GRANT NO. 2000000969

GRANT AGREEMENT

Strengthening Decentralized Agriculture Programming and M&E

between the

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

and

United Nations Development Programme, Haiti Country Office

Dated 2 December 2015

GRANT AGREEMENT

I. Introduction

By virtue of this Grant Agreement (the "Agreement") the International Fund for Agricultural Development (the "Fund" or "IFAD") shall make available to United Nations Development Programme (the "Recipient"), established at Port-au-Prince, Haiti, financial assistance in the form of a grant in the amount of USD 500 000 (the "Grant") in support of the Project entitled: "Strengthening Decentralized Agriculture Programming and M&E" (the "Project"), described in Annex 1.

II. Terms and Conditions

- 1. The Grant shall be used to finance expenditure incurred by the Recipient:
 - 1.1. exclusively for the execution of the Project in accordance with an Annual Work Plan and Budget (AWPB) specifying: (i) the planned Project activities for the Project Implementation Period (as defined in Paragraph 1.2) below; (ii) the financing of such activities, consistent with the Grant Allocation Schedule set forth in Annex 2; and (iii) the procurement procedures to be applied for goods/services to be financed by the Grant; and
 - 1.2. during the period beginning on the date of this Agreement ("Effective Date") and ending on or before twenty-four (24) months after the Effective Date (the "Project Completion Date"). The period from the Effective Date through the Project Completion Date shall be referred to as the "Project Implementation Period".
- 2. The Grant shall be disbursed in two instalments.
 - 2.1. The first instalment in the amount of up to 100% of the first AWPB shall be disbursed upon prior submission to the Fund by the Recipient of the following documentation:
 - (a) one copy of this Agreement, countersigned by a duly authorized representative of the Recipient;
 - (b) An AWPB for the first year of the Project Implementation Period, validated by MARNDR and acceptable to the Fund;
 - (c) a withdrawal application, in the format set forth in Annex 3, and such other documents/evidence in support of the withdrawal application as the Fund may reasonably request; and
 - (d) a certificate, in the format set forth in Annex 4, evidencing authority of the person or persons authorized to sign such application and the authenticated specimen signature of each such person.
 - 2.2. The second instalment in the amount of up to 100% of the second AWPB shall be disbursed by the Fund to the Recipient following the Recipient's submission to the Fund of the following:
 - a withdrawal application and such other documents/evidence in support of the withdrawal application as the Fund may reasonably request;
 - (b) An AWPB for the second year of the Project Implementation Period, acceptable to the Fund;
 - (c) a progress report validated by the MARNDR, describing the progress achieved on the Project activities by the end of the first six months of the Project Implementation Period and the use of funds thereon; and
 - (d) a statement of expenditure (SOE), in the format set forth in Annex 5, with respect to the use of at least 75% of the first advance withdrawn for the Project.

3. The Recipient shall:

- (a) Administer, monitor and evaluate the Grant in accordance with its rules and regulations. The Grant shall be subject exclusively to the internal and external auditing procedures provided for in the Recipient's financial, rules and regulations;
- (b) Provide to the Fund the following reports in accordance with UNDP accounting and reporting procedures: 1) From the country office, an annual status report of the project's progress for the duration of this Agreement, as well as the latest available approved budget, 2) From UNDP Bureau of Management/Office of Finance and Administration, an annual certified financial statement as of 31 December every year to be submitted no later than 30 June of the following year, 3) 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 this Agreement, a final report summarizing the project's activities and impact of activities as well as provisional financial data, 4) 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;
- (c) 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 project may be reduced, suspended or terminated by UNDP.
- 4. If at any time the Fund shall have determined that any amount advanced to UNDP (i) was not required during the Project Implementation Period to cover eligible expenditures in accordance with the relevant WPB, or (ii) will not be required to cover further payments for eligible expenditures in accordance with the WPB, the Fund may deduct such amounts from any future advances to UNDP. In case the funds have not been used exclusively in accordance with the requirements of the Project or this Agreement, UNDP shall use its best efforts, consistent with UNDP regulations, rules, policies and procedures to recover any funds found by the Parties to be misused and shall, promptly upon notice from the Fund credit any funds so recovered to the Project budget, or in case the Project was completed or terminated, UNDP shall refund such funds to the Fund.
- 5. UNDP shall undertake all procurement financed by the Grant proceeds in accordance with its procedures UNDP shall ensure that the Grant is not used for the payment of customs duties and direct taxes levied with respect to such importation or in connection with the execution, delivery or registration of this Agreement if required under the law of any country in which this Agreement is to be implemented.
- 6. The personnel undertaking and responsible for effecting the activities related to this Agreement, shall not be considered staff members of IFAD, entitled to any privileges, immunities, compensation or reimbursement other than in accordance with their terms of employment with UNDP, nor allowed to incur any commitments or expenses on behalf of IFAD.
- 7. Nothing in this Agreement or in any document relating thereto, shall be construed as constituting a waiver of privileges or immunities of IFAD or UNDP.
- 8. The Fund shall not be held responsible for any accident, illness, loss or damage, which may be caused as a result of the Recipient carrying out of this Agreement.
- 9. The Parties will use their best efforts to promptly settle through direct negotiations any dispute, controversy or claim arising out of or in connection with this Agreement or any breach thereof. Any such dispute, controversy or claim which is not settled within sixty (60) days from the date either

party has notified the other party of the nature of the dispute, controversy or claim and of the measures which should be taken to rectify it, will be resolved through consultation between the Executive Heads of each of the Parties.

- In the event that and prior to the production of any written, audio-visual and/or information technology material connected with or resulting from the Project by the Recipient and intended for limited or general publication, the Recipient shall consult with the Fund regarding the form and substance of the acknowledgement of the Fund's role in supporting the Project and shall include an acknowledgement in terms agreed by both parties. The Recipient shall, free of charge, provide the Fund with copies of any relevant materials as the Fund may reasonably request, which the Fund may use for non-commercial purposes, as it deems appropriate.
- The Recipient hereby represents and warrants that it has the power and authority to enter into this Agreement, to receive the Grant proceeds and to execute and deliver this Agreement and discharge each of its obligations hereunder, and that it has taken all necessary corporate action to authorize such execution, delivery and discharge.
- This Agreement shall become effective, as of the date hereof, upon the countersignature by the duly authorized representative of the Recipient. The Agreement shall remain effective until the later of the Grant Closing Date, or the fulfilment of the obligations set forth in paragraphs 3 and 4 above, or any other date mutually agreed upon by the Parties, unless earlier terminated by the Fund and upon receipt of written notice due to: (a) non-observance by the Recipient of any obligations under this Agreement; (b) the complete and in defeasible performance by the parties of their respective obligations hereunder; or (c) circumstances having arisen which, in the opinion of the Fund after consultation with the Recipient, could make it improbable that the Project can be successfully carried
- 13. The obligations assumed by the Parties under this Agreement shall survive the termination of the Agreement to the extent necessary to permit the orderly conclusion of the activities, the withdrawal of personnel, funds and property, the settlement of accounts between the Parties thereto and the settlement of contractual liabilities that are required in respect of any personnel, subcontractors, consultants or suppliers. The Recipient shall facilitate all evaluations of the Project that the Fund may carry out during the Project Implementation Period.
- Except as otherwise expressly provided, this Agreement may only be amended or otherwise modified in writing signed by both parties.
- Any action required or permitted to be taken and any document required or permitted to be executed under this Agreement may be taken or executed by: (a) the Senior Country Director of UNDP Haiti and (b) the Division Director of IFAD.
- The following addresses are specified for all notices, requests and other communications given or made under this Agreement:

For the Fund:

International Fund for Agricultural Development Via Paolo Di Dono 44 00142 Rome, Italy (0039) 06 504 34 63 Facsimile Number:

For the Recipient:

Yvonne Helle MINUSTAH HQ, Log Base MINUSTAH, PO Box 730, Port-au-Prince, Haiti Facsimile Number:

N/A

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have signed this Agreement, as of the date first above written.

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Joaquin Lozano
Latin America and Caribbean Division
Director

UNITED NATIONS DEVELOPMENT PROGRAMME, HAITI COUNTRY OFFICE

Senior Country Director

Description of the Project

1.1. Strategic approach, target group and participating countries. The strategic approach of the Project is to contribute to addressing the persistent poor performance of the Ministry of Agriculture Natural Resource and Rural Development (MARNDR), by strengthening the decentralized sector institutions in those Departments where IFAD is present. In so doing, MARNDR will improve its planning, programming, budgeting, M&E, using the bottom-up approach and effectively implement investment projects.

The role of the Agricultural Departmental Directorates (DDA), their deputies (DDAA) and their Commune Agricultural Officers (BAC) in programming, budgeting and M&E is crucial, as these entities are the direct contact with the communities on the ground. The strategic approach of the Project is therefore to strengthen the skills and capacity of the decentralized institutions and staff, to put in place a system that will ensure UEP functions are fully informed by the local realities.

The Project will directly target at least 100 professional MARNDR staff responsible for agriculture development programming, budgeting, and monitoring and evaluation (M&E) in regional offices and at the headquarters. Relevant staff will have the required minimum academic background. The Project will focus on the North-West, North-East, Central Plateau, Nippes and West Departments, with few participants from the other five regions. Eighty (80) of the targeted staff comprise 30 from 10 DDA Offices, and 50 BACs based in the regions and responsible for regional programming, budgeting and M&E. The other twenty (20) will be staff from five other regional offices; MARNDR headquarter-based, and responsible for national agriculture programming, budgeting, and M&E; Project Management Unit staff, of the two on-going projects in MARNDR.

An estimated 600 local staff at Department and Commune levels and community leaders in the targeted regions, through follow up training by trained DDA staff and transfer of good practices, which will in turn benefit small scale agriculture producers targeted by the irrigation projects in the five regions. With training of Project staff, the Grant will benefit phase II and phase III small scale irrigation projects, through the much needed improved Project management.

- 1.2. Goal. The goal is to contribute to government effort to orient the MARNDR's human and financial resource to the effective and efficient delivery of core agricultural services from 2013 to 2018.
- 1.3. Objectives. The objective of the Project is to strengthen decentralized agricultural programming, budgeting and monitoring and evaluation, and the management of IFAD-financed investment Projects in the five Departments.

1.4. Outputs.

Outputs:

- (a) Trained DDA teams in the five targeted Departments, able to programme, budget, monitor and evaluate investment Projects;
- (b) Trained staff in Project management, improve their performance;
- (c) DDA teams equipped with adequate tools to undertake the above-mentioned functions;
- (d) Four Development plans and budgets for 2015/2016 fiscal year of each of the participating departments sent to UEP Headquarters; and
- (e) A consolidated development Plan for the four regions prepared by the UEP participating staff.

Expected Outcomes:

- Improved quality of Department level agriculture and rural development programming, budgeting and M&E;
- (b) Improved performance of investment projects due to quality Project management supported by effective regional level sector institutions;
- (c) Increased absorption of investment resources in agriculture sector due to improved performance of investment Projects.
- 1.5. Activities. Activities will include sensitizing, skills training, coaching, and preparation of regional annual programmes. They will be implemented in a coherent and sequential manner for effective learning process. A workshop will be organized to raise awareness on the importance of strengthening regional institutions. During implementation, UNDP will work closely with the Reform Steering Committee, in MARNDR, to harmonize with other reform and capacity building activities.

The Project has two components: (a) Regional Programming, Budgeting, & M&E; and (b) Monitoring and Evaluation and Programme Project Implementation Management Strengthening.

The following are the main activities

- (i) **Diagnosis:** Before the launch of the Project, UNDP working closely with UEP in MARNDR, will undertake a diagnosis exercise to validate the Project design and to identify the participants in the training.
- (ii) Sensitization: A 2-day workshop will be organized, at the beginning, of Project implementation, to raise awareness and identify challenges.
- (iii) Training programme design: will involve but not limited to the following (i) detailing all training activities to be carried out including in-class modules, case-study coaching and exchange programme; (ii) developing the course contents; and (iii) scheduling the delivery of the training, for effective impact.
- (iv) Skills training: Five in-class modules on programming, budgeting, monitoring and evaluation, results-based project management, financial and administrative management, for 75 MARNDR staff. The modules will form one of the cornerstones of the programme, strengthening the capacity of the teams and individuals through transfer of knowledge and competencies.
- (v) Case studies and practical exercises: The trainees will apply the knowledge acquired from skills training in real-life situations and case studies to put into action their learnings. The practical exercises will include observation and participation in ongoing projects within existing institutions such as UNDP and various Units in MARNDR. Exercises will include preparation of workplans, budgets, setting up baselines, targets and indicators, elaborating technical and financial reports of ongoing or new projects in MARNDR or in UNDP.
- (vi) Coaching of facilitators: Three (3) facilitators from each participating DDA and two (2) from MARNDR UEP headquarters will be identified to form a group of 14 staff. These individuals, will be trained as agents of change, to ensure sustainability of the implementation of the programme.
- 1.5.1 Implementing Arrangements: The Project will be managed and coordinated by the Poverty Reduction Unit (PRU) in the UNDP Haiti Country Office, under the overall supervision of the UNDP Senior Director and Country Representative. The Head of PRU, will be the Project Manager responsible for implementation, internal monitoring, as well as quality control. One Administrative and Financial Assistant will be assigned to the Project to undertake day-to-day financial activities of the Project. Twelve (12) training specialists will be provided by the service providers, the academic institutions that UNDP will enter into partnership with. The institutions will be selected competitively, and the criteria will include: management expertise; training expertise; use

and practice of case studies; experience of work in the context of development, and particularly in fragile contexts.

As indicated above, the Project team will work closely with UEP, to take into consideration lessons learnt by MARNDR and to ensure synergy with other activities under the reform programme. UNDP will also collaborate with the committee constituted by the MARNDR, which coordinates the implementation of reform programme activities.

Based on the findings from the diagnosis, a detailed training program will be developed. The proposed training programme will be presented and discussed with the Reform Committee. The programme will include modules to be delivered in an in-class training format.

Individuals will be identified from within each of the four DDA offices and trained as facilitators, and change agents for their respective departments. As change agents, they will stimulate constructive action and practice change in their Units. Identifying the right individuals will be crucial, to ensure the effectiveness of the strategic approach, 3 facilitators for each participating DDA, and 2 from UEP will be identified.

An online portal will provide the training guidelines, as well as all the teaching materials and the electronic knowledge database. This site will serve as a central location for documents that participants will want to share. Facilitators will be involved in the process as reference/support persons in their DDAs to their colleagues benefiting from distance training.

1.5.2. Coaching: A facilitators coaching activity will be part of the training programme. These individuals will participate in the training modules, and will be attached to a professor from a participating university for back-stopping. UNDP expert team will accompany the facilitators through the implementation process of preparing DDA development plans for 2015/2016. Coaching will also be used to facilitate the development of manuals and guidelines. Preparing annual development plans will give the trainees hands-on experience to apply the knowledge received from theoretical training. Remote support will be provided to facilitators, upon request for guidance after the training ends.

At the end of each module, trainees will sit for examinations and only those that will pass the examination will receive certificates. A system of continuous assessment with cumulative results will be applied and the best performing trainees will participate in an exchange programme. The competition will motivate participants and foster seriousness of the learning process. All the training will be conducted in Haiti.

- 1.6. Lesson learning and knowledge management plans. Interaction and progress in the implementation process with stakeholders will be documented, shared and evaluated. Data and information collected during the Project will be available and accessible to Project partners. Such data and information products will be adapted to formats suitable to the target audience. At the end of Project implementation, a Project completion report will be prepared to report on the results. The report will be shared with other development partners. The report will also include a qualitative section, based on one-to-one interviews and focus groups within the Ministry to assess the overall programme. UNDP's Knowledge Management/Research Cell will participate in compiling the experience and systematizing it.
- 1.7. Recipients implementation procedures. UNDP, through its country office in Haiti, is the Grant recipient and the executing agency for this Project, legally accountable to IFAD, for the use of Grant funds. The Project will use UNDP procedures in financial management; and IFAD standard procedures and templates for progress and completion reports.

UNDP will be solely accountable for the management of IFAD Grant funds. It will deliver to the Fund annual unaudited Statement of Expenditure (SOE). Both financial and audit reports will consolidate expenditures incurred by implementing partners, which will be subject to standard UNDP annual audits. UNDP-Haiti will submit to IFAD annual audit reports, including a separate Audit Option Letter by its independent auditors on the final Statements of Expenditures submitted to IFAD for expenditures incurred.

UNDP will submit to the Fund (i) annual unaudited statement of expenditure (in the format set forth in Annex 5) certified by its Head of Finance or UNDP's Director of Administrations Division within six (6) months of the end of the relevant financial reporting period and not later than nine months after the end of the biennium during which the last expenditure is financed from the grant (the "Grant Closing Date") and (ii) a copy of the triennial audited accounts of UN Secretariat (as soon as it is available). Such triennial audited accounts will make specific reference to the IFAD Grant.

- 1.8. Implementing partners and implementation procedures. Implementing partners will comprise: (i) the MARNDR reform and capacity building coordination team. UNDP will collaborate with the team to validate the specific objectives of the programme as well as the result measurement indicators. (ii) Two academic institutions i.e. a national training institution and a foreign university specialized in business management, selected competitively, to design the training modules and provide training specialists in (a) Development Programming; (b) Budgeting; and (c) Monitoring and Evaluation Combining foreign and Haitian academic knowledge will help to build local expertise. UNDP will sign agreements Letter of Agreement (LoA) or Memorandum of Understanding (MoU), (depending on the nature of the wining institutions) with the institutions, as Service Providers. They will report to the Project Manager and comply with strict UNDP reporting procedures (technical and financial). Potential candidates for a national Haitian institution is: Ecole Nationale Superieure de Technologies (ENST), a reputable management school. At international level a potential institution is the regional Centro Agronómico Tropical de Investigación y Enseñanza (CATIE).
- 1.9. Recipient's monitoring and evaluation approach. Service providers will report to the Project manager on the activities for which they are responsible on a quarterly basis. The Project manager will prepare reports on progress made in implementing Project activities as will be set out in the work plan. Baseline data will be collected from UEP and the participating Departments during the diagnosis. An M&E system will be established at the beginning of project implementation and will include output level and indicators disaggregated by gender and by age. IFAD will directly supervise the project two times during the 24 months implementation period. Planning, monitoring and evaluation (M&E), knowledge management (KM), learning and communication will be integrated into a Project Learning System that will support the following: (i) continuous monitoring and learning for good Project performance and impact; (ii) iterative and flexible planning; (iii) interactive and inclusive communication, of various forms, with Project implementers, trainees and other reform programme actors. UNDP's MSU (Management Support Unit) in charge of M&E will coordinate planning, M&E, learning and knowledge management related activities. The Unit will undertake monthly reviews to ensure that the schedule and activities are in line with the Work Plan.

UNDP will closely monitor the implementation of Project activities. At the end of Project implementation, data on the selected indicators will be collected and compared to the baseline data, to determine the outcomes and initial impacts. UNDP will prepare and submit an end of Project implementation, a Project Completion Report (PCR) to IFAD and MARNDR. Overall Project impact will be measured by comparing initial baseline data and end of project implementation outcomes, and initial impacts, all of which will be reported in the PCR.

Six months after the end of the training programme, online assessment questionnaires monitored by the MARNDR will be transmitted to the participants to assess the degree of integration of the knowledge acquired and its implementation in the day-to-day activities. Successes and challenges encountered in the process of knowledge transfer to the workplace will be observed and follow-up support could be provided by UNDP. During Project implementation, UNDP and MARNDR will undertake the following joint field missions for:

- (a) Exploratory mission, to collect information and carry out a needs analysis before start of implementation.
- (b) Mid-term Project Assessment Mission.
- (c) End of Project Mission, and presentation of certificates to the participants.

1.10. Other sources of funding for the Project. Under the scope of this Project, UNDP will contribute staff time, communication and will make available the use of 2 vehicles, all valued at USD 108 000, for the management and execution of the Project. UNDP contribution includes technical back-stopping, administration (Human Resources, Procurement, Communication Services, accounting) and logistical support for the Project team within UNDP.

GRANT ALLOCATION SCHEDULE

2.1 As provided in Section II.1.1 of this Agreement, the table below sets forth the categories to be financed out of the proceeds of the Grant. The items to be financed in each category may be amended upon receipt of a communication from the Recipient providing the Fund with justification to enable the Fund's review and subsequent advice of confirmation.

	Year 1 (12 month)	Year 2 (12 month)	Project Total
Category of Expenditure	IFAD financing (USD)	IFAD financing (USD)	IFAD financing (USD)
I. Consultancies	20 000	10 000	30 000
II. Goods, services and inputs	30 000	30 000	60 000
III. Operating costs	13 500	13 500	27 000
IV. Salaries and allowances	33 000	33 000	66 000
V. Training	97 000	107 000	204 000
VI. Overheads/ management fees	20 000	20 000	40 000
VII. Travel and allowances	36 500	36 500	73 000
Total financing	250 000	250 000	500 000

2.2. Authorized Reallocation. A request for reallocation among Categories of Expenditure from the Recipient to the Fund is not required provided that (i) the reallocation does not affect the basic purpose of the Project operations; and/or that (ii) the budget changes do not exceed 10% of the total amount indicated in paragraph 2.1. above for each Category of Expenditure. In the case that the budget changes do exceed 10% of the total amount for any of the Categories of Expenditures indicated in paragraph 2.1. above, a reallocation request shall be submitted by the Recipient to the Fund for approval.

WITHDRAWAL APPLICATION FORM

International Fund for Agricultural Development Via Paolo di Dono, 44 00142 Rome, Italy

Atter	ition:	Loans and	Grants Unit o	t the Co	ontroller'	s Office					
Refe	rence:		eement No. 20 ning Decentra			e Progra	amming a	nd M&E			
1.	Appli	cation No.									
2.	Please	e pay (curre	ncy)		(a	mount)_					
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Name	e and T	itle:									
Date:											

Loans and Grants Administration International Fund for Agricultural Development (IFAD) Via Paolo Di Dono, 44 00142 Rome, Italy

Dear Sirs,

Ref: Grant Agreement No. 2000000969 Strengthening Decentralized Agriculture Programming and M&E

With reference to Paragraph 2.1 (d) of the Grant Agreement dated, the following person(s) whose specimen signature(s) appear(s) below is/are authorized to sign applications for withdrawal under this Grant.

Name and Title	Specimen Signature		
Name and Title	Specimen Signature		
All previous notices providing signatures of thdrawal under this grant are hereby revoked.	officials authorized to sign applications		
	Yours sincerely,		

	Grant Agreement No. 20	eement No. 2000000969				
me of Project:	Strengthening Decentral	lized Agriculture Progra	mming and M&E			
	STATEMENT O	F EXPENDITURE				
Repo	orting Period from in	to(Currency)				
	Actual Cumulative					
Category of Expenditures	Expenditures of Advance related to the Reporting Period (per Category)	Planned Expenditures of Advance related to the Reporting Period (per Category)	Total Amount of Advance Withdrawn for Reporting Period (per Category)			