

UNDP – ITC CONTRIBUTION AGREEMENT
IN THE CONTEXT OF THE ENHANCED INTEGRATED
FRAMEWORK (EIF)

A. SUMMARY OF ACTIVITIES

Title:	EIF Trust Fund- funded project on <i>“Improving competitiveness of vanilla, ylang-ylang, and gloves exports of Comoros”</i>
Start/End Dates:	Activities start date: 15 November 2014 Activities end date: 15 November 2017
Location:	Union of Comoros
Contribution Amount:	USD 918,107
Contributing Agency:	United Nations Development Programme (“UNDP”)
Recipient Agency:	International Trade Centre (“ITC”)
Nature of Activities:	Capacity development, technical assistance, training and studies
Purpose	The project is executed as a part of the EIF program where UNDP and ITC are two core EIF Agencies. The project seeks: income improvements of operators along the value chain of main cash crops for export in Comoros; respond to Government’s priorities as outlined in the Strategy Paper on Growth and Poverty Reduction and priorities of the Mid-term Plan 2012-2015 for economic integration; and diversify livelihood opportunities for the population in agro-industry; more specifically, in the vanilla, ylang-ylang and gloves sectors.
Annexes:	In the event that the terms contained in the Annexes are incompatible with those contained in this Contribution Agreement, then the latter shall govern and prevail. - Project document approved by the EIF Board, including budget, work plan, and logframe

Expected outcome:

The project will help create livelihood opportunities and enhance incomes of rural communities by enhancing the competitiveness of cash crop exports of vanilla, ylang-ylang and gloves from Comoros.

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 ITC Activities is 918,107, in USD, as more fully described below.

Summary of activities and BUDGET (USD)	Annual (2014-2015)	Annual (2015-2016)	Annual (2016-2017)	Total (all years)
Total programmable amount, including direct costs	304,169	355,265	198,610	858,044
Indirect support costs	21,292	24,869	13,903	60,063
Grand total	325,461	380,134	212,513	918,107

The Contributing Agency will not be responsible for any financial commitment or expenditure made by the Recipient Agency that exceeds the budget for the Activities. The Recipient Agency will promptly advise the Contributing Agency any time when the Recipient Agency is aware that the budget to carry out these Activities is insufficient to fully implement the Activities in the manner set out in the present Contribution Agreement, including its Annexes. The Contributing Agency will have no obligation to provide the Recipient Agency with any funds or to make any reimbursement for expenses incurred in excess of the total budget as set forth herein.

C. COSTS RECOVERY

In accordance with the EIF programme guidelines, in particular the Memorandum of Understanding between ITC and UNOPS signed on 8 July 2009, the Recipient Agency's support costs are established at 7% and will be paid from the Contribution, in accordance with the budget.

D. REPORTING

Narrative reporting:

The Recipient Agency will provide the Contributing Agency with a narrative report on the progress of the Activities on a regular basis, as set out below.

- A semi-annual status report of project progress for the duration of this Contribution Agreement as of 30 June for the period 1 January to 30 June, and 31 December for the period 1 July to 31 December within 1 month of the end of the reporting period.
- A final report summarizing project activities and impact of activities within 3 month after the date of completion of activities or termination of this Contribution Agreement.

Financial Reporting:

The Recipient Agency will provide the Contributing Agency with the following financial reports, prepared in accordance with the Recipient Agency's financial regulations, rules, policies, procedures, and administrative instructions, and using the format normally used by ITC for EIF projects funded from the EIF Trust Fund:

- Semi-annual uncertified financial statements as of 30 June for the period 1 January to 30 June, and 31 December for the period 1 July to 31 December for every year, to be submitted within 1 month of the end of the reporting period;
- An annual certified financial statement, certified by Chief, Financial Management, as of 31 December every year, to be submitted no later than 31 May of the following year;
- A final financial report providing provisional financial data to be submitted 3 months after completion of project activities or termination of this Contribution Agreement; and
- On completion of the project, a certified financial statement to be submitted no later than 31 May of the year following the financial closing of the project.

E. CONTRIBUTIONS

The total amounts paid by the Contributing Agency shall match the total budget amount. For multi-year Activities the Contribution will be paid in instalments according to the following schedule.

Schedule of payment:

- 1st tranche of USD 325,461 in November 2014
- 2nd tranche of USD 380,134 in November 2015
- 3rd tranche of USD 212,513 in November 2016.

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.

As this is an EIF project, the funding and reporting of this project will not follow the existing procedure of the Project Clearing Account and Project Delivery Report between ITC and UNDP.

The Contribution will be paid into the following account:

Account Details: UNO ITC
USB AG Account number: 240-C0590162.1
IBAN: CH10 0024 0240 C059 0162 1 Bank clearing code: 240 swift: UBSW CH ZH 80A
Currency: US Dollars
Bank Address: Rue du Rhône 8 CH-1211 Geneva 2 Switzerland

When making such transfers the Contributing Agency will notify the Recipient Agency, ITC for the Attention Francesco Geoffroy, by fax +41227334439 or by e-mail geoffroy@intracen.org 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 Contribution Agreement.

F. INTELLECTUAL PROPERTY RIGHTS

All Intellectual Property Rights related to the Activities will belong to ITC and will be dealt with according to the standard ITC policy on this subject. The UNDP, the beneficiary government and the EIF Secretariat as hosted by the World Trade Organization, will enjoy a perpetual, royalty-free, non-exclusive and non-transferable license.

G. CORRESPONDENCE

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

UNDP: Said Youssouf MBECHEZI, Assistant Resident Representative/P, UNDP
Maison des Nations Unies
BP 648 Moroni, Union des Comores
Tel: +269 773 15 58/59
Fax: +269 773 15 77
E-mail address: youssouf.mbechezi@undp.org

ITC: Francesco GEOFFROY, Senior Adviser, Division of Country Programmes - ITC
International Trade Centre
Palais de Nations, 1211 Geneva 10 Switzerland
Tel: +41 22 730 0387
E-mail address: geoffroy@intracen.org

H. AMENDMENTS

The present Contribution Agreement, including its Annexes, 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, which is expected to occur by 31 December 2017.

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.

J. TERMINATION OF THIS CONTRIBUTION AGREEMENT

This Contribution Agreement will terminate upon satisfaction of all commitments and liabilities incurred in carrying out the Activities and the orderly conclusion of all arrangements associated with the Activities.

This Contribution Agreement may be terminated by either Agency at any time by written notice to the other. Termination will be effective thirty (30) days after receipt of the notice. In the event of termination under this paragraph, the two Agencies will cooperate to ensure completion of the Activities, satisfaction of all commitments and liabilities, and the orderly conclusion of all arrangements associated with the Activities.

K. REFUNDS OF UNSPENT BALANCES

Upon termination of this Contribution Agreement and following the submission of the final financial report, any unspent balance from the Contribution will be returned to the Contributing Agency, unless otherwise agreed in writing by the two Agencies.

L. SETTLEMENT OF DISPUTES

The two Agencies will use their best efforts to promptly settle through direct negotiations any dispute, controversy or claim arising out of or in connection with this Contribution Agreement or any breach thereof. Any such dispute, controversy or claim which is not settled within sixty (60) days from the date either party has notified the other party of the nature of the dispute, controversy or claim and of the measures which should be taken to rectify it, will be resolved through consultation between the Executive Heads of each of the Agencies.

M. STATUS OF THE INTERNATIONAL TRADE CENTRE

ITC is a joint subsidiary organ of the World Trade Organization and the United Nations and enjoys privileges and immunities by the Convention on the Privileges and Immunities of the United Nations adopted by the General Assembly of the United Nations on 13 February 1946. Solely for purposes of coverage of ITC under the Agreement between the Government of Comoros and UNDP, signed at Moroni on 27 January 1976, ITC shall be, when performing activities under this Contribution Agreement, regarded as a responsible party.

N. ENTRY INTO FORCE AND VALIDITY

This Contribution Agreement will enter into force upon its signature by the authorized representatives of the Parties and remain in force until 31 December 2017 or until terminated in accordance with Section J above.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Contribution Agreement in duplicate.

Signed:



On behalf of the UNDP:
Douglas Casson COUTTS
UNDP Resident Representative

Date: 14/11/14

Signed:



On behalf of the ITC:
David CURRY
Director, Division of Programme Support

Date: 13/11/14

