02 shall be permitted if agreed via email exchange or other writing by both Parties.

Section 19.04 During the Closure Period, if Services are continuing to be provided as if the Agreement is in full force and effect, an amendment may be permitted, if in writing and signed by both Parties, with a view to extending the Operational Period of the Agreement to permit completion and delivery of stated outputs and deliverables and winding down of the Services.

Article XX. NON-WAIVER OF PRIVILEGES AND IMMUNITIES

Section 20.01 Nothing in this Agreement or in any document relating hereto, shall be construed as constituting a waiver of privileges or immunities of FAO, its personnel or any other persons providing the Services on its behalf or as its acceptance of the jurisdiction of the courts of any country over disputes arising out of this Agreement.

Article XXI. NON-WAIVER OF RIGHTS

Section 21.01 The failure by one Party to require performance of any provision shall not affect that Party's right to require performance at any time thereafter, nor shall a waiver of any breach or default of this Agreement constitute a waiver of any subsequent breach or default or a waiver of the provision itself and shall not relieve the Parties of any of their obligations under the Agreement.

Article XXII. LANGUAGE OF THE AGREEMENT

Section 22.01 The LoA shall be in one of English, Spanish or French. Any LoA-related documentation, reporting and monitoring and any other official correspondence between the Parties shall be the same language as that of the LoA. Translations of the LoA or LoA-related documentation into other languages shall be for convenience only and shall not be binding on the Parties.

Article XXIII. APPLICABLE LAW

Section 23.01 The present Agreement shall be governed by general principles of law, to the exclusion of any single national system of law. General principles of law shall be deemed to include the UNIDROIT Principles of International Commercial Contracts of 2016.

Section 23.02 In providing the Services, the Service Provider shall conform to all national laws applicable to its activities and its relations to third parties, including employees. The Service Provider shall promptly correct any violations thereof and shall keep FAO informed of any conflict or problem arising in relation to national authorities.

Article XXIV. INTERPRETATION OF THE AGREEMENT

Section 24.01 In the event of a conflict or inconsistency between the provisions of this Annex and of Annex C, Annex C shall prevail.

Article XXV. COMPUTATION OF DEADLINES

Section 25.01 Unless stated otherwise, “days” as used herein means calendar days.

Article XXVI. SETTLEMENT OF DISPUTES

Section 26.01 Any dispute between the parties arising out of the interpretation or execution of this Agreement, if not settled by negotiation between the parties or by another agreed mode of settlement, shall be submitted at the request of either party, to one conciliator. Should the parties fail to reach agreement on the name of a sole conciliator, each party shall appoint one conciliator. The conciliation shall be carried out in accordance with the Conciliation Rules of the United Nations Commission on International Trade Law, as at present in force.

Section 26.02 Any dispute not resolved by conciliation shall, at the request of either party, be settled by arbitration in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law, as at present in force. The arbitral tribunal shall have no authority to award punitive damages. FAO and the Service Provider agree to be bound by any arbitration award rendered in accordance with this article, as the final adjudication of any such dispute.

Section 26.03 The parties may request conciliation during the execution of this Agreement and in the period not to exceed twelve months after the completion, expiry or termination of this Agreement. The parties may request arbitration not later than ninety (90) calendar days after the termination of the conciliation proceedings. All dispute resolution proceedings shall be conducted in the language in which the Agreement is drafted, which shall be either English, Spanish or French.

Section 26.04 The provisions of this Article XXVI shall survive the termination of this Agreement.

ANNEX B TO LETTER OF AGREEMENT: TERMS OF REFERENCE AND PAYMENT PROVISIONS

1. Context

Mindanao is a major contributor to the Philippine economy, particularly to the agriculture sector given its vast natural resources. As second biggest island in the country, Mindanao largely accounts to produce high value commodities such as rubber, pineapple, banana, and coffee, among others. While Mindanao has seen some economic progress, persisting challenges in pursuing lasting peace and achieving inclusive growth render Mindanao's inability to maximize development.

In February 2022, the Russia-Ukraine war broke out. As the two countries, together, account for 28 percent of the global exports of fertilizers made from nitrogen and phosphorous, as well as potassium, the resulting disruptions in shipments sent global prices of inorganic fertilizers skyrocketing. Expectedly, agriculture-dependent and fertilizer net-importing countries around the world such as the Philippines were severely impacted.

Among the 16 regions in the country, the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) registered the highest growth in the value of production in agriculture and fisheries at 7.2 percent in 2021 (PSA). In particular, the crop sub-sector posted a growth rate of 3.5 percent. However, palay production significantly decreased from 310 012.25 metric tonnes (MT) in the first quarter of 2021 to 262 686.56 MT in the first quarter of 2022, a 15.3 percent year-on-year drop.

Similarly, yield per hectare of palay also reduced from 4.20 MT in 2021 to 3.55 MT in 2022, or a 15.5 percent year-on-year drop. Corn production in BARMM also decreased from 365 042.98 MT in the first quarter of 2021 to 364 122.45 MT over the same period in 2022. Corn yield per hectare also decreased from 3.82 MT to 3.77 MT (a 1.3 percent drop).

The largely smallholder rice and corn farmers in the Bangsamoro region have difficulty in coping with the increasing cost of farm inputs, particularly fertilizers, and of fuel needed to operate their farm machinery or transport their produce. This situation could result in a further decrease in crop yield in the region and threaten local food security and household incomes. BARMM still has the highest poverty incidence among families at 39.4 percent (PSA, 2021).

Upon request from the Government of Philippines, represented by the Ministry of Agriculture, Fisheries and Agrarian Reform (MAFAR) of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), the Food and Agriculture Organization of the United Nations (FAO), with funding from the Government of Japan, is implementing a technical assistance for the Project *"The Project for Sustaining Rice and Corn Production in BARMM thru Provision and Efficient Use of Fertilizers amidst the Global Impacts of Ukraine Crisis."* The Project aims to sustain the increase in productivity of rice and corn farming communities in BARMM to avoid local food insecurity and rural unemployment due to the rippled effect of the ongoing Russia - Ukraine war. The Project's expected outcome is "increased productivity and income of small-holder rice and corn farmers through the provision of inorganic fertilizers and training on soil testing and efficient use of fertilizers".

In implementing the project, FAO works closely with the Ministry of Agriculture, Fisheries and Agrarian Reform – Bangsamoro Autonomous Region in Muslim Mindanao (MAFAR-BARMM), the MAFAR provincial offices of Maguindanao del Norte, Maguindanao del Sur, Lanao del Sur, Local Government Units (LGUs) and other pertinent government agencies to provide planned interventions to identified household beneficiaries and their CBOs.

To better support the planning and implementation of the Project's capacity-building activities, FAO is engaging a Service Provider (SP) to Conduct of re-echo training to farmer's cooperative/associations

on site on soil sampling, analysis, and fertilizer management on the “4Rs” (right source, right rate, right placement, and right timing in the Provinces of Maguindanao del Sur, Maguindanao del Norte, and SGA.

2. Scope

a. Purpose:

The Parties acknowledge that no amendments may be made to the LoA to permit activities that fall outside the purpose of the LoA.

In coordination with FAO Project Team and partners, the SP will conduct the re-echo training to farmer’s cooperative/associations on site on soil sampling, analysis, and fertilizer management on the “4Rs” (right source, right rate, right placement, and right timing in the Provinces of Maguindanao del Sur, Maguindanao del Norte, and SGA.

The proposed Action by the SP is to provide FAO, the donor, as well as the Project partners and stakeholders with sufficient information on:

- Conduct on-site re-echo training for target farmer’s cooperatives/associations and irrigator’s associations based on the module used in the Training of Trainers (ToT);
- The training module for farmers should be “laymanized” for easier understanding by the local farmers;
- Handover printed copies of the training module to training participants;
- Prepare and submit a training design with proposed presentation materials (*e.g.* Powerpoint, flipcharts, *etc.*) before the conduct of the on-site training (at least 2 weeks before the actual training);
- Lecture, hands-on and other experiential activities should be included in the conduct of the on-site training;
- Provide FAO with soft and hard copy of the training module;
- Prepare and submit draft training report to FAO and the Project Regional Technical Working Group (RTWG) for their review;
- Submit to FAO the final training report integrating all aspects of work conducted under the LOA including the financial statement/report.

c. Activities:

The SP will provide its workplan following, but not limited to the tasks below:

- Coordination and preparatory activities with partners and community-based organizations (CBOs)
- Preparation, pre-testing and finalization (including printing) of the training module (to include pretest/post-test to determine knowledge gain)
- Preparation of training aids, materials (*e.g.*, powerpoint presentation. Flipchart, *etc.*)
- Conduct on-site re-echo training for target farmer’s cooperatives/associations and irrigator’s associations.
- Submitting draft training report to FAO and RTWG
- Submitting to FAO the final training report integrating all aspects of work conducted under the LOA including the financial statement/report.

d. Key Performance Indicators and Means of Verification:

The SP will be responsible for the preparation and the submission of the deliverables according to the time schedule defined above, as well as the statement of accounts as specified in this Agreement. Mr. Alberto Aduna, Project Team Leader and Dr. Jaime Montesur, and under the overall supervision of Mr. Dante Eleuterio, the FAO Mindanao Sub-Office Head will guide and monitor the progress of implementation, including content guidance, the schedule of reporting, deadlines, and any other relevant information.

The progress will be monitored by regular calls and technical exchanges via email. The progress will be measured with submission of the intermediate outputs: the workplan, methodology, preliminary report, etc. for FAO’s endorsement and validation.

The reports listed in the Annex B, including the final report consisting of the narrative and financial report, will be submitted to the Responsible Officer named in paragraph 3.

e. Workplan/Calendar of Activities:

The SP will provide its workplan following, but not limited to the tasks below:

Task	Dates	Responsibility
• Coordination and preparatory activities with partners and community-based organizations (CBOs)	January 8-12, 2024	SP
• Preparation of training aids, materials (e.g., powerpoint presentation. Flipchart, etc.)	January 15-17, 2024	SP, FAO Project Team
• Preparation, pre-testing and finalization (including printing) of the training module (to include pretest/post-test to determine knowledge gain)	January 18-19, 2024	SP, FAO Project Team
• Conduct on-site re-echo training for target farmer’s cooperatives/associations and irrigator’s associations	January 22, 2024 – February 29, 2024	SP
• Submitting draft training report to FAO and presentation of highlights to RTWG and donor	Before March 5, 2024	SP
• Submitting to FAO the final training report integrating all aspects of work conducted under the LOA including the financial statement/report.	March 8, 2024	SP

3. Reports that Must be Submitted to FAO

The Final Report, consisting of narrative and financial report, shall be signed and certified as to correctness in accordance with this LoA. The financial report shall be signed and certified by a duly designated representative of the SP. The SP shall keep the financial records and supporting documentation related to the Services for a period of five years following termination or expiry of the Agreement, during which period FAO, or a person designated by FAO, or relevant auditing authority shall have the right to conduct reviews and/or audits relating to any aspect of the Agreement. The Service Provider shall provide its full and timely cooperation with any such review or audit.

4. Detailed Budget

RESOURCES-BASED LOA BUDGET					
Column1	Column2	Column3	Column4	Column5	Column6
	Currency (click and select from list below)				
	USD - United States Dollar				
Cat. No.	Items Description	Unit of measurement	Qty (no. of units)	Unit Cost	Total Cost
				USD - United States Dollar	USD - United States Dollar
1	HUMAN RESOURCE INPUTS (Staff time and consultants...)				
1.1	Professional Services (Honoraria)				0
1.2	Project Team Leader	Person-months	3	8,800	26,400
1.3	Assistant Project Team Leader	Person-months	3	6,000	18,000
1.4	Component Leader 1 (IEC Development & Reproduction)	Person-months	3	6,000	18,000
1.5	Component Leader 2 (IEC Translation & Validation)	Person-months	3	6,000	18,000
1.6	Accounting and Financial Support Staff	Person-months	3	23,000	69,000
1.7	Project Assistants x 3	Person-months	9	23,000	207,000
1.8	Training Specialist	Hours	36	1,200	43,200
1.9	Resource Persons 1 x 4	Hours	240	2,000	480,000
...					
2	EXPENDABLE EQUIPMENT ANCILARY TO SERVICES				
2.7					0
...					
3	TRAVEL (Flights, inland travel...)				
3.1	University Vehicle Service for day Coordination – land travel	day	10	8,000	80,000
3.2	All-in Van Rental during the conduct of training – land travel	day	40	8,000	320,000

3.3	Travelling Expenses / per diem (2 Staff)	man-day	14	1,500	21,000
3.4	Travelling Allowance of Resource Person	man-day	160	1,500	240,000
3.5	Travelling Allowance of Farmer Participants	man-day	1,200	300	360,000
3.6	Travelling Allowance of MMO's / AT's	man-day	60	500	30,000
3.7	Meals and Snacks	day	1,300	600	780,000
...					
4	ACCOMMODATION (board and lodging costs...)				
4.1					0
5	GENERAL OPERATING AND MAINTENANCE EXPENSES	Unit of measurement	Qty (no. of units)	Unit Cost	Total Cost
					0
5.1	Training Kits	pcs	1,200	200	240,000
5.2	Communication Expenses (cell cards)	pcs	14	550	7,700
5.3	Tarpaulin	pcs	8	600	4,800
5.4	IEC Materials (flipcharts, brochures)				0
5.5	a. Flipcharts (tarpaulin)	pcs	6	6,000	36,000
5.6	b. Brochures Supplies (printer, ink, bond paper)	pcs	1,200	70	84,000
5.7	Printing and binding of Final Reports	pcs	30	1,000	30,000
5.8	Module writing workshop of the project team with MSU team	14 pax x 3 days	42	3,100	130,200
5.9	Re echo workshops venue rental in the community (USM will coordinate)		40	5,000	200,000
6	-----				0
6.1					0
6.2					0
6.3					0
...					
7	-----				0
7.1					0
7.2					0
7.3					0
...					
	TOTAL COSTS				3,443,300
	INDIRECT COSTS (IF APPLICABLE)	% overhead rate>>		7%	241,031
	FAO'S MAXIMUM FINANCIAL LIABILITY	GRAND TOTAL			3,684,331
	Revised				
	TOTAL COSTS				3,073,100

	INDIRECT COSTS (IF APPLICABLE)	% overhead rate>>		7%	215,117
	FAO'S MAXIMUM FINANCIAL LIABILITY	GRAND	TOTAL		3,288,217

5. Description of Inputs to be Provided In Kind by FAO and Schedule of Provision

- FAO project personnel, in coordination with the MAFAR regional, provincial and municipal offices, are expected to cooperate;
- Use of premises and facilities for meetings and presentation of study results

6. Inputs to be Provided by Service Provider without Charge to FAO and Schedule of Provision

6.1 List of Inputs

- List of personnel working under the Agreement and deployment schedules
- Use of SP premises and facilities/installations
- Provision of expertise and support personnel
- Use of equipment and provision of materials/supplies

6.1.1 List of personnel working under the Agreement and deployment schedules to be provided by the SP:

6.1.2 SP's premises and facilities/installations

SP will make use of their facilities and equipment for the duration of the LoA. Facilities and equipment such as desktop/laptop computers for data encoding, analysis and printing and facilities for data collection, among others

6.1.3 Support personnel and expertise

To ensure achievement of the objectives and its expected deliverables, the SP will employ 9 field staff to be led by a Project Team Leader. Below suggested expertise and support personnel to compose the team:

- Have extensive knowledge and experience in rural, social, and peace and development context,
- Strong knowledge and experience in experiential training;
- Excellent report writing skills;

3.1.4 Equipment and provision of materials/supplies.

All field staff of the SP to use its vehicles or to rent motor vehicles/motorcycles to enable them to reach places that are inaccessible to 4-wheeled vehicles.

7. Payment Terms

a. Any requests for payment shall be made using the payment form provided in Appendix 1 hereto or such other form as has been specifically authorized by FAO or agreed in advance by the Parties.

b. The Service Provider shall submit each request for payment to the LoA Manager at the address for notices and other communications under paragraph 7 of the LoA.

c. Payments will be made in the currency stated in paragraph 3 of the LoA and according to the banking instructions provided by the Service Provider in paragraph 8, below.

d. Payments under this Agreement will be made only after certification by the LoA Manager that proper request has been made by the Service Provider and of the satisfaction by the Service Provider of the requisite conditions set forth for the payment. The proposed schedule of payments and related conditions is as follows:

i. **first payment** not to exceed PHP986,465.10 (30%) upon signing of the agreement and approval of the advance payment.

ii. following review and approval of the relevant interim financial report submitted by the Service Provider in accordance with paragraph 3 above, **one or more interim payments, the sum of which shall not exceed** PHP1,644,108.00, as follows:

payment number 2 for PHP986,465.10 (30%) upon acceptance by FAO of the training module and training aids; materials by 25 February 2024

payment number 3 for PHP657,643.40 (20%) upon acceptance by FAO of the draft training report; by 12 March 2024

and

iii. following review and approval of the narrative and financial Final Report submitted by the Service Provider in accordance with Section 9.01 of Annex A, **final payment** not to exceed PHP657,643.40 (20%) by 21 March 2024.

8. Banking Instructions

Payments shall be made to the Service Provider using the following banking information:

Bank Name Land Bank of the Philippines		Bank Routing Sort Code and/or Branch Code
Exact Bank Account Holder Name (account must be held in the name of the Service Provider, FAO cannot make payments to third parties) USM External Research Fund		Account Number 2732-1047-58
Swift/BIC Code TLBPPHMMXXX	IBAN	Account Currency Philippine Peso
Bank Address (physical address, no PO boxes) Poblacion Kabacan, Cotabato		
Bank City Kabacan, Cotabato		Bank Country Philippines
Intermediary Bank Details (if applicable) N/A		

9. Identification Data Relating to the Service Provider

The Service Provider warrants that the following information is true and correct and acknowledges its notification obligations pursuant to Section 14.02 of Annex A.

Full Name of Service Provider (as Legally Registered) University of Southern Mindanao		FAO Supplier Number (if known)
Other Trading Name(s) of Service Provider (if applicable)		
Address Line 1 Bai Matabay Plang Avenue, Kabacan, Cotabato		
Address Line 2 USM Avenue, Kabacan, Cotabato		
Address Line 3 Poblacion, Kabacan, Cotabato		
City N/A		Postal Code 9417
State N/A		Country Philippines
Email Address op@usm.edu.ph		Website www.usm.edu.ph
Telephone Number (incl. country and area code) (064) 572 - 2138		Fax Number (incl. country and area code)

Appendix 2: Key Personnel

As set forth in Section 3.03 of Annex A, the following individuals are considered for the purposes of this Agreement to be Key Personnel:

Name	Designation and Responsibilities	Academic/professional Experience and Expertise
Francisco Gil N. Garcia	Project Team Leader <ul style="list-style-type: none"> ➤ To plan and steer the Project Team ➤ To monitor the progress of the activities. ➤ To review the final report. 	PhD in Agricultural Economics
Mary Joy S. Cañolas	Assistant Project Team Leader <ul style="list-style-type: none"> ➤ To assist the Project Team Leader in the planning and steering of the Project Team. ➤ To coordinate with the MMOs and CBOs regarding the re-echo training and inspect the prospective venues of the re-echo training including the availability of electricity and other facilities. ➤ To monitor the progress of the activities of the components. ➤ To weekly update the Project Team Leader regarding the progress of the activities. ➤ To coordinate with the Project Team ➤ To prepare the draft of the final report and submit it to the Project Team Leader for review. 	PhD in Rural Development
Leandreux D. Ocasion	Component Leader 1 (IEC Development & Reproduction) <ul style="list-style-type: none"> ➤ To coordinate with the Resource Persons and FAO regarding the development, validation, and finalization of the IEC materials (brochures). ➤ To develop the IEC materials and validate with the Resource Persons. ➤ To coordinate with the Component 2 for the translation of the IEC materials into Filipino language. ➤ To reproduce the validated brochures. 	MS in Soil Science
Radji A. Macatabon	Component Leader 2 (IEC Translation & Validation) <ul style="list-style-type: none"> ➤ To coordinate with the Component 1 regarding the IEC materials to be translated into Filipino language. ➤ To validate the translated IEC materials with the Resource Persons and farmers 	PhD in Language Filipino

	<ul style="list-style-type: none"> ➤ To turn-over the revised translated IEC materials to Component 1 for reproduction. 	
Janice M. Bangoy	<p>Training Specialist</p> <ul style="list-style-type: none"> ➤ To prepare the training design for the re-echo training. ➤ To design and prepare the flipcharts to be used during the training in coordination with the resource persons. ➤ To coordinate with the Resource Persons regarding the preparation of the PPTs, pre-test/post-test, etc. ➤ To prepare the training materials and equipment. ➤ To oversee the analysis of the pre and post-tests, RP and activity evaluation, and client satisfaction survey by the Project Staff. ➤ To consolidate training completion reports from the Project staff. ➤ To assist the Assistant Team Leader in the drafting of the Final Report of the Project. 	BS in Agriculture (Entomology), 12 years' experience as Training Specialist
To be hired	<p>Accounting/Financial Support Staff</p> <ul style="list-style-type: none"> ➤ To prepare and process the PPMP of the Project. ➤ To prepare and process the PRs, payrolls, traveling expenses, and other pertinent documents. ➤ To prepare the financial report of the project as component of the Final Report. 	BS in Accountancy or related course
To be hired	<p>Project Staff-1</p> <ul style="list-style-type: none"> ➤ To assist the Assistant Project Team Leader in the coordination activities with the Team and MMOs. ➤ To assist the Assistant Project Team Leader in the coordination with the USM Hostel and van rental ➤ To assist the Assistant Project Team Leader and Training Specialist in the reproduction of the final report. ➤ To perform other tasks assigned by the Assistant Project Team Leader. <p>Project Staff 2&3</p> <ul style="list-style-type: none"> ➤ To assist the component leaders in the drafting, printing, and other related activities in the development, translation, validation, and reproduction of the brochures ➤ To assist the Training Specialist in the preparation of the training materials and equipment. 	BS in Agriculture or any related course

	<ul style="list-style-type: none">➤ To assist the Resource Persons in the conduct of the re-echo training and soil sampling.➤ To prepare the training completion for each municipality.➤ To facilitate distribution of transportation allowance to the participants and MMOs.➤ To perform other tasks assigned by the component leaders and Resource Persons.	
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**ANNEX C TO LETTER OF AGREEMENT:
SPECIAL CONDITIONS AND DEROGATIONS; ADDITIONAL PROVISIONS**

Instruction to FAO LoA Manager: you must remove all the text that is in italics and highlighted (including this paragraph) and you must EITHER appropriately edit or completely delete all the text between brackets ([]) prior to the delivery of the draft to the Service Provider for review or final signature. Delete this paragraph prior to finalization.

In the event of a conflict or inconsistency between the provisions of the LoA and its Annexes (including the General Terms and Conditions set forth in Annex A), any derogations or special conditions set forth in this Annex C shall prevail.

Derogations and Special Conditions

Instruction to FAO LoA Manager: here you should say either:

[None]

OR if there are any derogations from or special conditions to the standard terms of the LoA that have been approved by CSAP and LEG, list them below:

[Insert approved derogations here, if any, and remove brackets.]

Instruction to FAO LoA Manager: be sure to have made only one choice. If you list items above, then delete the word “None”. If you have left the word “None” then it should be the only thing listed in this section.

Instruction to FAO LoA Manager: if Services under the LoA are funded by the EC, then the following section must be included as drafted without changes. If no EC funding is involved, delete this paragraph and all text that follows:

[Special Conditions for Funded Projects]

The text of Section 3.02 of Annex A shall be superseded in its entirety by the following:

FAO will not be held responsible for any accident, illness, loss or damage that may occur during the provision of the Services or any claims, demands, suits or judgements arising therefrom, including for any injury to the Service Provider’s employees or to third parties, or any loss of, damage to, or destruction of property of third parties, arising out of or connected to the Service Provider’s work or performance under this Agreement. Consequently, FAO and the European Commission, collectively or separately, will not entertain any request or accept any claim for indemnities resulting from such occurrence.

The text of Section 6.04 of Annex A shall be superseded in its entirety by the following:

The Service Provider will ensure that any agreement with any subcontractor requires such subcontractor (i) to maintain appropriate records to satisfy the requirements of Section 9.02 for a period of seven years after termination of the Agreement, or such longer period as has been notified to the Service Provider, and (ii) to provide FAO access to all documentation and sites related to the Services, including during implementation of field activities and after the Operational Period, for review and audit purposes.

The text of Section 9.02 of Annex A shall be superseded in its entirety by the following:

The Service Provider shall keep accurate financial records and maintain supporting documentation showing the utilization of inputs and funds under this Agreement and any other documentation related to the Services for a period of seven years following the Services End Date, or such longer period as has been notified by FAO, during which period FAO or the European Commission, or a person designated by them, or the relevant auditing authority (e.g. national audit office) shall have the right, at

any time, to conduct reviews and/or audits relating to any aspect of this Agreement. The Service Provider shall provide its full and timely cooperation with any such review or audit. Full and timely cooperation shall include, but not be limited to, making available employees or agents with knowledge of the project to respond to questions and granting to FAO, the European Commission, or other designated person or relevant authority, access at reasonable times and conditions to the Service Provider's premises or other sites where documentation related to this Agreement is kept or activities related to this Agreement are carried out.

The following sections shall be added at the end of Article XI, USE OF NAME, EMBLEM OR OFFICIAL SEAL, following Section 11.03:

Section 11.04 The Service Provider shall take all appropriate measures to publicize the fact that the Services have received funding from the European Union, including the display of the European Logo (twelve yellow stars on a blue background). Information given to the press, the beneficiaries of the Services, all related publicity materials, official notices and reports shall acknowledge that the Services were carried out "with funding from the European Union". Such measures shall be carried out in accordance with the Communication and Visibility Manual for EU External Actions laid down and published by the European Commission. This provision shall not apply in the event that publicity under this provision could put the staff of the Service Provider at risk.

Section 11.05 All publications by the Service Provider pertaining to the Services, in whatever form and whatever medium, including the internet, shall carry the following or a similar disclaimer: "This document has been produced with the financial assistance of the European Union. The views expressed herein can in no way be taken to reflect the official opinion of the European Union."

Section 11.06 If equipment, vehicles or major supplies are purchased in connection with the Services under this Agreement using funding received from the European Union, the Service Provider shall display appropriate acknowledgement on such vehicles, equipment or major supplies, including the display of the European Logo (twelve yellow stars on a blue background). These visibility requirements shall continue to apply until the successful completion of the Services as determined by FAO. Alternative visibility arrangements should be proposed and implemented where display of the European Logo or acknowledgment of the funding could jeopardize FAO or the Service Provider's privileges and immunities or the safety of staff or beneficiaries of the Services.

The following sections shall be added at the end of Article XVI, Essential Terms, following Section 16.06:

Section 16.07 ADDITIONAL EU STANDARDS. The Service Provider shall promote the respect of human rights and respect applicable environmental legislation including multilateral environmental agreements, as well as internationally agreed core labour standards. The Service Provider shall ensure an appropriate protection of personal data in accordance with its applicable rules and regulations.

The following sentence shall be added to the second paragraph of Section 16.03:

"A conflict of interest exists if the impartial and objective exercise of the functions of a person implementing the Services is compromised."

so that the second paragraph of that Section reads in its entirety as follows:

The Service Provider shall take all reasonable precautions to avoid any conflict of interest in the implementation of the Services. A conflict of interest exists if the impartial and objective exercise of the functions of a person implementing the Services is compromised. The Service Provider agrees that it shall inform FAO without delay of any situation constituting or likely to entail a conflict of interest, including any FAO personnel or first degree relatives of FAO personnel having an interest of any kind in the Service Provider's activities. The Service Provider warrants that no official, staff member or representative of FAO, or any family member of any such person, has any interest in, or derives any benefit from, this Agreement.

Additional Provisions

Instruction to FAO LoA Manager: here you should write either:

[None]

OR

[You should list here any additional relevant provisions, such as: special clauses negotiated between the donor and PSR; additional safeguards that you want to impose on the handing over of FAO's assets or non-expendables etc. that are not already covered in the Agreement itself]