

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA

MARCHE COMMUN DE
L'AFRIQUE DE L'EST ET
AUSTRALE

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U.N.D.P. MBABANE	
DATE REC'D 31 MAR 2014	
FILE NO 3	
ACTION	INFORMATION
TO	KN SH
السوق المشتركة للشرق والجنوب الافريقي ACTION COMPLETED	
DATE	INITIAL
COMESA Centre Ben Bella Road P O Box 30051 LUSAKA 10101 Zambia	

OFFICE OF THE SECRETARY GENERAL

Ref: CS/CC/1.2(10)MK-jm

Date: 26th March 2014

His Excellency Israel Dessalegne
Resident Representative
United Nations Development Programme - Swaziland
5th Floor Lilunga House
Somhlolo Street
P O Box 261
MBABANE H100, Swaziland
Tel: +268 2404 2301

Your Excellency

SUB-AGREEMENT WITH COMESA

Please find enclosed two copies of the signed agreement between COMESA and UNDP Swaziland for the grant to be administered by UNDP in Swaziland on behalf of COMESA for the implementation of the Ministry of Agriculture of the Kingdom of Swaziland's National Agricultural Marketing Board (NAMBoard) project to upscale Climate Smart Agriculture in Swaziland for the Nhletsheni, Nkhungwini and Mpatheni Schemes. Please sign both copies and return one.

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

Sindiso Ngwenya
SECRETARY GENERAL



*Empowered lives.
Resilient nations.*

THIRD PARTY COST-SHARING AGREEMENT

BETWEEN

**THE COMMON MARKET FOR EASTERN AND
SOUTHERN AFRICA (COMESA)**

AND

**THE UNITED NATIONS DEVELOPMENT PROGRAMME
(UNDP) SWAZILAND**

**THIRD PARTY COST -SHARING AGREEMENT
BETWEEN THE
COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA
(COMESA)
AND
THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP) IN
SWAZILAND**

WHEREAS the Common Market for Eastern and Southern Africa (hereafter referred to as COMESA) hereby offers to make available a grant (hereafter referred to as "contribution") to be administered by The United Nations Development Programme (UNDP) in SWAZILAND (hereafter referred to as UNDP) for the implementation of Up Scaling of Climate Smart Agriculture in Swaziland (hereafter referred as "the Project") as described in the Annex1,

WHEREAS UNDP has agreed to receive and administer the contribution for the implementation of the Project,

WHEREAS the Government of SWAZILAND has been duly informed of the Contribution of COMESA to the Project,

WHEREAS the Ministry of Agriculture of the Kingdom of Swaziland's National Agricultural Marketing Board (NAMBoard) (fully owned by the Government hereinafter referred to as the "Implementing Partner"), is the designated Implementing Partner for the Project.

NOW THEREFORE, COMESA and UNDP hereby agree as follows:

Article I.
The Contribution

- 1 (a) COMESA shall, in accordance with the schedule of payments set out below, contribute to UNDP the amount of USD 385,519.00 (United States Dollars Three Hundred Eighty Five thousand Five Hundred Nineteen)


The Contribution shall be deposited with the UNDP Representative in Swaziland USD Account

Account Number:	3752218299
Bank:	Bank of America, 1401 Elm St., Dallas TX 75202
ACH Routing Number:	11000012
Wire Routing Number:	026009593
SWIFT Address:	BOFAUS3N

<u>Schedule of Payments</u>	<u>Amount</u>
Upon signature of the agreement	USD 308,415.20
Second tranche	USD 77,103.80

- (b) COMESA will inform UNDP when the Contribution is paid via an e-mail message with remittance information to contributions@undp.org, providing the following information: COMESA's full name, UNDP country office, Project no 00089803, and title; Up Scaling of Climate Smart Agriculture in Swaziland, COMESA reference (if available). This information shall be included in the bank remittance advice when funds are remitted to UNDP.
2. 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 by mutual consent to be consistent with the progress and requirements Project delivery.
 3. UNDP shall receive and administer the payment in accordance with rules, regulations, policies and procedures of UNDP.
 4. 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 pursuant to this Agreement shall be dependent upon 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 COMESA on a timely basis a supplementary estimate showing the further financing that will be necessary. COMESA shall best endeavour 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 COMESA 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 accrued on income attributable to the Contribution shall be credited to the UNDP Account, retained by UNDP and shall be utilized in accordance with established UNDP procedures.
 5. The project shall be implemented for a period of 15 months after entry into force.
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Article III.
Administration and Reporting

1. The Project management and expenditure 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 COMESA the following reports in accordance with UNDP accounting and reporting procedures:
 - (a) From the country office (or relevant unit at headquarters in the case of regional and global projects), an annual status report of the Project progress for the duration of this Agreement, as well as the latest available approved budget.
 - (b) From the UNDP Bureau of Management/Office of Finance and Administration, an annual certified financial statement as of 31 December every year to be submitted no later than 30 June of the following year.
 - (c) 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.
 - (d) From the 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 . The nature and frequency of this reporting shall be detailed in an Annex to this Agreement.

Article IV.
Administrative and Support Services

1. In accordance with the decisions, policies and procedures of UNDP's Executive Board as 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 eight (8) percent. Furthermore, as long as they are unequivocally linked to the specific Project, all direct costs of implementation, including the costs of the Implementing Partner, will be identified in the Project budget and borne by the Project accordingly.
 2. The aggregate of the amounts budgeted for in the Project together with the estimated costs of reimbursement of related support services shall not exceed the total resources available under this Agreement as well as funds which may be available for support costs under other sources of financing.
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Article V. **Evaluation**

All UNDP Programmes and Projects are evaluated in accordance with UNDP's Evaluation Policy. UNDP and the Government of Swaziland 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**

1. The Contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial rules, regulations, policies and procedures of UNDP.
2. Audit Reports shall be made available to COMESA by UNDP.

Article VIII. **Completion of the Project Implementation**

1. UNDP shall notify COMESA when all activities relating to the Project have been completed in accordance with the Project Design Document in Annex1.
2. Notwithstanding the completion of the Project activities, 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 the Project activities brought to an orderly conclusion.
3. If the unutilized funds prove insufficient to meet such commitments and liabilities, UNDP shall notify COMESA and consult with COMESA 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 COMESA.

Article IX.
Termination of the Agreement

1. This Agreement may be terminated by UNDP or by COMESA after consultations between COMESA, UNDP and the Government of Swaziland, 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 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 COMESA.

Article X.
Notice

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

- (a) For COMESA: The Common Market for Eastern and Southern Africa
(COMESA):
Sindiso Ngwenya, SECRETARY GENERAL

Physical Address: COMESA HEADOFFICE
Ben Bella Road,
Postal Address: P. O. Box 30051
Lusaka - ZAMBIA
E-mail address: sngwenya@comesa.int

(b) For UNDP: Israel Dessalegne, RESIDENT REPRESENTATIVE

Physical Address: 5th Floor Lilunga House
Somhlolo Street, Mbabane
Postal Address: United Nations Development Programme
P.O. Box 261
Mbabane
SWAZILAND H100
E-mail address: israel.dessalegne@undp.org

Article XI.
Amendment of the Agreement

This Agreement may be amended by mutual agreement through an exchange of letters between COMESA 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 HEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in the English language in two copies.

For: COMESA

For: UNDP

Name: Sindiso Ngwenya

Name: Israel Dessalegne

Title: Secretary General

Title: Resident Representative

Signature.....



Signature.....



Date: 2014 Date: 2014