

Acuerdos Bilaterales

Clasificación: 97-2008

Fecha de Ingreso: 12 de febrero de 2008

Nombre de Acuerdo: Agreement between SIDA and the General Secretariat of the Organization of American States (GS-OAS) on Support of the Programme on Electoral Reforms in Honduras during January 2008-June 2010

Materia:

Partes: SG/OEA & Swedish International Development Cooperation Agency

Referencia: SIDCA

Fecha de Firma: 30 de enero de 2008

Fecha de Inicio:

Fecha de Terminación:

Lugar de Firma:

Unidad Encargada:

Persona Encargada:

Original:

Claves:

Cierre del proceso:

Sida Contribution No:
6500007401

**AGREEMENT BETWEEN SIDA AND THE GENERAL SECRETARIAT
OF THE ORGANIZATION OF AMERICAN STATES (GS/OAS) ON
SUPPORT OF THE PROGRAMME ON ELECTORAL REFORMS IN
HONDURAS DURING JANUARY 2008 – JUNE 2010**

ARTICLE 1 THE PARTIES

1.1 The Parties to this Agreement are the Swedish International Development Cooperation Agency (hereinafter "Sida") and the General Secretariat of the Organization of American States (hereinafter "GS/OAS").

1.2 Unless otherwise specified herein, the addresses of the Parties and the officials they have designated to give and receive notice required under this Agreement are as follows:

A) The Swedish International Development Cooperation Agency (Sida):

Address: Mall El Dorado, Blv Morazán, Tegucigalpa, Honduras
Dept/Unit: SDC Honduras
Responsible Officer: Nilla Ingstorp
Telephone: +504 290 1800
Fax: +504 290 1810
E-mail: nilla.ingstorp@sida.se

B) General Secretariat of the Organization of American States (GS/OAS):

Address: 3 Calle, no 228, Colonia San Carlos, Aptdo Postal
3173, Tegucigalpa, Honduras.
Contact person: Dr. José Félix Palma
Telephone: 00 (504) 23663 96 /00 (504) 2215271
Fax: 00 (504) 236 89 14
E-mail: oeahon@oeahonduras.org



- 1.3 Either Party may change the official designated to give and receive notice under this Agreement by giving advanced written notice to the other Party.

ARTICLE 2 SCOPE AND OBJECTIVES OF THE AGREEMENT

- 2.1 The scope and objective of the Agreement is to finance the *Programme for Electoral Reform in Honduras* (hereinafter the "Programme") in accordance with the projects documents "Fortalecimiento al Tribunal Supremo Electoral de Honduras", dated November 6, 2007, and "Universalización de la Identificación Civil en Honduras," dated November 8, 2007, to be carried out by GS/OAS.
- 2.2 The objective of the Programme is to consolidate key aspects of the Electoral System in Honduras. The Programme will be particularly targeting the institutional strengthening of the Supreme Electoral Authority (TSE) and the Civil Register Office in Honduras (RNP).

ARTICLE 3 THE SWEDISH CONTRIBUTION

- 3.1 From the attached budget, Annex 1, the costs of the Programme are USD 2 386 476, approx. SEK 15 512 094.
- 3.2 Sida shall make available an amount not exceeding SEK 12 500 000 for the implementation of the Programme (hereinafter the "Contribution").

ARTICLE 4 UNDERTAKINGS BY GS/OAS

GS/OAS undertakes:

- 4.1 To plan, implement, and monitor the Programme;
- 4.2 To provide resources as specified in this Agreement;
- 4.3 To provide the necessary professional and administrative support, personnel services, and any other resources required for a successful implementation of the Programme;
- 4.4 To ensure that administration and internal control of the Programme resources are adequately carried out; and
- 4.5 GS/OAS undertakes to provide information on the use of the Contribution upon request.

ARTICLE 5 CONDITIONS FOR THE USE OF THE SWEDISH CONTRIBUTION

- 5.1 The Contribution may only be used for the implementation of the Programme as specified in the projects documents "Fortalecimiento al

Tribunal Supremo Electoral de Honduras”, dated January 11, 2008, and “Universalización de la Identificación Civil en Honduras”, dated January 11, 2008, and the attached budget (equal amounts for each project) set out in Annex 1 hereto.

- 5.2 Only costs for activities carried out during the period from 2008-01- 01 to 2010-06-30 may be financed from the Contribution. After a period of 6 months from the latter date, no contribution under this Agreement shall be payable.
- 5.3 Twelve (12) per cent of the Contribution may be used by GS/OAS to cover administrative support costs in connection with this Programme.
- 5.4 In accordance with Article 10, funds not utilized for financing activities before 2010-09-30 shall be repaid to Sida within 3 months of that date.
- 5.5 Should circumstances arise that call the feasibility or validity of the Programme into question or cause GS/OAS to make major changes in its objectives, or if GS/OAS decides to make any substantial deviation from the plan presented, GS/OAS must obtain Sida’s written approval before continuing the Programme or before implementing such changes.
- 5.6 Sida may decide to withhold the disbursement, wholly or in part, if substantial deviations from the presented plan and budget occur, the Programme objectives are imperilled, reports are not delivered as agreed or the Programme develops unfavourably in any other important respect in terms of the objective(s). Before taking such a decision, Sida shall initiate discussions with GS/OAS.
- 5.7 Sida and GS/OAS agree to co-operate on preventing corruption within and through the Programme and undertake to take rapid legal measures to stop, investigate and charge any party suspected on good grounds of corruption or other willful misuse of resources.
- 5.8 When reports, studies and other information are produced, Sida’s cooperation as financier shall be indicated. Sida’s name may not be used in such a way that Sida can be regarded as having contributed to or vouching for the content. Sida shall, at its sole discretion, have the right to copy and distribute information and educational material that GS/OAS has produced under this Agreement.

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- 5.9 If the conditions set out in this Article are not fulfilled or fully complied with, Sida may reclaim funds disbursed, wholly or in part, from GS/OAS provided, however, that any amounts sought to be refunded by Sida shall not apply to amounts irrevocably committed in good faith by GS/OAS to third parties before the date of the receipt by GS/OAS of Sida's written notice of termination in accordance with this Agreement.

ARTICLE 6 PROCUREMENT OF GOODS, WORKS AND SERVICES

- 6.1 Procurement of goods, works and services shall be carried out in accordance with GS/OAS' rules and procedures (Financial Handbook for Specific Fund Agreements, GS/OAS, March 2007, Annex 3).
- 6.2 No offer, gift or payment, consideration or benefit of any kind that would or could be construed as an illegal or corrupt practice shall be accepted, either directly or indirectly, as an inducement or reward for the award or execution of contracts financed within this support to the Electoral Reform in Honduras.
- 6.3 Sida may carry out checks on procurements. The check may take the form of a procurement audit. GS/OAS shall provide Sida with all the necessary documentation.
- 6.4 Equipment purchased under this Agreement (as specified in the enclosed budget) shall be property of GS/OAS. GS/OAS undertakes to use said equipment solely for the purposes of this Agreement and any agreement that may replace or amend this Agreement.

ARTICLE 7 PLANNING, REVIEW, REPORTING AND EVALUATION

- 7.1 An **Annual Review Meeting** shall be held no later than March 15, 2008, 2009 and 2010. The Parties shall agree on the forms and frequency of Intermediate Review Meetings. **Agreed Minutes** shall be prepared and signed before a Review Meeting is closed. A **Final Review Meeting** shall be held no later than September 15, 2010.
- 7.2 An **Annual Progress Report** including an **Annual Work Plan** and an **Annual Financial Report** shall be submitted to Sida no later than 45 days after the end of the financial year. The financial reports shall be based on the statement of accounts and cover revenue and expenditure as compared to budget for the entire operation including all sources of financing. Intermediate financial reporting routines shall be agreed between the Parties taking into account, that an approved financial report is a requirement for disbursements under the provisions of Article 8. The narrative part of the progress report shall be covering the activities performed and the results obtained by the
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programme. The reports shall be analytical in approach and include a presentation of difficulties and shortcomings, together with a discussion of possible remedies.

- 7.3 Sida shall report to GS/OAS on all relevant **transactions by Sida** in the Programme. This shall be submitted no less than 14 days before the Financial Report from GS/OAS is due. GS/OAS shall request the same information from other donors or external co-operating institutions and include all contributions and all costs incurred by them in the Financial Report.
- 7.4 A **Completion Report** shall be submitted to Sida in draft no later than 45 days before the Final Review Meeting. After joint consideration of the draft, the report shall be amended and finalised and submitted to Sida within 45 days of the meeting. If the Final Review Meeting is for some reason not to be held, the Draft Completion Report shall be submitted to Sida no later than 2010-10-30, and the Final Completion Report within 45 days of receiving comments. The completion report shall include a **Final Financial Report**, covering the whole programme period, and it shall be audited by a Chartered Accountant in accordance with internationally accepted audit standards. The accountant shall be external and independent of the GS/OAS. The completion report shall also include a **Final Narrative Report** summarising the whole programme and state to what extent the objectives of the programme have been achieved.
- 7.5 An **In-Depth Review** (and/or) **Evaluation** shall be carried out during 2010. The Parties shall agree on the terms of reference and the procedures for its implementation during the preceding annual review meeting.
- 7.6 GS/OAS shall promptly inform Sida if reports and plans cannot be submitted as agreed. Annual Review Meetings will not be held and new funds will not be disbursed until the required documents have been received.
- 7.7 Irrespective of agreed reporting routines, the Parties shall promptly inform each other if a situation arises that makes it likely that the Programme will not be carried out as agreed.
- 7.8 GS/OAS shall provide Sida with any other information regarding the Programme that Sida may reasonably request and shall enable Sida representatives to visit Programme locations and inspect property, goods, records and documents.
- 7.9 GS/OAS shall retain all records for 10 years from the last disbursement by Sida.



7.10 GS/OAS shall co-operate with and assist Sida in the performance of follow-ups and evaluations of the impact of the Programme.

ARTICLE 8 DISBURSEMENT

8.1 The Swedish contribution shall be disbursed as follows:

- A) SEK 5 000 000 shall be available for disbursement upon signature of the Agreement and request for payment by GS/OAS;
- B) SEK 5 000 000 shall be made available for disbursement when the Annual Review Meeting in 2009 is closed according to Article 7.1 above and a request for payment has been submitted to Sida by the GS/OAS; and
- C) SEK 2 500 000 shall be made available for disbursement when the Annual Review Meeting in 2010 is closed according to Article 7.1 above and a request for payment has been submitted to Sida by the GS/OAS.

8.2 A prerequisite for disbursement is that the requirements in Article 4 be fulfilled and that progress and financial reporting as provided for by Article 7 be submitted by GS/OAS and approved by Sida. Each disbursement request must include or refer to a financial report on the use of all previous disbursed contributions. No disbursement can be made until Sida has approved the request.

8.3 Disbursements of contributions shall only be made against a disbursement request in original from GS/OAS. The persons authorized to sign the disbursement request on behalf of GS/OAS are the Director of GS/OAS in Honduras or his/her nominated representative. GS/OAS shall inform Sida of any new nomination.

8.4 The disbursement request shall contain the following information and the disbursement shall be made accordingly:

- A) The word "disbursement request" shall be included in the heading;
- B) The Sida Contribution No. 6500007401;
- C) The name of the Programme; "Fortalecimiento al Tribunal Supremo Electoral de Honduras" and "Universalización de la Identificación Civil en Honduras";
- D) The requested amount in SEK;
- E) The recipient's bank, bank address, account number/IBAN No, account-holder, clearing number/sort code, SWIFT-code and currency of the account; and



- F) Financial report on use of previous disbursements or reference to such report.
- 8.5 The disbursement request shall be signed and addressed to the Responsible Officer at Sida identified in Article 1.2, paragraph A.
- 8.6 GS/OAS shall make available an interest bearing bank account for the contribution.

ARTICLE 9 AUDIT

- 9.1 The Programme shall be audited annually by GS/OAS.
- 9.2 The audit shall be carried out by an external, independent and qualified auditor. The terms of reference for the audit and the selection of auditor shall be approved by Sida. The cost for the audit shall be according to Annex 2 of this agreement.
- 9.3 The Audit Report shall express an opinion whether the submitted Annual Financial Report is correct and gives a true and fair view of the activities of the programme and whether the execution has complied with the rules and conditions governing the use of funds as expressed or referred to in this Agreement.
- 9.4 The auditor shall submit a Management Letter, which reviews the management and the internal control system of the programme. The letter shall state which measures have been taken as a result of previous management letters and whether measures have been adequate to deal with reported shortcomings.
- 9.5 If requested by Sida the audit shall also cover the entire progress report of the programme.
- 9.6 GS/OAS shall submit the Audit Report and the Management letter to Sida as soon as it has been received from the auditor, and no later than March 15 in 2009 and 2010, and for the entire Programme no later than 15 September in 2010. A management response shall be produced by the implementing agency and submitted to the auditor and to Sida within three weeks.
- 9.7 GS/OAS shall co-operate with and assist Sida in the performance of any additional audits, follow-ups and financial studies that Sida may request. The costs for these additional undertakings shall be borne by Sida.

ARTICLE 10 REFUND OF INTEREST INCOME AND/OR UNSPENT BALANCES

- 10.1 The Final Completion Report shall provide information on interest income and/or unspent balances. Interest income shall be refunded

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to Sida by GS/OAS within 6 months of the end of the Programme, unless otherwise agreed.

- 10.2 For the refund to Sida of interest income and/or unspent balances the bank instructions are as follows:

Account number: 15634-9

Account holder: Swedish International Development Cooperation Agency (Sida)

Bank: Nordea Bank Sverige AB (publ)

Bank address: S-105 06 Stockholm, Sweden

IBAN No.: SE91 9500 0099 6034 0015 6349

Swift/Bic address: NDEASESS

- 10.3 Transfers can be made to the account via Swift in any currency.

- 10.4 In the notice to Sida, reference shall be made to the Sida contribution ID. The information shall also specify interest income and unspent balances.

ARTICLE 11 ARBITRATION AND APPLICABLE LAW

Disputes between the Parties with regard to this Agreement that cannot be settled amicably shall be settled through arbitration. Arbitration shall be performed in accordance with UNCITRAL arbitration rules in Washington D.C., or at some other place agreed to by the Parties in which both Parties have offices. One sole arbitrator shall be appointed, who shall have full powers to make final and binding decisions. The language used in the arbitration proceedings shall be English.

ARTICLE 12 ENTRY INTO FORCE, AMENDMENT, AND TERMINATION

- 12.1 This Agreement shall enter into force upon signature by both Parties and remain valid until 2010-12-30 unless terminated earlier by 6 months' written notice by either Party.
- 12.2 In the event of termination by Sida, the termination shall not apply to funds irrevocably committed in good faith by GS/OAS to third parties before the date of the notice of termination, provided that the commitments were made in accordance with this Agreement and according to the Budget set out in Annex 1 hereof.
- 12.3 In case of serious breach of the Agreement alleged by Sida based on reasonable information, Sida may terminate the Agreement with immediate effect by giving prior notice to GS/OAS. However, before such termination, Sida shall consult with GS/OAS and shall seek to resolve the matter through mutual agreement.



12.4 In the event of termination by GS/OAS, no funds shall be made available for activities after the expiry of the Agreement.

12.5 This Agreement may be amended pursuant to a written document signed by the duly authorized representatives of the Parties.

ARTICLE 13 PRIVILEGES AND IMMUNITIES

Nothing stated in this Agreement shall constitute and express or implied waiver by either Party of its privileges and immunities under the laws of Sweden, the United States of America, Honduras or under international law.

ARTICLE 14 EFECTIVE DATE

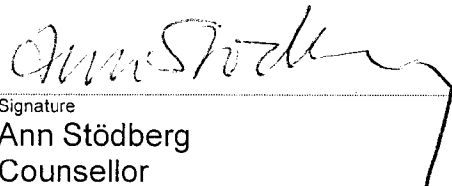
This Agreement shall become effective on 2008-01-01

Two originals of the text of this Agreement, written in the English language, have been signed, on the date (s) and place (s) indicated below.

Tegucigalpa, 30 January, 2008

Place and date

For the Swedish International
Development Cooperation
Agency (Sida)


Signature
Ann Stödberg
Counsellor
Name and title in block letters

Tegucigalpa, 30 January, 2008

Place and date

For the General Secretariat of the
Organization of American States


Signature
Dr. José Miguel Insulza
General Secretary OAS
Name and title in block letters

Annex 2

(Agreement between Sida and the General Secretariat of the Organization of American States (GS/OAS) on support of the Programme on Electoral reforms in Honduras during January 2008 – June 2010)

Financing of audits of the Programme:

- Audit for 2008 (to be submitted no later than 15 March 2009) – Shall be financed within the budget line 12 % overhead (ICR) of the programme
- Audit for 2009 (to be submitted no later than 15 March 2010) – Shall be financed within the budget line 3 % imprevistos
- Audit for the entire Programme, including January 2010 – June 2010 (to be submitted no later than 15 September 2010) – Shall be financed with additional funds by Sida