

The Hashemite Kingdom of Jordan



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Resilient nations.*



Ministry of Agriculture



Ministry of Environment

The Hashemite Kingdom of Jordan

Tripartite Agreement

Between

The Ministry of Agriculture

Ministry of Environment\ Jordanian Badia Restoration Program

United Nations Development Program (UNDP)

To implement project

Establishment of Permanent Exhibition for Badia and Rural Products

January 2020

Project Implementation Agreement

Establishment of Permanent Exhibition for Badia and Rural Products

First Party: Ministry of Agriculture, represented by the Minister of Agriculture

Second Party: Ministry of Environment\ Badia Restoration Program, represented by the Minister of Environment

Third Party: United Nations Development Program (UNDP) in Jordan, represented by the Resident Representative

Duration: (48) forty eight months, effective on the date of signing this agreement

Total amount of the agreement: (2,569,050) two million, five hundred, sixty-nine thousand and fifty Jordanian Dinar.

Introduction:

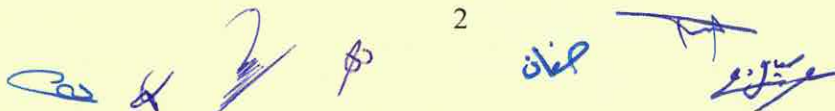
In their decisions No. 248.S\AC.26\Dec and No. 258.S\AC.26\Dec of 2005 in June 2005, the Environmental Compensation Committee and the Governing Council of the United Nations agreed on granting Jordan an amount of 160,582,073 USD to restore the eco systems that were deteriorated in the Jordanian Badia due to the influx of refugees and their livestock during the Gulf War 1990\1991, the Environmental Compensation Program was established in the Ministry of Environment to manage these funds through implementing the land ecosystems restoration themes and activities in the Jordanian Badia.

The main objective of restoring the land ecosystems in the Jordanian Badia is to restore the rangelands, water resources and wildlife in the Jordanian Badia and increasing its productivity, in addition to protecting its wildlife with the participation of the local communities to realize the sustainable development.

The program developed the community action plan to restore the rangelands, water resources and wildlife in the Jordanian Badia and increase its productivity, in addition to protect its wildlife with the participation of the local communities to realize the sustainable development goals(Annex No.1), based on the outputs of a fundamental data study which took place in those areas in 2009/2010 where it addressed the targeted areas in terms of soil, water, wildlife, plant cover, the economic and social features of the inhabitants who live in those areas and utilize their resources. The plan, which is being implemented to restore the rangelands and improving the livestock productivity in the Jordanian Badia demonstrated the importance of assisting the local community in establishing productive projects and activities that would enhance its income, one of these important projects is the Establishment of Permanent Exhibition for Badia and Rural Products, which aims at promoting the natural and socio-economic values of Jordan Badia and its adjacent rural areas through promoting for the traditional and local products of those areas.

Throughout the last three years and with a financial support from the Badia Restoration Program, UNDP started the implementation of two projects that aim at enhancing the livelihood of the sheep farmers in the three Badia regions through developing the value chain of the dairy products and enhancing sheep wool productivity and profitability, where the projects were implemented

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through cooperating with many of the local cooperative societies as means to improve the social and economic operations on the local level in the regions of Badia and rural areas; for the cooperation sector plays a role in the enhancement of the national economy; as it contributes to income generating, job opportunities dreation, poverty and unemployment reduction particularly in the Badia and rural areas.

The lessons learned from the wool and dairy projects which are funded by the Ministry of Environment through the Badia Restoration Program in the Jordanian Badia which is implemented by the UNDP, have shown that the local community cooperatives in the Badia and the surrounding rural areas are faced with big challenges, topped by reaching out to the large consumer markets due to the following reasons:

- The long distance between the production areas in the Badia and the rural areas, and the large consumer centers in the cities.
- Reliance of promotion on the individual efforts which is ineffective.
- Lack of specialized marketing outlets that can be utilized by the co-operations to promote for their products.

Represented by the Badia Restoration Program, the Ministry of Environment, the Ministry of Agriculture and UNDP realized the importance of the previously mentioned challenges, and accordingly agreed on exploring the available potentials to establish a permanent marketing platform in Amman through which it can promote for the natural and socio- economic values of the Jordanian Badia and its adjacent rural areas by promoting for the traditional and local products of those areas.

In light of the considerable experiences of the UNDP in Jordan in working with the local communities in the Jordanian Badia, experts of the program, Advisory Committee and the Steering Committee have recommended to engage the services of the UNDP, which developed and submitted the project proposal the "Establishment of Permanent Exhibition for Badia and Rural Products".

Based on the recommendation of the Ministry of Environment and the Ministry of Agriculture, the Prime Ministry approval was issued under its letter No. 9\13\1\25719 dated 26\6\2019, accordingly this Agreement has been regulated to implement this project of establishing the permanent exhibition and managing it for two years to ensure its continuity (Annex No.2), as this project is expected to contribute to the implementation of the relevant activities in the community action plan.

After reviewing the resolution of the Governing Council of the United nations No. 248.S\ AC.26\ Dec of 2005 and Resolution No. 258.S\ AC.26\ Dec of 2005, and the project's action plan stated within the activities of the Badia Restoration Program action plan, UNDP agreed on implementing the this project's activities according to Annexes No. (1) and No. (2), the items of this Agreement, the financial budget described in Annex No. (2), and in alignment with the independent auditors' requests and the Program's Advisory Group.

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Article One:

This Agreement's introduction and annexes are integral parts of the agreement and shall be read with it.

Article Two: Definitions

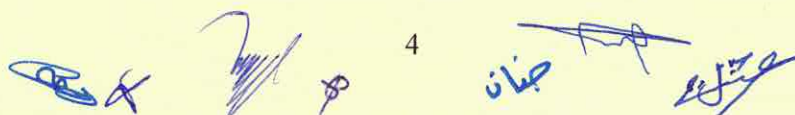
The following words and phrases shall have the following definitions, unless stated otherwise in the text:

Word\ phrase	Definition
project	Establishment of Permanent Exhibition for Badia and Rural Products
action plan	The total activities related to this agreement, time plan and the budget to be implemented as described in Annex (2)
agreement	All the items and articles described in this agreement, in addition to all its annexes which are considered as integral parts of it, and they are: the community action plan for the Environmental Compensation Program (Annex No. 1). The to- be implemented project action plan and the financial budget to implement the project (Annex no. 2)
UN Environmental Compensation Committee	United Nations Compensation Committee (UNCC) which was composed by the Governing Council of the United Nations to follow up with the Environmental Compensation Program and the projects for states affected by the Gulf War 1990\ 1991
community action plan	The community action plan for the Environmental Compensation Program CAP for the years 2011-2019 enclosed a compact disc
site of the to- be established exhibition	Plot No.3746, block No. 15 of Kherbet Al Suweifyya in the district of West Amman Lands in Amman Municipality and registered in the name the Kingdom's Treasury, Ministry of Agriculture
Project's Steering Committee	The project's Steering Committee which will be composed by a decision from the Minister of Environment and comprises representatives from the three parties to provide the project's required technical and administrative support and to facilitate its technical team work.

Article Three:

The Third Party commits to realizing the project's goal and its expected main outcomes in the location where the exhibition will be constructed on, in cooperation and constant coordination with all the project's partners and in accordance with the agreed upon project's document (Annex 2).

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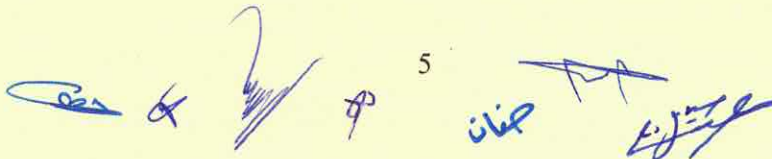


Article Four: (Duration)

1. The implementation of this Agreement shall be effective on the date of signing it and expires after four years from it and includes the phase of start-up for two years and the phase of preparation and operating for another two years.
2. During the implementation of the project's action plan, if the Third Party finds that there's a necessity to extend the work duration to complete some of the activities and realize their full objectives post to the stipulated time of completion stated in paragraph (1) of this Article, then the Third Party shall notify the Second Party in writing with regards to the required justifications for the extension, at least two months before the end of the stipulated completion date stated in Paragraph (1) of this Article. Extension can take place with the written approval from the Second Party on these justifications and in accordance with the duration perceived suitable by the Second and the Third Parties, without the Second Party bearing any additional costs aside from the ones stated in the agreement's budget which is described in Annex No. (2).

Article Five: (Parties' Responsibilities and Obligations)

1. Each Party is responsible for their part according to the terms of this agreement and the activities stated in the action plan of this agreement and is bound to all of this agreement's articles and items.
2. The Third Party shall implement all the activities and the action plan stated in this project's action plan which is stated in Annex No. (2) and in accordance with the Program's community action plan Annex No. (1).
3. The Third Party provides the Second and the Third Parties with a copy of the studies, designs and the proposed solicitation documents
4. The Third Party recruits the human resources and delineates their responsibilities to fully implement the activities of this agreement and in accordance with the Third Party's in- force regulations and procedures on the condition that the Second Party bears no additional amounts aside from the agreement's budget, and the Third Party shall implement all of this agreement's activities according to the plan and when receiving the due funds, and the third Party is not bound to fund any activity in advance.
5. The Third Party recruits a project manager or coordinator with authorities and duties that serve realizing the project's goals where he is the focal point with the Second Party to discuss the project's related administrative, technical and financial issues.
6. The Third Party is committed to all its obligations stated in this agreement, following up with the implementation on ground, developing the required periodic reports about work progress and submitting them to the Second Party.
7. The Third Party shall ensure that all the staff working in the project have no direct interest in any of the project's activities and that their recruitment process was subject to transparency and integrity criteria.
8. The Third Party is fully responsible for the project's staff and must make sure that they perform their assigned duties, responsibilities and tasks fully and in a way that serves the project's goals.
9. The Third Party is fully responsible for all the activities and services performed by the project's cadre, and the project's staff shouldn't act as employees or deputies for the First or Second Parties.
10. The Second Party, follow up members, Supervisory Committee, assessment unit, staff of the Environmental Compensation Program, independent auditors and the program's advisory group have the right to follow up and assess the project's activities and delivery reports. The Third Party

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conducts financial auditing exclusively according to the single audit principle applicable in the UN, and the financial budget allocated to cover the project's activities is exclusively subject to the internal and external auditing procedures which are stipulated by the in- force UNDP procedures, policies, rules and financial systems.

11. The Three Parties cooperate to obtain all the necessary and proper licenses and permits for the realization of the project's goals; hence the Three Parties cooperate in the development of reports, statements, sheets or the submission of any of the project related data to the bodies responsible for the issuance of such permits according to the Jordanian legislations.

12. The First and the Second Party bear no responsibility for the implemented activities related requests as per this agreement, or any requests from the individuals who report to the Third Party due to death, injury, disability, property damages or other hazards that the workers in this project might be exposed to as a result of this work.

13. The Third Party has to provide the Second Party with copies of all the studies, solicitation documents and the available data properly, and copies of any maps and photos that were developed during the project's activities, and the Third Party is obliged to implement the agreement and the project's activities according to the Third Party's in- force procedures, rules and financial regulations (and these include the relevant aspects starting with the accounts, asset disposal, accounts reviewing and auditing, cost recovery- through imposing fees on the public administration support services which are stated in Annex No. 2 - procurements, project management and reporting).

14. The Second Party funds the total cost of the project according to the provision of this agreement and in accordance with the budget items stated in Annex No. (2)

15. The Project's Steering Committee follows up with the Project's implementation phases and submits any recommendations to the Second Party.

Article Six: Technical and Financial Reports

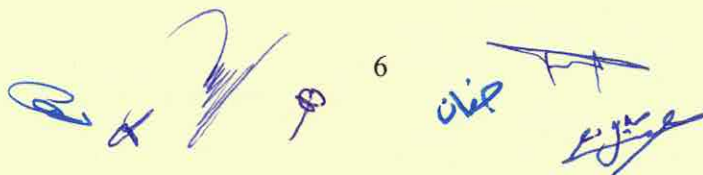
1. The Third Party provides the First and Second Parties with the inception report no later than three weeks from the date of signing this agreement; the report shall include results of the initial consultations with all the relevant bodies, project partners, detailed implementation action plan and the time schedule of the activities implementation. In case the inception report includes any modifications on the action plans and project's activities, the report becomes the approved reference instead of Annex No. (2) with the written approval of the Second Party on it.

2. The Third Party provides the Second Party with a quarterly work progress report (every 3 months, and a copy of it to the First Party in the form of an electronic version in a compact disc and three printed copies where detailed information (technical and financial) about the different activities in the work progress are included, and this should include the available data, and provides the option of reviewing the financial report by the Second Party.

3. The Third Party provides the Second Party with a final report, and a copy to the First Party at the end of the project, the Third Party provides the First Party and the Second Party with the final report in the form of an electronic version on a compact disc and three printed copies, the final report must include the following:

- A detailed description of the entire project related technical and financial aspects, and detailed information about the available activities and detailed data, all the graphs, tables and supporting photographs.
- Highlights on the accomplishments according to the expected results

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Article Seven: Agreement Financing and Payments

1. The total amount of this agreement is (2,569,050) two million, five hundred sixty-nine thousand and fifty Jordan Dinar, the amount is inclusive of all the expenses that might ensue this project implementation during the period starting from the commencement of this agreement until its end (stated in Annex No.2).
2. The total cost of this agreement (stated in Item No. 1 of this Article) is the cap to all of this agreement's activities and shall not be exceeded.
3. Reallocation between this agreement's budget lines shall not take place unless the Third Party provides the required justifications to be approved in writing by the Second Party.
4. The second party fully funds the budget for both the establishing and operating the exhibition phases, however, in case any funding from other local or international entities is provided, it shall be deducted from the Second Party's obligation so that the budget cap is stable.
5. The cost of the project shall be transferred to the Third Party as follows:
 - 40% of the project total financing shall be paid to the Third Party once it submits the inception report and the Second Party approves it, on the condition that the preliminary studies and the project launching expenditures which had been covered by the UNDP are covered retrospectively from this payment, pursuant to the letter of H.E. Minister of Environment No. 6\2\7743 dated September 8, 2019.
 - 40% of the project's total financing shall be paid to the Third Party once it provides the first delivery report which includes the construction schemes, and approved by the Second Party, on the condition that the Third Party had spent no less than 80% of the first payment, the first and second payments are considered as a funding to Phase No. 1.
 - 10% of the project's total financing shall be paid to the Third Party after the completion of Phase No. 1, where the Third Party had completely spent the entire first payment and at least 80% of the second payment, and the delivery report is submitted and approved by the Second Party.
 - 10% of the project's remaining financing shall be paid to the Third Party upon submission of technical and financial report to the Second Party on the condition that the Third Party had spent at least 80% of the third payment.

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 Third Party 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, the Third Party shall inform the First and Second Parties with a view to determining whether any further financing could be provided by the First and Second Parties. Should such further financing not be available, the activities under the Project may be reduced, suspended or terminated by Third Party.

Article Eight: Ownership of Machinery, Equipment and Constructions

The ownership of the project with all its constructions and contents of machinery and equipment are transferred to the First Party after the completion of the project.

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Article Nine: Settlement of Disputes

If any dispute takes place due to the implementation of the terms, articles and provisions of this agreement, it shall be resolved amicably according to what is stated by Article XII in the agreement between the Government of the Hashemite Kingdom of Jordan and the United Nations Development Program (Annex No. 3)

Article Ten: Amendments

This agreement, any of its items or annexes shall not be amended unless there is a written agreement between the Parties to do so.

Article Eleven: Exhibition Management

1. UNDP operates the entire project's administrative and operational activities for no more than two years after the establishment of the exhibition in accordance with the UNDP in- force financial and administrative regulations in order to develop and experience the proper financial and operational systems including the financial and l management.
2. The administrative and financial arrangements concerning the exhibition handover shall be identified at least two months before the final handover through an ad hoc committee that represents all the project's related parties.

Article Twelve: Agreement Components

This agreement consists of twelve articles including this article and three annexes which are:

1. The community action Plan of the Environmental Compensation Program (Badia Restoration Program) (Annex No. 1).
2. The project's to- be implemented action plan and the financial budget to implement the project (Annex No. 2)
3. The agreement between the government of the Hashemite Kingdom of Jordan and the United Nations Development Program (UNDP) which is an integral part of this agreement (Annex No. 3)

Based on the above, this agreement was signed in Amman on.....on.....\.....\ 2020 in Arabic and English versions and the English copy shall be adopted in case of divergent views.

In witness whereof, this agreement has been signed below by the duly authorized representatives of the contracting parties

First Party
Ministry of Agriculture


Minister of Agriculture
Eng. Ibrahim Al
Shahahdeh

Second Party
Ministry of Environment
Badia Restoration
Program

Minister of Environment
Dr. Saleh Al- Kharabsheh

Third Party
United Nations
Development Program

Resident Representative
Sara Ferrer Olivella


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