

EUROPEAN UNION CONTRIBUTION AGREEMENT

Capacity building of mineral institutions and of small-scale private sector operating in low-value minerals in ACP countries : Phase II – FED/2019/413-209

(the "Agreement")

The European Union, represented by the European Commission (the “**Contracting Authority**”), first counterparty,

and

United Nations Development Programme (UNDP)
International Organisation
One UN Plaza
10017 – New York, USA
hereinafter the “**Organisation**”,

second counterparty, (individually a "Party" and collectively the “Parties”) have agreed as follows:

SPECIAL CONDITIONS

Article 1 - Purpose

- 1.1 The purpose of this Agreement is to provide a financial contribution to finance the implementation of the action “Phase II: Capacity building of mineral institutions and of small-scale private sector operating in low-value minerals in ACP countries” as described in Annex I (the “Action”). This Agreement establishes the rules for the implementation and for the payment of the EU Contribution, and defines the relations between the Organisation and the Contracting Authority.
- 1.2 The Action is a Multi-Donor Action and the EU Contribution is not earmarked.
- 1.3 In the performance of the activities, the Organisation shall:
 - a) apply its own accounting, internal control and audit systems which have been positively assessed in the ex-ante pillar assessment
 - b) apply its own procurement procedures, as assessed in the ex-ante pillar assessment and its own rules for the award of Grants, as assessed in the ex-ante pillar assessment.

The Organisation is free to use any Regulations and Rules which have not been subject to an 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 financed under EDF.
- 1.5 The Organisation shall provide a management declaration in accordance with Articles 3.10 of Annex II with every progress and final report.
- 1.6 This Agreement is subject to the provisions of Financial and Administrative Framework Agreement between the European Union and the United Nations.

Article 2 - Entry into Force and Implementation Period

Entry into Force

- 2.1 The Agreement shall enter into force on the date when the last Party signs.

h
m

Implementation Period

- 2.2 The implementation period of the Agreement (the "Implementation Period") shall commence on: 28th of November 2019.
- 2.3 The Implementation Period of the Agreement is 35 months and 30 days.

Article 3 - Financing the Action

- 3.1 The total cost of the Action¹ is estimated at EUR ("Currency of the Agreement") 11,100,000 as set out in Annex III. The Contracting Authority undertakes to provide a contribution up to a maximum of EUR 10,000,000.00 (the "EU Contribution").

The final amount will be established in accordance with Articles 18 to 20 of Annex II.

- 3.2 The remuneration of the Organisation by the Contracting Authority for the implementation of the activities to be implemented under this Agreement shall be 7% of the final amount of eligible direct costs of the Action to be reimbursed by the Contracting Authority.
- 3.3 Interest generated on pre-financing shall not be due.

Article 4 - Payment Arrangements and Reporting

- 4.1 The pre-financing rate is 100%.
- 4.2 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 5,000,000
Second pre-financing instalment.....	EUR 2,652,845
Third pre-financing instalment.....	EUR 2,347,155
Forecast balance ²	EUR 0

These amounts are indicative and subject to modification in accordance with the provisions of Article 19 of Annex II.

¹ This amount is introduced only for indicative purposes. It is an estimate and its evolution does not condition the EU Contribution.

² The forecast balance (final payment), if any, is the difference between the total amount of the EU Contribution and the sum of the previous instalments.

4.3 The Commission intends to progressively introduce an electronic exchange system for the e-management of contracts and agreements (the “System”). The Organisation will be required to register in and use the System to allow for the e-management of Contribution Agreements. The Commission will inform the Organisation in writing at least three months prior to the date of application of the individual components of the System.

As a first step, the information to be provided in accordance with Article 3.7 b) of Annex II has to be processed via the System for all reports [(expected for the beginning of 2019)].

As a second step, all documents related to this Agreement (including reports, payment requests and formal amendments as per Article 11.1 of Annex II) will have to be processed via the System (expected for April 2020).]

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.

5.2 Subject to Article 4.3, any communication relating to the Agreement shall be in writing, shall state the Contracting Authority’s contract number and the title of the Action, and shall be dispatched to the addresses below.

5.3 Subject to Article 4.3, 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

European Commission
Directorate-General for International Cooperation and Development -EUROPAID
For the attention of Ms Karine GENTY – Head of Unit B6 , “Finance and contracts”
Rue de la Loi 41 B-1049 Brussels

Copies of the documents referred to above, and correspondence of any other nature, shall be sent to:

European Commission
Directorate-General for International Cooperation and Development -EUROPAID
For the attention of Antti KARHUNEN –Unit C4 , “Private Sector and Trade ”
Rue de la Loi 41 B-1049 Brussels

For the Organisation

To the attention of:
Ms. Barbara Pesce Monteiro
United Nations Development Programme
Representation Office in Brussels
37-40 Boulevard du Régent
1000 Brussels, Belgium
brussels.office@undp.org
Phone : +32 2 505 46 20

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 Investigation Section, United Nations Development Programme, One United Nations Plaza, DCI Building 4th Floor New York, NY 10017, USA.
- 5.6 All exchanges concerning the Early Detection and Exclusion System shall take place between the Contracting Authority and the authorised person designated by the Organisation, which is:
- Ms. Barbara Pesce Monteiro
United Nations Development Programme
Representation Office in Brussels
37-40 Boulevard du Régent
1000 Brussels, Belgium
brussels.office@undp.org
Phone : +32 2 505 46 20

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 Action)
 - Annex II: General Conditions for Contribution Agreements
 - 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 these 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 and those of the other Annexes, the provisions of Annex shall take precedence.


Article 7 – Additional specific conditions applying to the Action

- 7.1.1 Where the implementation of the Action requires the setting up or the use of one or more project offices, the Organisation may declare as eligible direct costs the capitalised and operating costs of the structure if all the following conditions are fulfilled:
- a) They comply with the cost eligibility criteria referred to in Article 18.1 of Annex II;
 - b) They fall within one of the following categories:
 - i) costs of staff, including administration and management staff, directly assigned to the operations of the project office. The tasks listed in the Description of the Action (Annex I), undertaken by staff assigned to the project office will be directly attributable to the implementation of the Action.
 - ii) travel and subsistence costs for staff and other persons directly assigned to the operations of the project office;
 - iii) depreciation costs, rental costs or lease of equipment and assets composing the project office.
 - iv) costs of maintenance and repair contracts specifically awarded for the operations of the project office;
 - v) costs of consumables and supplies specifically purchased for the operations of the project office;
 - vi) costs of IT and telecommunication services specifically purchased for the operations of the project office;
 - vii) costs of energy and water specifically supplied for the operations of the project office;
 - viii) costs of facility management contracts including security fees and insurance costs specifically awarded for the operations of the project office;

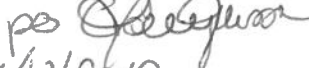
- c) Where costs of the project office are declared as actual costs, the Organisation declares as eligible only the portion of the capitalised and operating costs of project office that corresponds to the duration of the Action and the rate of actual use of the project office for the purposes of the Action.
- d) Costs of the project office not declared as actual costs are only eligible if they have been ex ante-assessed by the European Commission.

Done in Brussels in three originals in the English language, two for the Contracting Authority and one for the Organisation. The Organisation also signs this Agreement on behalf of all Partners.

For the Organisation

Name *PICARD NAZK*
Position *Jessica Jireiron*
Signature 
Date *27.11.2019*

For the Contracting Authority

Name *Antti Kaakinen*
Position *Head of Unit*
Signature 
Date *27/12/2019*



Handwritten text, possibly a signature or name, located in the upper right quadrant of the page.