GRANT ARRANGEMENT MADE ON THIS DAY OF July, 2007

Between

HER MAJESTY THE QUEEN IN RIGHT OF CANADA (HEREINAFTER "HER MAJESTY")
REPRESENTED BY THE MINISTER FOR INTERNATIONAL COOPERATION,
ACTING THROUGH THE CANADIAN INTERNATIONAL DEVELOPMENT AGENCY
(HEREINAFTER REFERRED TO AS "CIDA"),

And

THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

WHEREAS CIDA will provide a Grant to support the UNDP's Project entitled "Empowerment of Palestinian Women" in Gaza.

WHEREAS the purpose of this Grant Arrangement ("the Arrangement") is to set out the terms concerning the transfer and administration of the Grant from CIDA to UNDP.

WHEREAS UNDP will enter into such arrangements with an Executing Agency and/or other donors and recipient countries as are necessary to ensure the successful implementation of the Project.

NOW THEREFORE, UNDP and CIDA have reached the following understanding:

1 The Grant

- 1.1 The Grant, up to a maximum amount of one million, two hundred thousand Canadian dollars (CAN\$1,200,000) will be utilized in accordance with the project document as described in the project description in Annex A. THe UNDP will notify CIDA in advance of any proposed modifications regarding the project as described in Annex A.
- 1.2 Upon signature of this Arrangement by both CIDA and UNDP, CIDA will make one lump sum payment of one million, two hundred thousand Canadian dollars (CAN\$1,200,000) Canadian dollars.
- 1.3 All payments will be deposited into UNDP's bank account at the: Bank of America NA, Canada Branch 200 Front Street West, Suite 2700,

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Toronto, Ontario M5V 3L2

Bank transit number: 56792

Bank code: 241

for credit to: United Nations Development Programme

Account number: 711442252220

2 Utilization of the Grant

2.1 UNDP will ensure that the Grant and interest earned from the grant, will be utilized exclusively for the purpose of the activities specified in Annex A.

- 2.2 UNDP will be responsible for the management of the activities and budget and will keep CIDA informed.
- 2.3 The grant will be administered by UNDP in accordance with the UNDP regulations, rules and directives.
- 2.4 Where appropriate, UNDP will acknowledge CIDA's funding in publications, speeches, press releases or other similar matters. UNDP will supply CIDA with a copy of any relevant written or electronic material, which mentions CIDA's support.

3 Administration and reporting

- 3.1 All financial accounts and statements will be expressed in United States dollars.
- 3.2 UNDP headquarters and the UNDP Jerusalem office will provide to CIDA all or parts of the following reports prepared in accordance with UNDP accounting and reporting procedures.
 - a) From UNDP, a final report to be submitted not later than six months after the end date of the project, detailing activities undertaken and outlining the progress and results achieved in relation to the Project including outputs and progress towards achievement of outcomes, the problems and constraints encountered, remedial action taken, monitoring and evaluation information and any other relevant information;
 - b) From UNDP Bureau of Management/Comptroller's Division, an annual certified financial statement as of 31 December every year to be submitted no later than 30 June of the subsequent year.
- 3.1 UNDP acknowledges that it has declared in writing to CIDA all sources of proposed funding and the corresponding amounts for the project. UNDP shall update this declaration in its final report.

4 Administrative and support services

- 4.1 The grant will be charged:
 - Eight per cent (8%) cost recovery for the provision of general management support (GMS) by UNDP headquarters and country offices; Direct cost for implementation support services (ISS) provided by UNDP and/or an executing

entity or implementing partner. The aggregate of the amounts budgeted for the project, together with the estimated costs of reimbursement of related support services, shall not exceed the total resources available to the project under this Arrangement as well as funds which may be available to the project for project costs and for support costs under sources of financing.

5 Auditing

5.1 The grant will be subject to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP. Should an Audit Report of the Board of Auditors of UNDP to its governing body contain observations relevant to the grant, such information will be made available to CIDA.

6 Completion of the Arrangement

6.1 UNDP will notify CIDA when all activities relating to the project have been completed. It is expected that all activities for which CIDA is providing funding under this Arrangement will be competed by June 30th 2008. Should there be any change to this timeline, CIDA will be consulted in advance.

7 Termination of the Arrangement

7.1 This arrangement may be terminated by mutual consent between CIDA and UNDP.

8 Amendment of the Arrangement

8.1 The Arrangement may be amended through an exchange of letters between CIDA and UNDP. The letters exchanged to this effect will become an integral part of the Arrangement.

9 Notice

- 9.1 Any notice to be given to either party with respect to this Arrangement will be effectively given if delivered or sent by letter, fax or by telex addressed to the party at the address given in this Article. The address of either party may be changed by notice in the manner set out in this Article.
- 9.2 Any notice to CIDA will be addressed to:

Douglas Williams, Director General Middle East and Maghreb Division Europe, Middle East and Maghreb Branch 200, Promenade du Portage Gatineau, Quebec Canada, K1A 0G4 Phone: (819) 997-6267

Phone: (819) 997-6267 Facsimile: (819) 994-0251

E-Mail:marie_belanger@acdi-cida.gc.ca

9.3 Any notice to the UNDP will be addressed to:

Jens Toyberg-Frandzen Special Representative UNDP/PAPP 4A Yaqubi St. Jerusalem, 91191 P.O Box 51369

Tel: (972 2) 626-8200 Fax: (972 2) 626-8222

Email: jens.toyberg-frandzen@undp.org

10 Anti-Terrorism

- 10.1 Consistent with numerous United Nations Security Council resolutions, including S/RES/1269 (1999), S/RES/1368 (2001), and S/RES/1373 (2001), both Canada and UNDP are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of Canada to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, UNDP undertakes to use reasonable efforts to ensure that none of the Canada funds provided under this grant arrangement are used to provide support to individuals or entities associated with terrorism.
- 10.2 UNDP will not use the proceeds of the grant for the purposes of any payment to persons or entities, or for supply of goods, if such payment or supply, to UNDP's knowledge or belief, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations or is made, directly or indirectly, to or for the benefit of a terrorist group appearing on the list maintained by the United Nations Security Council Committee established pursuant to Security Council resolution 1267 (1999), at the time of the payment or supply.
- 10.3 The Canadian funds will be used as described in the project description and will be earmarked so as to only be implemented by the entities identified in the project document. Should circumstances change, UNDP will make sure to duly notify the donor in advance."

11 Entire Understanding

11.1 This Arrangement, together with Annex A which forms an integral part hereof, constitutes the entire understanding between CIDA and the UNDP with respect to the Activities.

12 Anti-Corruption

12.1 No offer, gift or payment, consideration or benefit of any kind, which constitutes an illegal or corrupt practice, has or will be made to anyone, wither directly or indirectly, as an inducement or reward for the award or execution of this Arrangement. Any such practice will be grounds for terminating this Arrangement or taking any other corrective action as required.

13 General Provisions

- 13.1 No member of the Canadian House of Commons will be admitted to any share or part of this Arrangement or to any benefit to arise therefrom.
- 13.2 This Arrangement will not be assigned by the UNDP without the prior consent of CIDA.
- 13.3 This Arrangement is not an international treaty. It is an arrangement between CIDA and the UNDP.
- 13.4 Any Payment to be made under this Arrangement is subject to there being an appropriation by Parliament for the fiscal year in which the payment is made. If CIDA's appropriation is changed by Parliament, the Grant may be cancelled or reduced. If the appropriation is not forthcoming, UNDP at its discretion will terminate, suspend or reduce the assistance to the project.

14 Entry Into Force

14.1 This Arrangement will come into effect upon signature and deposit by CIDA of the payment.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Arrangement in the English language in two copies.

For UNDP	12 July 2007 (Byfax Date (YYYY-MM)DD)
1-13/1-	Witness RI +123
Jens Toublithand	Signature Chikako Kadama Name
special Running	5 March 197 Marc
Title (print) Por Her Majesty	Date (YYYYMM-DD)
To Williams Signature	Witness Silver Silver Signature
Douglas Williams	HARIE RELANGER
Director General, Middle East and Maghreb Division	
Title	Development Officer

Annex A

1.Project Description

1.1 Outcome

The outcome of the project is the improvement of access to social and economic services for women and their families in Nuseirat and Jabalia. It will contribute to women empowerment by enhancing their skills in organizing, networking, addressing their own problems and increasing income.

1.2 Expected Outputs

The output of the project is that women in Jabalia and Nuseirat are trained in providing sustainable social and economic services.

1.3 Project Activities

In order to achieve the outputs, the following two activities will be implemented.

Activity 1: Developing capacity of Women groups in Jabalia and Nuseirat as social and economic service providers.

Women's capacity as service providers will be improved by this activity in order to provide better services to the communities. The activity consists of the following four sub-activities:

1.1 Conducting training

Their capacity will be developed so that they can provide better social and economic services and mobilize resources in sustainable manner. The training includes (a) needs assessment and diagnoses of existing capacity of women's groups in Jabalia and Nuseirat, (b) planning, management and accountability capacity, (c) gender training, and (e) leadership, public speaking and communication.

1.2 Developing exit strategy

In order to ensure the sustainability of service provision, an exit strategy after the completion of UNDP intervention will be developed

1.3 Upgrading hosting centers

The capacity of women's centers in Jabalia and Nuseirat will be improved to provide better services. The activities were initiated under the ongoing TVTPW project and their completion is expected soon.

- (a) Establishment of information units with computers, database and internet service in each center.
- 1.4 Raising awareness
- (a) Establishment of networking among women and communities
- (b) Outreach activities with decision makers in communities
- (c) Production of print and visual materials

Activity 2: Provision of Economic and social services to women and their families in Jabalia and Nuseirat

In order to mitigate the economic hardships of women, the project will provide economic security activities (2 activities in each center) as well as social services. Economic and social service provision consists of the following sub-activities.

2.1 Economic Services

- (a) Formulation of women's group business
- (b) Provision of equipment for the economic activities
- (c) Market assessment
- (d) Development of promotion strategy for women's products

2.2 Social Services

The following social services will be provided:

- (a) Childcare center, which has already been established in both Jabalia and Nusairat centers by the previous project.
- (b) Women's club where women get together regularly, discuss their problems and needs, organize trainings (such as on nutrition, healthy food and flower arrangements, informal education), and reinforce their sense of collectiveness and mutual learning
- (c) Psycho-social and health counselling services, the needs of which were identified through TVTPW project.
- (d) Gym classes for which gym facilities were established under TVTPW project and there are need especially in Nuseirat
- (e) Books and documents are purchased for libraries which were furnished during TVTPW project

2. Beneficiaries

Women and their families at Jabalia and Nuseirat

3. Strategies

The following crosscutting strategies upon implementing the activities will be considered:

- Participatory approach The project will encourage women in the communities to be involved at every step of the project implementation of planning, running and monitoring. UNDP project staff will provide guidance and facilitate the process.
- Involvement of women's family Involvement of their families through service provision will
 increase the support of center's activities and make it easier for women to participate in the centers'
 activities and lead to strengthen voice of women.

 Networking – The project will encourage networks among women as well as between women and their communities, which will ensure the sustainability of women's groups.

4. Monitoring and Evaluation

Project will be monitored and evaluated according to UNDP procedures on monitoring and evaluation. Effective monitoring requires assessment of project progress against the plan and management of any exceptions. In carrying out such monitoring activities, the tools set up during the Initiating a Project process will be updated in different timeframes:

Within the annual cycle:

- Update of Quality Log: Progress and quality of the deliverables being produced will be assessed based on the quality criteria established in the indicators and Deliverable Description and planned schedule and recorded in the Quality Log. If changes are required, the Deliverable Description and/or schedule will be updated.
- Update of Issues Log: Any project issues will be recorded in the Issues Log to facilitate tracking and resolution.
- Update of Risks Log: The Risks Log will be updated by reviewing the external environment that
 effects the project implementation, and associated risk management plans.
- Project Quarterly Progress Report: Quarterly monitoring progress reports will be submitted by the Project Manager to Project Assurance and to the Outcome Board. Such progress reports should form a basis for decisions regarding further disbursement of UNDP resources to the Implementing Partner.
- Lessons Learned Log: Project lessons learned should be actively captured to ensure ongoing learning and adaptation within the organization.

Annually:

Annual Review: An annual project review will be conducted by the Project Board during the fourth quarter of year as a basis for assessing the performance of each project. This review will involve all key project stakeholders and the Implementing Partner, and focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes. All evaluations of the project, or related outcomes should be considered, along with their respective management responses and action plans. Findings from these should inform the review. The review will be structured by a set of common standards, and will be subject to spot external quality assurance assessments. This review should update output targets and results achieved. The baseline data will be collected before the activities start by questionnaires and interviews.

III: RESULTS AND RESOURCES FRAMEWORK

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Project Intended Outcome:

Improvement of access to social and economic services for women and their families in Nuseirat and Jabalia

Outcome indicators:

- The level of satisfaction of women and community regarding the services provided by women's centers
- Household income of families whose women participate in business groups in Jabalia and Nuseirat
- The number of women initiating income generating activities
- The number of women's collective initiatives in and with the local community
- The level of women's self-esteem and confidence
- Increased feeling of empowerment regarding community decisions
- Enhancement of women's decision-making power at home, workplaces and the community strategies and managerial capabilities

Applicable MYFF Service Line:

Project title and ID (Project title and ID (ATLAS Award ID): Community Based Women Emnowerment in Caza	on Emnowerment in Car	79
Intended Output Women in Jabalia	Indicative Activities 1. Capacity Building of Women groups in	Responsible Parties UNDP	Inputs Total budget SUSD 997,834 (\$923,920 + 8%GMS (supporting cost))
and Nuscirat are	Jabalia and Nuseirat as social and economic service providers	Control of the Contro	1. Activity 1 — Sub-total \$337,800 1.1 Canacity assessment and training - \$50,000
providing social	1.1 Conducting Training		Training materials and supplies - \$70,000
and economic	1.2 Developing Exit Strategy		1.2 Exit Strategy - \$15,000
	1.4 Raising Awareness		Information Specialist (2 for 2 months) - \$6,000
			Upgrading information system - \$20,000
			Furniture for IT unit - \$1,600
			Data unit officer - \$6,000
	12		Vehicle - \$30,000
			Operation costs - \$80,000
		3	Communication costs - \$40,000
			Community meetings - \$2,000
	3		Production of visual materials - \$4,000

III: RESULTS AND RESOURCES FRAMEWORK

Page 10 of 11

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Improvement of access to social and economic services for women and their families in Nuseirat and Jabalia.

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Applicable MYFF Service Line:

Partnership Strategy	SAA SAA TIIIIA.		
Project title and II	Project title and ID (ATLAS Award ID): Community Based Women Empowerment in Gaza	ien Empowerment in Gaz	28
Intended Output	Intended Output Indicative Activities	Responsible Parties	
Women in Jabalia	1. Capacity Building of Women groups in	UNDP	cost))
and Nuseirat are	Jabalia and Nuseirat as social and economic		 Activity 1 – Sub-total \$337,800
trained in	service providers		1.1 Capacity assessment and training - \$50,000
providing social	1.1 Conducting Training	ts.	Training materials and supplies - \$70,000
and economic	1.2 Developing Exit Strategy		1.2 Exit Strategy - \$15,000
services	1.3 Upgrading Host Centers		1.3
	1.4 Raising Awareness		Information Specialist (2 for 2 months) - \$6,000
			Chipmannia arrangement of section 2000
			Complement and adjustments of the party
			Furniture for 11 unit - \$1,000
			Data unit officer - \$6,000
			Vehicle - \$30,000
			Operation costs - \$80,000
	577		Communication costs - \$40,000
			1.4
	2	0.0	Community meetings - \$2,000
	03		Production of visual materials - \$4,000