



**Food and Agriculture Organization  
of the United Nations**

**FAO/GOVERNMENT COOPERATIVE PROGRAMME**

**PROJECT AGREEMENT**

1. (a) Upon request from the Ministry of Environmental Protection and Agriculture of Georgia (hereinafter referred to as "the Ministry"), and within the framework of its agreement with The European Union, (hereinafter referred to as "the Resource Partner"), the Food and Agriculture Organization of the United Nations (FAO) will provide assistance for the execution of the following Project.

**Project Title:           FAO support to Georgian agriculture sector under ENPARD III**

**Project Symbol:       GCP/GEO/011/EC**

(b) This Project Agreement sets out the basic conditions under which FAO will assist the Ministry of Environmental Protection and Agriculture of Georgia in the implementation of the Project.

(c) A detailed description of the Project, including background, rationale, project framework, budget, implementation and management arrangements, as well as oversight, monitoring, management information and reporting, is provided in the attached Project Document.

2. The achievement of the objectives set by the Project shall be the joint responsibility of the Ministry and FAO.

**FAO OBLIGATIONS**

3. FAO will be responsible for the provision, with due diligence and efficiency, of assistance as provided in the Project Document. FAO and the Ministry will consult closely with respect to all aspects of the Project.

4. Assistance under the Project will be made available to the Ministry, or to such entity as provided in the Project, and will be furnished and received (i) in accordance with relevant decisions of the Governing Bodies of FAO, and with its constitutional and budgetary provisions; and (ii) subject to the receipt by FAO of the necessary contribution from the Resource Partner. FAO will disburse the funds received from the Resource Partner in accordance with its regulations, rules and policies. All financial accounts and statements will be

expressed in United States Dollars and will be subject exclusively to the internal and external auditing procedures laid down in the financial regulations, rules and directives of FAO.

5. FAO's responsibilities regarding financial management and execution of the Project will be as stipulated in the Project Document. FAO may, in consultation with the Ministry, implement project components through partners identified in accordance with FAO procedures. Such partners will have primary responsibility for delivering specific project outputs and activities to the Project in accordance with the partner's rules and regulations, and subject to monitoring and oversight, including audit, by FAO.

6. Assistance under the Project provided directly by FAO, including technical assistance services and/or oversight and monitoring services, will be carried out in accordance with FAO regulations, rules and policies, including on recruitment, travel, salaries, and emoluments of national and international personnel recruited by FAO, procurement of services, supplies and equipment, and subcontracting. The candidacies of senior international technical staff for recruitment by FAO will be submitted to the Ministry for clearance following FAO procedures.

7. Equipment procured by FAO will remain the property of FAO for the duration of the Project. The Ministry will provide safe custody of such equipment, which is entrusted to it prior to the end of the Project. The ultimate destination of equipment procured under this Project will be decided by FAO in consultation with the Ministry and the Resource Partner.

#### OBLIGATIONS OF THE MINISTRY OF ENVIRONMENTAL PROTECTION AND AGRICULTURE OF GEORGIA

8. With a view to the rapid and efficient execution of the Project, the Ministry shall grant to FAO, its staff, and all other persons performing services on behalf of FAO, the necessary facilities including:

- i) the prompt issuance, free of charge, of any visas or permits required;
- ii) any permits necessary for the importation and, where appropriate, the subsequent exportation, of equipment, materials and supplies required for use in connection with the Project and exemption from the payment of all customs duties or other levies or charges relating to such importation or exportation;
- iii) exemption from the payment of any sales or other tax on local purchases of equipment, materials and supplies for use in connection with the project;
- iv) any permits necessary for the importation of property belonging to and intended for the personal use of FAO staff or of other persons performing services on behalf of FAO, and for the subsequent exportation of such property; and

- v) prompt customs clearance of the equipment, materials, supplies and property referred to in subparagraphs (ii) and (iv).

9. The Ministry will apply to FAO, its property, funds and assets, its officials and all the persons performing services on its behalf in connection with the Project: (i) the provisions of the Convention on Privileges and Immunities of the Specialized Agencies; and (ii) the United Nations currency exchange rate. The persons performing services on behalf of FAO will include any organization, firm or other entity, which FAO may designate to take part in the execution of the Project.

10. The Ministry will be responsible for dealing with any claims which may be brought by third parties against FAO, its personnel or other persons performing services on its behalf, in connection with the Project, and will hold them harmless in respect to any claim or liability arising in connection with the Project, except when it is agreed by the Ministry and FAO that such claims arise from gross negligence or wilful misconduct of such persons.

11. The Ministry will be responsible for the recruitment, salaries, emoluments and social security measures of its own national staff assigned to the project. The Ministry will also provide, as and when required for the Project, the facilities and supplies indicated in the Project Document. The Ministry will grant FAO staff, the Resource Partner and persons acting on their behalf, access to the project offices and sites and to any material or documentation relating to the Project, and will provide any relevant information to such staff or persons.

#### REPORTING AND EVALUATION

12. FAO will report to the Ministry (and to the Resource Partner) as scheduled in the Project Document.

13. The Ministry will agree to the dissemination by FAO of information such as project descriptions and objectives and results, for the purpose of informing or educating the public. Patent rights, copyright, and any other intellectual property rights over any material or discoveries resulting from FAO assistance under this Project will belong to FAO. FAO hereby grants to the Ministry a non-exclusive royalty-free license to use, publish, translate and distribute, privately or publicly, any such material or discoveries within the country for non-commercial purposes. In accordance with requirements of some Resource Partners, FAO reserves the right to place information and reports in the public domain.

14. The Project will be subject to independent evaluation according to the arrangements agreed between the Ministry, the Resource Partner and FAO. The evaluation report will be publicly accessible, in accordance with the applicable policies, along with the Management Response. FAO is authorized to prepare a brief summary of the report for the purpose of broad dissemination of its main findings, issues, lessons and recommendations as well as to make judicious use of the report as an input to evaluation synthesis studies.

#### FINAL PROVISIONS

15. Any dispute or controversy arising out of or in connection with the Project or this Project Agreement will be amicably settled through consultations, or through such other means as agreed between the Ministry and FAO.

16. Nothing in or related to any provision in this Project Agreement or document or activity of the Project shall be deemed: (i) a waiver of the privileges and immunities of FAO; (ii) the acceptance by FAO of the applicability of the laws of any country to FAO; and (iii) the acceptance by FAO of the jurisdiction of the courts of any country over disputes arising from assistance activities under the Project.

17. This Project Agreement may be amended or terminated by mutual written consent. Termination will take effect sixty days after receipt by either party of written notice from the other party. In the event of termination, the obligations assumed by the parties under this Project Agreement will survive its termination to the extent necessary to permit the orderly conclusion of activities, and the withdrawal of personnel, funds and property of FAO.

18. This Project Agreement will enter into force upon signature by the duly authorized representatives of both parties.

On behalf of the Ministry of Environmental  
Protection and Agriculture of Georgia

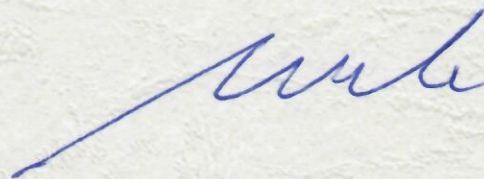
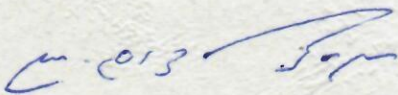
On behalf of the Food and Agriculture  
Organization of the United Nations (FAO)

Name: **Levan Davitashvili**

Name: **Raimund Jehle**

Title: **Minister for Environmental Protection  
and Agriculture, Georgia**

Title: **FAO Representative in Georgia**



Date:

Date:

On behalf of:  
The Ministry of Environmental Protection and  
Agriculture of Georgia

On behalf of:  
The Food and Agriculture  
Organization of the United Nations

Attachment: Project Document with  
Appendices