

EUROPEAN UNION
GRANT AGREEMENT FOR PILLAR ASSESSED ORGANISATIONS
(PA GRANT AGREEMENT)

Contract No. FED/2018/398-702

(the "Agreement")

The European Union, represented by the European Commission, (the 'Contracting Authority') of the one part, and

The United Nations Development Programme (UNDP)

International Organisation

United Nations Plaza 1

10017 -- New York

United States

hereinafter the 'Organisation'

of the other part, (individually a "Party" and collectively the 'Parties') have agreed as follows:

SPECIAL CONDITIONS

Article 1 — Purpose

- 1.1 The purpose of this Agreement is the award of a financial contribution by the Contracting Authority to finance the implementation of the action entitled: *EU Support to Sustainable Waste Management and Environmental Protection in Borno State* (the 'Action') described in Annex I.
- 1.2 In the performance of the activities, the Organisation applies its own internal control and accounting systems as well as the rules and procedures for an independent external audit which have been positively assessed in the ex-ante pillars assessment, as well as any other Regulations and Rules, to the extent that these are not in conflict with the provisions of this Agreement. In case the pillar assessment raised some reservations the Organisation shall comply with the ad hoc measures stated in Article 7.
- 1.3 This Action is an EU External Action. The Action is financed under the EDF.
- 1.4 This Agreement is subject to the provisions of the Financial Administrative Framework Agreement (FAFA) between the European Union and the United Nations signed on 29 April 2003 and amended on 26 February 2014.

Article 2 — Implementation of the Action

- 2.1 This Agreement shall enter into force on the date when the last of the two Parties signs.
- 2.2 Implementation of the Action shall begin on: the day after the last Party signs.
- 2.3 The Implementation Period of the Agreement is **36 months**.

Article 3 — Financing the Action

- 3.1 The total eligible costs of the Action are estimated at **USD** ("Currency of the Agreement") **8,235,194** as set out in Annex III and which the EU contribution is estimated at **USD 8,108,100**.
- 3.2 The Contracting Authority undertakes to finance a maximum amount of **EUR 7,000,000**. This contribution is further limited to **98.46%** of the total eligible cost of the Action.
- 3.3 The final amount of the Contracting Authority's contribution shall be determined in accordance with Articles 18, 19, 20 and 23 of Annex II.
- 3.4 Pursuant to Article 18 of Annex II, eligible indirect costs shall be declared on the basis of a flat-rate of 7% of the final amount of direct eligible costs to be reimbursed by the Contracting Authority. The final amount of direct eligible costs of the Action is established in accordance with Article 18.
- 3.5 A reserve for contingencies and/or possible fluctuations in exchange rates not exceeding 5% of the eligible expenditure may be included in Annex III, to allow for adjustments necessary in the light of unforeseeable

changes of circumstances on the ground. It can be used only with the prior written authorisation of the Contracting Authority, upon a duly justified request from the Organisation.

Article 4 — Reporting and payment arrangements

4.1 Payments shall be made in accordance with Article 19 of Annex II.

The agreed pre-financing rate is 100%.

Initial pre-financing instalment: USD 3,099,395

Further pre-financing instalments (2): USD 5,008,705
following the end of the 1st reporting period
(subject to the provisions of Annex II).

Forecast balance of the final amount of the contribution, if any USD 0
(subject to the provisions of Annex II):

The sum of the payments in the accounting currency of the Organisation shall never exceed the total EU Contribution in EUR.

4.2 For contributions of more than EUR 5,000,000, a further pre-financing payment may be made only if the part financed by the Contracting Authority of the eligible costs approved is at least equal to the total amount of all the previous payments excluding the last one.

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. If requested by the Contracting Authority they shall be accompanied by a translation or a summary in English or French where the language of the Agreement is not English or French.

5.2 Any communication relating to the Agreement shall be in writing, shall state the number and/or title of the Action, and shall use the following addresses below.

5.3 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

European Commission
Delegation of European Union to Nigeria and ECOWAS
European Union Crescent
Off Constitution Avenue
Central Business District
Abuja – Nigeria
Tel: (+234-9) 461 78 00 - 7
E-mail: delegation-nigeria@eeas.europa.eu
For the attention of: Head of Section – Finance, Contract & Audit

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

European Union Delegation to Nigeria and ECOWAS
European Union Crescent
Off Constitution Avenue
Central Business District
Abuja – Nigeria
Tel: (+234-9) 461 78 00 – 7
E-mail: delegation-nigeria@eeas.europa.eu
For the attention of: Head of Section – Health Nutrition & Resilience

For the Organisation

Mr. Samuel Bwalya
Country Director
United Nations Development Programme (UNDP)
19, T.Y. Danjuma Road
Asokoro, Abuja, Nigeria

- 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 Investigations Section, United Nations Development Programme, One United Nations Plaza, DCI Building 4th floor New York, NY 10017 USA.

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 Project)
 - Annex II: General Conditions for PA Grant or Delegation Agreements (Part II on Delegation Agreements does not apply)
 - Annex II.b: Provisions applicable only to calls for proposals and other specific circumstances
 - Annex III: Budget for the Action
 - Annex IV: Financial identification form
 - Annex V: Standard request for payment
 - Annex VI: Communication and Visibility Plan
- 6.2 In the event of a conflict between the present 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.b and those of the other annexes, those of Annex II and Annex II.b shall take precedence.

Article 7 — Other specific conditions applying to the Action

- 7.1 The following shall supplement the General Conditions:

7.1.1 Where the implementation of the Action requires the setting up or the use of one or more project offices, the Organisation 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 18.1 of the General Conditions;
- 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) The Organisation declares the eligible direct costs of the project office as actual costs or for staff costs on the basis of unit costs determined by the Organisation according to its usual accounting practice;
- d) The Organisation declares as eligible only the portion of the capitalised and operating costs of project office which corresponds to the duration of the Action and
 - i) the rate of actual use of project office for the purposes of the Action; or
 - ii) the rate of use of a project office for the purposes of the Action, determined by the Organisation on the basis of a simplified allocation method, provided that the allocation method is compliant with the Organisation's usual accounting and management practices, applied in a consistent

manner regardless of the source of funding, and based on an objective, fair and reliable allocation key.

7.1.2 Financial support is part of the Action and limited to a maximum of 60.000 EUR per beneficiary.

Done in Abuja in two originals in the English language, one for the Contracting Authority and one for the Organisation.

For the Organisation

Name

SAMUEL BWAZUA

Position

COUNTRY DIRECTOR

Signature



Date

31/07/2018

For the Contracting Authority

Name

Kurt CORNELIS
Head of Cooperation

Position

**European Union Delegation
to Nigeria & ECOWAS**

Signature



Date

31/07/2018