

**FINANCING AGREEMENT BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)
AND SYNGENTA (CHINA) INVESTMENT CO., LTD (THE DONOR)**

WHEREAS the Donor hereby agrees to contribute funds to UNITED NATIONS DEVELOPMENT PROGRAMME (hereinafter referred to as "UNDP") on a cost-sharing basis (hereinafter referred to as "the Contribution") to UNDP for the implementation of "Promoting Straw Incorporation and Soil Health in Huang-Huai-Hai & Northeast Region" (hereinafter referred to as "the Project"), as described in the Project document, Project no.00127879 and title Promoting Straw Incorporation and Soil Health in Huang-Huai-Hai & Northeast Region, in China, and submitted to the Donor for information.

WHEREAS UNDP is prepared to receive and administer the contribution for the implementation of the project,

WHEREAS the Government of China has been duly informed of the contribution of the Donor to the project,

WHEREAS UNDP shall designate an Implementing Partner for the implementation of the project (hereinafter referred to as "the Implementing Partner"),

— NOW THEREFORE, UNDP and the Donor hereby agree as follows:

Article I. The Contribution

1. (a) The Donor shall, in accordance with the schedule of payments set out below, contribute to UNDP the amount of 860,000 in US\$. The Contribution shall be deposited in the following account.

Account name: United Nations Development Program-Beijing (联合国开发计划署驻华代表处)
Bank Name: Head office, Bank of China (中国银行总行营业部)
Account code: 778350021359
Swift Code: BKCHCNBJ

<u>Schedule of payments</u>	<u>Amount in USD</u>
Before 30/09/2020 UPON THE SIGNATURE OF THE FINANCING AGREEMENT BETWEEN THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP) AND Syngenta (China) Investment Co., Ltd (THE DONOR)	435,000
Before 01/02/2022	425,000

(b) The Donor will inform UNDP when the Contribution is paid via an e-mail message with remittance information to contributions@undp.org, providing the following information: donor's name, UNDP country



office, Project no. 00127879 and title: Promoting Straw Incorporation and Soil Health in Huang-Huai-Hai & Northeast Region, donor reference (if available). This information should also be included in the bank remittance advice when funds are remitted to UNDP.

2. 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 to be consistent with the progress of project delivery.

3. UNDP shall receive and administer the payment in accordance with the regulations, rules, policies and procedures of UNDP

4. 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 UNDP and of the Implementing Partner pursuant to this Agreement and the project document shall be dependent on receipt by UNDP 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), UNDP 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 endeavours to obtain the additional funds required. UNDP shall not absorb any loss (including but not limited to exchange fluctuations) under the Project. All losses (including but not limited to losses as result of currency exchange fluctuations) shall be charged to the Project.

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 assistance to be provided to the project under this Agreement may be reduced, suspended or terminated by UNDP.

Article III. Administration and Reporting

1. Project management and expenditures shall be governed by the regulations, rules, policies and procedures of UNDP and, where applicable, the regulations, rules, policies and procedures of the Implementing Partner.

2. UNDP shall provide to the Donor the following reports in accordance with UNDP accounting and reporting procedures.

- (a) From the country office (or relevant unit at Headquarters in the case of regional and global projects) an annual status of project progress for the duration of the Agreement, as well as the latest available approved budget.

- (b) From UNDP Bureau for Management Services/Office of Financial Resources Management, an annual certified financial statement as of 31 December every year to be submitted no later than 30 June of the following year.
- (c) From the country office (or relevant unit at headquarters in the case of regional and global projects) within six months after the date of completion or termination of the Agreement, a final report summarizing project activities and impact of activities as well as provisional financial data.
- (d) From UNDP Bureau for Management Services/Office of Financial Resources, on completion of the project, a certified financial statement to be submitted no later than 30 June of the year following the financial closing of the project.

3. If special circumstances so warrant, UNDP 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 IV. General Management Support services

1. In accordance with the decisions, policies and procedures of UNDP's Executive Board reflected in its Policy on Cost Recovery from Other Resources, the Contribution shall be subject to cost recovery for indirect costs incurred by UNDP headquarters and country office structures in providing General Management Support (GMS) services. To cover these GMS costs, the Contribution shall be charged a fee of at least 8%. Furthermore, as long as they are unequivocally linked to the Project, all direct costs of implementation, including the costs of Implementing Partner, will be identified in the Project budget against a relevant budget line and borne by the Project accordingly.

2. The aggregate of the amounts budgeted for the project, together with the estimated costs of reimbursement of related support services, shall not exceed the total resources available to the project under this Agreement as well as funds which may be available to the project for project costs and for support costs under other sources of financing.

Article V. Evaluation

All UNDP Programmes and Projects are evaluated in accordance with UNDP Evaluation Policy. UNDP and the Government of China in consultation with other stakeholders will jointly agree on the purpose, use, timing, financing mechanisms and terms of reference for evaluating a Project including an evaluation of its Contribution to an outcome which is listed in the Evaluation Plan. UNDP shall commission the evaluation, and the evaluation exercise shall be carried out by external independent evaluators.

Article VI. Equipment

Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

Article VII. Auditing

The Contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules, policies and procedures of UNDP. Should the annual Audit Report of the UN Board of Auditors to its governing body contain observations relevant to the Contribution, such information shall be made available to the Donor by the country office.

Article VIII. Fraud and Anti-Corruption Measures

The Parties agree that it is important to take all necessary precautions to avoid corrupt practices. To this end, UNDP shall maintain standards of conduct to govern the performance of its staff, including of corrupt practices in connection with the award and administration of contracts, grants, or other benefits, as set forth in the Staff Regulations and Rules of the United Nations, the UNDP Financial Regulations and Rules, and the UNDP Procurement Manual.

Article IX. Anti-Terrorism Measures

Consistent with numerous United Security Council resolutions, including S/RES/1269 (1999), S/RES 1368 (2001), and S/RES/1373 (2001), both the Donor and UNDP are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of UNDP to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, UNDP undertakes to use reasonable efforts to ensure that none of the Donor funds provided under this Agreement are used to provide support to individuals or entities associated with terrorism.

Article X. Advertisement of the contribution

1. The Donor shall not use the UNDP name or emblem, or any abbreviation thereof, in connection with its business or otherwise without the express prior written approval of UNDP in each case. In no event will authorization be granted for commercial purposes, or for use in any manner that suggests an endorsement by UNDP, its products or services.
2. The Donor acknowledges that it is familiar with UNDP'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 UNDP.
3. The Donor may make representations to its shareholders and internal budget officials as required about the fact of the contribution to UNDP. Any other use of the UNDP name or emblem, and any other form of recognition or acknowledgement of the contribution of the Donor are subject to consultations between the Parties, and the prior written agreement of UNDP.
4. UNDP will report on the contribution to its Executive Board in accordance with its regular procedures regarding contributions from private donors. 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 be determined at the sole discretion of UNDP.

Article XI. Completion of the Agreement

1. UNDP shall notify the Donor when all activities relating to the Project have been completed in accordance with the Project document.
2. Notwithstanding the completion of the Project, UNDP shall continue to hold unutilized funds from the Contribution until all commitments and liabilities incurred in implementation of the Project have been satisfied and Project activities brought to an orderly conclusion.
3. If the unutilized funds prove insufficient to meet such commitments and liabilities, UNDP shall notify the Donor and consult with the Donor on the manner in which such commitments and liabilities may be satisfied.
4. In cases where the Project is completed in accordance with the project document any funds below 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be automatically reallocated by UNDP. Any funds above 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be reallocated by UNDP after consultation with the Donor.

Article XII. Termination of the Agreement

1. This Agreement may be terminated by UNDP or by the Donor after consultations between the Donor, UNDP and the programme country Government, and provided that the funds from the Contribution already received are, together with other funds available to the [Project], sufficient to meet all commitments and liabilities incurred in the implementation of the [Project]. This 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 this Agreement.
2. Notwithstanding termination of all or part of this Agreement, UNDP shall continue to hold unutilized funds until all commitments and liabilities incurred in the implementation of all or the part of the [Project] have been satisfied and [Project] activities brought to an orderly conclusion.
3. In cases where this Agreement is terminated before Project completion any funds below 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be automatically reallocated by UNDP. Any funds above 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be reallocated by UNDP after consultation with the Donor.

Article XIII: Notice

Any notice or correspondence between UNDP and the Donor will be addressed as follows:

(a) To the Donor: **Syngenta (China) Investment Co., Ltd**

Address: 6F, FuHui Mansion, No.3 Lane 26th QiXia Road, Pudong District, Shanghai , P.R. China.

(b) Upon receipt of funds, UNDP shall send an electronic receipt to the Donor email address provided below as confirmation that the remitted funds have been received by UNDP

Donor email address: _____jinan.sun@syngenta.com_____

Attention: _____

(c) To UNDP: Devanand Ramiah, UNDP China Deputy Resident Representative

Address: No.2 LiangMaHe NanLu, 100600, Beijing, China

Article XIV. Amendment of the Agreement

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

Article XV. 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 procedure 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 such 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 XVI. 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 UNDP

Article XVII. Entry into Force

This Agreement shall enter into force upon the signature and stamp of this Agreement by the parties hereto, on the date of the last signature.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in the English language in two copies.

For the Donor (Syngenta (China) Investment Co., Ltd):

For the United Nations Development Programme (UNDP):

Signature:



Name: Song DING
Title: Co-Head Syngenta CP China
Date: 9 / 2020

Signature:



Name: Devanand Kamiah
Title: Deputy Resident Representative
Date: 26 / 08 / 2020

Annex 1

Project of Promoting Straw incorporation and Soil Health in Huang-Huai-Hai & Northeast Region (Project Concept Note)

I. Project Background

Agricultural green development is an important measure to promote ecological civilization and also an important part of global sustainable development. Soil health is the top priority to achieve the agriculture green development. Straw incorporation as an important part of agricultural production, plays a positive role in maintaining farmland fertility, reducing chemical fertilizers use and improving the carbon sink capacity of land soil. In order to solve the problems of SI and improving soil quality in HHH, the project plans to carry out project demonstration and promotion activities in the main grain-producing areas of wheat-corn production system, including Hebei, Henan, Shandong, Anhui, Jiangsu & Jilin province. A series of direct straw incorporation (DSI) integrated technologies and application of the comprehensive model will be promoted to achieve carbon sequestration, soil health, improved food production capacity, and sustainable agricultural development. The project will contribute to 2, 12 and 13 of the United Nations Sustainable Development Goals (SDG).

II. Project objective, expected outcomes and key activities

Project objective:

The project will solve the key problems of straw incorporation, screen the applied technology for straw incorporation, and integrate new technology models to promote soil health; Through the establishment of a social service system led by the government and involving enterprises, scientific research institutions, cooperative organizations, and financial institutions, to ensure the efficient promotion of new technologies and models; through formulation and improvement of the policy mechanism, forming a supporting system and an incentive mechanism to promote the scientific straw incorporation and soil health; through innovative project outcomes management methods and publicity methods, systematically summarize the outcomes and experiences in the project implementation process, and carry out extensive exchange and sharing at home and abroad.

Expected Outcome 1: Research and development centre construction and supporting technology innovation.

Select different ecological-environment types planting areas in the demo- provinces, and establish the key technology research and development centre for scientific straw incorporation; carry out key technological innovations and screenings such as seed pelleting, chemical fertilizer and pesticide reduction, screen straw decomposing inoculant, agricultural machinery and agronomic integration, and protective agriculture. Based on technological innovation and screening results, carry out the key technology integration and demonstration of scientific straw incorporation; field training and in-class training of technology and model for straw incorporation in a scientific way.

Expected Outcome 2: Demonstration network construction and regional promotion and application.

Province-county-village trinity technology demonstration of straw incorporation, promotion network construction, and demonstration of scientific straw incorporation models in the large-scale areas; establish a social service system for regional promotion and application of key technologies and models.

Expected Outcome 3: Knowledge management building and capacity improvement.

Research on the policy and compensation mechanism to promote straw incorporation; develop technical standards or regulations for straw incorporation in different areas; Research and development of popular, innovative project results promotion products, carry out the project research and development technology and results promotion; organize national, provincial, county and other different levels of project management and technical personnel to carry out domestic and foreign communication and cooperation.

III. Other key project information:

1. Project duration: 3 years (October 2020- December 2023)
2. Estimated project budget: US\$ 860,000
3. Proposed project partners:
 - 1) Ministry of Agriculture and Rural Affairs

Annex 2

Compliance – A guide for third parties

Doing the right thing - together

Living up to our ethical standards is not only the right thing to do but it is also critical to the efficiency and reliability of our operations.

Syngenta is committed to doing business with the highest possible standards of ethics and integrity. By upholding high standards, we can ensure we maintain our good reputation, meet legal and regulatory requirements worldwide and build a firm foundation for future growth. When our work involves the use of third parties, we want the same standards to apply.

We've produced this guide to give you an overview of the minimum standards to adhere to when we conduct our business together. When we work together, we would like you to follow these principles so that legally, ethically and morally, we're living up to the same standards.

Many of you may already have your own ethical policies and procedures in place. We're not asking to supersede or replace any of your existing policies or contractual obligations. The aim of this guide is to share our standards and principles with you and ask you to act in accordance with them and live up to them when you're working with us.

If you have any questions, please get in touch with your Syngenta contact.

Together we can ensure that we do business in the right way.

- I. By 'third parties', we mean people or companies who supply products or services either to Syngenta or on our behalf.
 - II. A 'public official' may include, but is not limited to:
 - Any person holding an office or working for or on behalf of a government entity at any level (e.g. a regulatory official or government inspector)
 - Any person working for a government-owned or controlled enterprise, or a public national or international organization (e.g. a government-owned school or university)
 - Any person performing a public function or providing a public service, even if that person works for a non-governmental institution
 - Any person who is considered a public official under local law.
1. **We don't allow bribery, kickbacks or other unofficial payments**

We are committed to conducting business properly with full transparency and without engaging in any form of bribery or other corrupt behavior. You must not offer or accept bribes to obtain an undue or improper advantage for Syngenta. We expect you to understand and apply the following principles:

A: We don't pay bribes

Bribery goes against our values. We don't pay, offer to pay or receive bribes in any form, including kickbacks and other unofficial or improper payments.

B: We prohibit all types of bribes

A bribe is a bribe, regardless of whether it takes the form of cash, an excessive or lavish gift, an employment offer or a charitable contribution. Anything which is offered or received with the intention of improperly influencing a business decision for or on behalf of Syngenta is considered a bribe.

C: We don't allow facilitation payments

You must not offer or make any 'facilitation payments' to public officials when acting on behalf of Syngenta. These unofficial, nominal fees are designed to secure or speed up a routine action that the official is obliged to perform, such as issuing a license or allowing goods through customs.

D: We make no distinction between public and private bribery

We don't support bribery, whether it's to public officials, private business partners or members of their family.

E: We keep records of business dealings

When you supply products or services to Syngenta, we ask you to keep proper written records of this work. On occasion, Syngenta – or parties appointed by us – may ask to see these records in order to check them.
 2. **Gifts and entertainment must not influence business decisions**

While we recognize that gifts and entertainment are often seen as an established part of business, it is vital that they must never improperly influence, or seem to improperly influence, a business decision. Gifts and entertainment which are provided in the absence of any clear business justification or legitimate purpose, and are intended to improperly influence or obtain a business decision, are considered a bribe. All forms of bribes are prohibited by Syngenta. When doing business with or on behalf of Syngenta, you must not offer to a Syngenta employee, a government or public official or to any other party on our behalf any gift or entertainment which is inappropriate, excessive or could be seen as attempting to improperly influence a business decision.
 3. **We will not tolerate fraud**

The deliberate misuse of company resources for personal enrichment by Syngenta employees or third parties is fraud. Syngenta has zero tolerance for the act or concealment of fraud. When you're doing business with Syngenta, we require that you support our anti-fraud stance and help us in any investigation of suspected fraud that involves or impacts our business.
 4. **We do not condone, facilitate or support money laundering**

We only conduct business with reputable third parties who are involved in legitimate business dealings, using funds derived from legitimate sources.

You must comply with all applicable laws and regulations that prohibit money laundering. Syngenta business shall not be misused for money laundering purposes.

5. We avoid conflicts of interest

All business transactions must be conducted with the best interests of Syngenta in mind.

You must not benefit improperly through your relationships with Syngenta employees.

Equally, no Syngenta employee may personally benefit in an improper way from a relationship with another individual or organization.

6. We prohibit anti-competitive behavior

Competition laws apply to all business arrangements, whether they are in written, oral or any other form. Price fixing, bid rigging and other anti-competitive behaviors are prohibited.

You must ensure that your business on behalf of Syngenta is conducted in an open and competitive manner, and that all business practices fully comply with applicable competition laws wherever they are conducted.

7. We are committed to safe working conditions

We are committed to ensuring the safety of our employees and complying with all applicable health and safety laws and regulations.

When you work with us, we ask you to comply with all applicable health and safety laws and regulations, and to create safe working conditions and a healthy work environment for workers at all premises under your control.

8. We comply with environmental standards

We aim to minimize the environmental impact of our operations by complying with all applicable laws, international guidelines and industry standards.

You must comply with all applicable environmental laws, guidelines and standards relevant to operations, whether at your own premises or those of Syngenta

9. We respect trade controls and economic sanctions

We follow applicable international trade control laws and regulations, including those relating to economic sanctions, customs requirements and export controls. Such requirements also include not participating in boycotts or other restrictive trade practices.

Likewise, we require you to respect all relevant trade controls and economic sanctions.

10. We source materials responsibly

We are committed to sourcing all materials used in our business responsibly.

We ask you to take a similarly responsible approach. This includes implementing supply chain due diligence policies and making sure that the money you pay to others for materials does not go to groups or people who violate employment laws, engage in violence or are involved in the abuse of human rights.

11. We respect intellectual property and confidential information

We retain the ownership of all intellectual property that we create. You must respect intellectual property rights and safeguard Syngenta confidential information, customer and employee information.

You should only use Syngenta information and property (including equipment, drawings and specifications) for the purpose for which they were originally provided.

You should take appropriate steps to safeguard and maintain the confidentiality of Syngenta's proprietary information, including maintaining it in confidence and in secure work areas and not disclosing it to third parties (including other customers, subcontractors, etc.) without the express prior written permission of Syngenta.

12. We respect data privacy

We take strict measures to protect the data in our care.

You should keep all personal and sensitive information relating to Syngenta employees and business partners confidential and in accordance with applicable data privacy standards and contractual requirements.

You should not transfer, sell or trade personal information with other third parties

13. Subcontractors must uphold the same standards

We require subcontractors working on our behalf to ensure that they comply with our standards.

We ask you to make sure that any subcontractors you employ to carry out business for Syngenta also comply with our standards. In addition, you must notify Syngenta in writing prior to using subcontractors, and the use of contractors must be expressly permitted by the relevant contractual agreements between us

How to report/raise concerns

Syngenta takes compliance with this guide seriously. If you suspect that somebody is not complying with the principles of this guide then please let us know immediately so that we can look into the matter.

You can do this by sending an email to syngenta.compliance@syngenta.com

Any questions?

We hope this guide gives you a clear idea of how we would like you to do business when you work with Syngenta. If you have any questions please get in touch with your usual contact at Syngenta or email syngenta.compliance@syngenta.com and we'll do our best to help.

Annex 3

Supplementary Terms

The Agreement is hereby supplemented as follows:

1. Donor's reference

WHEREAS the Donor is a leading science-based agtech company which helps millions of farmers around the world to grow safe and nutritious food, while taking care of the planet.

2. Article I. The Contribution

(a) The Donor shall, in accordance with the schedule of payments set out below, contribute to UNDP the amount of 860,000 in US\$. The Contribution shall be deposited in the following account. All the said payment amount includes all related fees and taxes. All the payment due to UNDP shall be calculated in United States Dollars but paid in Renminbi with all conversions being made at the rate of exchange established by UNDP on its official website (<https://treasury.un.org/operationalrates/OperationalRates.php>) on 1st notice day of the month the invoice is issued.

3. Article VIII. Fraud and Anti-Corruption Measures

Any program, action or expense under this agreement must be in compliance with relevant laws and regulations as well as internal policies of each Party (include but are not limited to Annex 2: Compliance: A Guide for Third Parties), including but not limited to all applicable laws, regulations and ordinances on anti-corruption, anti-bribery, anti-subsidy and anti-money laundering. UNDP hereby confirms that it has received, read, understood and comply with the Donor's ethic and integrity standards—Compliance: A Guide for Third Parties.

4. UNDP shall provide undisputed official receipt to the Donor prior to the payment date as requested by the Donor.

5. UNDP China country office's authorities. According to UNDP official guidelines, UNDP country offices have the full authority to "sign contribution agreement (e.g. financing agreement) for country level without deviation" in the name of "UNDP." The name of bank account allocated to UNDP China country office is "United Nations Development Program-Beijing".