Amended and Restated Fund Use Agreement

by and among

the Food and Agriculture Organization, for itself,
the Independent Science and Partnership Council,
the Independent Evaluation Arrangement and
the Global Forum on Agricultural Research

and

the Fund Council of the CGIAR Fund (MTO 069018),
represented by
the International Bank for Reconstruction and Development,

and

the International Bank for Reconstruction and Development,
as Trustee of the CGIAR Fund (MTO 069018)

Dated as of October 4, 2012
This Fund Use Agreement (the “Agreement”) is entered into by and among:

- the Food and Agriculture Organization of the United Nations (“FAO”), for itself and each of the Independent Science and Partnership Council (the “ISPC”), the Independent Evaluation Arrangement (the “IEA”) and the Global Forum on Agricultural Research (“GFAR”),

- the Fund Council of the CGIAR Fund (the “Fund Council”), represented by the International Bank for Reconstruction and Development (the “World Bank”), and

- the World Bank, as Trustee of the CGIAR Fund (the “Trustee”),

(collectively referred to as the “Parties”). Capitalized terms not defined in this Agreement are defined in the Glossary approved by the Fund Council on November 2, 2010 and the Consortium on December 16, 2010 as part of the Common Operational Framework, as amended from time to time.

WHEREAS, the ISPC is hosted by the FAO;

WHEREAS, GFAR is hosted by the FAO;

WHEREAS, the IEA is hosted by the FAO;

WHEREAS, on February 23, 2010, the Fund Council approved the ISPC’s Terms of Reference (the “ISPC TORs”) describing the role of the ISPC;

WHEREAS, on November 2, 2010, the Fund Council approved its Governance Framework, setting forth the governance terms for the CGIAR Fund;

WHEREAS, on December 1, 2010, the CGIAR Fund was established.

WHEREAS, Fund Donors to the CGIAR Fund and the World Bank as Trustee have entered into Contribution Agreements and Contribution Arrangements for the purpose of contributing funds to the CGIAR Fund;

WHEREAS, on April 7, 2011, the Funders Forum endorsed the Strategy and Results Framework, to be implemented by the Consortium and the Centers;

WHEREAS, on January 15, 2012, the FAO, for itself and for the ISPC, the Fund Council, represented by the World Bank, and the Trustee entered into a Fund Use Agreement (the “Original Fund Use Agreement”);

WHEREAS, on July 26, 2012, the FAO, for itself and for the ISPC and GFAR, the Fund Council, represented by the World Bank, and the Trustee entered into a Fund Use Agreement amending and restating that Original Fund Use Agreement (“Amended and Restated Fund Use Agreement I”) in order to add certain terms and conditions for finds from the CGIAR Fund with respect to System Costs for GFAR;

WHEREAS, on August 23, 2012, the Consortium approved the CGIAR Policy for Independent External Evaluation as part of the Common Operational Framework;
WHEREAS, on October 1, 2012, the Fund Council approved the CGIAR Policy for Independent External Evaluation, which sets forth provisions for independent evaluation in the CGIAR, as part of the Common Operational Framework; and

WHEREAS, the parties to Amended and Restated Fund Use Agreement 1 wish to amend and restate Amended and Restated Fund Use Agreement 1 in order to add certain terms and conditions for funds from the CGIAR Fund with respect to System Costs for the IEA;

NOW THEREFORE, the Parties hereto agree as follows:

A. Roles and Responsibilities

A.1. The Fund Council is the CGIAR Fund's decision-making body, representing all Fund Donors. As set out in Section 7 of the Governance Framework, the roles and responsibilities of the Fund Council include appointing the Chair and members of the ISPC and approving the ISPC’s terms of reference. The Fund Council also allocates System Cost funding to the ISPC from the CGIAR Fund.

A.2. The ISPC is the independent standing panel established by the Fund Council to provide independent advice and expertise, including its assessment of CRP proposals submitted by the Consortium, and serves as an intellectual bridge between the Fund Council and the Consortium, as further detailed in the ISPC TORs.

A.3. GFAR is a member of the Fund Council and the primary organizer of the biennial Global Conference on Agricultural Research for Development ("GCARD") described in Section 6 of the CGIAR Principles.

A.4. The IEA is implemented through an IEA Head and staff (the “IEA office”) described in the CGIAR Policy for Independent External Evaluation.

A.5. The FAO serves as the host of the ISPC, GFAR and the IEA.

A.6. The Trustee is the World Bank in its capacity as administrator of the CGIAR Fund as set out in Section 9 of the Governance Framework.

B. Proposals and Transfers

B.1. Each of the ISPC, the IEA office and GFAR (each a “Hosted Party”) shall submit periodic work plans and budgets to the Fund Council for Fund Council consideration (each a “WP&B” and a “proposed WP&B” prior to Fund Council approval). Unless otherwise approved by the Fund Council, each proposed WP&B shall set out (i) such Hosted Party’s expected work plan for the period specified therein, (ii) its overall proposed budget for that period, and (iii) the amount of that budget requested as System Costs from Window 1 of the CGIAR Fund.

B.2. Fund Council approval of a WP&B will be documented in the approved minutes of the Fund Council meeting. Following approval, the WP&B and related minutes will be incorporated by reference into this Agreement.

B.3. Upon receipt from the Fund Office of the approved minutes evidencing Fund Council approval of a WP&B, the Trustee shall record an amount equal to the System Costs from Window 1 approved for that WP&B (“FAO-hosted W1 Funding”) as an amount to be transferred and shall
inform the FAO and the applicable Hosted Party that such FAO-hosted W1 Funding will be made available for transfer to the FAO for receipt on behalf of the Hosted Party as of the first day of the period for which that WP&B has been approved.

B.4. The FAO, acting on behalf of the Hosted Party, shall submit a cash transfer request to the Trustee for such FAO-hosted W1 Funding substantially in the form attached as Annex 1 or in a form otherwise acceptable to the Trustee and FAO (a "Cash Transfer Request").

B.5. Following receipt of a duly completed Cash Transfer Request, but in no event prior to the first day of the period for which a WP&B has been approved, the Trustee shall transfer the FAO-hosted W1 Funding for that WP&B to the FAO for receipt on behalf of the applicable Hosted Party in accordance with this Agreement and in a manner agreed between the Trustee and the FAO.

B.6. The Trustee shall transfer such FAO-hosted W1 Funding amount to the account indicated in the Cash Transfer Request.

B.7. The FAO shall receive any funds provided under this Agreement for the benefit of the applicable Hosted Party and make them available to that Hosted Party for the purposes of the WP&B for which those funds were provided. The FAO's applicable policies and procedures shall apply to the use of such funds. The FAO, acting on behalf of a Hosted Party, may use any FAO-hosted W1 Funding hereunder in accordance with (i) the relevant WP&B and (ii) this Agreement, including Annex 2 (Use of Funds) attached hereto.

B.8. Following transfer by the Trustee of FAO-hosted W1 Funding to the FAO, (i) the FAO, on behalf of the applicable Hosted Party, shall have full fiduciary responsibility to the Fund Donors and the Fund Council for the handling and use of such funds in accordance with the terms of this Agreement, and (ii) the World Bank will have no responsibility in any capacity to the Fund Donors, the Fund Council or otherwise for the FAO's or any Hosted Party's handling or use of such funds.

B.9. The Parties acknowledge and agree that neither the Trustee nor the Fund Office, nor any part of the World Bank, has responsibility for (i) confirming the use of FAO-hosted W1 Funding; (ii) implementing, monitoring, supervising, evaluating, or providing quality assurance for FAO-hosted W1 Funding; (iii) providing Fund Donors with financial, progress, results or impact reporting for FAO-hosted W1 Funding; or (iv) any misuse or misprocurement by any entity other than the World Bank with respect to FAO-hosted W1 Funding. The Parties further acknowledge and agree that the Trustee shall have no responsibility for reviewing the appropriateness of any decision by the Fund Council and shall at all times be entitled to rely thereon.

B.10. Notwithstanding any other statement herein, any requirement or obligation on the part of the Trustee to transfer FAO-hosted W1 Funding under this Agreement shall at all times be qualified by and subject to the availability of funds in Window 1 that are not otherwise allocated.

B.11. For clarity, the ISPC has submitted its proposed WP&B for 2011 to the Fund Council. The Fund Council approved this WP&B on a no objection basis on October 28, 2010, and subsequently approved an amendment requested by the ISPC on a no objection basis on February 23, 2011 for FAO-hosted W1 Funding totaling US$ 2,175,000. The terms of this Agreement apply to this WP&B, as amended, and the FAO-hosted W1 Funding to be provided to the FAO on behalf of the ISPC for such WP&B.
B.12 For clarity, the IEA office has submitted its proposed WP&B for 2012 funding to the Fund Council. The Fund Council approved this WP&B on August 28, 2012 for FAO-hosted W1 Funding of $283,000.

B.13 For clarity, GFAR has submitted its proposed WP&B for partial funding of the second GCARD meeting ("GCARD2") to the Fund Council. The Fund Council approved this WP&B for GCARD2 on March 8, 2012 for FAO-hosted W1 Funding of $800,000. An additional amount of FAO-hosted W1 Funding of up to $100,000 (the "Additional GCARD2 Funds") was also conditionally approved by the Fund Council, subject to (i) a performance-based determination that specific deliverables coming out of GCARD2 would meet the needs of the Fund Council and the Consortium and (ii) a commitment by GFAR that any individuals funded with the Additional GCARD2 Funds would be highly relevant to and participate actively in GCARD2, also giving accurate feedback to the Consortium and CGIAR Centers. By its approval of this Agreement, the Fund Council agrees that the condition under (i) above has been satisfactorily met, and upon receipt by the Trustee of a statement from the Consortium that it also considers such condition to have been satisfactorily met, the Trustee shall consider the full amount of $900,000 to have been approved for GFAR. The FAO agrees that it shall cause GFAR to agree to the condition under (ii) above before receipt of the Additional GCARD2 Funds. The terms of this Agreement apply to this WP&B and the FAO-hosted W1 Funding to be provided to the FAO on behalf of GFAR for such WP&B.

C. Remedies; Termination; Dispute Resolution

C.1. Without prejudice to Section D.3, any enforcement of Fund Donor or Fund Council remedies or pursuit of Fund Donor or Fund Council rights or interests with respect to FAO-hosted W1 Funding shall arise directly between the Fund Council, acting through a Fund Donor specifically designated by the Fund Council for any particular case to act on its behalf for that purpose, and the FAO, acting on behalf of the applicable Hosted Party, and be undertaken to the extent approved by the Fund Council, without requiring involvement of the Trustee, the World Bank or individual Fund Donors, except as otherwise specified in this Agreement; provided that in the event a Fund Donor wishes to enforce a remedy or pursue a right that is not approved by the Fund Council, and such Fund Donor has a statutory, regulatory or policy environment requiring such Fund Donor's ability to act unilaterally, such Fund Donor may enforce such remedy or pursue such right on its own behalf in accordance with the terms of this Agreement.

C.2. Subject to Section C.1 and without prejudice to Section D.3, the FAO acknowledges and agrees that the Fund Donors shall each have the rights accruing to each Fund Donor or the Fund Council, as the case may be, in this Agreement with the ability to seek direct recourse against the FAO (including in its capacity as host of each Hosted Party) at any time for any enforcement or breach thereof. The FAO agrees that the Fund Donors may collectively through the Fund Council or individually, as the case may be, seek direct reasonable enforcement or recourse with respect to any unmet or breached obligations, including but not limited to the use of FAO-hosted W1 Funding.

C.3. If the Fund Council determines, after consultation with the applicable Hosted Party and the FAO that any FAO-hosted W1 Funding has been used in a manner inconsistent with this Agreement, the FAO shall refund such amount to the Trustee for deposit into Window 1 or pro rata distribution to Fund Donors under their respective Contribution Agreements or Arrangements.

C.4. Following completion of each WP&B period, allowing for a three month period to complete expenditures for commitments made during the WP&B period, the FAO shall promptly
return to the Trustee for deposit into Window 1 any FAO-hosted W1 Funding that remains unexpended or uncommitted with respect to the WP&B for that period.

C.5. This Agreement may be terminated by either the Fund Council or the FAO upon 180 days prior written notice. Additionally, in the event the Trustee exercises its right of suspension and/or termination under the Contribution Agreements and Arrangements, the Trustee shall consult with the Fund Council, the FAO and the Hosted Parties to determine the subsequent measures to be taken with respect to the CGIAR Fund (as provided in the Contribution Agreements and Arrangements). In the event of any termination of this Agreement, unless the World Bank, the Fund Council, the FAO and any Hosted Party agree on another course of action, (i) any agreement entered into prior to the termination between the FAO on behalf of any Hosted Party and any consultants and/or other third parties will remain in effect and be unaffected by the termination, and (ii) the FAO on behalf of any Hosted Party will be entitled to continue to use the relevant FAO-hosted W1 Funding it has previously received in respect of any agreements in (i) above, all to the extent contemplated in the relevant WP&B and necessary to fulfill the FAO's obligations on behalf of the relevant Hosted Party as if this Agreement had not been terminated. The FAO shall cause all other FAO-hosted W1 Funding remaining with the FAO after such termination, along with any investment income thereon, to be returned to the Trustee for deposit into Window 1 or pro rata distribution to Fund Donors under their respective Contribution Agreements or Arrangements.

C.6. The Parties agree to make every effort to settle amicably any dispute that may arise between or amongst them in connection with this Agreement.

C.7. If any of the Parties cannot resolve a dispute, then the affected Parties may together agree to request that a qualified, mutually agreed third-party mediator be appointed. This Section shall apply until and except as explicitly modified or superseded by the provisions of one or more chapters setting forth common dispute resolution mechanisms approved as part of the Common Operational Framework.

D. General

D.1. The offices responsible for the ISPC, the IEA, GFAR, the FAO, the Fund Council, and the World Bank for coordination of all relevant matters related to the implementation of this Agreement, including providing or being provided any notice, taking any action and executing any documents required or permitted pursuant to this Agreement, are, except as may be notified in writing to the other Contacts:

For the ISPC (the "ISPC Contact"):

ISPC Executive Director
Peter Gardiner
Executive Director
CGIAR Independent Science & Partnership Council
c/o FAO, Room C6-26/8,
00153 Rome, Italy
Tel: +39 06 570 52103
Fax: +39 06 570 53298
FOR EXECUTION

For the IEA (the "IEA Contact"):
Head
CGIAR Independent Evaluation Arrangement
c/o FAO, Room A104
Viale Delle Terme di Caracalla
00153 Rome, Italy
Tel: +39 06 570 55096
Fax: +39 06 570 54049

For GFAR (the "GFAR Contact"):
Mark Holderness
Executive Secretary
Global Forum on Agricultural Research
c/o FAO, Room B-646,
Viale Delle Terme di Caracalla
00153 Rome, Italy
Tel: +39 06 5705 5047
Fax: +39 06 570 53898

For the FAO (the "FAO Contact"):
Office of Knowledge Exchange, Research and Extension
Food and Agriculture Organization of the United Nations
Ms Xiangjun Yao, Director
Viale Delle Terme di Caracalla
00153 Rome, Italy
Tel: +39 06 570 53579
Fax: +39 06 570 54047

For the Trustee (the "Trustee Contact"):
Director
Multilateral Trusteeship and Innovative Financing
The World Bank
1818 H Street, NW
Washington, DC 20433, U.S.A.
Tel: +1 202 458 0019
Fax: +1 202 614 0249
Email: MTOTrustee@worldbank.org

For the Fund Council (the "Fund Council Contact")
Chair of the CGIAR Fund Council
Vice President, Sustainable Development Network
The World Bank
1818 H Street, NW
Washington, DC 20433, U.S.A.
Tel: +1 202 458 7405
Fax: +1 202 522 7122
D.2. The offices responsible for each of the Fund Donors for coordination of any relevant matters related to implementation of this Agreement, including providing or being provided any notice, taking any action or executing any documents required and permitted pursuant to this Agreement, are as specified as the “Donor Contact” in the respective Contribution Agreements or Arrangements with the Trustee.

D.3. The Parties will each be responsible only for performing their respective functions specifically set forth in this Agreement and will not be subject to any other duties or responsibilities, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in this Agreement will be considered a waiver of any privileges or immunities of the Fund Council members, the Fund Donors, the World Bank, the FAO, the ISPC, the IEA or GFAR, or their respective officers or employees, under their respective Articles of Agreement or equivalent documents and any applicable law, all of which are expressly reserved. No delay in exercising, or omission to exercise, any right or remedy under this Agreement shall impair any such right or remedy or be construed to be a waiver thereof.

D.4. Any reference herein to applicable policies, procedures, rules regulations and directives on the part of the FAO shall be understood to include any deviations from standard practice that have been in practice between the FAO and a Hosted Party, as such arrangements may be memorialized in documentation approved by the Fund Council.

D.5. The World Bank may disclose this Agreement and related information in accordance with the World Bank’s policy on access to and disclosure of information. This provision shall continue in full force and effect following completion of all CGIAR Fund transfers and any termination of this Agreement or the CGIAR Fund.

D.6. Wherever this Agreement requires a Hosted Party or FAO to provide reports or other information to the Fund Council, the Parties agree that this obligation may be fulfilled if such Hosted Party or FAO provides such report or information to the Fund Office with a specific request that it be distributed to the Fund Council members, including the Trustee.

D.7. Notwithstanding the understandings reached in this Agreement, no provision herein shall be construed as creating a joint venture, a legal partnership or international treaty under UN Article 102 among the Parties.

D.8. This Agreement may be amended only by written amendment entered into among the Parties.
D.9. This Agreement will come into operation on the date of the last duly authorized signature provided below (the “Effective Date”).

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IN WITNESS WHEREOF, the Fund Council represented by the World Bank, the FAO for itself and for the ISPC, the IEA and GFAR, and the World Bank as Trustee have caused this Agreement to be signed in their respective names as of the respective dates indicated.

THE FUND COUNCIL,
by the International Bank for Reconstruction and Development

Rachel Kyte
Vice President, Sustainable Development Network
Date: 10-11-12

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT,
as Trustee

Axel van Trotsenburg
Vice President, Concessional Finance and Global Partnerships
Date: 10/15/2012

FOOD AND AGRICULTURE ORGANIZATION

Laurent Thomas
Assistant Director-General of the FAO Technical Cooperation Department
Date: 31/10/2012

ANNEXES:
ANNEX 1 Form of Cash Transfer Request
ANNEX 2 Use of Funds
ANNEX 1

CGIAR Fund

Date __________

Ref. No. __________

[Select one: INDEPENDENT SCIENCE AND PARTNERSHIP COUNCIL / CGIAR INDEPENDENT EVALUATION ARRANGEMENT / GLOBAL FORUM ON AGRICULTURAL RESEARCH]

Cash Transfer Request for FAO-hosted W1 Funding of WP&B for [ISPC][IEA][GFAR]

For [calendar year/period/GCARD #] ______________________
(in US dollars)

<table>
<thead>
<tr>
<th>Cumulative Net Cash received from the Trustee in Hosted Party account a</th>
<th>Amount of Cash Transfer Requested now</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

a/ This column represents the cumulative amount sent to FAO on behalf of the relevant Hosted Party by the Trustee under the Fund Use Agreement less return of funds to the Trustee.

Please arrange for the transfer of the above amount using the following banking instructions:

Account Holder: ____________________________
Account Name: ______________________________
Account Number: ____________________________
Bank Name: _________________________________
Address: __________________________________
SWIFT ID: _________________________________
Yours sincerely,

FOOD AND AGRICULTURE ORGANIZATION

______________________________
[name]
[title]
Date: ________________________
USE OF FUNDS

References in this Annex 2 to “FAO” are understood to be in the context of the FAO acting as the host of the ISPC, the IEA and GFAR and acting on behalf of each of ISPC, the IEA Office and GFAR.

A. Restrictions on Use of Funds

1. General Restrictions on Use of Funds

1.1. The FAO shall use FAO-hosted W1 Funding with due regard to economy and efficiency and uphold the highest standards of integrity in the administration of such funds, including the prevention of fraud and corruption.

1.2. The FAO may use FAO-hosted W1 Funding to retroactively pay for expenditures under a WP&B that were incurred within the six months prior to Fund Council approval of such WP&B, unless otherwise specified in such WP&B.

1.3. Investment income generated by any FAO-hosted W1 Funding shall be used for the same purposes applicable to such funds under this Agreement or returned to the Trustee for deposit in Window I if not needed for such purposes.

1.4. The FAO agrees that FAO-hosted W1 Funding shall not be used for payments for which corrupt, fraudulent, collusive, obstructive or coercive practices were engaged in by representatives of the relevant Hosted Party or FAO.

1.5. Recognizing the obligations of countries that are members of the United Nations under various United Nations Security Council resolutions to take measures to prevent financing of terrorists, the FAO agrees to undertake to use reasonable efforts, consistent with its governing arrangements and policies, including those pertaining to combating financing for terrorists, to ensure that all FAO-hosted W1 Funding is used for its intended purposes and are not diverted to individuals or entities associated with terrorism, as identified in accordance with relevant United Nations Security Council resolutions. In the event the FAO enters into any grants or contracts with the FAO-hosted W1 Funding, they shall each include a provision that any recipient of such funds shall (i) not use such funds for the purpose of any payment to persons or entities, or for the import of goods, if such payment or import, to the recipient’s knowledge or belief, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, including under United Nations Security Council Resolution 1373 and related resolutions, and (ii) include a corresponding provision in any downstream agreements that the recipient enters into with entities to which the recipient makes such funds available.

1.6. The FAO confirms that, given the activities to be funded by the WP&B, it does not believe that FAO-hosted W1 Funding would be diverted in support of drug trafficking.

1.7. None of the Fund Donors, the Trustee or the Fund Office shall be responsible for the activities of any person or third party engaged by the FAO with FAO-hosted W1 Funding, nor will the Fund Donors, the Trustee or Fund Office be liable for any costs incurred by such recipients in terminating the engagement of any such person.
1.8. The FAO agrees to use its best efforts, to the extent allowed by applicable agreements, such as those signed with host governments, and other applicable laws, to ensure that the use of FAO-hosted W1 Funding will be free from any taxation or fees imposed under local laws. Fund Donors that are sovereign states shall, to the extent relevant and feasible, seek to assist the FAO in strengthening and adjusting any such applicable agreements to which such Fund Donors are a party.

1.9. None of the Fund Council, any individual Fund Donor, the Trustee or the Fund Office shall be obligated to reimburse the FAO for costs incurred in excess of FAO-hosted W1 Funding. The FAO shall not be obligated to continue performance under this Agreement, or otherwise to incur costs in excess of the amounts received under this Agreement, unless and until further FAO-hosted W1 Funding has been allocated by the Fund Council and received from the Trustee.

1.10. (a) The FAO may use FAO-hosted W1 Funding for costs incurred that are reasonable, allocable, and allowable, where the following meanings apply:

(1) "Reasonable" means those costs that do not exceed those that would ordinarily be incurred by a prudent person in the conduct of normal business.

(2) " Allocable" means those costs that are necessary to the WP&B.

(3) "Allowable" means those costs that are reasonable and allocable, and that conform to any limitations set forth in the WP&B.

(b) For clarity, for purposes of this Agreement and subject to Section 1.10(a), the CGIAR Cost Allocation Guidelines (No. 5) that are part of the Common Operational Framework, which clarify overhead costs that may be considered allowable, apply as part of this Agreement only to the extent consistent with applicable FAO policies and procedures., which otherwise apply.

1.11. The FAO shall maintain books, records, documents, and other evidence in accordance with its respective usual accounting procedures to sufficiently substantiate the use of FAO-hosted W1 Funding.

1.12. The FAO agrees not to discriminate against persons with disabilities in the implementation of activities financed by FAO-hosted W1 Funding and to make every effort to respect the principles of the UN Convention on the Rights of Persons with Disabilities in performing such activities. To that end, and to the extent this goal can be accomplished within the scope of the objectives of WP&Bs, the FAO should demonstrate a comprehensive and consistent approach for including men, women and children with disabilities consistent with such principles, as described in the full text of the UN Convention on the Rights of Persons with Disabilities at the following website: http://www.un.org/disabilities/documents/convention/convoptprot-e.pdf.

2. Procurement

2.1. In the event that the FAO employs consultants or procures services or goods with FAO-hosted W1 Funding, the employment and supervision of such consultants and the procurement of such services or goods shall be the responsibility of the FAO and each entity employing or contracting with such consultants or carrying out such procurement and shall be conducted in accordance with the CGIAR Procurement of Goods, Works and Services Guidelines (No. 6) that are part of the Common Operational Framework, which apply as part of this
Agreement only to the extent consistent with applicable FAO rules and regulations, which otherwise apply.

3. **Representations and Undertakings**

3.1 The FAO has full power, capacity and authority to enter into this Agreement on behalf of each Hosted Party and exercise its rights and carry out its obligations hereunder.

3.2 The FAO is an international organization duly authorized to carry out activities. It has a history of financial probity and a record of achievement and has disclosed to the Trustee and the Fund Council any significant aspects to the contrary.

3.3 The FAO maintains financial management systems and prepares financial statements in accordance with consistently applied accounting standards, both in a manner adequate to reflect the operations, resources and expenditures related to the activities funded by FAO-hosted W1 Funding.

3.4 The FAO shall promptly inform the Trustee and Fund Council of any information that indicates the need for further scrutiny of the use of such funds (including non-frivolous allegations that FAO-hosted W1 Funding have been used for corrupt, fraudulent, collusive, obstructive or coercive practices), it being noted that any such further scrutiny shall take place consistent with Section 4.2 of this Agreement.

3.5 The FAO shall promptly inform the Trustee and the Fund Council of any conditions that interfere or threaten to interfere with any WP&B or with the FAO's obligations under this Agreement (including as they may flow through to downstream recipients of FAO-hosted W1 Funding).

4. **General**

4.1 This Article 4 shall apply until and except as explicitly modified or superseded by the provisions of a harmonized reporting requirements chapter approved as part of the Common Operational Framework, which chapter shall, upon such approval, be incorporated by reference into this Agreement, only to the extent consistent with the applicable FAO rules, regulations and directives, which in both cases (Article 4 and its replacement) otherwise apply.

4.2 The FAO, through each Hosted Party, shall periodically as agreed with the Fund Council prepare and provide to the Fund Council unaudited financial reports and certified financial reports with respect to WP&Bs in the FAO standard format. These financial reports shall be subject exclusively to the internal and external audit procedures laid down in the financial regulations, rules and directives of FAO.

4.3 The FAO, through each Hosted Party, shall periodically report to the Fund Council on such Hosted Party's performance relative to the related WP&B, in form and substance reasonably satisfactory to the Fund Council, as such form and the nature of such substance shall have been previously agreed between the Fund Council and FAO on behalf of such Hosted Party, it being understood that if the Fund Council is asked to approve a reporting format under this Section 4.3 that is objectionable to the FAO, the FAO shall indicate its objection to the Fund Council.
5. Monitoring and Evaluation

5.1. This Article 5 shall apply until and except as explicitly modified or superseded by the provisions of one or more chapters addressing monitoring and evaluation approved as part of the Common Operational Framework, which chapter or chapters shall, upon approval by the Fund Council and the Consortium as part of the Common Operational Framework, be incorporated by reference into this Agreement, only to the extent consistent with the applicable FAO policies and procedures, which in both cases (Article 5 and its replacement) otherwise apply.

5.2. As set forth in the Governance Framework, the Fund Council shall monitor the implementation of the ISPC’s WP&B and the performance of the ISPC.

5.3. The Fund Council shall monitor the implementation of the IEA office’s WP&B and the performance of the IEA.

5.4. The Fund Council shall monitor the implementation of GFAR’s WP&B and the performance of GFAR in organizing GCARD.

5.5. The ISPC, the IEA and GFAR/GCARD will additionally be evaluated as part of the independent evaluation of the performance of the whole CGIAR system every six years; to be commissioned by a Reference Group.