



ANNEX A: SUBSIDIARY ARRANGEMENT

SUBSIDIARY ARRANGEMENT FOR ASSISTANCE TO WFP FOR Protracted Relief and Recovery Operations – Afghanistan 200063.

SECTION ONE

In pursuance to the Framework signed between the Government of Australia as represented by the Australian Agency for International Development (AusAID) and the World Food Programme (WFP) dated 26 October 2009 (the Framework), AusAID will make available a contribution of **Australian Dollars \$9,000,000** to **“PROTRACTED RELIEF AND RECOVERY OPERATIONS – AFGHANISTAN 200063: Relief Food Assistance to Tackle Food Security Challenges”**. This contribution is to be used for the purchase of food commodities and for other direct operational costs, the direct support costs, and the relevant indirect costs. The terms of the Framework shall apply to the contribution in accordance with the provisions of the Framework, except as otherwise provided herein.

SECTION TWO

The contribution is for:

1. the Direct Operational Costs, consisting of :
 - (a) the local, regional or international purchase of approximately;
 - **2,930 metric tons of wheat**
 - **2,363 metric tons of vegetable oil**
 - **1,000 metric tons of high energy biscuits**
 - (b) Transport, Storage and Handling to be effected by WFP;
2. relevant Direct Support Costs;
3. relevant Indirect Support Costs associated with this operation

The cost estimate for this Subsidiary Arrangement is based on the information in the proposal provided by WFP dated 17/04/2012.

SECTION THREE

The funds will be fully utilized by WFP in accordance with the provisions of the Framework and this Subsidiary Arrangement.

SECTION FOUR

In accordance with Section V.10 of the Framework, WFP will advise AusAID of all commodity purchases, from whatever source, which are funded under this Arrangement, together with advice about the expected delivery date of such commodities.

In accordance with Section VI.15 to 18 of the Framework, WFP will provide AusAID, Canberra with advice that the standard donor report has been completed for the operation.

SECTION FIVE

In accordance with Section VI 14 to 18 of the Agreement, WFP will provide due notice to AusAID, Canberra of the projected date(s) for review mission(s) and will notify posted officers, as specified by AusAID, of the opportunities for on site distribution monitoring visits.

SECTION SIX

Consistent with UN Security Council Resolutions relating to terrorism, including UNSC Resolution 1373 (2001) and 1267 (1999) and related resolutions, both AusAID and WFP are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of AusAID 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, WFP undertakes to use all reasonable efforts to ensure that none of AusAID funds provided under this Arrangement are used to provide support to individuals or entities associated with terrorism. If, during the course of this Arrangement, WFP discovers a link with any organization or individual associated with terrorism it must inform AusAID immediately.

SECTION SEVEN

WFP agrees that WFP and its employees, agents, representatives or its subcontractors must not engage in any Fraudulent and/or Corrupt Activity. WFP is responsible for preventing and detecting Fraud.

SECTION EIGHT

If, at any time, either party determines that the purposes of this Subsidiary Arrangement can no longer be effectively or appropriately carried out or if the Framework is terminated, this Subsidiary Arrangement may be terminated at the initiative of either party by giving the other party one month written notice to this effect.

SECTION NINE

This Subsidiary Agreement shall, upon your confirmation in the manner indicated below, constitute an agreement between AusAID and WFP.



Scott Dawson
AusAID Delegate
[FMA Act s44 Delegate]

Date: 4/5/2012

Confirmed and agreed:
World Food Programme



Authorised Representative

DOMENICO SCALPELLI, Officer in Charge, OIC, Government Donor Relations.

Date: 4 MAY 2012

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