

**COST-SHARING AGREEMENT BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)
and
CADBURY HOLDINGS LIMITED (DONOR)**

WHEREAS the Donor has informed UNDP of its willingness to contribute funds (hereinafter referred to as "the contribution") to UNDP on a cost-sharing basis towards implementation of the project (Environmental Sustainability and Policy for Cocoa Production in Ghana) as more fully described in the ProDoc submitted to the Donor for information.

WHEREAS UNDP is prepared to receive and administer the contribution for the implementation of the project,

WHEREAS the Government of Ghana has been duly informed of the contribution of the Donor to the project,

WHEREAS UNDP shall designate an Implementing Partner for the implementation of the project (hereinafter referred to as "the Implementing Partner"),

NOW THEREFORE, UNDP and the Donor hereby agree as follows:

Article I. The Contribution

- A. The Donor shall contribute to UNDP the amount set out (US\$1,701, 602) in the schedule of payments set out below (amount in US dollars). The contribution shall be deposited in the UNDP contributions (USD) Bank Account No.

JPMORGAN CHASE BANK
UNDP Contributions Account
00023 1001
International Agencies Banking
015-002284
JP Morgan Chase Bank
CHASUS33
270 Park Avenue, 43rd Floor, New York
UNITED STATES

| <u>Schedule of payments</u> | <u>Amount</u> |
|-----------------------------|---------------|
| July 1 2012 | \$315,579.00 |
| January 1 2013 | \$643,579.00 |
| January 1 2014 | \$413,865.00 |
| January 1 2015 | \$328,579.00 |

The above schedule payments take into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of Project delivery in accordance with Article XIII.

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UNDP shall receive and administer the payment in accordance with the rules, regulations, policies and procedures of UNDP. UNDP shall ensure that the funds are used for the purpose that they were given and as described in the prodoc.

The Donor shall transfer directly on commencement of this Agreement i.e. 1 July 2012, and thereafter, at the beginning of each calendar year, its agreed and budgeted funds for the implementation of the project activities in that calendar year to the bank account nominated by UNDP within 30 days upon receipt of a valid request. For payments to be made at the beginning of each calendar year starting 1 January 2013, UNDP shall issue the request by 1st December of the previous year.

- B. (b) The Donor will inform UNDP when the contribution is paid via an e-mail message with remittance information to contributions@undp.org providing the following information: donor's name, UNDP country office, [Project no. and title], donor reference (if available). This information should also be included in the bank remittance advice when funds are remitted to UNDP.

Article II. Utilization of the Contribution

1. The execution/implementation of the responsibilities of UNDP and of the Implementing Partner pursuant to this Agreement and the project document shall be dependent on receipt by UNDP of the contribution in accordance with the schedule of payment as set out in Article I, paragraph 1, above.
2. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the Donor on a timely basis a supplementary technical and financial report also showing the further financing and revised budget that will be necessary. The Donor shall use its reasonable endeavors to obtain the additional funds required but is not committing to additional funding.
3. If the payments referred to in Article I, paragraph 1, above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph 2 above is not forthcoming from the Donor or other sources, the assistance to be provided to the project under this Agreement may be reduced, suspended or terminated by UNDP.
4. Any interest revenue attributable to the Contribution shall be credited to UNDP Account, retained by UNDP and shall be utilized in accordance with established UNDP procedures.

Article III. Administration and reporting

1. Project management and expenditures shall be governed by the regulations, rules and directives of UNDP and, where applicable, the regulations, rules and directives of the Implementing Partner.
2. UNDP headquarters and country office shall provide to the Donor all or parts of the following reports prepared in accordance with UNDP accounting and reporting procedures.
 - (a) From the country office (or relevant unit at headquarters in the case of regional and global projects) an annual status report of project progress for

the duration of the Agreement, as well as the latest available approved budget

- (b) From UNDP Bureau of Management/Office of Finance and Administration, an annual certified financial statement as of 31 December every year to be submitted no later than 30 June of the following year.
- (c) From the country office (or relevant unit at headquarters in the case of regional and global projects) within six months after the date of completion or termination of the Agreement, a final report summarizing project activities and impact of activities as well as provisional financial data.
- (d) From UNDP Bureau of Management/Office of Finance and Administration, on completion of the project, a certified financial statement to be submitted no later than 30 June of the year following the financial closing of the project.

3. If special circumstances so warrant, UNDP may provide more frequent reporting at the expense of the Donor. The specific nature and frequency of this reporting shall be specified in an annex of the Agreement.

Article IV. Administrative and support services

1. In accordance with the decisions and directives of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the Contribution shall be subject to cost recovery for indirect costs incurred by UNDP headquarters and country office structures in providing General Management Support (GMS) services. To cover these GMS costs, the contribution shall be charged a fee equal to 12%. Furthermore, as long as they are unequivocally linked to the specific project(s), all direct costs of implementation, including the costs of executing entity or implementing partner, will be identified in the project budget against a relevant budget line and borne by the project accordingly.

2. The aggregate of the amounts budgeted for the project, together with the estimated costs of reimbursement of related support services, shall not exceed the total resources available to the project under this Agreement as well as funds which may be available to the project for project costs and for support costs under other sources of financing.

Article V. Evaluation

All UNDP programmes and projects are evaluated in accordance with UNDP Evaluation Policy. UNDP and the Government of Ghana in consultation with other stakeholders will jointly agree on the purpose, use, timing, financing mechanisms and terms of reference for evaluating a project including an evaluation of its contribution to an outcome which is listed in the Evaluation Plan. UNDP shall commission the evaluation, and the evaluation exercise shall be carried out by external independent evaluators.

Article VI. Equipment

Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

Article VII. Auditing

The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules, policies and procedures of UNDP. Should annual

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Audit Report of the Board of Auditors of UNDP to its governing body contain observations relevant to the contributions, such information shall be made available to the Donor.

Article VIII. Advertisement of the contribution

1. Neither Party shall use the other party's name, emblem or registered trademarks, or any abbreviation thereof, in connection with its business or otherwise without the express prior written approval of the other party in each case, except as otherwise allowed herein. UNDP may list the Donor with other donors in connection with this project.
2. The Donor acknowledges that it is familiar with UNDP's ideals and objectives and recognizes that its name and emblem may not be associated with any political or sectarian cause or otherwise used in a manner inconsistent with the status, reputation and neutrality of UNDP.
3. The Donor may make representations to internal audiences (meetings and discussions) as needed about the fact of the contribution to UNDP. Any other use of the UNDP name or emblem, and any other form of recognition or acknowledgement of the contribution of the Donor are subject to consultations between the Parties, and the prior written agreement of UNDP.
4. UNDP will report on the contribution to its Executive Board in accordance with its regular procedures regarding contributions from private donors. Other forms of recognition and acknowledgement of the contribution are subject to consultations between the Parties, but the manner of such recognition and acknowledgement shall be determined at the sole discretion of UNDP.

Article IX. Completion of the Agreement

1. UNDP shall notify the Donor when all activities relating to the project have been completed.
2. Notwithstanding the completion of the project, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in the implementation of the project have been satisfied and project activities brought to an orderly conclusion.
3. If the unutilized payments prove insufficient to meet such commitments and liabilities, UNDP shall notify the Donor and consult with the Donor on the manner in which such commitments and liabilities may be satisfied.
4. In cases where the Project is completed in accordance with the project document any funds below 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be automatically reallocated by UNDP. Any funds above 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be reallocated by UNDP after consultation and agreement with the Donor.

Article X. Termination of the Agreement

1. After consultations have taken place between the Donor, UNDP and the programme country Government and provided that the payments already received are, together with other funds available to the project, sufficient to meet all commitments and liabilities incurred in the implementation of the project, this Agreement may be terminated by UNDP or by the Donor. The Agreement shall cease to be in force 30 (thirty) days after either of the Parties have given notice in writing to the other Party of its decision to terminate the Agreement.

2. Notwithstanding termination of this Agreement, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in implementation of all or part of the project for which this Agreement has been terminated have been satisfied and project activities brought to an orderly conclusion.

3. In cases where the Project is terminated in accordance with the project document any funds below 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be automatically reallocated by UNDP. Any funds above 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be reallocated by UNDP after consultation and agreement with the Donor.

Article XI: Notice

Any notice or correspondence between UNDP and the Donor will be addressed as follows:

(a) To the Donor: Cadbury Holdings Limited

Address: Cadbury Holdings
Cadbury House
Sanderson Road
Uxbridge, UB8 1DH

(b) Upon receipt of funds, UNDP shall send an electronic receipt to the Donor email address provided below as confirmation that the remitted funds have been received by UNDP

Donor email address: anna.swaithes@kraftfoods.com ; Elaine.bateman@kraftfoods.com

Attention: Clive Moore, Anna Swaithes

(c) To UNDP: Kamil Kamaluddeen, Country Director

Address: United Nations Development Programme Ghana
P.O. Box 1423, Accra, Ghana

Article XII. Miscellaneous Provisions

1. Neither Party shall be an agent, representative or joint partner of the other Party.

2. The Parties agree that it is important to take all necessary precautions to avoid corrupt practices. To this end, Kraft Foods acknowledges that UNDP has in place standards of conduct that govern the performance of its staff, including the prohibition of corrupt practices in connection with the award and administration of contracts, grants, or other benefits, as set forth in the Staff Regulations and Rules of the United Nations, the UNDP Financial Regulations and Rules, and the UNDP Procurement Manual.

Article XIII. Amendment of the Agreement

The Agreement may be amended through an exchange of letters between the Donor and UNDP. The letters exchanged to this effect shall become an integral part of the Agreement.

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Article XIV. Settlement of Disputes

1. The parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this agreement or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with UNCITRAL Conciliation Rules then obtaining, or according to such procedure as may be agreed between the parties.
2. Any dispute, controversy or claim between the Parties arising out of or relating to this agreement or the breach, termination or invalidity thereof, unless settled amicably under the preceding paragraph within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, shall be referred by either party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitral tribunal shall have no authority to award punitive damages. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

Article XV- Privileges and Immunities

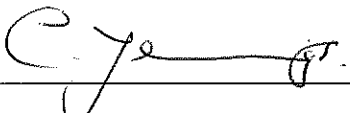
Nothing in this agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UNDP.

Article XVI. Entry Into Force

This Agreement shall enter into force upon signature by the parties.

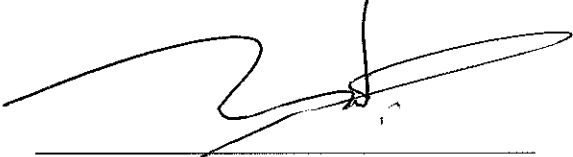
IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in the English language in two copies.

For the Donor: Cadbury Holdings Limited



(Date) 24 JULY 2012.

For the United Nations Development Programme Ghana:



Country Director
(Date) 06 July 2012

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