UN AGENCY TO UN AGENCY CONTRIBUTION AGREEMENT

A. SUMMARY OF ACTIVITIES

Title: Improving Local Governance for Local Economic Development in Burundi

Start/End Dates: Activities start date: 01 April 2019
Activities end date: 31 December 2019

Location: Burundi

Contribution Amount: 348,804 USD

Contributing Agency: United Nations Development Programme (UNDP)

Recipient Agency: United Nations Capital Development Fund (UNCDF)

Nature of Activities:
1. Support and facilitate the following activities: Preparation of the Councils (Nyanza-lac, Rumonge, Mabanda, Bugarama, Mugongomanga and Mutimbuzi) to kick off the planning process
2. Collection and analysis of secondary and primary data.
3. Design of the Council Community Development Plans (PCDC).
4. Validation and approval of the PCDC at the local and national levels
5. Capacity Building of Councils on the implementation of the PCDC

Purpose: Facilitate the design of six (06) gender sensitive Councils Community Development in compliance with the National Guide for Local Planning.

Annexes: In the event that the terms contained in Annexes are incompatible with those contained in this Agreement, then the latter shall govern and prevail.
- Annex A: Proposal and Action Plan
- Annex B: Project Document: Decentralization and Local economic development

Expected outcome: The six (6) Council Community Development Plans designed and approved at the national and local level.

The Recipient Agency will be fully responsible for administering the Contribution in accordance with its financial regulations, rules, policies and procedures, and administrative instructions, and carrying out the Activities efficiently and effectively.
B. BUDGET

The total budget of the contribution which is the balance of the previous agreement is 348,804 USD.

<table>
<thead>
<tr>
<th>Summary of activities and BUDGET [1]</th>
<th>Total (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Preparation of the Councils to kick off the planning process Collection and analysis of data.</td>
<td>160000,00</td>
</tr>
<tr>
<td>2. Design of the Council Community Development Plans (PCDC).</td>
<td>80000,00</td>
</tr>
<tr>
<td>3. Validation and approval of the PCDC at the local and national levels</td>
<td>41950,00</td>
</tr>
<tr>
<td>4. Capacity Building of Councils on the implementation of the PCDC</td>
<td>41014,00</td>
</tr>
<tr>
<td>Indirect support costs (8%)</td>
<td>25840,00</td>
</tr>
<tr>
<td>Grand total</td>
<td>348 804,00</td>
</tr>
</tbody>
</table>

The Contributing Agency will not be responsible for any financial commitment or expenditure made by the Recipient Agency that exceeds the budget for the Activities. The Recipient Agency will promptly advise the Contributing Agency any time when the Recipient Agency is aware that the budget to carry out these Activities is insufficient to fully implement the Activities in the manner set out in the present Agreement, including its Annexes. The Contributing Agency will have no obligation to provide the Recipient Agency with any funds or to make any reimbursement for expenses incurred in excess of the total budget as set forth herein.

C. COSTS RECOVERY

The Recipient Agency’s support costs, determined in accordance with its cost recovery policy, will be paid from the Contribution, in accordance with the budget.

D. REPORTING

Narrative reporting:

The Recipient Agency will provide the Contributing Agency with a narrative report on the progress of the Activities on a regular basis, as set out below:

i. Result based technical progress reports shall be provided to the Contributing Agency, in a format agreed by the Contributing and the Recipient Agency;

ii. A final technical/narrative report is due on the 31st of December 2019, indicating the progress and results made toward the goals of the activities undertaken;

Financial Reporting:

The Recipient Agency will provide the Contributing Agency with the following financial reports, prepared in accordance with the Recipient Agency’s financial regulations, rules, policies, procedures, and administrative instructions:
i. A final detailed financial report of income and expenditure is due 6 months after completion of the activities, indicating the progress and results made toward the goals of the activities undertaken;

ii. Additional reports as may reasonably be required by UNDP in connection with its obligations to submit reports to donors.

E. CONTRIBUTION

The total budget of this contribution is 348 804,00USD.

The Contributing Agency acknowledges that the Recipient Agency will not pre-finance Activities. If the Contribution, or any part of it, is not received in a timely manner, the Activities may be reduced or suspended by the Recipient Agency with immediate effect.

The Contribution will be paid into the following account:

<table>
<thead>
<tr>
<th>Account name:</th>
<th>United Nations Capital Development Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account number:</td>
<td>36349685</td>
</tr>
<tr>
<td>Currency:</td>
<td>US Dollars</td>
</tr>
<tr>
<td>Bank Address:</td>
<td>Citibank</td>
</tr>
<tr>
<td></td>
<td>111 Wall Street, New York, NY 10043</td>
</tr>
<tr>
<td>Swift/BIC:</td>
<td>CITIUS33</td>
</tr>
<tr>
<td>ABA/ACH Routing number:</td>
<td>021000089</td>
</tr>
</tbody>
</table>

When making such transfers the Contributing Agency will notify the Recipient Agency of the following: (a) the amount transferred; (b) the value date of the transfer; (c) that the transfer is from the Contributing Agency pursuant to this Agreement.

F. INTELLECTUAL PROPERTY RIGHTS

All Intellectual Property Rights related to the Activities will belong to the Recipient Agency. The Contributing Agency and, if applicable, the relevant programme Government will enjoy a perpetual, royalty-free, non-exclusive and non-transferable license.

G. CORRESPONDENCE

All correspondence regarding the implementation of this Agreement will be addressed to:

United Nations Development Programme (UNDP), Burundi
Address: PNUD Burundi, Quartier INSS, Avenue des Patriotes N°10, BP 1490 Bujumbura, Burundi

United Nations Capital Development Fund (UNCDF), HQ
Address: Two UN Plaza, 26th floor, 10017 N.Y., N.Y.

H. AMENDMENTS

The present Agreement, including its Annex(es), may be modified or amended only by written agreement between the two Agencies.
I. **COMPLETION OF THE ACTIVITIES**

The Recipient Agency will notify the Contributing Agency when all Activities have been completed.

The Recipient Agency will continue to hold any part of the Contribution that is unutilized at completion of the Activities until all commitments and liabilities incurred in the carrying out of the Activities have been satisfied and all arrangements associated with the Activities have been brought to an orderly conclusion.

J. **TERMINATION OF THIS AGREEMENT**

This Agreement will terminate upon satisfaction of all commitments and liabilities incurred in carrying out the Activities and the orderly conclusion of all arrangements associated with the Activities.

This Agreement may be terminated by either Agency at any time by written notice to the other. Termination will be effective thirty (30) days after receipt of the notice. In the event of termination under this paragraph, the two Agencies will cooperate to ensure completion of the Activities, satisfaction of all commitments and liabilities, and the orderly conclusion of all arrangements associated with the Activities.

K. **REFUNDS OF UNSPENT BALANCES**

Upon termination of this Agreement and following the submission of the final financial report, any unspent balance from the Contribution will be returned to the Contributing Agency, unless otherwise agreed in writing by the two Agencies.

L. **SETTLEMENT OF DISPUTES**

The two Agencies will use their best efforts to promptly settle through direct negotiations any dispute, controversy or claim arising out of or in connection with this Agreement or any breach thereof. Any such dispute, controversy or claim which is not settled within sixty (60) days from the date either party has notified the other party of the nature of the dispute, controversy or claim and of the measures which should be taken to rectify it, will be resolved through consultation between the Executive Heads of each of the Agencies.

M. **ENTRY INTO FORCE AND VALIDITY**

This Agreement will enter into force upon its signature by the authorized representatives of the Parties and remain in force until terminated in accordance with Section J above.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in duplicate.

Signed: 

On behalf of UNDP Burundi
Alfredo Teixeira  
Country Director

On behalf of UNCDF
Judith Karl  
Executive Secretary

Signed:  

30/01/18
Annex A: Proposal

UNDP-UNCDF partnership for the development of Council Community Development Plan in Burundi for the period April – December 2019

1 BACKGROUND AND JUSTIFICATION

Burundi is implementing a decentralisation process and a national strategy for local economy development. At the same time, the country has prioritised Sustainable Development Goals (SDG) indicators to guide development initiatives at national and local levels. Within this context, through PACTE project, UNDP is supporting local development and local governance initiatives in Burundi. One of the key tools to promote development and governance at local level is the Council Community Development Plan (French acronym, PCDC – Plan Communal de Développement Communautaire). In 2017, UNDP supported the Government of Burundi to update the guide on local development planning process.

Law N°1/016 of 20 April 2005 on the organisation of Council Administration, stipulates that Councils are responsible for planning local development under the supervision of a competent Ministry. Within the pilot provinces (Bujumbura Rural, Makamba, and Rumonge) of the PACTE project, there are 20 Councils. The PCDC of 04 of these Councils expired in 2017, 15 PCDC expire in 2018 and 01 will expire in 2019. One of the activities in the 2018 work plan for PACTE is the development of PCDC within its pilot provinces.

Considering the fact that (1) UNDP and UNCDF have similar missions and wish to corporate in areas of mutual concern to enhance the effectiveness of their development efforts (2) UNDP and UNCDF are supporting local development programmes in Burundi in similar areas of intervention (3) UNDP and UNCDF share the same national counterpart (4) useful information from the previous partnership between UNDP and UNCDF is available (5) low capacity of Councils to develop local development plans, UNDP is soliciting UNCDF support to develop PCDC.
2 OBJECTIVES

2.1 By 31st of December 2019, this collaboration aims at facilitating the development of Council Community Development Plans for the Councils of Nyanza-lac, Rumonge, Mabanda, Bugarama, Mugongomanga and Mutimbuzi, using the national guide for local planning.

2.2 More specifically, this collaboration shall be focused on the following:
- Preparation of the Councils (Nyanza-lac, Rumonge, Mabanda, Bugarama, Mugongomanga and Mutimbuzi) to kick off the planning process
- Collection and analysis of secondary and primary data.
- Design of the Council Community Development Plans (PCDC).
- Validation and approval of the PCDC at the local and national levels
- Capacity Building of Councils on the implementation of the PCDC

3 PROJECT IMPLEMENTATION AND MANAGEMENT

3.1 Implementation modality
The implementation and management strategy of this project is based on some key principles, which are closely linked to the Paris Declaration and the management mechanisms of the PACTE project:
- Law N°1/016 of 20 April 2005 on the organisation of Council Administration, stipulates that the National Development Plan serves as the main reference for Council community development planning;
- project implementation will be in compliance with 5 phases and 15 steps of planning process; as stipulated in the National Guide of Local Planning.
- Full involvement of line Ministries in the PCDC development. This approach has the advantage of building on lessons learned from UNDP-UNCDF support to local communities through the decentralisation process and promoting national ownership through the creation of a backstopping team within the Ministry;
- strategic alignment of the Project with national priorities for managing assistance to development local and on Burundi’s National systems and procedures (disbursements, accounting and financial management, public procurement);
• data already collected within the framework of previous UNDP-UNCDF partnership will be updated and used in the planning process. Best practices (existing channels and procedures) from previous projects and programs will be used;
• the efficient use of the structures and operational framework of the decentralisation policy and national strategy for local development in Burundi (notably local government coordination, management and administration of local communities, planning, budgeting and implementation frameworks); evaluation of these communities) with a view to strengthening Council community development planning process.

3.2 Project Coordination
The project will be coordinated and executed by UNCDF and supervised by UNDP through the Decentralisation and local economic development project management team in collaboration with the Ministry of Decentralization and Institutional Reform.

The UNCDF will mobilize in house capacity and external consultancy firms to implement this agreement in full collaboration with UNDP and line ministries.
4 IMPLEMENTATION WORK PLAN

Purpose: Facilitate the design of six (06) gender sensitive Councils Community Development in compliance with the National Guide for Local Planning.

Results/Accomplishments: New PCDC developed and approved by National and Local Governments

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Responsibilities</th>
<th>Timeline Months/Weeks</th>
<th>Timeline Months</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>March</td>
<td>April</td>
</tr>
<tr>
<td>1. Finalization of the procurement process (Consultant and technical support on board)</td>
<td>UNCDF/UNDP</td>
<td>1 2 3 4</td>
<td>5 6 7 8</td>
</tr>
<tr>
<td>2. Preparation of the Councils (Nyanza-lac, Rumonge, Mabanda, Bugarama, Mugongomanga and Mutimbuzi) to kick off the planning process</td>
<td>UNCDF/UNDP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Collection and analysis of secondary and primary data.</td>
<td>UNCDF/GoB</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Design of the Council Community Development Plans (PCDC).</td>
<td>UNCDF/GoB</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Validation and approval of the PCDC at the local and national levels</td>
<td>GoB/UNCDF/UNDP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Capacity Building of Councils on the strategy of the implementation of the PCDC</td>
<td>UNCDF/GoB</td>
<td></td>
<td></td>
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<tr>
<td>7. Reporting and PCDC implementation planning</td>
<td>UNCDF</td>
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</tbody>
</table>
5 BUDGET

The total project budget is 348 804 USD.

6 MONITORING

The following tools will be used to monitor project implementation:

6.1 Audit of the last year of the previous MoU

6.2 Lessons learned log: UNDP will provide a lessons learned log to enable UNCDF capture insights and lessons based on good and bad experiences and behaviours, throughout project implementation. This will facilitate the preparation of the Lessons-learned Report at the end of the project.

6.3 Field visit report: UNDP will organise field visits to validate progress reported by UNCDF. This will provide an opportunity to assess progress, discuss challenges and propose measures to improve project implementation.

6.4 Progress report: UNCDF will submit a result based progress report to Both parties will agree on a format for progress reporting.

6.5 Final report: UNCDF will submit a final activity report to UNDP no later than December 31st, 2019. Both parties will agree on a report format. In addition, UNCDF will submit a detailed income and expenditure report to UNDP 6 months upon completion of the project.

7 KEY RISK MANAGEMENT

<table>
<thead>
<tr>
<th>Type</th>
<th>Risk statement</th>
<th>Probability</th>
<th>Impact</th>
<th>Risk response strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational</td>
<td>If there is socio-political unrest then technical support may become impossible so PCDC design process will stop.</td>
<td>Moderate</td>
<td>High</td>
<td>UNCDF will involve Councils and build their capacity to enable them to own the design process.</td>
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