

Sida ref: U 11 Vho/11.3-14-15  
Component: 65000064  
UN ref (Awards): 34374/43670/  
34776/50266/  
34373/

## ADMINISTRATION AGREEMENT REGARDING SUPPORT TO THE UNDP GOVERNANCE PROGRAM IN HONDURAS 2008-2010

1. Pursuant to the Agreement regarding the UNDP/Sida Trust Fund for Assistance to UNDP concluded between the Government of Sweden ("Sida") and the United Nations Development Programme ("UNDP") on the first of September 2000 and the revision of the fourth of May 2007, (the "Trust Fund Agreement"), I am pleased to inform you of the intention of Sida to make available a contribution (the "Contribution") of Forty Eight Million Swedish kronor (SEK 48 000 000) to be administered by UNDP for the UNDP Governance Program in Honduras 2008-2010 (UNDP Trust Fund No. 54050, Sida Dnr U 11 Vho/11.3-14-15, Component 65000064) for the following two sub-programs:

a) *Reforms for the strengthening of democracy (including the elaboration and distribution of NHDR and MDGs-reports).* The activity period is from July 2008 to December 2010 with the exception of the development and dissemination of the NHDR and the MDGs report where the activity period is January 2009 – December 2010.

b) *Security, justice and social cohesion.* The activity period is from July 2008 to December 2010.

The terms of the Trust Fund Agreement shall apply to the Contribution. UNDP shall administer the Contribution in accordance with the provisions of the Trust Fund Agreement, except as otherwise provided herein.

2. The objectives of the UNDP Governance Program are to further strengthen the democratic governance in Honduras, increase knowledge and information on security and violence and to promote sustainable human development.
3. Out of the contribution, up to 6 per cent may be used as support costs in accordance with Article 7 (a), and 7 per cent as support costs in accordance with Article 7 (b) of the Trust Fund Agreement. The total amount of support costs may never exceed 13 per cent in any given sub-program. The specific support costs for each of the two sub-programs within the framework of the Governance Program are stated in the annexed sub-program budgets (see annex 2).

4. The funds are estimated to be utilized according to the following schedule (for further details see annex 2):
- 2008: 11 000 000 SEK  
 2009: 20 000 000 SEK  
 2010: 17 000 000 SEK
5. The specific period during which the activities shall be undertaken is from July 1, 2008 to December 31, 2010. Only costs for activities carried out during this period may be financed from the Swedish Contribution. After six months from that latter date, the contribution shall not be available for disbursement. The Contribution shall be used exclusively for the purposes of the program for which they are intended and in accordance with the program document, attached as Annex 1 to this Administration Agreement, and in accordance with the specific budget for the Swedish participation, attached as Annex 2.
6. UNDP shall provide Sida with reports and information as provided in the Trust Fund Agreement. In addition hereto UNDP shall provide Sida with semiannual expenditure reports showing the expenditures for the Program.
- The yearly reports, substantive and financial, stated in the UNDP/Sida Trust Fund Agreement article 11.2, shall be submitted to Sida no later than 30 of June of the subsequent year.
- During the Program period, an evaluation of the progress of the Program will be carried out. Sida will cover the expenses for this evaluation and ToRs and consultants will be decided upon by Sida after consultation with UNDP.
7. The officers responsible for coordination of all matters related to this Administration Agreement are:

For Sida

Address: Mall El Dorado, 6to Piso, Boulevard Morazán,  
 Tegucigalpa, Honduras

Dept/Unit: Swedish Embassy, Guatemala  
 Section for Development Cooperation in Honduras  
 (SDC)

Responsible Officer: Nilla Ingstorp  
 Telephone: +504-290-1800  
 Fax: +504-290-1810  
 E-mail: nilla.ingstorp@sida.se

## For UNDP

Address: Casa de las Naciones Unidas, Col. Palmira,  
Tegucigalpa, Honduras  
Dept/Unit: Unidad de Gobernabilidad y Políticas de Desarrollo  
Responsible Officer: Rocio Tabora  
Telephone: +504-220-1100  
Fax: +504-239-7084  
E-mail: rocio.tabora@undp.org

8. UNDP shall inform Sida of any significant deviation from agreed plans and budgets. Sida may at any time withhold disbursement if major deviations occur.

UNDP in Honduras will be active in preventing corruption within and through the program and undertake to take rapid legal measures to stop, investigate and charge any party suspected on good grounds of corruption or other wilful misuse of resources.

9. Sida and UNDP shall, together with the national cooperating partners for each project, meet every six months to review the progress of ongoing activities of the sub-programs. One of these meetings will be the annual review meeting on annual reports and workplans, together with SETCO.

The sub-programs shall be implemented under UNDP Direct Execution modality – DEX, with some components of National Execution (NEX). Direct execution of UNDP involves their technical assistance and guidance in the implementation and follow-up, promoting national ownership of the two sub-programs.

The national ownership in each sub-program should be increased gradually though a greater degree of national responsibility and implementation, in order to strengthen the development process of the sub-programs and the sustainability of the defined objectives and results.

Any issue not explicitly included in this Administration Agreement shall be regulated according to the Trust Fund Agreement.

10. This Administration Agreement shall enter into force July 1, 2008 and remain valid until June 30, 2011 unless terminated earlier by either of the Parties giving three months' written notice to the other.

This Administration Agreement might be terminated in case of force majeure or fraudulent unfulfillment by any of the program counterparts.

11. I would like to propose that this letter shall, upon your confirmation and agreement below, constitute an agreement between Sida and UNDP.

Tegucigalpa, 2008 06 26

Place and date

*Ann Stödberg*

Signature

Ann Stödberg

Councillor  
Swedish International Development  
Cooperation Agency

Confirmed and agreed:

Tegucigalpa, 30/06/2008

Place and date

*Rebeca Arias*

Signature

Rebeca Arias

Name and title in block letters  
Resident Representative  
United Nations Development  
Programme

