



UN AGENCY TO UN AGENCY CONTRIBUTION AGREEMENT

A. SUMMARY OF ACTIVITIES

| | |
|------------------------------|---|
| Title: | “Addressing Climate Change Impacts on Marginalized Agricultural Communities Living in the Mahaweli River Basin of Sri Lanka” Project (the “ <u>Activities</u> ”) |
| Start/End Dates: | Activities start date: 15 th October 2017 Activities end date: 31 st January 2019 |
| Location: | Medirigiriya, Lankapura and Walapane Divisional Secretariat Divisions. |
| Contribution Amount: | USD 1,829,223 (the “ <u>Contribution</u> ”) |
| Contributing Agency: | World Food Programme, Sri Lanka |
| Recipient Agency: | United Nations Development Programme, Sri Lanka. |
| Nature of Activities: | Climate Change Adaptation in Water and Agriculture Sector |
| Purpose | Implement the remaining activities of “Addressing Climate Change Impacts on Marginalized Agricultural Communities Living in the Mahaweli River Basin of Sri Lanka” Project funded by the Adaptation Fund. This includes developing household food security and building resilient livelihoods for rain-fed farming households, and build institutional capacity in village, local, regional service delivery to reduce risks associated with climate induced rainfall variability in Medirigiriya, Lankapura and Walapane DSDs |
| 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. Annex 1 – Roles and Responsibilities of WFP, UNDP, and the Executing Entity (i.e. Ministry of Mahaweli Development and Environment) in delivering the Project Annex 2 – List of activities implemented by UNDP Sri Lanka Annex 3 – Narrative reporting format Annex 4 – Financial report format In the event, there is any inconsistency between the terms of the main body of this Agreement and those contained in Annex 1, then the latter shall govern and prevail |
| Expected outcome: | Successful implementation of “Addressing Climate Change Impacts on Marginalized Agricultural Communities Living in the Mahaweli River Basin of Sri Lanka” project through putting the project back to the adaptation focus. |

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 1,829,223, in USD, as more fully described below.

| Activities | Year 1 | Year 2 | Total |
|---|----------------|------------------|------------------|
| Training and monitoring for climate resilient home garden development | 30,588 | 2,377 | 32,965 |
| Seeds, and material for climate resilient home gardening | | 286,951 | 286,951 |
| Household survey | | 4,074 | 4,074 |
| Training for adaptive, drought resilient cropping practices | | 6,536 | 6,536 |
| Farmer field trials on climate resilient agriculture practices | | 199,001 | 199,001 |
| Training for resilient livelihoods | | 65,490 | 65,490 |
| Livelihood support equipment | 10,458 | 649,984 | 660,442 |
| Institutional support | | 15,327 | 15,327 |
| Sustainable financing mechanism designed - the mechanism will be designed with relevant stakeholders | | 65,359 | 65,359 |
| Module on climate risk screening in agriculture, water resources and local development (module on CCA in Agriculture and water resource management) | 17,384 | 2,224 | 19,608 |
| Training of Trainers | 19,608 | 13,071 | 32,679 |
| IT and GIS equipment to division | | 98,039 | 98,039 |
| Irrigation management plans | 1,961 | 89,542 | 91,503 |
| Training on VRA methodology for FO leaders | | 19,608 | 19,608 |
| VRA conducted in all target FO's | 20,392 | 52,549 | 72,941 |
| Total Project Cost | 100,391 | 1,570,132 | 1,670,523 |
| Indirect Project Cost | 9,537 | 149,163 | 158,700 |
| Total Cost | 109,928 | 1,719,295 | 1,829,223 |

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 Agreement, including its Annex(es). 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

The Recipient Agency's support costs, determined in accordance with its cost recovery policy, 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.

The Recipient Agency shall submit physical progress reports as set forth in Annex I according to the format attached hereto as Annex 3.

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:

The Recipient Agency shall submit financial reports as set forth in Annex 4 according to the format attached hereto as Annex 4

E. CONTRIBUTIONS

The total amounts paid by the Contributing Agency shall match the total budget amount. For activities less than one year in duration the Contribution will be paid to the Recipient Agency prior to the commencement of Activities. For multi-year Activities, the Contribution will be paid in instalments according to the following schedule.

Schedule of payment:

| Tranches | Upon Signature | 1-Jan-18 | 1-Jul-18 | Total |
|--------------|----------------|----------------|----------------|------------------|
| 1st Tranche | 109,928 | | | 109,928 |
| 2nd Tranche | | 843,381 | | 843,381 |
| 3rd Tranche | | | 875,913 | 875,913 |
| Total | 109,928 | 843,381 | 875,913 | 1,829,222 |

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 Name: UNDP Contribution account
Currency: US Dollars
Bank: CITI BANK, N.A
Bank address: 111 wall street, New York, NY 10043
Account number: 36349562
IBAN/ABA: ABA#021000089
SWIFT code: CITIUS33

When making such transfers, the Contributing Agency will notify the Recipient Agency, United Nations Development Programme for the Attention of Senaka Ratnayake, Financial Analyst, by e-mail senake.ratnayake@undp.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 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:

World Food Programme

Brenda Barton
Country Director
No-02, Jawatta Avenue, Colombo-05

UNDP

Jorn Sorensen
Country Director
UNDP, 202-204, Baudhaloka Mawatha, Colombo 07

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.

J. TERMINATION OF THIS AGREEMENT

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

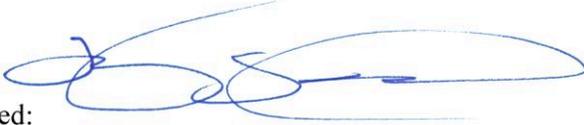
L. SETTLEMENT OF DISPUTES

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 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. ENTRY INTO FORCE AND VALIDITY

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

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

A handwritten signature in blue ink, appearing to be 'Jorn Sorensen', with a long horizontal line extending to the right.

Signed:
On behalf of the United Nations Development Programme
Jorn Sorensen
Country Director
UNDP Srilanka.

A handwritten signature in blue ink, appearing to be 'Brenda Barton', with a long horizontal line extending to the right.

Signed:
On behalf of World Food Programme
Brenda Barton
WFP Representative and Country Director

