



STANDARD AGREEMENT

STANDARD FORM OF AGREEMENT for Use by World Bank Borrowers

Delivery of Outputs by WFP
under Bank-Financed Projects

v.1
September 2020

This document is subject to copyright.

This document may be used and reproduced for non-commercial purposes only. Any commercial use, including without limitation reselling, charging to access, redistribution, or for derivative works such as unofficial translations based on these documents, is not allowed.

FOREWORD

1. This Delivery of Outputs Standard Form of Agreement is the result of cooperation between the World Bank (“the Bank”)¹ and the World Food Programme (“WFP”). It should be used when WFP is engaged by the Bank’s borrowers to support implementation of borrower-implemented activities or components of the Bank-financed operations, providing a range of inputs (goods, works, consulting and non-consulting services, cash transfers, etc.).
2. The Bank’s Borrowers shall use this Standard Form of Agreement when the requirements of the applicable Bank rules² for procurement from UN Agencies are satisfied, or the Borrower has obtained a prior approval of the Bank.
3. The Standard Agreement has been agreed in principle by the World Bank and the WFP and is planned for formal signature in October 2020. Borrowers may use this as an interim version of the agreement.
4. The provisions in the General Conditions section of this Agreement related to financial management, audit, and fraud and corruption prevention, derive from the Financial Management Framework Agreement (FMFA) and the Fiduciary Principles Accord between the UN agencies (including WFP) and the Bank.
5. The text shown in *italics* is “*Notes to Users*”, which provide guidance to the implementing entity of the Bank’s Borrower and to WFP task team in preparing a specific Agreement. These *Notes to Users* should be deleted from the final version prior to signing of the Agreement.
6. Those wishing to submit comments or questions on this document, or obtain guidance on the use of this template, shall contact unagencies@worldbank.org.

¹ References in this Agreement to the “World Bank” or “Bank” include both the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA).

² Those procurement rules referred to in the World Bank’s Financing Agreement.

The Agreement form for use by Borrowers starts from the next page.

Public disclosure is authorized after the signing

**AGREEMENT
FOR DELIVERY OF OUTPUTS**
[add the title of the assignment – optional]

Project Name³ _____
Loan/Credit/Grant No. _____
Reference No. _____ *[as per the Borrower's Project Procurement Plan]*
WFP Reference No. _____
Project Closing Date⁴: *[date/month/year]* _____

between

THE GOVERNMENT OF *[insert the country name]*

and the

WORLD FOOD PROGRAMME (WFP)

³ *[Note to Users: “Project Name” refers to the project title as stated in the legal agreement (Financing Agreement) between the World Bank and the Government. It should not be confused with the name of the UN Agency's project or program financed from other sources.]*

⁴ *[Note to Users: “Project Closing Date” is stated in the Financing Agreement between the Bank and the Government.]*

FORM OF AGREEMENT

THIS AGREEMENT (together with all Annexes hereto, this “Agreement”) is entered into between **THE GOVERNMENT OF** [name of country] by and through its Ministry of [name of Ministry/implementing entity] (the “Government”), and the **WORLD FOOD PROGRAMME**, an autonomous joint subsidiary programme of the United Nations and the Food and Agriculture Organization (FAO) of the United Nations, having its headquarters in Rome, Italy, acting through its [Country] [Regional] Office in [Country] [HQ Unit] (“WFP” or the “UN Partner”, together with the Government, the “Parties” and each a “Party”).

WHEREAS

- A. WFP is an autonomous joint subsidiary programme of the United Nations and the Food and Agriculture Organization of the United Nations, with a dual humanitarian relief and development mandate to provide emergency and development assistance to eradicate hunger and poverty amongst the poorest and most food-insecure countries. WFP and the Government collaborate in [name of country], in accordance with the Basic Agreement concluded between the Government and WFP dated [insert date] (the “Basic Agreement”) ⁵.
- B. The Government, working with its development partners, including WFP and the World Bank (the “Bank”) ⁶, has developed and is implementing [insert Project’s name] (the “Project”). The Government [insert what is relevant: “has received” or “will receive”] funds from the Bank (the “Financing”) towards the cost of the Project pursuant to a legal agreement between the Government and the Bank for the Project dated [insert date] (the “Financing Agreement”).
- C. As part of Project implementation, the Government has asked WFP, and WFP has agreed, to deliver the outputs as set forth in **Annex I** to this Agreement (the “Outputs”).

NOW, THEREFORE, the Parties agree as follows:

1. The Government intends to apply a portion of the proceeds of the Financing up to a total amount of US\$ [insert amount in words] ([insert amount in figures]) (the “Total Funding Ceiling”) to eligible payments under this Agreement. The Total Funding Ceiling is the Parties’ best estimate (as of the date of the signing of this Agreement) calculated in **Annex II** on the basis of the Outputs and the timeline agreed by the Parties in **Annex I**.
2. This Agreement is signed and executed in the [insert the applicable language: English/French/Spanish] language, and all communications, notices, modifications and

⁵ [Note to Users: WFP teams are encouraged to contact WFP’s Legal Office in case clarifications are required in regard to the legal basis of WFP’s relationship with the Government.

⁶ References in this Agreement to the “World Bank” or “Bank” include both the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA).

amendments related to this Agreement shall be made in writing and in the same language [or replace with the applicable language].

3. This Agreement becomes effective on the date of its last signature (the “Effective Date”).
4. All activities under this Agreement shall be fully completed and all expenses incurred by [insert date] (the “Completion Date”).⁷ WFP shall issue the final financial report not later than three (3) months after the Completion Date.
5. The Government designates [insert the name and title] and WFP designates [insert the name and title] as their respective authorized representatives for the purpose of coordination of activities under this Agreement. The contact information for the authorized representatives is as follows:
 - a. Government representative: [insert phone, e-mail]
 - b. WFP representative: [insert phone, e-mail]
6. For the Project coordination purposes, the Bank’s staff contact information is as follows:
 - a. Bank Task Team Leader: [insert the name and e-mail]
7. This Agreement shall be interpreted in a manner that ensures it is consistent with the provisions of the Basic Agreement and the provisions of the 1946 Convention on the Privileges and Immunities of the United Nations and/or the 1947 Convention on the Privileges and Immunities of the Specialized Agencies (collectively, the “Conventions”), as applicable.
8. WFP shall not assume liability for any loss or damage arising out of, relating to or connected with this Agreement, unless attributable to gross negligence or willful misconduct on the part of WFP. WFP shall not be liable for any indirect or consequential loss or damage. WFP’s liability hereunder shall be limited to the Total Funding Ceiling under this Agreement.
9. Nothing contained in or relating to this Agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including WFP, under the Conventions, the Basic Agreement, or otherwise.
10. The Government confirms that no official of WFP has received or will be offered by the Government any benefit arising from this Agreement. WFP confirms the same to the Government. The Parties agree that any breach of this provision is a breach of an essential term of this Agreement.

⁷ [Note to WFP Users: The completion date shall be set to a date no later than the Project Closing Date.]

11. The following documents form an integral part of this Agreement:

(a) General Conditions of Agreement

(b) Annexes:

Annex I: Outputs and Work Plan

Annex II: Total Funding Ceiling and Payment Schedule

Annex III: Reporting Requirements

Annex IV: Counterpart Staff, Services, Facilities and Property to Be Provided by the Government

Annex V: Cost of WFP's Services

12. WFP's payment details are provided in the Payment Schedule in **Annex II**.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement.

<p>GOVERNMENT OF [] REPRESENTED BY [<i>name of the signing entity</i>]</p> <p>By: [<i>signature</i>]</p> <p>Name: []</p> <p>Title: []</p> <p>Date: [<i>date/month (in words)/year</i>]</p>	<p>WORLD FOOD PROGRAMME (WFP)</p> <p>By: [<i>signature</i>]</p> <p>Name: []</p> <p>Title: []</p> <p>Date: [<i>date/month (in words)/year</i>]</p>
---	--

The text of the clauses in these General Conditions of Agreement shall not be modified.

GENERAL CONDITIONS OF AGREEMENT

DEFINITIONS

1. Unless expressly indicated otherwise, the following terms whenever used in this Agreement have the following meaning:
 - (a) “Staff” means an individual who holds a letter of appointment with the UN Partner or is on loan to the UN Partner by another UN organization or specialized agency under the terms of the *Inter-organization Agreement Concerning Transfer, Secondment or Loan of Staff among the Organizations Applying the United Nations Common System of Salaries and Allowances*, it being understood that Staff have the status of “officials” under the Conventions;
 - (b) “Consultant” means an individual other than a Staff who has signed an individual service or consultant agreement with the UN Partner, it being understood that Consultants have the status of “experts on mission” under the Conventions;
 - (c) “Contractor” means a legal entity supplying goods or services to the UN Partner under a contract concluded according to the UN Partner’s regulations, rules, policies and procedures. When applicable, the term includes “cooperating partners”, “implementing partners” or “partner organizations” as defined and/or used in the UN Partner’s regulations, rules, policies and procedures;
 - (d) “Day” means business day, unless otherwise stated;
 - (e) “Delivery of Outputs” or “Deliver the Outputs” refers to the UN Partner’s obligation to use a range of inputs, such as goods (including equipment, materials, and supplies), works, consulting and non-consulting services, and training in order to deliver the Outputs that contribute to the Project’s development objectives as set out in **Annex I**;
 - (f) “Direct Costs” means the actual cost of the UN Partner that can be directly traced to the deliverables set forth in **Annex I**; “Indirect Costs” means costs incurred by the UN Partner as a function of and in support of this Agreement, which cannot be traced unequivocally to the activities and deliverables as

described in **Annex I**. The rate applicable to this Agreement is stated in **Annex V**; and

- (g) “Personal Data” means any information relating to a Data Subject, meaning a natural person who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

SCOPE AND GENERAL OBLIGATIONS OF THE PARTIES

- 2. The UN Partner agrees to:
 - (a) deliver the Outputs within the scope and in accordance with the timetable and such level of required inputs (the “Work Plan”) as detailed in **Annex I**; and
 - (b) keep the Government informed on the progress of the activities towards the Delivery of the Outputs by timely submission of the progress reports in accordance with the reporting requirements and with frequency set out in **Annex III** (the “Progress Reports”).
- 3. The Government agrees to:
 - (a) make timely and complete payments to the UN Partner of all amounts (either directly or by authorizing the Bank to pay on the Government’s behalf) due under this Agreement and within the Total Funding Ceiling and in accordance with the payment schedule set out in **Annex II** (the “Payment Schedule”); and
 - (b) provide all required support in connection with the UN Partner’s obligations under this Agreement, including: obtaining or assisting with obtaining all permits, licenses, import approvals, and other official approvals related to any goods (including equipment, materials and supplies); taking all necessary actions to ensure and facilitate that Work Plan activities may at all times be conducted freely, expeditiously and without limitations or restrictions; providing access to the site of work and all necessary rights of way; and generally cooperating as provided under the terms of the Basic Agreement, in a timely and expeditious manner.
 - (c) deal with any claim arising from the execution of this Agreement, which may be brought by third parties against the UN Partner or its Staff, Consultants, and Contractors, and shall hold them harmless in respect of any such claim or liability, unless the Government and the UN Partner should agree that the claim or liability arises from gross negligence or willful misconduct on the part of the UN Partner or its Staff, Consultants or Contractors.

4. The Parties acknowledge the Government's commitment to the successful implementation of this Agreement and to that end the Government will provide qualified staff and other required inputs as agreed by the Parties in **Annex IV**.
5. The Parties acknowledge that the level of required inputs and the Work Plan may need to be adjusted, with the agreement of both Parties, which shall not be unreasonably withheld, during the course of the implementation of this Agreement to achieve the agreed Outputs.

TOTAL FUNDING CEILING AND PAYMENTS

6. Calculations of the Total Funding Ceiling are provided in **Annex II**. The Total Funding Ceiling includes both Direct Costs and Indirect Costs of the UN Partner explained in **Annex V**.
7. Cumulative disbursements under this Agreement shall not exceed the Total Funding Ceiling unless it is revised through a written amendment approved by the Bank in response to the Government's request. The UN Partner takes note that the Government's disbursements under this Agreement are subject, in all respect, to the terms and conditions of the Financing Agreement and no party other than the Government shall derive any rights from the Financing Agreement or have any claim to the Financing proceeds.
8. The payments to the UN Partner under this Agreement shall be made in accordance with the Payment Schedule.
9. The Government will make the payments (either directly or by authorizing the Bank to pay on the Government's behalf) to the UN Partner account, by wire transfer against the documents set out in the Payment Schedule. All payments will be made in United States dollars.
10. The UN Partner will receive and administer the funds received under this Agreement in accordance with the UN Partner's regulations, rules, policies and procedures. Any interest derived by the UN Partner from the funds received under this Agreement will be dealt with in accordance with the UN Partner's regulations, rules, policies and procedures.
11. The UN Partner will maintain a separate identifiable fund code (ledger account or "Account") to which all UN Partner's receipts and disbursements for the purposes of this Agreement will be recorded. The ledger account shall be subject exclusively to the UN Partner's internal and external audit in accordance with the UN Partner's financial regulations and rules. The Parties acknowledge that the UN Partner's financial books and records are routinely audited in accordance with the internal and external auditing procedures laid down in the UN Partner's financial regulations and rules, and that the external auditors of the UN Partner are appointed by and report to the UN Partner's policymaking organ. Throughout the term of this Agreement, the UN Partner will

ensure that its audited accounts and the External Auditors' Report are posted on its website within ten (10) Days of their becoming public documents by reason of being presented to the UN Partner's policymaking organ.

12. In the event that the final financial report to be provided under **Annex III** (the "Final Financial Report") indicates a balance of funds in favor of the Government, the Government will consult with the Bank and provide relevant payment instructions to the UN Partner to process the refund. The UN Partner shall transfer the refund within thirty (30) calendar days of its receipt of the payment instructions.
13. The UN Partner shall not be required to commence or continue any activities until the UN Partner has received the payments due in accordance with the Payment Schedule and shall not be required to assume any liability in excess of such payments.

TERMS OF DELIVERY OF OUTPUTS

14. **Standard of performance.** The UN Partner will carry out its obligations under this Agreement with all due diligence, efficiency and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices.
15. **Procurement of inputs.** All inputs required for the Delivery of Outputs will be undertaken in accordance with the terms of this Agreement and the UN Partner's regulations, rules, policies and procedures. Any delegation or assignment of such procurement to another UN organization shall be disclosed in **Annex II**. Subject to paragraph 3(b), the UN Partner is responsible for the importation, including customs clearance, of any inputs required for the Delivery of Outputs under this Agreement, unless otherwise agreed by both Parties in writing. (In this connection, the Parties recall that in accordance with the relevant provisions of the Conventions and the Basic Agreement, such imports shall be, *inter alia*, exempt from any customs duties and subject to prompt release from customs).
16. **Environmental and Social Risk Management:** The UN Partner shall, while delivering the Outputs, ensure that all activities under this Agreement are implemented in an environmentally and socially responsible and sustainable manner in accordance with Section V. of **Annex I** (Environmental and Social Assessment Instruments) .
17. **Transfers to Cash Recipients:** insofar as the scope of work set out in **Annex I** includes cash transfer activities or cash payments to individuals (other than payment of remuneration, per diem, compensation or fees for services rendered), **Annex I** shall detail requirements for the cash transfer activities and how these are carried out, including fiduciary oversight and risk prevention, mitigation and management, including as applicable with regard to the selection, supervision and audit of paying agents or implementing partners. The collection, storage, use and processing of Personal Data under this Project shall be done in accordance with the Data Protection Arrangements detailed in Section IV. of **Annex I**.

18. ***Use of inputs.*** The UN Partner shall use procured inputs only for the purpose of Delivering the Outputs set out in **Annex I**.
19. The UN Partner is responsible for engaging qualified Staff, Consultants and Contractors as, in the UN Partner’s judgment, are required to successfully Deliver the Outputs.
20. The UN Partner shall remain fully responsible for the Delivery of Outputs. The hiring and contracting of any Staff, Consultants or Contractors by the UN Partner in connection with this Agreement shall be done according to the UN Partner’s established regulations, rules, policies and procedures, and bearing in mind the considerations and requirements of the Bank that are listed below:
 - (a) Prohibition of Conflicting Activities. The Staff, Consultants or Contractors shall not engage, either directly or indirectly, in any business or professional activities which could conflict with the activities performed under their respective contract with the UN Partner.
 - (b) Hiring Government Institutions or Government Officials. The UN Partner shall not engage or hire any official or civil servant of the Government’s country as a Consultant or a Government institution or any Government-owned enterprise as a Contractor under this Agreement, unless it has been established by the Government to the Bank’s satisfaction that such hiring or contracting meets the Bank’s eligibility requirements under the procurement rules set forth in the Financing Agreement.
 - (c) Disqualification from Related Contracts under the Scope of this Agreement. The Parties note that during the term of this Agreement and after its Early Termination or Completion, the Government will disqualify Staff, Consultants or Contractors, and any party affiliated with any of them, from providing goods, works or services resulting from or directly related to their activities under this Agreement, if providing such goods, works or services would give rise to a conflict of interest situation as determined by the Bank in accordance with the Bank’s applicable procurement rules.
21. If the Government becomes aware of information that any of the UN Partner’s Staff or Consultants has engaged in a corrupt, fraudulent, collusive or coercive practice or reasonably concludes that the performance of any of the UN Partner’s Staff or Consultants is unsatisfactory, then the Government shall promptly share the sufficiently detailed information with the UN Partner specifying the grounds therefore. If, after receiving the Government’s written request, the UN Partner investigates the alleged corrupt, fraudulent, collusive or coercive practice or reviews the alleged unsatisfactory performance and concludes that the corrupt, fraudulent, collusive or coercive practice and/or the dissatisfaction with the performance of the UN Partner’s Staff or Consultant justifies his/her replacement, the UN Partner will proceed with a

replacement within the timeframe that is in line with the implementation schedule of this Agreement, subject to the UN Partner's regulations, rules, policies and procedures.

22. ***Transfer of ownership; Warranties.*** When relevant, the Parties shall agree on the timing and modality of the ownership transfer of any goods (including equipment, materials and supplies) and any manufactures' warranties as applicable. Any equipment made available to the UN Partner by the Government during this Agreement shall remain the property of the Government.

INTELLECTUAL PROPERTY AND PROPRIETARY RIGHTS

23. Each Party shall retain full and sole ownership of its preexisting copyright, patent rights and other proprietary rights. All copyright, patent rights and other proprietary rights in plans, drawings, specifications, designs, reports, other documents and discoveries developed or prepared by the UN Partner under this Agreement shall belong to the UN Partner. The UN Partner herewith grants to the Government a perpetual, non-revocable, royalty-free, transferable (including the right to sub-license), fully paid-up, non-exclusive license to copy, distribute and use any such copyright, patent rights and other proprietary rights.

INSURANCE

24. Throughout the execution of this Agreement the UN Partner shall:
- (a) maintain appropriate insurance coverage with respect to third-party motor vehicle liability insurance;
 - (b) maintain appropriate cargo insurance or self-insure against loss of or damage to supplies and equipment, if any, purchased in whole or in part with funds provided under this Agreement until transferred to the Government;
 - (c) with regard to Staff, maintain appropriate health insurance; provide for compensation in respect of injury, sickness or death while performing official duties of the UN Partner, and maintain malicious acts insurance;
 - (d) with regard to Consultants, ensure that they carry their own insurance with respect to injury, sickness or death while performing services on behalf of the UN Partner, and maintain malicious acts insurance.

25. The cost of insurance is deemed included in the Total Funding Ceiling.

REPORTING

26. The UN Partner will keep accurate accounts and records in respect of the funds made available under this Agreement, in accordance with the UN Partner's financial regulations and rules and in such form and detail as will clearly identify all relevant charges and costs for corresponding deliverables.

27. The UN Partner will provide written Progress Reports to assist the Government in monitoring implementation progress of activities and deliverables towards the Delivery of Outputs, and the remaining balance under the Total Funding Ceiling. Reporting requirements, including frequency, are set out in **Annex III**.
28. Upon reasonable request from the Government and following consultations between the UN Partner and the Government, the UN Partner may, subject to the UN single audit principle, furnish supplemental information or documentation, within the limits of the UN Partner's regulations, rules, policies and procedures.

FORCE MAJEURE

29. Either Party prevented by force majeure from fulfilling its obligations shall not be deemed in breach of such obligations. The said Party shall use all reasonable efforts to mitigate the consequences of force majeure. At the same time, the Parties shall consult with each other on modalities of further execution of the Agreement. Force majeure as used in this Agreement is defined as natural catastrophes such as but not limited to earthquakes, floods, cyclonic or volcanic activity; war (whether declared or not), invasion, act of foreign enemies, rebellion, terrorism, revolution, insurrection, military or usurped power, civil war, riot, commotion, disorder; ionizing radiation or contaminations by radioactivity; and other acts of a similar nature or force.

FRAUD AND CORRUPTION PREVENTION

30. In the event that the Government, the UN Partner or the Bank becomes aware of information that indicates the need for further scrutiny of the implementation of this Agreement or use of the funds provided by the Government pursuant to this Agreement (including non-frivolous allegations that indicate the possibility that corrupt, fraudulent, coercive or collusive practices may have occurred), the entity that has become aware of such information will promptly notify the other two.
31. In such case, this information will be brought promptly to the attention of the appropriate official or officials at the Government, the UN Partner and the Bank.
32. After consultation with the Government and the Bank, the UN Partner will, to the extent the information relates to actions within the authority or accountability of the UN Partner, take timely and appropriate action in accordance with its regulations, rules, policies and procedures, to investigate this information. The Parties agree and acknowledge that the UN Partner shall have no authority to investigate information relating to possible corrupt, fraudulent, coercive or collusive practices by Government officials or by officials or consultants of the Bank.
33. To the extent that such an investigation confirms corrupt, fraudulent, collusive or coercive practices have occurred, and to the extent that remedial action is within the authority of the UN Partner, the UN Partner will take timely and appropriate action in

response to the findings of such an investigation, in accordance with its accountability and oversight framework and established procedures, including its regulations, rules, policies and procedures.

34. To the extent consistent with the UN Partner's accountability and oversight framework, including its regulations, rules, policies and procedures, the UN Partner will keep the Government and the Bank regularly informed by agreed means of actions taken, and the results of the implementation of such actions, including where relevant, details of any recovered amounts. Such recovered amounts, if any, shall be applied in the calculation of the final balances in the budget code (Account), or if such amounts are recovered after the date of the calculation and transfer of such final balances, the Government will consult with the Bank and provide payment instructions to the UN Partner with respect to such amounts.
35. For the purposes of this Agreement, the following definitions shall apply:
 - (i) "corrupt practice" is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
 - (ii) "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
 - (iii) "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
 - (iv) "coercive practice" is 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.
36. In the event that the Government or the Bank reasonably believes that the UN Partner has not complied with the requirements of this section, the Government or the Bank may request direct consultations at a senior level between the Bank, the Government and the UN Partner in order to obtain assurances, in a manner consistent with the UN Partner's oversight and accountability framework and respecting appropriate confidentiality, that the UN Partner's oversight and accountability mechanisms have been or will be fully applied. Such direct consultations may result in an understanding between the Government, the Bank, and the UN Partner, on any further actions to be taken and the timeframe for such actions. The Parties take note of the relevant provisions in the regulations, rules, policies and procedures of the UN Partner.
37. The Parties agree and acknowledge that nothing in this section shall be deemed to waive or otherwise limit any right or authority of the Bank or any other entity of the World Bank Group under the Financing Agreement or otherwise, to investigate

allegations or other information relating to possible corrupt, fraudulent, coercive, collusive or obstructive practices by any third party, or to sanction or take remedial action against any such party which the World Bank Group has determined to have engaged in such practices; provided however that in this section, “third party” does not include the UN Partner. To the extent consistent with the UN Partner’s oversight framework, including regulations, rules, policies and procedures, and if requested by the Bank, the UN Partner shall cooperate with the Bank or such other entity designated by the Bank in the conduct of such investigations.

38. (a) The UN Partner requires any party with which it has a long-term arrangement or to which it intends to issue a purchase order or a contract in connection with this Agreement to disclose to the UN Partner whether it is subject to any sanction⁸ or temporary suspension imposed by any organization within the World Bank Group. The UN Partner will give due regard to such sanctions and temporary suspensions, as disclosed to it when issuing contracts in connection with the Delivery of Outputs under this Agreement.

(b) If the UN Partner intends to issue a contract in connection with the provision of any of the activities under this Agreement with a party which has disclosed to the UN Partner that it is under sanction or temporary suspension by the World Bank Group, the following procedure will apply: (i) the UN Partner will so inform the Government, with a copy to the Bank, before signing such contract; (ii) the Government and the Bank then may request direct consultations at a senior level, if required, between the Bank, the Government and the UN Partner to discuss the UN Partner’s decision; and (iii) if after such consultation, the UN Partner elects to proceed with the issuance of the contract, the Bank may inform the UN Partner by notice, with a copy to the Government, that the proceeds of the Financing may not be used to fund such contract.

(c) Any funds received by the UN Partner under this Agreement that were to be used to fund a contract in respect of which the Bank has exercised its rights under this paragraph 38(b)(iii) shall be used to defray the amounts requested by the UN Partner in any subsequent Payment Request, if any, or will be treated as a balance in favor of the Government in the calculation of the final balances upon Completion or Early Termination of this Agreement.

SETTLEMENT OF DISPUTES BETWEEN THE PARTIES

39. This Agreement shall be governed by general principles of international law, which shall be deemed to include the UNIDROIT General Principles of International Commercial Contracts (2010). Any dispute, controversy or claim arising out of or relating to this Agreement shall be resolved in accordance with the relevant provisions of the Basic Agreement or, failing such provision, if not settled by negotiation or other agreed mode of settlement, shall be submitted to arbitration at the request of either Party. Each Party shall appoint one arbitrator, and the two arbitrators so appointed shall appoint a third, who shall be the chairman. If within thirty days of the request for

⁸ www.worldbank.org/debarr

arbitration either Party has not appointed an arbitrator or if within fifteen days of the appointment of two arbitrators the third arbitrator has not been appointed, either Party may request the President of the International Court of Justice to appoint an arbitrator. The procedure of the arbitration shall be fixed by the arbitrators, and the expenses of the arbitration shall be borne by the Parties as assessed by the arbitrators. The arbitral award shall contain a statement of the reasons on which it is based and shall be accepted by the Parties as the final adjudication of the dispute. The arbitration panel shall have no authority to award punitive damages.

EARLY TERMINATION

40. This Agreement may be terminated prior to the Completion Date (“Early Termination”) by either Party upon thirty (30) calendar days’ written notice to the other in the following circumstances:

- (a) The UN Partner is unable to perform a material portion of the Agreement for a period of sixty (60) calendar days as the result of force majeure; or if the UN Partner determines that under the prevailing circumstances due to a significant deterioration of the operating environment in the country it can no longer implement the activities under the Agreement;
- (b) The UN Partner does not receive payment of the full amount set forth in the payment request submitted in accordance with **Annex II** and that is not disputed by the Government, within thirty (30) calendar days of the date of such payment request;
- (c) Either Party is in breach of any of its material obligations under this Agreement and has not remedied the same within sixty (60) calendar days (or such longer period as the other Party may have subsequently agreed to in writing) following the receipt of the notice specifying such breach.

41. Upon receipt by one Party of the other Party’s written notice of Early Termination of this Agreement, the Parties shall agree on the exit strategy to minimize any negative impact that can arise from an Early Termination of this Agreement and take all reasonable and necessary measures to complete as much of the activities as possible. In the case of Early Termination, the Parties shall agree on the deadline for the UN Partner to submit the last Progress Report and the Final Financial Report and to refund any monies received by the UN Partner that have not been spent or committed by the Early Termination or Completion Date.

MISCELLANEOUS

42. **Records keeping.** The UN Partner shall retain all records (contracts, reports, invoices, bills, receipts and other documentation) relating to this Agreement in accordance with the UN Partner’s documents retention policy.

43. **Relationship between the Parties.** Nothing contained in this Agreement will be construed as establishing a relation of principal and agent between the Government and the UN Partner. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein.
44. **Headings.** The headings contained in this Agreement are for reference purposes only, and will not limit, alter or affect the meaning or interpretation of this Agreement.
45. **Notices.** Notices will be deemed “received” as follows:
- (a) in the case of personal delivery, on delivery as per date of the written acknowledgement;
 - (b) in the case of registered mail, fourteen (14) days after being sent;
 - (c) in the case of facsimiles or other electronic communications, forty-eight (48) hours following confirmed transmission.
46. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the Form of Agreement.
47. **Modifications.** Modifications to this Agreement may be done for immaterial revisions or clarifications through a written exchange of correspondence between the Parties.
48. **Amendments.** Substantive revisions regarding (a) the key activities and Delivery of Outputs as set forth in **Annex I**, (b) extension of the Completion Date or Early Termination or (c) the Total Funding Ceiling may be done only by a signed written amendment by the Parties. Such amendment will become effective only upon notification by the Government to the UN Partner that the Bank, as the case may be, has approved the amendment.

ANNEX I

OUTPUTS AND WORK PLAN

[Note to Users: This Annex shall be based on the proposal, including the detailed costing, prepared by WFP for the Government to facilitate the Parties’ discussion regarding entering into this Agreement.]

Description of the scope of work shall include the following:

I. Objective of the engagement and the Outputs

[Insert a short description of the main objective of engaging WFP under this Agreement, explain how the activities under this Agreement will lead to an Output that is linked to or contributes to the development objectives of the Project implemented by the Government under the Financing Agreement with the Bank.]

II. Agreed Outputs and Activities

Output 1: *[Insert description]*

Activity 1.1 *[Insert description of main activities (or tasks) to be carried out by WFP, i.e., content and duration, phasing and interrelations, milestones, and location of work. Please note that the title of each Activity should correspond to the same in the financing reporting format in Annex III.]*

Activity 1.2

Output 2: *[Insert description]*

Activity 2.1

[Note to Users:

(a) Reporting requirements for the Outputs and activities described in this Annex I shall be included in Annex III. The final Progress Report shall link the activities to the Outputs and the funds used for each of them respectively;

*(b) In the case of “Agreed Outputs and Activities” section includes any type of cash transfer activities to individuals (i.e. cash vouchers, mobile payments, cash-in-envelope, etc.), this Annex I shall include a complete description of the targeting and verification approach, methods of payments, use of paying agents, fraud prevention measures and due diligence, including audit or evaluation arrangements, to meet the requirements of para 17 in the General Conditions of the Agreement. **III. Requirements for Cash Transfer Activities / outputs** *[delete if outputs do not involve cash transfer]**

IV. Fiduciary Oversight Arrangements

V. Data Protection Arrangements

[Note to Users: Before signing this Agreement, the UN Partner shall conduct a privacy impact assessment (PIA) in line with its rules and regulations and thereafter complete this section. In the context of the PIA, the UN Partner shall assess, depending on the roles of the Parties in the Project implementation, whether the UN Partner shall be acting as Controller or merely as a Processor (both as defined below)¹⁰.]

1. Definitions

“Controller” means any entity which determines the purpose and the means of the processing of Personal Data. The Controller is primarily responsible for the legality of the Personal Data processing vis-à-vis the Data Subjects. This entails the legality of the data processing (legal basis), the specified purpose, the data quality (accuracy, integrity, completeness), its security and confidentiality as well as the Data Subjects’ information about the data processing (transparency) and to exercise their rights of access, deletion and rectification (participation).

“Data Subject” means any individual whose Personal Data is processed in the context of this Agreement.

“Processor” means any entity which processes the Personal Data on behalf of the Controller.

¹⁰ The degree of “controllorship” depends on a factual assessment of the Project, namely to what extent the Government/the UN Partner is involved in the decision-making process of the Project, for example (i) the Government determines which persons shall be targeted and shares the beneficiary lists with the UN Partner, (ii) the Government requests WFP to collect data of targeted persons in a given region on the Government’s behalf and to communicate such data ownership/controllership to the Data Subjects, (iii) the Government has in place system which enable it to process digital data sets of Data Subjects, (iv) the Government requires reporting by the UN Partner with respect to the identity of the Data Subjects, in order to avoid deduplication of assistance under its other social protection programmes in the same region. In these scenarios, the PIA/project design may result in reporting on cash transfers to individuals by disclosing recipients’ identity. If the UN Partner acts as Processor, the Parties shall agree in this section V. which of the data processing obligations shall be specifically assumed by the UN Partner, for example the secure storage of the data, the secure transfer of the data to an implementing partner, such as a financial service provider for the purposes of transfers to cash recipients, etc.

If instead, the above conditions are not met and rather the UN Partner determines the circumstances of the data processing and collects the data on its own behalf, then the UN Partner shall act as Controller in accordance with its rules and regulations. Thus, in each case subject to the circumstances of the relevant Project, the reporting by the UN Partner on its activities would have to occur at an aggregate, anonymous level. Any sharing of Personal Data of recipients would require a new legal basis by the UN Partner, a specified purpose and would need to be in line with the other above-mentioned principles.

Note for UN Partner staff: Please consult with the legal department/data protection officer of the UN Partner when completing this Section V.

2. Roles and Responsibilities

Under this Agreement, the [] shall act as Controller and the []¹¹ shall act as Processor(s) on behalf of the Controller.

[Kindly complete, in case the UN Partner acts as Processor on behalf of the Government. Otherwise, please delete:] The Processor shall assume the following data protection responsibilities on behalf of the Government:

[Kindly insert data protection responsibilities, for example:

- (i) collection of Personal Data on behalf the Government and information of the Data Subjects about roles of Government (Controller) and UN Partner (Processor), legal basis for processing, specified purpose of data collection, how Data Subjects can exercise their Data Subject rights (data access, rectification, deletion), data retention period,*
 - (ii) establishment of call center/hotline for Data Subjects to exercise Data Subject rights (data access, rectification, deletion),*
 - (iii) secure storage of Personal Data on behalf of Government,*
- other.*

3. Legal Basis

[To be inserted, if Government acts as Controller and UN Partner as Processor, otherwise please delete this paragraph] The Government shall process Personal Data in a fair manner, in accordance with its applicable laws, and in accordance with these Data Protection Arrangements. The UN Partner shall process Personal Data in a fair manner, in accordance with its mandate, governing instruments and on the basis of these Data Protection Arrangements.

[OR: To be inserted, if the UN Partner acts as sole Controller, otherwise please delete this paragraph:] The UN Partner shall process Personal Data in a fair manner, in accordance with its mandate and governing instruments and on the basis of the following: (i) the consent of the Data Subject; and (ii) the best interests of the Data Subject, consistent with the mandate of the UN Partner.

4. Obligations

In undertaking their obligations under the Project and this Agreement, the Parties shall at a minimum observe the following:

- (a) The Parties shall ensure that Personal Data:
 - (i) shall be processed only for purposes specified in the Project, taking into account the balancing of relevant rights, freedoms and interests of Data Subjects.

¹² *[The ISC rate stated and applied herein may be subject to change and should at all times be the current applicable rate set by WFP's Executive Board]*

- Personal Data shall not be processed in ways that are incompatible with such purposes;
- (ii) shall, when processed, be confined to that which is relevant, limited and adequate to what is necessary in relation to the purposes specified above for Personal Data processing;
 - (iii) shall only be retained for the time that is necessary to achieve the purposes specified above, the Government shall delete the Personal Data by *[insert deletion date]* and the UN Partner shall delete the Personal Data by *[insert deletion date]*;
 - (iv) shall be accurate and, where necessary, up-to-date to fulfil the specified purposes; and
 - (v) shall be processed with due regard to confidentiality.
- (c) The Parties shall during the term of this Agreement maintain appropriate organizational, administrative, physical and technical safeguards and procedures in order to protect the security of Personal Data, including against or from misuse, unauthorized or accidental access, damage, loss or other risks presented by data handover, processing or transfer.
 - (d) The Parties may only transfer Personal Data to a third party if, under the circumstances, the Controller is satisfied that the third party affords protection for the Personal Data on terms no less favorable than the Controller affords under this Project.
 - (e) The Parties shall maintain policies and mechanisms in place to adhere to the foregoing, including affording Data Subjects the ability to seek redress for abuse of these provisions.

5. Transparency to Data Subjects

The Controller or Processor, as the case may be, shall process Personal Data with transparency to Data Subjects, as appropriate and whenever possible, including, for example, provision of information about the processing of their Personal Data, including automatic processing, as well as information on how to request access, verification, rectification, and/or deletion of that Personal Data, insofar as the specified purpose for which Personal Data is processed is not frustrated.

V. Environmental and Social Assessment Instruments

1. The Government has prepared and is required to implement the Environmental and Social Commitment Plan (ESCP) for the Project, which includes a Stakeholder Engagement Plan (SEP). The ESCP has been reviewed and approved by the Bank and

n	Progress Reports (per Annex III frequency)					Final	
n	Final Financial Report						Within 3 months after Agreement Completion Date

ANNEX II

TOTAL FUNDING CEILING AND PAYMENT SCHEDULE

I. Total Funding Ceiling (in US\$)

Outputs/Activities	Total for Y1 (US\$)	Total for Y2 (US\$)	Notes
1. Output I 1.1 Activity... 1.2 Activity... 1.3 Activity...			
2. Output II 2.1..... 2.2..... 2.3.....			
3. Output III 3.1.....			
Sub-Total			
Indirect Cost (4%)			
Total Funding Ceiling			

Notes:

- (a) All lump sum amounts and totals in this table are based on the detailed estimates, including quantities and units of measurement, that are discussed and agreed with the Government and the Bank prior to the signing of the Agreement.
- (b) 1% UN Coordination levy does not apply to this Agreement.
- (c) Under this Agreement, there can be no transfers to Government organizations.
- (d) Please indicate if any part of this Agreement is delegated to another UN organization, or a third party/implementing/cooperating partner(s): **“Yes/No”** *[If Yes, WFP to provide the details.]*

II. Payment Schedule

[Note to Users:

1. *For Agreements of short duration (for example, less than 12 months), the payment of the Total Funding Ceiling can be made in one tranche upon signature.*
2. *For Agreements of longer than 12 months duration, normally the following payments schedule is used [for exceptions, please seek advice from unagencies@worldbank.org]:*
 - *1st payment – [US\$......] [normally up to 20% of the Total Funding Ceiling upon signing, as an advance payment, **if Annex I** (detailed list of activities) **and/or Annex II** (Work Plan with the breakdown of budget by activities and deliverables) **are not prepared in detail at the time of signature** and are expected to be submitted in the Inception Report. If both Annex I and Annex II are sufficiently detailed, the budget estimate shown in Annex II for the first reporting period can be used as the first lump sum payment]; and*
 - *Subsequent payments for deliverables set up in Annex I [shall be based on the estimates in **Annex II** and the estimates in the financial part of the preceding Progress Report (see **Annex III**)].*
3. *Any advance payments will be deducted from the last payment.*
4. *All costs, reconciliations and refunds under this Agreement shall be made within the validity period of the Financing Agreement. Under no circumstances can expenses be incurred after the Project Closing Date.]*

III. Instructions for authorizing electronic payments

- (a) The Director of Finance of WFP (HQ) has authorized the following staff of WFP to submit electronic payment requests (disbursement requests):

<u>Authorised WFP Staff 1</u>	<u>Authorized WFP Staff 2</u>
Name: [_____]	Name: [_____]
Title: [_____]	Title: [_____]
Date: [date/month (in words)/year]	Date: [date/month (in words)/year]

(b) For Government users:

- 1) *Upon signing this Agreement, the Government will submit to the Bank an application for issuance of a UN commitment, bearing the names of the two WFP staff who are*

authorized to submit payment requests through the Bank's online disbursements system (Client Connection). The application shall include the same amount of the Total Funding Ceiling as stated in Annex II of this Agreement.

- 2) *When preparing the application for issuance of a UN Commitment, the Government shall ensure that:*
 - *the UN Partner's bank account and payment details provided in Client Connection match the payment instructions and details included in this Agreement;*
 - *The names and details of the two authorized UN Partner's staff (stated in the authorization signature box above) are the same as in the application for a UN commitment.*
- 3) *The UN commitment issuance application shall be submitted by the authorized government signatories for the Project, through Client Connection that is already established for the Project in accordance with the standard Disbursement Guidelines, and the Disbursement and Financial Information Letter to the Government. The Bank will then send a UN commitment letter to the authorized staff of the UN Partner, specifying the terms and conditions of the issued UN commitment.*

(c) For the UN users:

- 4) *The Bank will process the request for issuing the UN commitment submitted by the Government after conducting regular due diligence, which includes the Bank's Task Team Leader clearance.*
- 5) *Once the UN Commitment issuance request is approved by the Bank, the designated staff of the UN Partner will receive a notification of registration in Client Connection and with specific instructions on how to access the system. The designated staff would then be able to log in to the Client Connection, submit payment requests and upload any documents required in Annex IV of this Agreement (progress and/or financial reports). The Bank's Client Connection system is secured by two-factor authentication using a password and PIN.*
- 6) *Upon receipt of the payment request, the Bank will conduct its regular due diligence, which includes clearance by the TTL, and will process the payment to the UN Partner's bank account.*
- 7) *Upon completion of the Agreement, the UN Partner will upload the final financial report through the Client Connection system for the Bank to reconcile the accounts and close the UN Commitment not later than 3 months after the Completion Date.*

ANNEX III

REPORTING REQUIREMENTS

WFP shall submit the following reports with a copy to the Bank:

(a) If the Inception Report is used, include:

- i. Any information missing in **Annex I** at the time of Agreement signing, detailed mobilization arrangements, complete the description of all activities and deliverables required for the Outputs, any assignment of procurement of inputs to any other UN organization, complete the Work Plan to ensure timely start-up and on-time completion of the implementation of this Agreement, and the requirements of the Environmental and Social safeguards instruments;
- ii. The Payment Request for the first lump sum installment calculated on the basis of budget estimates for the activities budgeted in **Annex II**, and the banking information/WFP account information. (For processing payments request electronically, Instructions in Annex II apply).

(b) Progress Reports:

- i. Each report submitted on a [*insert frequency of reports normally semiannual or annual/*] basis shall include: (i) a narrative and financial summary of the status of activities to demonstrate the progress towards the Outputs and the linkage between the payments made under this Agreement and the deliverables as set out in **Annex I**; (ii) brief summary of implementation status of the environmental and social assessment instruments, including any incidents reporting (e.g., SEA/SH non-compliance and fatalities) as set out in **Annex I**; (iii) an interim financial report (see details below) on the use of funds by Outputs; and, if relevant, (iv) the Payment Request for the next installment signed by an authorized UN Partner staff in charge of execution of this Agreement (or processed through the Client Connection when relevant).

The interim financial report shall include the following:

- a) Statement of cash contributions/receipts and expenditures for the reporting period and cumulatively from inception date up to the end of the reporting period including commitments, and the available balance; and
- b) Explanatory notes including schedules such as a breakdown of funds received from the Government, a breakdown of actual expenditures by activity against budgeted expenditures, explanation of significant variances between actual expenditure and budget. The expenditure breakdown should provide sufficient detail to facilitate clear linkage

between actual expenditure incurred as per quarterly financial reports and the related outputs and deliverables as per technical progress reports

- ii. The final Progress Report upon Completion or Early Termination shall include a consolidated financial summary on the use of funds for Outputs set forth in **Annex I**.

(c) In addition, in the case of any incidents involving SEA/SH non-compliance or fatalities or other incidents that are affecting or might affect implementation of the Project and/or compliance of the Project, the UN Partner will immediately report the issues to the Government and the Bank for further guidance, in accordance with the terms of this Agreement and in a manner consistent with the UN Partner’s accountability and oversight framework and established procedures.

The authorized official of the UN Partner will provide a written statement stating the following:

“We hereby confirm to the best of our knowledge and based on the available records that the above amounts have been paid for the proper execution of the Agreement and in accordance with the terms and conditions thereof. All documentation authenticating these expenditures has been retained by WFP in accordance with its document retention policy and will be available to WFP’s External Auditors for examination in the course of the audit of WFP’s Financial Statements.”

Signed by: _____
Name and Title: _____
Date: _____

(d) Final Financial Report:

Upon Completion or Early Termination, WFP will also provide the Final Financial Report signed by an authorized official of WFP. The Final Financial Report will be issued within three (3) months of the Completion Date. The Parties shall plan accordingly in the Work Plan (**Annex I**).

All financial reports shall be expressed in United States dollars. The UN Operational Rate of Exchange shall be used for converting expenditures made by WFP in other currencies to implement activities under this Agreement.

**Final Financial Report
World Food Programme
World Bank reference:
As at:
(in USD)**

Fund Received: _____

Expenditures

Activity 1.1	Plan	Actuals
Food		
CBT		
Capacity Strengthening		
Service Delivery		
Total Transfer Cost		
Implementation Costs		
Total Activity Cost		

Activity 1.2	Plan	Actuals
Food		
CBT		
Capacity Strengthening		
Service Delivery		
Total Transfer Cost		
Implementation Costs		
Total Activity Cost		

Activity 2.1	Plan	Actuals
Food		
CBT		
Capacity Strengthening		
Service Delivery		
Total Transfer Cost		
Implementation Costs		
Total Activity Cost		

Activity 2.2	Plan	Actuals
Food		
CBT		
Capacity Strengthening		
Service Delivery		
Total Transfer Cost		
Implementation Costs		
Total Activity Cost		

Support Costs	Plan	Actuals
Direct Support Costs (DSC)		
Indirect Support Cost (4%)		

Total Expenditures	Plan	Actuals

Balance _____

Certified by: _____ **Date:** _____

Chief, Contribution Accounting and Donor Financial Reporting Branch

ANNEX IV

COUNTERPART STAFF, SERVICES, FACILITIES AND PROPERTY TO BE PROVIDED BY THE GOVERNMENT

The Parties recall the provisions of the Basic Agreement, including those relating to the facilities to be provided by the Government for the execution of WFP assistance, and the Parties reconfirm that the Government shall provide the facilities, exemptions, privileges and immunities provided for in the Basic Agreement.

Without prejudice to the foregoing, the Parties agree that the Government commits to provide, at its own expense and at no cost to WFP, the following inputs to facilitate successful implementation of this Agreement:

- (a) Government Staff (qualified experts to work with WFP's team): *[include the list of names, titles, brief qualifications; indicate "n/a" if none are provided]*
- (b) Surveys and Technical Inputs *[for example, surveys, drawings, files, maps, software, etc., or insert "n/a" if none are provided]*
- (c) Services *[for example, office cleaning, utilities, communication, etc., or insert "n/a" if none are provided]*
- (d) Facilities *[for example, office space, meeting and conference rooms, etc., or insert "n/a" if none are provided]*
- (e) Property *[for example, office or computer equipment, materials, vehicles, etc., or insert "n/a" if none are provided]*
- (f) Other *[insert any other inputs by the Government that do not fall under any of the above categories but are required for successful implementation of this Agreement]*

The Government shall provide WFP with a copy of the Environmental and Social Commitment Plan (ESCP) and the Stakeholders Engagement Plan (SEP) for the Project as approved by the Bank.

The extent and timing of provision of counterpart staff and of facilities should be agreed upon and included in this Annex.

ANNEX V

WFP COST STRUCTURE:

1. Full cost comprises Direct Costs (including Direct Operational Costs and Direct Support Costs) and Indirect Costs.
2. Direct Operational Costs include:
 - (a) Transfer costs:

Costs which add directly to the transfer value of food and cash-based transfer modalities and transfer cost of food assistance, cash-based transfers, capacity strengthening, and service delivery activities and are directly related to the specific transfer and modality within the scope of the outputs.

Transfer costs can include but not limited to: purchase price of a commodity and related costs; the costs of cash or vouchers and related costs (e.g. setting up the delivery mechanism); distribution costs; partners' costs associated with transfer of resources; costs directly attributable to capacity strengthening; and service delivery activities within the scope of the outputs.
 - (b) Implementation costs:

Costs which are directly linked to implementation of specific activities within the scope of the outputs. Implementation costs can include but not limited to: WFP staff working on an output, assessments, monitoring and evaluation related directly to the output; and WFP field office expenses such as facility rent and running costs, equipment that are linked to delivering the output. It may also include costs of assessments, monitoring and evaluations, and beneficiary management costs directly linked to an output(s)-
 - (c) Direct support costs (DSC):

Costs that are managed at the country level and directly support multiple activities required for delivery of the outputs. Direct support costs (management and other administrative costs) are not linked to a specific activity/output but shared across various activities within the Country program (referred to as the Country Portfolio Budget). They are extended by the country office to the project but may not be directly attributed to a specific activity. The costs charged to the Project are proportional to the support required for delivery of the outputs and are budgeted on basis of cost sharing with other WFP programs/activities- Direct Support costs can include but are not limited to: country office management costs (such as heads of units); office rental and maintenance costs; vehicle leasing and running costs, country portfolio evaluations and assessments that are not directly linked to a specific activity; and certain security costs.
2. Direct Costs are detailed in the Total Funding Ceiling calculations in **Annex II**.
3. Indirect Cost rate applicable to the Agreements with the Government that are financed from the loan, credit or grant proceeds obtained from the World Bank pursuant to the Financing Agreement between the Government and the Bank, is set up in accordance with

WFP General Regulations Rules and the relevant annual decisions of WFP's Executive Board on cost recovery. The ISC rate applicable under this Agreement is 4 % (four percent)¹².

4. 1% Coordination UN levy does not apply to this Agreement.

¹² *[The ISC rate stated and applied herein may be subject to change and should at all times be the current applicable rate set by WFP's Executive Board]*