

*Permanent Mission
of the State of Kuwait
to the United Nations
New York*



وقد دولة الكويت الدائم
لدى الأمم المتحدة
نيويورك

The Permanent Mission of the State of Kuwait to the United Nations presents its compliments to the United Nations Development Programme and has the honor to forward the duly signed Third-Party Cost-Sharing Agreement between the Government of Kuwait and the United Nations Development Programme (UNDP).

The Permanent Mission of the State of Kuwait to the United Nations avails of this opportunity to renew to the United Nations Development Programme the assurances of its highest consideration.



30 July 2014

MR. MOURAD WAHBA
Deputy Regional Director
United Nations Development Programme (UNDP)
Regional Bureau for Arab States
One United Nations Plaza
New York, N.Y. 10017

RECEIVED
UNDP - RBAS
4 August 2014

TO: 1. SB
ACTION BY: 2. KAS

INFO: cc: MW, SD, SR, KN

FILE REF. _____

**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 projects in select countries to address the impact of the Syrian crisis (hereinafter referred to as “the Programme/Project”), as described in the Project concept notes (attached) , in select countries 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 projects,

WHEREAS the national counterparts in select countries has been duly informed of the contribution of the Donor to 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

(a) The Donor shall, in accordance with the schedule of payments set out below, contribute to UNDP the amount of US\$2,500,000 (US Dollars Two Million Five Hundred Thousand). The Contribution shall be deposited to the following bank account:

Name of bank:	JPMorgan Chase Bank NA
Address of the branch:	277 Park Avenue, 23 rd floor
Full account number:	015002284
Account title:	UNDP Contributions Account
SWIFT code:	CHASUS33XXX
IBAN:	not applicable
Currency:	US Dollars

Schedule of payments¹
April 2014

Amount
US\$ 2,500,000.00

¹ It is recommended that country offices negotiate the number of installments to ensure at least six months’ anticipated disbursements are funded with each installment. This will make processing of contributions and reporting more efficient for the country offices.

(b) The Donor will inform UNDP when the Contribution is paid via an e-mail message with remittance information to contributions@undp.org, providing the following information: donor's name, UNDP country office, donor reference (if available). This information should also be included in the bank remittance advice when funds are remitted to UNDP.

3. 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.
4. UNDP shall receive and administer the payment in accordance with the rules, regulations, policies and procedures of UNDP.
5. 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 Implementing Partner 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 income 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.

- (a) From the country office (or relevant unit at headquarters in the case of regional and global projects) an annual status report of Project progress for the duration of this Agreement, as well as the latest available approved budget.
- (b) From 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 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 8%. 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 and the national counterparts of programme countries 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 project document.
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 US\$ 5,000 (US\$ Five Thousand) that remain unexpended after all commitments and liabilities have been satisfied shall be automatically reallocated by UNDP. Any funds above US\$

5,000 (US\$ Five Thousand) 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, UNDP and the programme country Government, 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 US\$ 5,000 (US\$ Five Thousand) that remain unexpended after all commitments and liabilities have been satisfied shall be automatically reallocated by UNDP. Any funds above US\$ 5,000 (US\$ Five Thousand) 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 the UN
Address: 321 East 44th 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: Mourad Wahba, Deputy Regional Director, RBAS
Address: United Nations Development Programme, One UN Plaza,
22nd floor, New York NY 10017

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.

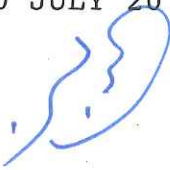
Article XII. Entry Into Force

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)MANSOUR ALOTAIBI
(Title)PERMANENT REPRESENTATIVE
(Date)OF KUWAIT TO THE U.N.
30 JULY 2014



For the United Nations Development Programme:

Name: Mourad Wahba
Title: Deputy Regional Director, RBAS
Date: 17 July 2014

