

Jan: 426/2022

Specific Agreement**between****The Norwegian Ministry of Foreign Affairs****and****The Food and Agriculture Organization of the United Nations****regarding financial assistance to****Scaling-up Food security, Nutrition and Sustainable livelihoods in Borno,
Adamawa, Yobe and Taraba States in
Nigeria****(UN ref. no: OSRO/NIR/206/NOR,
MFA ref. no NGA 2060 20/0002)**

WHEREAS the Food and Agriculture Organization of the United Nations (FAO) and the Norwegian Ministry of Foreign Affairs (MFA) have agreed to cooperate in the implementation of the "Scaling-up food security, nutrition and sustainable livelihoods in Borno, Adamawa, Yobe and Taraba States" in Nigeria (the Project),

WHEREAS FAO and the Government of Norway concluded a Framework Agreement 07 July 2016 (the Framework Agreement) setting out the general arrangements for receipt and use of resources from Norway,

WHEREAS MFA has agreed to contribute funds to FAO for the implementation of the Project,

WHEREAS FAO is prepared to receive and administer the contribution for the implementation of the Project,

WHEREAS the Government of Nigeria has been duly informed of the contribution of MFA to the Project,

NOW THEREFORE FAO and MFA hereby agree as follows:

Article I Scope and objective

This Agreement together with the Framework Agreement (Annex I) set forth the terms and procedures for MFA's contribution to the Project which is summarized in Annex II to this Agreement and more fully described in the Project Document "Scaling-up Food security, Nutrition and sustainable livelihoods in Borno, Adamawa, Yobe and Taraba States" dated 8 November 2022.

The Parties expect the Project to be implemented between 1 January 2023 and 31 December 2025.

The expected results of the Project are as follows:

The planned effect on society is to enhance food and nutrition security on a sustainable basis. (Impact).

The planned effects for the target group of the Project are:

- Promote Climate Resilient Diversified Agriculture for Sustainable Household Food and Nutrition Security
 - Enhance agricultural value chains and stimulate local markets
 - Enhance sustainable natural resource management and utilization
 - Strengthening data analysis for advocacy and evidence-based decision making
- (Outcomes).

The main planned outputs of the Project are:

- Capacities of conflict-affected communities for improved food and nutrition security strengthened.
 - Livestock dependent livelihoods strengthened.
 - Support improved access to market based agro enterprise assets and services.
 - Improved access and utilization of climate smart technologies and cooking energy solutions.
 - Increased availability and access to timely food security information for decision making and advocacy.
- (Outputs).

The full results framework is as set out in Annex II.

Any significant deviations from or changes to the approved work plans or budgets are subject to written agreement between the Parties.

Article II The Contribution

1. MFA shall, subject to Parliamentary appropriation and on the terms and conditions set forth in this Agreement, and Article II of the Framework Agreement contribute to FAO an amount not exceeding NOK 63 million (the Contribution). The Contribution shall be used exclusively to finance the Project and cover the costs referred to in Article V, Paragraph 1 covering the planned period from January 2023 to December 2025 (Support period). The Contribution shall be deposited in

Bank Name:	Citibank N.A., London Branch
Account Name:	FOOD & AGR ORG OF THE UNITED NATIONS
Account No.	12448165
Swift code:	CITIGB2L
IBAN:	GB41CITI18500812448165
Reference:	OSRO/NIR/xxx/NOR

In accordance with the tentative schedule of payments set out below:

<i>Tentative schedule of payments</i>	<i>Amount</i>
1) 05 December 2022	NOK 21 million
2) 15 November 2023	NOK 21 million
3) 15 November 2024	NOK 21 million

- The second disbursement is subject to receipt of updated Context/Security Analysis, fully developed Monitoring, Evaluation & Learning Strategy, a coherent Theory of Change linking programme components through a detailed middle-level analysis and an updated Results Framework.
- The third disbursement is subject to receipt of updated Context/security Analysis.

2. MFA shall inform FAO via e-mail with remittance information when a disbursement is made to the following agreed upon e-mail address fao-ng@fao.org and CSFE-Correspondence@fao.org

Article III Utilization of the Contribution

1. The implementation of the responsibilities of FAO pursuant to this Agreement and the Project Document shall be dependent on receipt by FAO of the Contribution in accordance with the schedule of payment as set out in Article II, Paragraph 1, as amended.

2. If the payments referred to in Article II, Paragraph 1 are not received in accordance with the payment schedule the assistance to be provided to the Project under this Agreement may be reduced, suspended or terminated by FAO.

Article IV Administration and reporting

1. For the implementation of this Agreement MFA shall be represented by the Royal Norwegian Embassy in Abuja and FAO by the FAO Representative in Nigeria. All communication concerning the Project shall be between the above-mentioned representatives.

2. Representatives of MFA, representatives from Nigeria and other donors involved in the financing of the Project and FAO shall have consultations once a year (Annual Consultations) tentatively in the second quarter in order to:

- a) review the progress of the Project
- b) discuss possible revisions of plans and budgets
- c) discuss issues of special concern for the implementation of the Project.

3. The documents specified in the Framework Agreement Articles V, VI and VII shall form the basis for the Annual Consultations.

4. If matters arise during the execution of the Project, which are considered by FAO of substantive character, FAO shall inform and consult with MFA.

5. MFA may request, as is reasonable, FAO to provide, subject to its rules and regulations, reports in addition to those provided for in this Article and in the Framework Agreement Articles V, VI and VII. Any additional costs associated with such additional reporting shall be borne by MFA unless otherwise agreed.

Article V Management and support services

1. According to the decision of CL 151/REP from the Council of FAO the indirect cost recovery rate for this Grant is seven percent (7%), with reference to the Framework Agreement Article II, Clause 2. These costs are included in the Grant.

2. All direct costs, including the costs of executing entity or implementing partner, will be identified in the Project budget against a relevant budget line for the Project.

3. The total budget for the Project, including other funds or sources of financing which may be available to the Project, shall not exceed the total resources available to the Project.

Article VI Completion, termination and amendments

1. FAO shall notify MFA when all activities relating to the Project have been completed.

2. After consultations have taken place between MFA, FAO and the Government of Nigeria, and provided that the payments already received are, together with other funds available to the Project, sufficient to meet all commitments and liabilities incurred up to the date of termination in the implementation of the Project, this Agreement may be terminated by FAO or by MFA. The Agreement

shall cease to be in force 30 (thirty) days after either of the Parties have given notice in writing to the other Party of its decision to terminate the Agreement.

3. Notwithstanding termination of this Agreement, FAO shall continue to hold unutilized funds until all commitments and liabilities incurred in implementation of the Project up to the date of termination have been met and the Project activities brought to an orderly conclusion.

4. Any unspent funds that according to the Framework Agreement shall be repaid to MFA, shall be marked: "Unused funds from: NGA 2060 20/0002, "Scaling-up improved food security, nutrition, and sustainable livelihoods in Borno, Adamawa, Yobe and Taraba States" and repaid to the following bank account:

Name of the account:	The Royal Norwegian Embassy Abuja
Account no.:	7694.05.13673
IBAN no.:	NO1976940513673
Swift/BIC code:	DNBANOKK

5. FAO shall inform MFA when a repayment is made via e-mail message with remittance information to emb.abuja@mfa.no stating the MFA agreement number.

6. The Agreement may be amended through an exchange of letters between MFA and FAO. The letters exchanged to this effect shall become an integral part of the Agreement.

7. Nothing in this Agreement or in any document or activity related thereto shall be construed as a waiver of the privileges and immunities accorded to any party hereto by its constituent documents or international law.

Article VII Entry into force

8. This Agreement shall enter into force upon its signature by both Parties and shall remain in force until all obligations arising from it have been fulfilled and all commitments and liabilities incurred in the implementation of the Project have been met. Whether these obligations shall be regarded as fulfilled shall be determined in consultations between the Parties.

IN WITNESS WHEREOF the undersigned, acting on behalf of their respective institution, have signed the present Agreement in the English language in two copies.

Abuja, 21 November 2022

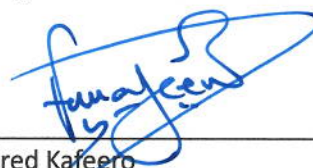
Abuja, 21 November 2022

For the Norwegian Ministry of Foreign Affairs

For the Food and Agriculture
Organization of the United Nations



Knut Eiliv Lein
Ambassador of Norway to Nigeria



Fred Kafeero
FAO Representative in Nigeria

Attachments:

Annex I: Framework Agreement of 2016 between Norway and FAO

Annex II: Project Description

منظمة
الاغذية والزراعة
للأمم المتحدة

联合国
粮食及
农业组织

Food and Agriculture
Organization of the
United Nations



Organisation des
Nations Unies pour
l'alimentation et
l'agriculture

Продовольственная и
сельскохозяйственная
организация
Объединенных Наций

Organización de las
Naciones Unidas para la
Alimentación y la
Agricultura

Viale delle Terme di Caracalla, 00153 Rome, Italy

Fax: +39 0657053132

Tel: +39 0657051

www.fao.org

Our Ref: CSFE 1101/22
OSRO/NIR/206/NOR

Your Ref: NGA 2060 20/0002

Dear Mr Eiliv,

OSRO/NIR/206/NOR: Improved Food security, Nutrition and sustainable livelihoods in Borno, Adamawa, Yobe and Taraba States

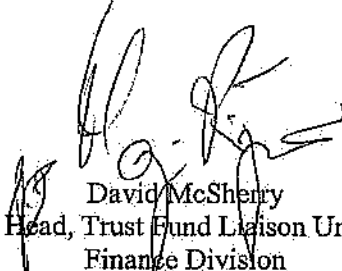
With reference to the above subject and, in accordance to the recent Agreement, we should be grateful if you would arrange for the first disbursement of NOK 21 000 000 to the following bank account:

CITIBANK N.A., London, UK
33 CANADA SQUARE, CANARY WHARF, LONDON, E14 5LB, UK
Swift/BIC: CITIGB2L
Branch: 600 - CITIBANK NA London
Account name: Food and Agriculture Org of the UN
Account Number: 12448165
IBAN: GB41CITI18500812448165

clearly citing project OSRO/NIR/206/NOR in your transfer instructions.

Thank you for your continued co-operation.

Yours sincerely,



David McSherry
Head, Trust Fund Liaison Unit
Finance Division

Mr Knut Eiliv
Ambassador
Royal Norwegian Embassy in Abuja
PMB 5136
Wuse
Abuja
Nigeria
knut.eiliv.lein@mfa.no

cc: Mr Eivind Fjeldstad,
Embassy Counsellor
Royal Norwegian Embassy in Abuja
eivind.fjeldstad@mfa.no

**FRAMEWORK AGREEMENT IN THE
FIELD OF DEVELOPMENT
COOPERATION**

BETWEEN

**THE FOOD AND AGRICULTURE
ORGANIZATION OF THE
UNITED NATIONS**

AND

THE GOVERNMENT OF NORWAY

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The Government of Norway (hereinafter referred to as "Norway") and the Food and Agriculture Organization of the United Nations (hereinafter referred to as "FAO" and together with Norway hereinafter referred to as the "Parties"), desiring to further strengthen their cooperation for the purpose of implementing activities which are consistent with and supportive of FAO's constitution and Strategic Framework, including FAO's results framework, hereby agree as follows:

ARTICLE I Scope and Objectives

1. This Framework Agreement in the Field of Development Cooperation (hereinafter referred to as this "Framework Agreement") covers contributions, as described in Article II, from the Norwegian Ministry of Foreign Affairs (hereinafter referred to as the "Ministry"), from the Norwegian Agency for Development Cooperation (Norad) and other Ministries and their subordinate agencies if deemed relevant to FAO, setting forth the general terms and conditions for such support. Assessed contributions to FAO do not fall within the scope of this Framework Agreement.
2. Programme activities under this Framework Agreement shall be selected, designed and implemented consistent with the Strategic Framework approved by FAO Governing Bodies as well as the relevant policies, procedures and guidelines. Thematic support (Type A, below) and other multi-donor support (Type B, below) shall constitute preferred modalities for support by Norway to FAO.
3. Programme activities to be implemented in accordance with the terms of this Framework Agreement through voluntary contributions, in accordance with the directives outlined by FAO Governing Bodies, shall be:
 - A: Thematic support at global, regional or country level ("Type A: support"),
 - B: Earmarked contributions to programmes/projects funded by Norway together with other donors, *e.g.* through pooled funding ("Type B: support"),
 - C: Earmarked contributions to programmes/projects funded by Norway as a single donor ("Type C: support").
4. For each contribution, the Parties will conclude a separate, supplementary agreement as follows:
 - (a) for "Type A: support": thematic support at the global level, the Parties will in each case conclude a Programme Cooperation Agreement ("PCA");



(b) for "Type A support": thematic support at the regional and country level, "Type B: support", and "Type C: support", the Parties will in each case conclude a specific contribution agreement (hereinafter referred to as "specific agreement") in such form and format as from time to time agreed between the Parties, setting forth the specific terms and conditions that shall apply to the contribution.

(c) A PCA may also include global "Type B" and "Type C" support.

5. The Parties shall strive to ensure that there are no discrepancies between this Framework Agreement and the PCA or the specific agreement. In exceptional cases the Parties may agree to deviate from specific clauses in the Framework Agreement. If such deviations occur, then the terms of the PCA or the specific agreement shall prevail. Should the Parties agree that such deviation was unintentional; the Parties shall consult in good faith to resolve the discrepancy in a mutually satisfactory fashion and, if necessary, make any required amendment to the PCA/specific agreement.
6. The overall objective of this Framework Agreement is to support the realization of international development goals in developing countries through the work of FAO and based on the guidance provided in the Quadrennial Comprehensive Policy Review ("QCPR"). A specific results framework will be included in each PCA or specific agreement.
7. FAO shall receive and administer support under this Framework Agreement in accordance with FAO's Financial Regulations and Financial Rules, applicable resolutions of the General Assembly and decisions of FAO Governing Bodies.

ARTICLE II

Contribution

1. Norway shall, subject to Parliamentary appropriations, and on the terms and procedures set out or referred to herein and in the relevant PCA or specific agreement, make available financial contributions to be used exclusively to finance the activities described in or referred to in the relevant PCA or specific agreement.

Based on proposals from FAO, Norway shall, in the PCA also include the distribution among result areas in the Strategic Framework.

2. Contributions will cover the direct as well as indirect costs (including direct and indirect support costs) of the programme/project activities concerned. "Direct costs" means all costs that are incurred for, and which can be traced in full to, the programme/project, including the cost of staff, other personnel, contractors,



implementing partners, as such term is defined in FAO's Financial Regulations and Financial Rules, supplies and equipment, premises, travel and any other input to implement the programme/project. "Indirect costs" means the costs incurred by FAO as a function of and in support of the programme/project, which cannot be traced unequivocally to the programme/project. The indirect cost recovery rate will be the rate authorized by FAO Governing Bodies and will be reflected in the PCA or specific agreement as well as in the financial reports.

3. Disbursement of the contributions will be undertaken upon written requests from FAO. Disbursements shall take place annually or more frequently, in line with the indicative disbursement plan agreed in the PCA or specific agreement. Disbursements shall take into account that payment shall be made in advance of the implementation of planned activities and be based on documented financial need.

Disbursements shall further be made in accordance with the following terms:

- A: for "Type A: Support", contributions shall, unless otherwise agreed, be disbursed to FAO's general account upon receipt and assessment of relevant reports as referred to in Articles V, Clause 4 and VI, Clause 1, a).
 - B: for "Type B: Support", contributions shall be disbursed to an account specified in the specific agreement upon request from FAO and receipt and assessment of relevant reports by Norway, as referred to in Articles V, Clause 5 and VI, Clause 1, a).
 - C: for "Type C: Support", contributions shall be disbursed to an account specified in the specific agreement upon request from FAO and receipt and assessment of relevant reports by Norway, as referred to in Article V, Clause 6, and VI, Clause 1, a).
4. Norwegian contributions shall be made and transferred in Norwegian Kroner (NOK). Norway shall inform FAO of any disbursement without delay, in such manner as stipulated in the PCA or specific agreement. FAO shall acknowledge in writing receipt of contributions in Norwegian Kroner as well as the equivalent amount in US dollars at the United Nation operational rate of exchange applicable on the date of each transaction.
 5. FAO shall administer and account for the funds in accordance with its Financial Regulations and Financial Rules. All financial commitments and expenditure incurred by FAO with respect to activities financed under this Framework Agreement shall be expressed in US dollars at the United Nation operational rate of exchange applicable on the date of each transaction.

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6. The Parties agree that interest resulting from any contribution hereunder shall be retained by FAO and allocated as agreed between the parties.
7. Any unspent balance of the total contribution under any PCA or specific agreement that remains after the financial closing of the relevant programme/project will be returned to Norway, net of all fees and charges and foreign exchange losses.

ARTICLE III

Programming of Funds

1. Contributions to activities under Article I, Clause 3, A shall be allocated on the basis of FAO's Strategic Framework, country-specific or programme specific results framework, as applicable.
2. Contributions to activities under Article I, Clause 3, B or C shall be allocated on the basis of programme/project documentation submitted by FAO.
3. The programme/project documentation shall contain a results framework and an accompanying description of risk management. FAO shall prepare results-based work plans and results and cost-based budgets. The work plans and budgets shall be subject to consultations with Norway as specified in the PCA or specific agreement. For global Type A support the work plan shall consist of FAO's result framework.
4. Activities at country level shall, unless otherwise agreed, be in line with national priorities and plans as reflected in the United Nations Development Assistance Framework or other relevant framework. The Parties agree that the programme/project country government should, whenever relevant, include any transfer of cash by FAO to the government, which is financed from contributions made hereunder, in its national budget.
5. To maximize the development effectiveness of activities to be financed under the Framework Agreement, FAO shall participate in joint analysis and reviews undertaken by the UN Country Team, and pursue collaboration and partnerships with relevant development partners, regardless of the source of funding.

ARTICLE IV

Monitoring, Review and Evaluation

1. Norway and FAO shall promptly inform each other about any condition/event/situation which interferes or threatens to interfere with the successful implementation of any activity financed in full or in part by Norway.

A handwritten signature in black ink, appearing to be 'JG' with a flourish above it, located on the right side of the page.

2. FAO shall be responsible for the monitoring and regular review of activities carried out under this Framework Agreement. For activities under Article I, Clause 3, B and C above, the cost of monitoring and review shall constitute a direct cost to the programme/project and will, therefore, be paid from the relevant contribution.
3. The evaluation of programmes/projects hereunder shall be subject to the provisions of the Charter for the FAO Office of Evaluation (OED), and the FAO Procedures for Financing the Evaluation of Initiatives Funded by Voluntary Contributions, which provide the necessary guidelines referred to in the Charter and as from time to time approved or amended by FAO Governing Bodies. The costs of any programme-/project-level evaluations will be included in the programme/project budget and will constitute a direct cost to the programme/project. For reviews or evaluations of programmes/projects under Type B or C support, the evaluation budget will be allocated in the PCA or the specific agreement, and in consultation with OED, to ensure that sufficient resources are available for a quality review or evaluation to be produced for Norway.
4. Unless otherwise decided by FAO Governing Bodies, final evaluation reports and management responses, as applicable, are publicly disclosed by FAO at <http://www.fao.org/evaluation/oed-documents-and-reports/en/> or at such other URL as FAO from time to time may decide.
5. FAO shall each year, in connection with the annual consultations referred to in Article XIII below, inform Norway about the schedule for reviews and evaluations planned for the following twelve (12) months. For the separate review or evaluation of a programme/projects under Type B or C support, the timing of the exercise will be decided in the PCA or the specific agreement, and in consultation with OED. Should the OED schedule for evaluations need to change, and in view of the benefit of aligning the Norway programme/project evaluation with a larger country or thematic evaluation that OED is to conduct, OED may suggest a different timing for the programme/project evaluation. Norway may still request a review or evaluation of a programme/project when it is needed, based on its reporting requirements.
6. Terms of reference for reviews of Types B and C activities shall be forwarded to Norway at least four weeks in advance for comments. Norway may be invited to participate in the review activities.
7. FAO shall forward without undue delay to Norway any review and/or evaluation report pertaining to activities funded under the Framework Agreement, or inform Norway that such report is available at FAO's website, as referred to in Clause 4 above.



8. The foregoing provisions regarding evaluation of programmes/projects shall not preclude that Norway may, separately or jointly with other partners, take the initiative to evaluate or review its cooperation with FAO under this Framework Agreement, with a view to determining whether results are being or have been achieved and whether contributions have been used for their intended purposes. It is understood that evaluations by Norway of its cooperation with FAO as referred to in the preceding sentence are distinct and separate from evaluations of the programmes/projects as referred to in Clauses 3 and 4 of this Article IV, which are subject exclusively to the authority of the FAO Office of Evaluation. FAO shall be informed about such initiatives and may be invited to join. FAO shall upon request assist in providing relevant information within the limits of its regulations, rules, policies and procedures. All major costs shall be borne by Norway, unless otherwise agreed. It is understood by the Parties that such evaluation or review will not constitute a financial, compliance or other audit of the programme/project.

ARTICLE V

Progress Reporting on Results and Finances

1. FAO shall prepare progress reporting on results and finances. In cases of Type A and B support, such reporting shall cover the entire programme/project, not only the Norwegian contribution, and shall display status compared to the previous period.
2. Progress reporting on results shall:
 - compare actual outputs with planned outputs and analyse how these outputs contribute to expected outcomes of the programme/project activities,
 - include information on how financial resources have been distributed among the outcomes and outputs achieved, based on the format of FAO's organization-wide, country specific or programme/project specific results framework, as applicable,
 - explain major deviations from plans and problems encountered, including a brief account of materialised internal and external risk factors to the programme/project and how these have been handled, and
 - include other information, as relevant, related to the successful implementation of the activities.
3. Progress reporting on finances shall include:
 - For Type A: support; an overview of the amount received in thematic funding per donor as well as the total amount of cost recovery (direct and indirect support costs).
 - For Type B: support; Information on income from all donors and actual expenditure, including the total amount of cost recovery (direct and indirect



support costs) for the previous calendar year comparable to the approved cost-based budget for such previous period.

- For Type C: support; Information on the amounts received from the contribution and actual expenditure including the total amount of cost recovery (direct and indirect support costs) for the previous calendar year compared to the approved cost-based budget for such previous period.
- 4. For activities under Article I, Clause 3, A above, FAO shall provide the above specified information in annual thematic reports at the appropriate level.
- 5. For multi-donor activities under Article I, Clause 3, B above, FAO shall provide the above specified information in common annual reports.
- 6. For single-donor activities under Article I, Clause 3, C above, FAO shall provide the above specified information in an annual report one month before the annual consultation, or if such a meeting is not held, by 30 of June each calendar year.
- 7. For activities under Article I, Clause 3, B and C above, FAO shall prepare a final report no later than six (6) months after programme/project completion or termination of the specific agreement. The final report shall give a summary of actual outputs compared to planned outputs for the entire period and analyse how these outputs contribute to the outcomes and impact of the programme/project and reporting on finances as referred to in Clause 3 above.
- 8. Norway understands that any financial reporting hereunder is not derived from the audited financial reports of FAO and is not certified, in contrast to reporting delivered in accordance with Article VI.
- 9. Norway may reasonably request additional information at any time. Such information shall be provided in a timely manner, and to the extent possible within 30 days of the request.

ARTICLE VI **Certified Financial Reports**

- 1. For all Norwegian contributions under this Framework Agreement, FAO will submit the following to Norway:
 - (a) One annual financial report with regard to the Contribution certified by an authorized official of FAO (Finance Division, FAO) as of 31 December of the year in question, to be submitted no later than 30 June of the following year;



(b) For Type B and C support, one final financial report certified by an authorized official of FAO (Finance Division, FAO) to be submitted no later than 30 June following the year in which the programme/project was financially completed.

2. All financial reports referred to under this Article will be expressed in US Dollars. In the event that other donors contributed to the programme/project (e.g. in the case of Type B support), the reports will be consolidated.

ARTICLE VII Audit

1. External and Internal Audit of FAO:

Any contribution transferred hereunder shall be subject exclusively to the provisions on external and internal audit provided for in FAO's Financial Regulations and Financial Rules as well as its financial policies and procedures.

2. Audit of Implementing Partners:

The part of any contribution transferred by FAO to implementing partners for activities towards the implementation of the programme/project shall be audited as provided under FAO's Financial Regulations and Financial Rules as well as its financial policies and procedures.

3. Disclosure of External Audit Reports:

Disclosure of external audit reports prepared by the External Auditor on the audit of the financial reports of FAO:

(a) The reports on the audits of the financial reports of FAO by the External Auditor become public documents by reason of being transmitted through FAO's Finance Committee to the FAO Conference.

(b) The audit reports of FAO's independent external auditors are public documents and are available on FAO's website as per the following link <http://www.fao.org/aud/48639/en/>, or at such other URL as FAO from time to time may decide, and at the website of FAO Governing Bodies.

4. Disclosure of Internal Audit Reports:

- 4.1 FAO's internal audit reports are available upon request in accordance with FAO's policy for disclosure of reports, as set out in section D of the Charter of the Office of the Inspector General (OIG) as per the following link <http://www.fao.org/aud/36713-066c8bc2e3599240868b408bc537243a0.pdf> or at such other URL as FAO from time to time may decide.

- 4.2 For purposes of this Article VII, the term "internal audit report" shall mean the final report resulting from an audit issued by the Office of the Inspector General, to the Director-General and the auditees for their consideration and for the implementation of recommendations, unless otherwise defined in any policy approved by FAO Governing Bodies.
5. Disclosure of Audit Reports concerning Implementing Partners:
- 5.1. Upon request, FAO shall provide Norway with summaries of available audit reports that cover programmes/projects implemented by national institutions or NGOs and that are in receipt of funding from Norway.
- 5.2. Upon written requests, audit reports prepared by external audit professionals designated by FAO and audit reports prepared by a recipient government's supreme audit institution, on the activities of an implementing partner towards the implementation of programmes/projects, will be disclosed by FAO to Norway. Such written requests shall be in a standard form and format as from time to time decided by FAO.
- 5.3 It is understood that disclosure as provided in Clause 5.2 of this Article shall:
- (a) be contingent upon FAO having obtained written consent to such disclosure from the Implementing Partner;
- (b) not apply unless the aggregate value of the transfer of cash, supplies and equipment from FAO to the Implementing Partner, financed from all of Norway's contributions to FAO during any calendar year, exceeds USD 100 000 (one hundred thousand United States Dollars).
6. Norway may reasonably request additional explanations or consultations at any time. Additional explanations shall be provided in a timely manner and, to the extent possible, within thirty (30) days of the request, subject to FAO's regulations, rules, policies and procedures.

ARTICLE VIII

Procurement

In implementing the activities financed under this Framework Agreement, FAO shall effect all procurement of goods and services in accordance with FAO regulations, rules, policies and procedures relating to procurement. FAO will engage in international, competitive bidding as its preferred procurement method and make reasonable efforts to encourage the participation of local suppliers in the relevant developing countries when procuring goods and services.



ARTICLE IX
Conflicts of Interest

1. The Parties agree that it is important to take all necessary precautions to avoid conflicts of interest and corrupt practices. To this end, FAO shall continue to maintain standards of conduct that govern the performance of its staff, including the prohibition of conflicts of interest and corrupt practices in connection with the award and administration of contracts, grants, or other benefits, as set forth in FAO's Staff Regulations, Staff Rules and the Standards of Conduct for the International Civil Service which are included in FAO's Administrative Manual, FAO's Financial Regulations and Financial Rules, and FAO's Procurement Procedures.

2. In accordance with paragraph 23 of the Standards of Conduct for the International Civil Service, "Conflicts of interest may occur when an international civil servant's personal interests interfere with the performance of his/her official duties or call into question the qualities of integrity, independence and impartiality required by the status of an international civil servant. Conflicts of interest include circumstances in which international civil servants, directly or indirectly, may benefit improperly, or allow a third party to benefit improperly, from their association with their organization. Conflicts of interest can arise from an international civil servant's personal or familial dealings with third parties, individuals, beneficiaries, or other institutions. If a conflict of interest or possible conflict of interest does arise, the conflict shall be disclosed, addressed and resolved in the best interest of the organization. Questions entailing a conflict of interest can be very sensitive and need to be treated with care".

ARTICLE X
Recognition

FAO shall make every effort to ensure that publications and communications hereunder, or press releases or other information material issued by FAO with respect to any activity financed under the Framework Agreement, clearly indicate that the activities in question have received funding from Norway, in all cases subject to security and safety considerations of FAO.

ARTICLE XI
Property and Equipment

The ownership of assets paid for in whole or in part from the contributions under this Agreement shall be determined by reference to FAO's regulations, rules,



policies and procedures. The transfer of ownership of such assets by FAO shall also be done in accordance with FAO's regulations, rules, policies and procedures, and, as applicable, in accordance with FAO's agreements concluded with the relevant host Government and any implementing partners.

ARTICLE XII

Public Access to Intellectual Property

1. Any intellectual property rights including copyright, or material such as publications, software and designs, made available by the Parties to be used in implementing activities under this Framework Agreement will remain with the originating Party. Appropriate grant or transfer of rights for use of such material may be further described in the PCA or the specific agreement, as required. Copyright or other intellectual property rights over any material developed jointly by the Parties shall be jointly vested in both Parties, along with the rights to use the material for non-commercial purposes.
2. Unless otherwise provided for in FAO's regulations, rules, policies and procedures or FAO's agreements concluded with the relevant host Government and/or any implementing partners, intellectual property produced as a result of activities financed in whole or (without prejudice to other funding arrangements) in part from contributions under this Framework Agreement, shall be managed in a way that maximizes their public accessibility and allows the broadest possible use. Published reports produced as a result of activities financed in whole or in part from contributions under this Framework Agreement shall, as far as possible and appropriate, be freely disseminated for non-commercial use.

ARTICLE XIII

Annual Consultations

1. For support governed by a PCA; FAO and Norway shall hold annual consultations. Unless otherwise agreed, FAO shall convene and chair the consultations, which shall be held at a mutually agreed date and place. FAO shall draft agreed minutes of the meeting and submit these within three (3) weeks to Norway for comments and approval. Each Party shall bear their own costs for participating in such consultations.
2. The consultations shall deal with the following issues:
 - i) exchange of views on major strategic issues;

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- ii) review of results of the activities implemented during the previous year, progress and challenges in ongoing activities, as well as the financial situation; and
 - iii) review of relevant evaluations.
3. For Type A, B, and C support not covered by a PCA, consultations will be specified in the specific agreement.

ARTICLE XIV

Financial Irregularities

1. The Parties have a zero tolerance for fraud, corruption and any other financial irregularities. The zero tolerance policy applies to all staff members, consultants and other non-staff personnel, institutional contractors, implementing partners and beneficiaries of the grant funds. FAO has reflected this stance in a written policy; Policy Against Fraud and Other Corrupt Practices (Administrative Circular 2015/08), which is publicly available on the website of FAO: currently <http://www.fao.org/aud/43301-0e63753e918fd9395cfa276ffbd275f03.pdf> or at such other URL as FAO from time to time may decide.
2. Both Norway and FAO are firmly committed to prevent, detect and manage fraud, corruption and other financial irregularities. Consistent with FAO's Financial Regulations and Financial Rules and FAO's procurement policies, FAO will use reasonable efforts to ensure that the utilization of the Contribution conforms to the highest standard of ethical conduct and that every part of FAO, as well as all individuals acting on behalf of FAO, observe the highest standard of ethics and integrity.
3. FAO, in accordance with its regulations, rules and directives, will ensure that allegations of fraud, corruption and other financial irregularities in connection with the implementation of programmes/projects under this Framework Agreement are reported to FAO's Office of the Inspector General (OIG)) in a timely and accurate manner. OIG will assess allegations and will, when credible, investigate them in accordance with its regulations, rules, policies and procedures. OIG will give notification on a confidential basis to the Director of the Foreign Service Control Unit, Ministry of Foreign Affairs of any investigations that it is undertaking or proposes to undertake in relation to credible allegations of fraud, corruption and other financial irregularities involving any activities funded in whole or in part with contributions made under this Framework Agreement, to the extent that such notification is consistent with OIG's regulations, rules, policies and procedures, protecting the integrity and confidentiality of investigations and the due process rights of those under investigation. OIG shall keep the Foreign Service Control Unit regularly informed of results of the investigations and actions therein. FAO shall inform the Foreign Service Control

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Unit of any action taken as a result of the investigations, including where relevant, details of any recovery of funds.

4. Following the conclusion of any investigation which identifies fraud, corruption and other financial irregularities, involving any activities funded in whole or in part with contributions made under this Framework Agreement, FAO will;
 - a) Use reasonable efforts to recover any part of the contributions, which OIG has established as being diverted through fraud or corruption;
 - b) In connection with a) above, determine what disciplinary and/or administrative measures, including referral to national authorities, may be taken as a result of the investigation, according to its internal policies and procedures on disciplinary and/or administrative measures, including vendor sanction mechanism, as appropriate;
 - c) Assess and apply timely and appropriate action in accordance with its regulations, rules, policies and procedures, which may include withholding further disbursements to operations allegedly affected by financial irregularities where the risks of financial irregularities impacting the delivery of results within the activity remains high;
 - d) Ensure repayment to Norway in accordance with Article XV, Clause 2 below.
5. In the event that Norway reasonably believes that timely and appropriate action has not been taken, it may request direct consultations at a senior level between Norway and FAO in order to obtain assurance that FAO's oversight and accountability mechanisms have been and are being fully applied in connection with such suspicions.

ARTICLE XV Reservations

1. Norway reserves its right to withhold disbursement in full or in part to an activity
 - if affected by credible allegations of fraud, corruption and any other financial irregularities that risk impacting the delivery of results within the activity
 - if contractual and/or reporting and accounting obligations are not met
 - if there are substantial deviations from agreed plans and budgets, if the programmes/projects develops unfavorably in relation to goal and objectives while paying due attention to the risk for not achieving results in complex development situations.
2. In the event that any part of the contribution is determined by FAO to have been lost due to fraud, corruption or any other financial irregularities, such loss will be

dealt with in accordance with the applicable financial regulations, rules, policies, procedures and directives of FAO. Further, in respect of such amount which FAO has been able to recover regarding programmes/projects or activities, such amount will be returned to the programme/project or activities for which the contribution was intended, and where the programme/project or activities for which the contribution was intended has or have been concluded or terminated, the Parties shall consult to decide whether the amount shall be re-programmed at Norway's instructions or returned to Norway at such bank account as determined by Norway on a pro rata basis as applicable. In respect of such amount that has not been recovered, FAO shall do its utmost to maintain its efforts to recover such funds. FAO agrees to continue consultations with Norway, with a view of determining a mutually agreeable solution, and in the interim, agree to discuss such issues on a case by case basis.

3. Before withholding any disbursements or claiming repayment, the Parties shall consult with a view to reaching a solution to the matter.

ARTICLE XVI **Final Provisions**

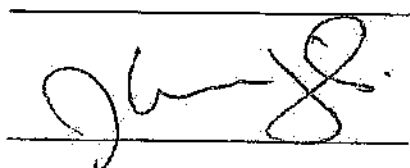
1. This Framework Agreement shall enter into force upon signature by both Parties and shall apply to any PCA or specific agreement concluded between the Parties after the date of entry into force of this Framework Agreement.
2. This Framework Agreement may be amended through an addendum between the Parties, following appropriate consultations.
3. This Framework Agreement shall remain in force unless terminated by mutual agreement, or by one Party providing to the other Party a written notice of termination of not less than 90 calendar days. Upon termination of this Framework Agreement, and unless otherwise mutually agreed by the Parties, the Framework Agreement shall remain in force with respect to any PCA or specific agreements entered into prior to the termination of the Framework Agreement as long as any of these agreements are in force.
4. This Framework Agreement and any PCA or specific agreements relating thereto shall be governed by general principles of law, to the exclusion of any single national system of law.
5. Nothing in this Framework Agreement or any PCA or specific agreement relating thereto shall be construed as constituting a waiver of privileges or immunities of FAO, nor as extending any privileges or immunities of FAO to Norway or to its personnel.



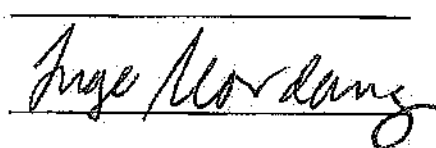
6. Any dispute, which may arise between the Parties as to the interpretation, application or performance related to this Framework Agreement or any PCA or specific agreement under this Framework Agreement, shall be settled by negotiation or through such other measures as agreed by the Parties.

IN WITNESS WHEREOF the undersigned, acting on behalf of their respective Parties, have signed this Framework Agreement in two originals in the English language.

Done in Rome the 7th day of July of 2016.



For the Food and Agriculture
Organization of the United Nations



For the Government of Norway