

Agreement

between

the Swiss Confederation

and

the United Nations Development Programme

**on Crisis Prevention and Recovery
for the period from
1 July 2016 to 30 June 2019**

This Agreement is entered into:

Between the Swiss Confederation, represented by the Federal Department of Foreign Affairs, acting through the Swiss Agency for Development and Cooperation, hereinafter referred to as FDFA / “the Donor”

And the United Nations Development Programme, hereinafter referred to as “UNDP”;

Are hereinafter together referred to as “the Partners”.

The donor hereby agrees to contribute funds to UNDP in support of UNDP’s work on governance, conflict prevention and recovery for the period from 1 July 2016 to 30 June 2019 through the following mechanisms:

Programmes and projects as outlined in the standard cost-sharing agreement in Annex 1:

- Joint UNDP – DPA Programme on Building National Capacities for Conflict Prevention & Phase 2 of support to the UN Task Team on Conflict Prevention;
- Global Programme to Strengthen the Rule of Law and Human Rights for Sustaining Peace and Fostering Development;
- Global Project on Supporting Core Government Functions to Address Fragility and Build Resilience

(hereinafter referred to as the “Projects”)

Funding Window as outlined in the Funding Window agreement in Annex 2:

- Emergency Development Response to Crisis and Recovery Trust Fund

(hereinafter referred to as the “Funding Window”)

The Donor shall contribute to UNDP the amount of **CHF 13’800’000.00** for the period from 1 July 2016 to 30 June 2019 for the projects and the Funding Window. The contribution shall be transferred to the following UNDP account:

Account:	UNDP Contributions (CHF) Account
Bank:	UBS S.A. (Switzerland)
Address:	P.O. Box 2600 1211 Geneva 2 Switzerland
Account No:	240C02400361
SWIFT/ABA Code:	UBSWCHZH12A
IBAN:	CH6100240240C02400361

Payment of the full contribution shall be made in accordance with Table 1 below, and distributed in accordance to the conditions and schedules of payment of Annexes 1 and 2:

Table 1

	CHF 2016	CHF 2017	CHF 2018	CHF Total
Joint UNDP – DPA Programme on Building National Capacities for Conflict Prevention	900'000	900'000	900'000	2'700'000
Phase 2 of support to the UN Task Team on Conflict Prevention	200'000	200'000	200'000	600'000
Global Programme to Strengthen the Rule of Law and Human Rights for Sustaining Peace and Fostering Development	1'000'000	1'000'000	1'000'000	3'000'000
Global Project on Supporting Core Government Functions to Address Fragility and Build Resilience	500'000	500'000	500'000	1'500'000
Emergency Development Response to Crisis and Recovery Trust Fund	2'000'000	2'000'000	2'000'000	6'000'000
	4'600'000	4'600'000	4'600'000	13'800'000

Annexes

The following annexes form part of this Framework:

- *Annex 1* – Switzerland-UNDP Cost Sharing Agreement
- *Annex 2* – Agreement regarding contribution to the UNDP Trust Fund “Emergency Development Response to Crisis and Recovery”.

Signed in duplicate by authorised officials of the Partners in Istanbul, Turkey

on the 23rd of May 2016:

Federal Department of Foreign Affairs



Didier Burkhalter
Federal Councillor

United Nations Development Programme



Helen Clark
Administrator

Annex 1

**Cost-Sharing Agreement between
the Swiss Confederation,
represented by the Federal Department of Foreign Affairs,
acting through the Swiss Agency for Development and Cooperation (SDC)
and the United Nations Development Programme (UNDP)**

in relation with an earmarked Swiss contribution to:

- Joint UNDP – DPA Programme on Building National Capacities for Conflict Prevention & Phase 2 of support to the UN Task Team on Conflict Prevention;
- Global Programme to Strengthen the Rule of Law and Human Rights for Sustaining Peace and Fostering Development;
- Global Project on Supporting Core Government Functions to Address Fragility and Build Resilience

for the period from 1 July 2016 to 30 June 2019.

Whereas the Swiss Confederation, represented by the Federal Department of Foreign Affairs, acting through the Swiss Agency for Development and Cooperation (hereinafter referred to as FDFA / “the Donor”) hereby agrees to contribute funds to UNDP in support of the:

- Joint UNDP – DPA Programme on Building National Capacities for Conflict Prevention & Phase 2 of support to the UN Task Team on Conflict Prevention
- Global Programme to Strengthen the Rule of Law and Human Rights for Sustaining Peace and Fostering Development
- Global Project on Supporting Core Government Functions to Address Fragility and Build Resilience

(hereinafter referred to as the “Projects”)

Whereas UNDP is prepared to receive and administer the contribution in support of the projects.

Now therefore, UNDP and the Donor hereby agree as follows:

Article 1. The contribution

1.1 The Donor shall contribute to UNDP the amount of CHF 7’800’000.00 for the period from 1 July 2016 to 30 June 2019. The contribution shall be transferred to UNDP account:

Account:	UNDP Contributions (CHF) Account
Bank:	UBS S.A. (Switzerland)
Address:	P.O. Box 2600 1211 Geneva 2 Switzerland
Account No:	240C02400361
SWIFT/ABA Code:	UBSWCHZH12A
IBAN:	CH6100240240C02400361

Payment of full contribution shall be made as follows:

- CHF 2'600'000.00 upon signature of the Agreement;
 - CHF 2'600'000.00 in 2017 upon receipt and full acceptance of the documents stated in Art. 3, paragraph 2 a) and b) ;
 - CHF 2'600'000.00 in 2018 upon receipt and full acceptance of the documents stated in Art. 3, paragraph 2 a) and b).
- 1.2. 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 projects may be reduced, suspended or terminated by UNDP.
 - 1.3 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.
 - 1.4 UNDP shall receive and administer the payment in accordance with the regulations, rules, policies and procedures of UNDP.
 - 1.5 All financial accounts and statements shall be expressed in United States Dollars.

Article 2. Utilization of the Contribution

- 2.1 The implementation of the responsibilities of UNDP and of the Executing Agency pursuant to this Cost Sharing Agreement shall be dependent on receipt by UNDP of the contribution in accordance with the schedule of payment as set out in Article 1, paragraph 1, above.
- 2.2 If unforeseen increases in expenditures of 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 endeavours to obtain the additional funds required.
- 2.3 If the payments referred to in Article 1, 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 Cost Sharing Agreement may be reduced, suspended or terminated by UNDP.
- 2.4 Any interest income attributable to the contribution shall be credited to UNDP Account and shall be utilized in accordance with established UNDP procedures.

Article 3. Administration and reporting

- 3.1 The projects management and expenditures shall be governed by the regulations, rules, policies and procedures of UNDP and, where applicable, the regulations, rules and directives of the Executing Agency.
- 3.2 UNDP headquarters shall provide to the Donor all or parts of the following reports prepared 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 this Agreement, as well as the latest available approved budget. *In this instance, UNDP will provide the following reports:*
- Annual Report of the Joint UNDP – DPA Programme on Building National Capacities for Conflict Prevention
 - Annual Report of the Global Programme to Strengthen the Rule of Law and Human Rights for Sustaining Peace and Fostering Development
 - Annual Report of the Global Project on Supporting Core Government Functions to Address Fragility and Build Resilience
- (b) From UNDP Bureau of Management Services/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 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 Cost Sharing Agreement, a final report summarizing the projects' activities and impact of activities as well as provisional financial data
- (d) From UNDP Bureau of Management Services/Office of Finance and Administration on completion of the projects, a certified financial statement to be submitted no later than 30 June of the year following the financial closing of the project
- 3.3 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 Cost Sharing Agreement.

Article 4. Administrative and support services

- 4.1 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.

- 4.2 The aggregate of the amounts budgeted for the projects, together with the estimated costs of reimbursement of related support services, shall not exceed the total resources available to the projects under this Cost Sharing Agreement as well as funds which may be available to the project costs and for support costs under other sources of financing.

Article 5. Evaluation

All UNDP programmes and projects are evaluated in accordance with UNDP Evaluation Policy. UNDP 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 6. 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 7. 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 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.

Article 8. Completion of the Cost Sharing Agreement

- 8.1 UNDP shall notify the Donor when all activities relating to the programme/project have been completed.
- 8.2 Notwithstanding the completion of the programme/project, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in the implementation of the programme/project have been satisfied and programme/project activities brought to an orderly conclusion.
- 8.3 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.
- 8.4 Any contribution-payments that remain unexpended after such commitments and liabilities have been satisfied, shall be transferred to another UNDP project of joint cooperation, in full consultation with the Donor.

Article 9. Termination of the Cost Sharing Agreement

- 9.1 After consultation 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 programme/project, sufficient to meet all commitments and liabilities incurred in the implementation of the programme/project, this Cost Sharing Agreement may be terminated by UNDP or by the Donor. The Cost Sharing 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 Cost Sharing Agreement.

- 9.2 Notwithstanding termination of this Cost Sharing Agreement, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in implementation of the programme/project up to the date of the termination have been satisfied and programme/project activities brought to an orderly conclusion.
- 9.3 Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be disposed of by UNDP in consultation with the Donor.

Article 10 Notice

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

- (a) To the Donor: Nicole Ruder, Head of Division, Global Institutions Division, Global Cooperation Domain, Swiss Agency for Development and Cooperation
nicole.ruder@eda.admin.ch

Address Swiss Agency for Development and Cooperation
Freiburgstrasse 130
3008 Bern
Switzerland

- (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: nicole.ruder@eda.admin.ch

- (c) To UNDP: Michael O'Neill, Director of the Bureau of External Relations and Advocacy: Michael.oneill@undp.org

Address: United Nations Development Programme
One United Nations Plaza
New York, NY 10017
United States of America

Article 11. Anti-Corruption

Within the framework of this Agreement, the parties shall neither directly nor indirectly propose benefits of any nature whatsoever. They shall not accept any such proposals. Any corrupt or illegal behaviour signifies a violation to the present Agreement and justifies its immediate termination.

Article 12. Anti-Terrorism

Consistent with numerous United Nations Security Council resolutions, including S/RES/126 (1999), S/RES/1368 (2001), and S/RES/1373 (2001), both the Donor and the Recipient are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of the Donor to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, the recipient undertakes to use reasonable efforts to ensure that none of the Donor funds provided under this grant agreement are used to provide support to individuals or entities associated with terrorism.

Article 13. Amendment of the Cost Sharing Agreement

- 13.1 The Cost Sharing 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 the Cost Sharing Agreement

Article 14. Entry Into Force

- 14.1 This Cost Sharing Agreement shall enter into force upon signature and deposit by the Donor of the first contribution-payment to be made in accordance with the schedule of payments set out in Article 1, paragraph 1 of this Cost Sharing Agreement. It covers the period from 1 July 2016 to 30 June 2019, and ends as soon as both parties have fulfilled their mutual obligations.

Annex 2

**Agreement between the Swiss Confederation,
represented by the Federal Department of Foreign Affairs, acting through the
Swiss Agency for Development and Cooperation (SDC),
and the United Nations Development Programme (UNDP),
regarding contribution to the UNDP Trust Fund Emergency Development
Response To Crisis And Recovery**

1. Pursuant to the Terms of Reference of the UNDP Trust Fund titled “Emergency Development Response to Crisis and Recovery Trust Fund” (the “Funding Window”), established by the Administrator of the UNDP on 17 March 2016, attached to this Agreement as Attachment A and in accordance with the UNDP Funding Windows brochure provided to Member States and endorsed by the UNDP Executive Group, the Donor is making available a Contribution (the “Contribution”) of CHF 6 million for the period from 1 July 2016 to 30 June 2019 to be administered by UNDP in accordance with UNDP Regulations and the Terms of Reference.
2. (a) The Donor shall, in accordance with the schedule of payments set out below, contribute to UNDP the amount of CHF 6 million. The Contribution shall be deposited in the:

Account:	UNDP Contributions (CHF) Account
Bank:	UBS S.A. (Switzerland)
Address:	P.O. Box 2600 1211 Geneva 2 Geneva, Switzerland
Account No:	240C02400361
SWIFT/ABA Code:	UBSWCHZH12A
IBAN:	CH6100240240C02400361

<u>Schedule of Payments</u>	<u>Amount</u>
Upon signature of the Agreement	CHF 2,000,000
Upon receipt and full acceptance of the documents stated in Paragraph 4 a and b in 2017	CHF 2,000,000
Upon receipt and full acceptance of the documents stated in Paragraph 4 a and b in 2018	CHF 2,000,000

- (b) The Donor will inform UNDP when the Contribution is paid via an e-mail message with remittance information to Contributions@undp.org
3. The Contribution will be used exclusively for the purposes for which it is intended as stated in paragraph 1 above.

4. UNDP headquarters will provide the Donor with the following reports prepared in accordance with UNDP accounting and reporting procedures:
 - (a) An annual Trust Fund report summarizing programmatic activities and results, lessons learned and challenges, an overview of donors, a breakdown by window, key programme areas, and geographic locations, as well as provisional financial data
 - (b) An annual certified financial statement as of 31 December every year to be submitted no later than 30 June of the following year;
5. This Agreement may be terminated by UNDP or by the Donor after consultations between the Donor and UNDP, and provided that the funds from the Contribution already received are, together with other funds available to the Fund, sufficient to meet all commitments and liabilities incurred in the implementation of activities. The Agreement will 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.
6. Notwithstanding termination of all or part of this Agreement, UNDP will continue to administer unutilized funds of the contributions under the Funding Window (or sub-window, or region, or country) at the time of the termination for further activities in the context of the referenced Funding Window (or sub-window, or region, or country)
7. Any payments that remain unexpended after such commitments and liabilities have been satisfied will be disposed of by UNDP in consultation with the Donor.
8. Any notice or correspondence between UNDP and the Donor will be addressed as follows:
 - (a) To the Donor:
Nicole Ruder, Head of Division, Global Institutions Division, Global Cooperation Domain, Swiss Agency for Development and Cooperation
nicole.ruder@eda.admin.ch
Address Swiss Agency for Development and Cooperation
 Freiburgstrasse 130
 3008 Bern
 Switzerland
 - (b) Upon receipt of funds, UNDP will 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: nicole.ruder@eda.admin.ch
Attention: Nicole Ruder
 - (c) To UNDP:
Michael O'Neill, Director of the Bureau of External Relation and Advocacy
Michael.oneill@undp.org
Address United Nations Development Programme
 One United Nations Plaza
 New York, NY 10017
 United States of America

9. This Agreement will come into effect upon signature of the Agreement and deposit by the Donor of the first payment to be made in accordance with the schedule of payments set out in paragraph 2.a of this Agreement.

Attachment A: *Emergency Development Response to Crisis and Recovery*

Terms of Reference

1. The Administrator hereby establishes a Trust Fund titled “Emergency Development Response to Crisis and Recovery” (hereinafter referred to as “the Funding Window”) under the financial regulations and rules of UNDP for the receipt and administration of the funds to mobilize additional resources needed to enhance UNDP programme activities described in the attached document “*Emergency Development Response to Crisis and Recovery Funding Window*” which, forms an integral part of this Terms of Reference.
2. Financial resources pledged will be managed under the authority of the UNDP Administrator. Activities financed by the Funding Window shall be carried out within these terms of reference.
3. UNDP will designate an Executing Entity or Implementing Partner for the implementation of each activity financed under the Funding Window.

I. Contributions to the Funding Window

1. Contributions to the Funding Window, in cash or in kind, may be accepted by UNDP from Governments of Member States of the United Nations and of the Specialized Agencies or from intergovernmental or non-governmental organizations, foundations, or from private sources.
2. Contributions to the Funding Window may be made in any of the following forms:
 - a) As voluntary contribution to the **Funding Window**, without any limitation.
 - b) As voluntary contribution to the Funding Window, but limited to a geographic location (country or region).
3. Contributions in cash to the Funding Window may be accepted by the Administrator in fully convertible currency or in any other currency, which the Administrator determines can be readily utilized. Such contributions shall be deposited into bank accounts designated by UNDP.
4. The value of a contribution-payment, if made in 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 contribution-payment, the value of the balance of funds still held at that time will be adjusted accordingly.
5. All financial accounts and statements shall be expressed in United States dollars.

II. Utilization of the resources in the Funding Window

1. UNDP shall utilize the resources in the Funding Window for the purpose of achieving the results contained in the Results Framework under these terms of reference.

2. In accordance with the decisions and directives of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources and Direct Project Costing¹, 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 7% when contributions are at the Funding Window. 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.

3. 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.

III. Administration of the Funding Window

1. The Funding Window shall be administered by the UNDP in accordance with UNDP financial regulations, rules, policies and procedures.

2. Project management and expenditures shall be governed by the regulations, rules and policies and procedures of the UNDP and, where applicable, the regulations, rules and directives of the executing entities or implementing partners.

IV. Implementation and Budgeting of Funding Window

1. The aggregate of the amounts budgeted for the projects together with any estimated payments in respect of support services shall not exceed the total resources available to the Funding Window.

2. If unforeseen increases in commitments or expenditures are expected or realized (whether due to inflationary factors, fluctuation in exchange rates or unforeseen contingencies) the assistance to be provided under the Funding Window may be reduced, suspended or terminated by UNDP.

V. Ownership of Equipment, Supplies and Other Property

Ownership of equipment, supplies and other property financed from the Funding Window shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with applicable policies and procedures of UNDP.

VI. Audit

The contributions shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules policies and procedures of UNDP and the relevant audit reports can be consulted by the donor. The annual Audit Report of Auditors (external auditors) to UNDP governing body is a publicly available document. Similarly, audit reports issued by UNDP internal audit services are also available on the public website of UNDP.

¹ EB Document 12 February 2013, DP/2013/10

VII. Reporting

1. UNDP will provide contributing partners an Annual report for each Funding Window, including programmatic results, lessons learned and challenges, and a financial breakdown of contributions, allocations and expenditures.
2. UNDP will issue per donor, an annual certified financial statement as of 31 December every year, in June of the following year. The report will provide the consolidated amount received per donor for each Fund, and the total expenditure per Fund.

VIII. Other matters

1. Notwithstanding the completion of the projects financed from the Funding Window, any unutilized balances shall continue to be held in the Funding Window account until all commitments and liabilities incurred in execution/implementation of the projects have been satisfied and project activities have been brought to an orderly conclusion.
2. The Funding Window shall terminate upon completion of all projects identified pursuant to this Terms of Reference and after satisfaction of all commitments and liabilities arising therefrom. Any balance then remaining shall be disposed of by the UNDP in consultation with the Donor(s).