

**THIRD-PARTY COST-SHARING AGREEMENT  
BETWEEN THE GOVERNMENT OF KUWAIT (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 "Emergency Assistance for the Restoration/ Stabilization of Livelihoods for People Affected by the Crisis in Syria" (hereinafter referred to as "the Project"), as described in the attached Project document, in Syrian Arab Republic , 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 US\$ 2,000,000 (Two Million USD). The Contribution shall be deposited in the below bank and bank account:

UNDP Contributions Account:  
No. 015-002284  
JP Morgan Chase Bank  
270 Park Avenue, 43rd Floor  
New York, New York 10017  
United States of America  
SWIFT code: CHASUS33  
ABA Number: 021000021

Schedule of payments  
April 2013

Amount  
USD 2,000,000

(b) The Donor will inform UNDP when the Contribution is paid via an e-mail message with remittance information to [contributions@undp.org](mailto:contributions@undp.org), providing the following information: donor's name, UNDP country office, [Project no. and title], donor reference (if available). This information should also 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 to be consistent with the progress of [Project] delivery.
3. UNDP shall receive and administer the payment in accordance with the 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 and of the 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 revenue 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.

**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 7%. 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 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 and, UNDP, 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: The Permanent Mission of the State of Kuwait to UN

Address: 321 East 44<sup>th</sup> Street, New York, NY 10017

(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: contact@kuwaitmission.org

Attention: Permanent Representative

(c) To UNDP: United Nations Development Programme

P.O. Box 2317 Damascus-Syria; Mezzeh, West Villas, Ghazawi Str. N°8 Damascus-Syria



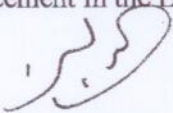
**Article XI. Amendment of the Agreement**

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.

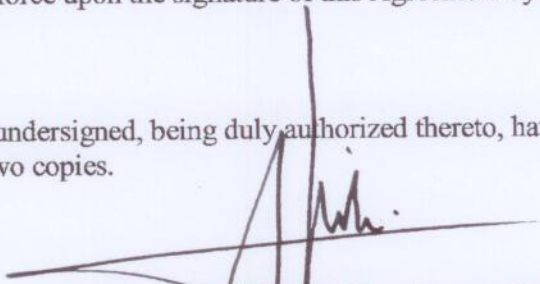
**Article XII. Entry Into Force**

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:  
(Name) H.E. MR. MANSOUR ALOTAIBI  
(Title) PERMANENT REPRESENTATIVE  
(Date) 30 APRIL 2013



For the United Nations Development Programme:  
(Name) Jantthonas Klemstra  
(Title) Country Director  
(Date) 5 May 2013