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

DONOR AGREEMENT

BETWEEN

DEPARTMENT FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS OF THE GOVERNMENT OF THE UNITED KINGDOM (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 fifty two thousand Great British Pounds (£152,000) (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 for the implementation of the project 'Accelerating the Global Shift to Energy-Efficient and Climate-Friendly Appliances and Equipment' 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 (Annex 1).

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 £152,000 (one hundred and fifty two thousand Great British Pounds). 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
Sort code: [redacted]

Schedule of payments	Amount
[redacted]	£152,000

[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.

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 endeavors 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.



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.
(b) 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 Donor - and especially where the scale of the resources concerned, or reputational risk justify the refund transaction costs – the Donor 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 £1,504.95. 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 Bodies 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.

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. Fraud and Corruption

1. Both Parties have a zero-tolerance towards fraud, corruption, bribery, theft, harassment, terrorist financing, money laundering, any other financial irregularities, abuse of authority, violation of the fundamental principles of procurement rules and discrimination and any other forms of misconduct ('Misconduct'). UNEP shall take prompt action in response to any Misconduct in accordance with its regulations and rules, including its Anti-Fraud and Anti-Corruption Guidelines. The zero-tolerance policy applies to UNEP staff members, individual contractors, vendors, implementing partners and any other third parties which are engaged by UNEP in relation to the activities as indicated in the specific agreements with such individuals and third parties.

2. To this end, UNEP shall maintain standards of conduct governing the performance of its staff, including the prohibition of Misconduct in connection with the award and administration of contracts, grants, or other benefits, as set forth in UNEP's regulations, rules, procedures and policies.

3. If UNEP becomes aware of any credible allegations of Misconduct involving any activities funded in whole or in part with a contribution made under this Agreement, UNEP will, in accordance with its regulations, rules, policies and procedures, and contractual arrangements, report such allegations of Misconduct to the Investigations Division of the Office of Internal Oversight Services (OIOS), the internal oversight body of the United Nations.

4. UNEP will notify DEFRA as required on suspected fraudulent acts relating to the use of its funding in the implementation of the Project. Notifications will be issued in accordance with UNEP's regulatory framework and provided that such information does not jeopardize the proper conduct of the investigation or the due process rights of the individuals involved.

Article XV. Tackling sexual exploitation and abuse and sexual harassment

Both Parties have a zero-tolerance towards sexual harassment ("SH"), sexual exploitation and abuse ("SEA") and agree to the terms set out in Annex 2.

Article XVI. Entry Into Force

This Agreement shall enter into force upon the last signature of the parties and shall remain effective until 31 March 2027 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:



Amanda Lees
2026.03.18
18:26:49+03'00'

ANNEX 1

As a main goal of this work is to accelerate the climate benefits of the Kigali Amendment to the Montreal Protocol and encourage the uptake of energy efficient and climate friendly solutions, we agree to information sharing with, and regular reporting to DEFRA on activity highlights, milestones and achievements, costs, and lessons learned during implementation. This shall include updates on the programme's risk profiles and include details of the likelihood, impact, mitigation and escalation plans of individual risks. Financial reporting will provide detail on the distribution of funds. Reporting will be provided quarterly through email with draft documents and examples of progress included as attachments. Supplementary face-to-face meeting or teleconferences will be conducted as deemed necessary by DEFRA to discuss questions or ideas regarding this work. A final report will be submitted electronically as a Microsoft Office File with several pages of summary analysis on the accomplishments, challenges, and possible future opportunities, with attachments of all final deliverables.

ANNEX 2: TACKLING SEXUAL EXPLOITATION AND ABUSE AND SEXUAL HARASSMENT

1.a. Sexual exploitation and abuse
DEFRA and the Recipient have a zero tolerance for inaction approach to tackling sexual exploitation and abuse ("SEA").[i] This means the Recipient and its implementing partners will take all reasonable steps to prevent SEA by both its employees and any implementing partner and respond appropriately when reports of SEA arise, in accordance with their regulations, rules, policies and procedures.

Unless inconsistent with a specific regulation, rule, policy or procedure governing the Recipient, the Recipient will apply the IASC Six Core Principles Relating to Sexual Exploitation and Abuse and the following principles and practices when implementing the activities under this arrangement and provide evidence to demonstrate this where required:

a) Adherence to the IASC-Minimum Operation Standards on "Protection from sexual exploitation and abuse by own personnel" and/or {the} SEA elements of the Core Humanitarian Standard on Quality and Accountability;
b) A victim/survivor-centred approach[ii] to SEA issues;
c) Strong leadership and signaling on tackling SEA;
d) Make all reasonable efforts to address gender inequality and other power imbalances;
e) Reporting to enhance accountability and transparency;
f) Ensure that SEA standards from this arrangement are reflected in funding templates with implementing partners, {for UN entities: by means such as, but not limited to, adherence to the United Nations Protocol on Allegations of Sexual Exploitation and Abuse Involving Implementing Partners}.

b. Sexual harassment
DEFRA and the Recipient have a zero tolerance for inaction approach to tackling sexual



harassment ("SH").[iii] This means the Recipient will take all reasonable steps to prevent SH and respond appropriately when reports of SH arise, in accordance with its regulations, rules, policies and procedures.

Unless inconsistent with a specific regulation, rule, policy or procedure governing the Recipient, the Recipient will apply the following principles and practices when implementing the activities under this arrangement:

a) A victim/survivor-centred approach to SH issues;
b) Strong leadership and signaling on tackling SH;
c) Make all reasonable efforts to address gender inequality and other power imbalances;
d) Reporting to enhance accountability and transparency;

1. The Recipient will adhere to the following requirements:

a. Allegations of SEA

(i) The Recipient will promptly report all allegations of SEA credible enough to warrant an investigation through the Secretary-General's reporting mechanism (the "Report").
(ii) When the Recipient reports an allegation of SEA to, or becomes aware of an allegation reported through, the Report that is (i) directly related to the activities funded by this arrangement or, (ii) would have a significant impact on the partnership between the Recipient and DEFRA, the Recipient will promptly notify DEFRA at ODA.safeguarding@defra.gov.uk of the report made and the relevant arrangement number, if applicable and provide information containing the level of detail that the Recipient is aware of.
(iii) Upon request from DEFRA, the Recipient agrees to provide further available relevant information the Recipient is aware of for allegations notified under paragraph 2a (ii) including about subsequent measures taken by the Recipient, unless disclosure of such information would be inconsistent with the Recipient's regulations, rules, policies and procedures concerning disclosure of information

b. Allegations of SH
(i) The Recipient will report allegations of sexual harassment and measures taken through existing reporting mechanisms.
(ii) Where the Recipient has determined that the allegations would have a significant impact on the partnership between the Recipient and DEFRA, the Recipient will promptly notify DEFRA at ODA.safeguarding@defra.gov.uk and provide information containing the level of detail of the existing reporting mechanisms.
(iii) Upon request from the DEFRA, the Recipient agrees to provide further available relevant information, that the Recipient is aware of unless disclosure of such information would be inconsistent with the Recipient's regulations, rules, policies and procedures concerning disclosure of information.

3. It is understood and accepted that the Recipient's arrangement to report on SEA and SH will be performed in accordance with the Recipient's regulations, rules, policies and procedures, including its rules on confidentiality, and is subject to not compromising the safety, security, privacy and

due process rights of any concerned persons.

4. When the Recipient becomes aware of reasonable suspicions, complaints or reports of SEA or SH by its personnel, the Recipient will, as appropriate under its regulations, rules, policies, and procedures, take reasonable, swift and appropriate action to stop harm occurring, investigate and report to relevant authorities (for potential criminal matters), as appropriate and when safe to do so, after considering the wishes of the victim/survivor.

5. DEFRA or any of its duly authorized representatives may, in accordance with agreed mutually accepted terms of reference, carry out reviews or evaluations or other assessment measures to verify the Recipient's zero tolerance for SEA and SH, provided that such measures are consistent with the single audit principle governing the UN, if applicable. The Recipient will fully cooperate within the scope of the terms of reference with any such reasonable requests by DEFRA or any of its duly authorized representatives or agents to carry out such measures.

6. Any information or documentation provided in accordance with these provisions will be treated by DEFRA with utmost discretion in order to ensure, inter alia, the probity of any investigation, protect sensitive information, ensure the safety and security of persons and respect the due process rights of all involved. DEFRA will presume information/documentation to be confidential, deliberative, and investigatory and will ensure that information/documentation provided to DEFRA will be available solely to those who strictly require access to such information/documentation. Any disclosure of such information/documentation beyond such personnel will require notification and consultation with the Recipient. DEFRA will obtain the express written authorization of the Recipient before disclosing any such information/documentation in a judicial proceeding or to the public, unless disclosure is otherwise required by law applicable to DEFRA and is not subject to the Recipient's privileges and immunities under international and/or national law (such as information/documentation constituting UN archives).

[i] See UNSG Bulletin ST/SGB/2003/13 for the definition of sexual exploitation and abuse.

[ii] A victim/survivor centered-approach is one for which the victim/survivor's dignity, experiences, considerations, needs, and resiliencies are placed at the center of the process, from the initial program design to investigating and responding to potential incidents. Consistent with the UN Protocol on Allegations of SEA Involving Implementing Partners, the victim/survivor should be informed, consulted during the decision-making process, and provide consent on the possible use and disclosure of their information. Those interacting with the victim/survivor and/or handling information regarding the allegation will maintain confidentiality, ensure safety of the victim/survivor, and apply victim/survivor-centered principles which are safety, confidentiality, respect, and non-discrimination. When the victim/survivor is a child, the approach will consider the best interests of the child and engage with the family/caregivers as appropriate. Staff and partners should comply with host country and local child welfare and protection legislation and international standards, whichever gives greater protection.

[iii] See the UN System Model Policy on Sexual Harassment and the UN Secretary-General's Bulletin ST/SGB/2019/8 for the uniform definition of sexual harassment in the UN System.