

## **Cost-sharing agreement between the Norwegian Ministry of Foreign Affairs and the United Nations Development Program regarding Socioeconomic Integration for Youth in Mopti, Timbuktu and Gao Regions in Mali.**

WHEREAS the United Nations Development Programme (UNDP) and the Norwegian Ministry of Foreign Affairs (MFA) have agreed to cooperate in the implementation of Socioeconomic Integration for Youth in Mopti, Timbuktu, and Gao Regions in Mali (the Project),

WHEREAS UNDP and the Government of Norway concluded a Framework Agreement on 2 December 2003 (the Framework Agreement) setting out the general arrangements for receipt and use of resources from Norway,

WHEREAS MFA hereby agrees to contribute funds to UNDP on a cost-sharing basis for the implementation of the Project,

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

WHEREAS the Government of Mali has been duly informed of the contribution of MFA to the Project,

WHEREAS UNDP shall designate an Implementing Partner for the implementation of the Project (the Implementing Partner),

NOW THEREFORE UNDP and MFA hereby agree as follows:

### **Article I Scope and objective**

1. This Agreement together with the Framework Agreement sets forth the terms and procedures for MFA's contribution to the Project which is summarized in Annex I to this Agreement and more fully described in the Project Document Socioeconomic Integration for Youth in Mopti, Timbuktu and Gao Regions, dated 05 October 2015,
2. The Goal of the Project is to provide Socioeconomic Reintegration for people affected by the 2012 crisis.
3. The Objectives of the Project are to:
  - Rehabilitate the Gao vocational training center
  - Equip the Gao vocational training center
  - Provide 1.350 youth (450 in Mopti and Douentza, 450 in Timbuktu, and 450 in Gao) with training and ensure their socioeconomic reinsertion

### **Article II The Contribution**

1. MFA shall, subject to Parliamentary appropriation and on the terms and conditions set forth in this Agreement, and Article II, Paragraph 5 of the Framework Agreement in accordance with the schedule of payments set out below, contribute to UNDP an amount not exceeding NOK 18.000.000,- to be used exclusively to finance the Project and cover the costs referred to in Article VI, Paragraph 1 covering the planned period 2015-2018. The contribution shall be deposited in DnB, UNDP Contributions Account #7001-02-43287, Stranden 21, Aker Brygge, 0021 Oslo, Norway, or for US\$, JP Morgan Chase

Bank, UNDP Contributions Account #015-002284:

Tentative Schedule of payments	Amount
2015	NOK 6.000.000,-
2016	NOK 6.000.000,-
2017	NOK 6.000.000,-

UNDP shall promptly upon identification in writing acknowledge receipt of the funds.

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 MFA with a view to determining whether any further financing could be provided by MFA. Should such further financing not be available, the assistance to be provided to the Project may be reduced, suspended or terminated by UNDP.

2. After consultation with UNDP, MFA may withhold disbursements in case of:
  - a. substantial deviations from agreed plans and budgets;
  - b. failure of UNDP to provide the reports in Article IV as agreed;
  - c. evidence of financial mismanagement of the Project.

MFA may claim repayment in full or in part of funds from the contribution to the extent UNDP has been able to obtain repayment from the negligent party if the funds are found to be misused or not satisfactorily accounted for. Such repayment shall be in accordance with the Financial Regulations and Rules of the UNDP. Before withholding disbursement or reclaiming payment, UNDP and MFA shall consult with a view to resolving promptly the matter. UNDP reserves the right to reduce, suspend or terminate the activities, in its sole discretion.

#### **Article III Utilization of the Contribution**

1. The implementation of the responsibilities of UNDP 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 II, Paragraph 1.
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 MFA on a timely basis a supplementary estimate showing the further financing that will be necessary.
3. If the payments referred to in Article II, Paragraph 1 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 MFA or other sources, the assistance to be provided to the Project under this Agreement may be reduced, suspended or terminated by UNDP.

#### **Article IV Administration and reporting**

1. For the implementation of this Agreement MFA shall be represented by the Royal Norwegian Embassy in Accra and UNDP by UNDP Mali. All communication concerning the Project shall be between the abovementioned representatives.
2. Representatives of MFA and UNDP shall have annual consultations once a year tentatively in the 2<sup>nd</sup> quarter, in accordance with the Framework Agreement Article VIII, in order to:
  - a. review the progress of the Project

- b. discuss possible revisions of plans and budgets
- c. discuss issues of special concern for the implementation of the Project.
3. The documents specified in the Framework Agreement Articles V and VI shall form the basis for the annual consultations. Representatives from Mali and the other donors involved may be invited to the meetings.
4. Project management and expenditures shall be governed by the Financial Regulations and Rules of UNDP. If matters arise during the execution of the Project, which are considered by UNDP of substantive character, UNDP shall inform and consult with MFA. UNDP shall ensure that the contribution is recorded in the accounts of UNDP and reported together with all other (non-core) resources to UNDP from Norway.
5. UNDP headquarters and country office shall provide reporting to MFA as outlined in the Framework Agreement prepared in accordance with UNDP accounting and reporting procedures.
6. If special circumstances so warrant, UNDP may provide more frequent reporting at the expense of MFA. The specific nature and frequency of this reporting shall be specified in an annex of the Agreement.

#### **Article V Evaluation**

All UNDP programs and projects are evaluated in accordance with UNDP Evaluation Policy. UNDP 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. UNDP shall forward without delay to MFA any review and/or evaluation report pertaining to activities funded under this Agreement subject to UNDP policies and procedures.

#### **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 Management 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 8%. Furthermore, as long as they are unequivocally linked to the specific Project, 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 VIII Audit**

Arrangements for audit of Project activities are as set forth in the Framework Agreement.

#### **Article IX Anti-corruption**

The Parties agree that it is important to take all 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 contract, grant, 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 X Completion, termination and amendments**

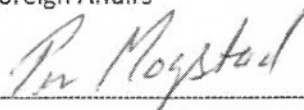
1. UNDP shall notify MFA when all activities relating to the Project have been completed.
2. After consultations have taken place between MFA, UNDP and the Government of Mali, and provided that the payments already received are, together with other funds available to the Project, sufficient to meet all commitments and liabilities incurred in the implementation of the Project, this Agreement may be terminated by UNDP or by MFA. 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.
3. Notwithstanding termination of this Agreement, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in implementation of the Project up to the date of termination have been satisfied and the Project activities brought to an orderly conclusion.
4. Any payments that remain unexpended after such commitments and liabilities have been satisfied may be utilized for the benefit of other activities within the Project upon agreement between the Parties.
5. The Agreement may be amended through an exchange of letters between MFA and UNDP. The letters exchanged to this effect shall become an integral part of the Agreement.

**Article XI Entry into force**

1. This Agreement shall enter into force upon its signature by both Parties and shall remain in force until all obligations arising from it have been fulfilled and all commitments and liabilities incurred in the implementation of the Project have been satisfied. Whether these obligations shall be regarded as fulfilled shall be determined in consultations between the Parties.

IN WITNESS the undersigned, acting on behalf of their respective institution, have signed the present Agreement in the English language in two copies.

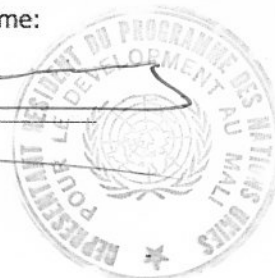
Accra, 11/11/2015  
For the Norwegian Ministry of  
Foreign Affairs

  
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Per Mogstad  
Minister Counselor

Bamako,  
For the United Nations  
Development Programme:

12.11.2015  
  
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## **Annex I Programme Description**

The format for Agreed Programme Summary in the template "Programme Agreement – Administrative" may be used when drafting the Programme Description. The Programme Description should at least include the resultsframework, a list of internal and external risks, a budget and a financial plan.