

Resident Representative in Dominican Republic
United Nations Development Programme
UN House, Anacaona #9, Mirador Sur
Santo Domingo, DN, Dominican Republic.

Date 03/05/2016

Subject: Contribution for the design of the Cocoa Life Programme in Dominican Republic.

Dear Sir:

I am pleased to inform you that Mondelez Europe GmbH, a company incorporated in Switzerland whose principal office is at Lindbergh-Allee 1, 8152 Glattpark, Zurich Switzerland (hereinafter referred to as the "Donor") has decided to make a contribution of USD 55,608.00 (fifty five thousand six hundred eight US Dollars with 00/100), (hereinafter referred to as the "Grant" and/or the "Contribution") to the United Nations Development Programme (hereinafter referred to as "UNDP"), a subsidiary organ of the United Nations, an international organization established by treaty, represented by its Resident Representative, with offices at Dominican Republic, for the project "Cocoa Life Dominican Republic. Phase I: 2016" (details attached).

The contribution shall be deposited to the following Bank and account:

**UNDP REPRESENTATIVE IN DOMINICAN REPUBLIC DOLLAR
ACCOUNT**

Bank of America, 1401 Elm St., Dallas TX 75202

Account No. 375-156-0126

ABA: 026009593

SWIFT Address: BOFAUS3N

The Donor will inform UNDP when the contribution is paid via an e-mail message with remittance information to contributions@undp.org and registry.do@undp.org

UNDP shall receive and administer the contribution in accordance with UNDP's Financial Regulations and Rules, policies and procedures, and on the following terms and conditions:

- (1) The Contribution shall be paid in accordance with the following schedule:

<u>Payment Date</u>		<u>Amount</u>
Upon signature of the Agreement	30%	US\$16,682.40
June 1 st 2016	40%	US\$22,243.20
July 1 st 2016	20%	US\$11,121.60
August 1 st 2016	10%	US\$5,560.80

(2) The above schedule of payments takes into account the requirement that the payment shall be made in advance of the execution/implementation of planned activities. It may be amended to be consistent with the progress of project delivery.

(3) Mondelez will provide UNDP with a Purchase Order number. UNDP will then issue a letter addressed to Mondelez Europe with request to transfer funds and include this PO number.

(4) This Grant will be used exclusively for the Project Cocoa Life Dominican Republic, Phase I: 2016. Consistent with the Project, UNDP shall appoint a Focal Point for liaison with the donor as described in Exhibit 1, attached hereto.

(5) 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, a fee equal to 8% will be deducted from the Contribution. Furthermore, as long as they are unequivocally linked to the specific 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.

(6) The contribution and activities financed there from shall be subject exclusively to internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP. Should an 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.

(7) (a) The Donor and UNDP will consult with each other in respect of any matter that may arise from or in connection with the Grant. The terms of this letter may be amended in writing signed by both UNDP and the Donor.

(b) The Donor shall not use the UNDP name or emblem, or any abbreviation thereof, in connection with its business or otherwise without the express prior written approval of UNDP in each case.

- (c) The Donor acknowledges that it is familiar with UNDP's ideals and objectives and recognizes that its name and emblem may not be associated with any political or sectarian cause or otherwise used in a manner inconsistent with the status, reputation and neutrality of UNDP.
- (d) The Donor may make representations to its shareholders and internal budget officials as required about the fact of the contribution to UNDP. Any other use of the UNDP name or emblem, and any other form of recognition or acknowledgement of the contribution of the Donor are subject to consultations between the Parties, and the prior written agreement of UNDP.
- (e) UNDP will report on the contribution to its Executive Board in accordance with its regular procedures regarding contributions from private donors. Other forms of recognition and acknowledgement of the contribution are subject to consultations between the Parties, but the manner of such recognition and acknowledgement shall be determined at the sole discretion of UNDP.
- (8) (a) The parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this agreement or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with UNCITRAL Conciliation Rules then obtaining, or according to such procedure as may be agreed between the parties.
- (b) Any dispute, controversy or claim between the Parties arising out of or relating to this agreement or the breach, termination or invalidity thereof, unless settled amicably under the preceding paragraph within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, shall be referred by either party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitral tribunal shall have no authority to award punitive damages. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.
- (9) Nothing in this agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UNDP.
- (10) Any payments that remain unexpended after all commitments and liabilities have been satisfied shall be disposed of by UNDP in consultation with the Donor.
- (11) 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,

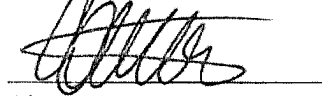
as set forth in the Staff Regulations and Rules of the United Nations, the UNDP Financial Regulations and Rules, and the UNDP Procurement Manual. UNDP shall also comply with the policies attached at Exhibit II.

(12) The Donor and UNDP will consult with each other in respect of any matter that may arise from or in connection with the Grant.

This letter and your acceptance of this contribution on the terms set forth herein shall constitute an agreement between Mondelez Europe GmbH and UNDP on the subject matter hereof.

Sincerely yours,

For and on behalf of Mondelez Europe GmbH



Signature



C. PIETERS

Name

N. TODD

Director Coca Life

Title

Finance Director

4/5/2016

Date

17/5/2016

Acceptance for United Nations Development Programme



Signature

Lorenzo Jiménez de Luis

Name

Resident Representative

17/05/2016

Date

Exhibit I

Proposal for Cocoa Life Dominican Republic

Phase 1: 2016

Context

Mondelez Europe and UNDP (UNDP DR and Green Commodities Programme (GCP) agreed to develop a plan for UNDP DR to coordinate the Cocoa Life (CL) Programme in Dominican Republic, and linked to CL global. This is to be composed of two components - design and implementation of the CL programme in DR, split into phase I – design, and phase II – implementation. This proposal notes what will be needed for implementation in Phase II but focuses on the deliverables, resources and budget for Phase I as it is during the design phase that deliverables, resources and budget will be formulated for the Phase II, implementation.

Objective of Phase I: Design (2016)

Develop CL strategy for DR and programme operations to implement the strategy 2016-2018. This will include support for the following:

- Review of national cocoa sector
- Needs assessment at community levels in main sourcing regions
- KPI workshop to tailor global CL KPIs for DR CL
- Develop M&E system to monitor progress of KPIs
- Develop strong government relations
- Support selection of CL implementing partners
- Explore link to GEF productive landscapes project

Deliverables Phase I

- Validate/update the national situation analysis
- Strategy for CL in DR
- Community Needs assessments for CL in DR for each supplier base
- Engagement strategy with government (via Platform)
- Project document signed between UNDP and Ministry of Agriculture, including all aspects for Phase II:
 - o Strategy for CL
 - o M&E system
 - o Role for UNDP/CL PCU
 - o Role of CL global (KPIs, supply chain alignment)

- Institutional arrangements for PCU within UNDP and CL with clear reporting lines
- Team and resourcing
- Workplan
- Cost sharing agreement for signing between UNDP and Mondelez
- Positioning/strategy for WCC

Objective of Phase II: Implementation (2016-18)

Coordinate CL in DR to achieve CL global goals at country level. This will include:

- Reviewing performance of CL IPs – suppliers and NGOs
- Implement the M&E system established
- Maintain strong government relations (via supplier participation in platform)
- Feed DR lessons into global CL
- Support Harvard research
- Integrate CL with GEF landscape project and, if applicable, other donor projects
- Hold KM workshops for partners to capture lesson learning

Resourcing and team

A Project Coordinator for Phase I will be hired for 6 months to ensure high quality deliverables. He/she will receive technical, administrative and logistical support from the environmental unit of UNDP, the coordinator of the national cocoa platform, as well as UNDP GCP international advisors. The cost of time of the GCP advisors in this design phase will be in-kind co-financing provided by UNDP. Additionally, an office space within UNDP will be provided for Phase I at no cost. However, for Phase II both costs will need cost recovery.

This Phase budget also includes costs to organize workshops to prepare the needs assessment and strategy and identify partners. A computer has also been budgeted, which is expected to be used during phase I and II.

Work Plan and deliverables Phase I

Deliverables	Activities	Month											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Set			
Support CL suppliers project document (CONACADO/REDDOM)	Monitor progress of project proposal	X	X										
	Provide National Cocoa Plan as inputs of project document	X											
	Participate in community needs assessment		X										
	Review project document				X								
Updated National situation analysis				X									
Community Needs assessment for CL in DR for each supplier base	Needs assessment at community levels in main sourcing regions (includes 3 workshops in the field and field trips as required to obtain information)				X								
Strategy for CL in DR	Design of CL Strategy					X							
M&E system	KPI workshop to tailor global CL KPIs for DR CL M&E system designed					X							
Work plan	Design of CL work plan					X							
Institutional arrangements	Role for UNDP/CL PCU					X							
	Role of CL global (KPIs, supply chain alignment)					X							
	Engagement strategy with government (via Platform)				X								
	Setting of reporting lines						X						
Team and resourcing	Description of team roles and functions (ToR)								X				
	Budget formulation					X			X				
Project document	Workshop with partners for Project document validation								X				
	Project draft sent for comments									X			
	Final project document										X		
	Project document signature											X	

* Technical support provided by UNDP technical team

Budget Phase I

Item	Unity	Qty.	Cost (US\$)	Value (US\$)	Mondelez	UNDP
Project Coordinator	Month	6	5,000.00	30,000.00	30,000.00	
Technical support (GCP advisors)	Days	10	600.00	6,000.00		6,000.00
Workshops				-		
Partners	Workshop	2	2,500.00	5,000.00	5,000.00	
Communities	Workshop	3	1,200.00	3,600.00	3,600.00	
Travel				-		
International GCP	Trip	1	3,000.00	3,000.00	3,000.00	
Local	Lump sum	1	3,800.00	3,800.00	3,800.00	
Supplies/materials	Lump sum	1	1,500.00	1,500.00	1,500.00	
Computer	Unity	1	1,250.00	1,250.00	1,250.00	
Miscellaneous	Lump sum	1	1,500.00	1,500.00	3,339.00	6,000.00
Sub total				55,650.00	51,489.00	
GMS				4,119.00		
Total				55,608.00		6,000.00

Exhibit II

Corporate Social Responsibility (CSR) Policies

- a. **Forced Labor.** UNDP Focal Point will not use any forced labor, which means any work or service performed involuntarily under threat or physical or other penalty. UNDP Focal Point shall respect the freedom of movement of its workers and not restrict their movement by controlling identity papers, holding money deposits, or taking any other action to prevent workers from terminating their employment. If workers enter into employment agreements with UNDP Focal Point, workers should do so voluntarily.
- b. **Child Labor.** UNDP Focal Point will not directly (or indirectly through the use of its subcontractors) employ any children under the age of 18 years of age unless legal, necessary, and the following are met: (a) UNDP Focal Point will comply with the minimum employment age limit defined by national law or by International Labor Organization (“ILO”) Convention 138, whichever is higher. (b) The ILO Convention 138 minimum employment age is the local mandatory schooling age, but not less than 15 years of age (14 in certain development countries), subject to exceptions allowed by the ILO and national law.
- c. **Environment and Sustainability.** UNDP Focal Point will work to continuously improve its environmental performance by setting and then working toward quantifiable goals that reduce the environmental impact of his/her activities.
- d. **Anti-Brivery.**
 - d.a. UNDP Focal Point will not offer or pay, directly or indirectly, money or anything of value for or on behalf of Mondelez Europe to a Government Official for the purpose of obtaining or retaining Mondelez Europe business or obtaining a business advantage for Mondelez Europe or to assist Mondelez Europe in directing business to any person. “Government Official” includes officials or employees of government, state-owned business, international organizations, or political parties, political candidates, or any person otherwise acting in an official capacity for or on behalf of a government entity or international organization.
 - d.b. UNDP Focal Point will not offer or pay, directly or indirectly, money or anything of value for or on behalf of Mondelez Europe to any person or legal entity for any illegal purpose.
 - d.c. If Mondelez Europe has reason to believe that a breach of any of the representations in this clause has occurred or may occur, Mondelez Europe may withhold further payments under this agreement until such time as it has received confirmation to its satisfaction that no breach has occurred or will occur, or that a breach is substantia
 - d.d. Mondelez Europe may terminate this agreement immediately upon written notice to the UNDP Focal Point of Mondelez Europe concludes, in its sole opinion, that UNDP Focal Point has breached any representation in this clause or that a breach is substantially likely to occur.

