

## FUNDS-IN-TRUST PROJECT AGREEMENT

Between  
**THE UNITED NATIONS  
EDUCATIONAL, SCIENTIFIC AND  
CULTURAL ORGANIZATION** and **CITI FOUNDATION**  
(hereinafter called 'UNESCO') (hereinafter called 'the Donor')

UNESCO and the Donor hereinafter jointly referred as the "Parties"

WHEREAS the Donor is conscious of the purpose of UNESCO to contribute to peace and security by promoting collaboration among the nations through education, science, culture and communication in order to further universal respect for justice, for the rule of law and for the human rights and fundamental freedom which are affirmed for the peoples of the world, without distinction of race, sex, language or religion, by the Charter of the United Nations; and

WHEREAS the Donor desires to strengthen its cooperation with UNESCO also by making funds available to UNESCO for the implementation of the activities related to the project « Youth Economy Empowerment through Indonesia's Heritage Sites Programme ».

WHEREAS the Director-General of UNESCO is authorized, in accordance with the Financial Regulations, to receive funds from donors for the purpose of carrying out activities which are consistent with the aims, policies and activities of UNESCO;

NOW THEREFORE, the Donor and UNESCO hereby agree as follow:

### **Article I General Conditions**

1. The aim of the present Agreement is to support UNESCO's activities related to the project « Youth Economy Empowerment through Indonesia's Heritage Sites Programme » (the « Project »). The Project outline including the budget breakdown is attached as Annex 1 to the Agreement.

The Donor shall deposit the amount of USD 180.000 (One Hundred and Eighty Thousand) in the following UNESCO's account following the signature of the agreement. ....



**Contributions paid in Euros:**

Account holder: UNESCO  
Bank: JPMorgan Chase Bank  
Address: 270 Park Avenue  
New York, NY, 10017  
USA  
Account n°: 949-1-191558  
SWIFT: CHASUS33 – ABA N° 0210-0002-1

The aim of payment "CLT/JAK-Citi 2016" must be clearly indicated on any bank transfer made.

2. The sum is intended to cover the direct costs of the Project and to contribute, at the rate of 13% of direct Project costs, to UNESCO's expenses for the technical and administrative supervision of the project.
3. The funds made available by the Donor shall be used in accordance with UNESCO's regulations and rules.
4. UNESCO may draw against the sum so deposited for direct Project costs and administrative support costs mentioned above.
5. After receipt of the funds mentioned under paragraph 2 above, UNESCO shall establish, with Citi Foundation, a plan of operation or other agreement for the implementation of the Project. The plan of operation or other agreement shall provide that the obligations of UNESCO are conditional upon the funds being made available by the donor in accordance with the approved budget and the agreed payment schedule for the funds-in-trust contribution.
6. Whenever possible, UNESCO will invest temporary surplus funds in short-term interest bearing deposits. 2/3 of accrued interest will be credited to the account and 1/3 to UNESCO for administration and management commission in accordance with UNESCO's regulations and rules.
7. UNESCO shall establish for this Project a separate account and record therein all receipts and expenses under the Project as well as Project support costs. Since UNESCO's accounts are kept in US dollars, contributions in other currencies will be credited to the accounts at the United Nations standard rate of exchange in effect on the date of the transaction or at the market rate prevailing at the time of the transfer.
8. UNESCO shall submit to the Donor the annual financial reports and provide intermediary financial reports as often as may reasonably be requested by the Donor. As soon as feasible after the operational termination of the Project, UNESCO shall submit a final financial report to the Donor. Any balance remaining in the Project account after execution of all the obligations under the Project shall be returned to the Donor, unless otherwise decided by the Donor upon proposal of UNESCO. Financial reports will be provided in the format of the approved budget.
9. UNESCO will provide the Donor with annual narrative reports on progress of Project implementation. Upon the completion of the Project, UNESCO shall prepare a final report, including an assessment of the Project and its results.

10. The Donor shall be invited to participate in evaluation missions carried out with regard to Project fulfillment.
11. The funds made available by the Donor shall be subject exclusively to the internal and external audit procedures as laid down in UNESCO's regulations, rules and directives.

## **Article II**

### **Obligations of the Donor**

The Donor undertakes the obligation to transfer the indicated amount within terms specified to the UNESCO's account as is provided in Article I par. 1 hereof.

The Donor will consider rendering possible assistance to UNESCO in fulfillment of the provisions of the present Project, provided in Article I par.1 hereof.

## **Article III**

### **Obligations of UNESCO**

1. Within the framework of the budget estimated at USD 180,000 (including 13% - project support costs) UNESCO undertakes obligations to implement the Project entitled « Youth Economy Empowerment through Indonesia's Heritage Sites Programme ». The objective of the Project is to improve the livelihoods of 450 youth around 5 World Heritage sites and other key tourist destinations which President Joko Widodo declared in early 2016, as key tourist destinations in Indonesia, namely Borobudur, Prambanan, Klaten, Yogyakarta and Toba Samosir/Medan. The project will provide business development assistance as well as the promotion of creative industries and Indonesia's rich intangible cultural heritage.

The key activities that will be undertaken in the project include:

- *Activity 1. Provision of Business Development Assistance to Youth Communities from Borobudur, Prambanan and Klaten who work in the area of creative industries and the promotion of Indonesia's rich intangible cultural heritage: training workshops, assistance to at least 3 youth centres, development of cultural tours in villages.*
- *Activity 2. Provision of technical assistance to youth communities and public awareness for the youth in Yogyakarta who work in the area of creative industries and Indonesia's rich intangible cultural heritage, including an innovation workshop, the organization of a competition and award of grants.*
- *Activity 3: Production of reports mapping youth potential in the field of creative industries and cultural activities around Lake Toba in North Sumatera in order to identify appropriate development and intervention activities and program to support local youth.*
- *Activity 4: The implementation of a Youth Public Awareness Campaign on the potential of culture in development of targeted youths, including the production of a newsletter.*

2. The fulfillment of UNESCO obligations provided in par. 1 of this Article shall be subject to the availability of funds from the Donor and shall be effected in accordance with the UNESCO's regulations and rules.

#### **Article IV Entry into Force**

1. This agreement shall enter into force upon signature by the Parties and shall remain in force until 30/12/2017. Only expenditures incurred before 15/09/2017 and relating to activities carried out after entry into force of the agreement and before 15/09/2017 may be financed from the contribution. Otherwise the written approval of Donor is required in accordance with Article V paragraph 3 below.

#### **Article V Budget revisions, no cost extensions and amendment of the agreement**

1. Budget revisions

Budget revisions required to facilitate the administrative handling of projects will be processed by the Division for Cooperation with Extra-budgetary Funding Sources (BSP/CFS) according to UNESCO's regulations and rules without seeking the prior approval of the donor on a case by case basis if the budget revision meets the following criteria a) the budget revision concerns eligible categories of expenditure under the approved project agreement; b) the budget revision does not modify the expected results of a given project; c) the budget revision does not require any additional funds from the donor; d) cumulative adjustments between the amounts specified for the items of expenditure set forth in this agreement which do not exceed (25%) of the total budget .

Budget revisions which do not meet the above criteria will be submitted to the donor for prior approval as per paragraph 3 below.

Any such budget revisions will be reported to the donor in writing in the ensuing narrative report.

2. No cost extensions

No cost–extensions of the project implementation period of the Project, or of the validity date of the Project Budget code in UNESCO's financial system required to facilitate the administrative handling of projects, will be processed by the Division for Cooperation with Extra-budgetary Funding Sources (BSP/CFS) according to UNESCO's regulations and rules without seeking the prior approval of the donor if the no cost extension is for a period not exceeding 6 months, and not exceeding the term of the Agreement.

3. Amendment

Any other modification to the agreement, including extensions of the term of this Agreement may be made by written agreement between UNESCO and the Donor. Each party shall give full and sympathetic consideration to any proposal advanced by the other party for the amendment of this Agreement.

**Article VI**  
**Final Provisions**

1. This Agreement may be terminated before the foreseen expiry date by mutual consent or by either party serving six months' written notice to the other party, if either party considers that the co-operation envisaged therein can no longer appropriately or effectively be carried out.
2. If notice of termination of this Agreement is given by one of the parties in accordance with the preceding paragraph, both parties shall forthwith hold consultations with a view to determining the most appropriate measures to be taken in order to wind up operations being carried out by UNESCO under this Agreement. In any event, the Donor shall authorize UNESCO to meet any current legal obligation arising prior to termination of the Agreement and relating to personal and other contractual services, supplies, equipment and travel.

Done in two original copies in English.

On behalf of the United Nations  
Educational, Scientific and  
Cultural Organization

Prof. Dr. Shahbaz Khan  
Director and Representative  
UNESCO Office, Jakarta

Date: 26.11.2016

Signature 

On behalf of CITI FOUNDATION

Karen Valencia Wright  
Citi Foundation  
Dir. of Finance & Operations

Date: 12/19/2016

Signature 