EUROPEAN UNION CONTRIBUTION AGREEMENT WITH AN INTERNATIONAL ORGANISATION

DCI-MED/2014/343-671

(the "Agreement")

The European Union, represented by the European Commission, (the "Contracting Authority")

of the one part,

and

The United Nations Development Programme (UNDP) with its Head office at One UN Plaza, New York, 10017, USA, (the "Organisation"),

of the other part,

(Individually a "Party" and collectively the "Parties"), have agreed as follows:

Special Conditions

Article 1 - Purpose

- 1(1) The purpose of this Agreement is a contribution by the Contracting Authority for the implementation of the action entitled: *Local Area Development Programme (LADP) II* (the "Action") as described in Annex I.
- 1(2) The Organisation will be awarded the contribution on the terms and conditions set out in this Agreement, which complies with the provisions of Financial and Administrative Framework Agreement ("FAFA") and consists of these special conditions (the "Special Conditions") and their annexes, including General Conditions.
- 1(3) The Organisation accepts the contribution and undertakes to do everything in its power to implement the Action under its own responsibility.
- 1(4) The Action is a Joint Management Action for all purposes of this Agreement.
- 1(5) The Action is not a Multi-donor Action for all purposes of this Agreement.

Article 2 - Entry into force, Implementation Period and Execution Period

- 2(1) This Agreement shall enter into force on the date when the last of the two Parties signs.
- 2(2) The implementation period of this Agreement (the "Implementation Period") will begin on the first day of the month following the date on which the first instalment of pre-financing is paid by the Contracting Authority.

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- 2(3) The Implementation Period, as laid down in Annex I, is 36 months.
- 2(4) The execution period of this Agreement shall start at the entry into force of this Agreement as provided for in Article 2(1) and shall end at the moment of the payment of the balance by the Contracting Authority in accordance with Article 17 of Annex II or when the Organisation repays any amounts paid in excess of the final amount due pursuant to Article 18 of Annex II. In cases where there is no final payment by the Contracting Authority or final repayment by the Organisation, the end of the execution period shall be the end date referred to in Article 12.5 of Annex II.
- 2(5) Individual contracts implementing the activities under this Agreement shall be signed within 3 years from the date of entry into force of this Agreement.

Article 3 - Financing the Action

- 3(1) The total cost of the Action eligible for financing by the Contracting Authority is estimated at EUR 11,500,000, as set out in Annex III.
- 3(2) The Contracting Authority undertakes to finance a maximum of EUR 11,500,000, equivalent to 100% of the estimated total eligible cost specified in paragraph 1; the final amount will be established in accordance with Articles 14 and 17 of Annex II.
- 3(3) Pursuant to Article 14.4 of Annex II, 7 % of the final amount of direct eligible costs of the Action to be reimbursed by the Contracting Authority to the Organisation in accordance with Articles 14 and 17 of Annex II, may be claimed by the Organisation as indirect costs.
- 3(4) Interest yield by pre-financing payments is not due.

Article 4 - Narrative and financial reporting and payment arrangements

- 4(1) Narrative and financial reports shall be produced in support of payment requests, in compliance with Articles 2 and 15.1 of Annex II.
- 4(2) Payment will be made in accordance with Article 15 of Annex II; of the options referred to in Article 15.1, the following will apply:

Option 2

First instalment EUR 3,849,813
Second instalment EUR 4,905,122

Third instalment EUR 2,620,187

Forecast final payment EUR 124,878

(all subject to the provisions of Annex II)

4(3) The exchange rate referred to in Article 2.7 of Annex II is weighted average of the United Nations rates applied to the contributions received.

Article 5 - Contact addresses

Any communication relating to this Agreement shall be in writing, shall state the number and title of the Action, and shall use the following addresses

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For the Contracting Authority:

Payment requests and attached reports, including requests for changes to bank account arrangements shall be sent to:

European Commission

European Commission

Directorate-General for Development and Cooperation - EuropeAid

For the attention of Mr Jobst von KIRCHMANN

Head of Unit H3 - Finance, Contracts, Audit

Avenue du Bourget 1

B-1049 Brussels, Belgium

Tel: +32 2 299 1681

Email: EuropeAid-H3@ec.europa.eu

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

European Commission

Directorate-General for Development and Cooperation - Europe Aid

For the attention of Mr. Jean-Claude BOIDIN

Head of Unit H2 "Geographical Coordination Central Asia – Regional Programmes Asia"

Avenue du Bourget 1

B- 1049 Brussels, Belgium

Tel: +32 2 2981143

Email: EuropeAid-H2-2@ec.europa.eu

A copy of the reports referred to in Article 4(1) shall be sent to the European Union Delegation in charge of monitoring the Action, at the following address:

Delegation of the European Union of the Republic of Iraq

For the attention of Mr. Anastasios FRANGOS

Head of Cooperation

Email: Delegation-Iraq-Cooperation@ec.europa.eu

For the Organisation:

Mr Adam Abdelmoula

UNDP Iraq Country Director United Nations Development Programme in Iraq, D2 Compound, United Nations, Iraq International Zone, Baghdad, Iraq

adam.abdelmoula@one.un.org

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

Annex II:

General Conditions applicable to European Union contribution agreements with

international organisations

Annex III:

Budget for the Action

Annex IV:

Financial identification form

Annex V:

Standard request for payment

6(2) In the event of a conflict between the provisions of 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 and those of the other annexes, the provisions of Annex II shall take precedence.

Done in Brussels in three originals in the English language, two for the Contracting Authority and one for the Organisation.

For the Organisation

For the Contracting Authority

Name

Mr Adam Abdelmoula

Name

Mr Jean-Claude BOIDIN

Position

UNDP Iraq Country Director

Position

Head of Unit,

DEVCO/H2,

European Commission

Signature

Signature Adamma botchl
Date 20/07/2014

Date

DG