

**DONOR AGREEMENT
BETWEEN
THE FEDERAL REPUBLIC OF GERMANY- REPRESENTED BY THE
FEDERAL MINISTRY FOR ECONOMIC AFFAIRS AND ENERGY
AND
THE UNITED NATIONS ENVIRONMENT PROGRAMME**

WHEREAS the Conference of the Parties of the United Nations Framework on Climate Change (UNFCCC) by its decision 1/CP.16, established a Technology Mechanism consisting of a Technology Executive Committee and a Climate Technology Center and Network (hereinafter referred to as CTCN),

WHEREAS the United Nations Environment Programme (hereinafter referred to as "UN Environment") hosts the CTCN based on the UNFCCC Conference of Parties' decision 14/CP.18 and UN Environment Governing Council with its decision UNEP/GC.27/10,

WHEREAS UN Environment is prepared to receive and administer contributions for support to the CTCN and its activities, and has for this purpose established a CTCN Trust Fund,

WHEREAS the Federal Republic of Germany, represented by the Federal Ministry for Economic Affairs and Energy (hereinafter referred to as the "Donor") hereby agrees to make a total contribution of **\$572,000** (hereinafter referred to as the "Contribution") to UN Environment to support the implementation of the CTCN activities,

NOW THEREFORE, UN Environment and the Federal Republic of Germany hereby agree as follows:

Article I. The Contribution

1. The Donor shall, in accordance with the schedule of payments set out below, contribute to UN Environment the amount of **\$572,000**. The Contribution shall be deposited in the following bank account:

UNEP Trust Fund
Account No. 485 002 809
J.P. Morgan Chase
International Agencies Banking
270 Park Ave, 43rd Floor
New York, N.Y. 10017, USA
Wire Transfer:
Chase ABA number: 021000021



SWIFT number: BIC-CHASUS33 or
CHIPS participant number: 0002

Schedule of payments
31.12.2016

Amount
\$572,000

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 UN Environment 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, UN Environment 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. UN Environment shall receive and administer the payment in accordance with the regulations, rules and directives of UN Environment.
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 UN Environment shall be dependent on receipt by UN Environment of the contribution in accordance with the schedule of payment as set out in Article I, paragraph 1, above.
2. 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 UN Environment accordingly.
3. Any interest income attributable to the contribution shall be credited to the CTCN Trust Fund.

Article III. Activities to be implemented

The Activities to be implemented with the funds from the Donor and UN Environment's contribution is to focus on capacity building, networking and stakeholder engagement as described in the funding proposal of the CTCN dated 27 September 2016 and entitled "Funding Proposal to support the Climate Technology Centre and Network" (Annex 1). These activities are consistent with the Programme of Work of the CTCN as approved by UN Environment and the CTCN Advisory Board.



Article IV. Administration and reporting

1. Management of the contribution and expenditures shall be governed by the regulations, rules and directives of UN Environment. UN Environment shall ensure that the contribution is recorded in the accounts of UN Environment and reported together with all other funds to the CTCN Trust Fund.
2. UN Environment shall annually provide to the Donor copies of the CTCN substantive and financial reports provided to the Conference of Parties of the United Nations Framework on Climate Change.

Article V. Administrative and support services

1. In accordance with the decisions and directives of UN Environment's Governing Council and the Terms of Reference of the CTCN Trust Fund, the contribution shall be charged 10% for the programme support cost incurred by UN Environment in administering the contribution;

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 UN Environment 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 UN Environment name or emblem, or any abbreviation thereof, in connection with its business or otherwise without the express prior written approval of UN Environment in each case. In no event will authorization be granted for commercial purposes, or for use in any manner that suggests an endorsement by UN Environment of the Federal Republic of Germany, its products or services.
2. UN Environment 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 X. Completion of the Agreement

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



2. Notwithstanding the completion of the activities, UN Environment 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, UN Environment 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 UN Environment in consultation with the Donor.

Article XI. Termination of the Agreement

1. This Agreement may be terminated by UN Environment 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, UN Environment 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 UN Environment in consultation with the Donor.

Article XII. Amendment of the Agreement

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

Article XIII. 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 XIV. Privileges and Immunities

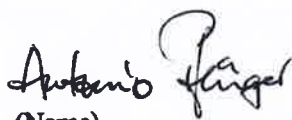
Nothing in this Agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UN Environment.

Article XV. Entry Into Force

This Agreement shall enter into force upon signature by the Parties, being effecting from the date of the latest signature and shall remain valid until 31 December 2017 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 Donor:


(Name)

7/12/2016
(Date)

For the United Nations Environment Programme


(Name)
Ligia Noronha

(Date) 20/12/16

Annex 1: Funding proposal to support the Climate Technology Centre and Network dating
27th September 2016



Funding Proposal to support the Climate Technology Centre and Network

Introduction

- The Climate Technology Centre and Network (CTCN) promotes the development and transfer of priority adaptation and mitigation technologies in developing countries. By channeling information, building capacity and facilitating networking and technical assistance; it bridges the gap between identified needs and solution providers, fosters collaboration among climate technology stakeholders, and enables vulnerable countries to take action to address climate change.
- The CTCN provides a bridge between the UNFCCC process and those organizations that are actively deploying climate technologies in support of developing country Technology Needs Assessments, Nationally Appropriate Mitigation Actions, Nationally Determined Contributions, and other key planning documents. By simultaneously leveraging the expertise of the private sector and partnering with host country governments, the CTCN ensures that best available technologies are selected according to each national circumstance.
- The **contribution from Germany** will be used for non-technical assistance activities included in the CTCN Annual Operating Plan. This is approved by the CTCN Advisory Board on an annual basis.

Proposed areas for collaboration

1. Networking and stakeholder engagement

The CTCN will continue building and strengthening its Network to enable countries to access the best available expertise in response to their requests and for contributing to capacity building activities, and to enrich the KMS with additional expert information that will enhance available online capacity building tools.

The CTCN will work towards increasing collaboration with the business and industry sector (including from the private sector), public institutions, academia, NGOs, and research institutions to facilitate public-private technology transfer partnerships and twinning arrangements through targeted workshops and matchmaking events.

CTCN will also promote North–South, South–South and triangular partnerships, including for cooperative research and development, to facilitate subsequent implementation of projects and investments in technology transfer.

Possible activities include:

- Promote the development of a competent and active Network that covers a wide range of expertise and approaches by directly reaching out to qualifying institutions.
- Engage Network members in CTCN technical assistance, capacity building, and knowledge management activities.

- Create synergies and operational collaborations with major multilateral donors in the field of climate change technologies.
- Co-organize thematic events with Network members at regional and sub-regional level for NDEs and other in-country stakeholders with a sectoral focus or a cross-sectoral focus.
- Pursue efforts to engage with Universities, Research Institutions, and Civil Society organizations to stimulate R&D collaboration, including through the organization of a global RD&D meeting.

2. Capacity building

The CTCN will continue to enhance human and institutional capacity on climate technologies for adaptation and mitigation through the Request Incubator Programme, in-person regional trainings, and support NDEs and other key stakeholders in designing collaborative programmes to bridge the gap between NDCs and concrete actions on the ground.

The CTCN will take into account the outcomes of COP22 related to capacity-building as well as the recommendations of the Paris Committee on Capacity Building while designing capacity-building activities.

Possible activities include:

- Continue the implementation of the 'Incubator Programme for Least Developed Countries' in current and potential participating countries, with a stronger focus on support to NDC implementation.
- Initiate the implementation of the 'Incubator Programme for Small Island Developing States' in the Caribbean and in the Pacific region.
- Organise Regional and Subregional Forums to help NDEs identify and access funding for follow-up actions to CTCN requests or other climate technology activities, including through facilitating interactions between National Designated Authorities under the GCF and CTCN NDEs.
- Design and conduct programmes aimed at strengthening or building capacities of stakeholders at the national level.
- Continue the delivery of webinars developed by Consortium Partners, Network members and other key partners.
- Pursue the implementation of the CTCN secondment programme to facilitate the cross-fertilization between the Climate Technology Centre (CTC) and its Network, as well as the wider CTCN community.

Proposed 2016-2017 budget

Main Component	Amount (USD)
<i>Outreach, networking and stakeholder engagement services</i>	
CTCN NDEs, Network and Stakeholder Engagement	210,000
Subtotal	210,000
<i>Peer learning and capacity building services</i>	
Capacity Building activities and materials (e.g., Incubator Programme)	125,000
Subtotal	125,000
<i>CTCN establishment and operation costs</i>	
Consultants that support capacity building, network and stakeholder engagement activities	185,000
Subtotal	185,000
Total Programmable	520,000
PSC¹	52,000
GRAND TOTAL	572,000

Note 1: 10% Project Support Costs applied for contributions to be implemented by UNEP or non-UN partners that require only a single consolidated report from the CTCN Trust Fund. If specific reporting on individual donor expenditures is required, 13% Project Support Costs will be applied to the contributions.

