

**THIRD-PARTY COST-SHARING AGREEMENT  
BETWEEN THE ITF ENHANCING HUMAN SECURITY (DUNS No: 364784871) AND  
THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP) (DUNS No. 645521498)**

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 “Capacity Support to Albanian Mine & Munitions Coordination Office (AMMCO) (hereinafter referred to as “the Project”), as described in the Project document attached, in Albania, and submitted to the Donor for information.

WHEREAS UNDP is prepared to receive and administer the Contribution for the implementation of the Project,

WHEREAS the Government of Albania has been duly informed of the Contribution of the Donor to the Project,

WHEREAS UNDP shall be designated the 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 **109.146,00 USD**. The Contribution shall be deposited to the following bank account:

Bank Name: CITIBANK, N.A  
Bank Address: 111 Wall Street, New York, NY 10043  
Account Name: UNDP Contributions Account  
Account Number: 36349562  
IBAN/ABA: ABA#021000089  
SWIFT Code: CITIUS33

<u>Schedule of payments</u>	<u>Amount</u>
First payment (February 2018)	32.743,80 USD
Second payment (May 2018)	32.743,80 USD
Third payment (August 2018)	32.743,80 USD
Final payment	10.914,60 USD

(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.

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 endeavors 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.
2. UNDP shall provide to the Donor the following reports in accordance with UNDP accounting and reporting procedures as follows:

- a) From UNDP Albania Country Office, within 45 days 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. The nature and frequency of this reporting is detailed in the Annex C of 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 Government of Albania 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 recipient confirms that the award account will be audited applying established procedures under appropriate provisions of the financial regulations and rules of UNDP. The recipient agrees to make available these audit reports to the US Government in accordance with the UNDP Oversight Policy and relevant decisions of the UNDP Executive Board. The recipient also agrees to provide additional clarifications as may be reasonably requested by the US Government with respect to questions arising from the audit report. In the event that US Government becomes aware of factors that would indicate a need for closer scrutiny of US Government funded activities, these factors will be promptly brought to the attention of UNDP Office of Audit and Investigations to determine the need for a special purpose audit. The costs of such an audit shall be borne by the said activities.

### **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 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, UNDP and the programme country Government, and provided that the funds from the Contribution already received are, together with other funds available to the Programme, sufficient to meet all commitments and liabilities incurred in the implementation of the Programme. 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 Programme have been satisfied and Programme 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: Nataša Uršič, Project Manager

Address: ITF Enhancing Human Security  
Zabrv 12  
SI-1292 Ig  
Slovenia

(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: Karmen.Kadunc@itf.si

Attention: Ms Karmen Kadunc

(c) To UNDP: Ms. Limya Eltayeb, Country Director

Address: United Nations Development Programme  
Str."Skenderbej" (Gurten building)  
2<sup>nd</sup> Floor, Tirana, Albania

#### **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.

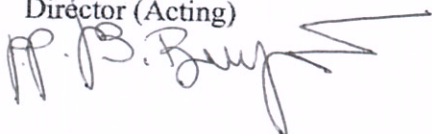
#### **Article XII. Entry Into Force**

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.

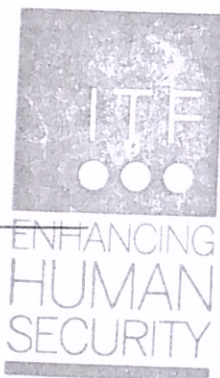
For the Donor:

Ambassador Tomaž Lovrenčič  
Director (Acting)



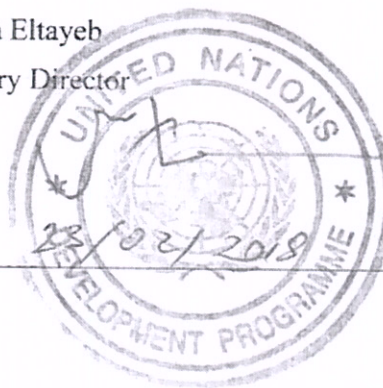
Date: 26/01/18

ITF File No: 04-3-1/11-8/17



For the United Nations Development Programme:

Limya Eltayeh  
Country Director



Date: 23/02/2018