## Amendment No. 2 to the Donor Agreement

#### between

## **Department of Environment, Food and Rural Affairs**

and

### the United Nations Environment Programme

Pursuant to Article XI of the Donor Agreement S1-32CPL-000559 of 19 August 2022 and as amended vide Amendment No.1 of 9<sup>th</sup> February 2023 (hereinafter collectively referred to as the 'Agreement') between United Nations Environment Programme and The Department for Environment, Food and Rural Affairs (hereinafter collectively referred to as the 'Parties') for the purpose of advancing opportunities to accelerate the climate benefits of the Kigali Amendment to the Montreal Protocol and develop sustainable cooling and cold chain solutions, the Parties agree to amend the Agreement.

The purpose of this Amendment is to reflect, a) an additional contribution of US\$ 5,141,388 to the project; b) introduce a new timeline for the schedule of payments and c) extend the duration of the Agreement.

## 1. General provision

1.1 Article I (1) of the Agreement is hereby amended in its entirety as follows:

"The Donor shall, in accordance with the schedule of payments set out below, contribute to UNEP the amount of US \$ 11,855,545 (Eleven million, eight hundred fifty-five thousand, five hundred and forty-five United States Dollars). The contribution shall be deposited in the UNEP Trust Fund:



<u>Schedule of payments</u>
Upon Countersignature of the original Agreement

Amount
US \$ 4,848,485 (*Received*)
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Parties' initials:

# UNEP/Industry and Economy Division/Energy and Climate Branch/DEFRA/ Amendment 2 Reference Number: S1-32CPL-000559

Upon Countersignature of Amendment No. 1
Upon Countersignature of Amendment No. 2

US \$ 1,865,672 (Received) US \$ 5,141,388 "

- 1.2 Article V of the Agreement is hereby amended in its entirety as follows:
- "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 UNEP to the United Nations Secretariat, 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. The coordination levy does not form part of UNEP cost recovery and is additional to the costs of UNEP to implement the activity or activities covered by the contribution. Accordingly, there is no normal obligation for 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 entity of the United Nations.
- 4. The coordination levy for this agreement is \$117,381. The payment schedule, refer to article I, provides the breakdown of the disbursements of the coordination levy and the payments of the contribution."
  - 1.3. Article XIV of the Agreement is hereby amended in its entirety as follows:

"The Agreement shall enter into force from 19 August 2022 and shall remain effective until 31 December 2025 unless terminated earlier pursuant to Article X above."

Parties' initials:

UNEP/Industry and Economy Division/Energy and Climate Branch/DEFRA/ Amendment 2
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- 2 Entry into force
- 2.1 This Amendment No. 2 shall enter into force upon the date of the last signature of the approving officials below.

All other terms and conditions of the Agreement remain valid and unchanged.

This Amendment shall be appended to the Agreement, and shall be construed an integral part of it.



Parties' initials:



