

# EUROPEAN UNION DELEGATION AGREEMENT

2016/383-112  
(the "Agreement")

The European Union, represented by the European Commission, (the '**Contracting Authority**') of the one part, and

Multi-Partner Trust Fund Office  
United Nations Development Programme  
One United Nations Plaza  
304 East 45<sup>th</sup> Str. 11<sup>th</sup> Floor  
New York, NY 10017  
United States of America,

Hereinafter the '**Organisation**'

of the other part, (individually a "Party" and collectively the 'Parties') have agreed as follows:

## SPECIAL CONDITIONS

### Article 1 - Purpose

- 1.1 This Agreement defines the activities entrusted to the Organisation for the implementation of the Action "Catalytic Support to Peacebuilding Sri Lanka" as described in Annex I (the "Action"). This Agreement lays down the rules for implementation, for the payment of the EU contribution, and defines the relations between the Organisation and the Contracting Authority.
- 1.2 The Action is fully financed by the EU contribution.
- 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 pillars assessment. In case the pillar assessment 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 pillars assessment and its own rules for the award of Grants, as assessed in the ex-ante pillars assessment.
  - c) perform the activities to be implemented under the Agreement in accordance with the principles of Sound Financial Management, transparency and non-discrimination, applying its positively assessed Regulations and Rules.
  - d) be free to use any Regulations and Rules which have not been subject to the 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 an EU External Action. The Action is financed under the Instrument contributing to Stability and Peace (IcSP) under the EU Budget.
- 1.5 The Organisation shall provide the management declaration with every progress and final report in accordance with Article 3.10 of the General Conditions.
- 1.6 This Agreement is subject to the provisions of the Financial and Administrative Framework Agreement (FAFA) between the European Union, represented by the European Commission (EC) and the United Nations, signed on 29 April 2003, as amended by addendum No. 1 of 26 February 2014.

## Entry Into Force

2.1 The Agreement shall enter into force on the date when the last of the two Parties signs.

## Implementation Period

2.2 The Implementation Period of the Agreement (the "Implementation Period") shall commence on the day after the last Party signs.

2.3 The Implementation Period of the Agreement as laid down in Annex I is 18 (eighteen) months.

## Contracting Deadline

2.4. Individual Procurement and Grant contracts implementing this Agreement shall be signed by the Organisation no later than 18 (eighteen) months from the date of entry into force of this Agreement.

## **Article 3 - Financing the Action**

3.1 The total cost of the Action<sup>1</sup> is estimated at USD 8 586 000 ("Currency of the Agreement"), as set out in Annex III. The Contracting Authority undertakes to provide an EU contribution up to a maximum of EUR 8 100 000 which is estimated at USD 8 586 000. The final amount will be established in accordance with Articles 18 to 20 of Annex II.

### **3.2 Remuneration**

The remuneration of the Organisation by the Contracting Authority for the implementation of the activities entrusted under this Agreement shall be 7% of the final amount of eligible direct costs of the Action to be reimbursed by the Contracting Authority.

3.3 Interest generated on pre-financing shall not be due.

## **Article 4 - Narrative and Financial Reporting and Payment Arrangement**

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 6 349 512  |
| Further pre-financing instalment(s): | USD 2 236 488 following the end of the annual reporting period, subject to the provisions of Annex II. . |

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

4.3 In addition to the annual reporting, a first six-month progress report must be submitted. All reports will be provided both as hard and soft copies.

## **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. If requested by the Contracting Authority, they shall be accompanied by a translation or a summary in English or French where the language of the Agreement is not English or French.

5.2 Any communication relating to the Agreement shall be in writing, shall state the number and/or title of the Action, and shall use the following addresses below.

---

<sup>1</sup> This amount is introduced only for indicative purposes. It is an estimate and its evolution does not condition the EU contribution.

- 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  
Delegation of the European Union to Sri Lanka and the Maldives  
For the attention of the Head of Finance and Contracts Section  
389, Bauddhaloka Mawatha  
Colombo 7, Sri Lanka

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

European Commission  
Delegation of the European Union to Sri Lanka and the Maldives  
For the attention of the Head of Cooperation Section  
389, Bauddhaloka Mawatha  
Colombo 7, Sri Lanka

For the Organisation

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

UNDP Office of Audit and Investigations, Head of Investigations Section, United Nations Development Programme, One United Nations Plaza, 4<sup>th</sup> floor, New York, 10017 NY, USA.

UNICEF office of Internal Audit and Investigating (OLAI) Paul Manning, Director

UN-HABITAT, Management and Operations Division Mohamed Robleh, Methods and Oversight officer

- 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 Investigations Section, United Nations Development Programme, One United Nations Plaza, 4<sup>th</sup> floor, New York, 10017 NY, USA.

UNICEF office of Internal Audit and Investigating (OLAI) Paul Manning, Director

UN-HABITAT, Management and Operations Division Mohamed Robleh, Methods and Oversight officer

**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 PA Grant or Delegation Agreements (Part III on PA Grant Agreements does not apply)
- Annex II.a: Provisions applicable only to Co-Delegation 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



Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II "General Conditions" including Annex II.a) and those of the other Annexes, the provisions of Annex II "General Conditions" 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) The Organisation declares the eligible direct costs of the project office as actual costs or for staff costs on the basis of unit costs determined by the Organisation according to its usual accounting practice;
- d) The Organisation declares as eligible only the portion of the capitalised and operating costs of project office which corresponds to the duration of the Action and
  - i) the rate of actual use of project office for the purposes of the Action; or
  - ii) the rate of use of a project office for the purposes of the Action, determined by the Organisation on the basis of a simplified allocation method, provided that the allocation method is compliant with the Organisation' usual accounting and management practices, applied in a consistent manner regardless of the source of funding, and based on an objective, fair and reliable allocation key.

7.1.2 For the purpose of this Agreement, the following legal entities are considered Co-Delegates:

United Nations Children's Fund (UNICEF)  
3 United Nations Plaza,  
New York, NY 10017  
United States of America

United Nations Human Settlement Fund (UN-Habitat)  
P.O. Box 30030, 00100  
Nairobi,  
Kenya

United Nations Development Programme (UNDP Sri Lanka)  
202-204 Bauddhaloka Mawatha  
Colombo 07  
Sri Lanka

- 7.1.3 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 UN Organisations and will therefore:
    - i) administer the funds received, in accordance with its applicable rules & regulations, including the provisions relating to winding up the Action and related matters;
    - ii) subject to availability of funds, disburse such funds to each of the Participating UN Organisations in accordance with instructions from the 'Management Committee', taking into account the budget set out in the approved programmatic document/Joint Programme Document<sup>2</sup>.
    - iii) 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 Management Committee;
    - iv) provide final reporting, including notification that the Action has been operationally completed;
    - v) disburse funds to a Participating UN Organisation for any additional costs of the tasks that the Management Committee may decide to allocate in accordance with the TOR/Joint Programme Document.
  - c) A coordination mechanism namely 'Management Committee' shall be established. The Management Committee will liaise with the "Peacebuilding Board" to facilitate the effective and efficient collaboration between the Participating UN Organizations and the host Government for the implementation of the Fund or Programme. The detailed description of key roles, responsibilities and functions of the Management 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 Co-Delegates.
  - 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 UN Participating 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.


7.1.4 In application of the presumption of conformity, the co-Delegatee UN-Habitat will apply its own procedures.

---

<sup>2</sup> As used in this document, an approved programmatic document refers to an annual work plan or programme/project document, etc., which is approved by the Management Committee for fund allocation purposes.

**For the Organisation**

**Name:** Jennifer Topping  
**Position:** Executive Coordinator,  
MPTF Office

**Signature:** 

**Date:** 7/4/17

**For the Contracting Authority**


**Name:** Tung-Lai Margue  
**Position:** Head of Delegation  
Head of Delegation of the European  
Union to Sri Lanka and the Maldives

**Signature:** 

**Date:** 30/3/2017

**For the Co-Delegates**

**Name:** Tim Sutton  
**Position:** UNICEF  
Resident Representative

**Signature:** 

**Date:** 21/4/17

**Name:** Yoshinobu Fukasawa  
**Position:** UN HABITAT  
Director

**Signature:** 

**Date:** 14 April 2017

**Name:** Joern Sorensen  
**Position:** UNDP  
Country Director

**Signature:** 

**Date:** 21 April 2017