## Payment Request

**Status:** Approved

### Basic Information

- **Reference:** PR/2016/0130
- **Business Area/Division:** UNEP/DTIE
- **BP ID:** 1300008211
- **BP Name:** Ministry of Lands, Water & Environment
- **BP Country:** Eritrea
- **BP Bank Account:** 1201220106
- **WBE/TO/COST CENTRE:** SB-001119.08
- **Fund:** 33GFL
- **Payment Type:** IP PO
- **Sent to Finance Date:** 15-01-2016
- **Payment Currency:** USD
- **Final Payment?** No

**Attachment:**

![Attachment](P1-33GFL-000834_Cash Adv. No.1.pdf)

### PO Details

<table>
<thead>
<tr>
<th>Line</th>
<th>Amount</th>
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### SES Details

<table>
<thead>
<tr>
<th>SES Ref</th>
<th>SES Line</th>
<th>SES Amount</th>
<th>Remarks</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>10000</td>
<td>PCA with Ministry of Lands, Water &amp; Environment</td>
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**Total Amount:** 10000

**Remarks/Narrative:** First cash adv. against Eritrea BUR1

### Users and Roles

- **Creator:** Patricia Mwenya
- **Certifying Officer:** Anuracha Shency
- **FSU Finance Assistant:** Caroline Nellima
- **FSU Finance Officer:** Qian Cheng/UNON/NBO/UNO
- **ASU Finance Assistant:** ASU Finance Officer:

### Payment Summary

**Umoja Creation Date:** 25-02-2016
**Disbursement Summary**

<table>
<thead>
<tr>
<th>Date</th>
<th>Type</th>
<th>Doc Id</th>
<th>Currency</th>
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History


[15-01-2016 12:57:01 PM] : Payment request sent to (Anuradha Shenoy) for Certification.

[15-01-2016 01:00:28 PM] : Payment request sent to Finance for Processing.


[25-02-2016 06:49:29 PM] : Request sent to (Qian Cheng) for Approval.

UNITED NATIONS ENVIRONMENT PROGRAMME

PROJECT COOPERATION AGREEMENT (PCA)

FOR A

GLOBAL ENVIRONMENT FACILITY Expedited Enabling Activity (EEA); “Eritrea Initial Biennial Update Report (BUR1) under the United Nations Framework Convention on Climate Change “This PROJECT COOPERATION AGREEMENT and its Annexes (this "Agreement") is made:

BETWEEN: The United Nations Environment Programme (hereinafter referred to as “UNEP”) and represented by its Director, Division of Technology, Industry and Economics, an international inter-governmental organization established by the General Assembly of the United Nations, and having its office at P.O. Box 30552, Nairobi 00100, Kenya.

AND: The Ministry of Land, Water and Environment, Department of Environment (hereinafter referred to as the “Executing Agency”), a Governmental legal institution represented by Director General of the Department of Environment and UNFCCC Focal Point and having its office at Nakfa Street, P.O.Box 5713, Te:+291-1-12-03-11 at Asmara, Eritrea.

hereinafter collectively referred to as “The Parties”.

Purpose

1. The Agreement sets forth the terms and conditions of the cooperation between the Parties for the execution of the project “Eritrea Initial Biennial Update Report (BUR1) under the United Nations Framework Convention on Climate Change (UNFCCC)” within the framework of the UNEP project document approved by UNEP PAG on 13th July 2015. A project implementation plan to facilitate the project execution shall be prepared using the format appended as Annex 1. The Global Environment Facility (GEF) Chief Executive Officer (CEO) approved letter dated 24th June 2016 is appended as Annex 2.

2. There are two main objectives of the project:

(a) The first objective is to undertake national stocktaking and stakeholder consultations to review work carried out under previous climate change enabling activities and identify gaps and propose relevant activities to be undertaken within the framework of preparing the BUR under the UNFCCC. The process of preparing the project implementation plan for the BUR1 should identify areas of synergy with relevant activities under other international environmental conventions (e.g., biodiversity, land degradation). It should also serve to identify major challenges ranging from cross-sectoral assessments to mainstreaming climate change into national development planning frameworks and processes. The guidance for self-assessment exercise setting out the full details of the proposed project is appended as Appendix D. The project implementation plan for the BUR1 should outline the set of activities and outputs to be undertaken over two years which will lead to the preparation and submission of the aforementioned report. The consultations should be designed with a view to update the most recent submitted national communication in the following areas:

I. Information on national circumstances and institutional arrangements relevant to the preparation of the national communications on a continuous basis;

- Create 12 grant for US$ 337,000
- Create unrelased budget account of $352,000 again SL-32GFL-000610 and release $1,337,000
- Create 12 of $337,000 and give authorization of $1,337,000
II. The national inventory of anthropogenic emissions by sources and removal by sinks of all greenhouse gases (GHGs) not controlled by the Montreal Protocol, including a national inventory report;

iii. Information on mitigation actions and their effects, including associated methodologies and assumptions;

iv. Constraints and gaps, and related financial, technical and capacity needs, including a description of support needed and received;

v. Information on the level of support received to enable the preparation and submission of biennial update reports;

vi. Information on domestic measurement reporting and verification;

vii. Any other information that the non-Annex I Party considers relevant to the achievement of the objective of the Convention and suitable for inclusion in its biennial update report.

(b) The second objective is to prepare the BUR1 of Eritrea under the UNFCCC, as per the approved project implementation plan for the BUR1

3. As a GEF Implementing Agency, and in accordance with the GEF Instrument, UNEP is accountable to the GEF Council for GEF-financed activities and to ensure that these are carried out in accordance with UNEP and GEF policies, criteria and procedures.

4. The Executing Agency affirms that it is a non-profit governmental organization and non-partisan and that it has the capacities required to carry out the activities outlined in this Agreement, and that the activities under this Agreement shall be carried out without discrimination of any nature.

Interpretation

5. All Annexes to this Agreement shall be considered an integral part of this Agreement.

6. Definitions of terms used in this Agreement are provided in Annex 3.

Duration

7. This Agreement shall come into force upon signature by the Parties from the date of the latest signature, and shall remain in force for a period of up to 28 months. A maximum of 4 months for stocktaking, national consultations and preparation of BUR1 project proposals; and a maximum of 24 months for the execution of the BUR project ending 30 June 2017 after the last obligation of the Parties lapse unless terminated earlier pursuant to paragraphs 72 to 83 of this Agreement. However, project effectiveness shall be the date of receipt by the Executing Agency of the first installment of funds. The project milestones, as set in the CEO approval letter appended as Annex 2 shall be adhered to. In the event that a milestone cannot be met, the Executing Agency shall inform UNEP one month before the date of the milestone to enable UNEP to comply with the terms of the CEO approval.

Cooperation

8. The Parties agree to cooperate with each other at all times and maintain close working relationships in order to achieve the objectives and outcomes of the project.

9. The Parties shall carry out their respective responsibilities in accordance with the provisions of this Agreement.

10. The Executing Agency shall determine and communicate to UNEP the person appointed as having the authority and responsibility for the project execution on its behalf.

11. Contact details for correspondence on substantive and technical matters as well as on administrative and financial matters are as set out in Annex 4.
12. The Executing Agency may only use the name and emblem of the United Nations or UNEP with prior written consent of UNEP.

13. UNEP shall facilitate access to information, advisory services, technical and professional support available to UNEP and shall assist the Executing Agency to access the advisory services of other United Nations Organizations, whenever necessary.

14. The Parties shall cooperate in any public relations or publicity exercises, when UNEP deems these appropriate or useful.

Cost of the project

15. The total cost of the project is US$372,000 of which US$ 352,000 is GEF financing and the balance is co-financing as described below.

<table>
<thead>
<tr>
<th>Cost to the GEF Trust Fund:</th>
<th>US$ 352,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Split as follows:</td>
<td></td>
</tr>
<tr>
<td>a) BUR1 project proposal</td>
<td>US$ 10,000</td>
</tr>
<tr>
<td>b) Preparation of the BUR1 to the UNFCCC</td>
<td>US$ 342,000</td>
</tr>
<tr>
<td>In-kind contribution from the Executing Agency</td>
<td>US$ 20,000</td>
</tr>
<tr>
<td>Total cost of the project:</td>
<td>US$ 372,000</td>
</tr>
</tbody>
</table>

16. Refer to Appendix A (GEF budget) and Appendix B (Co-finance) for a detailed budget breakdown for stocktaking exercise and project document preparation. For the preparation of Blennial Update Report, a detailed budget breakdown of GEF funds and co-finance shall be provided in Table 2 and Appendix 1 of the Project Implementation Plan appended as Annex 1.

Terms and obligations of UNEP

17. UNEP shall:

a) Provide, in its role as GEF Implementing Agency, project oversight to ensure that GEF policies and criteria are adhered to and in line with UN regulations, rules and policies that the project meets its objectives and achieves expected outcomes in an efficient and effective manner. Project supervision is entrusted to the Division Director, who discharges this responsibility through the assigned UNEP Task Manager and Fund Management Officer (refer to contact details template - Annex 4). The Task Manager represents the Director of DTIE on the project steering committees;

b) Perform the liaison function between the project and the GEF Secretariat;

c) Report on the progress against milestones outlined in the CEO approval letter, appended as Annex 2A, to the GEF Secretariat;

d) Inform the GEF Secretariat whenever there is a potentially substantive co-financing change (i.e. one affecting the project objectives, the underlying concept, scale, scope, strategic priority, conformity with GEF criteria, likelihood of project success, or outcome of the project);

e) Review and clear manuscripts prepared by the Executing Agency before publication and review and agree any publishing contracts.

Terms and obligations of the Executing Agency

18. The Executing Agency shall:

a) Undertake to be bound by the terms and obligations specified below, and shall accordingly ensure that the personnel performing project-related activities under the present Agreement comply with these obligations;
b) Not seek nor accept instructions regarding the activities under the present Agreement from any Government or other authority external to UNEP;

c) Refrain from any conduct that would adversely reflect on the United Nations and shall not engage in any activity which is incompatible with the aims and objectives of the United Nations or the mandate of UNEP;

d) Comply with the requirements outlined in the document "UNEP public information disclosure policy", and not use information that is considered confidential without the authorization of UNEP. In any event, such information shall not be used for individual profit. The Executing Agency's focal point for this project may communicate with the media regarding the methods and scientific procedures used by the Executing Agency. However, UNEP clearance is required for the use of the name UNEP in conjunction with project activities in accordance with paragraph 12 of this Agreement. The Executing Agency must adhere to the GEF Communication and Visibility Policy, including the Brand Guidelines and Graphics Standards of the GEF (www.thegef.org). This obligation shall not lapse upon termination of the present Agreement unless otherwise agreed between The Parties.

Personnel Administration

19. The Executing Agency shall be solely and completely responsible and accountable for all services performed by its personnel, agents, employees, or contractors (hereinafter referred to as "Personnel").

20. Personnel of the Executing Agency, its contractors or anyone else working for the Executing Agency in the execution of the project or otherwise, are not employees of UNEP and are not covered by the privileges and immunities applying to UNEP and its staff pursuant to the Convention on the Privileges and Immunities of the United Nations. UNEP shall not accept any liability for claims arising out of the activities performed under the Agreement, or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by the Executing Agency's Personnel as a result of their work pertaining to the project under this Agreement.

21. The Executing Agency shall ensure that its Personnel meet the highest standards of qualification and technical and professional competence necessary for the achievement of the objectives and results of the Project, and that decisions on employment related to the Project shall be free of discrimination of any nature. The Executing Agency shall ensure that all Personnel are free from any conflicts of interest relative to the project activities.

22. The Executing Agency shall hire facilitators to prepare project implementation plan accordance with the terms of reference set out in Appendix E. The terms of reference for the respective senior project personnel to be recruited are as set out in (refer to the specific appendices) of the project implementation plan appended as Annex 1.

23. In the event that government employees are assigned or seconded to the project, terms of reference and contractual conditions shall be disclosed, including the amount and source(s) of remuneration and the time allocated to perform the duties assigned within the framework of the project.

Procurement

24. Procurement of goods and consulting services financed by GEF funds shall be subject to rules and regulations of the Executing Agency but should meet internationally acceptable standards.

25. In its procedures for procurement of goods, services or other requirements with funds made available by GEF as provided for in the project implementation plan, the Executing Agency shall ensure that, when placing orders or awarding contracts, it shall safeguard the principles of highest quality, economy and efficiency, and that the placing of such orders shall be based on an assessment of competitive quotations, bids, or proposals unless otherwise agreed to
by UNEP.

26. Before the commencement of procurement, the Executing Agency shall furnish the project procurement plan to be reviewed at the project inception meeting and cleared by UNEP. Procurement of additional items not included in the above-mentioned plan and costing above US$ 1,000 shall be cleared by UNEP. The same principle of clearance by UNEP shall apply to service contracts or agreements to be procured that are not in the original procurement plan and costing above US$ 5,000. Within 2 weeks, UNEP shall review, provide guidance and/or give the Executing Agency clearance.

27. The Executing Agency agrees to utilize the funds and any supplies and equipment provided by UNEP in strict compliance with the project implementation plan.

28. Procurement shall be undertaken only during the project implementation period.

29. The Executing Agency shall maintain complete and accurate records of non-expendable equipment purchased with GEF project funds and a duly authorized official of the Executing Agency shall take periodic physical inventories. Within 1 month of the year ending 31 December, i.e. on or before 31 January, the Executing Agency shall provide UNEP annually with the inventory of such non-expendable equipment as at 31 December, using the format appended as Annex 6A.

30. During the duration of the project, the Executing Agency shall be responsible for the proper custody, maintenance and care of all non-expendable equipment as well as items of attraction (items costing less than US$ 1,000, but with a useful life of more than a year) purchased with GEF funds. The Executing Agency shall, for the protection of such equipment and materials during implementation of the project, obtain appropriate insurance in such amounts as may be agreed upon between the Parties and incorporated in the project budget.

31. In cases of damage, theft or other losses of property made available to the Executing Agency, the Executing Agency shall provide UNEP with a comprehensive report, including police report, where appropriate, and any other evidence giving full details of the events leading to the loss of the property.

32. During the duration of the project, the equipment can only be disposed with the authorization of UNEP. Within 2 months of the project completion date or upon termination of this Agreement, the Executing Agency shall submit a final inventory of equipment to UNEP and a proposal for the disposal/transfer of the said equipment using the format appended as Annex 6B, unless otherwise agreed upon between the Parties.

Cash advances

33. Banking details shall be provided to UNEP on the Third Party Form appended as Annex 5B.

34. In accordance with the project budget, UNEP shall provide all cash advances in US dollars up to the maximum amount of US$ 352,000. The first installment of US$ 10,000 shall be advanced to the Executing Agency within 2 weeks following signature of the present Agreement, for BUR project implementation plan preparation.

35. The second and subsequent installments shall be advanced to the Executing Agency:

(a) Second installments upon;

- Upon finalization, submission and acceptance of the project implementation plan (Annex 1) and countersigned by the Parties; and

- Submission of Annex 1 and at the same time, submission of expenditure statement on the use of the US$ 10,000 and co-finance in accordance with the specific budget lines of the approved budgets appended as Appendices A and B.

(b) Subsequent installments;
within 2 weeks after a financial report and other agreed-upon documentation, as referenced in paragraphs 44 to 58 of this Agreement, has been received by UNEP showing satisfactory progress of activities and adequate management and use of GEF resources. Requests for subsequent cash advances shall be made using the formats appended as Annex 5A.

36. The Executing Agency shall make all reasonable efforts to comply with the reporting requirements, failing which, UNEP may withhold further disbursements due to the Executing Agency or may suspend the project until such time the Executing Agency meets its financial and operational obligations.

37. The final disbursement, normally amounting to 5% of the total GEF-approved budget, will be made upon submission of the final report, outputs, final audited expenditure statement, co-finance report and final inventory of non-expendable equipment together with signed transfer agreement (if applicable). The absence of the above reports will result in the final payment being withheld.

Responsibility for cost overruns

38. Under this Agreement, total expenditures incurred by the Executing Agency shall not exceed the GEF-approved budget as set out in paragraphs 15 and 16 of this Agreement. The Executing Agency shall notify UNEP about any expected variations on the project. The Executing Agency shall be authorized to make variations not exceeding 10 per cent on any one line item of the project budget provided that the total allocated for that specific budget component by UNEP is not exceeded. Any variations exceeding 10 per cent on any one line item that may be necessary for the proper and successful execution of the project shall be subject to prior consultations with and approval by UNEP. In such a case, a revision to the project implementation plan amending the budget shall be issued by UNEP. Otherwise, cost overruns shall be the responsibility of the Executing Agency.

Management cost

39. Project management costs for the Executing Agency shall be in accordance with GEF Council document GEF/C. 38/6/Rev. 1 of July 1, 2010 and shall be per Table 1 of the project Implementation plan (Annex 1). Any increase in management costs as a result of extending the duration of the project shall be the responsibility of the Executing Agency.

Financial cost

40. UNEP shall not be liable for the payment of any expenses, fees, tolls or any other financial cost not outlined in the project implementation plan or project budget unless UNEP has explicitly agreed in writing to do so prior to the expenditure by the Executing Agency.

Unspent balance

41. Should there remain a balance from the total GEF-approved budget after completion of the project, the unspent funds shall be returned within 2 months of the termination of the present Agreement or the project completion date.

Maintenance of records

42. The Executing Agency shall keep accurate and up-to-date records and documents in respect of all expenditures incurred with the funds made available by UNEP to ensure that all expenditures are in conformity with the provisions of the project implementation plan. For each disbursement, proper supporting documentation shall be maintained, including original invoices, bills, and receipts pertinent to the transaction.

43. Upon completion of the project or termination of this Agreement, the Executing Agency shall maintain all records pertinent to the project for a period of at least 3 years unless otherwise agreed upon between The Parties.
Reporting requirements

44. All reporting for the project shall be in English.

45. **Progress reports:** Within 1 month of the end of reporting period, i.e. on or before 31 July and 31 January, the Executing Agency shall submit to UNEP half-yearly progress reports as at 30 June and 31 December using the format appended as Annex 7.

46. **Final report:** Within 2 months of the project completion, or termination of the present Agreement, the Executing Agency shall submit to UNEP a final report and a list of outputs detailing the activities taken under the project, lessons learned and any recommendations to improve the efficiency of similar activities in the future, using the format appended as Annex 8.

47. **Financial report:** All financial reporting shall be in US dollars, and any exchange differences accounted for within the total GEF-approved US dollar project budget. Within 1 month of the end of the quarter to which they refer, i.e., on or before 30 April, 31 July, 31 October and 31 January, the Executing Agency shall submit to UNEP quarterly expenditure reports and explanatory notes on the expenditures reported using the format appended as Annex 8.

48. **A signed final statement of accounts shall be dispatched to UNEP within 3 months of completion of project activities.** The final statement of accounts shall be prepared using the format appended as Annex 9.

49. **Details of expenditures shall be reported in line with the project budget as set out in Appendix 1 of the project implementation plan appended as Annex 1.** Reports are as at 31 March, 30 June, 30 September and 31 December.

50. The purpose of the financial report is to request a quarterly advance of funds, to list the disbursements incurred on the project by budgetary component on a quarterly basis so as to monitor project progress and to reconcile outstanding advances and foreign exchange loss or gain during the quarter.

51. The financial report shall contain information that forms the basis of a periodic financial review and its timely submission is a prerequisite to the continuing funding of the project. Unless the financial report is received, UNEP will not act upon requests for advances of funds.

52. **Basis of accounting:** The financial report has been designed to reflect the transactions of a project on a cash basis, and thus shall include only disbursements made by the Executing Agency and not commitments.

53. **Income:** The Executing Agency shall credit any miscellaneous income to the project accounts as a receipt of funds against agreed project requirements. Miscellaneous income shall include, inter alia, proceeds or receivable from the sale of any item or property provided under the project governed by this Agreement, as well as any bank interest earned or accrued on project funds remitted by UNEP and which have been deposited or temporarily placed in an interest-bearing account. The use of such miscellaneous income during the course of the project for project-related activities requires prior consultation with and written authorization by UNEP.

54. **Refund:** Any refund received by the Executing Agency from a supplier/third party shall be reflected in the financial report as a reduction of disbursements on the component to which it relates.

55. **Co-financing report:** Within 1 month of the end of the reporting period for the GEF fiscal year of 30 June, i.e. on or before 31 July, the Executing Agency shall submit to UNEP, an annual co-financing report for the project as at 30 June showing amount of cash and in-kind co-financing realized compared to the amount of co-financing committed to at the time of the project approval in accordance with Table 2 of the project implementation plan appended as Annex 1. Co-financing reporting shall be by source using the format appended as Annex
10.

56. The Executing Agency shall inform UNEP whenever there is a potentially substantive co-financing change.

57. Third party co-financing reporting: The Executing Agency shall ensure that the legal instruments prepared with its project partners require partners to report, on an annual basis, the actual co-financing received versus committed at the time of project approval by the GEF, and provide assurances that the identified in-kind resources be:
   a) Dedicated uniquely to the GEF project;
   b) Valued as the lower of cost or market value of the required inputs they provide for the project;
   c) Monitored with documentation available for any evaluation or project audit.

58. Consolidated reporting: All reports described above shall be consolidated reports and therefore include information from any third party sub-project(s).

Audit requirements

59. All financial reporting in the audit report shall be in US dollars.

60. UNEP reserves the right to request an audit.

61. The total expenditures incurred during the year ending 31 December, wherein GEF funding is clearly identified, shall be endorsed by a duly authorized official of the Executing Agency and audited by an independent audit authority (a recognized firm of public accountants or for Governments by a government auditor) and dispatched to UNEP within 180 days, i.e. on or before 30 June. The audit report and recommendations shall include such comments as the auditor may deem appropriate in respect of GEF funded operations and in particular, shall clearly indicate that in their opinion:
   a) GEF funds were covered by the scope of the audit;
   b) Proper books of account have been maintained;
   c) All project expenditures are supported by vouchers and adequate documentation;
   d) Expenditures have been incurred in accordance with the objectives outlined in the project implementation plan;
   e) The expenditure reports provide a true and fair view of the financial condition and performance of the project.

On completion of the project, a final audited statement of account containing signatures and audit opinion as required above, shall be dispatched to UNEP within 6 months.

62. If requested, the Executing Agency shall facilitate an audit by the United Nations Office of Internal Oversight Services, or any person duly authorized by UNEP. Shall they wish to do so, the United Nations Board of Auditors may also carry out an audit of the project accounts.

Responsibility for claims

63. The Executing Agency shall indemnify, hold, and save harmless, and defend at its own expense, UNEP, its officials and persons performing services for UNEP, from and against all suits, claims, demands and liability of any nature and kind, including their cost and expenses, arising out of acts or omissions of the Executing Agency or its employees or persons hired for the management of the present Agreement and the project.

64. The Executing Agency shall be responsible for, and deal with all claims brought against it by its personnel, employees, agents or subcontractors.

Publications, acknowledgements, logos and emblems

65. At the appropriate time the Executing Agency shall submit to UNEP for review and clearance any manuscripts for publication. It shall also inform UNEP of plans for its publication and
discuss and agree on the publishing arrangements.

66. To accord proper acknowledgement to the GEF for providing funding to the project, any publications prepared or produced pursuant to this Agreement will give appropriate credit to GEF as per the GEF Communication and Visibility Policy, including the Brand Guidelines and Graphics Standards (www.thegef.org) in addition to UNEP and shall include the logo of GEF in addition to that of UNEP as stipulated under paragraph 12 of this Agreement. Any citation on project publications of projects funded by GEF resources shall also accord proper acknowledgement to GEF and UNEP.

67. The GEF logo shall appear on, amongst others, project hardware and vehicles purchased with GEF funds.

68. In no event will authorization of the name or emblem, or any abbreviation thereof, of GEF or UNEP, be granted for commercial purposes.

69. Should the Executing Agency be solely responsible for publishing arrangements, UNEP shall receive at least 8 copies of the Biennial Update Report, published work, electronic material, film or other as relevant in each of the languages, for its own purposes.

Intellectual property rights

70. For the purpose of this Agreement, intellectual property would mean information, ideas, inventions, innovations, art work, data, designs, literary texts and any other matter or thing whatsoever as may be capable of legal protection or be subject to legal rights and shall include patents; information which is of a kind that has been communicated in such a manner as to give rise to a duty of confidentiality; copyright vesting in literary works (including but not limited to computer programs); dramatic works, musical works, broadcast, published editions and other types of performance; registered trademarks; unregistered trademarks used or intended for use in business registered designs and designs capable of being registered; biological organism varieties and the rights of breeders of such varieties; layout design of integrated circuits; databases; and any other rights resulting from intellectual activity in the industrial, commercial, scientific, literary and artistic fields.

71. UNEP and the Executing Agency shall agree upon the question of copyrights and all other related rights in any material produced under the provisions of this Agreement.

Suspension and termination

72. The Parties hereto recognize that the successful completion and accomplishment of the purposes of a technical cooperation activity are of paramount importance, and that UNEP may find it necessary to terminate the project, or to modify the arrangements for the management of the project, should circumstances arise that jeopardize successful completion or the accomplishment of the purposes of the project.

73. UNEP shall consult with the Executing Agency if any circumstances arise that, in the judgment of UNEP, interfere or threaten to interfere with the successful completion of the project or the accomplishment of its purposes. The Executing Agency shall promptly inform UNEP of any such circumstances that might come to its attention. The Parties shall cooperate towards the rectification or elimination of the circumstances in question and shall exert all reasonable efforts to that end, including prompt corrective steps by the Executing Agency, where such circumstances are attributable to it or within its responsibility or control.

74. At any stage of the project cycle, participating country(ies), UNEP or the GEF Secretariat may recommend suspending or terminating the project for several reasons including force majeure, changes in national priorities, poor implementation performance, lack of compliance with financial or reporting obligations, leading to a conclusion that the project can no longer meet its objectives.

75. Following receipt of a recommendation for suspension or termination, and after appropriate consultations, UNEP may suspend or terminate the project by written notice to the Executing
Agency. In the event of termination, such notice shall be provided at least 3 months prior to the effective date. If it is a suspension, UNEP shall indicate to the Executing Agency the conditions under which it is prepared to authorize project activities to resume.

76. If the cause of suspension is not rectified or eliminated within the timeframe, as agreed between UNEP and the Executing Agency, after UNEP has given notice of suspension to the Executing Agency, UNEP may, by written notice at any time thereafter during the continuation of such cause: (a) terminate the project; or (b) terminate the management of the project by the Executing Agency, and entrust its management to another institution. The effective date of termination under the provisions of the present paragraph shall be specified by written notice from UNEP.

77. The Executing Agency may terminate the present Agreement in cases where a condition has arisen that impedes the Executing Agency from successfully fulfilling its responsibilities under the present Agreement, by providing UNEP with written notice of its intention to terminate the present Agreement at least 3 months prior to the effective date of termination.

78. The Executing Agency may terminate the present Agreement only after consultations have been held with UNEP, and shall give due consideration to proposals made by UNEP in this respect. The Parties shall also cooperate in assessing the consequences on the other partners and beneficiaries of the project, and develop and agree upon an exit strategy to minimize negative consequences.

79. Upon receipt of a notice of termination by either party under paragraphs 75 to 78 of this Agreement, The Parties shall take immediate steps to terminate activities under the present Agreement, in a prompt and orderly manner, so as to minimize losses and further expenditures. The Executing Agency shall undertake no forward commitments and shall return to UNEP, within 1 month of the effective date of termination, all unspent funds, provided by UNEP unless UNEP has agreed otherwise in writing.

80. In the event of any termination by either party under paragraph 79 of this Agreement, UNEP shall reimburse the Executing Agency only for the costs incurred to manage the project in conformity with the express terms of the present Agreement. Reimbursements to the Executing Agency under this provision, when added to amounts previously remitted to it by UNEP in respect of the project, shall not exceed the total UNEP allocation/contribution for the project.

81. In the event of transfer of the responsibilities of the Executing Agency for the management of a project to another institution, the Executing Agency shall cooperate with UNEP and the other Institution in the orderly transfer of such responsibilities and equipment procured using project funds.

Force majeure

82. In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the party affected by the force majeure shall give the other party notice and full particulars in writing of such occurrence if the affected party is thereby rendered unable, in whole or in part, to perform its obligations or meet its responsibilities under the present Agreement. The Parties shall consult on the appropriate action to be taken, which may include suspension of the present Agreement by UNEP or termination of this Agreement, with either party giving to the other at least 1 month written notice of such termination.

83. In the event that the present Agreement is terminated owing to causes constituting force majeure, the provisions of paragraphs 79 and 80 of this Agreement shall apply.

Dispute settlement

84. The Parties shall try to settle amicably through direct negotiations, any dispute, controversy or claim arising out of or relating to the present Agreement, including breach and termination
of the Agreement. If these negotiations are unsuccessful, the matter shall be referred to arbitration in accordance with United Nations Commission on International Trade Law Arbitration Rules. The Parties shall be bound by the arbitration award rendered in accordance with such arbitration, as the final decision on any such dispute, controversy or claim.

Privileges and Immunities

85. Nothing in or relating to this Agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations and UNEP.

Notification and amendments

86. Any part of this Agreement may be modified or amended only by written agreement between The Parties.

87. For multi-country projects, in the event that one or more countries withdraw from the project, the Executing Agency shall inform DTIE which shall in turn notify the GEF Secretariat.

88. Should it become evident during the implementation of the project that an extension beyond the agreed expiry date as set out in paragraph 7 of this Agreement is required to achieve the objectives of the project, The Parties shall consult with each other with a view to agree on a revised completion date. In the event that the duration of the project is extended, paragraphs 38 and 39 of this Agreement shall apply. Upon reaching an agreement, The Parties shall immediately conclude an amendment to the Agreement to this effect.

89. The terms and conditions stipulated in the amendment shall be appended to and be construed as an integral part of this Agreement.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have on behalf of The Parties hereto signed the present Agreement on the day below written.

For:
United Nations Environment Programme

By: Ms. Ligia Noronha
Director
Division of Technology, Industry and Economics
UNEP
Date: 5/1/10

For:
Ministry of Land, Water and Environment

By: Mr. Mogos Woldeyohannes
Director General, Department of Environment
UNFCCC Focal Point
Date: