

**THIRD-PARTY COST-SHARING AGREEMENT
BETWEEN THE GOVERNMENT OF DENMARK REPRESENTED BY THE DANISH MINISTRY OF
FOREIGN AFFAIRS (THE DONOR) AND
THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)**

WHEREAS the Donor hereby agrees to contribute funds to UNDP on a cost-sharing basis (hereinafter referred to as "the Contribution") for the implementation of Project title (hereinafter referred to as "the Project"), as described in the Project document [Innovation Facility, 00081451], and submitted to the Donor for information. Add the Donor's reference, if any.

WHEREAS UNDP is prepared to receive and administer the Contribution for the implementation of 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

1. (a) The Donor shall, in accordance with the schedule of payments set out below, contribute to UNDP the amount of 3,300,000 DKK. The Contribution shall be deposited in the

Bank:	Danske Bank (Denmark)
Address:	Holmens Kanal 2-12 1092 Copenhagen K, Denmark
Account name:	UNDP Contributions account
Account number:	3996034445
SWIFT:	DABADKKK
IBAN#:	DK0830003996034445
Acc. Code:	1002
Bank Code	00018

Schedule of payments

Amount

15.02.2016

3,300,000 DKK

office, [Innovation Facility, 00081451], donor reference (if available). This information should also be included in the bank remittance advice when funds are remitted to UNDP.

2. The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the Donor with a view to determining whether any further financing could be provided by the Donor. Should such further financing not be available, the assistance to be provided to the Project may be reduced, suspended or terminated by UNDP.
3. The above schedule of payments takes 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.
4. UNDP shall receive and administer the payment in accordance with the rules, regulations, policies and procedures of UNDP.
5. All financial accounts and statements shall be expressed in United States dollars.

Article II. Utilization of the Contribution

1. The 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. UNDP shall not start the implementation of the activities prior to receiving the Contribution or the first tranche of the Contribution (whichever is applicable).
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 estimate showing the further financing that will be necessary. The Donor shall use its best endeavours to make available to UNDP the additional funds required.
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 income 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 rules, regulations, policies and procedures of UNDP and, where applicable, the rules, regulations, policies and procedures of the Implementing Partner.

2. UNDP shall provide to the Donor the following reports in accordance with UNDP accounting and reporting procedures.

[2.1 For agreements of one year or less

(a) 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 this Agreement, a final report summarizing Project activities and impact of activities as well as provisional financial data;

(b) From UNDP Bureau of Management/Office of Finance and Administration, an annual certified financial statement as of 31 December to be submitted no later than 30 June of the following year;

(c) 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 nature and frequency of this reporting shall be detailed in an annex to this Agreement.

4. The Parties agree that it is important to take all the necessary precautions to avoid corrupt practices. To this end, UNDP shall maintain 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 IV. Administrative and support services

1. In accordance with the decisions, policies and procedures 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 8%. Furthermore, as long as they are unequivocally linked to the Project, all direct costs of implementation, including the costs of 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 [insert the programme country] 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 the annual Audit Report of the UN Board of Auditors to its governing body contain observations relevant to the Contribution, such information shall be made available to the Donor by the country office.

Article VIII. Completion of the Agreement

1. UNDP shall notify the Donor when all activities relating to the Project have been completed in accordance with the Prodoc.

2. Notwithstanding the completion of the Project, UNDP shall continue to hold unutilized funds from the Contribution until all commitments and liabilities incurred in implementation of the Project have been satisfied and Project activities brought to an orderly conclusion.
3. If the unutilized funds 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 with the Donor.

Article IX. Termination of the Agreement

1. This Agreement may be terminated by UNDP or by the Donor after consultations between the Donor, UNDP and the programme country Government, and provided that the funds from the Contribution 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 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 this Agreement.
2. Notwithstanding termination of all or part of this Agreement, UNDP shall continue to hold unutilized funds until all commitments and liabilities incurred in the implementation of all or the part of the Project have been satisfied and Project activities brought to an orderly conclusion.
3. In cases where this agreement is terminated before Project completion 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 with the Donor.

Article X: Notice

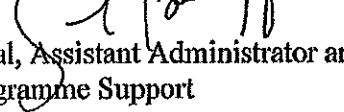
Any notice or correspondence between UNDP and the Donor will be addressed as follows:

- (a) To the Donor: Ib Petersen, Ambassador, Permanent Representative of Denmark to the United Nations

Address: Permanent Mission of Denmark to the United Nations in New York
One Dag Hammarskjöld Plaza,
885 Second Avenue, 18th fl.
New York, N.Y. 10017-2201

- (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: ibpete@um.dk; kitcla@un.dk
Attention: Ib Petersen;

- (c) To UNDP: Magdy Martinez-Soliman 
Assistant Secretary-General, Assistant Administrator and Director
Bureau for Policy and Programme Support
UNDP

Address: United Nations Development Programme
Bureau for Policy and Programme Support
304 East 45 Street, 16th floor
New York, NY 10017
USA

Article XI. Amendment of the Agreement

This 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 this Agreement.

Article XII. Entry Into Force

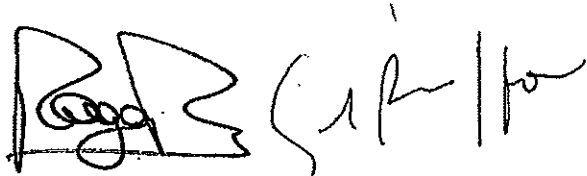
This Agreement shall enter into force upon the signature of this Agreement by the parties hereto, on the date of the last signature.

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



For the Donor:
Ib Petersen
Ambassador,
Permanent Representative of Denmark
to the United Nations

2/11/2016



For the United Nations Development Programme:
Magdy Martinez-Soliman
Assistant Secretary General, Assistant Administrator and Director
Bureau for Policy and Programme Support
United Nations Development Programme

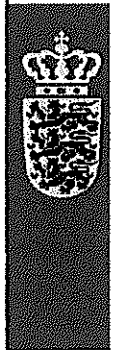
P 2/9/16



PERMANENT MISSION OF DENMARK TO THE UNITED NATIONS
New York

Ms. Helen Clark
Administrator
UNDP
1 United Nations Plaza
New York, NY-10017

One Dag Hammarskjöld Plaza
885 Second Avenue, 18th Floor
New York, NY 10017
Phone: +1 (212) 308-7009
Fax: +1 (212) 308-3384
E-mail: nycmis@um.dk
<http://fmnewyork.um.dk>



File
2015-54723

2 December 2015

Helen
Dear Ms. Helen Clark,

After negotiations among political parties in Denmark the final draft Finance Act for 2016 has today been published in Copenhagen. As mentioned to Assistant Administrator Michael O'Neill on Saturday, the final draft Finance Act includes a larger adjustment to the budgets for development cooperation than originally expected. In total the further adjustment amounts to 1.8 billion DKK.

The reason for this is that a higher number of refugees are expected to arrive in Denmark; consequently more funds will be needed for pre-asylum-related costs.

Accordingly, it has been necessary to make new, but minor adjustments to the Danish contributions for all UN funds and programmes in New York – adjustments have basically been made proportionate to the level of funding envisaged for each of these organisations in the first draft Finance Act for 2016.

As a result, the new draft Finance Act includes Danish core-contributions to UNDP amounting to 148 million DKK, and 10 million DKK for the innovation facility – this is in total 22 million DKK less than the amount included in the first draft Finance Act.

Please also note that disbursement of the 2016 annual contribution will be made in two tranches: One third of the 158 million DKK will be transferred to UNDP during the first quarter of 2016; the last two thirds are expected to be provided during the last quarter of 2016.

I would once again like to emphasize that the adjustments are in no way a reflection of any dissatisfaction with the productive cooperation between Denmark and UNDP.

I look forward to our continued constructive cooperation.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Ib Petersen', written in a cursive style.

Ib Petersen
Ambassador
Permanent Representative

PERMANENT MISSION OF DENMARK TO THE UNITED NATIONS
New York

Ms. Helen Clark
Administrator
UNDP
1 United Nations Plaza
New York, NY-10017

One Dag Hammarskjöld Plaza
885 Second Avenue, 18th Floor
New York, NY 10017
Phone: +1 (212) 308-7109
Fax: +1 (212) 308-3384
E-mail: nyemis@un.dk
<http://fanewyork.un.dk>



File
2015-54723

19 October 2016

Dear Ms. Helen Clark,

In continuation of my letter of 12 February 2016 I am happy to inform you that I have now been authorized to announce that Denmark commits to provide further funding for UNDP's core resources 2016, amounting to

DKK 71,800,000
(Danish Kroner seventy-one point eight million)

This contribution will be released at a later date that has not yet been decided upon, and shall be subject to UNDP Financial Regulations and Rules. For your information, at a later date possibly one further, small tranche of core funding will be provided for this year; this is however not yet confirmed.

As a supplement to this contribution and as per the cost-sharing agreement signed between the Government of Denmark and UNDP on 12 February 2016 (attached), Denmark also commits to provide a further contribution to the UNDP Innovation Facility in the amount of

DKK 6,700,000
(Danish Kroner six point seven million)

This contribution is ready for immediate disbursement upon your formal request.

You are kindly requested to forward a formal request for the transfer of the above-mentioned funds, including updated information about bank details. The Permanent Mission of Denmark will initiate the transfer of the core contribution once it is released by the relevant authorities in

Copenhagen, and the funds for the Innovation Facility immediately after the receipt of your request.

Upon notification that the transfers have been made, you are kindly requested to forward official receipts with reference to the above file number.

Yours sincerely



Ib Petersen
Permanent Representative



Empowered lives. Resilient nations.

26 October 2016

Excellency, *Jens Ib,*

I write in reference to your letter to the Administrator of 19 October 2016, regarding Denmark's contribution to UNDP's core resources and for the Innovation Facility for 2016. As discussed this morning, I am pleased to submit the request to release the partial second tranche of the 2016 Core contribution for DKK71.8M and the second tranche for the Innovation Facility for DKK6.7M. I hope that Denmark will be able to deliver on its 2016 core funding pledge in full. I would be grateful for the disbursement of the payment to the following account:

Bank: DANSKE BANK (DENMARK)
Address: Holmens Kanal 2-12, 1092 Copenhagen K., Denmark
Account Name: UNDP Contributions Account
Account number: 3996034445
Swift Address: DABADKKK
Bank Code: 00018
Acct Code: 1002

I would like to extend my sincere appreciation to the Government of Denmark for its continued support to UNDP.

Please accept, Excellency, the assurances of my highest consideration.

Yours ever,
Michael
Michael O'Neill

Assistant Secretary-General and Assistant Administrator
Bureau of External Relations and Advocacy

His Excellency
Mr. Ib Petersen
Permanent Representative of Denmark
to the United Nations
New York