

AGREEMENT

between

THE GOVERNMENT OF [name of country]

and

THE UNITED NATIONS POPULATION FUND

**FOR THE PROCUREMENT OF SUPPLIES
[AND THE PROVIDING OF CERTAIN SERVICES]**

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 [], having its address at [] (the “Government”) and the UNITED NATIONS POPULATION FUND (“UNFPA”, together with the Government the “Parties” and each a “Party”), an international inter-governmental organization established by the General Assembly of the United Nations pursuant to resolution 3019 (XXVII) of 18 December 1972 as a subsidiary organ of the United Nations, having its procurement office in Copenhagen, Denmark.

WHEREAS

A. UNFPA is an international development agency that promotes the right of every woman, man and child to enjoy a life of health and equal opportunity. UNFPA and the Government collaborate together to better the lives of women, men and children in [name of country], in accordance with [*enter one as appropriate*: [the Exchange of Letters between UNFPA and the Government effective [date of effect of Exchange of Letters] and the Standard Basic Assistance Agreement, *mutatis mutandis*, between the United Nations Development Programme and the Government (together, the “Basic Agreement”) or [the Standard Basic Assistance Agreement, *mutatis mutandis*, between the United Nations Development Programme and the Government entered into on [date of the SBAA] (the “Basic Agreement”) or [the Special Fund Agreement, *mutatis mutandis*, between the United Nations Special Fund and the Government entered into on [date of the Special Fund Agreement] (the “Basic Agreement”)]].

B. UNFPA’s Procurement Branch pursues UNFPA’s mandate by, among other things, providing the services of purchasing and/or stocking, and dispatching supplies, equipment, and other materials in support of UNFPA’s programme activities.

C. UNFPA is permitted under UNFPA Financial Rule 114.12, to enter into arrangements with Governments, other organizations in the United Nations system, and governmental and non-governmental organizations, to undertake activities on their behalf for the purchase of supplies, equipment and services where such materials and

services are required for purposes related to UNFPA activities and consistent with the aims and policies of UNFPA.

D. The Government, working with its development partners including UNFPA and the International Development Association (the “Association”), or International Bank for Reconstruction and Development (“IBRD”) has designed and is implementing a project to [brief statement of project’s outcomes] (the “Project”), and has asked UNFPA to procure the supplies listed in Annex I to this Agreement (the “Supplies” and each category of Supplies a “Supply Item”) on behalf of the Government for use in connection with the Project, and to provide services if any listed in Annex VIII to this Agreement (the “Services”), in connection with the procurement of Supplies and UNFPA has agreed to procure the Supplies and provide the Services if any in accordance with this Agreement.

E. The Government has received a [enter one: credit/ loan] (the “Development Credit/Loan”) from the [enter one: Association/ IBRD] pursuant to an agreement dated [date of the Development Credit/ Loan Agreement] (the “Development Credit/ Loan Agreement”) towards the cost of the Supplies, and the Services if any.

NOW THEREFORE, the Parties agree as follows:

ARTICLE I
AGREEMENT DOCUMENTS; DEFINITIONS

1. The Agreement Documents include this Agreement and are the following:

- | | |
|------------|---|
| Annex I | The Supplies, including technical requirements for the Supplies and projected quantities and timetable for use in the Project |
| Annex II | Schedule of UNFPA Standard Handling Fees for Procurement of Supplies |
| Annex III | Elements to be included in Procurement Requests |
| Annex IV | Elements to be included in Pro Forma Invoices |
| Annex V | Template for Payment Request |
| Annex VI | Template for Acceptance Document |
| Annex VII | Template for Financial Utilisation Reports |
| Annex VIII | The Services, including terms of reference, timing and deliverables, and estimated cost for the Services (including all relevant fees and other charges). |

2. In this Agreement, the following terms shall have the following meanings:

- a. Contingency means a separately identified amount equal to ten percent (10%) of the estimated total cost of procuring the Supplies including the

estimated Freight and Insurance Cost, and providing the Services if any, as set out in the Pro Forma Invoice to which it relates, but excluding the Handling Fee, to be used by UNFPA as a contingency against changes in the cost of the Supplies (including by reason of currency fluctuations) and the cost of Services if any, between the date of that Pro Forma Invoice and the date on which payment for the Supplies or Services referred to in that Pro Forma Invoice is due.

b. Delivery Schedule means the preliminary delivery schedule to the named port of entry for each Supply Item and Services if any as set out in the relevant Pro Forma Invoice.

c. Final Accounts means the accounts prepared pursuant to Article VI, paragraph 4 of this Agreement.

d. Freight and Insurance Cost means UNFPA's cost of shipping the Supplies from their place of dispatch to the Port of Entry (packing and terminal services inclusive) and insurance, and UNFPA's cost of insuring the Supplies in transit in accordance with this Agreement. This does not include any customs clearance or demurrage charges.

e. Handling Fee means the UNFPA overhead costs for undertaking the requested procurement of Supplies and Services calculated in accordance with UNFPA's standard Handling Fee set out in Annex II.

f. Payment Request means the document referred to in Article IV, paragraph 7.

g. Port of Entry means the delivery facility, specified in a Pro Forma Invoice following consultation between UNFPA and the Government, at which the Supplies officially enter the country, such as but not limited to an international airport, major seaport, or train or truck terminal.

h. Procurement Request means the document referred to in Article IV, paragraph 3.

i. Pro Forma Invoice means the document referred to in Article IV, paragraph 5 setting out the information listed in Annex IV, provided by UNFPA to the Government in response to a Procurement Request delivered by the Government.

j. Services means the services referred to in Annex VIII.

k. Supplies means the supplies listed in Annex I.

l. Supply Item means an individual product type or category which the Government requests, by way of a Procurement Request, UNFPA to procure for it.

ARTICLE II
SCOPE AND GENERAL TERMS OF AGREEMENT

1. UNFPA agrees:
 - a. to procure the Supplies set out in Pro Forma Invoices accepted by the Government, in conformity with the applicable technical specifications (including warranty periods to be remaining upon dispatch by UNFPA's supplier and in the quantities set out in each such Pro Forma Invoice), and
 - b. to arrange for delivery of the Supplies referred to in Article II, paragraph 1(a) in accordance with the delivery information specified in the applicable Pro Forma Invoice agreed between UNFPA and the Government, and
 - c. to provide the Services, if any, in accordance with this Agreement.
2. The Government agrees, in consideration of the procurement of the Supplies and the provision of the Services if any.
 - a. to make timely and complete payment to UNFPA of all amounts owing under this Agreement, and
 - b. to provide such support in connection with the procurement of the Supplies and the providing of the Services in accordance with this Agreement and any amendments thereto.

ARTICLE III
PAYMENT OF AMOUNTS OWING UNDER
THIS AGREEMENT; TOTAL FUNDING CEILING; CONTINGENCY

1. The Government will be responsible for payment of all amounts owing under this Agreement.
2. The Government intends to apply a portion of the proceeds of the Development Credit/Loan, up to an amount of [amount in words] ([amount in figures]) (the "Total Funding Ceiling"), to eligible payments under this Agreement. The Total Funding Ceiling is UNFPA's good faith best estimate as of the date of that estimate, for the entire quantity of Supplies and the Services, if any, contemplated under this Agreement, of (a) the total cost of procuring the entire quantity of Supplies contemplated under this Agreement at the same time and reasonably close to the date of the estimate; (b) the Freight and Insurance Cost; (c) the total cost of providing the Services if any; (d) the Handling Fee; and (e) an additional amount of ten percent (10%) of the amounts referred to in (a), (b), and (c) as a contingency against price and foreign exchange fluctuations.
3. It is understood that (a) disbursements up to the Total Funding Ceiling will be made by the Association/ IBRD on behalf of the Government; (b) disbursement by the Association/ IBRD will be made only at the request of the Government and upon approval by the Association/ IBRD; (c) such disbursement will be subject, in all respects, to the terms and conditions of the Development Credit/ Loan Agreement; and

(d) no party other than the Government shall derive any rights from the Development Credit/ Loan Agreement or have any claim to the Development Credit/ Loan proceeds.

4. The Government's decision to use all or part of the Development Credit to make payment of amounts owing under this Agreement in no way affects the Government's obligation to make timely and complete payment of all amounts owing under this Agreement.

ARTICLE IV

FINANCIAL MATTERS PRIOR TO COMMENCEMENT OF PROCUREMENT

Step 1: Government Files Blanket Withdrawal Application equal to the Total Funding Ceiling

1. As soon as both the Government and UNFPA have signed this Agreement the Government will send to the Association/ IBRD, with a copy to UNFPA, a blanket withdrawal application for an amount equal to the Total Funding Ceiling. The blanket withdrawal application will instruct the Association/ IBRD to make direct payment to UNFPA of all amounts requested by UNFPA in accordance with this Agreement up to the Total Funding Ceiling and to do so (a) by wire transfer of United States dollars in immediately available funds; (b) within ten (10) working days (in Washington DC) of receiving a request for payment; and (c) to such account as UNFPA may nominate.

a. The Government will further instruct the Association that when making such transfers it is to notify UNFPA, Division for Management Services, Finance Branch-NY (for the Attention Treasury Operations) by e-mail at contributions@undp.org of the following: (a) the amount transferred; (b) the value date of the transfer; (c) that the transfer is from the Association/ IBRD for posting to the DC XXX Account referred to below; and (d) the date of the Payment Request and the control number shown on the relevant Pro Forma Invoice.

2. The Government will notify UNFPA as soon as it receives notice from the Association/ IBRD that this blanket withdrawal application has been received by the Association/ IBRD in good order and accepted by the Association/ IBRD.

Step 2: Government Issues Procurement Requests; Delivery Schedules

3. From time to time thereafter, the Government will send to UNFPA, with a copy to the Association, a written request ("Procurement Request") to undertake the procurement and delivery of Supplies under this Agreement. A Procurement Request may refer to more than one Supply Item. However, each Procurement Request shall amount to a minimum cost of US\$5,000 of Supplies (*i.e.* excluding any other costs, such as cost of freight and insurance or cost of Services, if any). The elements to be included in a Procurement Request are set out in Annex III to this Agreement.

4. The Government will make reasonable efforts to align the timing of Procurement Requests with the timetable set out in Annex I.

Step 3: UNFPA Issues Pro Forma Invoices

5. UNFPA will review each Procurement Request received from the Government and, subject to (g) below, will send to the Government in response, with a copy to the Association/ IBRD, a written estimate of the cost of procuring the Supplies referred to in that Procurement Request (a “Pro Forma Invoice”) including the relevant Delivery Schedule(s). UNFPA will use best efforts to provide a Pro Forma Invoice within five (5) working days (in Copenhagen) of receiving a Procurement Request. Elements to be included in a Pro Forma Invoice are set out in Annex IV to this Agreement.

a. The estimated cost of procuring the Supplies set out in the Pro Forma Invoice will be calculated based on the specifications set forth in Annex I, the quantities and consignee details set forth in the Procurement Request to which the Pro Forma Invoice relates, the method of delivery as determined by UNFPA, and the Port of Entry agreed between the Government and UNFPA.

b. The estimated cost of procuring the Supplies will include: (i) the estimated freight and insurance; and (ii) the estimated applicable Handling Fee for procuring the Supplies and providing Services, if any, listed in the relevant Procurement Request, calculated in accordance with UNFPA’s standard schedule of handling fees, a copy of which is set out in Annex II to this Agreement.

c. The Pro Forma Invoice will set out the actual Contingency applicable to the relevant Procurement Request.

d. Each Pro Forma Invoice will specify the period of time for which it is valid and may be accepted by the Government.

e. The Pro Forma Invoice will set out the estimated Delivery Schedule for the Supplies to which it relates.

f. If, because a Procurement Request relates to more than one Supply Item the corresponding Pro Forma Invoice relates to more than one Supply Item, then: (i) the estimated applicable Handling Fee set out in the Pro Forma Invoice will be the aggregate of the estimated Handling Fees that would be payable in respect of each individual Supply Item and Services, if any; (ii) the Contingency set out in that Pro Forma Invoice will be the aggregate of the Contingencies that will be payable in respect of each individual Supply Item and Services, if any; (iii) the estimated Delivery Schedule will include all the delivery schedules of Supply Items included in such Pro Forma Invoice; and (iv) the Pro Forma Invoice will specify the period of time for which the estimated cost of procuring each individual Supply Item set out in the Pro Forma Invoice is valid and may be accepted by the Government.

g. In accordance with the requirement stipulated in paragraph 3 of this Article, above, that each Procurement Request shall amount to a minimum cost of US\$5,000 of Supplies, UNFPA will not issue any Pro Forma Invoice for Supplies with a total estimated cost of less than US\$5,000. Therefore, if, due to any circumstances, any given Pro Forma Invoice would set forth a total estimated cost of less than US\$5,000,

UNFPA will not issue that Pro Forma Invoice and promptly consult with the Government to seek a resolution.

Step 4: Government Reviews and Accepts the Pro Forma Invoice

6. The Government will advise UNFPA in writing whether or not it accepts that Pro Forma Invoice. This advice must be received by UNFPA within the validity period specified in the Pro Forma Invoice. If, because a Procurement Request relates to more than one Supply Item the corresponding Pro Forma Invoice relates to more than one Supply Item, then the Government will advise UNFPA in writing whether it accepts all or only part of such Pro Forma Invoice, provided that such acceptance shall be in accordance with the requirement stated in paragraph 5, sub-paragraph (g), of this Article, above, that UNFPA will not issue any Pro Forma Invoice for Supplies with a total estimated cost of less than US\$5,000. In the event that the acceptance would amount to a total estimated cost of less than US\$5,000 of Supplies, the terms of sub-paragraph (g) of this Article shall apply.

Step 5: UNFPA Delivers Payment Request

7. Within ten (10) working days (in Copenhagen) of receipt by UNFPA of the Government's written acceptance of the Pro Forma Invoice UNFPA will send to the Association/ IBRD on behalf of the Government, with a copy to the Government, a payment request (each a "Payment Request") covering the full amount set out in the Pro Forma Invoice. The template for a Payment Request is set out in Annex V to this Agreement.

8. If, because a Procurement Request relates to more than one Supply Item the corresponding Pro Forma Invoice relates to more than one Supply Item, the Payment Request will cover the amount relating to the Supply Items referred to in such Pro Forma Invoice that the Government wishes UNFPA to procure (including the applicable Handling Fee and Contingency).

Step 6: The Association/ IBRD Disburses Funds to UNFPA

9. UNFPA will maintain a separate ledger account, through which all UNFPA's receipts and disbursements for the purposes of procuring the Supplies and, if relevant, providing the Services, will be channeled (the "DC [name of country] [name of project] Account").

10. In accordance with the instructions in the blanket withdrawal application referred to in Article IV, paragraph 1 above, the Association/ IBRD will pay to UNFPA the full amount set out in each Payment Request, by wire transfer of United States dollars in immediately available funds, within ten (10) working days (in Washington DC) of receiving it and will do so to the UNFPA account designated in the Payment Request.

Step 7: UNFPA Initiates Procurement Action

11. Upon receipt of the full amount set out in a Payment Request, UNFPA will initiate the procurement action necessary to procure the Supplies covered by the Payment Request.

12. The Parties recall that under its financial regulations and rules, UNFPA may only enter into a binding financial obligation if it has the full amount of funds required to satisfy that obligation and that this requirement will be relevant in calculating the amounts set out in each Payment Request. UNFPA will not be required to initiate or continue procurement actions for the Supplies and, as applicable, initiate or continue providing the Services while any amounts specified in the corresponding Payment Request delivered to the Association/ IBRD are unpaid.

ARTICLE V PROCUREMENT AND DELIVERY OF SUPPLIES

Procurement of Supplies

1. The Supplies will be procured, shipped and delivered in accordance with the terms of this Agreement and UNFPA's regulations, rules, procedures, and administrative instructions for procurement and finance (allowing, *inter alia*, that any interest derived by UNFPA from placement of funds, including funds disbursed to UNFPA in accordance with this Agreement, shall be credited to UNFPA's interest income).

2. In order to keep costs within the Total Funding Ceiling, the Government authorises UNFPA to adjust the total quantity of the Supplies in order to offset (a) any increase in the price of the Supplies as set out in the Pro Forma Invoice resulting from price changes by UNFPA's supplier(s) or service provider(s), currency exchange fluctuations or other incidental costs related to the Supplies and any Services financed under this Agreement, and (b) any increase in the amount owed for the delivery of the Supplies. The Parties recognize that cost overruns may nevertheless occur and that this provision shall therefore be without prejudice to the Government's principal obligation to bear the costs of the transaction in accordance with the terms of this Agreement.

Consignee

3. Each Pro Forma Invoice will specify the consignee of the Supplies referred to in that Pro Forma Invoice, following agreement between UNFPA and the Government. UNFPA will not act as consignee of the Supplies. The Government or its nominated representative will be the consignee of the Supplies.

UNFPA to Provide Relevant Shipping Documents and Product Quality Assurance Documents

4. Upon shipment of the Supplies UNFPA will send copies of the relevant shipping documents as well as the required product quality assurance documents specified by the Government in its Procurement Request, to the specified consignee. UNFPA will make reasonable efforts to provide these documents at least seven (7) calendar days prior to the arrival of the Supplies; provided however that in the case of Supplies shipped via air UNFPA will make reasonable efforts to provide these documents reasonably in advance of arrival. The relevant shipping documents will normally include the following:

- a. Copies of UNFPA's suppliers' invoices which include Supplies description, quantity, unit price, and total amount.
- b. Copies of the bill of lading, or copies of railway consignment note, road consignment note, truck or air waybill, or multimodal transport document.
- c. Copies of the packing list identifying contents of each package.

Insurance

5. Supplies will be delivered Carriage and Insurance Paid (CIP) or Carriage Insurance Freight (CIF), per INCOTERMS 2000, to the Port of Entry, unless otherwise agreed in writing. The Government may choose to be responsible for the insurance of the Supplies in transit, in which case the Government shall, prior to the date on which UNFPA enters into a binding contract for the Supplies with the supplier, provide proof satisfactory to UNFPA that the Supplies will be adequately insured while in transit.

Port of Entry; Delivery

6. UNFPA will arrange for the Supplies referred to in each Pro Forma Invoice to be shipped to the Port of Entry specified in that Pro Forma Invoice. The Port of Entry will be determined through consultation between UNFPA and the Government.

7. UNFPA will inform the Government of any potential or actual delivery delay, including its likely duration and its cause(s), as soon as UNFPA obtains information on such delay. UNFPA will make good faith efforts to ensure that any actual delivery delays are minimised.

Special Provisions relating to Delivery of Pharmaceuticals

8. The following additional provisions apply if the Supplies include pharmaceuticals:

- a. Purchase orders for pharmaceuticals procured in accordance with this Agreement shall be procured pursuant to UNFPA's standard contracting practices, which at minimum shall specify that upon dispatch by UNFPA's supplier such supplies shall have a shelf life of not less than the standard established by the World Health Organization ("WHO") or as otherwise set out in the relevant Pro Forma Invoice following agreement between UNFPA and the Government.
- b. Pharmaceuticals will be accompanied by a Certificate of Origin where feasible.

Acceptance document

9. Upon arrival of the Supplies at the Port of Entry, the Government will promptly prepare an acceptance document and will retain it in the Government file relating to this Agreement. A template for this acceptance document is set out in Annex VI to this

Agreement. The Government will make a copy of such document available to UNFPA and the Association/ IBRD upon request.

Customs Clearance

10. The Government will be fully responsible for reception, customs clearance and distribution of all purchases shipped to their final destination unless agreed otherwise in this Agreement.

ARTICLE VI REPORTING; FINANCIAL MATTERS FOLLOWING PROCUREMENT AND DELIVERY

Reporting

1. UNFPA will furnish a financial utilisation report (a “Financial Utilisation Report”) confirmed by the Chief of Accounts Section (or his/her designee) to the Government, with a copy to the Association/ IBRD, for each six months of the term of this Agreement, relating to the periods: (a) 1 January to 30 June, and (b) 1 July to 31 December. Each Financial Utilisation Report will be due within forty-five (45) calendar days of the end of the reporting period to which it relates. Each Financial Utilisation Report will be expressed in U.S. dollars. The exchange rate used for converting expenditures in other currencies will be the UN Operational Rate of Exchange.

2. The template for the Financial Utilisation Report is set out in Annex VII to this Agreement. Each Financial Utilisation Report will set out (a) the total amount of funds received in the DC [name of country] [name of project] Account; (b) expenditures in connection with Supplies (including the Freight and Insurance Cost and associated charges), during the reporting period and, if applicable, expenditures in connection with the Services (including associated fees and other charges); and (c) the balance in the DC [name of country] [name of project] Account at the end of the reporting period.

3. Upon request from the Government following consultations between UNFPA and the Government, UNFPA may furnish to the Government, with a copy to the Association/ IBRD, a supplement to any particular Financial Utilisation Report (a “Supplemental Status Report”), setting out the purchase orders placed by UNFPA during the reporting period in respect of this Agreement, including (a) the respective order numbers; (b) quantity ordered; (c) the selected UNFPA supplier; and (d) the accumulated quantities of the Supplies delivered.

Financial Matters after Procurement and Delivery

4. Final Accounts will be delivered in accordance with the following paragraphs:

a. UNFPA will prepare a statement of account to be forwarded to the Government, covering the total cost under this Agreement, and will include any variation in the cost of the Supplies and Services, including penalties and credits due to decrease in price or quantities or scope of Services. This statement will be provided within three (3) months after the final delivery of

Supplies and completion of the Services if any under this Agreement and the final disbursement/actual charge by UNFPA under this Agreement.

b. The statement of account will be expressed in U.S. dollars. The UN Operational Rate of Exchange will apply to all currency conversions under this Agreement.

c. In the event that the statement of account indicates a balance of funds in favor of the Government, the Government shall consult with the Association/IBRD and provide payment instruction to UNFPA with respect to such balance. Payments will be made within thirty (30) calendar days of UNFPA receiving the relevant payment instructions with necessary bank account details from the Government.

d. In the event that the statement of account indicates a balance remaining in favor of UNFPA and notwithstanding any agreed specific payment arrangement such as payment by a third party, the Government will be responsible for ensuring payment of such amounts within thirty (30) calendar days of receipt of the statement of account.

e. UNFPA shall retain until at least four (4) years after the delivery of particular Supplies or providing of particular Services funded by funds provided in response to any individual Payment Request, all records (contracts, orders, invoices, bills, receipts and other documents) relating to such particular Supplies or Services.

5. In this Article VI, "expenditures" includes both disbursements/actual charges and commitments.

ARTICLE VII SERVICES TO BE PROVIDED BY UNFPA

1. UNFPA will provide the Services referred to in Annex VIII of this Agreement, for the fees and charges set forth in Annex VIII and in accordance with the terms and conditions set out in Annex VIII.

2. In the event that UNFPA is providing Services under this Agreement, the following provisions shall apply:

a. the request for particular Services will be set out in a Procurement Request, which will include a description of the scope of the Services and the completion date;

b. the cost of Services will be reflected in the Pro Forma Invoice provided in response to such Procurement Request and will be calculated based on the nature of Services, the personnel requirements (including staff time and any additional expertise that may need to be secured) for providing the Services;

c. the relevant Payment Request will include amounts in connection with the Services and payment will be made in accordance with Article IV above; and

d. where the Services require that the Government obtains or assists with obtaining permits, licenses and other official approvals or that the Government furnishes powers of attorney or other authorizations to UNFPA, the Government will cooperate in a timely and expeditious manner.

ARTICLE VIII TRANSPARENCY

1. The DC [name of country] [name of project] Account shall be subject exclusively to internal and external audit in accordance with UNFPA's Financial Regulations and Rules. The Parties recall that UNFPA's financial books and records are routinely audited in accordance with the internal and external auditing procedures laid down in UNFPA's financial regulations and rules, and that the external auditors of UNFPA, the United Nations Board of Auditors, are appointed by and report to the United Nations General Assembly, of which the Government is member. Throughout the term of this Agreement UNFPA will provide a copy of the financial report and audited financial statements of UNFPA within ten (10) days of these becoming public documents by reason of being presented to the United Nations General Assembly.

2. (a) In the event that the Government, UNFPA, or the Association/ IBRD becomes aware of information that indicates the need for further scrutiny of the procurement or delivery of the Supplies or providing of the Services (including non-frivolous allegations that reasonably 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.

(b) This information will be brought promptly to the attention of the appropriate official or officials at the Government, UNFPA, and the Association/ IBRD (which in the case of UNFPA is the Director of the Division for Oversight Services).

(c) Following consultation with the Government and the Association/ IBRD, UNFPA will, to the extent the information relates to actions within the authority or accountability of UNFPA, take timely and appropriate action in accordance with its applicable regulations, rules, and administrative instructions, to investigate this information. For greater clarity on this matter the Parties agree and acknowledge that UNFPA 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 Association/ IBRD.

(d) To the extent such investigation confirms that corrupt, fraudulent, collusive or coercive practices have occurred and to the extent that remedial action is within the authority of UNFPA, UNFPA will take timely and appropriate action in response to the findings of such investigation, in accordance with its accountability and oversight framework and established procedures, including its Financial Regulations and Rules, where applicable.

(e) To the extent consistent with UNFPA's accountability and oversight framework and established procedures, it will keep the Government and the Association/ IBRD regularly informed by agreed means of actions taken pursuant to this Article VIII, paragraph 2, 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 Accounts referred to in Article VI, paragraph 4 above, or if such amounts are recovered after the date of the Final Account, the Government will consult with the Association/ IBRD and provide payment instructions to UNFPA with respect to such amounts.

(f) 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.

3. In the event that the Government or the Association/ IBRD reasonably believes that UNFPA has not complied with the requirements of Article VIII, paragraph 2 above, the Government or the Association/ IBRD may request direct consultations at a senior level between the Association/ IBRD, the Government and UNFPA in order to obtain assurances, in a manner consistent with UNFPA's oversight and accountability framework and respecting appropriate confidentiality, that UNFPA's oversight and accountability mechanisms have been or will be fully applied. Such direct consultations may result in an understanding between the Government, the Association/ IBRD, and UNFPA, on any further actions to be taken and the timeframe for such actions. The Parties take note of Article VII of the United Nations Financial Regulations ("External Audit"), incorporated into the Financial Regulations and Rules of UNFPA pursuant to Article XVII thereof.

4. The Government confirms that no official of UNFPA has received or will be offered by the Government any benefit arising from this Agreement. UNFPA 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.

5. The Parties agree and acknowledge that nothing in this Article VIII shall be deemed to waive or otherwise limit any right or authority of the Association/ IBRD or any other entity of the World Bank Group as set out in Section 1.14 of the Procurement Guidelines and Section 1.22 of the Guidelines for the Selection and Employment of

Consultants, and incorporated by reference into the Development Credit Agreement, 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 Article VIII paragraph 5, “third party” does not include UNFPA. To the extent consistent with UNFPA’s oversight framework and established procedures, and if requested by the Association, UNFPA shall cooperate with the Association/ IBRD or such other entity in the conduct of such investigations.

6. (a) UNFPA will require any party to which it intends to issue a purchase order in connection with this Agreement, including in the case of a purchase order issued under an existing long term agreement, to disclose to UNFPA whether it is subject to any sanction or temporary suspension imposed by any organisation within the World Bank Group. UNFPA will give due regard to such sanctions and temporary suspensions, as so disclosed when issuing contracts in connection with the procurement or delivery of Supplies or the delivery of Services if any under this Agreement.

(b) If UNFPA proposes to issue a contract in connection with the procurement or delivery of Supplies or the delivery of Services if any under this Agreement with a party which has disclosed to UNFPA that it is under sanction or temporary suspension by the World Bank Group, the following procedure will apply: (i) UNFPA will so inform the Government, with a copy to Association/ IBRD, before signing such contract; (ii) the Government and the Association/ IBRD then may request direct consultations at a senior level between the Association/ IBRD, the Government and UNFPA to discuss UNFPA’s decision; and (iii) the Association/ IBRD may thereafter inform UNFPA by notice, with a copy to the Government, that funds disbursed to it under Article IV, paragraph 10 of this Agreement may not be used to fund such contract.

(c) Any funds received by UNFPA from the Association/ IBRD under Article IV, paragraph 10 of this Agreement that were to be used to fund a contract in respect of which the Association/ IBRD has exercised its rights under Article VIII, paragraph 6(b)(iii) above, shall be used to defray the amounts requested by UNFPA in any subsequent Payment Request, if any, or will be treated as a balance in favour of the Government in the calculation of the Final Accounts and treated in accordance with Article VI, paragraph 4(c) of this Agreement.

ARTICLE IX WARRANTIES; LIABILITY AND CLAIMS

Warranties

1. UNFPA will pass on any warranty offered by the manufacturer or supplier used by UNFPA (or any other relevant service provider used by UNFPA in connection with this Agreement) to the Government. UNFPA will not accept the return of any purchases procured on behalf of the Government.

2. UNFPA will procure the Supplies under terms which will include all warranties that are appropriate in the circumstances and that expressly enable the Government to

benefit directly from such warranties. UNFPA will inform the Government of the relevant terms and conditions of such warranties and require its suppliers to provide copies of the relevant warranties as part of the shipment documentation accompanying the Supplies.

Liability and Claims

3. Claims against UNFPA arising out of or related to the procurement of the Supplies shall be dealt with in accordance with the provisions of the Basic Agreement; provided however that claims related to commercial contracts asserted by parties with which UNFPA has a signed contract will be handled in accordance with the terms of such contract.

4. UNFPA does not assume liability with regard to any claims arising out of or relating to or connected with this Agreement, including but not limited to those arising out of or relating to any defect in the quality or quantity of Supplies, the delivery of the Supplies, the use of the Supplies, the providing of the Services, or otherwise, unless caused by UNFPA's failure to execute the procurement or provide the Services if any with reasonable diligence. UNFPA will under no circumstances be liable for any incidental, indirect or consequential damages or for lost revenues or profits arising as a result of UNFPA's procuring the Supplies, providing the Services, or performance of its obligations or exercise of its rights under this Agreement. UNFPA's total liability in any event will not exceed the value of the procurement of Supplies and Services with respect to which a claim is made.

5. UNFPA accepts no liability for any third party claims arising out of or related to this Agreement, including but not limited to those arising out of or relating to any defect in the quality or quantity of Supplies, the delivery of the Supplies, the use of the Supplies, the providing of the Services, or otherwise, unless caused by UNFPA's failure to execute the procurement or provide the Services. The Government indemnifies and will deal with, defend and hold UNFPA harmless in connection with any third party claim or other cause of action arising out of or relating to this Agreement. In case of dispute on the technical conformity or quality of WHO-approved pharmaceuticals, the Parties accept final assessment by WHO.

6. The Government will be responsible for asserting all claims available to it either (a) automatically, pursuant to purchase contracts entered into by UNFPA; or (b) as a result of the terms under which UNFPA has procured the Supplies. UNFPA will provide all reasonable assistance to the Government in connection with such claims; provided however that UNFPA and the Government shall first reach agreement as to any costs to be incurred in that respect (including but not limited to counsel's fees or court costs).

7. Any compensation received by UNFPA from manufacturers, suppliers or shippers arising out of or related to contractual or other liability of such manufacturers, suppliers or shippers in connection with the procurement and delivery of the Supplies shall be for the Government's account and shall be dealt with by UNFPA in accordance with the Government's instructions.

Force Majeure

8. 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 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; ionising radiation or contaminations by radio-activity; other acts of a similar nature or force.

ARTICLE X
INTERPRETATION; PRIVILEGES AND IMMUNITIES;
SETTLEMENT OF DISPUTES BETWEEN THE PARTIES

1. This Agreement shall be interpreted in a manner that ensures it is consistent with the Convention on the Privileges and Immunities of the United Nations, 1946 (the “General Convention”), and the Basic Agreement.

2. 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 UNFPA, under the General Convention, the Basic Agreement, or otherwise.

3. Any dispute, controversy or claim between the Parties arising out of or relating to this Agreement, including third party claims but excluding claims by the Government against a UNFPA supplier pursuant to suppliers’ warranties, shall be dealt with in accordance with the Basic Agreement.

ARTICLE XI
TERM AND TERMINATION

1. This Agreement will become effective on the date it is signed by both Parties, and will remain effective until [] unless otherwise extended by written agreement between the Parties or terminated sooner in accordance with this Agreement. This Agreement may be terminated by either Party upon sixty (60) days’ written notice to the other.

2. Upon receipt by one Party of the other Party’s written notice of termination of this Agreement, the Parties will take all reasonable and necessary measures to conclude the implementation of this Agreement and wind up their activities (including through the preparation of Final Accounts) in an orderly manner and so as not to disrupt implementation of the Project. Without limiting the generality of the foregoing,

a. UNFPA shall return to the Government unanswered all Procurement Requests which have been received but not responded to;

b. UNFPA shall not be required to initiate a Payment Request in relation to any Pro Forma Invoice which has been accepted but for which a Payment Request has not been issued;

c. UNFPA shall not be required to issue purchase orders or otherwise enter into binding purchase agreements in connection with any Pro Forma Invoice for which a Payment Request has been delivered and in relation to which payment has been received by UNFPA; and

d. UNFPA shall prepare Final Accounts in accordance with Article VI, paragraph 4 of this Agreement as promptly as possible (taking into account, among other things, the timing of invoices relating to freight and insurance charges).

3. The provisions of this Agreement will survive expiration or termination to the extent necessary to permit an orderly settlement of accounts between the Parties.

Article XII

AMENDMENTS AND MODIFICATIONS; NOTICES; CONFIDENTIALITY AND PUBLIC RELATIONS

Amendments and Modifications

1. This Agreement may be altered, modified or amended only by written instrument duly executed by both Parties.

2. Amendments to, or cancellation of, or reduction in quantities of Supplies or changes to scope of Services if any, in connection with binding agreements already entered into by UNFPA at the time such amendment, cancellation, reduction or change is proposed, may only be undertaken with the consent of UNFPA. The Government will be responsible for payment in advance of any resulting costs (including but not limited to any penalties imposed by UNFPA suppliers or service providers).

Notices

3. Any notice or request required or permitted to be given under this Agreement shall be given in writing and delivered by email or by facsimile transmission. The following addresses are specified for purposes of this Agreement:

[].

A notice will be deemed “received” twenty-four (24) hours after it is given.

Public Relations and Confidentiality

4. The Parties shall coordinate public relations measures, if any, in regard to their cooperation.

5. The Parties shall keep confidential any documents, data or other information furnished to each other. The Parties may, however, disclose such information to their subcontractors or partners, as may reasonably be required to execute this Agreement, and provided that the subcontractors or partners shall be bound by similar confidentiality requirements.

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

The Government of [] By: _____ Name: [] Title: [] Date : []	UNFPA, the United Nations Population Fund By: _____ Name: [] Title: _____ Date : []
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ANNEX I

THE SUPPLIES

- Description of the Supplies, including technical information, including relevant warranties from the list set forth in the UNFPA catalogue as updated from time to time.
- Estimated quantities of Supplies, likely total cost of procuring the entire quantity of Supplies.
- Required product quality assurance documents (such as Certificate of Analysis), special packaging or artwork requirements, etc.
- Preliminary destination port.
- Estimated Freight and Insurance Costs.
- Estimated Handling Fee.
- Estimated Contingency.
- Preliminary Delivery Schedule.

ANNEX II

SCHEDULE OF UNFPA STANDARD HANDLING FEES FOR PROCUREMENT OF SUPPLIES

UNFPA's standard Handling Fee is 5% applied to the total cost of the Supplies plus the Freight and Insurance Cost, and any Services.

ANNEX III
ELEMENTS TO BE INCLUDED IN PROCUREMENT REQUESTS

The following elements should be included in a Procurement Request:

I. Supplies:

- Description of the requested Supply Item, including technical information, such as minimum shelf life and relevant warranties, required product quality assurance documents (such as Certificate of Analysis), special packaging or artwork requirements, etc.
- Estimated Supply Item quantity and unit of measure
- Requested Delivery Schedule, the preferred mode of transport, Port of Entry, Consignee name and contact details and other related delivery information

II. Services:

- Description of Services
- Requested Commencement date and Completion date

ANNEX IV
ELEMENTS TO BE INCLUDED IN PRO FORMA INVOICES

The following elements will be included in a Pro Forma Invoice:

I. Supplies:

Description of each Supply Item, including technical information and including relevant warranties.

- a. Estimated Supply Item quantity, unit of measure, unit cost, sub-total cost.
- b. Delivery Schedule, terms of Delivery (CIP or CIF), mode of transport, Port of Entry, Consignee and other related delivery information.
- c. Validity period of the Pro Forma Invoice for each Supply Item.

II. Services:

- a. Description of Services.
- b. Estimated cost.
- c. Commencement date.
- d. Completion date.
- e. Validity period of the Pro Forma Invoice for the Services.

III. Elements Common to Supplies and Services

- a. Pro Forma Invoice Number.
- b. Contingency.
- c. [Freight and Insurance Cost].
- d. Handling Fee.
- e. Total Pro Forma Invoice.

ANNEX V
TEMPLATE FOR PAYMENT REQUEST

Name of Project: [xxx]
Credit/Loan: [# #]

	Amount to be paid, in US dollars, expressed in figures
1. Total amount of funds received from the Government of [name of country]	
2. Total amount committed by UNFPA for Supplies provided to the Government of [name of country] 2.a. Purchase of Supplies 2.b. Freight and Insurance Cost 2.c. UNFPA standard Handling Fee 2.d. Any other agreed-upon charges (e.g. Services) 2.e. Total	
3. Balance available in the account	
4. A. Estimated amount to be expended by UNFPA for Supplies to be provided to the Government of [name of country] 4.a. Purchase of Supplies 4.b. Freight and Insurance Cost 4.c. UNFPA standard Handling Fee 4.d. Any other agreed-upon charges (e.g. Services) B. Contingency C. Total	
5. Present requirement of funds from the Government of [name of country] PLEASE PAY	

Signature: _____
 Name: _____
 Title: _____
 Date: _____

By bank wire transfer:	
UNFPA Reference: CE (please indicate Pro Forma Invoice number)	
ACCOUNT NAME :	UNFPA COPENHAGEN OPERATING ACCOUNT
CURRENCY	USD
BANK NAME	JP MORGAN CHASE BANK N.A.
BANK ADDRESS	INTERNATIONAL AGENCIES BANKING 1166 AVENUE OF THE AMERICAS 17 TH FLOOR NEW YORK NY 10036-2708
ACCOUNT NUMBER	323373925
SWIFT ADDRES	CHASUS33
ABA ROUTING	021000021

ANNEX VI
TEMPLATE FOR ACCEPTANCE DOCUMENT

Date: []
Attention: UNFPA
Cc: International Development Association

This Notice confirms receipt of the following Supplies:

Airway Bill No.
Purchase Order Number: []
Date the order arrived at the delivery destination (DD/MM/YY):.....
Shipment quality (check one):
 Goods fully received in good order
 Goods missing
 Goods damaged

Comments (optional)
.....

Name

Title

Location (City, Country)

**ANNEX VII
TEMPLATE FOR FINANCIAL UTILISATION REPORTS**

(UNFPA letterhead)

World Bank Template	
References	:
Customer No.	:
Date	:

WBS References:

Funds Received/ Transferred	Amount in USD
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Total Funds Received/ Transferred

Disbursements

Material	Description	Quantity	Amount in USD
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Total Disbursed Supplies and Services

Freight and Insurance

Handling Fee

Total Disbursements/charges

Unexpended/cash balance in your favour

Commitments

Material	Description	Quantity	Amount in USD
Total (Estimated) Committed Supplies and Services			
Committed (Estimated) Freight and Insurance			
Total (Estimated) Commitments*			

Balance

* Commitments represent estimated amounts which are subject to change as additional Purchase Orders are placed. Final actual expenditures may also vary due to foreign exchange rate fluctuations.

Prepared by:

Certified by:

Chief of Accounts Section

ANNEX VIII

THE SERVICES

- Description of the Services, including Terms of Reference.
- Estimated date of commencement, if known.
- Estimated cost of the Services [(including all relevant fees and other charges)][plus Handling Fee and Contingency].
- Estimated date of completion.

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