

## Acuerdos Bilaterales

Clasificación: 38-2004

Fecha de Ingreso: 1 de abril de 2004

Nombre de Acuerdo: Contribution Agreement

Materia: Medio Ambiente

Partes: SG/OEA & The Canadian Internacional Development Agency

Referencia: CIDA

Fecha de Firma: 3/19/2004

Fecha de Inicio: 3/19/2004

Fecha de Terminación: 7/31/2004

Lugar de Firma:

Unidad Encargada:

Persona Encargada:

Original:

Claves:

Cierre del proceso:

## CONTRIBUTION AGREEMENT

**BETWEEN**

**HER MAJESTY THE QUEEN IN RIGHT OF  
CANADA**

represented by the Minister of the Environment,  
hereinafter called the "Minister" who is responsible for  
Environment Canada, hereinafter called "EC"

**AND**

**General Secretariat of the Organization of American  
States ("GS/OAS") hereinafter, called the "Recipient"**

Whereas, Environment Canada wishes to increase awareness and understanding of environment and health issues in the Americas;

Whereas, Environment Canada has been leading and funding the Health and Environment of the Americas ("HEMA") process;

Whereas, Environment Canada recognizes that:

- a) The recipient has the responsibility for the Summit of the Americas, where the HEMA initiative was conceived.
- b) In March 2002, Health and Environment Ministers of the Americas met in Ottawa, Canada to develop a shared vision and strategy for improving health and environment throughout the region.
- c) The resulting ministerial communiqué identified a number of priority areas and goals.
- d) A Task Force was established to assist in advancing this work. The Task Force prepared a "Selected Activities" document that outlines a range of actions to be taken towards fulfillment of the HEMA goals.
- e) The recipient, through the Unit for Sustainable Development and Environment, has been an active participant in the HEMA initiative and the work of the HEMA Task Force.
- f) The recipient hosted an information session for the donor community on the HEMA initiative. One of the recommendations from this meeting was that the Task Force's proposed activities be further prioritized.

Whereas the Minister wishes to provide financial assistance to the Recipient to enable it to carry out the activities described under Clause 2;

Now, therefore, this Agreement witnesses that in consideration of the mutual promises and agreements hereinafter set out, the Minister and the Recipient (hereinafter called the "Parties") agree as follows:

### 1. PURPOSE & EXPECTED RESULTS:

The purpose of the Agreement is to enable the Recipient, by means of contributions, to begin a research initiative intended to calculate, in monetary values, a range of human health benefits stemming from the implementation of one or two short term priority areas of the HEMA agenda.

The expected results are:

- A background report that identifies the potential economic benefits that could arise from the implementation of specific parts of the HEMA agenda. The main result is expected to be a possible order of magnitude of economic benefits from the HEMA agenda (without suggesting that this analysis represents a detailed or robust valuation of actual benefits).

The activities of this agreement link to the following departmental business line result: clean environment (many of the activities in the HEMA Task Force's Selected Activities document relate to air quality; water, sanitation, and solid waste; sound management of chemicals; climate variability and change).

## 2. ACTIVITIES TO BE UNDERTAKEN BY THE RECIPIENT

The Recipient will carry out the following activities, in order to meet the following results for each activity:

- (i) literature review and commentary of analysis and studies of relevance to quantifying the economic benefits of implementing priority areas of the HEMA agenda;
- (ii) invite input and guidance from three peer reviewers from the academic community with expertise in health and environment;
- (iii) revise the report and seek input from main partners of the HEMA project (UNEP-ROLAC and PAHO);
- (iv) submit draft report and revise the document in light of comments received.

## 3. MAXIMUM AMOUNT OF CONTRIBUTION:

- (a) The Minister agrees, subject to the terms and conditions of this Agreement, to contribute towards the eligible costs set out in this Agreement that could be incurred by the Recipient for the activities described in this Agreement, to a maximum amount of C\$20,000.
- (b) The total value of the contributions secured by the Recipient for the purposes set out in Clause 2 is C\$20,000. Of this total, the Total Government Assistance (from federal, provincial and municipal sources) is \$20,000, or 100% of the total.
- (c) The department's contributions will be based on the agreed upon cash flow requirements of Clause 5 herein, as follows:
  - for the fiscal period 2003-2004 in the amount of \$ 5,000;
  - for the fiscal period 2004-2005 in the amount of \$ 15,000.

#### 4. ALLOWABLE EXPENDITURES:

The Recipient agrees that the payments referred to in Clause 3 shall be applied to the allowable expenditures incurred in the course of conducting the activities described in the Agreement. The allowable expenditures are:

- salaries and benefits;
- materials/expendable supplies;
- any GST that is not reimbursable by the Canada Customs and Revenue Agency;

Costs, other than those herein allowed, are ineligible unless specifically approved in writing by the Minister prior to the time the costs are incurred.

#### 5. REPORTING

The following conditions must be met before payments will be made:

- (a) The Recipient shall, by the effective date this Agreement, provide 1) an operating plan and 2) cash flow statement for the period starting as of the effective date of this Agreement and ending July 2004.

Both parties will review and agree to the operating plan and the cash flow statement annually, and will update where necessary.

- (b) The Recipient shall provide, with each claim for payment, a brief progress report explaining expenditures against advanced funds.
- (c) The Recipient shall also provide a progress report pertaining to the activities in Clause 2.
- (d) The Recipient shall provide 1) a written accounting of all expenditures and income and 2) a progress report which shall contain the elements set out in Clause 2.

#### 6. METHOD OF PAYMENT:

- a) Within the limits of Clause 3 and in accordance with the laws of Canada relating to financial administration, as amended from time to time, the Minister agrees to pay the Recipient as follows:
- A payment of \$ 5000 on March 31, 2004;
  - a payment of \$ 10,000 on June 1, 2004

- a final payment of up to \$ 5,000 upon completion of the activities outlined in Clause 2, and upon receipt of an accounting of all expenditures incurred, as outlined in Clause 5(d).
- b) Payments will meet cash flow requirements for the periods indicated, based on an agreed-upon annual cash flow forecast, as described in Clause 5.
- c) Any interest earned by the Recipient from any advance payments shall be used only for such eligible costs as set out in Clause 4.

## 7. INVOICES OR REQUESTS FOR PAYMENT

- a) All invoices or requests for payment should be sent to:

Jenna Mackay-Alie  
 Director, Americas Branch  
 Environment Canada  
 10 Wellington, 23<sup>rd</sup> floor  
 Gatineau, Quebec, K1A 0H3  
 Canada

- b) All payments to the Recipient shall be addressed to:

Scott Vaughan  
 Director  
 Unit of Environment and Sustainable Development  
 General Secretariat of the Organization of American States  
 1889 F Street, N.W.  
 Washington DC, 20006  
 U.S.A.

## 8. ACCOUNTS AND FINANCIAL STATEMENTS

The Recipient agrees to keep proper accounts and records of the revenues and expenditures for the subject matter of the Agreement, including all invoices, receipts and vouchers relating thereto. The Recipient will provide financial statements and forecasts as stipulated in the Agreement and shall conduct its financial affairs according to its financial rules and regulations, which shall follow generally accepted accounting principles and practices. For the purposes of this Agreement, the Recipient will keep all financial accounts and vouchers and other records for a period of at least three years after the expiry of the Agreement.

## 9. AMOUNTS OWING TO THE FEDERAL GOVERNMENT

The Recipient attests to have declared any and all amounts owing to the federal government under legislation or contribution agreements, and recognizes that the

Minister may set-off amounts due to the Recipient against amounts owing to the government.

#### 10. INTELLECTUAL PROPERTY

Any intellectual property rights arising from the project will be vested in the Recipient provided that the Recipient hereby grants to the Minister the licensed rights to produce, publish, translate, reproduce, adapt, broadcast or use at no cost, any work subject to such intellectual property rights.

#### 11. NOT A PARTNERSHIP

The Minister and the Recipient expressly disclaim any intention to create a partnership, joint venture or agency. It is understood, acknowledged and agreed that nothing contained in this Agreement nor any acts of the Minister or the Recipient shall constitute or be deemed to constitute the Minister and the Recipient as partners, joint venturers or principal and agent in any way or for any purpose. The Recipient shall not represent or hold itself out to be an agent of the Minister. No party shall have any authority to act for or to assume any obligations or responsibility on behalf of the other party.

The Recipient agrees to be liable to the Minister for any liability that the Minister incurs by virtue of being found to be liable with the Recipient as a partner of, joint venturer with, or principal of the Recipient. For greater certainty, the Recipient assumes no responsibility for any liability arising to the Minister as a result of the act or omission of the Minister or his agent which are the basis for the finding that the Minister or his agent is a partner of, joint venturer with, or principal of the Recipient.

#### 12. DURATION

This Agreement shall bind the Parties for the period beginning on the effective date and ending on July 31st 2004.

#### 13. AMENDMENTS

This Agreement may be amended. Any amendment to this Agreement shall be in writing and signed by the authorized representatives of the Parties.

#### 14. RECIPIENT'S FURTHER DISBURSEMENT OF FUNDS

The Parties agree that the Recipient will, for the purposes set out in Clause 2 above, further distribute part or all of the funding received from the Department.

#### 15. TERMINATION

The Minister may terminate this Agreement and withdraw from the project if, in the opinion of the Minister, the Recipient fails to meet the original objectives, as set out in Clause 2.

Additionally, either the Recipient or the Minister may terminate this Agreement on one (1) month written notice to the other Party. Payment for incurred costs and non-reversible commitments by the Recipient for the purposes set out in Clause 2 will be covered by the Minister.

This Agreement and the obligations of the Minister under this Agreement shall terminate upon receipt of notification to the Minister of a notice of either the Recipient's death, dissolution or insolvency.

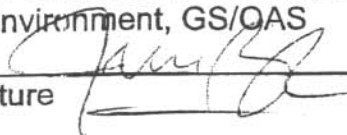
**16. ENTIRE AGREEMENT**

This Agreement, along with the Terms and Conditions in Appendix A and any other appendices and schedules cited in this Agreement, shall constitute the entire and sole Agreement between the Parties and shall supersede all other communications, negotiations, arrangements and agreements of any nature between them prior to the date of this Agreement.

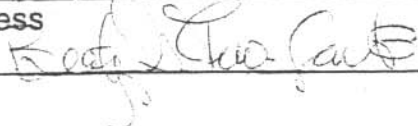
**IN WITNESS WHEREOF** the Parties have executed this Agreement on the dates indicated below.

**FOR THE RECIPIENT**

Scott Vaughan, Director  
Unit for Sustainable Development  
and Environment, GS/OAS

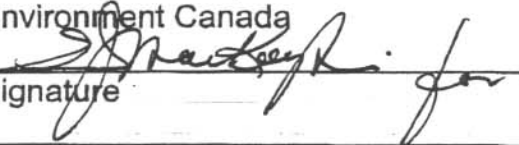
Signature 

Date 19/03/04

Witness 

**FOR HER MAJESTY THE QUEEN  
IN RIGHT OF CANADA**

Nicole Ladouceur, Director General  
Americas Branch, IRD  
Environment Canada

Signature 

Date 18/03/04

Witness 



**APPENDIX A**  
**CONTRIBUTION AGREEMENT TERMS AND CONDITIONS<sup>1</sup>**

**1. DEFINITIONS**

Unless the context otherwise requires:

- a) The term "fiscal period" shall mean the period or part of the period commencing April 1 and ending March 31 of any year during the Agreement;
- b) "Minister" means the Minister of the Environment and includes any person duly authorized to act on behalf of the Minister;
- c) "Department" means the Department of the Environment;
- d) "Agreement" means the Contribution Agreement, these Appendix A Terms and Conditions and such amendments and agenda which are or may be expressed to form part of the Agreement;
- e) "Recipient" means the organization or person receiving the contribution and being responsible for the performance and administration of the Agreement;
- f) "Financial Audit" means any examination of the accounts and records of a Recipient or other information determined necessary by the Minister in the circumstances;
- g) "Government of Canada" means Her Majesty the Queen in Right of Canada.

**2. APPROPRIATION**

The payment of any money under this Agreement is subject to there being an appropriation by Parliament for the fiscal year in which the payment is to be made. The Minister may cancel or reduce the contribution if funding levels are reduced by Parliament.

**3. PROGRAM ALLOCATION**

The Minister may reduce funding under this Agreement in response to the Government's annual Budget, a parliamentary or governmental spending restraint decision or a restructuring or reordering of the federal mandate and responsibilities which impacts on the Program under which this Agreement is made. If the funding for the Program is thereby reduced, the amount remaining unpaid under this Agreement may be reduced, as of the date the reduction takes effect, by a percentage equal to or less than the percentage of the reduction. The Parties understand that any such reduction may affect the full implementation of the activities under this Agreement.

**4. PERSONS NOT TO BENEFIT**

No member of the House of Commons and Senate shall be admitted to any share or part of the Agreement or to any benefit arising therefrom.

No current or former public office holder or public servant who is not in compliance with the *Conflict of Interest and Post-employment Code for Public Office Holders* or the *Conflict of Interest and Post-Employment Code for the Public Service* shall derive a direct benefit from the Agreement.

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<sup>1</sup> Appendix A of the Contribution Agreement template provides a complete list of clauses required to meet policy requirements. If any of these clauses are particularly integral to your agreement, you should paste them into the main body of the agreement.



## 5. LIABILITY

The Recipient agrees, at all times, to indemnify and save harmless, Her Majesty or any of Her officers, servants, employees or agents from and against all claims and demands, loss, costs, damages, actions, suits or other proceedings by whomsoever made, brought or prosecuted, in any manner based upon, occasioned by or attributable to the execution of this Agreement or any action taken or things done or maintained by virtue hereof, or the exercise in any manner of rights arising hereunder, except claims for damage resulting from the negligence of any officers, servants, employees, or agents of Her Majesty while acting within the scope of their duties or employment.

If Her Majesty is made a party to any action, suit or proceeding in respect of a matter for which the Recipient is obligated to indemnify Her Majesty, the Recipient shall defend such action, suit or proceeding in the name of Her Majesty at the Recipient's expense. The foregoing obligation of indemnification is subject to the requirement that the Recipient, in respect of any claim made by a third party, be notified by Her Majesty of all material particulars thereof and be afforded an opportunity at the Recipient's sole expense to resist, defend and compromise the same, provided that the Recipient is not obligated to do so; and further provided that if the Recipient does not assume the defense of such claim, Her Majesty may defend against the claim in any manner She deems appropriate and may take such action as may be reasonably prudent in the circumstances to settle the claim.

## 6. LIMITED LIABILITY

The Recipient understands and agrees that Her Majesty's sole liability under this agreement is to advance funds as per the terms of this agreement and specifically Her Majesty is not liable for any loan lease or other obligation entered into by the Recipient.

## 7. NON-COMPLIANCE

Should either the Minister or the Recipient fail to comply with any of the terms and conditions contained herein, a Party may give 30 days written notice of the non-compliance to the other. If either the Minister or the Recipient does not remedy the non-compliance within the notice period, the party giving the notice may terminate, suspend or reduce the scope of this Agreement at the end of the 30 day written notice. The Minister may demand repayment of funds already paid to the Recipient that have not been expended, or are payable to a third party. Any Party may seek any other appropriate legal and equitable remedy. In the event that non-compliance is the subject of dispute, the Agreement will be considered in force until the dispute has been resolved in the manner provided for in this Agreement (see "Settlement of Disputes").

## 8. OVERPAYMENT

In the event that payments made to the Recipient under this Agreement exceed the amount thereof required or spent by the Recipient or were used to reimburse expenditures that are not in accordance with this Agreement, any such surplus is payable forthwith to the Minister. If the initial contribution payments by the Minister are not required or spent by the Recipient, or were used to reimburse expenditures that are not in accordance with this Agreement, then any such surplus is payable forthwith to the Minister. Where any surplus payable has to be repaid, an amount equal to the surplus

may be retained by way of deducting from or set-off against any sum of money that may be due or payable to the Recipient.

In the event that the Total Government Assistance (from federal, provincial or municipal governments) exceeds the amount or the proportion anticipated at the development of this Agreement, the Recipient shall repay the Minister an amount equivalent to the established overpayment.

#### 9. AUDIT

The Minister reserves the right to audit or cause to have audited the accounts and records of the Recipient to ensure compliance with the terms and obligations of the Agreement, and the Recipient shall make available to such auditors any records, documents, and information that the auditors may require. The scope, coverage and timing of such audit shall be as determined by the Minister and, if conducted, may be carried out by employees of the Minister or its agent(s).

The Department may choose to rely on an opinion from a recipient's external auditor regarding compliance to any or all terms and conditions of the contribution. Such an opinion shall be supported by audited financial statements and/or a statement of disposition of the federal contribution funds.

#### 10. AUDIT RESULTS

The Minister agrees to inform the Recipient of the financial results of any audit and to pay the Recipient, as soon as possible after the completion of the audit, any moneys which the audit may show to be then due and owing to the Recipient. The Recipient agrees to pay the Minister, on being informed of the results of such audit, any moneys which the audit may show to be then due and owing to the Minister.

#### 11. EVALUATION

The Minister or its delegate may at its discretion carry out an evaluation of the effectiveness or efficiency of this Agreement. The Recipient agrees to cooperate with the Minister if it decides to conduct an evaluation. This cooperation includes, but is not limited to, providing the Minister, its contractors or employees with: access to staff and records; and such information as the Minister may request during or within a reasonable period of time after the termination of this Agreement.

#### 12. PAYMENTS IN CASE OF TERMINATION

In the event this Agreement is terminated for any reason whatsoever, the Minister or the Recipient may reduce, in whole or in part, the amounts to be paid, and the Recipient shall pay back to the Minister all monies not expended or payable to a third party at the date of termination.

#### 13. INTEREST

Interest on any amount due to the Minister pursuant to this Agreement will be payable to the Receiver General for Canada or may be waived by the Minister as prescribed in the Interest and Administrative Charges Regulations, under the Financial Administration Act, except that interest will accrue:

- from the due date in the case of overdue amounts and other arrears;

- from the date that an overpayment is made in the case of overpayments.
- in the case of a repayable contribution, from the date that an amount becomes repayable whether or not that amount is due, in whole or in part, at one or more different dates.

#### 14. GOODS AND SERVICES TAX

No contribution is payable by the Minister in respect of the portion of the cost of any eligible goods or services which represents the amount of the Goods and Services Tax (GST) paid on such goods or services for which the recipient is entitled to claim an input tax credit or rebate. "Eligible goods or services" means any goods or services purchased by the recipient in carrying out this agreement in respect of the cost of which the Minister has agreed to pay a contribution.

#### 15. SURVIVAL OF TERMS

All representations, warranties, covenants and agreements contained in this Agreement on the part of each of the Parties shall survive the termination of this Agreement.

#### 16. WAIVER OF RIGHTS

The waiver of any rights following any breach of any representation, warranty, covenant or agreement shall not be deemed to be a waiver of any further breach. No waiver is effective unless in writing.

#### 17. NO AGENCY

No Party is an agent of, or for any other party, for any purpose of this Agreement and nothing in this Agreement shall be construed to enable any Party to act as agent for any other Party.

#### 18. OFFICIAL LANGUAGES<sup>2</sup>

The Recipient shall serve and communicate with the public in the English and French languages, where applicable.

#### 19. PUBLIC ACKNOWLEDGEMENT<sup>3</sup>

Due acknowledgement to the Department's contribution shall be made in the Recipient's publications and other media or public information releases.

#### 20. SETTLEMENT OF DISPUTES

<sup>2</sup> It is government policy that federal institutions providing grants or contributions to voluntary non-governmental organizations for activities, projects or programs involving service to a public composed of members of both official language communities must take the necessary measures to ensure that the recipients of public funds respect the spirit and the intent of the Official Languages Act when serving the public. To confirm how this policy is applicable to you, see details at [http://www.tbs-sct.gc.ca/pubs\\_pol/hrpubs/offlang/chap1\\_4\\_e.html](http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/offlang/chap1_4_e.html). Where application of this policy is relevant, include a detailed "Official Languages" clause in the agreement.

<sup>3</sup> Managers should be careful to follow up with the Recipient to ensure formal recognition of the department and the program in bringing about environmental results.

Any dispute between the Parties concerning the interpretation or application of this Agreement which cannot be settled amicably shall be submitted to a mediator as agreed upon by both Parties.

#### 21. ACCESS TO PREMISES

The Recipient agrees to give access to the Minister to visit the premises or site where the activities funded under this Agreement are being carried out.

#### 22. CONFLICT OF INTEREST

The Recipient shall at no time during the duration of this Agreement pursue interests that are inconsistent with the interests served by this Agreement.

#### 23. LOBBY GROUPS

Any person lobbying on behalf of the applicant for a contribution must be registered pursuant to the *Lobbyist Registration Act*.

#### 24. LEGALITY

The Recipient shall ensure that the activities or programs will be conducted in compliance with all applicable laws.

#### 25. ASSIGNMENT

The Recipient shall not assign this agreement or any part thereof or any payments to be made thereunder without the written permission of the Minister, but nothing shall preclude the Recipient from enlisting the assistance of others in carrying out the obligations under this agreement.

#### 26. NOTICE

- a) Any notice to the Recipient shall be effectively given if sent by letter or facsimile, postage prepaid as the case may be, addressed to the Recipient at the address shown in the Agreement or any alternative address given to the Minister in writing by the Recipient. Any notice so given shall be deemed to have been received by the Recipient at the time when, in the ordinary course of events, such a letter or facsimile, would have reached its destination.
- b) Any notice to the Minister shall be effectively given if sent by letter or facsimile, postage prepaid as the case may be, at the address shown in the Agreement, or any alternative address given to the Recipient in writing by the Minister. Any notice so given shall be deemed to have been received by the Minister at the time when, in the ordinary course of events, such a letter, or facsimile would have reached its destination.