ARRANGEMENT

BETWEEN THE

THE DIRECTORATE GENERAL FOR ITALIAN CITIZENS ABROAD AND MIGRATION POLICIES OF THE ITALIAN MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL COOPERATION

AND THE

INTERNATIONAL CENTER FOR ADVANCED MEDITERRANEAN AGRONOMIC STUDIES -

MEDITERRANEAN AGRONOMIC INSTITUTE OF BARI - CIHEAM BARI

WHEREAS the International Center for Advanced Mediterranean Agronomic Studies (hereinafter " CIHEAM Bari ") and the Italian Ministry of Foreign Affairs and International Cooperation Directorate General for Italian Citizens Abroad and Migration Policies (hereinafter referred to as "the Donor"), hereinafter jointly referred to as "the Parties", will cooperate in the implementation of a Project in Libya entitled "*Enhancing Farming Employment of migrants in Fezzan* (EFEF)" (hereinafter referred to as "the Project"), which is fully described in the Project Document (Annex A), relating to the amount of this Arrangement which form an integral part thereof;

WHEREAS the Donor has informed CIHEAM Bari of its willingness to provide funds to meet the costs of the Project;

WHEREAS CIHEAM Bari will be responsible under the terms of this Arrangement (hereinafter referred to as "the Arrangement") and the CIHEAM Bari financial regulations and rules for the management of the funds provided by the Donor to execute the Project;

NOW THEREFORE, CIHEAM Bari and the Donor have reached the following understanding:

Article I. The Contribution

- 1. The Donor will make available to CIHEAM Bari, in the manner set forth in paragraph 2 below, a sum of EUR 500,000.00 (five hundred thousand euros), hereinafter referred to as "the Contribution". CIHEAM Bari will use such funds to meet the costs of the Project as per Annex A Project Document.
- **2**. The Donor will provide the total abovementioned amount to CIHEAM Bari which will be paid in one instalment after the signature of this Arrangement, to:

Bank Name: INTESA SAN PAOLO, Agency Valenzano (BA)

Bank Address: Corso Aldo Moro, 70010 Valenzano (BA)

SWIFT Address: BCITITMM

IBAN Number: IT14Z0306941753100000300007

Account Name: CIHEAM – Istituto Agronomico Mediterraneo di Bari

Currency Type: Euro.

Upon receipt of the funds, CIHEAM Bari will confirm the transfer by e-mail to DGIT (to the attention of: Mr. Luigi Maria Vignali; dgit.segreteria@esteri.it).

- 3. The Contribution and the activities financed therefrom will be administered by CIHEAM Bari in accordance with its applicable regulations, rules and administrative instructions or directives. Accordingly, personnel will be engaged and administered; equipment, supplies and services purchased; and contracts entered in accordance with the provisions of such regulations, rules and directives.
- **4**. All financial accounts and statements will be expressed in EUR and there will be no accounting or reporting in other currencies. For the purpose of recording receipts and/or payments, all transactions will be converted into EUR at the official accounting rate of exchange applicable on the date of receipt.
- **5.** Additional contributions by the Donor for the prosecution of the Project beyond what is stated in Annex A will be subject to the provisions of art. VI.

Article II. Utilization of the Contribution

- 1. CIHEAM Bari will start the operations provided for in this Arrangement upon receipt of a signed copy by the Parties, and no later than one month after the funds allocated from the date of the transfer of the funds, foreseen for the project, as set out in Art. I. The timeframe, as per Annex A, is nine months from the start of operations.
- 2. The Donor undertakes to meet the actual costs of the activities specified in the Project Document in Annex A. CIHEAM Bari undertakes not to make any commitments for activities not specified in the Project Document.
- **3**. If CIHEAM Bari considers that changes between components and/or additional activities, not foreseen in the Project Document, are required, CIHEAM Bari will submit a revised budget to the Donor showing the required changes in inputs and/or adjusted financing that will be necessary.

Article III. Equipment, supplies and other properties

Ownership of equipment, materials, supplies and other eventual property financed from this Contribution will vest in CIHEAM Bari. Unless otherwise agreed in written form, following operational completion of the Project, ownership of equipment, of materials and supplies, as well as other property necessary for operation of the Project, if any, will be transferred to the Libyan Partners or to an entity nominated by them.

Article IV. Implementation of the project

- 1. For the implementation of the activities the fundamental principles of the public procurement will be ensured in terms of transparency, integrity, economy, openness, fairness, competition and accountability.
- **2**. The project will be executed by CIHEAM Bari through its personnel and in coordination with the Italian Embassy in Tripoli. The project will be monitored by CIHEAM Bari.
- **3**. As outlined in Annex A, a synthetic overall work plan will be presented to the Donor within 3 months from the operational starting date and as defined in Article II.

4. In order to ensure project sustainability with regard to the fragile endogenous communities dynamics, the principles of "Do Not significantly Harm" will be taken into account during implementation.

Article V. Auditing

The Contribution will be subject to the internal and external auditing procedures laid down in the financial regulations, rules and administrative instructions and directives of CIHEAM Bari.

Article VI. Reports

CIHEAM Bari will provide the Donor with the following statements and reports in the format normally followed by CIHEAM Bari for accounting and financial reporting:

- a) A synthetic intermediate Report on the status of implementation of the activities, referred to in Article II.2 and 3 to be provided every five months from the operational start of the project within 30 days thereafter. CIHEAM Bari will also provide operational briefings, upon request and to the extent permitted by its rules of procedure, without prejudice to its privileges and immunities;
- **b)** A final technical and financial report on the implementation of the Activities, referred to in Article II. 2 and 3, at the end of the term of this Arrangement, to be submitted to the Donor within two months of the end of the Project implementation period.

The timely submission of the documents prescribed in articles VI.a) and b) and the evaluation of the results achieved contained therein will be preconditions for considering the prosecution of the Project by the Donor for an additional period.

Article VII. Termination of the Arrangement

Each Party may terminate this Arrangement notifying its intention to the other ninety (90) days before the intended date of termination, with no effect on the activities already performed or in progress.

Article VIII. Completion of the Arrangement

- 1. On operational completion of the Project or termination of the Arrangement, the Contribution will remain open until all expenditures incurred by CIHEAM Bari have been satisfied and project activities on going brought to an orderly conclusion. Any balance due to CIHEAM Bari under Article II will be charged by CIHEAM Bari to the Contribution and any additional regular expenses may be undertaken only with the written approval from the Donor. The initiative may be refunded upon request of CIHEAM Bari and according to available Donor's financial annual forecasts and planning. In case of refunding, the Arrangement will be emended in accordance with Articles II. 3 and XVII.
- 2. Upon submission of the final financial report in accordance with Article VI, any surplus remaining in the Contribution will be returned to the Donor or disposed of as requested by the Donor.
- **3**. Temporal extensions to the Project are possible, if necessary for the successful implementation of the activities.
- 4. CIHEAM will notify the Donor when all activities relating to the contribution have been completed.

Article IX. Security Considerations

All personnel employed by CIHEAM Bari for the purpose of this project will be accorded the necessary security measures based on the CIHEAM Bari policies/guidelines on Security and Safety as well as rules and regulations governing staff security in the field, as foreseen by the Donor, where applicable.

Article X. Prevention of Corruption and Fraud

- 1. The Parties will prevent and detect fraudulent and corrupt practices. CIHEAM Bari 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 the Organization, as well as all individuals acting on behalf of CIHEAM Bari, observe the highest standard of ethics and integrity.
- 2. CIHEAM Bari, in accordance with its regulations, rules and directives, will ensure that any allegations of fraud and corruption in connection with the implementation of the Project are reported to the Donor in a timely manner. Credible allegations will be investigated in accordance with its regulations, rules, policies and procedures. CIHEAM Bari will, in a timely manner and consistent with its regulations, rules, policies and procedures, provide details to the Donor of the outcome of substantiated allegations of fraud and corruption, along with details of action taken by CIHEAM Bari.
- **3.** Following the conclusion of any investigation which identifies fraud or corruption involving any activities funded in whole or in part with a Contribution made under this Arrangement, CIHEAM Bari will:
 - (a) Use reasonable efforts to recover any part of the Contribution, which CIHEAM Bari has established as being diverted through fraud or corruption;
 - **(b)** As required by the Donor, and following consultations between the Parties, reimburse to the Donor any part of the Contribution which CIHEAM Bari has recovered further to subsection (a) above, or credit it to a mutually agreed activity.
- **4.** Any information provided to the Donor in relation to any matters arising under the Article will be treated by the Donor as strictly confidential.
- **5.** Any action further to the above paragraphs will be consistent with CIHEAM Bari regulations, rules and directives.

Article XI. Miscellaneous provisions

Nothing in the Arrangement will be interpreted as a waiver of any privileges or immunities accorded to any Party by its constituent documents, international agreements or international law.

Article XII. Differences in interpretation

- 1. Any difference in the interpretation and implementation of the Arrangement will be settled amicably by means of direct consultations and negotiations between the Parties.
- 2. The Arrangement will be implemented in accordance with applicable international law and, as for the Donor, the obligations arising from Italy's membership of the European Union, as for CIHEAM Bari its applicable regulations, rules and administrative instructions or directives.

Article XIII. Visibility

Official logo and name of the Donor should be used by CIHEAM Bari along with its own one, in view of providing proper visibility to the Project and to the contribution according to the indications of the Donor at this regard and in conformity with security considerations as foreseen in Art. IX.

Unless the Donor requests otherwise, CIHEAM Bari will take appropriate measures to accord the Donor and its contribution the maximum visibility possible, both locally and internationally, in order to acknowledge the fact that the Project was implemented with the financial support of the Donor.

The Donor is free to publicize its support under this Arrangement through its usual information and communication channels in accordance with Article IX above.

Article XIV. Intellectual property

- 1. All intellectual property rights owned by one Party and used within the implementation of the activities of the programme in the framework of this arrangement will remain property of that Party.
- 2. All intellectual property rights that may arise under the execution of the Arrangement, namely due to scientific discoveries or innovations, will be set out in a specific arrangement on this matter.
- **3.** All intellectual property rights relating to intellectual works such as, but not limited to, software and databases developed, implemented or adapted for project purposes, will also remain the exclusive property of CIHEAM Bari.

Article XV. Notices

The following addresses are specified for the purpose of the Arrangement:

For the Donor:

Ministry of Foreign Affairs and International Cooperation of the Italian Republic - Directorate General for Italian Citizens Abroad and Migration Policies

Piazzale della Farnesina, 1 – Rome, Italy

Mail: dgit.segreteria@esteri.it

For CIHEAM Bari:

Via Ceglie 9, 70010 Valenzano-Bari, Italy

Phone: +39 080 4606111 Mail: iamdir@iamb.it

Article XVI. Effectiveness

- 1. This arrangement takes effect upon the signature by the Parties hereto, on the date of the last signature.
- **2.** Based on the date of the contribution and the activity period of the project, the operational completion date of the project is therefore set nine months after the operational start of the Project as per Art.2.1.
- **3.** In the event of a temporary halt of the project due to force majeure, the duration of the suspension and the new timetable will be agreed by the parties.

Article XVII. Amendment of the Arrangement

The Arrangement may be amended through a separate arrangement between the Parties.

| Signed in English, on the date and the places indicated below | |
|--|--------------------------------|
| For the Donor: | For the CIHEAM Bari |
| Mr. Luigi Maria Vignali Director General for Italian Citizens Abroad and Migration Policies | Mr. Maurizio Raeli Director |
| Place and date: | Place and date: |

ANNEX A: Project Document