

**FINANCING AGREEMENT BETWEEN  
THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)  
AND THE NATURE CONSERVANCY (TNC)  
No. 06102022**

WHEREAS The Nature Conservancy, a U.S., District of Columbia non-profit corporation, herein referred to as "TNC," United Nations Development Programme , hereinafter referred to as the "UNDP".

WHEREAS UNDP is prepared to receive and administer the contribution for the implementation of “the Project”,

WHEREAS the Government of Mexico has been duly informed by UNDP of the contribution of TNC to the project,

NOW THEREFORE, UNDP and TNC hereby agree as follows:

**Article I. The Contribution**

1. TNC and UNDP (each a “Party” and together, the “Parties”) execute this document (the “Agreement”) with the purpose of designing, implementing, managing and monitoring a Small Grants Fund (SGF) that will provide small grants to smallholder producers (SHPs) or their agricultural and forestry producer organizations (FFPOs) to enable them to accelerate and complement transitions towards sustainable and resilient productive systems at the landscape scale, increase productivity, access to markets and financial services, in SPC Activity landscapes of Calakmul and Oaxaca (the “Project”). The activities to be developed under this contribution are described in detail in Annex A (the “Project”), and subject to the terms of Annex B attached and incorporated by reference hereto.

(a) TNC shall, in accordance with the schedule of payments set out below, contribute to UNDP **an obligated amount for year 1 (July-December 2022) of USD 102,795.00** (One hundred two thousand seven hundred ninety-five 00/100 of the United States), which includes 1% (US\$1,018) for Conservation Levy.

The Contribution shall be deposited in the:

Bank:	BANK OF AMERICA
Name:	UNDP Representative in México
Account:	3752220708
ABA Number:	111000012
ACH Routing Number:	111000012
Wire Routing:	026009593
SWIFT Code:	BOFAUS3N
Address:	1401 Elm Street, Dallas, Texas 75202, USA

<u>Schedule of payments</u>	<u>Amount</u>
<b>30 days after signing the agreement (May 2022)</b>	<b>USD 102,795.00 (One Hundred Thousand, Ten dollars of the United States)</b>

(b) TNC will inform UNDP when the Contribution is paid via an e-mail message with remittance information to [finanzas.mexico@undp.org](mailto:finanzas.mexico@undp.org), providing the following information: donor's name, UNDP country office, [Project no. and title], donor reference (if available). This information should also be included in the bank remittance advice when funds are remitted to UNDP.

(c) Standard Coordination Levy for Agreements with UN Recipients: Pursuant to paragraph 10(a) of United Nations General Assembly Resolution 72/279 of 31 May 2018, TNC agrees that an amount corresponding to (1%) one percent of the total obligated amount to UNDP must be paid to fund the United Nations Resident Coordinator System. This amount, hereinafter referred to as the "coordination levy" will be held in trust by the Awardee until transfer to the United Nations Secretariat for deposit into the United Nations Special Purpose Trust Fund for the reinvigorated Resident Coordinator system, which has been established to fund the UN Resident Coordinator System and is managed by the United Nations Secretariat.

TNC acknowledges that once the coordination levy has been transferred by the recipient to the United Nations Secretariat, UNDP is not responsible for the use of the coordination levy and does not assume any liability. The fiduciary responsibility lies with the United Nations Secretariat as the manager of the Resident Coordinator system.

The coordination levy does not form part of UNDP's cost recovery and is additional to the costs of the recipient to implement the activity or activities covered by the agreement. Accordingly, there is no normal obligation for UNDP to refund the levy, in part or in full, even where the activities covered by the contribution are not carried out in full by the recipient. As deemed necessary by TNC and especially where the scale of the resources concerned, or reputational risk justify the refund transaction costs – TNC may submit a request for a refund according to the Refunds procedures section. The responsibility to refund the levy lies with the United Nations Secretariat and not with the concerned entity of the United Nations.

The coordination levy for this agreement and schedule for payment is reflected in the Project's Budget (Annex A.).

2. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.

UNDP shall receive and administer the funds in accordance with the regulations, rules, policies and procedures of UNDP and, Annex A: "Project"; Annex B: "Special USAID provisions"; Annex C: "Special USAID provisions II" , Annex D: "Coordination Levy"

3. All financial accounts and statements shall be expressed in United States dollars.

## **Article II. Utilization of the Contribution**

1. The implementation of the responsibilities of UNDP pursuant to this Agreement and the project document shall be dependent on receipt by UNDP of the contribution in accordance with the schedule of payment as set out in Article I, Paragraph 1, above.

2. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to TNC on a timely basis a supplementary estimate showing the further financing that will be necessary. TNC shall use its best endeavors to obtain the additional funds required. UNDP and TNC shall not absorb any loss (including but not limited to exchange fluctuations) under the Project. All losses (including but not limited to losses as result of currency exchange fluctuations) shall be charged to the Project. On the other hand, during the term of the Project, all interest earned on the Contribution funds must be reimbursed by UNDP. to TNC. If applicable, TNC assumes the commitment to pass that interest to USAID within the next 30 calendar days of receiving the amount from UNDP.

3. If the payments referred to in Article I, paragraph 1 above, are not received in accordance with the payment schedule, or if the additional financing required in accordance with Paragraph 2 above is not forthcoming from TNC or other sources, the assistance to be provided to the project under this Agreement may be reduced, suspended, or terminated by UNDP.

### **Article III. Administration and Reporting**

1. Project management and expenditures shall be governed by the regulations, rules, policies, and procedures of UNDP and, where applicable, the regulations, rules, policies.

2. UNDP shall provide to TNC the following reports in accordance with UNDP accounting and reporting procedures:

- (a) From the UNDP country office an annual status of project progress for the duration of the Agreement, as well as the latest available approved budget.
- (b) From UNDP Bureau for Management Services/Office of Financial Resources Management, 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 country office within six months after the date of completion or termination of the Agreement, a final report summarizing project activities and impact of activities as well as provisional financial data.
- (d) From UNDP Bureau for Management Services/Office of Financial Resources, on completion of the project, a certified financial statement to be submitted no later than 30 June of the year following the financial closing of the project.

The specific nature and frequency of this reporting is specified in the Annex A of the Agreement.

3. UNDP may provide more frequent reporting at the expense, if any, of TNC.

### **Article IV. General Management Support services**

1. In accordance with the decisions, policies and procedures of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the Contribution shall 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 shall be charged a fee of 8%. Furthermore, as long as they are unequivocally linked to the Project, all direct costs of implementation, including the costs of

Implementing Partner, will be identified in the [Project] budget against a relevant budget line and borne by the [Project] accordingly.

2. The aggregate of the amounts budgeted for the project, together with the estimated costs of reimbursement of related support services, shall not exceed the total resources available to the project under this Agreement as well as funds which may be available to the project for project costs and for support costs under other sources of financing.

### **Article V. Evaluation**

1) All UNDP Programmes and Projects are evaluated in accordance with UNDP Evaluation Policy. UNDP and TNC will jointly agree on the purpose, use, timing, financing mechanisms and terms of reference for evaluating a Project including an evaluation of its Contribution to an outcome which is listed in the Evaluation Plan. UNDP shall commission the evaluation, informing de Government of Mexico, and the evaluation exercise shall be carried out by external independent evaluators.

2) Monitoring, review, and evaluation:

1. TNC and UNDP will promptly inform each other about any condition/event/situation which interferes or threatens to interfere with the successful implementation of any activity financed in full or in part by this contribution.
2. UNDP will be responsible for the monitoring and regular review of activities carried out under this Agreement. For activities under this Subaward, the cost of monitoring and review will constitute an allowable cost.
3. The evaluation of programs hereunder will be subject to the provisions of the UNDP's evaluation policy and procedures as from time to time approved or amended by the UNDP's Executive Board/Head or governing body, if applicable. The costs of any program-level evaluations will be included in the program budget and will constitute an allowable cost.
4. Unless otherwise decided by the UNDP's Executive Board/Head or other governing body, final evaluation reports and management responses, as applicable, are publicly disclosed by the recipient in accordance with UNDP rules and procedures governing public disclosure of evaluations, UNDP will forward without delay to TNC any review or evaluation report pertaining to the activities funded under this agreement, or it will inform TNC that such report is available at the UNDP's website.
5. UNDP will each year, pursuant to its' own regulations, rules, policies, and procedures, inform TNC about the schedule for reviews and evaluations planned for the following twelve (12) months, insofar as they concern activities funded under the Contribution.
6. The foregoing provisions regarding evaluation of projects funded under this Project will not preclude that TNC may, separately or jointly with USAID and with prior written notice to UNDP, take the initiative to evaluate or review its cooperation with UNDP under this agreement, with a view to determining whether results are being or have been achieved and resources have been used for their intended purposes. In furtherance of such a review, UNDP agrees to allow access for site visits by TNC, USAID and/or its agents

as necessary. It is understood that such evaluation or review will not constitute a financial, compliance, or other audit of any programs, projects, or activities funded under this agreement. Costs of such evaluations or reviews will be borne by TNC, unless otherwise agreed.

#### **Article VI. Equipment**

Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

#### **Article VII. Auditing**

The Contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules, policies, and procedures of UNDP. Should the annual Audit Report of the UN Board of Auditors to its governing body contain observations relevant to the Contribution, such information shall be made available to TNC by the Mexico country office.

#### **Article VIII. Fraud and Anti-Corruption Measures**

The Parties agree that it is important to take all necessary precautions to avoid corrupt practices. To this end, UNDP shall maintain standards of conduct to govern the performance of its staff, including of corrupt practices in connection with the award and administration of contracts, grants, or other benefits, as set forth in the Staff Regulations and Rules of the United Nations, the UNDP Financial Regulations and Rules, and the UNDP Procurement Manual.

#### **Article IX. Anti-Terrorism Measures**

Consistent with numerous United Security Council resolutions, including S/RES/1269 (1999), S/RES 1368 (2001), and S/RES/1373 (2001), both TNC and UNDP are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of UNDP and TNC 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 reasonable efforts to ensure that none of Contribution funds provided under this Agreement are used to provide support to individuals or entities associated with terrorism.

#### **Article X. Advertisement of the contribution**

1. The parties shall not use each other name or emblem, or any abbreviation thereof, in connection with its business or otherwise without the express prior written approval of the other party in each case. In no event will authorization be granted for commercial purposes, or for use in any manner that suggests an endorsement by UNDP of TNC, its projects or services.

2. TNC acknowledges that it is familiar with UNDP's ideals and objectives and recognizes that its name and emblem may not be associated with any political or sectarian cause or otherwise used in a manner inconsistent with the status, reputation, and neutrality of UNDP.

3. TNC may make representations to its shareholders and internal budget officials as required about the fact of the contribution to UNDP. Any other use of the UNDP name or emblem, and any other form of recognition or acknowledgement of the contribution of TNC are subject to consultations between the Parties, and the prior written agreement of UNDP.

4. UNDP will report on the contribution to its Executive Board in accordance with its regular procedures regarding contributions from private donors. Other forms of recognition and acknowledgement of the contribution are subject to consultations between the Parties, but the manner of such recognition and acknowledgement shall be determined at the sole discretion of UNDP.

#### **Article XI. Completion of the Agreement**

1. UNDP shall notify TNC when all activities relating to the Project have been completed in accordance with the Project Document.

2. Notwithstanding the completion of the Project, UNDP shall continue to hold unutilized funds from the Contribution until all commitments and liabilities incurred in implementation of the Project have been satisfied and Project activities brought to an orderly conclusion.

3. If the unutilized funds prove insufficient to meet such commitments and liabilities, UNDP shall notify TNC and consult with TNC on the manner in which such commitments and liabilities may be satisfied.

4. In cases where the Project is completed in accordance with the project document any funds below USD 5,000 (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be automatically reallocated by UNDP. Any funds above USD 5,000 (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be reallocated by UNDP after consultation with TNC.

#### **Article XII. Termination of the Agreement**

1. This Agreement may be terminated by UNDP, or by TNC, after consultations to the other Party, and provided that the funds from the Contribution already received are, together with other funds available to the Project, sufficient to meet all commitments and liabilities incurred in the implementation of the Project. This Agreement shall cease to be in force 90 (ninety) days after either of the Parties have given notice in writing to the other Party

of its decision to terminate this Agreement. UNDP, in accordance with its rules and regulations, will inform the Mexican Government about the Agreement Termination.

2. Notwithstanding termination of all or part of this Agreement, UNDP shall continue to hold unutilized funds until all commitments and liabilities incurred in the implementation of all, or the part of the Project have been satisfied and Project activities brought to an orderly conclusion.

3. In cases where this Agreement is terminated before Project completion any funds that remain unexpended after all commitments and liabilities have been satisfied shall be reimbursed to TNC by UNDP, after consultation with TNC.

### **Article XIII: Notice**

Any notice or correspondence between UNDP and TNC will be addressed as follows:

(a) To the Donor, The Nature Conservancy:

Address: Avenida Insurgentes Sur 863, Piso 7, Oficina 720  
Colonia Nápoles, Benito Juárez, CP 03810  
Ciudad de México

(b) Upon receipt of funds, UNDP shall send an electronic receipt to TNC email address provided below as confirmation that the remitted funds have been received by UNDP

TNC email address: [elsa.rodriguez@tnc.org](mailto:elsa.rodriguez@tnc.org)  
Attention: Elsa Rodriguez, Grants Specialist

(c) To UNDP: Edgar González, Sustainable Development Program Officer

Address: United Nations Development Programme (PNUD México)  
Montes Urales No. 440, Lomas de Chapultepec, C.P. 11000, Ciudad de México, México.

Email: [edgar.gonzalez@undp.org](mailto:edgar.gonzalez@undp.org)

### **Article XIV. Amendment of the Agreement**

This Agreement and its annexes A, B, C, and D constitute the entire Agreement between TNC and UNDP. No waiver, modification, or amendment of any of the terms or conditions stated herein shall be effective unless set forth in writing and duly signed by TNC and UNDP.

### **Article XV. Settlement of Disputes**

1. The parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this agreement or the breach, termination, or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with UNCITRAL Conciliation Rules then obtaining, or according to such procedure as may be agreed between the parties.

2. Any dispute, controversy or claim between the Parties arising out of or relating to this agreement or the breach, termination or invalidity thereof, unless settled amicably under the preceding paragraph within (60) sixty days after receipt by one Party of the other Party's request for such amicable settlement, shall be referred by either party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitral tribunal shall have no authority to award punitive damages. 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.

**Article XVI. Privileges and Immunities**

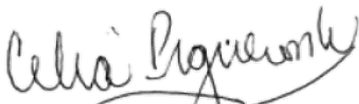
Nothing in this agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UNDP.

**Article XVII. Entry into Force**

This Agreement shall enter into force upon the signature of this Agreement by the parties hereto, on the date of the last signature, and shall expire on March 31, 2026 ("Expiration Date"). The term to execute activities in Year 1 is April 1, 2022, through December 31, 2022, unless further extended by amendment, which shall be in writing and signed by all Parties to this contribution. Activities under this contribution should be completed by January 2026.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in the English language in two copies.

For The Nature Conservancy



Celia Elizabeth Figueroa Wirz  
Legal Representative  
Date: 15 June 2022

For the United Nations Development Programme:



Lorenzo Jiménez de Luis  
Resident Representative in Mexico  
Date 19/07/22

EG



## Annex A:

### THE PROJECT

#### SUBAWARD NO: 06102022 UNDP

#### ACCOUNTING INFORMATION

Project ID: P120283 Selva Maya IPCL  
Project Name: Selva Maya IPCL  
Award ID: A107537 USAID-SPC  
Activity Number: 110932 –MEX Financial Services  
Source of funds: USAID  
CFDA # 98.001

#### GENERAL INFORMATION

Contribution Start Date: July 1, 2022  
Contribution Expiration Date: July 30, 2026

Contribution Expiration date to complete activities:Contribution: December 31, 2022  
Estimated Amount: US\$2,000,000  
Contribution Obligated Amount for Year 1: US\$102,795 (which includes 1% (US\$1,018) for Conservation Levy.  
UNDP Indirect Rate Allowed: 8% and 1% for Coordination Levy  
UNDP Mobilization: USD\$ 3,975,000.  
UNDP UEIN:

#### FEDERAL SUBAWARD IDENTIFICATION.

(i) UNDP name (which must match registered name in UEIN); United Nations Development Programme  
(ii) UNDP's UEIN:  
(iii) Federal Prime Award Identification Number (FAIN): (in Mexico, insert the number of TNC's award with USAID)  
72052321CA00001

#### CONTACT INFORMATION:

Project Managers and Administrative Representatives:

- TNC:
  - Lesly Aldana, Chief of Party c.m.liberati@tnc.org
  - Elsa Rodríguez, Grants Specialist elsa.rodriguez@tnc.org
- UNDP:
  - Sébastien Proust, SGP GEF National Coordination, sebastien.proust@undp.org
  - Alondra Ramírez, alondra.ramirez@undp.org

---

### 1. Objective

The objective of this sub-award is to design, implement, manage and monitor a Small Grants Fund (SGF) that will provide small grants to smallholder producers (SHPs) or their agricultural and forestry producer organizations (FFPOs) to enable them to accelerate and complement transitions towards sustainable and resilient productive systems at the landscape scale, increase productivity, access to markets and to access to financial services in SPC Activity landscapes of Calakmul and Oaxaca.

This sub-award is directly linked to Outcome 3 “Increased access to finance for SHPs” and to Output 3.2 “Small Grants Fund (SGF) established and operating to support up-front costs of SHPs to adopt sustainable land practices and access to markets and

finance”, established in the Activity and will work in close coordination with other initiatives implemented under the SPC Activity to enable SHPs and FFPOs participating in activities under Outcomes 1 and/or 2 to access small grants.

## 2. Scope of work

UNDP will be responsible for designing the SGF and its operation procedures, and of managing the SGF and administering each small grant provided to FFPOs, following the general guidelines and terms provided by TNC and USAID. UNDP, with support from TNC, will be responsible for monitoring sub grants to ensure that they are being used for the purpose intended and achieve proposed outcomes intended. The initial source of funding for the SGF will be a subaward from TNC, and over the lifetime of the project UNDP will work with SPC consortium to mobilize additional resources for the SGF.

Small grants should be directed to SHPs or FFPOs to help them (i) transition towards more sustainable production systems; (ii) increase productivity in a sustainable way; (iii) improve capacity to access markets; and (iv) access financing. The types of grants will be defined during the life of the Activity and for each call for proposals, but the Activity envisions grants up to USD\$50,000, but on average smaller (approximately USD\$15,000). In addition, if during the design phase the SPC consortium identifies the need, project planning grants between \$1,000 and \$3,000 to assist FFPOs with project design and management; and second level organizations with demonstrated capacity to support SHPs to advance their sustainable productive models should be considered. Small grants should prioritize projects that have a co-investment factor that can be scaled up via a small grant and promote investment in new actions, equipment, logistics or capacities that help SHPs and FFPOs advance in their business models.

Projects supported by small grants should meet general environmental and financial sustainability criteria defined during the SGF design and specific criteria established for each call for proposals. These criteria might include: (i) Environmental sustainability, including potential to reduce GHGs emissions; (ii) Climate resilience; (iii) Measurable impacts, according to SPC objectives; (iv) Potential to access new markets and/or financing or consolidate existing ones; (v) Clear need for small grant as a way to transform/advance an initiative or organization; (vi) Investment case; (vii) gender and inclusive approach.

UNDP will support the establishment of a Steering Committee that will define selection criteria to ensure the adequate use of resources and direct alignment with the Activity objectives and will be responsible for selecting recipients. SGF recipients will be selected on a transparent and competitive basis and specific selection criteria will be determined by the Steering Committee for each call for proposals.

### Specific activities

- 2.1. Identify potential key stakeholders, including (SHP), Farmer and Forest Producer Organizations FFPOs, and local partners in the landscape.** Create a directory of potential key stakeholders by landscape and anchor value chain, including SHPs and FFPOs. This will allow the establishment of a database of possible eligible SHPs and FFPOs for the SGF, including SHPs and FFPOs identified by activities implemented under components 1 and 2 of the Activity.
- 2.2. Identify the needs of SHPs and FFPOs.** Assess and analyze existing capacities in SHPs and FFPOs through an online questionnaire or other methods to inform the small grant program design, including call for proposals and selection criteria.
- 2.3. Support the establishment and execution of a Small Grants Steering Committee (SGSC).** This committee should be composed of members with relevant expertise and include the representation of civil society, the SPC Activity, and other relevant stakeholders. Technical Advisory Groups should be established as needed to advise the SGSC on specific topics concerning the small grants (e.g. value chain, market, sustainable finance, among others).
- 2.4. Design the call for proposals (CFP) and establish selection criteria.** UNDP will work with the consortium partners to define the timeframe, draft the call for proposal and specify including selection criteria, including intervention landscapes, characteristics of the beneficiaries, general conditions of the activities to be financed, participating legal figures and minimum content of the proposal and of the work plan to be presented by each participating FFPO, as well as mechanisms for resolving doubts and announcing the selected projects. The communication strategy of the CFP will also be detailed. During this phase, CFP should consider a specific mechanism to allow SHPs and FFPOs participating in Outcomes 1 and 2 of the SPC Activity to access small grants that allow them to catalyze their efforts in transforming production systems, accessing markets or accessing finance. Specific application forms should be developed in this phase. CFPs will defined in

detail in coordination with the SPC consortium but are expected to occur in two phases: (i) a call for project ideas in which candidates are invited to present a high-level idea of their project and investment needs and in which a sub-group of SHPs and/or FFPOs is preselected to advance to the second phase; and (ii) a second phase in which full proposals are presented greater detail by SHPs and FFPOs.

- 2.5. Coordination with other activities under the SPC Activity to ensure that small grants help advance project initiatives and that SGF receives relevant project proposals.** UNDP should actively engage with other activities under the SPC Activity (e.g. train the trainers, market acceleration programs, credit provision, among others) and SPC consortium members to identify synergies and opportunities for significant impact generation through small grants.
- 2.6. Mobilize financial resources.** UNDP should actively engage with other programs, initiatives, or donors to mobilize additional resources that can complement each call for proposals. It is expected that over the lifetime of the SPC Activity UNDP mobilizes at least \$2USD for each \$1USD invested in the SGF through this subaward.
- 2.7. Establish a dissemination strategy for the small grants call.** This strategy should ensure that SHPs and FFPOs have the opportunity of knowing the complete information of the call, the conditions of presentation of proposals, the established deadlines and times, and any other relevant information in the framework of the process. This call must also include specific elements for women's and youth organizations to present their proposals.
- 2.8. Launch of annual call for proposals aimed at SHPs and FFPOs in each landscape, according to the dissemination strategy.**
- 2.9. Reception, analysis, and evaluation of project ideas, in conjunction with the consortium.** The SGF team and its Steering Committee first review the project idea, eligibility is evaluated, and feedback is provided to each participant.
- 2.10. Assistance for full project preparation.** UNDP will provide training to FFPOs through workshops in order to improve their ability to submit good quality proposals.
- 2.11. Reception, analysis, and evaluation of final proposals, in conjunction with the consortium.** Then, full proposals are evaluated by the Steering Committee with support of the GTA<sup>1</sup> according to pre-established selection criteria; submit selection to TNC and USAID AOR; Meeting with TNC Chief of Party and USAID AOR to review and approve the portfolio; and the list of final awardees is published.
- 2.12. Implement and manage small grants<sup>2</sup>.** UNDP is responsible for disbursing resources to small grant recipients according to a disbursement plan established for each small grant and compliance of small grant criteria by the recipient. This includes due diligence processes, confirmation of legal documents and bank accounts, among others.
- 2.13. Provide technical assistance and advice for effective implementation, the exchange of learning, and the construction of collaborative networks and alliances.** Provide technical assistance in the field to SHPs and FFPOs in the implementation of their small grants that allows them to establish collaboration and learning networks, including the accomplishment of mitigation measures identified in the MEL. For instance, some projects may have similar goals, such as a market for organic honey, and alliances between grantees can enhance the possible impact.

---

<sup>1</sup> **Ejemplo de Términos de Referencia para Grupo Técnico Asesor (GTA)** para atender temas especializados <https://drive.google.com/file/d/11O4JtMJqDBXz7JWZCiC5qIV94wIIMa2U/view?usp=sharing>.

<sup>2</sup> En el capítulo III. Estructura del PPD (pag. 22) se explican los mecanismos y figuras de gobernanza al interior del Programa para su operación eficaz. <https://sgp.undp.org/innovation-library/item/1138-el-ppd-de-la-a-a-la-z-manual-sobre-el-programa-de-pequenas-donaciones-del-fondo-para-el-medio-ambiente-mundial.html>

**2.14. Monitoring and evaluation of grants' performance.** Establish a monitoring system for small grants aligned with SPC activity Monitoring Evaluation and Learning (MEL) Plan and implement this monitoring system during the lifetime of the project. Among others, impact variables such as area under improved practices; access to markets; access to finance; number of beneficiaries (disaggregated by sex and age); investment mobilized; among others should be monitored over the lifetime of the small grants and reported to the SPC activity.

**2.15. Systematization of lessons learned, good practices and the strategic communication of results of the projects financed by the SGF.** Support the knowledge management and communication strategy through the collection of learning and effective practices, focusing on generating local capacities for communication, so that local communities can share their stories. Training in social networks, photography and writing can be part of this activity every year. Refer to Branding and marking plan.

These activities will be carried out by UNDP ensuring that the required technical personnel for their successful implementation is assigned to this sub-award and with a presence in the landscapes and have the capacity to accompany and advise the SHPs and FFPOs throughout the SGF operation cycle.

### **3. Limiting Construction Activities**

- i. Construction is not eligible for reimbursement under this award
- ii. "Construction" means — construction, alteration, or repair (including dredging and excavation) of buildings, structures, or other real property and includes, without limitation, improvements, renovation, alteration, and refurbishment. The term includes, without limitation, roads, power plants, buildings, bridges, water treatment facilities, and vertical structures.
- iii. TNC will not approve any subawards or procurements by Awardees for construction activities that are not listed in paragraph d) below. TNC will reimburse allowable costs for only the construction activities listed in this provision not to exceed the amount specified in the construction line item of the Subaward budget. UNDP must receive prior written approval from TNC to transfer funds allotted for construction activities to other cost categories, or vice versa.

UNDP must include this provision in all subawards and procurements and make vendors providing services under this Subaward and subawardees aware of the restrictions of this provision.

### **4. Resource mobilization**

UNDP will contribute to mobilize 2:1 the number of resources received through the Subward. UNDP has already identified a source of resource mobilization to the UNDP SGP Operational Phase 7 that will allow it to mobilize resources equivalent to USD \$2 million towards the SPC Activity, from a total amount of the UNDP SGP Operational Phase 7 project is US\$5 million. An estimated 50% of this UNDP budget will be channeled to the same landscapes as the SPC Activity and efforts and interventions of the SPC Activity to catalyze impact. In the Calakmul landscape, financing of other initiatives and second and third level community alliances in the same landscape will support the proposed systemic change. Another USD \$600,000 will be channeled by UNDP through private partners and foundations in the landscapes.

Depending on the condition of each community, SGP-UNDP will ask for a 1 to 1 co-financing ratio (US\$1.375,00) for each project. Communities can provide co financing in kind, for example through the "fajina" or "tequio" system, which is community work. They also can invest in their projects in cash from savings or from the benefits of sales of the cooperatives or ejidos products. The 1 to 1 ratio is the main goal for co-financing, however most vulnerable communities may not reach those goals, and stronger cooperatives may obtain more funds than required. If no co-financing is available at the approbation phase, the UNDP team will support and train communities to design or strengthen their fundraising strategies. Report will be provided on co financing during the implementation of the project.

**The total amount of resources to be mobilized during the life of the project will be USD\$ 3,975,000.**

## **5. Monitoring, Evaluation and Learning (MEL)**

In close coordination with the Activity MEL strategy, the UNDP team will contribute to implementing the MEL plan related to implementation of small grants. The UNDP will provide quarterly reports according to the Activity MEL plan, as well as two key reports: mid-term and final, that will present and analyze the results of the granting and implementation processes, among other details to be defined with TNC. UNDP may present additional reports, according to their MEL expertise and MEL policies.

Deliverables:

- Quarterly reports according to the Activity MEL plan.
- Mid-term report
- Final Report

The following, and other management indicators to be agreed with the Consortium, will be reported quarterly:

- Number of proposals received by the SGF per year.
- Number of grants awarded per year by the SGF.
- Number of SHPs and FFPOs financed by the SGF, disaggregated by sex and age (representatives in the case of FFPOs)
- Percentage of SHPs and FFPOs that meet criteria.
- Number of participants in meetings and strengthening workshops, disaggregated by sex and age.
- Hectares under improved management
- Investment mobilized by type, according to SPC MEL definition.
- Access to markets by SHPs and/or FFPOs

## **6. Ongoing coordination with TNC and Partners and at landscape scale**

UNDP will participate in regular coordination meetings and governance structures, and eventually support the project activities lead by other partners participating in the Activity over the lifetime of the project. UNDP, in coordination with TNC and consortium members, will contribute to aligning activities and generating synergies with other programs, projects or initiatives present or to be developed in target landscapes.

UNDP will allocate the time of its staff at the coordination level as well as our strategic alliances specialist to participate in the periodic meetings of the consortium and in the governance structures of the Activity to which it is summoned. Likewise, field teams will coordinate and establish work operational plans in which synergies and articulations are established with other organizations' members of the consortium, in the Calakmul, Chiapas and Oaxaca landscapes as needed.

## **7. Compliance with Activity safeguards and TNC practices for engagement with local communities**

All activities performed under this subaward must comply with TNC and USAID Safeguards and Human Rights Guidelines and other associated frameworks or criteria.

In all the projects and initiatives in which the UNDP collaborates, it will apply an evaluation of its Social and Environmental Standards (SES)<sup>3</sup>. UNDP will also consider the safeguards framework developed with the consortium and USAID in the implementation of the grants.

## **8. Communication**

SPC Activity communication will be led by TNC, and UNDP will coordinate its communication efforts related to the Activity with TNC. In those events where UNDP is invited and it is relevant, UNDP will work with TNC to bring the Activity's work and efforts to relevant audiences, and will ensure compliance of USAID communication guidelines, including complying with the Marking and Branding Plan.

---

<sup>3</sup> <https://www.undp.org/publications/undp-social-and-environmental-standards>

In adherence to TNC and USAID communication guidelines and to the policies and communication plan established by the Consortium for the Activity, UNDP will make its different communication platforms available, both on social networks (Facebook, Youtube, Instagram, Twitter) and other platforms such as the Medium<sup>4</sup> blog and photo stories in Exposure<sup>5</sup> for the dissemination, communication and positioning of the projects and initiatives in which it collaborates.

## 9. Use of TNC's name/logo and acknowledgement

UNDP may not use TNC's or USAID's name and/or logo in any way without prior written consent from TNC, except to the extent the activities performed contemplates its inclusion in the final product.

Moreover, UNDP agrees to acknowledge USAID's and TNC's support of the Project, including funding contributions and sponsorship, on all media announcements, programs, and publications, as follows:

"This [study/report/audio/visual/other information/media product (specify)] is made possible by the generous support of the American people through the United States Agency for International Development (USAID) and The Nature Conservancy, under the terms of Subaward No. enter prime subaward number]. The contents are the responsibility of [insert Awardee name] and do not necessarily reflect the views of the U.S. Agency for International Development, the United States Government or The Nature Conservancy."

Unless instructed otherwise, all publications, videos, or other information/media products funded or partially funded under this Subaward must be marked with the USAID and TNC logos. Logos and markings of any co-sponsors or authorizing institutions shall be similarly located and of similar size and appearance.

## 10. Branding/Marking

As a condition of receipt of this Subaward, marking with USAID Identity of a size and prominence equivalent to or greater than UNDP's, Subawardees, other donor's, or third party's is required. In the event UNDP chooses not to require marking with its own identity or logo, USAID may, at its discretion, require marking by UNDP with the USAID Identity.

Awardee shall observe and follow all branding and marking requirements, included in **Annex A-5** attached and incorporated by reference hereto.

## 11. Reporting

In addition to UNDP mandatory reports, UNDP shall submit the following reports:

**a) Performance Report on a quarterly**, using the approved report format attached as **Annex A-1** and incorporated by reference hereto, on progress toward accomplishment of specific objectives. The report shall include:

- Progress on activities undertaken under the Project.
- Problems experienced and proposed courses of action and how they plan to resolve them, and changes anticipated.
  - Reports on any specific Project activity including when applicable:
    - Attendance lists for training events or workshops
    - Agenda and materials distributed at training events or workshops
    - Findings/Conclusions for training events or workshops
  - Include 3 copies of any published materials.
- UNDP will report on the following Standard Indicators:
  - Number of proposals received by the SGF per year.
  - Number of grants awarded per year by the SGF.
  - Number of SHPs and FFPOs financed by the SGF, disaggregated by sex and age (representatives in the case of FFPOs)
  - Percentage of SHPs and FFPOs that meet criteria.
  - Number of participants in meetings and strengthening workshops, disaggregated by sex and age.

---

<sup>4</sup> <https://pnudmx.medium.com/>

<sup>5</sup> <https://pnudmx.exposure.co/>

- Hectares under improved management
- Investment mobilized by type, according to SPC MEL definition.
- Number of proposal to access to markets by SHPs and/or FFPOs
- Number of SHPs and/or FFPOs with improved livelihoods through an increase in their productivity per hectare.

**b) Annual Performance Report:** Before September 15th, every year, UNDP shall submit an annual performance report using the approved report format attached as **Annex -1** and incorporated by reference hereto, that summarizes in aggregate the performance indicators achieved during the fiscal year, highlights the milestones or key achievements made, and highlights key constraints and challenges and how they were resolved.

**c) Final Performance Report:** No later than forty-five days after the Subaward Project end date, UNDP shall submit to TNC a final agreement performance report using the approved report format attached as **Annex A-1** that summarizes annually and in aggregate over the life of the Award the performance, the summation of the indicators achieved during each fiscal year, highlights the milestones or key achievements made, and highlights key constraints and challenges and how they were resolved. This final report serves as the most important document to maintain the institutional memory of the results of the Subaward. The report should present a balanced description of both, key successes, and challenges, including a summary section that highlights key outstanding actions that may be needed to achieve the development objectives of the Subaward goals.

The final/completion report shall also contain an index of all reports and information products produced under this Subaward.

**d) Financial Report.** On quarterly basis, UNDP shall submit to TNC, using the approved report format attached as **Annex A-2**, and incorporated by reference hereto, and will also include detail on actual costs for the subject period and project-to-date, which should be compared to the budget provided in **Annex A**.

- TNC may require detailed financial reports including, but not limited to:
- Time reports;
- Supporting documentation for all international travel (outside of Mexico);
- Expenses of US\$500 or more or its equivalence in local currency (typically invoices/receipts, contracts); and
- Bank statements and bank reconciliations (Non applicable)

TNC will notify UNDP of the period for which the detailed financial report will be required and what specific details will be required. Notwithstanding the foregoing, TNC may request full and detailed documentation on any and all Project costs, as far as it is not understood as an Audit. All expenses paid in currency other than U.S. dollars will be reported to TNC at the exchange rate valid at the time the expense was incurred.

**e) Inventory Report.** On an annual basis, UNDP shall submit to TNC together with the financial report for the last period of each project year, reporting a list of all equipment (items with an acquisition price of US\$5,000 or more with a useful life of more than 1 year) purchased with Project funds, using the approved format attached as **Annex A-3** and incorporated by reference hereto.

**f). Reporting Host Government Taxes.** UNDP is not subject to taxation of activities implemented under the agreement based on its privileges and immunities as a public international organization (PIO). However, should it be obligated to pay taxes or duties related to the agreement, that UNDP does not anticipate being reimbursed, UNDP must notify the TNC. Still, reporting is required by USAID even if the amount to report is zero, using the approved format attached as **Annex A-4** and incorporated by reference hereto.

**g). Final Financial Report:** UNDP shall submit to TNC a Final Financial Report using approved report format (**Annex A-2** which outlines how UNDP and matching funds were used, and it shall include an updated inventory report listing all equipment (items with an acquisition price of \$5,000 or more or its equivalence in local currency with a useful life of more than 1 year) purchased with Project funds, using approved format (**Annex A-3**). The final financial report must be so designated and submitted to TNC no later than forty-five days after the Subaward Project end date.

**h) Summary of Reporting Due Dates:**

REPORTING DUE DATES (Quarters are October-December; January-March; April-June; July-September;	
1. Performance Reports	Quarterly (no later than 15 calendar days after the quarter ends)
2. Financial Reports	Quarterly (no later than 30 calendar days after the quarter ends)
3. Inventory Report	Report due (no later than October 15 of each year, including purchases as of September 30th)
4. Report on Host Government Taxes	Report due January 15, including transactions made during the 12 months ending on the preceding September 30
5. Final Performance Report	Report due July 30, 2026
6. Final Financial Report	Report due July 30, 2026

- All Performance Reports (including the Final Narrative Performance Report), and Published Materials shall be signed by the UNDP’s Project Coordinator and submitted to TNC’s Project Manager at the address specified below in section “Project Managers and Administrative Representatives.”
- All Financial Reports and Reporting on Host Government Taxes (including the Final Financial Report) shall be signed by the UNDP Project Coordinator and submitted to [Choose appropriate alternative -- the TNC Grants Specialist OR the TNC office] at the addresses specified below in section “Project Managers and Administrative Representatives.”



12. Budget

## SUMMARY BUDGET

COST CATEGORIES	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Personnel	54,968	75,490	78,983	69,529	3,977	282,946
Fringe Benefits	13,222	17,948	18,454	16,305	738	66,667
Travel	15,571	19,497	16,825	9,104	-	60,997
Equipment	-	-	-	-	-	-
Supplies	6,835	6,727	4,627	3,085	-	21,273
Contractual	-	687,500	557,500	145,000	-	1,390,000
Other	3,642	3,642	2,850	1,500	-	11,634
<b>Total Direct Costs</b>	<b>94,238</b>	<b>810,803</b>	<b>679,238</b>	<b>244,522</b>	<b>4,715</b>	<b>1,833,517</b>
General Management Support UNDP – 8%	7,539	64,864	54,339	19,562	377	146,681
<b>TOTAL OBLIGATED AMOUNT</b>	<b>101,777</b>	<b>875,668</b>	<b>733,577</b>	<b>264,084</b>	<b>5,093</b>	<b>1,980,198</b>
<b>COORDINATION LEVY (1%) one percent of the total obligated amount</b>	<b>1,018</b>	<b>8,757</b>	<b>7,336</b>	<b>2,641</b>	<b>51</b>	<b>19,802</b>
<b>TOTAL</b>	<b>102,795</b>	<b>884,424</b>	<b>740,913</b>	<b>266,725</b>	<b>5,143</b>	<b>2,000,000</b>

### 13. Activities for Year 1

Note: quarters are indicated according USAID fiscal calendar.

Stages	Activities	Description	Q2	Q3	Q4
<b>1. Stakeholder mapping in selected landscapes</b>	a) Identify key stakeholders, including (SHP), Farmer and Forest Producer Organizations FFPOs, and local partners in the landscape.		X		
<b>1. Small Grants Fund (SGF) Design</b>	a) Develop a full technical proposal for the design of a small grants program. UNDP will present an initial proposal and will work with the consortium partners to define the timeframe, draft the call for proposal, including selection criteria. The communication strategy of the CFP will also be detailed.		X		
	b) Help establish a Steering Committee and collaborate with the Steering Committee to define evaluation criteria. Optional: creation of a Technical Advisory Group (TAG)		X		
	c) Present a first proposal for the First CFP , including its communication strategies, and work with the consortium to agree on a final version of the CFP.		X		
<b>2. Launch of call for proposal and selection process</b>	a) Public event to launch the CFP. Official event(s) at state level and dialogue with co-financing initiatives.		X	X	
	b) Implement the communication strategies to disseminate information about the call for proposals. This includes meetings with stakeholders identified by the consortium, local meetings in key municipalities			X	
	c) Desk review of project idea proposals by the SGSC			X	
	d) Identify needs for capacity building in SHPs and FFPO that participate in the call for proposals			X	

	e) Evaluation and selection of eligible project ideas. The SGSC evaluates the eligibility. Then recommendations are provided to each applicant.			X	
	f) Workshop to train selected organizations selected by the steering committee at project idea stage to present a full project proposal, ensuring alignment with the consortium result framework.			X	
	g) Specific training on climate adaptation and resilience strategy to be included in each Project. Analyze natural, climatic, social and economic risks and incorporate social and environmental safeguards to ensure SGF investments.			X	
	h) Pre-selection of projects			X	
	i) Submit selection to TNC and USAID AOR for approval. Meeting with TNC Chief of Party and USAID AOR to review and approve the portfolio.			X	
	j) Notification to grantees. If needed, condition to the final selection can be communicated to proponents.				
<b>4. Small grant implementation</b>	a) Start of the projects 1st CFP Signing of grants.			X	X
	b) Start the provision of technical assistance and advice for effective implementation, the exchange of learning, and the construction of collaborative networks and alliances			X	X
<b>3. Monitoring, Evaluation and Learning</b>	a) Monitoring of the first CFP projects	Field visits, at least two every year.			X
	b) Documentation of lessons learned and good practices	Participatory compilation and systematization with the grants, through follow-up visits, video calls and questionnaires.			X

## ANNEX B – SPECIAL USAID PROVISIONS

The parties acknowledge and agree that TNC has received funding from USAID under the Grant/Cooperative Agreement # FAIN 72052321CA00001 between the U.S. Agency for International Development (“USAID”) and TNC for implementation of the Sustainable Prosperous Communities. This Grant/Cooperative Agreement is not bidding to UNDP. The Parties further acknowledge and agree that USAID (but not TNC) can exercise the following faculties under the Agreement. References to “recipient” shall mean “UNDP”. In cases of inconsistencies between Annex B and the main body of the Agreement, the provisions in the Agreement will prevail for interpretation purposes.

### **Audit and Records**

**a.** The recipient is required to maintain books, records, documents, and other evidence (together, the “account records”) that, in reasonable detail, accurately and fairly reflect the transactions of the agreement. The recipient confirms that its financial statements prepared from the account records comply with the financial regulations, rules, policies, and procedures of the recipient and internationally accepted accounting standards. The recipient must maintain the account records after the final disbursement of funds under the agreement in accordance with the recipient’s records retention policy, or for at least three years, whichever is longer.

**b.** The recipient confirms that its financial statements relating to the agreement will be subject to audit in accordance with the applicable financial regulations, rules, policies, and procedures of the recipient. The recipient will notify USAID when reports are available from the recipient’s external and internal oversight bodies. Upon USAID’s reasonable request, the recipient will provide further available relevant information from the applicable external and internal oversight bodies on report findings and recommendations related to USAID-funded activities, including implementing partners’ activities, unless disclosure of such information would be inconsistent with the recipient’s rules and procedures concerning disclosure of information.

**c.** In the event that USAID becomes aware of factors that would indicate a need for closer scrutiny of USAID-funded activities, USAID will bring these to the attention of the recipient. If the recipient’s internal oversight body determines the need for a special independent audit, it will determine the scope and plan for any such audit in consultation with the recipient and USAID as appropriate. The costs of such an audit will constitute allowable costs under the agreement.

**d.** USAID may undertake spot checks related to activities funded by USAID. It is agreed that USAID may request, and the recipient will provide, in a timely fashion, access to financial information required for such spot checks in accordance with procedures that will be mutually agreed by the parties. It is understood that representatives of USAID will be given access to the site of the project and/or the headquarters of the recipient. The recipient will provide all relevant financial information and clarifications to USAID representatives and will explain, with appropriate concrete examples, how the accounts are managed, and the procedures used to ensure transparency and accuracy in the accounts. Access to relevant financial information will be planned and coordinated by USAID and the recipient in advance. It is understood that such spot checks will not constitute financial, compliance or other audits of USAID-funded activities, and are undertaken in a manner consistent with the UN’s Single Audit Principle. The costs of such spot checks will be borne by USAID.

## **Fraud, Corruption, and Other Prohibited Conduct**

**a.** The parties have a zero-tolerance approach toward fraud, corruption, and other prohibited conduct, as defined below, which applies to all staff members, consultants, and other individual independent contractors, institutional contractors, and implementing partners receiving funding provided under this agreement.

**b.** For purposes of this provision, prohibited conduct is defined according to the recipient's applicable regulations and policy on fraud and corruption, provided the following practices are included therein:

(1) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of a public official;

(2) "fraudulent practice" means any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit, or to avoid an obligation;

(3) "collusive practices" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;

(4) "coercive practices" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;

(5) "obstructive practices" means deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a recipient investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or acts intended to materially impede the exercise of recipient's contractual rights of audit or access to information.

**c. Prevention of prohibited conduct.** The parties are firmly committed to take all necessary precautions to avoid and address prohibited conduct. The recipient will maintain appropriate standards that govern the conduct of its personnel related to prohibited conduct as set forth in the recipient's applicable staff regulations and rules, financial regulations and rules, and policies and procedures.

**d. Action regarding knowledge of prohibited conduct.** With respect to knowledge of any actual, suspected, or alleged prohibited conduct, the recipient agrees that it has in place a suitable mechanism for a complete and comprehensive reporting of such conduct. When prohibited conduct is reported, the recipient's internal oversight body will take timely action as determined to be appropriate. When the recipient's internal oversight body determines an investigation is appropriate, the investigation will be conducted in accordance with the recipient's regulations, rules, policies, and procedures.

**e. Cooperation with regard to information concerning prohibited conduct.** The recipient and USAID agree to promptly bring knowledge of prohibited conduct in relation to the agreement, of which the recipient or USAID has been informed or has otherwise become aware, to the attention of the recipient's internal oversight body.

When the recipient becomes aware of credible allegations of prohibited conduct, the recipient will promptly inform the USAID Office of the Inspector General (OIG), and upon reasonable request, the recipient agrees to provide further available relevant information, unless disclosure of such information would be inconsistent with the recipient's rules and procedures concerning disclosure of information.

f. Any information or documentation provided in accordance with subparagraph e. above will be treated by USAID OIG with utmost discretion in order to ensure, *inter alia*, the probity of any investigation, protect sensitive information, maximize the prospect of recovery of funds, ensure the safety and security of persons or assets, and respect the due process rights of all involved. OIG will presume information/documentation to be confidential, deliberative, and investigatory and will ensure that information/documentation provided to USAID personnel will be available solely to those who strictly require access to such information/documentation. Any disclosure of such information/documentation beyond such personnel will require notification and consultation with the recipient. USAID and OIG will obtain the express written authorization of the recipient before disclosing any such information/documentation in a judicial proceeding or to the public, unless disclosure is otherwise required by law and is not subject to the recipient's privileges and immunities under international and/or federal law (such as information/documentation constituting UN archives).

g. Where an investigation has concluded that prohibited conduct has occurred, the recipient will give proper consideration to referring the matter to the appropriate member state authorities.

h. In the event that the recipient determines that any USAID funds have been lost due to prohibited conduct, such loss will be dealt with in accordance with the applicable financial rules, regulations, policies, and procedures of the recipient.

i. In the event that USAID reasonably believes that timely and appropriate action has not been taken, it has a right to direct consultations to be established at a senior level between USAID and the recipient in order to obtain assurance that the recipient's oversight and accountability mechanisms have been or are being fully applied in connection with such allegations.

### **Monitoring, Review, and Evaluation**

a. USAID and the recipient will promptly inform each other about any condition/event/situation which interferes or threatens to interfere with the successful implementation of any activity financed in full or in part by USAID.

b. The recipient will be responsible for the monitoring and regular review of activities carried out under this agreement. For activities under this agreement, the cost of monitoring and review will constitute an allowable cost.

c. The evaluation of programs hereunder will be subject to the provisions of the recipient's evaluation policy and procedures as from time to time approved or amended by the recipient's Executive Board/Head or governing body, if applicable. The costs of any program-level evaluations will be included in the program budget and will constitute an allowable cost.

**(1)** Unless otherwise decided by the recipient's Executive Board/Head or other governing body, final evaluation reports and management responses, as applicable, are publicly disclosed by the recipient in accordance with the recipient's rules and procedures governing public disclosure of evaluations. The recipient will forward without delay to USAID any review or evaluation report pertaining to the activities funded under this agreement, or it will inform USAID that such report is available at the recipient's website.

**(2)** The recipient will each year, pursuant to the recipient's regulations, rules, policies, and procedures, inform USAID about the schedule for reviews and evaluations planned for the following twelve (12) months, insofar as they concern activities funded under the agreement.

**d.** The foregoing provisions regarding evaluation of projects funded under this agreement will not preclude that USAID may, separately or jointly with other financing partners and with prior written notice to the recipient, take the initiative to evaluate or review its cooperation with the recipient under this agreement, with a view to determining whether results are being or have been achieved and resources have been used for their intended purposes. In furtherance of such a review, the recipient agrees to allow access for site visits by USAID and/or its agents as necessary. It is understood that such evaluation or review will not constitute a financial, compliance, or other audit of any programs, projects, or activities funded under this agreement. Costs of such evaluations or reviews will be borne by USAID, unless otherwise agreed.

## ANNEX C: SPECIAL USAID PROVISIONS II

The parties acknowledge and agree that TNC has received funding from USAID under the Grant/Cooperative Agreement # FAIN 72052321CA00001 between the U.S. Agency for International Development (“USAID”) and TNC for implementation of the Sustainable Prosperous Communities. This Grant/Cooperative Agreement is not bidding to UNDP. However, the Parties further acknowledge and agree that the following provisions of the USAID Standard Provisions for Cost-Type Agreements with Public International Organizations (PIOS) – ADS 308 – dated 15 June 2021 shall apply to the Agreement. In cases of inconsistencies between Annex C and the main body of the Agreement, the provisions in the Agreement will prevail for interpretation purposes. References to “USAID” shall mean “TNC” for this specific set of provisions (except as indicated below):

M.1. Allowable Costs

M.2. Amendment

M.3 Nonliability

M.4. Notices

M.7. Refunds. For this provision, interest will be return by UNDP directly to to TNC. If applicable, TNC assumes the commitment to pass that interest to USAID within the next 30 calendar days of receiving the amount from UNDP.

M.8. Agreements Budget Limitations and Revisions

M.9. Termination Procedures

M.10. Financial Management, Procurement and Evaluation

M.11. Dispute Resolution

M.12. Title to and Disposition or Property. For this provision, the asset disposal procedures of UNDP will apply and the assets will be allocated with the beneficiary host government.

M.13. USAID Disability Policy.

M.14 Alt-I. Terrorism Financing Clause

M.15. Trafficking in Persons

M.16. Prohibition of Federal Contracting with and Providing Federal Assistance to Entities that Require Certain Internal Confidentiality Agreements

M.19-Alt I. Sexual Exploitation and Sexual Abuse and Sexual Harassment



RAA.2-Alt I.- Prohibition on Assistance to Drug Traffickers

RAA.3. Prohibition on Police Assistance

RAA.4. Prohibition on Assistance to Military and Paramilitary

RAA.5. Publication of Media Releases

RAA.7. Condoms

RAA.8.-Alt I Prohibition on the Promotion or Advocacy of the Legalization or Practice of Prostitution or Sex Trafficking (Alt I – The Global Fund to Fight AIDS, Tuberculosis and Malaria, The World Health Organization and any United Nations Agency).

RAA.12-Alt I Reporting on Foreign Taxes (Alternate I – UN and other Tax-Exempt PIOs)

**ANNEX D – COORDINATION LEVY**  
**UNITED NATIONS GENERAL ASSEMBLY RESOLUTION A/RES/72/279**

The present Annex is an integral part of the Agreement No. 06102022.

Pursuant to paragraph 10(a) of United Nations General Assembly Resolution A/RES/72/279 (31 May 2018), the Donor agrees that an amount corresponding to 1% of the total contribution to UNDP shall be paid to finance the United Nations Resident Coordinator System. This amount, hereinafter referred to as the “coordination levy” will be held in trust by UNDP until transfer to the United Nations Secretariat for deposit into the United Nations Special Purpose Trust Fund, which has been established to finance the United Nations Resident Coordinator System and is managed by the United Nations Secretariat.

The Donor acknowledges and agrees that once the coordination levy has been transferred by UNDP to the United Nations Secretariat, UNDP is not responsible for the use of the coordination levy and does not assume any liability. The fiduciary responsibility lies entirely with the United Nations Secretariat as the manager of the Resident Coordination System.

The Donor acknowledges and agrees the coordination levy does not form part of UNDP’s cost recovery and is additional to the costs of UNDP to implement the activity or activities covered by the contribution. Accordingly, there is no obligation for UNDP to refund the levy, in part or in full, even where the activities covered by the contribution are not carried out in full by UNDP. As deemed necessary by the donor, however, especially where the scale of the resources concerned or reputational risk justify the refund transaction costs, the donor can submit a request for refund to the United Nations Secretariat directly.

UNDP will not administer the coordination levy. UNDP will not report on the use of the coordination levy. UNDP does not have any liability on the use of the coordination levy by the United Nations Secretariat. Clarifications on the administration, reporting and/or use of the coordination levy by the United Nations Secretariat shall be discussed by the Donor and the United Nations Secretariat on bilateral basis.

A Contribution of US\$101,777.00 is made under the Agreement. In addition to the Contribution amount, the Donor is paying a coordination levy amount of US\$1,018. This coordination levy amount will be transferred to UNDP at the bank account indicated in the Agreement immediately after its signature.