COST-SHARING AGREEMENT BETWEEN THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP) AND THE MINISTRY OF PUBLIC TELECOMMUNICATION & TOURISM

WHEREAS the Government of Guyana, Ministry of Public Telecommunication & Tourism has informed UNDP of its willingness to contribute funds (hereinafter referred to as "the contribution") to UNDP on a cost-sharing basis towards implementation of the ICT Access and E-Services for Hinterland, Poor and Remote Communities, Needs Assessment Initiation Plan preparation of a strategic plan for the Ministry of Public Telecommunication & Tourism, ¹

WHEREAS UNDP is prepared to receive and administer the contribution for the execution/implementation of the preparation of a strategic plan for the Ministry of Public Telecommunication & Tourism,

WHEREAS UNDP shall be the Implementing Partner for the implementation of the preparation of a strategic plan for the Ministry of Public Telecommunication & Tourism hereinafter referred to as the Implementing Partner¹¹²,

NOW THEREFORE, UNDP and the Government of Guyana hereby agree as follows:

Article I. The Contribution

1. (a) The Government of Guyana shall, in accordance with the schedule of payments set out below, contribute to UNDP the amount of USD525,000. The contribution shall be deposited in the following account

UNDP Contributions Account, #36349562 Citibank, N.A. 111 Wall Street New York, NY 10043 ABA/ACH Routing Number: 021000089 SWIFT: CITIUS33

Schedule of payments³
April 18, 2016

USD Amount 525,000

¹ The programme/project is described in the project document [project number and title]. The project document is formally annexed to this agreement. For UNDP programme activities carried out under the harmonized operational modalities, the project document is comprised of the CPAP and AWPs

² "Implementing Partner" for UNDP programme activities carried out under the harmonized operational modalities and "Executing Entity" for UNDP programme activities not carried out under the harmonized operational modalities.

³ 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 Ministry of Public Telecommunication & Tourism will inform UNDP when the contribution is paid via an e-mail message with remittance information to contributions@undp.org
- 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 Ministry of Public Telecommunication & Tourism with a view to determining whether any further financing could be provided by the Ministry of Public Telecommunication & Tourism. 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 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 regulations, rules and directives of UNDP.
- 5. All financial accounts and statements shall be expressed in United States dollars.

Article II. Utilization of the Contribution

- 1. 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.
- 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 Ministry of Public Telecommunication & Tourism on a timely basis a supplementary estimate showing the further financing that will be necessary. The Ministry of Public Telecommunication & Tourism shall use its best endeavours to obtain 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 Ministry of Public Telecommunication & Tourism or other sources, the assistance to be provided to the preparation of a strategic plan for the Ministry of Public Telecommunication & Tourism 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.

Article III. Administration and Reporting

- 1. Project management and expenditures shall be governed by the regulations, rules and directives of UNDP and, where applicable, the regulations, rules and directives of the Executing Entity/Implementing Partner.
- 2. UNDP headquarters and country office shall provide to the Ministry of Public Telecommunication & Tourism, where applicable all or parts of the following reports prepared in accordance with UNDP accounting and reporting procedures.
 - 2.1 For Agreements of one year or less:
 - (a) 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;

(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 at the expense of the Ministry of Public Telecommunication & Tourism. The specific nature and frequency of this reporting shall be specified in an annex of the Agreement.

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%. Furthermore, as long as they are unequivocally linked to the specific project(s), 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 Guyana 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 and directives of UNDP. Should a biennial 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 Ministry of Public Telecommunication & Tourism.

Article VIII. Advertisement of the Contribution

- 1. The Ministry of Public Telecommunication & Tourism 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. In no event will authorization be granted for commercial purposes, or for use in any manner that suggests an endorsement by UNDP of Ministry of Public Telecommunication & Tourism, its products or services.
- 2. The Ministry of Public Telecommunication & Tourism 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.
- 3. The Ministry of Public Telecommunication & Tourism 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 Ministry of Public Telecommunication & Tourism are subject to consultations between the Parties, and the prior written agreement of UNDP.

4. UNDP will report on the contribution to its Executive Board in accordance with its regular procedures regarding contributions from foundations. 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.

Article IX. Completion of the Agreement

- 1. UNDP shall notify the Ministry of Public Telecommunication & Tourism 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 Ministry of Public Telecommunication & Tourism and consult with the Ministry of Public Telecommunication & Tourism 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 disposed of by UNDP in consultation with the Ministry of Public Telecommunication & Tourism.

Article X. Termination of the Agreement

- 1. After consultations have taken place between the Ministry of Public Telecommunication & Tourism, UNDP and the Government of Guyana, 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 Ministry of Public Telecommunication & Tourism. The 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 the Agreement.
- 2. Notwithstanding termination of this Agreement, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in execution/implementation of all or the part of the project, for which this Agreement 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 disposed of by UNDP in consultation with the Ministry of Public Telecommunication & Tourism.

Article XI. Amendment of the Agreement

The Agreement may be amended through an exchange of letters between the Ministry of Public Telecommunication & Tourism and UNDP. The letters exchanged to this effect shall become an integral part of the Agreement.

Article XII. Settlement of Disputes

- 1. 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.
- 2. 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 (60) sixty 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.

Article XIII- Privileges and Immunities

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.

Article XIV. Entry Into Force

This Agreement shall enter into force upon signature and deposit by the Ministry of Public Telecommunication & Tourism of the first contribution-payment to be made in accordance with the schedule of payments set out in Article I, paragraph 1 of this Agreement and the signature of the project document by the concerned parties.

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

For the Ministry of Public Telecommunication & Tourism:

Derrick Cummings Permanent Secretary

5 April 2016

Minister

Ministry Of Public Telecommunication

For the United Nations Development Programme:

Shabnam Mallick

Resident Representative a.i

5 April 2016