

FINANCING AGREEMENT FOR THIRD PARTY DONORS BETWEEN THE GOVERNMENT OF BELGIUM (THE DONOR) AND THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

WHEREAS the Government of Belgium, acting through its Directorate-General for Development Cooperation (the "Donor") hereby agrees to contribute funds ("the Contribution") to the United Nations Development Programme ("UNDP" and/or the "Recipient") for the implementation of Towards a Green Gaza: Improving Natural Resources Management, Reducing and Managing Waste, Creating Green Jobs (hereinafter referred to as "the Project"), as described in the Project document (Project Number: PAL 10-109210), and submitted to the Donor for information.

WHEREAS UNDP and the Donor signed a Framework Arrangement on 20 September 2016 outlining the context of cooperation between the Parties for projects to be implemented by UNDP and funded by the Donor.

WHEREAS UNDP is prepared to receive and administer the Contribution for the implementation of the Project,

WHEREAS the Government of occupied Palestinian territory has been duly informed of the Contribution of the Donor to the Project,

WHEREAS UNDP shall designate an Implementing Partner for the implementation of the Project (hereinafter referred to as the "Implementing Partner"),

NOW THEREFORE, UNDP and the Donor hereby agree as follows:

Article I. The Contribution

1. a) The Donor shall, in accordance with the schedule of payments set out below, contribute to UNDP the amount of EUR 6,071,684.
This contribution includes a Coordination Levy amount of EUR 60,116, which shall be paid upon the first installment.
- b) The Contribution shall be deposited in the following bank account:
UNDP Contributions (EURO) Account, #62722022
Bank of America - London
Mail Code: 473-672-09-01
5 Canada Square
London E14 5AQ, United Kingdom
Bank/Branch Code: 6008
Sort code: 16-50-50
IBAN/ABA: GB59BOFA16505062722022
SWIFT code: BOFAGB22

c) The contribution shall be paid according the following schedule:

Schedule of Payments	Amount (in EUR)
First payment upon signature	621,899 (includes a coordination levy of 60,116)
Second installment before 31 st December 2022	1,280,862
Third installment before 31 st December 2023	2,121,449
Fourth installment before 31 st December 2024	1,618,331
Fifth installment before 31 st December 2025	429,143

The first installment will be paid upon signature, the second, third, fourth and fifth installment will be paid upon submission by UNDP of a financial statement proving that at least 70% of the previous installment has effectively been spent and on the condition that financial and narrative reports have been submitted on a yearly basis.

d) The Donor will inform UNDP when the Contribution is paid via an e-mail message with remittance information to contributions@undp.org, providing the following information: donor's name, UNDP country office, [Project no. PAL 10-109210) and Improvement of Solid Waste], donor reference (if available). This information should also be included in the bank remittance advice when funds are remitted to UNDP.

2. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of Project delivery.
3. UNDP shall receive and administer the payment in accordance with the rules, regulations, policies and procedures of UNDP.
4. All financial accounts and statements shall be expressed in United States dollars.

Article II. Utilization of the Contribution

1. The implementation of the responsibilities of UNDP and of the Implementing Partner pursuant to this Agreement and the Project document shall be dependent on receipt by UNDP of the Contribution in accordance with the schedule of payment as set out in Article I, paragraph 1, above. UNDP shall not start the implementation of the activities prior to receiving the Contribution or the first tranche of the Contribution (whichever is applicable).
2. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the Donor on a timely basis a supplementary estimate showing the further financing that will be necessary. The Donor shall use its best endeavors to make available to UNDP the additional

funds required. All losses (including but not limited to losses as result of currency exchange fluctuations) shall be charged to the Project.

3. If the payments referred to in Article I, paragraph 1, above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph 2 above is not forthcoming from the Donor or other sources, the assistance to be provided to the [Project] under this Agreement may be reduced, suspended or terminated by UNDP.

Article III. Administration and reporting

1. Project management and expenditures shall be governed by the regulations, rules policies and procedures of UNDP and, where applicable, the regulations, rules, policies and procedures of the Implementing Partner, as provided in the Framework Arrangement paragraphs 4, 5 and 6.

UNDP shall provide to the Donor the following reports in accordance with UNDP accounting and reporting procedures

- (a) From the country office (or relevant unit at headquarters in the case of regional and global projects) an annual status report of Project progress for the duration of this Agreement, as well as the latest available approved budget.
- (b) From UNDP Bureau for Management Services/Offices of Financial Resources Management, an annual certified financial statement as of 31 December every year to be submitted no later than 30 June of the following year.
- (c) From the country office (or relevant unit at headquarters in the case of regional and global projects) within six months after the date of completion or termination of this Agreement, a final report summarizing Project activities and impact of activities as well as provisional financial data.
- (d) From UNDP Bureau for Management Services/Offices of Financial Resources Management, on completion of the Project, a certified financial statement to be submitted no later than 30 June of the year following the financial closing of the Project.

2. If special circumstances so warrant, UNDP may provide more frequent reporting at the expense of the Donor. The nature and frequency of this reporting shall be detailed in an annex to this Agreement.

Article IV. General Management Support services

1. In accordance with the decisions, policies and procedures of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the Contribution shall be subject to cost recovery for indirect costs incurred by UNDP headquarters and country office structures in providing General Management Support (GMS) services. To cover these GMS costs, the Contribution shall be charged a fee equal to at least 8%. Furthermore, as long as they are unequivocally linked to the Project, all direct costs of implementation, including the costs of Implementing Partner, will be identified in the Project budget against a relevant budget line and borne by the Project accordingly.

2. The aggregate of the amounts budgeted for the Project, together with the estimated costs of reimbursement of related support services, shall not exceed the total resources available to the Project under this Agreement as well as funds which may be available to the Project for Project costs and for support costs under other sources of financing.

Article V. Evaluation

UNDP will carry out the evaluation function in accordance with the paragraphs 6.3 of the Framework Agreement Arrangement.

All UNDP Programmes and Projects are evaluated in accordance with UNDP Evaluation Policy. UNDP and the Government of the occupied Palestinian Territories in consultation with other stakeholders will jointly agree on the purpose, use, timing, financing mechanisms and terms of reference for evaluating a Project including an evaluation of its Contribution to an outcome which is listed in the Evaluation Plan. UNDP shall commission the evaluation, and the evaluation exercise shall be carried out by external independent evaluators.

Article VI. Equipment

Ownership of equipment, supplies and other properties financed from the Contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

Article VII. Auditing

UNDP will carry out the audit function in accordance with the paragraphs 6.4 of the Framework Agreement Arrangement.

UNDP will carry out the reporting, monitoring, evaluation and audit function in accordance with the paragraphs 6.2, 6.3 and 6.4 of the Framework Agreement Arrangement.

The Contribution shall be subject exclusively to the internal and external auditing procedures provided for in the Financial Regulations and Rules, policies and procedures of UNDP. Should the annual Audit Report of the UN Board of Auditors to its governing body contain observations relevant to the Contribution, such information shall be made available to the Donor by the country office.

Article VIII. Completion of the Agreement

1. UNDP shall notify the Donor when all activities relating to the Project have been completed in accordance with the Prodoc.

2. Notwithstanding the completion of the Project, UNDP shall continue to hold unutilized funds from the Contribution until all commitments and liabilities incurred in implementation of the [Project] have been satisfied and Project activities brought to an orderly conclusion.

3. If the unutilized funds prove insufficient to meet such commitments and liabilities, UNDP shall notify the Donor and consult with the Donor on the manner in which such commitments and liabilities may be satisfied.

4. In cases where the Project is completed in accordance with the project document any funds below, equal or above 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be reallocated in accordance with paragraph 5.10.3 of the Framework Arrangement between the Government of Belgium and UNDP.

Article IX. Termination of the Agreement

1. This Agreement may be terminated by UNDP or by the Donor after consultations between the Donor, UNDP and the programme country Government, and provided that the funds from the Contribution already received are, together with other funds available to the Project, sufficient to meet all commitments and liabilities incurred in the implementation of the Project. This Agreement shall cease to be in force 30 (thirty) days after either of the Parties have given notice in writing to the other Party of its decision to terminate this Agreement.

2. Notwithstanding termination of all or part of this Agreement, UNDP shall continue to hold unutilized funds until all commitments and liabilities incurred in the implementation of all or the part of the Project have been satisfied and Project activities brought to an orderly conclusion.

3. In cases where this Agreement is terminated before Project completion any funds below, equal or above 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be reallocated in accordance with paragraph 5.10.3 of the Framework Arrangement between the Government of Belgium and UNDP.

Article X. Fraud and Anti-Corruption Measures

The Parties agree that it is important to take all necessary precautions to avoid corrupt practices. To this end, UNDP shall maintain standards of conduct to govern the performance of its staff, including of corrupt practices in connection with the award and administration of contracts, grants, or other benefits, as set forth in the Staff Regulations and Rules of the United Nations, the UNDP Financial Regulations and Rules, and the UN Procurement Manual.

Article XI. Anti-Terrorism Measures

Consistent with numerous United Security Council resolutions, including S/RES/1269 (1999), S/RES 1368 (2001), and S/RES/1373 (2001), both the Donor and UNDP are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of UNDP to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, UNDP undertakes to use reasonable efforts to ensure that none of the Donor funds provided under this Agreement are used to provide support to individuals or entities associated with terrorism.

Article XL – A – Special Provision

1. a) Sexual exploitation and abuse

The Donor and the Recipient have a zero tolerance for inaction approach to tackling sexual exploitation and abuse (“SEA”).¹ This means the Recipient and its implementing partners will take all reasonable steps to prevent SEA by both its employees and any implementing partner and respond appropriately when reports of SEA arise, in accordance with their regulations, rules, policies and procedures.

Unless inconsistent with a specific regulation, rule, policy or procedure governing the Recipient, the Recipient will apply the IASC Six Core Principles Relating to Sexual Exploitation and Abuse (Annex I) and the following principles and practices when implementing the activities under this arrangement and provide evidence to demonstrate this where required:

- i. Adherence to the IASC-Minimum Operation Standards on “Protection from sexual exploitation and abuse by own personnel” and/or [the] SEA elements of the Core Humanitarian Standard on Quality and Accountability;
- ii. A victim/survivor-centred approach² to SEA issues;
- iii. Strong leadership and signaling on tackling SEA;
- iv. Make all reasonable efforts to address gender inequality and other power imbalances;
- v. Reporting to enhance accountability and transparency;
- vi. Ensure that SEA standards from this arrangement are reflected in funding templates with implementing partners, [for UN entities: by means such as, but not limited to, adherence to the United Nations Protocol on Allegations of Sexual Exploitation and Abuse Involving Implementing Partners].

b) Sexual harassment

The Donor and the Recipient have a zero tolerance for inaction approach to tackling sexual harassment (“SH”).³ This means the Recipient will take all reasonable steps to prevent SH and respond appropriately when reports of SH arise, in accordance with its regulations, rules, policies and procedures.

Unless inconsistent with a specific regulation, rule, policy or procedure governing the Recipient, the Recipient will apply the following principles and practices when implementing the activities under this arrangement:

¹ See UNSG Bulletin ST/SGB/2003/13 for the definition of sexual exploitation and abuse.

² A victim/survivor centered-approach is one for which the victim/survivor’s dignity, experiences, considerations, needs, and resiliencies are placed at the center of the process, from the initial program design to investigating and responding to potential incidents. Consistent with the UN Protocol on Allegations of SEA Involving Implementing Partners, the victim/survivor should be informed, consulted during the decision-making process, and provide consent on the possible use and disclosure of their information. Those interacting with the victim/survivor and/or handling information regarding the allegation will maintain confidentiality, ensure safety of the victim/survivor, and apply victim/survivor-centered principles which are safety, confidentiality, respect, and non-discrimination. When the victim/survivor is a child, the approach will consider the best interests of the child and engage with the family/caregivers as appropriate. Staff and partners should comply with host country and local child welfare and protection legislation and international standards, whichever gives greater protection.

³ See the UN System Model Policy on Sexual Harassment and the UN Secretary-General’s Bulletin ST/SGB/2019/8 for the uniform definition of sexual harassment in the UN System.

- i. A victim/survivor-centred approach to SH issues;
- ii. Strong leadership and signaling on tackling SH;
- iii. Make all reasonable efforts to address gender inequality and other power imbalances;
- iv. Reporting to enhance accountability and transparency;

2. The Recipient will adhere to the following requirements:

a) Allegations of SEA

(i) The Recipient will promptly report all allegations of SEA credible enough to warrant an investigation through the Secretary-General's reporting mechanism (the "Report").

(ii) When the Recipient reports an allegation of SEA to, or becomes aware of an allegation reported through, the Report that is (i) directly related to the activities funded by this arrangement or, (ii) would have a significant impact on the partnership between the Recipient and the Donor, the Recipient will promptly notify the Director-General of the Directorate-General for Development Cooperation, heidy.rombouts@diplobel.fed.be of the report made and the relevant arrangement number, if applicable and provide information containing the level of detail that the Recipient is aware of.

(iii) Upon request from the Donor, the Recipient agrees to provide further available relevant information the Recipient is aware of for allegations notified under paragraph 2a (ii) including about subsequent measures taken by the Recipient, unless disclosure of such information would be inconsistent with the Recipient's regulations, rules, policies and procedures concerning disclosure of information

b) Allegations of SH

(i) The Recipient will report allegations of sexual harassment and measures taken through existing reporting mechanisms.

(ii) Where the Recipient has determined that the allegations would have a significant impact on the partnership between the Recipient and the Donor, the Recipient will promptly notify the Director-General of the Directorate-General for Development Cooperation, heidy.rombouts@diplobel.fed.be and provide information containing the level of detail of the existing reporting mechanisms.

(iii) Upon request from the Donor, the Recipient agrees to provide further available relevant information, that the Recipient is aware of unless disclosure of such information would be inconsistent with the Recipient's regulations, rules, policies and procedures concerning disclosure of information.

3. It is understood and accepted that the Recipient's arrangement to report on SEA and SH will be performed in accordance with the Recipient's regulations, rules, policies and procedures, including its rules on confidentiality, and is subject to not compromising the safety, security, privacy and due process rights of any concerned persons.

4. When the Recipient becomes aware of reasonable suspicions, complaints or reports of SEA or SH by its personnel, the Recipient will, as appropriate under its regulations, rules, policies, and procedures, take reasonable, swift and appropriate action to stop harm occurring,

investigate and report to relevant authorities (for potential criminal matters), as appropriate and when safe to do so, after considering the wishes of the victim/survivor.

5. The Donor or any of its duly authorized representatives may, in accordance with agreed mutually accepted terms of reference, carry out reviews or evaluations or other assessment measures to verify the Recipient's zero tolerance for SEA and SH, provided that such measures are consistent with the single audit principle governing the UN, if applicable. The Recipient will fully cooperate within the scope of the terms of reference with any such reasonable requests by the Donor or any of its duly authorized representatives or agents to carry out such measures.

6. Any information or documentation provided in accordance with these provisions will be treated by the Donor with utmost discretion in order to ensure, *inter alia*, the probity of any investigation, protect sensitive information, ensure the safety and security of persons and respect the due process rights of all involved. The Donor will presume information/documentation to be confidential, deliberative, and investigatory and will ensure that information/documentation provided to the Donor will be available solely to those who strictly require access to such information/documentation. Any disclosure of such information/documentation beyond such personnel will require notification and consultation with the Recipient. The Donor will obtain the express written authorization of the Recipient before disclosing any such information/documentation in a judicial proceeding or to the public, unless disclosure is otherwise required by law applicable to the Donor and is not subject to the Recipient's privileges and immunities under international and/or national law (such as information/documentation constituting UN archives).

7. Unless the regulations, rules, policies, and procedures applicable to the Recipient are amended at an earlier stage, and/or there are other substantive changes to any of the referenced policies, processes or mechanisms, the above provisions are subject to possible review two years after the date of the Donors' mutual decision on their text with the Recipient. Any changes to the above provisions that may be mutually decided following such a review will take effect at least four years after the date of the Donors' mutual decision on the present text with the Recipient, until which time the above provisions will continue to apply.

Article XII: Notice

Any notice or correspondence between UNDP and the Donor will be addressed as follows:

(a) To the Donor:

Address: Federal Public Service Foreign Affairs, Foreign Trade and Development
Cooperation
Directorate General for Development Cooperation
Karmelietenstraat 15
1000 Brussel
Belgium

Contact person and email address with regards to this contribution: Annemarie Van der
Avort; Annemarie.vanderavort@diplobel.fed.be

(b) To UNDP: Yvonne Helle, Special Representative of the Administrator

Address: 3 Yakubi street, Jerusalem, 9591101, P.O.Box: 51359.
United Nations Development Programme

Article XIII. Amendment of the Agreement

This Agreement may be amended through an exchange of letters between the Donor and UNDP. The letters exchanged to this effect shall become an integral part of this Agreement.

Article XIV. Entry Into Force

This Agreement shall enter into force upon the signature of this Agreement by the parties hereto, on the date of the last signature.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in the English language in two copies.

For the Donor:

For the United Nations Development Programme:

Meryame Kitir
Minister of Development Cooperation and
Major cities Policy
(Date)

Yvonne Helle
Special Representative of the Administrator
(Date)

ANNEX – COORDINATION LEVY
UNITED NATIONS GENERAL ASSEMBLY RESOLUTION A/RES/72/279

The present Annex is an integral part of the Agreement between Belgium and UNDP. Pursuant to paragraph 10(a) of United Nations General Assembly Resolution A/RES/72/279 (31 May 2018), the Donor agrees that an amount corresponding to 1% of the total contribution to UNDP shall be paid to finance the United Nations Resident Coordinator System. This amount, hereinafter referred to as the “coordination levy” will be held in trust by UNDP until transfer to the United Nations Secretariat for deposit into the United Nations Special Purpose Trust Fund, which has been established to finance the United Nations Resident Coordinator System and is managed by the United Nations Secretariat.

The Donor acknowledges and agrees that once the coordination levy has been transferred by UNDP to the United Nations Secretariat, UNDP is not responsible for the use of the coordination levy and does not assume any liability. The fiduciary responsibility lies entirely with the United Nations Secretariat as the manager of the Resident Coordination System.

The Donor acknowledges and agrees the coordination levy does not form part of UNDP’s cost recovery and is additional to the costs of UNDP to implement the activity or activities covered by the contribution. Accordingly, there is no obligation for UNDP to refund the levy, in part or in full, even where the activities covered by the contribution are not carried out in full by UNDP. As deemed necessary by the donor, however, especially where the scale of the resources concerned or reputational risk justify the refund transaction costs, the donor can submit a request for refund to the United Nations Secretariat directly.

UNDP will not administer the coordination levy. UNDP will not report on the use of the coordination levy. UNDP does not have any liability on the use of the coordination levy by the United Nations Secretariat. Clarifications on the administration, reporting and/or use of the coordination levy by the United Nations Secretariat shall be discussed by the Donor and the United Nations Secretariat on bilateral basis.

A Contribution of EUR 6,071,684 is made under the Agreement. This contribution amount, includes a coordination levy amount of EUR 60,116

This coordination levy amount will be transferred to UNDP at the bank account indicated in the Agreement immediately after its signature.