

**ARRANGEMENT BETWEEN THE GOVERNMENT OF AUSTRALIA AND UNDP
REGARDING A CONTRIBUTION TO THE THEMATIC TRUST FUND FOR
CRISIS PREVENTION AND RECOVERY**

1. Pursuant to the Terms of Reference of the UNDP Thematic Trust Fund for Crisis Prevention and Recovery established by the Administrator of the United Nations Development Programme (UNDP) on 12 December 2002, the Government of Australia (the Donor) is making available a contribution (the Contribution) of Australian dollars 3,000,000 to be administered by UNDP in accordance with UNDP Regulations and Rules in line with the terms and conditions set out in the Terms of Reference of the above mentioned UNDP Thematic Trust Fund for Crisis Prevention and Recovery (CPR TTF).

The Contribution is intended for the Strengthening Rule of Law in Conflict/Post-Conflict Situations: A Global Programme for Justice and Security 2008-2011 and will be channeled through the conflict window of the CPR TTF.

2. a) The Donor will, in accordance with the schedule of payments set out below, contribute to UNDP the amount of 3,000,000 Australian dollars. The Contribution will be deposited in the:

UNDP (AUD) Contributions
Reserve Bank of Australia
65 Martin Place
Sydney N.S.W 2000

Schedule of Payments	Amount
Upon signature of the agreement	AUD 2,000,000
Financial Year 2008-2009	AUD 1,000,000

- b) The Donor will inform UNDP when the Contribution is paid via an e-mail message with remittance information to contributions@undp.org
3. In accordance with the decisions and directives of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the Contribution will 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 will be charged a fee equal to 7%. Furthermore, as long as they are unequivocally linked to the specific project(s), all direct costs of implementation, including the costs of executing entity or implementing partner, will be identified in the project budget against a relevant budget line and borne by the project accordingly.
4. The Contribution will be used exclusively for the purposes for which it is intended as stated in Paragraph 1 above.
5. UNDP headquarters and country office will provide to the Donor all or parts of the following reports, prepared in accordance with UNDP accounting and reporting procedures:

- a) From the relevant unit at headquarters an annual status report of programme/project progress for the duration of the Arrangement, as well as the latest available approved budget.
 - b) From UNDP Bureau of Management/Office of Finance and Administration Division, 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 relevant unit at headquarters within six months after the date of completion or termination of the Arrangement, a final report summarizing programme/project activities and impact of activities as well as provisional financial data.
6. After consultations have taken place between the Donor and UNDP and provided that the payments already received are, together with other co mingled funds available to the programme/project, sufficient to meet all commitments and liabilities incurred in the execution/implementation of the programme/project, this Arrangement may be terminated by UNDP or by the Donor. The Arrangement will cease to be in force 30 (thirty) days after either of the Parties has given notice in writing to the other Party of its decision to terminate the Arrangement.
 7. Notwithstanding termination of all or part of this Arrangement, UNDP will continue to hold, unutilized payments until all commitments and liabilities incurred in the execution/implementation of all or the part of the project, for which this Arrangement has been terminated, have been satisfied and project activities brought to an orderly conclusion.
 8. Any payments that remain unexpended after such commitments and liabilities have been satisfied will be disposed of by UNDP in consultation with the Donor.
 9. Consistent with UN Security Council Resolutions relating to terrorism, including UNSC Resolution 1373 (2001) and 1267 (1999) and related resolutions, 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 the Donor 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 all reasonable efforts to ensure that none of the donor funds provided under this grant agreement are used to provide support to individuals or entities associated with terrorism. If, during the course of this Agreement, the recipient discovers a link with any organisation or individual associated with terrorism it must inform the Donor immediately.
 10. This Arrangement will enter into effect upon signature and deposit by the Donor of the first payment to be made in accordance with the schedule of payments set out in Paragraph 2 of this Arrangement.
 11. This bilateral agreement between the Donor and UNDP stipulates the terms and conditions of the Contribution and is not an international treaty.

Name and Designation: Alison Chartres, A/g Assistant Director General, Governance and Capacity Building Branch

Place, Date:

Alison Chartres, Canberra, 12 June 2008.

For the Commonwealth of Australia represented by the Australian Agency for International Development

Signature

Alison Chartres

Name and Designation: Kathleen Cravero, Assistant Administrator and Director, Bureau for Crisis Prevention and Recovery

Place, Date:

Kathleen Cravero in New York on 11 June 2008

For the United Nations Development Programme

Signature

Kathleen Cravero

