**Asset Transfers**

**Approach**

PP&E Policy should be reinforced – all transfers between development projects shall be accompanied by the transfer of resources between those projects.

Project document shall be reinforced and shall contain a designated article about the project assets and how they should be dealt with at the end of the project. Taking into account the nature of the UNDP operations, the preferred method would be to have project assets handed over to the Government or Implementing Partners when possible and beneficial for achieving the goals of the project.

If the Government would wish to donate the received project assets to be used by other UNDP managed projects, UNDP and the donor of the new project agree to this arrangement, a Donation from 3rd parties’ procedure shall be applied and followed:

* ***A letter of Donation shall be obtained from the Government;***
* ***A Fair Market Value for the donated assets shall be established by Country office;***
* ***Donated assets shall be recorded as In-kind contribution from the Government.***

Alternatively, where the Government would want to provide assets to UNDP for temporary use by another UNDP managed project, such assets should be considered as “on-loan” arrangement and shall not be recognized as UNDP assets.

* Where the Project Document is silent on the actions to be taken on assets at the end of the project, Project management shall agree with the respective Donor/s and Government counterparts on the assets disposal methods during or at the end of the project. In accordance with the established UNDP practice and business model, the preferred option would be for the management to recommend transferring assets to the Government/Implementing partners.