



FINANCING AGREEMENT BETWEEN THE GOVERNMENT OF BELGIUM, acting through its directorate-general for development cooperation and humanitarian affairs, AND THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS (FAO)

SUPPORT TO

Renforcement de la résilience des ménages vulnérables face aux effets néfastes du changement climatique par les boulis multi usages, dans les régions du Nord, du Centre-Nord et du Sahel

GCP/BKF/068/BEL

Object and purpose of the Agreement

WHEREAS the Government of Belgium, acting through its Directorate-General for Development Cooperation (the "Donor") hereby agrees to contribute funds ("the Contribution") to the Food and Agricultural Organization ("FAO" and/or the "Recipient") for the implementation of project GCP/BKF/068/BEL « Renforcement de la résilience des ménages vulnérables face aux effets néfastes du changement climatique par les boulis multi usages, dans les régions du Nord, du Centre-Nord et du Sahel » (hereinafter referred to as "the Project"), as described in the Project document in Annex 1, and submitted to the Donor for information.

WHEREAS FAO and the Donor signed a Framework Arrangement on 15 June 2016 outlining the context of cooperation between the Parties for projects to be implemented by FAO and funded by the Donor.

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

WHEREAS the Government of Burkina Faso has been duly informed of the Contribution of the Donor to the Project,

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

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

Amount of the contribution

The donor will make available a sum not exceeding a total of EUR 5.186.000 to the project, including a UN Coordination Levy. The contribution will be disbursed as follows:

- 1. EUR 5 134 653 will be allocated to the project
- 2. EUR 51 347 will be allocated to the UN Coordination levy

Pursuant to Paragraph 10(a) of United Nations General Assembly Resolution 72/279 of 31 May 2018, the Donor agrees that an amount corresponding to one (1) percent of the contribution to FAO shall be paid to fund the United Nations Resident Coordinator System. This UN Coordination Levy amount of EUR 51.386 shall be paid upon the first instalment. Annex 2 sets the Rules and Responsibilities of the UN 1% Levy.

Come into operation, starting date and duration

1. The Agreement will commence on the date of its signature and remain valid for 60 months.

Financial management and administration of the project

2. FAO will request payments in writing in accordance with the payment schedule as detailed below. Payment will be made into:

Account Name: Food Agr Org – TF EUR

Bank Name: Citibank

33 Canada Square

London, United Kingdom, E14 5LB

Swift/BIC: CITIGB2L

IBAN: GB96CITI18500817853858

Reference: GCP/BKF/068/BEL

Schedule of Payments (indicative – see conditions below)	Amount (in EUR)		
First payment upon signature	2.000.000		
Second instalment before 31st December 2023	1.546.000		
Third instalment before 31st December 2024	1.200.000		
Fourth instalment before 31st December 2025	440.000		

Contribution in currencies other than United States Dollars will be recorded based on the US Dollar value at the official United Nations Operational Rate of Exchange in effect on the date of receipt of funds by FAO. Should there be a change in the United Nations Operational Rate of Exchange leading to a reduction in the United States Dollar value of the payment received compared to the original United States Dollar approved budget, FAO will consult with the Donor to mitigate the effect on the agreed project budgetary resources and the budget of the project will be adjusted accordingly

- The first instalment of 2.000.000 EUR, of which EUR 1,948,653 is the project contribution and EUR 51.347 is the levy will be paid upon receipt of FAO's countersignature of this Agreement and upon receipt of a formal request for the payment of the contribution stating FAO's bank account for the payment.
- The second, third and fourth instalments will be paid upon submission by FAO of a financial statement proving that at least 70% of the previous

- instalment has effectively been spent and on the condition that financial and narrative reports have been submitted on a yearly basis.
- 3. The contribution shall be administered in accordance with FAO's Financial and Administrative Regulations and Rules. The donor will notify FAO of the payment made and FAO will acknowledge receipt of the payment.
- 4. The payment schedule may be amended by mutual written consent of the two partners.
- 5. In cases where the Project is completed in accordance with the project document any funds 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 3.5.1.9 of the Framework Arrangement between the Government of Belgium and FAO.
- 6. The Contribution will be managed and administered by FAO in accordance with its regulations, rules and procedures, and will be subject to the following conditions:
 - (a) The Contribution will be used for the provision of goods and services as specified in the Project. FAO will make every effort to ensure timely and full implementation of the project.
 - (b) The Contribution will not be used to meet the cost of import or customs duties (or any similar fees) imposed by the Government of Burkina Faso for goods imported or services provided.
 - (c) Support costs of 7 percent will be calculated on the Contribution made by the donor.
- 7. Any interest arising from investment of the contribution may be used to fund additional activities of the Project.

Utilization of the Contribution

- 8. The implementation of the responsibilities of FAO pursuant to this Agreement and the Project document shall be dependent on receipt by FAO of the Contribution in accordance with the schedule of payment as set out above. FAO shall not start the implementation of the activities prior to receiving the Contribution or the first tranche of the Contribution (whichever is applicable).
- 9. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), FAO 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 FAO the additional funds required but the Parties acknowledge and agree that the Government of Belgium does not have any obligation to provide additional funding.. All losses (including but not limited to losses as result of currency exchange fluctuations) shall be charged to the Project.
- 10. 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 FAO.

Responsibilities of the parties under this Agreement

- 11. FAO will be responsible for the delivery, with due diligence and efficiency, of the services described in the project document and the work plan attached to this Agreement (Annex 1). The duration of the services is estimated to be 48 months.
- 12. All financial accounts and statements shall be expressed in United States Dollars and shall be subject exclusively to the internal and external auditing procedures laid down in the Financial Regulations, Rules and directives of FAO in conformity with the single audit principle observed by the United Nations system as a whole. The donor will not be responsible for the activities of any person or third party engaged by FAO for the project as a result of this Agreement, nor will the donor be liable for any costs incurred in terminating the engagement of such a person or third party.

FAO will ensure the highest standard of Monitoring and Evaluation of its programmes and projects. FAO shall invite the Donor to participate in specific evaluation missions relevant to its contribution and any such participation shall be financed by the Donor

Detailed reporting

- 13. FAO will submit to the donor yearly interim financial and progress reports as at 31st December no later than 31st March of the following year and a final financial and narrative report on completion of the Project within 6 months of the project end. All financial reports will be submitted in FAO standard budget format.
- 14. The report(s) shall be prepared in accordance with FAO's accounting, auditing and reporting procedures. Additional special reporting may be required by the Donor. The costs of such special reporting will be covered by the Donor.

Equipment and Materiel Purchases

15.Ownership of equipment, supplies and other properties financed from the Grant will vest in the Organization. Matters relating to the transfer of ownership by the Organization of such equipment, supplies and other properties will be determined in accordance with the relevant regulations, rules, policies and procedures of the Organization

Fraud and Anti-Corruption Measures

16. Within the framework of this Agreement, the Parties shall neither directly nor indirectly propose benefits of any nature whatsoever. They shall not accept any such proposals. FAO has a zero-tolerance policy with regard to fraud and corruption and this applies to all its activities and operations. FAO is committed to ensuring that all resources allocated under this Agreement are used solely for the intended purpose, and that its operations are free from fraud and other corrupt practices. In light of such commitment, FAO undertakes to apply its anti-fraud policies vigorously, to investigate any credible allegations promptly, to impose disciplinary measures as

appropriate, and make best efforts to recover any misappropriated funds, to the extent possible in accordance with its privileges and immunities.

Anti-Terrorism Measures

17. 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 FAO are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of FAO 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, FAO 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.

SEAH Provisions

- 18. Sexual exploitation and abuse: The Donor and FAO have a zero tolerance for inaction approach to tackling sexual exploitation and abuse ("SEA").1 This means the FAO 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 FAO, then FAO 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:
 - (a)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;
 - (b) A victim/survivor-centered approach² to SEA issues;
 - (c) Strong leadership and signaling on tackling SEA;
 - (d) Make all reasonable efforts to address gender inequality and other power imbalances;
 - (e)Reporting to enhance accountability and transparency;
 - (f) 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

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.

Protocol on Allegations of Sexual Exploitation and Abuse Involving Implementing Partners].

- 19. Sexual harassment: The Donor and FAO have a zero tolerance for inaction approach to tackling sexual harassment ("SH").3 This means FAO 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 FAO, then FAO will apply the following principles and practices when implementing the activities under this arrangement:
 - (a)A victim/survivor-centered approach to SH issues;
 - (b) Strong leadership and signaling on tackling SH;
 - (c) Make all reasonable efforts to address gender inequality and other power imbalances;
 - (d) Reporting to enhance accountability and transparency;
- 20. FAO will adhere to the following requirements:
 - a. Allegations of SEA
 - (i) FAO will promptly report all allegations of SEA credible enough to warrant an investigation through the Secretary-General's reporting mechanism (the "Report").
 - (ii) When FAO 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 FAO and the Donor, FAO will promptly notify the director-general of the DGD Heidy Rombouts (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 FAO is aware of.
 - (iii) Upon request from the Donor, FAO agrees to provide further available relevant information FAO is aware of for allegations notified under paragraph 2a (ii) including about subsequent measures taken by FAO, unless disclosure of such information would be inconsistent with FAO's regulations, rules, policies and procedures concerning disclosure of information
 - b. Allegations of SH

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

(ii) Where FAO 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 DGD Heidy

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.

Rombouts (heidy.rombouts@diplobel.fed.be) and provide information containing the level of detail of the existing reporting mechanisms.

- (iii) Upon request from the Donor, FAO agrees to provide further available relevant information, that FAO is aware of unless disclosure of such information would be inconsistent with FAO's regulations, rules, policies and procedures concerning disclosure of information.
- 21. It is understood and accepted that FAO's arrangement to report on SEA and SH will be performed in accordance with FAO'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.
- 22. When FAO becomes aware of reasonable suspicions, complaints or reports of SEA or SH by its personnel, FAO 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.
- 23. 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 FAO's zero tolerance for SEA and SH, provided that such measures are consistent with the single audit principle governing the UN, if applicable. FAO 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.
- 24. 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 rights of all involved. The Donor will process presume information/documentation to confidential, deliberative, be investigatory and will ensure that information/documentation provided to the Donor will be available solely to those who strictly require access to information/documentation. Any disclosure information/documentation beyond such personnel will require notification and consultation with FAO. The Donor will obtain the express written authorization of FAO 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 FAO's privileges and immunities under international and/or national law (such as information/documentation constituting UN archives).
- 25. Unless the regulations, rules, policies, and procedures applicable to FAO 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 Donor's mutual decision on their text with FAO. 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 Donor's mutual decision on the present text with FAO until which time the above provisions will continue to apply.

Final dispositions

- 26. This Agreement may be amended through an exchange of letters between the Donor and FAO. The letters exchanged to this effect shall become an integral part of this Agreement.
- 27. Any dispute arising from the implementation or interpretation of this Agreement shall be settled amicably by negotiation, or through such other means as agreed between the Parties.
- 28. Nothing in or relating to any provision in this Agreement shall be deemed a waiver of the privileges and immunities of FAO.
- 29. If any changes occur, in the opinion of FAO and the donor, which impair significantly the specific objectives of the Project, FAO and the donor will consult on measures to resolve the problem and decide possible course of action. In the event of such changes, FAO and the donor will modify the Agreement through exchange of notes, or terminate it giving 3 months written notice. All remaining funds exceeding 5,000 USD (five thousand US Dollars) other than those irrevocably committed in good faith before the date of termination and those agreed between the FAO and the donor as being required to finalise activities, will be returned to the donor.
- 30. The officers responsible for coordination of all matters relating to this Agreement are:

For FAO:

Mr. Alexander Jones Director Resource Mobilization and Private Sector Partnerships Division - PSR Food and Agriculture Organization of the United Nations (FAO) Viale delle Terme di Caracalla 00153 Rome, Italy

Contact person and email address with regards to this contribution:

Oumou Doumbouya: <u>Oumou.doumbouya@fao.org</u>
Natalie Feistritzer: <u>Natalie.Feistritzer@fao.org</u>

For Belgium:

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; <u>Annemarie.vanderavort@diplobel.fed.be</u> and Wim Schalenbourg; <u>wim.schalenbourg@diplobel.fed.be</u>. All correspondence relating to this Agreement will quote the FAO project identification number GCP/BKF/068/BEL.

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

For	the	FOOD	AND	AGRICUTLURE	ORGANIZATION	OF	THE	UNITED
NAT	IONS	S:						

Name: Elizabeth A. Bechdol

Deputy Director-General

For BELGIUM:

Frank Vandenbroucke

Deputy Prime Minister and Minister of Social Affairs and Public Health, in charge of Development Cooperation and Major Cities Policy

Annex 2: Standard Coordination levy clause to be included in Agreements between the Donor and the United Nations entity⁴

Pursuant to paragraph 10(a) of United Nations General Assembly Resolution 72/279 of 31 May 2018, the Donor agrees that an amount corresponding to one (1) percent of the Project contribution to the Food and Agriculture Organization of the United Nations (FAO) shall be paid to fund the United Nations Resident Coordinator System. This amount, hereinafter referred to as the "coordination levy" will be held in trust by FAO until transfer to the United Nations Secretariat for deposit into the United Nations Special Purpose Trust Fund for the reinvigorated Resident Coordinator system, which has been established to fund the UN Resident Coordinator System and is managed by the United Nations Secretariat.

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

The coordination levy does not form part of the FAO's cost recovery and is additional to the costs of FAO to implement the activity or activities covered by the contribution. Accordingly, there is no normal obligation for FAO to refund the levy, in part or in full, even where the activities covered by the contribution are not carried out in full by FAO. As deemed necessary by the donor- and 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 to the United Nations Development Coordination Office directly or through FAO. The responsibility to refund the levy lies with the United Nations Secretariat, and not with the concerned entity of the United Nations, the FAO.

The coordination levy for this agreement is 51.347 EUR and will be paid upon signature of the agreement . It shall be paid in one instalment at the same time as the first project contribution payment (see Article 2):

As the project contribution (see Article 2), these amounts will be transferred to FAO to the bank account below:

Account Name: Food Agr Org – TF EUR

Bank Name: Citibank

33 Canada Square

London, United Kingdom, E14 5LB

Swift/BIC: CITIGB2L

IBAN: GB96CITI18500817853858

Reference: GCP/BKF/068/BEL

⁴ The clause may also be adjusted in non-substantive ways to respond to individual requirements, through consultation between the donor and the concerned UN entity.