

EUROPEAN UNION CONTRIBUTION AGREEMENT

INSC/2024/454-274
(the "Agreement")

The European Union, represented by the European Commission (the "**Contracting Authority**"), first counterparty,

and

United Nations Development Programme (UNDP).
International Organisation
One UN Plaza
10017 – New York, USA,
hereinafter the "**Organisation**"

and

Organization for Security and Co-operation in Europe (OSCE), as represented by its Secretariat.
International Organisation
Wallnerstrasse 6, 1010 Vienna, Austria,
second counterparty, (individually a "**Party**" and collectively the "**Parties**")
have agreed as follows:

SPECIAL CONDITIONS

Article 1 - Purpose

- 1.1 The purpose of this Agreement is to provide a financial contribution to finance the implementation of the action "**Stakeholder Engagement for Uranium Legacy Remediation in Central Asia (Phase III)**" as described in Annex I (the "**Action**"). This Agreement establishes the rules for the implementation and for the payment of the EU Contribution and defines the relations between the Organisation and the Contracting Authority.
- 1.2 The Action is a multi-donor Action, and the EU Contribution is not earmarked.
- 1.3 The Organisation declares that no substantial changes, which have not already been communicated to the Commission, affect the rules and procedures which have been subject to the Ex-ante Pillar-Assessment.

In the performance of the activities, the Organisation shall:

- Apply its own rules and procedures for the award and management of Procurement Contracts which have been assessed in the Ex-ante Pillar Assessment and
- Apply its own rules and procedures for the award and management of Grants, which have been assessed in the Ex-ante Pillar Assessment.

1.3bis This Agreement is a Multi-Partner Contribution Agreement.

OSCE is pillar-assessed Partner for the purposes of this Agreement.

In the performance of the activities, OSCE shall:

- Apply its own rules and procedures for the award and management of Procurement Contracts which have been assessed in the Ex-ante Pillar Assessment.

- Apply its own rules and procedures for the award and management of Grants, which have been assessed in the Ex-ante Pillar Assessment.

The pillar-assessed Partner declares that no substantial changes, which have not already been communicated to the Commission, affect the rules and procedures which have been subject to the Ex-ante Pillar-Assessment.

- 1.4 The Action is financed under the European Instrument for International Nuclear Safety Cooperation (INSC).
- 1.5 The Organisation shall provide a management declaration in accordance with Articles 3.10 of Annex II with every progress and final report.

OSCE shall provide a management declaration in accordance with Articles 3.10 of Annex II with every progress and final report.

- 1.6 This Agreement is subject to the provisions of the Financial and Administrative Framework Agreement (FAFA) between the European Union and the United Nations signed on 29 April 2003 and as amended on 31 December 2018.

Article 2 - Entry into Force and Implementation Period

Entry into Force

- 2.1 The Agreement shall enter into force on the date when the last Party signs.

Implementation Period

- 2.2 The Implementation Period of the Agreement (the "Implementation Period") shall commence on the date when the last Party signs.
- 2.3 The Implementation Period of the Agreement is 24 months.

Article 3 - Financing the Action

- 3.1 The total cost of the Action is estimated at USD ("Currency of the Agreement") 2,368,098, as set out in Annex III. The Contracting Authority undertakes to provide a contribution up to a maximum of EUR 2,000,000, which is estimated at USD 2,231,600 (the "EU Contribution").

The final amount will be established in accordance with Articles 16 to 18 of Annex II.

Remuneration

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

The remuneration of OSCE by the Contracting Authority for the activities to be implemented by OSCE under this Agreement shall be 7% of the final amount of eligible direct costs of the Action incurred by OSCE.

Interest on pre-financing

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

Article 4 - Payment Arrangements and Reporting

4.1 The pre-financing rate is 100%.

4.2 Payments shall be made in accordance with Article 17 of Annex II. The following amounts are applicable, all subject to the provisions of Annex II:

First pre-financing instalment.....USD 1,071,362

Second pre-financing instalment..... USD 1,160,238

Forecast balance.....USD 0

These amounts are indicative and subject to modification in accordance with the provisions of Article 17 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 The Organisation acknowledges that the European Commission intends to progressively introduce an Electronic Exchange System pursuant to the EU Financial Regulation, accessible via the Single Electronic Data Interchange Area (SEDIA) portal, the "EU Funding & Tender Opportunities" portal (the "System"), for the electronic management of this Agreement.

The European Commission shall inform the Organisation at least three months prior to the date on which other documents and processes related to this Agreement (including reports, electronic payment requests and communications) are to be processed via the System.

Notwithstanding the above the Organisation shall submit the information referred to in Article 3.7 b) of Annex II via the System for all reports under this Agreement.

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.

5.2 Subject to Article 4.3, any communication relating to the Agreement shall be in writing, shall state the Contracting Authority's contract number and the title of the Action, and shall be dispatched to the addresses below.

5.3 Subject to Article 4.3, 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

Delegation of the European Union to the Kyrgyz Republic
For the attention of Head of Finance, Contracts and Audit Section
21 Erkindik Boulevard (5th floor)
720000 Bishkek, Kyrgyzstan
DELEGATION-KYRGYZSTAN-FCS@eeas.europa.eu

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

Delegation of the European Union to the Republic of Uzbekistan
For the attention of Head of Cooperation Section
International Business Centre 107B
Amir Temur street, 100084, Tashkent, Uzbekistan
DELEGATION-UZBEKISTAN-COOPERATION@eeas.europa.eu

For the Organisation

Ms. Steliana Nedera, Manager
UNDP Istanbul Regional Hub
Regional Bureau for Europe and CIS
Key Plaza, Abide-i Hürriyet Cd. İstiklal Sk. No:11
Şişli, 34381, Istanbul, Turkey

- 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:

Office of Audit and Investigations
Head of Investigation Section
United Nations Development Programme
One United Nations Plaza
DCI Building 4th Floor
New York, NY 10017, USA

- 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:

Ms. Steliana Nedera, Manager
UNDP Istanbul Regional Hub
Regional Bureau for Europe and CIS
Key Plaza, Abide-i Hürriyet Cd. İstiklal Sk. No:11
Şişli, 34381, Istanbul, Turkey

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 Contribution Agreements
Annex II.a: Provisions applicable only to Multi-Partner Contribution Agreements
Annex III: Budget for the Action
Annex IV: Financial Identification Form
Annex V: Standard Request for Payment
Annex VI: Management Declaration template

- 6.2 In the event of a conflict between these Special Conditions and any Annex thereto, the provisions of the Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II including Annex II.a and those of the other Annexes, the provisions of Annex II including Annex II.a shall take precedence.

Article 7 – Additional specific conditions applying to the Action

7.1 The following shall supplement Annex II:

7.1.1. Where the implementation of the Action requires the setting up or the use of one or more project offices, the Organisation and/or the Partner(s) 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 16.1 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) Where costs of the project office are declared as actual costs, the Organisation and/or the Partner(s) may declare as eligible only the portion of the capitalised and operating costs of project office that corresponds to the duration of the Action and the rate of actual use of the project office for the purposes of the Action.
- d) Costs of the project office not declared as actual costs are only eligible if they have been ex ante-assessed by the European Commission.

7.1.2 The following shall supplement Annex II (applicable to OSCE):

7.1.2.1 Article 1 is supplemented by the following definitions:

EU Restrictive Measures: restrictive measures adopted pursuant to the Treaty on European Union (TEU) or to the Treaty on the Functioning of the European Union (TFEU).

Restricted Person: any entities, individuals or groups of individuals designated by the EU as subject to the EU Restrictive Measures¹.

7.1.2.2 Article 2 is supplemented as follows:

2.11

- (a) In their contractual relationship the Parties recognise that under EU law no EU funds or economic resources are to be made available directly or indirectly to, or for the benefit of, Restricted Persons.

¹ Consolidated list (the “EU sanctions list”) presently available at <https://data.europa.eu/euodp/en/data/dataset/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions>. Note that the EU Official Journal is the official source of EU law and, in case of conflict, its content prevails.



- (b) The Organisation shall ensure that no transaction subject to a verified hit against the EU sanctions list shall benefit directly or indirectly from EU funding. The Organisation commits to ensure this i) through screening for hits against EU sanctions before any direct contracts it concludes and ii) at subsequent levels through the Organisation's risk based due diligence.

The Organisation will implement this obligation through the following measures:

- (i) The Organisation shall screen for hits against the EU sanctions list, before entering into, and before making payments under, the relevant agreements, each Contractor and Grant Beneficiary with whom the Organisation has or is expected to have a direct contractual relationship, so as to assess whether such recipient is a Restricted Person.
 - (ii) The Organisation shall ensure, through screening or through other appropriate means (that may include an ex-post verification) on a risk based approach basis, that no entity that has or is expected to have a direct contractual relationship with a Grant Beneficiary in relation to the implementation of the Action and that would receive EU funding ("Indirect Recipient"), is a Restricted Person.
- (c) In the event that the Organisation assesses that any of the recipients of the EU funding referred to in subparagraphs (b)(i) and (b)(ii) is a Restricted Person, and the Organisation decides that the transaction should proceed notwithstanding a verified hit against EU sanctions, the Organisation shall promptly inform the Contracting Authority. Should the Contracting Authority consider that the use of the EU funding in connection with the Agreement would result in a breach of the EU Restrictive Measures, the Contracting Authority shall notify the Organisation within twenty-five (25) Days of the date of the receipt of the Organisation's notice pursuant to the immediately preceding sentence. If the Contracting Authority does not notify the Organisation pursuant to this subparagraph, the Contracting Authority shall be deemed to have no objection.
- (d) If the Contracting Authority notifies the Organisation pursuant to the immediately preceding subparagraph, the Organisation and the Contracting Authority shall promptly consult each other with a view to jointly determining remedial measures in accordance with their respective applicable legal frameworks. These measures may include, but shall not be limited to: (A) the reallocation of the relevant portion of the EU funding net of any costs incurred by the Organisation for undertaking any procurement or award procedure unless in case of the Organisation's gross negligence or wilful misconduct; (B) recovery by the Contracting Authority from the Organisation of the amount of the EU funding provided directly or indirectly for the benefit of a recipient referred to in subparagraphs (b)(i) and (b)(ii) that is a Restricted Person under the Agreement. Where appropriate, a combination of remedial measures may be applied. Where remedial measures cannot be agreed or if the Organisation nonetheless decides to proceed with a transaction, the corresponding amount shall not be charged (including through the application of the notional approach) to (i) the Action where the Action is exclusively financed by the EU, or in case the Action is Multi-Donor and the maximum EU Contribution is expressed as a percentage of total eligible costs of the Action; or (ii) to the EU Contribution in all other cases. This is without prejudice to any rights that the Contracting Authority may have to suspend or terminate this Agreement or to recover any EU funding contributed by the Contracting Authority to the Organisation.
- (e) The determination of remedial measures will be made in accordance with the principle of proportionality. Remedial measures shall apply only to the EU funding made available to, or for the benefit of, a recipient referred to in subparagraphs (b)(i) and (b)(ii) for the period during which it remained a Restricted Person.
- (f) For the avoidance of doubt, the Parties acknowledge that if a recipient of the EU funding becomes a Restricted Person after the date on which such EU funding was made available to, or for the benefit of, such recipient, subparagraphs (c) and (d) shall not apply to the EU funding made available to, or for the benefit of, the Restricted Person before its listing.
- (g) Preceding subparagraphs (a) to (f) are without prejudice to the exceptions contained in the EU Restrictive Measures.
- (h) The Contracting Authority will not intervene in the Organisation's processes for selecting and engaging with recipients in full respect of the Organisation's Regulations and Rules.



The Parties accept the validity of any qualified electronic signature used for the signature of this Agreement and recognise the latter as equivalent to a hand-written signature.

Done in Tashkent, Istanbul, and Vienna in 4 originals in the English language, two for the Contracting Authority, one for the Organisation and one for the Partner.

For the Organisation

Name Steliana Nedera
Position Manager, IRH, UNDP

Signature

Date 26.11.2024

For the Contracting Authority

Name Wim Riepma
Position Head of Cooperation,
Delegation of the European
Union to the Republic of
Uzbekistan

Signature

Date 29-10-2024

For OSCE

Name CATHERINE PEARON
Position DIO/S

Signature

Date 10. XII - 24