

**ADDENDUM NO. 1**

**For Inter-agency Agreement**

**Between**

**The International Labour Organisation**

**and**

**United Nations Development Programme(UNDP)**

The parties hereby agree to modify the above-mentioned Inter-agency Agreement under **M25008159017** as follows:

- 1.0 No change in the date of completion of the assignment.
- 2.0 The ILO and UNDP to Administer Funds to Kigoma Regional Secretariat instead of Administering Funds to SELF.
- 3.0 For the narrative report 1
  - i. Capacity Building/training to Youth and Women Groups facilitated by ILO and UNDP to ensure that the Groups have viable business plans, basic financial literacy skills and enhanced understanding of market linkages.
  - ii. Support Kigoma Regional Secretariat in provision of Grants to Youth and Women Groups in Kasulu DC, and TC, Kibondo and Kakonko.
  - iii. Assessment and monitoring of the Youth and Women Groups
- 4.0 Budget of the UN agency to UN Agency contribution agreement between our two organizations. The amendment to the agreement would be a total budget of \$ 64,800 instead of \$65,200.
- 5.0 The ILO's maximum financial liability is therefore reduced from USD 65,200 to USD 64,800.00. Whereas, the remaining balance of \$400 will be transferred from UNDP to ILO.

*Unless otherwise provided for in this addendum, all terms and conditions of the original agreement shall remain unchanged.*

For the International Labour Organisation

Signature: 

Name: **Wellington Chibechi**

Position: Director

Place: Dar es Salaam

Date: 05/10/2018



For the United Nations Development Programme

Signature: 

Name: **Natalie Boucly**

Position: Director

Place: Dar es Salaam

Date: 09/10/18



## Hamza, Maranda

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**From:** Mwamboma, Cressida  
**Sent:** 04 October 2018 14:27  
**To:** Hamza, Maranda  
**Subject:** FW: TZA - Add New Agreement - JP - UNDPGBL-536-43168 / CRM Case ID 614493

Dear Hamza,

Kindly see e-mails below.

Kind regards

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**From:** Ann Moirana <[ann.moirana@undp.org](mailto:ann.moirana@undp.org)>  
**Sent:** 27 September 2018 01:43:42  
**To:** Mwamboma, Cressida  
**Cc:** Weibel, Kristina  
**Subject:** Fwd: TZA - Add New Agreement - JP - UNDPGBL-536-43168 / CRM Case ID 614493

Dear Cressida,

Please see the email below for your action..

Regards  
Ann

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**From:** Gloria Kiondo  
**Sent:** Thursday, September 27, 2018 4:39:51 PM  
**To:** Ann Moirana; Ernest Salla  
**Cc:** Dancilla Mukarubayiza; Mussa Dighesh  
**Subject:** RE: TZA - Add New Agreement - JP - UNDPGBL-536-43168 / CRM Case ID 614493

Dear Ann, team,

I think in this case we need to sign a new agreement and amend the old one.

The GMS being 8% should have been \$4800 and not 5200. So the total contract should have been 64,800.

I recommend you correct it (or share the soft copy) for a review, and then we sign it again.

Then we can send to GSSU for fund application. The extra funds will have to be refunded to ILO.

Thanks,  
gloria

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**From:** Ann Moirana  
**Sent:** 25 September 2018 09:55  
**To:** Gloria Kiondo <[gloria.kiondo@undp.org](mailto:gloria.kiondo@undp.org)>; Mussa Dighesh <[mussa.dighesh@undp.org](mailto:mussa.dighesh@undp.org)>  
**Cc:** Dancilla Mukarubayiza <[dancilla.mukarubayiza@undp.org](mailto:dancilla.mukarubayiza@undp.org)>; Victor Kida <[victor.kida@undp.org](mailto:victor.kida@undp.org)>; Ernest Salla

Is there a reason for this?

**B. BUDGET**

The total budget for the Activities is [65,200.00], in USD, as more fully described below.




Summary of activities and BUDGET <sup>1</sup>	Annual (Years 1, 2, X)	Total (all years)
Total programmable amount, including direct costs	65,200.00	65,200.00
Indirect support costs	N/A	N/A
Grand total	65,200.00	65,200.00

Best Regards,



**Nur Atikah**

Revenue Specialist, Global Shared Service Unit (GSSU)  
Bureau for Management Services  
United Nations Development Programme  
1st Floor, Sky Tech Tower 1, MKN Embassy Techzone  
No 3200 Jalan Teknokrat 2, 63000 Cyberjaya, Selangor, Malaysia  
[nur.atikah@undp.org](mailto:nur.atikah@undp.org)

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**From:** [gssc.donotreply@undp.org](mailto:gssc.donotreply@undp.org) <[gssc.donotreply@undp.org](mailto:gssc.donotreply@undp.org)>

**Sent:** Thursday, 20 September, 2018 9:26 AM

**To:** Nur Atikah <[nur.atikah@undp.org](mailto:nur.atikah@undp.org)>

**Subject:** Case 614493 Assigned to you

Dear Nur Atikah

A case has been assigned to you. Please refer to the details given below.

Case ID :614493

DMS ID :UNDPGBL-536-43168

Case Status :Open - New Case

Case Summary :TZA - Add New Agreement - JP - CRMCASEID:

Contact Name :Mussa Dighesh

# UN AGENCY TO UN AGENCY CONTRIBUTION AGREEMENT

## A. SUMMARY OF ACTIVITIES

**Title:** Youth and Women Economic Empowerment

**Start/End Dates:** Activities start date: 31 August 2018 [date of receipt of funds].  
Activities end date: 31 December 2018.

**Location:** Dar es Salaam

**Contribution Amount:** 65,200.00

**Contributing Agency:** International Labour Organization (ILO)-Dar es Salaam County Office

**Recipient Agency:** United Nations Development Programme (UNDP)

**Nature of Activities:** Administering Funds to SELF

**Purpose:** To facilitate set up of a cash guarantee fund to facilitate easy access to financial services for youth and women for small scale investment

**Annexes:** In the event that the terms contained in Annex(es) are incompatible with those contained in this Agreement, then the latter shall govern and prevail.  
[List Annex(es), if any]

**Expected outcome:** Youth and Women Economic Empowerment

The Recipient Agency will be fully responsible for administering the Contribution in accordance with its financial regulations, rules, policies and procedures, and administrative instructions, and carrying out the Activities efficiently and effectively.

## B. BUDGET

The total budget for the Activities is [65,200.00], in USD, as more fully described below.

Summary of activities and BUDGET	Annual (Years 1, 2, X)	Total (all years)
Total programmable amount, including direct costs	65,200.00	65,200.00
Indirect support costs	N/A	N/A
Grand total	65,200.00	65,200.00

APRIL 2012

The Contributing Agency acknowledges that the Recipient Agency will not pre-finance Activities. If the Contribution, or any part of it, is not received in a timely manner, the Activities may be reduced or suspended by the Recipient Agency with immediate effect.

The Contribution will be paid into the following account:

**Account Details:** [Name of Account: UNDP Contributions Account  
Account Number: 36349562  
Name of the Bank: Citibank, N.A  
SWIFT Code: CITIUS33  
ABA #: 021000089  
**Currency:** US Dollars  
**Bank Address:** 111 Wall Street, New York, NY 10043

When making such transfers the Contributing Agency will notify the Recipient Agency, [UNITED NATIONS DEVELOPMENT PROGRAMME (for the Attention [ ]), by fax ([ ]) or by e-mail ([ ]) of the following: (a) the amount transferred; (b) the value date of the transfer; (c) that the transfer is from the Contributing Agency pursuant to this Agreement.

#### **F. INTELLECTUAL PROPERTY RIGHTS**

All Intellectual Property Rights related to the Activities will belong to the Recipient Agency. The Contributing Agency and, if applicable, the relevant programme Government will enjoy a perpetual, royalty-free, non-exclusive and non-transferable license.

#### **G. CORRESPONDENCE**

All correspondence regarding the implementation of this Agreement will be addressed to:

Name of the Contributing Agency International Labour Organization-Dar es Salaam Country Office  
Address: Plot no. 76/27 & 105/27 Maktaba Street,  
P. O. Box 9212  
Dar es Salaam,

Name of the Recipient Agency: United Nations Development Programme(UNDP)  
Address: 182 Mzingu way, Off Msasani Road,Oysterbay  
P.O Box 9182  
Dar es Salaam

#### **H. AMENDMENTS**

The present Agreement, including its Annex(es), may be modified or amended only by written agreement between the two Agencies.

#### **I. COMPLETION OF THE ACTIVITIES**

The Recipient Agency will notify the Contributing Agency when all Activities have been completed.

The Recipient Agency will continue to hold any part of the Contribution that is unutilized at completion of the Activities until all commitments and liabilities incurred in the carrying out of the Activities have been satisfied and all arrangements associated with the Activities have been brought to an orderly conclusion.

APRIL 2012



YOUTH ACCESS TO FINANCE AND PUBLIC FUNDS FOR SMALL INVESTMENTS IN KIGOMA  
REGION  
CONCEPT NOTE

**Background**

In 2017, the UN in Tanzania entered into a new area-based joint planning and implementation process that selected Kigoma region as an area of focus. The push behind area-based programming is the desire to reduce the disparities between areas and groups, narrowing the gap through integrated, participatory and inclusive sustainable investments in subnational governance initiatives, resilience, education, health and livelihoods. Kigoma region was selected because of its development indicators, in combination with its refugee population, make it an area of concern from a human development standpoint as well as a human security standpoint. The UN Joint Programme on Kigoma focuses primarily on the three districts of Kakonko, Kasulu, and Kibondo in view of their roles in hosting refugees and the need to bridge the gap between humanitarian and development support, and between refugees and the host communities. Secondary support continues to be supported in the other districts where participating UN agencies already have ongoing activities. The Joint Programme consists of six converging and cross-sectoral outcome groups, namely: sustainable energy and environment; youth and women's economic empowerment; violence against women and children, agriculture with a focus on developing local markets; education with a focus on girls and adolescent girls; and Water, Sanitation and Hygiene (WASH) in Kigoma. This assignment is geared to support the implementation of the Youth and Women's Economic Empowerment (YWEE).

Under this theme, the UN, in consultation with various stakeholders including Local Government, identified women and youth groups key entry points to empower youth and women in the Kigoma Region namely, (i) Gender Responsive Local Economic Development (LED), (ii) Enterprise and Skills Development and (iii) Financial Inclusion. Towards this end, different UN agencies, as shown below, leverage their expertise and resources to address the impediments to youth and women empowerment by developing a robust regulatory environment that responds to the unique needs of women and youth in Kigoma; unlocking domestic flows of capital for private and public sector investments which can increase access of women and youth to productive resources, markets and income-generating opportunities and developing the capacity of women and youth to effectively engage in entrepreneurial, employment and market opportunities in refugee camps and host communities.



Kibondo, Kakonko, and Kigoma (urban) as well as determining the financial and non-financial needs of the target group.

The ILO is contributing and leading the component for youth access to finance and public funds for small scale investments. This assessment was focusing on support the implementation of the Youth and Women's Economic Empowerment (YWEE) and concluded:

#### General principles

##### *i) Need for guarantee fund*

There is a need for a credit guarantee to incentivise the financial institutions to enter a deemed high-risk segment. The geographical location, population size and general infrastructural challenges make the region not as attractive for a pure private sector intervention seeking to maximise profits. The risk levels are high – not only of default but even failure to reach the profitability targets set out. As such, guarantee funds may offer the much-needed incentive, but may not be sufficient to attract the FIs. Furthermore, young people do not have collateral to offer and guarantee fund may provide the fall back required by FIs especially considering unsecured lending and the required provisions.

##### *ii) Operating costs*

Due to the foregoing, operational costs for Kigoma region will always be high without a direct return to justify the expenditure. Thus, such a project should be willing to explore not only risk sharing but cost sharing mechanisms as well. One example of structuring cost sharing could be placing guarantee funds in the lending financial institution partner as a cash fixed deposit (i.e. that accrues interest) but foregoing that interest as a cushion for the FI's operational costs.

##### *iii) Non-financial services*

The need for non-financial services cannot be over emphasized. The guarantee facility will not yield much unless there is an integrated package of non-financial services for grooming and developing the young entrepreneurs. Training, mentoring, and coaching should be an integral part of the program without which the guarantee fund may not be utilized. The training should definitely include financial education content to boost the literacy levels in that regard. Creative, appropriate and digitally based methods of service delivery should be considered in order to reduce costs and be relevant to the youths.

Three major types of training should be offered but on need basis – not an all size fits all approach!

- Business management program (e.g. practical marketing and business planning tools, budgeting etc)
- Financial education (importance of savings, goal setting, debt management, choosing financial services/products)
- Technical skills training: e.g. bee keeping, soap making etc



	using ILO products for financial and non-financial enterprise support services;	specific enterprise-level interventions using ILO products.
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### Modality of Engagement between ILO, UNDP and SELF

The International Labour Organization (ILO) in collaboration with UNDP under the Kigoma Joint Programme in the Youth and Women Economic Empowerment Theme will jointly support establishment of a Credit Guarantee fund to leverage financing for women and youth groups economic activities in three LGAs in Kigoma namely (Kasulu DC and TC), Kibondo and Kakonko). The Fund will be managed by SELF Microfinance Fund in accordance with terms and conditions described in this LOA between SELF and UNDP. UNDP acting for and on behalf of joint interests and financing by UNDP and ILO that is will administer the funds to SELF MF on behalf of the ILO.

SELF Microfinance Fund will work closely together with UNDP, ILO and the LGAs in the identification of registered youth and women groups and in the monitoring of the groups' performance. Through SELF Microfinance Fund, the credit guarantee scheme will be established and leverage more lending resources to reach more youth and women by hedging the risk of default.

#### Deliverables from SELF MF :

- Loan package suitable for women and youth developed by 30 September 2018 based on existing assessments on women and youth's access to finance.
- SELF Microfinance will also contribute towards the Credit Guarantee Funds \$1: \$10
- Four training sessions on SELF loans for women and youth groups conducted in the three LGAs by 30 October 2018
- Five women's groups and five youth groups provided with loans by 30 November 2018
- Eighty percent of the youth and Women groups supported have started-up or improved their business by 31 December 2018
- Five additional youth groups and Five additional women groups have been reached as part of the revolving scheme
- Access to finance for youth and women groups promoted to go-hand-in-hand with non-financial support to the groups e.g. in terms of preparing viable business plans and identifying local and regional markets.
- SELF MF to adapt/develop a loan package suitable for women and youth groups.
- SELF MF will provide loans to the identified Youth and Women Groups in Kasulu DC and TC, Kibondo and Kakonko as per terms agreed with UNDP and ILO.
- SELF MF will collaborate with UNDP, ILO and the 3 LGAs in identification of formally known and registered Youth and Women groups notably through District Cooperative Officers (DCOs) and Community Development Officers (CDOs).
- SELF MF will conduct field visits to potential clients to identify their needs and provides information regarding the financial services and products to be offered. SELF MF will also conduct four training sessions in the three LGAs for identified potential beneficiaries and provide advisory services and support exchange visits for infant stage groups to learn from well-established and advanced groups.
- SELF MF is responsible for keeping the LGAs informed about progress and challenges and has to submit quarterly progress reports to both UNDP, ILO and the LGAs.
- SELF MF will ensure that the loans provided to the youth and women groups are revolving.
- SELF MF will co-finance every ILO/UNDP dollar as incremental funding to the guarantee fund.





INTERNATIONAL LABOUR OFFICE  
 BUREAU INTERNATIONAL DU TRAVAIL  
 OFICINA INTERNACIONAL DEL TRABAJO

**OFFICE FINANCIAL CLEARANCE (OFC)**

OFC No 2018 - 0920579

**INSTRUCTIONS:**

TZA1702MOUR

I certify that there is no financial objection to the transaction as proposed and that funds have been reserved in the amount and under the account codes indicated below.  
 Typaritha agreement with government and MFI to cover set-up a cash guarantee fund to facilitate easy access to financial services for youth for small scale investment in Kigoma  
 This OFC is valid until: 31/12/2018

**ACCOUNTING:**

Financial Year	Project Account Code	Commitment No	Object Code	Currency Code	Amount	Position Number	Observations
2018	ME250.08.159.017	0920579	4905	252	60,000.00	001	Cash Guarantee Funds

Requested by: K. Welbel

Authorized by: Wellington Chibhe, Director

**FINANCIAL CLEARANCE:**

Prepared by: G. Mwanabona  
 International Labour Organization  
 Finalized by: P. Balamele  
 ILO Office Harare, Solomoni

Approved by: Wellington Chibhe, Director

Signature:

For the Treasurer and Financial Controller:

Date: 10 Aug 2018

Unit: