

EUROPEAN UNION
CONTRIBUTION AGREEMENT
14.020241/906084/SUB/CLIMA.D3
Contracting Authority's contract number

(the "Agreement")

The European Union, represented by the European Commission (the "Contracting Authority"), first counterparty,

and

The United Nations Organisation, represented by the United Nations Environmental Programme (**UNEP**)

International Organisation

Having its headquarters at United Nations at Avenue Gigiri 30552, PO BOX 30552, 00100 Nairobi, Kenya, hereinafter the "**Organisation**",

second counterparty, (individually a "Party" and collectively the "Parties") have agreed as follows:

SPECIAL CONDITIONS

Article 1 - Purpose

1.1 The purpose of this Agreement is to provide a financial contribution to finance the implementation of the action **Support to the Climate Technology Centre Network (CTCN)** as described in Annex I (the "Action"). This Agreement establishes the rules for the implementation and for the payment of the EU Contribution and defines the relations between the Organisation and the Contracting Authority.

1.2 The Action is fully financed by the EU Contribution.

1.3 The Organisation declares that no substantial changes, which have not already been communicated to the Commission, affect the rules and procedures which have been subject to the Ex-ante Pillar-Assessment.

In the performance of the activities, the Organisation shall:

- Apply its own rules and procedures for the award and management of Procurement Contracts which have been assessed in the Ex-ante Pillar Assessment, complemented with the ad-hoc measures laid down in Article 7, and
- Apply its own rules and procedures for the award and management of Grants, which have been assessed in the Ex-ante Pillar Assessment, complemented with the ad-hoc measures laid down in Article 7.

1.4 The Action is financed under Neighbourhood, Development and International Cooperation Instrument (NDICI – Global Europe).

1.5 The Organisation shall provide a management declaration in accordance with Articles 3.10 of Annex II with every progress and final report.

1.6 This Agreement is subject to the provisions of the Financial and Administrative Framework Agreement (FAFA) between European Union and United Nations signed on 29 April 2003, as amended by Addendum no. 1 signed on 26 February 2014 and its further consolidation version applicable as of January 2019.

Article 2 - Entry into Force and Implementation Period

Entry into Force

2.1 The Agreement shall enter into force on the date when the last Party signs.

Implementation Period

2.2 The Implementation Period of the Agreement (the "Implementation Period") shall commence on: 1 January 2024.

2.3 The Implementation Period of the Agreement is **36 months**.

Article 3 - Financing the Action

3.1 The total cost of the Action¹ is estimated at USD ("Currency of the Agreement") 2 121 000, as set out in Annex III. The Contracting Authority undertakes to provide a contribution up to a maximum of EUR 2 000 000, which is estimated at USD 2 121 000 (the "EU Contribution").

The final amount will be established in accordance with Articles 16 to 18 of Annex II financing not linked to costs set out in Annex I.

Remuneration

3.2 The remuneration of the Organisation by the Contracting Authority for the activities to be implemented under this Agreement shall be 7% of the final amount of eligible direct costs of the Action to be reimbursed by the Contracting Authority.

Interest on pre-financing

3.3 Interest generated on pre-financing shall not be due.

Article 4 - Payment Arrangements and Reporting

4.1 The pre-financing rate is 100%.

4.2 Payments shall be made in accordance with Article 17 of Annex II. The following amounts are applicable, all subject to the provisions of Annex II:

First pre-financing instalment: USD 1 696 000.

Further pre-financings instalments: USD 230 000 following the end of the 1st reporting period and USD 140 000 following the end of the 2nd reporting period corresponding to the Contracting Authority's part of the forecast budget for the subsequent 12 months.

Forecast balance² of the final amount of the EU Contribution, if any (subject to the provisions of Annex II): USD 55 000.

The sum of the payments in the accounting currency of the Organisation shall not exceed the total EU Contribution in EUR.

4.3 The Organisation acknowledges that the European Commission intends to progressively introduce an Electronic Exchange System pursuant to the EU Financial Regulation, accessible via

¹ This amount is introduced only for indicative purposes. It is an estimate and its evolution does not condition the EU Contribution.

² The forecast balance (final payment), if any, is the difference between the total amount of the EU Contribution and the sum of the previous instalments.

the Single Electronic Data Interchange Area (SEDIA) portal, the “EU Funding & Tender Opportunities” portal (the “System”), for the electronic management of this Agreement.

The European Commission shall inform the Organisation at least three months prior to the date on which other documents and processes related to this Agreement (including reports, electronic payment requests and communications) are to be processed via the System.

Notwithstanding the above the Organisation shall submit the information referred to in Article 3.7 b) of Annex II via the System for all reports under this Agreement.

Article 5 – Communication language and contacts

- 5.1 All communications to the Contracting Authority in connection with the Agreement, including reports referred to in Article 3 of Annex II, shall be in English.
- 5.2 Subject to Article 4.3, any communication relating to the Agreement shall be in writing, shall state the Contracting Authority’s contract number and the title of the Action, and shall be dispatched to the addresses below.
- 5.3 Subject to Article 4.3, any communication relating to the Agreement, including payment requests and attached reports, and requests for changes to bank account arrangements shall be sent to:

For the Contracting Authority

European Commission
Directorate-General for Climate Action
For the attention of Head of Unit CLIMA.A.4, Mr Yiannos ASIMAKIS
BRE2 14/DCS
B-1049 Brussels, Belgium

Copies of the documents referred to above, and correspondence of any other nature, shall be sent to:

European Commission
Directorate-General for Climate Action
For the attention of the Head of Unit CLIMA.D3, Ms Alessandra SGOBBI
BRE2 12/DCS
B-1049 Brussels, Belgium

For the Organisation

Director, Corporate Services Division (CSD)
United Nations Environment Programme (UNEP)
PO Box 30552 – Gigiri 00100
Nairobi, Kenya

Copies of the document referred to above, and correspondence of any other nature, shall be sent to:

United Nations Environment Programme (UNEP)
For the Attention of CTCN Director
UN City, Marmorvej 51, DK 2100
Copenhagen, Denmark
Email: ctcn@un.org; cc., nima.joshi@un.org

- 5.4 Ordinary mail shall be deemed to have been received on the date on which it is officially registered at the address referred to above.
- 5.5 The contact point within the Organisation, which shall have the appropriate powers to cooperate directly with the European Anti-Fraud Office (OLAF) in order to facilitate the latter’s operational activities shall be:

Ms. Elizabeth Mrema
Acting Director, Corporate Services Division
United Nations Environment Programme (UNEP)
PO Box 30552 – Gigiri 00100
Nairobi, Kenya

- 5.6 All exchanges concerning the Early Detection and Exclusion System shall take place between the Contracting Authority and the authorised person designated by the Organisation, which is:

Ms. Elizabeth Mrema
Acting Director, Corporate Services Division
United Nations Environment Programme (UNEP)
PO Box 30552 – Gigiri 00100 Nairobi, Kenya

Article 6 – Annexes

- 6.1 The following documents are annexed to these Special Conditions and form an integral part of the Agreement:

Annex I: Description of the Action (including the Logical Framework of the Action)
Annex II: General Conditions for Contribution Agreements
Annex III: Budget for the Action
Annex IV: Financial Identification Form
Annex V: Standard Request for Payment
Annex VI: Management Declaration template

- 6.2 In the event of a conflict between these Special Conditions and any Annex thereto, the provisions of the Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other Annexes, the provisions of Annex II shall take precedence.

Article 7 – Additional specific conditions applying to the Action³

- 7.1 The following shall supplement Annex II:

- 7.1.1 Pursuant to Article 2 of Annex II, the Organisation shall apply the following ad hoc measures:

7.1.1.1 In order to address all the findings raised by the Ex-Ante Pillar-Assessment of the Organisation's rules and procedures related to grants, the exclusion from access to funding, the publication of information on recipients and the protection of personal data, the Organisation commits to implement the corresponding recommendations, or equivalent actions addressing such recommendations' underlying findings, including the roadmap, concerning the rules and procedures related to grants, the exclusion from access to funding, publication of information on recipients and the protection of personal data, as reflected in the final report of the Organisation's Ex-Ante Pillar Assessment of 26 October 2022.

7.1.1.2 The Organisation will notify the European Commission, in writing, confirming that it has taken appropriate measures to address all the recommendations and their underlying findings, including the roadmap, referred to under Article 7.1.1.1 of the Special Conditions, consistent with the UN's status under international law, its privileges and immunities and its regulatory framework. Upon receipt of such notification and further to the European Commission's consideration of the information provided by the Organisation, the European Commission and the Organisation will consult and, where appropriate, agree on discontinuing the present ad hoc measures. The Commission recognises that such ad hoc measures are without prejudice to the Organisation's status under international law, its privileges and immunities and its regulatory

framework, and that funds will continue to be administered in accordance with the Organisation's regulatory framework.

7.1.1.3 The Organisation may award Grants provided that the rules and procedures used meet the following conditions:

- a) they comply with the principles of proportionality and equal treatment;
- b) they ensure that costs are not financed twice for the same action implemented by a Grant Beneficiary ("non double funding" principle);
- c) they ensure that Grants are not awarded for actions already completed and that Grants may be awarded for an action that has already begun only in duly justified cases or in the event of extreme urgency ("non retroactivity" principle);
- d) they ensure, that Grant Beneficiaries meet pre-defined eligibility and award criteria, and to a reasonable extent have sufficient financial and operational capacity, keep adequate records and are subject to checks and audit;
- e) they ensure transparency, with adequate publication of calls for proposals, direct award procedures being limited to reasonable amounts or being duly justified;
- f) they prevent conflicts of interest throughout the entire Grant award procedure;
- g) they ensure that grant agreements concluded by the Organisation include provisions ensuring that amounts declared by Grant Beneficiaries in their payment requests are necessary, justified, accurate, properly recorded and eligible in accordance with the conditions of the grant agreement, provisions on the reduction of the Grant, financial reporting, suspension and termination and recovery of funds.

7.1.1.4 For the implementation of Article 20 of Annex II, the Organisation will require that recipients of funds originating from contributions from the EU under this Agreement provide the Organisation with a declaration confirming that neither they, nor any person having powers of representation, decision-making or control over them, nor any member of their administrative, management or supervisory body have been in one of the exclusion situations referred to in point 2.1 a) of Annex 2a of the Terms of Reference for the Ex-Ante Pillar-Assessment, namely:

- h) bankruptcy, insolvency or winding-up procedures;
- i) breach of obligations relating to the payment of taxes or social security contributions;
- j) grave professional misconduct, including mis-representation;
- k) fraud;
- l) corruption;
- m) conduct related to a criminal organisation;
- n) money laundering or terrorist financing;
- o) terrorist offences or offences linked to terrorist activities;
- p) child labour and other trafficking in human beings;
- q) irregularity;
- r) creating a shell company;
- s) being a shell company.

This obligation shall not apply to natural persons who ultimately benefit from the assistance to be financed under this Agreement.

7.1.1.5 For the implementation of Article 2.2 of the General Conditions, on a regular basis and at least once a year, the Organisation shall publish on its website information related to Grants financed or co-financed by the EU Contribution. Such information for publication includes the title of the agreement/project, the nature and purpose of the agreement/project, the name and locality of the Grant Beneficiary and the amount of the agreement. The term "locality" shall mean the address for legal persons and the region or equivalent, for natural persons. Decisions for publication of such information will be made in full respect of the requirements of the Organisation for confidentiality, safety and security and in particular the protection of personal data. The requirement to publish information on Grants does not apply to cases where publication would threaten the rights and freedom of individuals or harm the Grant

Beneficiary's commercial interests or would jeopardize the Organisation's privileges and immunities.

Where the Action is a Multi-Donor Action and the EU Contribution is not earmarked, the publication of information on Grants shall follow the rules of the Organisation.

7.1.1.6 For the implementation of Article 2.2 of the General Conditions, on a regular basis and at least once a year, the Organisation shall publish on its website information related to contracts financed or co-financed by the EU contribution. Such information for publication includes the name of the Contractor, the value of the contract, the nature of the works, goods or services provided and the solicitation method. Decisions for publication of such information will be made in full respect of the requirements of the Organisation for confidentiality, safety and security and in particular the protection of personal data.

The requirement to publish information of the awarded Contractor does not apply to:

- awarded contracts below USD 150.000;
- cases where publication would threaten the rights and freedom of individuals or harm the recipient's commercial interest or would jeopardize the Organisation's privileges and immunities.

Where the Action is a Multi-Donor Action and the EU Contribution is not earmarked, the publication of information on contracts shall follow the rules of the Organisation.

7.1.1.7 The Organisation shall ensure an appropriate protection of personal data in accordance with its applicable rules and procedures. Personal data shall be:

- processed lawfully, fairly and in a transparent manner in relation to the data subject;
- collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes;
- adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed;
- accurate and, where necessary, kept up to date;
- kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed; and
- processed in a manner that ensures appropriate security of the personal data.

The Parties accept the validity of any qualified electronic signature used for the signature of this Agreement and recognise the latter as equivalent to a hand-written signature.

Done in Brussels and Nairobi in two originals in the English language, one for the Contracting Authority and one for the Organisation.

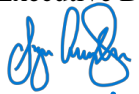
For the Organisation

Name Inger Andersen

Position Executive Director

Signature

Date


20th Nov. 2023.

For the Contracting Authority

Name: Diana ACCONCIA

Position: Director CLIMA.D

Signature

Date

Read and Approved