

**EUROPEAN UNION
CONTRIBUTION AGREEMENT**

**MIDEAST/2019/412-254
(the "Agreement")**

The European Union, represented by the European Commission (the 'Contracting Authority'), first counterparty, and

The United Nations Development Programme (UNDP) represented for the purpose of this Agreement by its Multi-Partner Trust Fund Office
One United Nations Plaza
304 East 45th Str. 11th Floor
10017 New York, NY, USA

hereinafter the '**Organisation**', on behalf of the

United Nations Office on Drugs and Crime (UNODC)
Vienna International Centre
Wagramer Strasse 5
A 1400 Vienna
Austria

United Nations Population Fund (UNFPA)
605 Third Ave, New York, NY 10158,
USA

United Nations Children's Fund (UNICEF)
UNICEF House
3 United Nations Plaza
New York, New York 10017
USA

World Health Organization (WHO)
Avenue Appia 20, 1211, Geneva 27
Switzerland

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 "Responding to emerging needs and enhancing the resilience of the most vulnerable, especially children, youth, and women in Iran" 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. In the event that the ex-ante pillar assessment has raised some reservations, the Organisation shall comply with the ad hoc measures stated in Article 7.
- 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.

In the performance of the activities, UNODC shall:

- a) apply its own accounting, internal control and audit systems which have been positively assessed in the ex-ante pillar assessment. In case the ex-ante pillar assessment raised some reservations, UNODC shall comply with the ad hoc measures stated in Article 7.
- 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.

In the performance of the activities, UNFPA shall:

- a) apply its own accounting, internal control and audit systems which have been positively assessed in the ex-ante pillar assessment. In case the ex-ante pillar assessment raised some reservations, UNFPA shall comply with the ad hoc measures stated in Article 7.
- 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.

In the performance of the activities, UNICEF shall:

- a) apply its own accounting, internal control and audit systems which have been positively assessed in the ex-ante pillar assessment. In case the ex-ante pillar assessment raised some reservations, UNICEF shall comply with the ad hoc measures stated in Article 7.
- 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.

In the performance of the activities, WHO shall:

- a) apply its own accounting, internal control and audit systems which have been positively assessed in the ex-ante pillar assessment. In case the ex-ante pillar assessment raised some reservations, WHO shall comply with the ad hoc measures stated in Article 7.
- 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 and the Partner(s) are 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 the Development Cooperation Instrument (DCI).
- 1.5 The Organisation shall provide the 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 the Financial and Administrative Framework Agreement between the European Union and the United Nations (FAFA) signed on 29 April 2003 and as amended on 26 February 2014 and on 31 December 2018.

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.

Implementation Period

- 2.2 The implementation period of the Agreement (the "Implementation Period") shall commence the day after the last party signs.
- 2.3 The Implementation Period of the Agreement is 36 months.

Article 3 - Financing the Action

- 3.1 The total cost of the Action¹ is estimated at USD ("Currency of the Agreement") 6,909,860 as set out in Annex III. The Contracting Authority undertakes to provide an EU contribution up to a maximum of EUR 6,000,000 which is estimated at USD 6,617,400 (the "EU Contribution).

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

Remuneration

- 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.

Interest on pre-financing

- 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: USD 3,476,844.

Further pre-financing instalments: USD 3,140,556 following the end of the 1st, 2nd reporting period subject to the provisions of Annex II.

Forecast balance of the final amount of the EU Contribution, if any (subject to the provisions of Annex II): USD 0.

The sum of the payments in the accounting currency of the Organisation shall not exceed the total EU Contribution in EUR.

- 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

¹ This amount is introduced only for indicative purposes. It is an estimate and its evolution does not condition the EU contribution.
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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 (first step).

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 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 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
For the attention of Head of Unit F3 – Finance and contracts
J-54 08/019
Avenue du Bourget 1
B-1049 Brussels, Belgium

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
For the attention of Head of Unit F1 – Middle East, Central Asia, South Asia
J-54 06/009
Avenue du Bourget 1
B-1049 Brussels, Belgium

For the Organisation

Multi-Partner Trust Fund Office United Nations Development Programme
304 East 45th Str. 11th Floor
New York, 10017 NY, USA
Tel: +1 212 906 6880
Email: executivecoordinator@mptfo.org

- 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 the Investigations Section, United Nations Development Programme, One United Nations Plaza, 4th floor, New York, 10017 NY, 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: UNDP Office of Audit and Investigations, Head of the Investigations Section, United Nations Development Programme, One United Nations Plaza, 4th floor, New York, 10017 NY, USA.

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 II.a: Provisions applicable to Multi-Partner 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 the present 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 (including Annex II.a) and those of the other Annexes, the provisions of Annex II (including Annex II.a) shall take precedence.

Article 7 – Additional specific conditions applying to the Action

7.1 The following shall supplement the General Conditions:

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.

7.1.2 For the purpose of this Agreement, the Organisation acts as UN Administrative Agent, under the following conditions:


- a) The Organisation shall serve as the administrative interface between the Contracting Authority, other donors and the Participating UN Organisations. The monitoring task established in Article 2.b of Annex II.a shall be implemented in accordance with the mandate of the UN Administrative Agent.
- b) In addition to the tasks described in Article 2 of Annex II.a, the Organisation shall act as Administrative Agent for the Participating UN Organisations and will therefore:
 - i) receive financial contributions from all donors that wish to provide financial support to the Action;
 - ii) administer the funds received, in accordance with its applicable Regulations and Rules, including the provisions relating to winding up the Action and related matters;
 - iii) subject to availability of funds, disburse such funds to each of the Participating UN Organisations in accordance with instructions from the Steering Committee, taking into account the budget set out in the approved programmatic document/Joint Programme Document, as amended in writing by the Steering Committee;
 - iv) consolidate statements and reports, based on submissions provided to the Administrative Agent by each Participating UN Organisation, as set forth in the TOR/Joint Programme Document, and provide these to each donor that has contributed to the Fund/Programme Account and to the Steering Committee;
 - v) provide final reporting, including notification that the Action has been operationally completed;
 - vi) disburse funds to a Participating UN Organisation for any additional costs of the tasks that the Steering Committee may decide to allocate in accordance with the TOR/Joint Programme Document.
- c) A coordination mechanism (referred to as the "Steering Committee") to facilitate the effective and efficient collaboration between the Participating UN Organizations and the host Government for the implementation of the Fund or Programme shall be established. The detailed description of key roles, responsibilities and functions of the Steering Committee is provided in Annex I ("Description of the Action").
- d) Without prejudice to points 2.b) to 2.k) of Article 2 of Annex II.a), the Organisation shall be solely responsible for the performance of tasks assigned to it in Annex I and in the specific agreement between itself and the Partners.
- e) By derogation from Article 3 of Annex II, the Organisation shall provide the Contracting Authority with the following reports, in the same language as the Agreement, based on the reports provided by each Participating UN Organisation and prepared in accordance with the accounting and reporting procedures applicable to it:

- i) annual consolidated narrative progress reports to be provided no later than five months (31 May) after the end of the calendar year;
- ii) annual consolidated financial reports, as of 31 December with respect to the funds disbursed from the Fund/Programme Account, to be provided no later than five months (31 May) after the end of the calendar year;
- iii) final consolidated narrative report to be provided no later than six months (30 June) after the end of the year following the financial closing of the Action and/or end of implementation period, whichever comes first;
- iv) in case of Multi-Donor Actions which continue after the end of the implementation period of this Agreement, a final consolidated financial report, based on uncertified final financial statements and final financial reports, to be provided no later than six months (30 June) after the end of the year following the financial closing of the Action and/or end of implementation period, whichever comes first.

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 Jennifer Topping
 Position Executive Coordinator,
 MPTF Office
 UNDP

Signature 
 Date 27/2/2020

For the Contracting Authority

Name Raffaella Iodice
 Position Head of Unit F1 - Middle East,
 Central Asia, South Asia, DG
 DEVCO

Signature 
 Date 5/2/2020

