

EUROPEAN UNION
GRANT AGREEMENT FOR PILLAR ASSESSED ORGANISATIONS
(PA GRANT AGREEMENT)

ENI/2015/360-626

(the "Agreement")

The European Union, represented by the European Commission, (the 'Contracting Authority') of the one part,

and

United Nations Children's Fund (UNICEF)

International Organisation
United Nations Plaza 3
10017 New York
United States

hereinafter the '**Organisation**'

and

United Nations Development Programme (UNDP)

International Organisation
United Nations Plaza 1
10017 New York
United States

who have conferred powers of attorney for the purposes of the signature of the Agreement to the Organisation, collectively referred to as '**Beneficiaries**' where a provision applies without distinction to the Organisation and the Co-Beneficiary

of the other part, (individually a "Party" and collectively the 'Parties') have agreed as follows:

SPECIAL CONDITIONS

Article 1 — Purpose

- 1.1 The purpose of this Agreement is the award of a financial contribution by the Contracting Authority to finance the implementation of the action entitled: **Enhancing Access to Justice and Development of a Child-Friendly Justice System in Georgia** (the 'Action') described in Annex I.
- 1.2 The Beneficiaries shall be awarded the contribution on the terms and conditions set out in this Agreement, which consists of these special conditions (the 'Special Conditions') and the annexes, which the Beneficiaries hereby declare they have noted and accepted.
- 1.3 The Beneficiaries accept the contribution and undertake to be responsible for carrying out the Action.
- 1.4 In the performance of the activities, the Beneficiaries apply their own internal control and accounting systems as well as the rules and procedures for an independent external audit which have been positively assessed in the ex-ante pillars assessment, as well as any other Regulations and Rules, to the extent that these are not in conflict with the provisions of this Agreement.
- 1.5 This Action is an EU External Action. The Action is financed under the European Neighbourhood Instrument under the EU Budget.
- 1.6 This Agreement is subject to the provisions of Financial and Administrative Framework Agreement between the European Union and the United Nations of 29 April 2003, as amended.

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Article 2 — Implementation and execution period of the Action

- 2.1 This Agreement shall enter into force on the date when the second of the two Parties signs.
- 2.2 Implementation of the Action shall begin on 1st of January 2016.
- 2.3 The Implementation Period of the Action is 36 months.
- 2.4 The Execution Period of this Agreement shall end on the end date as stipulated under Article 13.5 of Annex II.

Article 3 — Financing the Action

- 3.1 The total eligible costs of the Action are estimated at EUR 3,333,333.36 as set out in Annex III.
- 3.2 The Contracting Authority undertakes to finance a maximum amount of EUR 3,000,000.00. This contribution is further limited to 90% of the total eligible cost of the Action.

The final amount of the Contracting Authority's contribution shall be determined in accordance with Articles 24, 25, 27 and 28 of Annex II.
- 3.3 Pursuant to Article 25 of Annex II, eligible indirect costs shall be declared on the basis of a flat-rate of 7% of the final amount of direct eligible costs of the Action established in accordance with Articles 24, 25, 27 and 28 of Annex II.

Article 4 — Reporting and payment arrangements

- 4.1 Payments shall be made in accordance with Article 26 of Annex II

The agreed pre-financing rate is 95%.

Initial pre-financing instalment: EUR 1,208,780.69

Further pre-financing instalments: EUR 1,641,219.31

(subject to the provisions of Annex II)

Forecast balance of the final amount of the contribution: EUR 150,000.00

(subject to the provisions of Annex II)

Article 5 — Communication language and contacts

- 5.1 All communications to the Contracting Authority in connection with the Agreement, including reports referred to in Article 3 of Annex II, shall be in English. If requested by the Contracting Authority they shall be accompanied by a translation or a summary in English or French where the language of the Agreement is not English or French.
- 5.2 Any communication relating to the Agreement shall be in writing, shall state the number and/or title of the Action, and shall use the following addresses below.
- 5.3 Any communication relating to the Agreement, including payment requests and attached reports, and requests for changes to bank account arrangements shall be sent to:

For the Contracting Authority

Delegation of the European Union to Georgia
For the attention of Contracts and Finance Section
38 Nino Chkheidze St.
0102 Tbilisi, Georgia

Copies of the documents referred to above, and correspondence of any other nature, shall be sent to:

Delegation of the European Union to Georgia
For the attention of Operations Section
38 Nino Chkheidze St.
0102 Tbilisi, Georgia

For the Organisation

UNICEF Georgia
UN House
9, Eristavi St.
0179 Tbilisi
Georgia

- 5.4. Ordinary mail shall be deemed to have been received on the date on which it is officially registered at the address referred to above.
- 5.5 The contact point within the Organisation which shall have the appropriate powers to cooperate directly with the European Anti-Fraud Office (OLAF) in order to facilitate the latter's operational activities shall be:

Mr Daniel Temme
Acting Director Office of Internal Audit & Investigation,
United Nations Children's Fund
United Nations Plaza 3
New York, NY 10017 USA

Article 6 — Annexes

- 6.1 The following documents are annexed to these Special Conditions and form an integral part of the Agreement:

- Annex I: Description of the Action including the Logical Framework of the Project
- Annex II: General Conditions for PA Grant or Delegation Agreements (Part II on Delegation Agreements does not apply)
- Annex III: Budget for the Action
- Annex IV: Financial identification form
- Annex V: Standard request for payment
- Annex VI: Communication and Visibility Plan¹

- 6.2 In the event of a conflict between the provisions of the present Special Conditions and any annex thereto, the Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other annexes, those of Annex II shall take precedence.

7.1 The General Conditions are supplemented by the following:

- 7.1.1 Financial support to third parties may only be awarded in accordance with the criteria and conditions laid down in the Description of the Action in Annex I.

- 7.1.2 Where the implementation of the Action requires the setting up or the use of local infrastructure in the partner country (field office), the Beneficiaries may declare as eligible direct costs the capitalised and operating costs of local infrastructure if all the following conditions are fulfilled:

- a) They comply with the cost eligibility criteria referred to in Article 25.1 of the General Conditions;
- b) They fall within one of the following categories:
- i) costs of staff, including administrative and support staff, directly assigned to the operations of local infrastructure;
 - ii) travel and subsistence costs for staff and other persons directly assigned to the operations of local infrastructure;
 - iii) costs of energy and water specifically supplied for the operations of local infrastructure;
 - iv) costs of facility management contracts including security fees and insurance costs specifically awarded for the operations of local infrastructure;


¹ The Communication and Visibility plan describes the measures to acknowledge that the Action receives EU funding.

- c) The Organisation declares as direct eligible costs only the portion of the capitalised and operating costs of local infrastructure which corresponds to the duration of the Action and
- i) the rate of actual use of local infrastructure for the purposes of the Action; or
 - ii) the rate of use of local infrastructure for the purposes of the Action, determined by the Organisation on the basis of a simplified allocation method, provided that the allocation method is:
 - compliant with the Organisation's usual accounting and management practices and applied in a consistent manner regardless of the source of funding, and
 - based on an objective, fair and reliable allocation key.


7.2. The reports referred to in article 3 of Annex II shall be submitted in EURO, using the weighted average of the rates of exchange at which the contribution was recorded in the Organisation's accounts.

Done in English in three originals, two originals being for the European Commission and one original being for the Beneficiaries.

For the Organisation

Name *for* *Pierre Ferry* Sascha Graumann
 Position UNICEF Representative in Georgia
 Signature 
 Date *30/12/15*

For the Contracting Authority

Name *Stephen STORCK* Janos Herman
 Position *Head of EU Delegation to Georgia*
 Signature 
 Date *29/12/2015*