



Cost-sharing agreement between the Norwegian Ministry of Foreign Affairs and the United Nations Development Programme regarding “Restauration de l’autorité de l’état et accès à la justice au Nord Mali”

WHEREAS the United Nations Development Programme (UNDP) and the Norwegian Ministry of Foreign Affairs (MFA) have agreed to cooperate in the implementation of “Restauration de l’autorité de l’état et accès à la justice au Nord Mali” (the Project) in Mali,

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 Implementing Partners for the implementation of the Project,

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 “Restauration de l’autorité de l’état et accès à la justice au Nord Mali” dated September 2013.
2. The Goal of the Project is to restore the authority of the state in the three northernmost regions of Mali.

3. The Objectives of the Project are to enable the return of basic functions of the state through support to the redeployment of decentralized public administration as well as justice and security services.

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 20,000,000 to be used exclusively to finance the Project and cover the costs referred to in Article VI, Paragraph 1 covering the planned period September 2014-December 2015.

The contribution shall be deposited in JP Morgan Chase Bank, UNDP Contributions Account #015-002284:

Bank:	JPMorgan Chase Bank
Address:	270 Park Avenue, 43rd Floor New York, New York 10017 United States of America
Account:	UNDP Contributions (USD) Account
Account Number:	015002284
SWIFT Code:	CHASUS33
ABA Number:	021000021
DUNS Number:	645521498

2.

Schedule of payments	Amount
Upon signature of agreement	NOK10,000,000
1 May 2015	NOK 10,000,000
3. 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.

4. 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 the country office in 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 March 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.**

Representatives from Mali and other donors involved in the financing of the Project may/shall also be invited to the annual consultations.

3. The documents specified in the Framework Agreement Articles V and VI shall form the basis for the annual consultations.
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.

For the Norwegian Ministry of
Foreign Affairs

For the United Nations
Development Programme:

Name: HEGE HERTBERG

Name: Pauline Dramane Camara

Title: AMBASSADOR

Title: Directeur Pays

Date: 24/9-14

Date: 24/09/2014



Project Summary

This project aims at contributing to the efforts of the government and other development partners for the restoration of the State authority through the redeployment of the Administration and Judiciary services in the regions of Timbuktu, Gao, Kidal and part of Segou and Mopti.

The purpose of the project is to promote the gradual recovery of the essential functions of the State and Local Government which is one of the most important prerequisites to ensure the normalization of the public administration in post-conflict areas as well as contributing to stabilization and peacebuilding efforts.

The project priority actions consists first, of the renovation of the administration, local government and judiciary offices (governors, prefects and sub-prefects, regional councils, circles and municipalities, magistrates, prisons, court houses, law enforcement and security).

Secondly, this assistance will help build the capacity of agents of the local administration, local government units to enhance the delivery of basic public services to the population and improve the working relationships with the various stakeholders they are dealing with.

Third, micro-initiatives of quick impact projects (QIPs) will be supported in order to restore the confidence between the administrators and the population which has been adversely affected during the occupation by armed groups.

The project will also focus on work-intensive labor (HLI) activities to promote the conditions necessary for the revitalization of the local economy and create jobs for young people and women in the targeted regions. This will also enable the restart of socio-economic activities and will encourage refugees to return to their lands.

Identification of the Programme

Programme Title/Name: Restoration of the authority of the State and access to justice in Northern Mali

Implementing institution: UNDP

Norwegian and/or other Partner institution: Ministry of National Reconstruction and Development; Ministry of Urban and City Development; High Commission of Local Authorities; High Commission of Institutional Development; National Association of Municipal Authorities; UNCDF.

Description of the Programme:

Goal:

The overarching goal of this project is to contribute to the restoration of the State authority and promote the recovery of essential public services by supporting the redeployment of the administration and enable the local government units to better carry the devolved competences, as well as enhance the judiciary and security force services in the regions of Timbuktu, Gao, Kidal and part of Segou and Mopti.

Purpose:

- Rehabilitate and equip small offices and residences (120) and prisons (15)
- Improve working conditions of workers through the provision of 200 kits of computer and office equipment and brief suitcases of documents and basic everyday texts;
- Strengthen the capacity of state officials and police officers and security (500) on topics related to ethics, accountability, human rights, gender, etc.
- Undertake education, information and communication activities to increase citizen awareness and improve the management of public affairs;
- Support the implementation of 50 initiatives of QIP to provide to vulnerable groups with a minimum income generating activities for subsistence.

Outputs**Output 1:**

Offices, homes and detention centers are renovated and equipped through the utilization of labor-intensive (LI) approach for the return of local authority, local administration, judiciary and security services.

Activity:

Rehabilitation of 120 offices and residences (local authorities, local administration, magistrates) and 15 detention centers; provision of equipment necessary for their functionality;

Output 2:

The capacity of local administration, local government units, the judiciary and the security services are strengthened to enable more efficient service delivery to citizens.

Activities:

Support for the provision of 200 kits (one computer and accessories, 1 desk, 2 visitors chairs, filing cabinet, folders, paper) required for minimal operation of local administration and local governments, magistrates, law enforcement and security offices.

Evaluation of specific immediate capacity building needs, followed by training of redeployed staff and supervisors in areas related to their functions (i.e. Public Administration, Democratic Principles, Civic Education and Citizenship, Ethics, etc.).

Training of 500 Police and security officers on Human Rights and Gender.

Provision of 200 kits (containing the basic texts of decentralization) for regional and local authorities (governors, prefects, sub-prefects, Regional Councils, Councils of circles and districts).

Output 3:

Labor relations and trust between state officials and people have improved.

Activities:

Development of 50 quick impact projects to restore trust between the administration and the citizens (rehabilitation of wells and pumps, cereals storage warehouses, mills to reduce the drudgery of women, etc.).

Education, Information and Communication campaigns through various channels in local languages (i.e. community and local radio broadcasts) to raise the population awareness on the recommencement of public service delivery and the role and responsibility of each stakeholder in the restoration of the rule of law and the consolidation of democracy.

Inputs

The financial contribution of donors (Netherlands, Japan, Norway and UNDP) and with the Government of Mali and UNDP technical assistance will be key assets to allow an effective implementation of the project.

The Ministries of Justice, Interior and Security, National Reconciliation, Decentralization, and City Development, Local Government Units and key community leaders, including religious and traditional leaders, local civil society and the private sector will take an active part in the implementation of the project activities. Similarly, the National Centre for Promotion of Volunteering will be closely associated with the activities and recruit volunteers to help with the implementation and monitoring of the project on the ground.

Equipment, logistical support and/or facilities:

A Project team is been established within UNDP and works under the supervision of the Deputy Country Director (P) – Director of Programme. The project is implemented under the Direct Execution Modality and under the fast track arrangements. The Project team is responsible for the quality control – oversight and preparation of monthly progress reports and quarterly reports to the donors.

UNDP will also provide the following support services in accordance with its procedures:

- Management of human resources, including recruitment, preparation of contracts for national and international technical personnel.
- Financial management and budget monitoring.
- Quality control and oversight

Funds

UNDP: 500,000 USD

Trust Fund for Peace and security in Mali/MINUSMA: 1,072,761 USD

Netherlands: 3,496,176 USD

Japan /TICAD: 500, 000 USD

Technical assistance: Government of Mali - MINUSMA and UNDP

Main indicators: See Annex 1.

Major risk factors (internal and external)

The project operates in an environment with a high level risk fluctuation which could impact on the achievement of the expected results. The main risks associated with the projects are: The resurgence of hostilities and the continuing insecurity in targeted areas; the reluctance of people to work with state officials and local elected; the non-participation of youth to the initiative; the non- psychological preparation of local elected officials and local administration officials before joining their duty stations in the targeted regions.

The mitigation of the risks associated with the project will be addressed through a systematic monitoring of all signs of insecurity and reaction in time; the awareness raising of the stakeholders and the capacity building efforts to enhance the service delivery performance and the promotion of the appropriation of the project by the beneficiaries including the youth and the women through education and awareness campaigns.

Overall budget

See Resources / Results Framework in Annex 1. Please see