

# **UN AGENCY TO UN AGENCY CONTRIBUTION AGREEMENT**

## **A. SUMMARY OF ACTIVITIES**

**Title:** **Developing Climate Disaster Risk Financing Framework and Parametric Insurance in Fiji** (the "Activities")

**Start/End Dates:** Activities start date: Sept 2020  
Activities end date: March 2022

**Location:** Fiji

**Contribution Amount:** \$850,000 (the "Contribution")

**Contributing Agency:** United Nations Office for South-South Cooperation "UNOSSC"

**Recipient Agency:** United Nations Capital Development Fund "UNCDF"

**Nature of Activities:**

- Development of Climate Disaster Risk Financing framework, (CDRF) products for pilot testing.
- Technical Assistance.
- Developing and piloting parametric insurance
- Impact Monitoring and Knowledge Sharing.

**Purpose**

- developing better financial preparedness of Fiji towards climate change and natural hazards, leveraging India's experience in FinTech/InsurTech and fostering greater South-South Cooperation that will result in faster post disaster recovery, rebuilding of livelihoods and improved levels of resilience.
- developing and piloting inclusive market-based parametric insurance and hybrid financing instruments for the micro and meso levels using mobile and digital technologies.
- Increasing risk awareness and understanding in Fiji, preparing the enabling environment for the introduction of CDRF tools, including parametric (index based) insurance, and the creation of CDRF strategies.
- providing technical assistance to industry stakeholders and institutions to use digital linkages for products and payment delivery.
- providing support to industry stakeholder and institutions on educating individuals and consumers on the benefits of using insurance and other risk financing tools as part of a disaster risk management (DRM) strategy.

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**Annexes:** In the event that the terms contained in Annex(es) are  
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incompatible with those contained in this Agreement, then the latter shall govern and prevail.

**Annex 1:** Final signed project document

**Annex 2:** Annual work plan

**Expected outcome:**

- Enhanced understanding by the Fiji government and private sector of disasters and their financing needs.
- Enabling policies and regulations to facilitate access and usage of CDRF instruments.
- Improved Fiji government and industry stakeholder's preparedness to disasters.
- Individuals, communities and MSMEs have better understanding of market-based CDRF instruments.
- Individuals, communities, and MSMEs can respond and recover quicker with access to and usage of 1) market based CDRF instruments and 2) digital linkages and payments.

The Recipient Agency will be fully responsible for administering the Contribution in accordance with its financial regulations, rules, policies and procedures, and administrative instructions, and carrying out the Activities efficiently and effectively.

**B. BUDGET**

The total budget for the Activities is [ \$850,000 ], in USD, as more fully described below.

| <b>Summary of activities and BUDGET<sup>1</sup></b>      | <b>Year 1<br/>(Aug – Dec 2020)</b> | <b>Year 2<br/>(Jan – Dec 2021)</b> | <b>Total<br/>(all years)</b> |
|--|------------------------------------|------------------------------------|------------------------------|
| <b>Total programmable amount, including direct costs</b> | \$ 245,000                         | \$ 526,255                         | \$ 771,255                   |
| <b>UNCDF Costs (7 %)</b>                                 | 17,150                             | \$ 36,838                          | \$53,988                     |
| <b>Total (including UNOSCC costs)</b>                    | 262,150                            | \$ 563,093                         | \$825,243                    |
| <b>GMS/ UNOSSC (3%)</b>                                  | \$ 7,865                           | \$ 16,892                          | \$24,757                     |
| <b>Grand total</b>                                       | <b>\$ 270,015</b>                  | <b>\$ 579,985</b>                  | <b>\$850,000</b>             |

The Contributing Agency will not be responsible for any financial commitment or expenditure made by the Recipient Agency that exceeds the budget for the Activities. The Recipient Agency will promptly advise the Contributing Agency any time when the Recipient Agency is aware that the budget to carry out these Activities is insufficient to fully implement the Activities in the manner set out in the present Agreement, including its Annex(es). The Contributing Agency will have no obligation to provide the Recipient Agency with any funds or to make any reimbursement for expenses incurred in excess of the total budget as set forth herein.

**C. COSTS RECOVERY**

The Recipient Agency's support costs, determined in accordance with its cost recovery policy, will be paid from the Contribution, in accordance with the budget.

**D. REPORTING**

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**Narrative reporting:**

The Recipient Agency will provide the Contributing Agency with a narrative report on the progress of the Activities on a regular basis, as set out below.

- 1) Monthly updates in the form of 3-4 bullet points outlining progress in implementation;
- 2) Six-month progress Report. A semi-annual Review Report shall be prepared by the Project Manager and shared with the Project Board and the Outcome Board.
- 3) A final narrative report shall be due within three months of the end date of the Project.

**Financial Reporting:**

The Recipient Agency will provide UNOSSC with the following financial reports, prepared in accordance with UNCDF's financial regulations, rules, policies, procedures, and administrative instructions and using UNCDF's standard reporting format:

- (a) Quarterly interim financial reports to be submitted within one month of the end date of the quarter through the PDR modality;
- (b) A final certified financial statement is to be submitted within ninety (90) days of termination or expiration of this Agreement

**E. CONTRIBUTIONS**

The total amounts paid by the Contributing Agency shall match the total budget amount. For Activities less than one year in duration the Contribution will be paid to the Recipient Agency prior to the commencement of Activities. For multi-year Activities the Contribution will be paid in instalments according to the following schedule.

Schedule of payment:

|                |            |
|----------------|------------|
| Upon signature | \$262,150  |
| Jan 2021       | \$563, 093 |

The Contributing Agency acknowledges that the Recipient Agency will not pre-finance Activities. If the Contribution, or any part of it, is not received in a timely manner, the Activities may be reduced or suspended by the Recipient Agency with immediate effect.

The Contribution will be paid into the following account:

|                         |                                    |
|-------------------------|------------------------------------|
| <b>Account Details:</b> | <b>UN Capital Development Fund</b> |
| <b>Account Number:</b>  | <b>36349685</b>                    |
| <b>Bank Name:</b>       | <b>Citibank</b>                    |
| <b>ABA:</b>             | <b>021000089</b>                   |
| <b>SWIFT CODE:</b>      | <b>CITIUS33</b>                    |
| <b>Currency:</b>        | <b>US Dollars</b>                  |

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**Bank Address: 111 Wall Street, New York, NY**

When making such transfers the Contributing Agency will notify the Recipient Agency, UNCDF (for the Attention UNCDF - Developing Climate Disaster Risk Financing and Parametric Insurance in Fiji project), by e-mail ([uncdf.contributions@uncdf.org](mailto:uncdf.contributions@uncdf.org)) of the following: (a) the amount transferred; (b) the value date of the transfer; (c) that the transfer is from the Contributing Agency pursuant to this Agreement.

**F. INTELLECTUAL PROPERTY RIGHTS**

All Intellectual Property Rights related to the Activities will belong to the Recipient Agency. The Contributing Agency and, if applicable, the relevant programme Government will enjoy a perpetual, royalty-free, non-exclusive and non-transferable license.

**G. CORRESPONDENCE**

All correspondence regarding the implementation of this Agreement will be addressed to:

UNDP through United Nations for Office for South-South Cooperation ("UNOSSC")

Ms Sumeeta Banerji

Email: [sumeeta.banerji@unoss.org](mailto:sumeeta.banerji@unoss.org)

Telephone: +1 (212)906 5336

Address: 304 E, 45th Street, FF-1114, NewYork, NY 10017, USA

UNCDF: Krishnan Narasimhan, Deputy Programme Manager/Programme Management Specialist  
Level 4, Kadavu House, Victoria Parade, Suva, Fiji.  
Email: [Krishnan.narasimhan@uncdf.org](mailto:Krishnan.narasimhan@uncdf.org)

**H. AMENDMENTS**

The present Agreement, including its Annex(es), may be modified or amended only by written agreement between the two Agencies.

**I. COMPLETION OF THE ACTIVITIES**

The Recipient Agency will notify the Contributing Agency when all Activities have been completed.

The Recipient Agency will continue to hold any part of the Contribution that is unutilized at completion of the Activities until all commitments and liabilities incurred in the carrying out of the Activities have been satisfied and all arrangements associated with the Activities have been brought to an orderly conclusion.

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**J. TERMINATION OF THIS AGREEMENT**

This Agreement will terminate upon satisfaction of all commitments and liabilities incurred in carrying out the Activities and the orderly conclusion of all arrangements associated with the Activities.

This Agreement may be terminated by either Agency at any time by written notice to the other. Termination will be effective thirty (30) days after receipt of the notice. In the event of termination under this paragraph, the two Agencies will cooperate to ensure completion of the Activities, satisfaction of all commitments and liabilities, and the orderly conclusion of all arrangements associated with the Activities.

**K. REFUNDS OF UNSPENT BALANCES**

Upon termination of this Agreement and following the submission of the final financial report, any unspent balance of the Contribution (where the unspent funds exceed US\$1,000) will be returned to the Contributing Agency, unless otherwise agreed in writing by the two Agencies.

**L. SETTLEMENT OF DISPUTES**

The two Agencies will use their best efforts to promptly settle through direct negotiations any dispute, controversy or claim arising out of or in connection with this Agreement or any breach thereof. Any such dispute, controversy or claim which is not settled within sixty (60) days from the date either party has notified the other party of the nature of the dispute, controversy or claim and of the measures which should be taken to rectify it, will be resolved through consultation between the Executive Heads of each of the Agencies.

**M. ENTRY INTO FORCE AND VALIDITY**

This Agreement will enter into force upon its signature by the authorized representatives of the Parties and remain in force until terminated in accordance with Section J above.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in duplicate.

Signed:

*adel abdelatif*

04-Nov-2020

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On behalf of the UNDP through United Nations for Office for South-South Cooperation ("UNOSSC")  
Mr. Adel Abdellatif  
Director a.i.  
United Nations Office for South-South Cooperation

*June 2020*

Signed: On behalf of the United Nations Capital Development Fund:

*Judith Karl*



24-Sep-2020

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Judith Karl  
Executive Secretary

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