

**DONOR AGREEMENT  
BETWEEN  
DEFRA  
AND  
UNITED NATIONS ENVIRONMENT PROGRAMME**

WHEREAS Defra (hereinafter referred to as the "Donor") has decided to make a contribution of two hundred and ninety-four thousand two hundred and sixty four (\$294,264) (hereinafter referred to as the "Contribution") to the United Nations Environment Programme (hereinafter referred to as "UN Environment"), a subsidiary organ of the United Nations, an international organization.

WHEREAS UN Environment is prepared to receive and administer the contribution for the purpose of considering opportunities to enhance the dual benefits of HFC phase down and energy efficiency improvements.

NOW THEREFORE, UN Environment 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 UN Environment the amount of \$294,264. The contribution shall be deposited in:

[REDACTED]

<u>Schedule of payments</u>	<u>Amount</u>
Upon signature	\$294, 264

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. It may be amended in consultation with the Donor.

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 unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UN Environment 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 UN Environment accordingly.

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

### **Article III. Activities to be implemented**

The Activities to be implemented with the funds from the Donor and UN Environment's contribution will be those relating to opportunities to accelerate the benefits of the HFC phase down through enhancements in the energy efficiency of refrigeration, air conditioning and heat pump equipment.



#### **Article IV. Administration and reporting**

1. Management of the contribution and expenditures shall be governed by the regulations, rules and directives of UN Environment.
2. UN Environment shall provide to the Donor the following reports prepared in accordance with UN Environment 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, UN Environment 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 UN Environment's Governing Council, the contribution shall be charged 13% for the programme support cost incurred by UN Environment in administering the contribution;

#### **Article VI. Equipment**

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

#### **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 Donor, its products or services.
2. The Donor acknowledges that it is familiar with UN Environment'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 UN Environment.
3. UN Environment 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.

#### **Article IX. 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 X. 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 XI. 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 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.

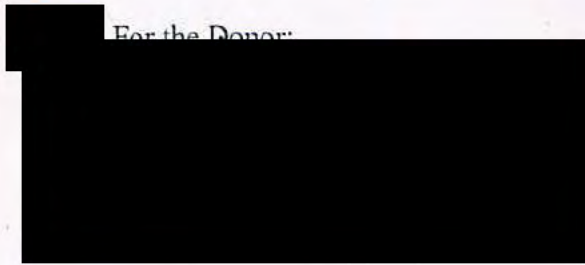
#### **Article XIII. Privileges and Immunities**

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

Article XIV. Entry Into Force

This Agreement shall enter into force upon signature of the agreement and shall remain effective for twelve months until 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:  


For the United Nations Environment  
Programme:  
