

## Form of Contribution Arrangement for Co-financing between the Department for International Development (DFID) and the United Nations Development Programme (UNDP)

1. I am pleased to inform you of the intention of DFID to make available a contribution ("the Contribution") of £1,800,000 as a grant, to be administered by UNDP to *support the Electoral Violence Response Initiative as part of DFID Kenya's Election Management and Security Programme component 202527-103*. UNDP will administer the Contribution in accordance with the provisions of the Framework Arrangement, except as otherwise provided herein.

2. The Contribution will be used exclusively to support the UWIANO Platform for Peace, the National Cohesion and Integration Commission and other partners in an Electoral Violence Response Initiative as laid out in the project document *attached in Annex 1*.

3. In accordance with the decisions of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the Contribution will be subject to cost recovery for indirect costs or General Management Support (GMS) services of 7%. 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 borne by the project and reflected in the project budget.

4. The Department for International Development (DFID) will deposit the Contribution as a grant with UNDP, upon request from UNDP, in UNDP's Bank Account:

UNDP Contributions (GBP) Account  
No. 600862722030  
Bank of America,  
5 Canada Square, London E14 5AQ  
SWIFT code: BOFAGB22  
Sort code: 16-50-50  
IBAN: GB37BOFA1650 5062 7220 30

in accordance with the following schedule

£1,000,000 upon signature

£800,000 by 31/12/2012 upon UNDP's request and linked to the programme's progress.

The above schedule may be amended by mutual consent of UNDP and DFID dependent upon actual and estimated expenditure and need. DFID will notify UNDP Headquarters of each payment using the attached form (Annex 1). The execution/implementation of the responsibilities of UNDP and of the Executing Entity /Implementing Partner pursuant to each Contribution Arrangement will be dependent on receipt by UNDP of the contribution in accordance with the schedule of payment. Should such financing not be available, the assistance to be provided to the programme/project may be reduced, suspended or terminated by UNDP.

5. UNDP will provide to DFID with each request for payment, presented in accordance with this Section, a *financial utilisation report* of: -

- a) all amounts previously received under the Contribution Arrangement (in US Dollars and UK Pounds sterling);
- b) prior year's expenditure, current year's expenditure to date and unutilised budget to-date under the Contribution Arrangement (in USD\$); and
- c) the requested amount from the Programme Budget Allotment .

6. For cost sharing projects, it is expected that the Contribution funds will be fully utilised in accordance with the provisions of this Contribution Arrangement by **August 2013**. UNDP will notify DFID of any anticipated unspent balance of funds at least three months before the expected project end date, and UNDP will only disburse the funds for the purpose of this Contribution Arrangement after such date upon the approval of DFID. Once the project has been completed, unspent funds held by UNDP will be returned to DFID as set out in Annex 3.

7. UNDP will promptly inform DFID of any significant modification to a programme or project co-financed by DFID under this Contribution Arrangement. UNDP will also inform DFID immediately of any events which, in the opinion of

UNDP, interfere or threaten to interfere with the successful implementation of any programme or project financed by this contribution.

8. If at any time, either Participant determines that the purposes of this Contribution Arrangement can no longer be effectively or appropriately carried out, or if the Framework Arrangement is terminated, this Contribution Arrangement may be terminated at the initiative of either Participant by giving two (2) months written notice. Such termination will not oblige UNDP to repay any funds until satisfaction of all commitments and liabilities.

9. In line with DFID's Transparency arrangements, the UNDP gives consent for this Arrangement (and any subsequent amendments) to be published on DFID's website.

10. The offices responsible for co-ordination of all matters relating to this Contribution Arrangement are:

For the United Kingdom:

Dan Silvey  
DFID Kenya  
PO Box 30465-00100  
Nairobi, Kenya

For UNDP:

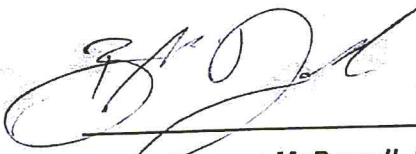
Roba D. Sharamo  
Team Leader, Peacebuilding and Conflict Prevention Programme  
UNDP Kenya  
P O Box  
Nairobi, Kenya

11. I would like to propose that this letter will, upon your confirmation in the manner indicated below, constitute an Arrangement between the United Kingdom and UNDP for *Support to Electoral Violence Response Initiative*.

RS

12. Three originals of the text of this Arrangement, written in the English language, have been signed by the Participants.

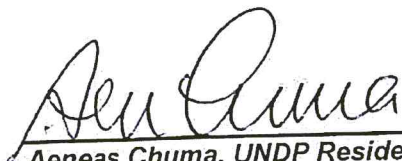
DFID

 2/10/12

**Bruce Lawson-McDowall, Senior Governance Adviser, DFID Kenya**

Confirmed

UNDP



**Aeneas Chuma, UNDP Resident Representative**

Date: 3/10/12

RS