

**THIRD-PARTY COST-SHARING ARRANGEMENT
BETWEEN THE FEDERAL REPUBLIC OF GERMANY (THE DONOR) AND
THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)**

With reference to the project document "Programme d'appui à la stabilisation des moyens d'existence, à la protection et à la résilience des communautés dans les zones affectées par les conflits en Centrafrique" in Central African Republic (hereinafter referred to as "the Project Document"), submitted for information with letter dated March 13, 2014, by the United Nations Development Programme (hereinafter referred to as "UNDP") to the Government of Germany, represented by The Federal Ministry for Economic Cooperation and Development, hereinafter referred to as "the Donor", the Donor agrees to contribute funds to UNDP on a cost-sharing basis for the implementation of the project as described in the Project Document ("the Project") "*Programme d'appui à la stabilisation des moyens d'existence, à la protection et à la résilience des communautés dans les zones affectées par les conflits en Centrafrique*", Award ID: 00072985 and BMZ-No.: 2014.4058.5.

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 € 1,000,000 (one million EURO) for the years 2014 to 2015 (to be paid in one installment in November 2014). Upon the written request by UNDP, the contribution shall be deposited in the bank account of the following United Nations Development Programme:

Bank Name:	BANK OF AMERICA - LONDON
Bank Address:	Mail Code: 473-672-09-01 5 Canada Square London E14 5AQ, UNITED KINGDOM
Account Name:	UNDP Contributions (EURO) Account
Bank Account No.:	600862722022
Swift #:	BOFAGB22
Iban #:	GB59BOFA16505062722022

(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: German Federal Ministry for Economic Cooperation and Development, , UNDP country office Bangui, Central African Republic, "Programme d'appui à la stabilisation des moyens d'existence, à la protection et à la résilience des communautés dans les zones affectées par les conflits en Centrafrique", Award ID: 00072985, donor reference (BMZ-No. 2014.4058.5). This information should also be included in the bank remittance advice when funds are remitted to UNDP.

(c) UNDP is prepared to receive and administer the contribution for the implementation of the Project.

(d) UNDP shall duly inform the Government of [programme country] of the contribution of the Donor to the Project.

(e) UNDP shall designate an Implementing Partner for the implementation of the Project (Implementing Partner)

2. The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall inform the Donor with a view to determining whether any further financing could be provided by the Donor. Should such further financing not be available, the assistance to be provided to the Project may be reduced, suspended or terminated by UNDP.

3. The above par. 1 (a) takes into account the requirement that the payment shall be made in advance of the implementation of planned activities. The progress shall be presented in the annual status and financial reports submitted in accordance with Article III.

4. UNDP shall receive and administer the payment in accordance with the regulations and rules, policies and procedures of UNDP.

5. All financial accounts and statements shall be expressed in United States dollars, but showing the currency exchange rate of the payment

Article II. Utilization of the Contribution

1. The contribution shall be used exclusively to meet the costs of the Project as described in the Project Document, including administrative and support services as set out in Article IV. The Project Document shall include

(a) a proposed project budget, broken down in requirements per annum as well as the related financing plan which sets out how the required funding for the implementation of the Project shall be secured;

(b) a narrative proposal that contains all information relevant for Project appraisal (e.g. objectives, expected outcomes and outputs, including baselines and indicators; target groups).

2. The implementation of the responsibilities of UNDP and of the Implementing Partner pursuant to this Arrangement and the Project Document shall be dependent on receipt by UNDP of the contribution in accordance with Article I, paragraph 1, above. UNDP shall not start the implementation of the activities prior to receiving the Contribution. UNDP shall maintain separate accounting records for the Project.

3. 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.
4. If the payments referred to in Article I, paragraph 1, above are not received in accordance with Article I, or if the additional financing required in accordance with paragraph 3 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.
5. Any interest revenue attributable to the contribution shall be credited to the UNDP Account. It shall be 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 regulations and rules, policies and procedures of UNDP and, where applicable, the regulations, rules and directives of the Implementing Partner.
2. UNDP shall provide to the Donor 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 the Agreement, as well as the latest available approved budget and financial implementation status.
 - (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 the 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 specific nature and frequency of this reporting shall be specified in an annex of the Arrangement.

Article IV. Administrative and support services

1. In accordance with the decisions and directives 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%. Project support costs may not exceed 13 per cent of direct project costs. Furthermore, as long as they are unequivocally linked to the Project, all direct costs of implementation, including the costs of executing entity or 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 Central African Republic in consultation with all relevant stakeholders, including the Donor, 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. The Donor shall have the right to request or initiate an interim or final evaluation of the Project, in consultation with UNDP and to be carried out in accordance with UNDP Evaluation Policy.

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 Board of Auditors of UNDP to its governing body contain observations relevant to the contributions, such information shall be made available to the Donor.

Article VIII. Anti-corruption

The Parties agree that it is important to take all necessary precautions to avoid corrupt practices. To this end, UNDP shall maintain standards of conduct that govern the performance of its staff, including the prohibition of corrupt practices in connection with the award and administration of contracts, grants, or other benefits, as set forth in the Staff Regulations and Rules of the United Nations, the UNDP Financial Regulations and Rules, and the UNDP Procurement Manual.

Article IX. Dispute settlement

The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Agreement or the breach, termination or invalidity thereof.

Article X. Completion of the Agreement

1. UNDP shall notify the Donor when all activities relating to the Project have been completed.
2. Notwithstanding the completion of the Project, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in the execution/implementation of the Project have been satisfied and Project activities brought to an orderly conclusion.
3. If the unutilized payments 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. Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be refunded to the Donor.

Article XI. Termination of the Agreement

1. After consultations have taken place between the Donor, UNDP and the programme country Government, and provided that the payments already received are, together with other funds available to the Project, sufficient to meet all commitments and liabilities incurred in the execution/implementation of the Project, this Agreement may be terminated by UNDP or by the Donor. The Arrangement 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 the Agreement.
2. Notwithstanding termination of all or part of this Arrangement, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in the execution/implementation of all or the part of the Project, for which this Arrangement has been terminated, have been satisfied and Project activities brought to an orderly conclusion.

3. Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be refunded to the Donor.

4.

Article X: Notice

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

(a) To the Donor: Permanent Mission of the Federal Republic of Germany
Address: 871 United Nations Plaza
New York, NY 10017, USA

(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: info@new-york-un-diplo.de
Wi-3-2-VN@newy.diplo.de

Attention: Ms Caroline Kern

(c) To UNDP: Partnerships Group
Bureau of External Relations and Advocacy
United Nations Development Programme
One United Nations Plaza, DC1-1928, New York, NY 10017

Attention: Krisanhty Supangkat, Programme Associate
krisanhty.supangkat@undp.org

Article XI. Amendment of the Agreement

The Agreement may be amended through a formal written Amendment signed by the Donor and UNDP. The Amendment shall become an integral part of the Agreement.

Article XII Entry Into Force

This Agreement shall enter into force upon signature upon the signature of this Agreement by the parties hereto, on the date of the last signature.

The undersigned, being duly authorized thereto, have signed the present Agreement in the English language in two copies.

For the Donor:

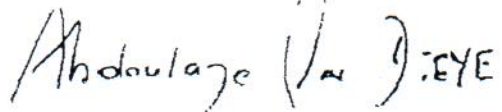


Ambassador Heiko Thoms

Deputy Permanent Representative
Permanent Mission of Germany to the United Nations

New York, **25 NOV 2014**

For the United Nations Development Programme:



Mr. Abdoulaye Mar Dieye

Assistant Administrator and Director,
Regional Bureau for Africa

New York, **28 Nov 2014**



Ref: CAF/00089429/Nov.14

Date: 03 December 2014

Dear Ambassador Thoms

Request for the Disbursement of funds

With reference to the contribution agreement dated November 28, 2014 between the Federal Republic of Germany and the United Nations Development Programme (UNDP) in support to the « Programme d'Appui à la Stabilisation des Moyens d'Existence, à la Protection et à la Résilience des Communautés dans les Zones affectées par les Conflits en Centrafrique », project ID 00089429, I would like to submit UNDP's official request for the remittance of **Euros 1,000,000.00** as indicated in the schedule of payments.

To facilitate a swift identification of this contribution, please indicate CAR/AWARD ID 00072855 (PROJECT ID 00089429) when transferring funds to:

UNDP Contributions Euro Account
Account No. 6008-6272-2022
Bank of America, 5 Canada Square
London E145AQ
Swift code: BOFAGB22

On behalf of UNDP, I would like to express our sincere gratitude to the support extended by the Federal Republic of Germany to the work of UNDP in the Central African Republic and look forward to our continued cooperation.



Yours Sincerely,

Aurélien AGBENONCI

UNDP Resident Representative

H.E.M. Heiko Thoms

Ambassador,
Permanent Representative of
the Federal Republic of Germany
to the United Nations,
New York

Enclosed: Request for payment form.

**REQUEST FOR PAYMENT FROM AGREEMENT BETWEEN THE FEDERAL
REPUBLIC OF GERMANY (DONOR) AND UNITED NATIONS DEVELOPMENT
PROGRAMME**

To:	HE Ambassador Heiko Thoms Deputy Permanent Representative Permanent Mission of Germany to the United Nations
CC:	1) Ms Caroline Kern Donor email address: infofgnew-vork-un-diplo.de Wi-3-2-VNta). newv.diplo.de 2) Krisanhty Supangkat , Programme Associate krisanhtv.supaneakatfolundp.org UNDP/Partnerships Group Bureau of External Relations and Advocacy United Nations Development Programme One United Nations Plaza, DCI-1928, New York, NY 10017

UNITED NATIONS DEVELOPMENT PROGRAMME requests payment of € 1,000,000 (one million EURO) on December 2014 into UNDP's account.

Bank:	BANK OF AMERICA - LONDON
Account Name:	UNDP Contributions (EURO) Account
Account Number:	600862722022
SWIFT code:	Swift #: BOFAGB22 Iban #: GB59BOFA1 6505062722022
Bank Address	Mail Code: 473-672-09-01 5 Canada Square London E14 5AQ, UNITED KINGDOM

In respect of Project ID **00089429** / Agreement number **BMZ-No.: 2014.4058.5**

UNDP	
Name:	Aurelien AGBENONCI
UNDP	
Position:	Resident Representative
Address:	Avenue de l'Indépendance, BP 872, Bangui Central Africa Republic
Email:	aurelien.agbenonci@one.un.org

Signature: _____



Date: 03 December 2014