

# Contribution Agreement

Agreement: 7012202  
 WBS Element: A-019838-001-PR1  
 RC/GL/CC: 52302/4274/0315  
 Vendor: 1001304

This Contribution Agreement made in duplicate  
 on 25<sup>th</sup> JAN. , 2001

Between

THE GOVERNMENT OF CANADA (hereinafter referred to as "Canada")  
 herein represented by the Minister of International Cooperation, acting through  
 the Canadian International Development Agency (hereinafter referred to as  
 "CIDA");

And

THE UNITED NATIONS DEVELOPMENT PROGRAMME  
 (hereinafter referred to as "UNDP")

WHEREAS Canada wishes to make a contribution to UNDP as part of CIDA's program of development  
 assistance to Mozambique;

WHEREAS Canada, acting through CIDA, has agreed, to participate in the Capacity Building to the  
 National Institute for Demining Project (hereinafter "the Project");

WHEREAS CIDA has accordingly informed UNDP of its desire to contribute funds to the Project up to  
 March 31st, 2003;

AND WHEREAS the purpose of this Agreement between CIDA and UNDP is to set out the terms and  
 conditions concerning the management of CIDA's contribution and the  
 implementation of the Project.

NOW THEREFORE, CIDA and UNDP agree as follows:

## ARTICLE 1

### Contribution

CIDA hereby appoints UNDP as Administrator of a contribution of funds for the purpose of the Project  
 described in Annex "A" in a total amount not to exceed one million, five hundred and forty-five thousand  
 Canadian dollars (CDN \$ 1,545,000) (hereinafter "the Contribution"), for the Project in the following  
 manner.

- a) Upon signing this Agreement, UNDP shall provide CIDA with the request for an advance  
 not exceeding five hundred thousand Canadian dollars (CDN \$ 500,000).
- b) CIDA shall provide a second advance of up to five hundred thousand Canadian dollars  
 (CDN \$ 500,000) upon receipt of a request from UNDP.



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- c) The advance will be deposited by CIDA in the UNDP Contribution Account number 015-002284 maintained with the Chase Manhattan Bank, New York, New York, 10017, Beneficiary - MOZ/00/001 Mozambique IND.
- d) CIDA shall make further accountable advances to the Organization, on a quarterly or more frequent basis, upon acceptance by CIDA of a detailed budget forecast covering the next three (3) months of the Project and upon receipt of the relevant financial report(s) provided for in Article V.
- e) Quarterly forecasts should only cover activities that will be undertaken on a specific three month period and reflect the realistic needs of the project.
- f) No more than two advances may remain outstanding at any given point in time. The amount of the advances shall be based upon the original budget, as updated, to reflect known circumstances as of the date of the request for the advances. Any underutilization of previous advances shall be reconciled by adjustments in the amount of subsequent advances.
- g) At the end of the Project, the Organization shall submit to CIDA a final report including a detailed summary of all the expenses incurred. Any amounts advanced or paid to the Organization in excess of such incurred expenses shall be immediately reimbursed to the Receiver General of Canada.
- h) Before the end of January of every calendar year of the Project, UNDP shall provide CIDA with an estimated forecast of the CIDA Contribution for the coming fiscal year beginning April 1st in each year.
- i) All financial accounts and statements with respect to the Contribution and the Project shall be sent to CIDA at the address indicated in Article VIII and shall indicate the following codes:
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- j) Any identifiable interest earned by UNDP on CIDA advance payments shall be reported to CIDA and shall be returned to the Project in accordance with the UNDP procedures.
- k) For the purpose of this Article "identifiable interest" means the interest earned by UNDP on all CIDA payments when, due to changing circumstances, these payments or balance thereof are no longer required to meet the immediate cash flow requirements of the Project and have been invested.

## Article II

### Purpose and Use of the Contribution

The Contribution shall be received and utilized by UNDP to meet the costs of the Project as outlined in Annex "A".

The Contribution and the activities financed therefrom shall be administered by UNDP in accordance with the applicable UNDP regulations, rules and directives.

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All financial accounts and statements with respect to the Contribution and the Project shall be expressed in US dollars indicating the exchange rate used at the time of conversion and sent to CIDA at the address indicated in Article VIII.

UNDP shall establish and submit separate ledger accounting and financial reports to CIDA and records for the Project reflecting expenditures incurred in respect to the Project.

UNDP shall return to the Receiver General for Canada, through CIDA any undisbursed or unaccounted portion of the Contribution on the date of expiration of the Contribution Agreement.

## ARTICLE III

### Responsibility for the Project

Responsibility and accountability for the Project shall rest with UNDP. UNDP shall be responsible for entering into such framework arrangements with other donors as are necessary to ensure the implementation of the Project.

UNDP shall have the responsibility for the supervision of the Project and shall keep CIDA informed of the progress of the Project providing to CIDA reports of activities and outputs/outcomes.

UNDP shall exercise the same care in the discharge of its functions under this Agreement as it exercises with respect to the administration and management of its own affairs.

UNDP shall ensure that the Canadian Contribution will be utilized exclusively for the Project and will be administered and utilized in conformity with the objectives of the Project.

## ARTICLE IV

### Auditing Procedures

UNDP shall:

- a) maintain separate records and ledger accounts in respect of the Contribution funds in the Account and those disbursed by UNDP pursuant to the provision of this Agreement.
- b) cause such accounts and records to be audited by CIDA or its representative and certified by UNDP's external auditors at the completion of the Project.

## ARTICLE V

### Reports

UNDP shall provide CIDA with the following reports prepared in accordance with UNDP's accounting and reporting procedures:

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- a) annual progress reports based on a result-based management framework
- b) quarterly progress and financial reports
- c) end of project report which will provide information on results achieved and expenditures during the project period.

## **ARTICLE VI**

### **Evaluation**

Evaluation of the activities financed under this Agreement will be undertaken in accordance with UNDP's responsibilities to the recipient country. UNDP will endeavour to ensure that all evaluations are done with the knowledge, consent, and participation of all parties.

## **ARTICLE VII**

### **Duration of the Agreement**

This Agreement shall come into force and effect upon the date of the last signature and shall expire on March 31st, 2003.

## **ARTICLE VIII**

### **Amendments**

This Agreement may be modified by formal amendment by CIDA and UNDP, each of which shall give full and sympathetic consideration to any proposal to amend.

## **ARTICLE IX**

### **Notice**

Any notice to be given to either party with respect to this Agreement shall be effectively given if delivered or sent by letter, fax or by electronic mail addressed to the party at the address mentioned below and any notice shall be deemed to have been given within three (3) days of expedition by registered mail, fax or by

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electronic mail, when transmitted. The address of either party may be changed by notice in the manner set out in this provision.

Any notice to CIDA shall be addressed to:

Canadian International Development Agency  
Regional Director Southern Africa Division  
Africa and Middle East Branch  
200, Promenade du Portage  
Hull, Quebec  
Canada  
K1A 0G4

Attention: Mozambique Program (BFO)  
Fax: (819) 953-8379  
Phone: (819) 997-1387

Any notice to UNDP shall be addressed to:

Mine action Team Leader  
Emergency Response Division  
United Nations Development Programme (UNDP)  
One United Nations Plaza  
New York, New York  
10017 USA

Fax: (212) 906-6887  
Phone : (212 ) 906-5820

## ARTICLE X

### Entire Agreement

This Agreement together with Annex "A" constitutes the entire Agreement between CIDA and UNDP with respect to the Project.

## ARTICLE XI

### Acknowledgment

Where possible, UNDP will acknowledge CIDA's Contribution in UNDP's publications or press releases.

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## ARTICLE XII

### General Provisions

No member of the Canadian House of Commons shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom.

This Agreement shall not be assigned by UNDP without the prior consent of CIDA.

Any portion of the Contribution undispensed by March 31st, 2003, shall be returned to the Receiver General of Canada, through CIDA.

## ARTICLE XIII

### Compliance

CIDA may withhold or cancel any payments made pursuant to this agreement should UNDP fail to use the Contribution as outlined in Annex "A".

For The Government of Canada

E. G. - 7

Canadian International Development Agency

Name EMILE GAUREAU

Title VICE-PRESIDENT

Date 25 January 2001

For the UNITED NATION DEVELOPMENT PROGRAMME

Abdoul Jannah

UNDP

Name ABDOULIE JANNEH

Title ASST. ADMINISTRATOR & Director, MBT

Date 17 Jan 2001