

AGREEMENT BETWEEN THE UNITED NATIONS ENVIRONMENT
PROGRAMME (UNEP) AND THE UNITED NATIONS DEVELOPMENT
PROGRAMME (UNDP)

A. PROJECT SUMMARY

Project Title: UNDP Ecosystem-Based Adaptation in Mountain Ecosystems (the "Project")¹
Time frame: The Project will be implemented from August 2011 – December 2014
Location: Nepal, Peru and Uganda
Contribution amount: USD 5,700,753 (inclusive of cost recovery)
Funding Agency: United Nations Environment Programme (UNEP)
Recipient Agency: United Nations Development Programme (UNDP)

B. PROJECT DESCRIPTION AND IMPLEMENTATION

The contribution governed by this Agreement shall be utilized exclusively for the three national UNDP projects in Nepal, Peru and Uganda ("National Projects") linked to the Project in support of the UNEP/UNDP/IUCN Ecosystem Based Adaptation (EBA) for Mountain Ecosystems (the "Programme").² These countries were chosen based on the vulnerability of their mountain ecosystems and the opportunities available for ecosystem-based responses as part of their overall adaptation strategies. As the Programme develops, other countries and other ecosystems will be added. The Programme's underlying concept is to support countries and communities to adapt to the adverse impacts of climate change through improved biodiversity and ecosystem services, while taking into account risk management and resilience enhancement, as part of overall local and national level adaptation strategies. This programme is a joint effort of UNEP, UNDP and IUCN and this partnership recognizes that cooperation between the United Nations System and IUCN is crucial to advance the implementation of adaptation at an ecosystem level to build resilience. The three organizations complement each other's comparative strengths with the goal to more effectively deliver adaptation support services to countries. In this regard, UNEP will provide overall /global coordination of the Programme in close collaboration with UNDP and IUCN, while UNDP and IUCN will be responsible for country level implementation and the UN Resident Coordinator will provide country level coordination through the UN Country Team, including synergies with related activities and the UNDAF, as well as the buy-in of finance and planning ministries -- all in accordance with agreed project documents and funding framework. This contribution therefore will be used by UNDP³ to contribute to the National Projects which will implement Components 3 and 4 of the Programme, with smaller strategic inputs to Components 1 and 2. This contribution will be administered in accordance with the regulations and rules applicable to UNDP.

1 Project number: 00079621

2 The programme/project is described in the International Climate Initiative project proposal [Annexure 1].

3 The indicative workplan and budget are attached as Annexures 2 and 3.

C. CONTRIBUTIONS AND SCHEDULE OF PAYMENTS

This contribution will be allocated in four installments: 40% immediately after this Agreement has been signed by both Parties and 20% (three installments for 2012, 2013 and 2014) upon receiving substantive (technical) and financial reports annually (2012, 2013, 2014 and 2015). The total contribution is inclusive of UNDP's fee to recover the costs of general management support services of 7% and all direct costs of implementation, including the costs of implementing partners, will be identified in the project budget against a relevant budget line and borne by the project accordingly. UNEP will inform UNDP when the contribution is paid via an e-mail message with remittance information to contributions@undp.org

D. UNDP REPORTING

Substantive Progress Reporting

Substantive reports shall detail achievements, constraints and impacts with regard to the utilization of this contribution. The substantive reports for the period of more than one year will be submitted to the UNEP no later than on 30 June of 2012, 2013, 2014 and 2015. This report will be accompanied by the preliminary financial report prepared by UNDP Country Offices and signed by the UNDP GEF Executive Coordinator and Director of Environmental Finance.

The final substantive report detailing achievements, constraints and impact with regard to the utilization of the contribution from the country office and the final financial report, certified by the Office of Finance and Administration of UNDP, will be provided no later than 30 June of the year following the financial closing of the project (see paragraph below).

Financial Reporting

Financial reports shall reflect the amount received in relation to expenditure from the contribution. The first preliminary financial report prepared by the UNDP Country Offices and signed by the UNDP GEF Executive Coordinator and Director of Environmental Finance for the period to will be submitted no later than [reporting cycle will be the same as in the substantive reports in the paragraph above. This report will be accompanied by the first substantive progress report (see paragraph above on substantive progress reporting). The Agreement shall be subject exclusively to the internal and external auditing procedures provided for in the UNDP financial rules and regulations. Should the Audit Report of UNDP contain observations relevant to the Agreement, such information shall be made available to UNEP.

The financial report certified by the Office of Finance and Administration of UNDP will be submitted no later than 30 June of the year following the financial closing of the project.

Financial reports signed by the Resident Representative will provide information according to the following categories:

- a. Amount received
- b. Staff and other personnel costs
- c. Travel
- d. Contractual services
- e. Procurement
- f. Grants and other
- g. Sub-total
- h. Cost recovery
- i. TOTAL EXPENDITURES

At the termination of the project, any unexpended or uncommitted part of the contribution will be returned to the UNEP, unless otherwise agreed in writing by the parties.

E. PAYMENT INSTRUCTIONS

Upon receipt of this Agreement, the funds shall be paid into the following account:

UNDP Contributions Account
No. 015-002284
JP Morgan Chase Bank
270 Park Avenue, 43rd floor
NY, NY 10017
USA New York.
SWIFT Address: CHASUS33
ABA Code: 021000021

F. AMENDMENTS TO THE AGREEMENT

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

G. DISPUTE SETTLEMENT

Any dispute arising out of or in connection with this Agreement shall be settled amicably between the two parties.

H. TERMINATION

After consultations have taken place between UNEP and UNDP and provided that the payments already received are together with other funds available to the project, sufficient to meet all commitments and liabilities incurred in the execution of the project, this Agreement may be terminated by UNDP or by UNEP. 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.

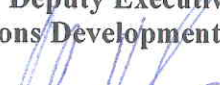
Notwithstanding termination of all or part of this Agreement, UNDP shall continue to hold unutilized payments until all commitments and liabilities incurred in the execution of all or the part of the project, for which this Agreement has been

terminated, have been satisfied and project activities brought to an orderly conclusion.

Any payments that remain unutilized after such commitments and liabilities have been satisfied shall be disposed of by UNDP in consultation with UNEP.

I. CERTIFICATION AND AGREEMENT BY UNDP

UNDP certifies that the statement herein, under the heading "Project description and implementation", is an accurate description of the Project and that agreement and acceptance of the terms and conditions of this Agreement Document is indicated by the duly authorized signature below.

John Hough
UNDP GEF Officer in Charge
UNDP GEF Deputy Executive Coordinator
United Nations Development Programme (UNDP)
Signed: 

Date: 22 July 2011

G. CERTIFICATION BY UNEP

It is hereby certified that the activities described in this document are consistent with the objectives of the UNEP EBA project and that agreement and acceptance of this Agreement Document is indicated by the duly authorized signature below.

Ibrahim Thiaw 
Director
Division of Environmental Policy Implementation (DEPI)
United Nations Environment Programme (UNEP)
Signed:

Date: 10/08/2011

