

**EUROPEAN UNION
DELEGATION AGREEMENT**

ENI/2014/351-068
(the "Agreement")

The European Union, represented by the EU Delegation to the Syrian Arab Republic, (the 'Contracting Authority') of the one part, and

United Nations Development Programme (UNDP)
International Organisation
with its Head office at One UN Plaza, New York, NY 10017, USA;
Legal Entity Number: 6000055554

hereinafter the 'Organisation

of the other part, (individually a "party" and collectively the "Parties") have agreed as follows:

SPECIAL CONDITIONS

Article 1 - Purpose

- 1.1 This Agreement defines the activities entrusted to the Organisation for the implementation of the Action "**Scaling-up of emergency restoration and stabilization of livelihoods of affected Syrian populations**" as described in Annex I (the "Action") consisting in Budget Implementation Tasks and may also include other tasks clearly identified. This Agreement lays down the rules for implementation, for the payment of the EU contribution, and defines the relations between the Organisation and the Contracting Authority.
- 1.2 This Agreement consists of these special conditions (the "Special Conditions") and their annexes.
- 1.3
 - a) In the performance of the activities, the Organisation applies its own internal control and accounting systems as well as the rules and procedures for an independent external audit which have been positively assessed in the ex-ante pillars assessment. In case the pillar assessment raised some reservations the Organisation shall comply with the ad hoc measures stated in Article 7.
 - b) The Organisation shall apply its own rules for grant award procedure, as assessed in the ex-ante pillars assessment and its own procurement procedures, as assessed in the ex-ante pillars assessment.
 - c) The Organisation shall perform the activities to be implemented under the Agreement in accordance with the principles of Sound Financial Management, transparency and non-discrimination, applying its positively assessed Regulations and Rules.
 - d) The Organisation is free to use any Regulations and Rules which have not been subject to the ex-ante pillar assessment to the extent that these Regulations and Rules are not in conflict with the provisions of this Agreement.
- 1.4 The Action is a Multi-Donor Action.
- 1.5 This Agreement is subject to the provisions of the Financial and Administrative Framework agreement (FAFA).
- 1.6 The Action is an EU External Action.
- 1.7 Under this Agreement the Organisation may not delegate activities. The General Conditions on Sub-delegation shall not apply.

Article 2 - Entry into Force, Execution Period, Implementation Period and Contracting Deadline

Entry Into Force

- 2.1 The Agreement shall enter into force on the date when the last of the two Parties signs.

Execution Period

- 2.2 The Execution Period of this Agreement shall start at the entry into force of this Agreement as provided for in Article 2.1. The end of the execution period shall be the End Date referred to in Article 13.5 of Annex II.

Implementation Period

- 2.3 The Implementation Period of the Agreement (the "Implementation Period") shall commence on **1st January 2016**.
- 2.4 The Implementation Period of the Agreement as laid down in Annex I is **18 months**. Upon adequate justification either Party may request the extension of the Implementation Period in accordance with Article 11 of Annex II.

Contracting Deadline

- 2.5. Individual Procurement and Grant contracts implementing this Agreement shall be signed by the Organisation (or the Sub-delegatees) no later than 18 months from the date of entry into force of this Agreement.

Article 3 - Financing the Action

- 3.1 The total cost of the Action is estimated at **EUR 4,248,800.10**. The Contracting Authority undertakes to provide EU contribution up to a maximum of **EUR 4,050,000.00**. The final amount will be established in accordance with Articles 15 to 18 of Annex II.

3.2 Remuneration

The remuneration of the Organisation (or the Sub-delegatees) by the Contracting Authority for the implementation of the activities entrusted under this Agreement shall be **6.65%** of the final amount of accepted expenditure of the Action.

- 3.3 Interest generated on pre-financing shall not be due.

Article 4 - Narrative and Financial Reporting and Payment Arrangement

- 4.1 Payments shall be made in accordance with Article 19 of Annex II. The following amounts are applicable, all subject to the provisions of Annex II:

First pre-financing instalment:	EUR 2,332,948.28
Second pre-financing instalment:	EUR 1,490,288.79
Forecast balance:	EUR 226,762.93

Article 5 – Communication language and contacts

- 5.1 All communications to the Contracting Authority in connection with the Agreement, including reports referred to in Article 3 of Annex II, shall be in English. If requested by the Contracting Authority they shall be accompanied by a translation or a summary in English or French where the language of the Agreement is not English or French.
- 5.2 Any communication relating to the Agreement shall be in writing, shall state the number and/or title of the Action, and shall use the following addresses below.
- 5.3 Any communication relating to the Agreement, including payment requests and attached reports, and requests for changes to bank account arrangements shall be sent to:

For the Contracting Authority

For the attention of **Mr Arnaud Borchard**
Head of the Development Section
EU Delegation to the Syrian Arab Republic
European Commission
Rue de la Loi 200
J-54 05/263
1049 Brussels
Belgium

For the attention of **Ms Kairi Kasmann**
Head of the Finance and Contract Section

EU Delegation to the Syrian Arab Republic
European Commission
Rue de la Loi 200
J-54 05/256
1049 Brussels
Belgium

For the Organisation:

Ms. Barbara Pesce-Monteiro
Director, UNDP Brussels Office
UNDP Brussels Office
114 Rue Montoyer
1000 Brussels, Belgium

- 5.4 Ordinary mail shall be deemed to have been received on the date on which it is officially registered at the address referred to above.
- 5.5 The contact point within the Organisation which shall have the appropriate powers to cooperate directly with the European Anti-Fraud Office (OLAF) in order to facilitate the latter's operational activities shall be: Office of Audit and Investigations, Head of Investigations Section, United Nations Development Programme, One United Nations Plaza, 4th floor New York New York, NY 10017 USA.
- 5.6 All communications to the Contracting Authority concerning the Central Exclusion Database shall be submitted by the Organisation to:

To the Contracting Authority at the address stated in Article 5.3.

Article 6 - Annexes

- 6.1 The following documents are annexed to these Special Conditions and form an integral part of the Agreement:

Annex I: Description of the Action (including the Logical Framework of the Project)

Annex II: General Conditions applicable to Delegation Agreements or PA Grant Agreements (Part III on PA Grant Agreements does not apply)

Annex III: Budget for the Action

Annex IV: Financial Identification Form

Annex V: Standard Request for Payment

Annex VI: Communication and Visibility Plan

Annex VII: Management Declaration template

- 6.2. In the event of a conflict between the present Special Conditions and any Annex thereto, the provisions of the Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II (General Conditions) and those of the other Annexes, the provisions of Annex II shall take precedence.

Article 7 – Additional specific conditions applying to the Action:

- 7.1. The following shall supplement the General Conditions:

Costs of local infrastructure in the partner country (field office)

- 7.1. Where the implementation of the Action requires the setting up or the use of local infrastructure in the partner country (field office), the Organisation may declare as acceptable expenditure the capitalised and operating costs of local infrastructure if all the following conditions are fulfilled:

- a) They comply with the acceptability criteria referred to in Article 18.1 of the General Conditions;
- b) They fall within one of the following categories:

- i) costs of staff, including administrative and support staff, directly assigned to the operations of local infrastructure;
 - ii) travel and subsistence costs for staff and other persons directly assigned to the operations of local infrastructure;
 - iii) depreciation costs, rental costs or lease of equipment and assets composing local infrastructure;
 - iv) costs of maintenance and repair contracts specifically awarded for the operations of local infrastructure;
 - v) costs of consumables and supplies specifically purchased for the operations of local infrastructure;
 - vi) costs of IT and telecommunication services specifically purchased for the operations of local infrastructure;
 - vii) costs of energy and water specifically supplied for the operations of local infrastructure;
 - viii) costs of facility management contracts including security fees and insurance costs specifically awarded for the operations of local infrastructure;
- c) The Organisation declares as acceptable expenditure only the portion of the capitalised and operating costs of local infrastructure which corresponds to the duration of the Action and
- i) the rate of actual use of local infrastructure for the purposes of the Action; or
 - ii) the rate of use of local infrastructure for the purposes of the Action, determined by the Organisation on the basis of a simplified allocation method, provided that the allocation method is:
 - compliant with the Organisation's usual accounting and management practices and applied in a consistent manner regardless of the source of funding, and
 - based on an objective, fair and reliable allocation key.

Done in Brussels in two originals in the English language, one for the Contracting Authority and one for the Organisation.

For the Organisation

PO **Ms. Barbara PESCE-MONTEIRO**
Director



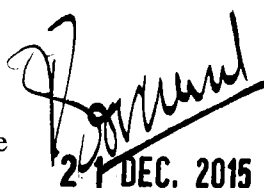
Deputy Director / Director A.S.

Signature

Date 24. 12. 2015

For the Contracting Authority

Mr. Arnaud BORCHARD
Head of Development section - Delegation to the Arab Republic of Syria



Signature

Date

21 DEC. 2015