UNEP/Climate Change Division/Mitigation Branch/DEFRA
Reference Number: [redacted]

DONOR AGREEMENT
BETWEEN
DEPARTMENT FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS (DEFRA)
AND
UNITED NATIONS ENVIRONMENT PROGRAMME (UNEP)

WHEREAS DEFRA (hereinafter referred to as the "Donor") has decided to make a contribution of one hundred and thirty-four thousand and eighty three Great British Pounds and ninety-one pence. (£134,083.91) (hereinafter referred to as the "Contribution") to the United Nations Environment Programme (hereinafter referred to as "UNEP"), a subsidiary organ of the United Nations, an international organization

WHEREAS the United Nations Environment Programme (UNEP) agrees to receive and administer the financial contribution, which is associated with Donor Agreement S1-32CPL-000559, but shall be received in GBP for the implementation of the project aimed at advancing opportunities to accelerate the climate benefits of the Kigali Amendment to the Montreal Protocol and developing sustainable cooling and cold chain solutions.
NOW THEREFORE, UNEP and the Donor hereby agree as follows:

Article I. The Contribution

1. The Donor shall, in accordance with the schedule of payments set out below, contribute to UNEP the amount of £134,083.91. The contribution shall be deposited in the bank and bank account below:

United Nations [redacted]
Account No. [redacted]
Citibank N.A.
Citigroup Centre
London E14 5LB.
United Kingdom

[redacted]

Schedule of payments	Amount
[redacted]	£134,083.91

[redacted]

2. The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNEP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNEP shall inform the Donor with a view to determining whether any further financing could be provided by the Donor.

3. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended in consultation with the Donor.

4. UNEP shall receive and administer the payment in accordance with the regulations, rules and directives of UNEP.

5. All financial accounts and statements shall be expressed in United States dollars.

Article II. Utilization of the Contribution

1. The implementation of the responsibilities of UNEP shall be dependent on receipt by UNEP of the contribution in accordance with the schedule of payment as set out in Article I, paragraph 1, above.

2. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNEP shall submit to the Donor on a timely basis a supplementary estimate showing the further financing that will be necessary. The Donor shall use its best endeavours to obtain the additional funds required.

3. If the payments referred to in Article I, paragraph 1, above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph 2 above is not forthcoming from the Donor or other sources, the activities to be implemented under this agreement may be reduced or suspended by UNEP accordingly.

4. Any interest income attributable to the contribution shall be credited to UNEP Account and shall be utilized in accordance with established UNEP procedures.

Article III. Activities to be implemented

The Activities to be implemented with the funds from the Donor and UNEP's contribution will be those relating to opportunities to accelerate the climate benefits of the Kigali Amendment to the Montreal Protocol, and in particular, to accelerate HFC phase down through integrated action to enhance the energy efficiency of refrigeration, air conditioning and heat pump equipment and to develop and deploy sustainable cooling and cold chain solutions.

[redacted]

Article IV. Administration and reporting

1. Management of the contribution and expenditures shall be governed by the regulations, rules and directives of UNEP.

2. UNEP shall provide to the Donor the following reports prepared in accordance with UNEP accounting and reporting procedures.

2.1 For Agreements of one year or less:

(a) Within six months after the date of completion or termination of the Agreement, a final report summarizing activities and impact of activities as well as financial data.

2.2 For Agreements of more than one year:

(a) Every year, the status of progress, including the substantive and financial reports, for the duration of the Agreement.

(c) Within six months after the date of completion or termination of the Agreement, a final report summarizing activities and impact of activities as well as financial data.

3. In addition, the parties may agree that UNEP may provide more frequent reporting at the expense of the Donor. The specific nature and frequency of this reporting shall be specified in an annex of the Agreement.

Article V. Administrative and support services

1. In accordance with the decisions and directives of UNEP's Governing Council, the contribution shall be charged 13% for the programme support cost incurred by UNEP in administering the contribution.

2. Pursuant to paragraph 10(a) of United Nations General Assembly Resolution 72/279 of 31 May 2018, the Donor agrees that an amount corresponding to 1% of the contribution to UNEP shall be paid to fund the United Nations Resident Coordinator System. This amount, hereinafter referred to as the "coordination levy" will be held in trust by UNEP until transfer to the United Nations Secretariat for deposit into the United Nations Special Purpose Trust Fund for the reinvigorated Resident Coordinator system, which has been established to fund the UN Resident Coordinator System and is managed by the United Nations Secretariat.

3. The Donor acknowledges that once the coordination levy has been transferred by the UNEP to the United Nations Secretariat, the UNEP is not responsible for the use of the



coordination levy and does not assume any liability. The fiduciary responsibility lies with the United Nations Secretariat as the manager of the Resident Coordinator system.

4. The coordination levy does not form part of the UNEP's cost recovery and is additional to the costs of the UNEP to implement the activity or activities covered by the contribution. Accordingly, there is no normal obligation for the UNEP to refund the levy, in part or in full, even where the activities covered by the contribution are not carried out in full by UNEP. As deemed necessary by the funding partner - and especially where the scale of the resources concerned, or reputational risk justify the refund transaction costs – the funding partner can submit a request for refund to the United Nations Secretariat directly or through the United Nations entity. The responsibility to refund the levy lies with the United Nations Secretariat, and not with the concerned United Nations entity.

5. The coordination levy for this agreement is £1,327. This amount will be transferred to UNEP at the bank account referred to in Article 1(1) within 30 days of signing this agreement.

Article VI. Equipment

Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNEP.

Article VII. Auditing

The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations and rules. Should an Audit Report of the Board of Auditors of UNEP contain observations relevant to the contributions, such information shall be made available to the Donor.

Article VIII. Advertisement of the Contribution

1. The Donor shall not use the UNEP name or emblem, or any abbreviation thereof, in connection with its business or otherwise without the express prior written approval of UNEP in each case. In no event will authorization be granted for commercial purposes, or for use in any manner that suggests an endorsement by UNEP of [the Donor], its products or services.

2. The Donor acknowledges that it is familiar with UNEP's ideals and objectives and recognizes that its name and emblem may not be associated with any political or sectarian cause or otherwise used in a manner inconsistent with the status, reputation and neutrality of UNEP.

3. UNEP will report on the contribution to its Governing Council in accordance with its regular procedures regarding contributions. Other forms of recognition and acknowledgement of the contribution are subject to consultations between the Parties, but the manner of such recognition and acknowledgement shall always be consistent with the United Nations Rules and Regulations to that effect.

[redacted]

Article IX. Completion of the Agreement

1. UNEP shall notify the Donor when all activities supported by the donor under this agreement have been completed.

2. Notwithstanding the completion of the activities, UNEP shall continue to hold unutilized payments until all commitments and liabilities incurred have been satisfied.

3. If the unutilized payments prove insufficient to meet such commitments and liabilities, UNEP shall notify the Donor and consult with the Donor on the manner in which such commitments and liabilities may be satisfied.

4. Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be disposed of by UNEP in consultation with the Donor.

Article X. Termination of the Agreement

1. This Agreement may be terminated by UNEP or by the Donor. 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.

2. Notwithstanding termination of all or part of this Agreement, UNEP shall continue to hold unutilized payments until all commitments and liabilities incurred under this agreement up to the date of termination have been satisfied.

3. Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be disposed of by UNEP in consultation with the Donor.

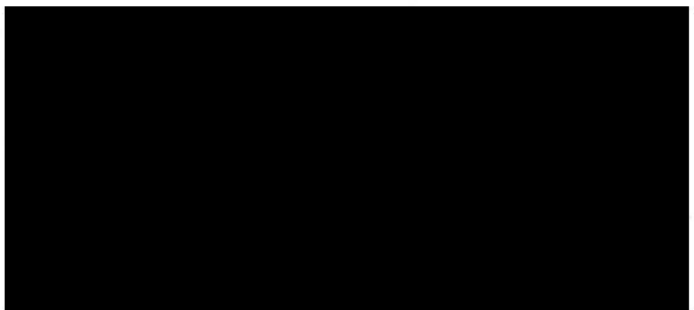
Article XI. Amendment of the Agreement

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

Article XII. Settlement of Disputes

1. The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Agreement or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with UNCITRAL Conciliation Rules then obtaining, or according to such procedures as may be agreed between the parties.

2. Any dispute, controversy or claim between the Parties arising out of or relating to this Agreement or the breach, termination or invalidity thereof, unless settled amicably under the



preceding paragraph within (60) sixty days after receipt by one Party of the other Party's request for the amicable settlement, shall be referred by either party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitral tribunal shall have no authority to award punitive damages. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

Article XIII. Privileges and Immunities

Nothing in this Agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UNEP.

Article XIV. Entry Into Force

This Agreement shall enter into force upon the last signature of the parties and shall remain effective until 31 December 2025 unless terminated earlier pursuant to Article X above.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in the English language in two copies.

For the Department for Environment, Food and Rural Affairs:



For the United Nations Environment Programme:



