

**ACUERDOS BILATERALES/BILATERAL AGREEMENT/ACORDOS
BILATERAIS/ACCORDS BILATERAUX**

Clasificación:
Classification: 89-2019
Classifacation:
Classificação:

Fecha de Ingreso:
Entry Date: October 15, 2019
Date D'entrée:
Data de Admissão:

Nombre del Acuerdo:
Name of the Agreement: Small-Scale Funding Agreement for a Global Environment Facility for the project "Fostering Water Security in the Trifinio Region: Promoting the formulation for a TDA/SAP for its transboundary Lempa River Basin".

Nom de L'accord:
Nome do Acordo:

Materia:
Subject: Sets forth the terms and conditions of the cooperation between the Parties for the execution of the Project preparation Grant activities of the project "Fostering Water Security in the Trifinio Region: Promoting the formulation for a TDA/SAP for its transboundary Lempa River Basin".

Sujet:
Materia:

Partes:
Parties Involved: GS/United Nations Environment Programme
Parties:
Partes:

Referencia:
Reference: United Nations Environment Programme
Référence:
Referência:

Fecha de Firma:
Signature Date: September 27, 2019
Date de la Signature:
Data de Assinatura:

Fecha de Inicio:

Start Date:
Date du Commencement:
Data de Início:

Fecha de Terminación:
End Date:
Date de Résiliation :
Data de Rescisão:

Lugar de Firma:
Place of Signature:
Lieu de la Signature:
Lugar de Assinatura:

Unidad Encargada:
Unit in Charge:
Unité Responsable:
Unidade Encarregada:

Persona Encargada:
Person in Charge:
Personne Responsable:
Pessoa Encarregada:

Cierre del Proceso:
Closure of Proceedings:
Clôture des Procédures:
Fechamento do Processo:

Notas Adicionales/Additional Notes/Notes Supplémentaires/Notas Adicionais:

Umoja Coding Block: SB-013144.01

Agreement Amount USD: 150,000.00

[SSFA/2019/Ecosystems Division/1811]

Small-Scale Funding Agreement (SSFA) FOR A GLOBAL ENVIRONMENT FACILITY for the project "Fostering Water Security in the Trifinio Region: Promoting the formulation for a TDA/SAP for its transboundary Lempa River Basin."

This SMALL SCALE FUNDING AGREEMENT (SSFA) and its Annexes (this "Agreement") is made:

BETWEEN: The United Nations Environment Programme (hereinafter referred to as "UNEP, previously also known as "UNEP"), an International Inter-governmental organization established by the General Assembly of the United Nations, represented by its Ecosystems Division and having its office at United Nations Avenue, Gigiri, P.O. Box 30552, Nairobi, Kenya.

AND: General Secretariat of the Organization of American States (hereinafter referred to as the "Executing Partner" and "GS/OAS") a public international organization represented by its Secretary General and having its office at 1889 F Street, N.W (corner of 19th and F Streets) NW Washington, D.C., 20006-4499 United States of America

Hereinafter collectively referred to as "The Parties".

Purpose/Objective

1. The Agreement sets forth the terms and conditions of the cooperation between the Parties for the execution of the Project preparation Grant activities of the project "Fostering Water Security in the Trifinio Region: Promoting the formulation for a TDA/SAP for its transboundary Lempa River Basin. The project was approved by the Global Environment Facility (GEF) Chief Executive Officer (CEO) in the letter dated 14th May 2019 appended as Annex 3 and, as set out in the PPG document in Annex 2.
2. The main objective of the agreement is to support, in consultation with national and regional stakeholders, the formulation of the Full-Size project documentation for CEO endorsement in line with UN Environment Programme and the GEF requirements

Interpretation

3. All Annexes appended to this Agreement shall be construed as an integral part of this Agreement.

Duration

4. This Agreement shall come into force upon signature by The Parties from the date of the latest signature and shall remain in force until 31st December 2020 [1] after the last obligation of the Parties lapse, unless terminated pursuant to paragraphs 37 to 39 of this Agreement. The PPG milestones, as set in the CEO approval letter appended in Annex 3, shall be adhered to. In the event that a milestone cannot be met, the Executing Agency shall inform UN Environment Programme one month before the date of the milestone to enable UN Environment Programme to comply with the terms of the CEO approval.

Cooperation

5. The Parties shall carry out their respective responsibilities in accordance with the provisions of the Agreement.
6. The Parties shall determine and communicate to each other the persons appointed as having the authority and responsibility for the project implementation on their behalf.
7. Contact details for correspondence on substantive and technical matters as well as on administrative and financial matters are as set out in Annex 4.
8. The Executing Agency shall only use the UNEP and GEF name, logo and emblem in connection with the project with the prior written consent of UNEP.
9. The Executing Agency shall not seek nor accept instructions regarding the activities under the present Agreement from any Government or other authority external to UNEP.
10. The Executing Agency shall refrain from any conduct that would adversely reflect on the United Nations and shall not engage in any activity which is incompatible with the aims and objectives of the United Nations or the mandate of UNEP.
11. The total cost of the project is US\$ 150,000.00 of which US\$ 150,000.00 is GEF financing only. Any additional co-

financing mobilized by the Executing Agency during PPG execution should be recorded and included in the PPG report (Annex 2) of the Request for CEO Endorsement/Approval form (Annex 9),

Cost of the project

GEF Project Cost: US\$ 150,000.00

Co-finance (In-kind): US\$ 0.00

Total: US\$ 150,000.00

12. For detailed budget breakdown of GEF funds refer to **Annex 2**.

Terms and obligations of UNEP

13. UNEP agrees to provide, in its role as GEF implementing agency, project oversight (through the Task Manager and Fund Management officer). Specifically, this will include:
- Timely feedback on all substantive and financial issues;
 - Review and approve any changes to the Implementation plan and detailed timetable during the inception and implementation of the PPG;
 - Participate and provide substantive inputs to consultation meetings and any other required meetings under this agreement;
 - Provide technical support and assistance to the project on a need basis and where required;
 - Process PPG revisions, if applicable, for example changes to budget or workplan or activity, etc;
 - Ensure communication and information exchange between the Executing Agency, UNEP, and all other relevant organizations, institutions, programmes and projects;
 - Liaise with the GEF Secretariat for all matters related to the PPG.

Terms and obligations of the Executing Agency

14. The Executing Agency agrees to:
- Provide support to, and liaise with, the various project stakeholders based on guidance from UNEP Task Manager;
 - Deliver the outputs as stipulated in the PPG document appended as **Annex 2**;
 - Notify UN Environment Programme in writing on the need for any deviations/modifications to this agreement, for approval;
 - Implement the project activities in accordance with standard Executing Agency Rules and established business processes;
 - Make available to the project (through formal co-financing letters) the cash and in-kind co-financing as set out in **Annex 1** and make its best efforts to ensure that all pledged third party co-financing materializes or undertake resources mobilization efforts to compensate for any shortfall in co-financing;
 - Report to UNEP in accordance with **paragraphs 28 to 29** of this Agreement.

Personnel administration

15. The Executing Agency shall be solely and completely responsible and accountable for all services performed by its personnel, agents, employees, or contractors (hereinafter referred to as "Personnel").
16. The Executing Agency is a public international organization, with its own privileges and immunities, and shall be considered as having the legal status of an independent contractor of UNEP. Personnel of the Executing Agency's contractors or anyone else working for the Executing Agency in the execution of the project or otherwise, are not employees of UNEP and are not covered by the privileges and immunities applying to UNEP and its staff pursuant to the Convention on the Privileges and Immunities of the United Nations. UNEP shall not accept any liability for claims arising out of the activities performed under the Agreement, or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by the Executing Agency's Personnel as a result of their work pertaining to the activities under this Agreement.
17. The Executing Agency shall ensure that the personnel assigned to the project meets the highest standards of qualification and technical and professional competence necessary for the achievement of the objectives and results of the project, and that decisions on employment related to the project shall be free of discrimination of any nature. The Executing Agency shall ensure that all personnel are free from any conflicts of interest relative to the project activities.
18. The funds shall be provided in accordance with the banking details provided to UN Environment Programme on the Third-Party Form appended as **Annex 5A**.

Handwritten signature

Cash advances

19. The funds shall be deposited with:

Wire Instructions

Bank Name and Address
Bank of America

ABA/Swift code - 0260-0959-3
Swift code - Bofaus3n

Account Title and Number
General Secretariat of the OAS
Account # - 002080125354

Signatories
Teresita Martin

20. In accordance with the project budget, UNEP shall provide the Executing Agency with funds up to a maximum amount of US\$ 150,000.00. The resources provided by UNEP shall only be used by the Executing Agency in pursuit of the project objectives and for the activities to achieve the results as agreed to in the project implementation plan appended as Annex 2. An initial cash advance of US\$ 45,000 shall be transferred from UN Environment Programme upon signature of this Agreement by both parties. The last payment shall be made upon confirmation of the successful completion of all the activities and submission by Executing Agency to UN Environment Programme of:
- satisfactory outputs in accordance with the Implementation plan appended as Annex 2; and
 - acceptance of reports as required by paragraph 29 of this Agreement
21. The total expenditure incurred by the Executing Agency under this Agreement shall not exceed the GEF-approved budget as set out in paragraphs 11 and 12. Any expenditure in excess of this budget is the sole responsibility of the Executing Agency. Prior approval of UNEP is needed in cases where there may be a cost over-run in a budget sub-line to another.
22. Procurement of goods or administration costs shall not be authorized under the PPG budget. Costs to cover technical expertise and related travel to deliver PPG activities shall be authorized under the PPG budget.

Unspent balance

23. Any portion of cash advances remaining unspent or uncommitted by the Executing Agency on completion of the project shall be returned to UNEP within one month of the presentation of the final statement of account. In the event that there is any delay in such disbursement, the Executing Agency shall be financially responsible for any adverse movement in the exchange rates.
24. Within 3 months upon expiry of this Agreement, the Executing Agency shall refund to UNEP any unspent balance of the above funds.

Responsibility for cost overruns

25. Under this agreement, total expenditures incurred by the Executing Agency shall not exceed the GEF-approved budget as set out in paragraphs 11 and 12 of this agreement. The Executing agency shall notify UNEP about any expected variations of the project.

Maintenance of records

26. The Executing Agency shall keep accurate and up-to-date records and documents in respect of all expenditures incurred with the funds made available by UNEP under this Agreement, to ensure that all expenditures are in conformity with the provisions of this Agreement and its Annexes thereto.
27. Upon completion of the project or termination of this Agreement, the Executing Agency shall maintain the records for a period of at least 3 years unless otherwise agreed upon between the Parties.

Reporting requirements

28. All reporting shall be in English and financial reporting in US dollars, and any exchange difference accounted for within the total GEF-approved US dollar project budget.
29. The Executing Agency shall submit to UNEP, on or before the dates below, the reports as follows:

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Report		Template appended as	Reporting period	Submission Date
Interim reports	Expenditure statement	Annex 6	July 2019 to Sept. 2019 Oct.2019 to Dec. 2019 Jan. 2020 to March 2020 April 2020 to June 2020 July 2020 to Sept. 2020 Oct. 2020 to Dec. 2020	15 Oct. 2019 15 Jan. 2020 15 April 2020 15 July 2020 15 Oct. 2020 15 Jan. 2021
	Progress Report	Annex 7	July 2019 to Sept. 2019 Oct.2019 to Dec. 2019 Jan. 2020 to March 2020 April 2020 to June 2020 July 2020 to Sept. 2020 Oct. 2020 to Dec. 2020	15 Oct. 2019 15 Jan. 2020 15 April 2020 15 July 2020 15 Oct. 2020 15 Jan. 2021
Terminal reports	Expenditure statement	Annex 6	July 2019 to Dec. 2020	15 Jan. 2021
	Final reports	Annex 8	July 2019 to Dec. 2020	15 Jan. 2021

Financial report

30. The Executing Agency shall submit expenditure statements on the use of funds provided per the format provided in Annex 6, and per the reporting period specified in paragraph 29 of this Agreement within 1 month of the end of the period to which they refer.

Audit

31. UNEP has the right to have the records of the Executing Agency related to this cooperation reviewed and audited by authorized and independent auditors. Any additional audits shall be coordinated by the relevant Executing Agency dependency.
32. All financial reporting in the audit report shall be in US dollars.

Responsibility for claims

33. The Executing Agency shall indemnify, hold and save harmless and defend at its own expense, UNEP, its officials and persons performing services for UNEP, from and against all suits, claims, demands and liability of any nature and kind, including their cost and expenses, arising out of acts or omissions of the Executing Agency or its employees or persons hired for the management of the present Agreement and the project.
34. The Executing agency shall be responsible for, and deal with all claims brought against it by its personnel, employees, agents and subcontractors.

Logos and emblems

35. In no event will authorization of the GEF or UNEP name (or any abbreviation thereof), logo or emblem be granted for commercial purposes.

Non-compliance

36. The Executing Agency shall comply with all the above mentioned provisions and agrees that UNEP reserves the right to withhold any payment due to Executing Agency non-compliance with any of the provisions mentioned hereinabove.

Suspension and termination

37. The Parties hereto recognize that the successful completion and accomplishment of the purposes of a technical cooperation activity are of paramount importance, and that UNEP may find it necessary to terminate the project, or to modify the arrangements for the management of the project, should circumstances arise that jeopardize successful completion or the accomplishment of the purposes of project.
38. Either party may terminate this Agreement upon serving a written notice to the other party at least 1 month prior to such termination.
39. This agreement and the associated deliverables may be cancelled/terminated/suspended for several reasons including changes in national priorities, poor implementation performance, lack of compliance with financial or

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reporting obligations.

Dispute settlement

40. Any dispute arising out of or in connection with this Agreement shall be settled amicably between UNEP and the Executing Agency. Should attempts at amicable negotiation fail, any such dispute shall, upon request by either party, be referred to arbitration in accordance with the UNCITRAL arbitration rules. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

Privileges and immunities

41. Nothing in or relating to this Agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations and UNEP or the Organization of American States and the GS/OAS.

Notification and amendments

42. This Agreement or its Annexes may be modified or amended only by written agreement between The Parties.
43. The terms and conditions stipulated in the amendment shall be appended to and be construed as an integral part of this Agreement.

IN WITNESS WHEREOF, the duly authorized representatives of the Parties affix their signatures below.

**For the United Nations Environment
Programme**

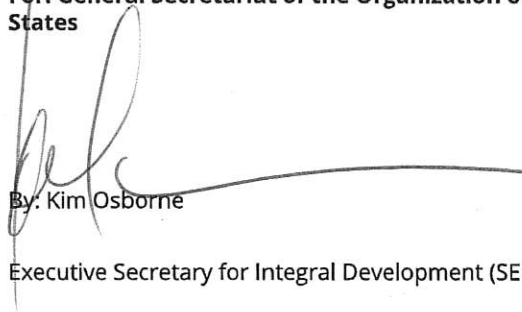


By: Monika MacDevette

Deputy Director Chief, Operations & Programme
Delivery Branch, and OIC, Marine and Coastal
Ecosystems Branch

Date: 21 Aug 2019

**For: General Secretariat of the Organization of American
States**



By: Kim Osborne

Executive Secretary for Integral Development (SEDI)

Date: 2019-09-27

LIST OF ANNEXES TO THE SMALL SCALE FUNDING AGREEMENT

Annex 1	GEF6 Project Identification Form (PIF)
Annex 2	PPG document
Annex 3	CEO Approval letter
Annex 4	Contact details
Annex 5A	Third party form
Annex 5B	Cash advance template
Annex 6	Quarterly Expenditure Report Template
Annex 7	Quarterly Progress Report Template
Annex 8	Final Report Template
