**STANDARD ADMINISTRATIVE ARRANGEMENT FOR**

**THE ETHIOPIA CLIMATE RESILIENT**

**GREEN ECONOMY FACILITY**

**Standard Administrative Arrangement**

**between**

**[Name of Contributor]**

**and**

**the United Nations Development Programme**

**WHEREAS,** the Government of the Federal Democratic Republic of Ethiopia (hereinafter the “Government”) has developed the ETHIOPIA CLIMATE RESILIENT GREEN ECONOMY FACILITY (hereinafter the “Facility”) starting on 26 November **2012** and ending on **31 December 2030**, as may be amended from time to time as more fully described in the Terms of Reference of the Facility dated **August 2012** (hereinafter the “Facility TOR” or “TOR”),a copy of which is attached hereto as **ANNEX A**;

**WHEREAS,** the Government has appointed the United Nations Development Programme (UNDP) to serve as the provisional Trustee and to provide fund administration, management and other support services related to the establishment and management of the Facilityon the terms and conditions set out in the Facility TOR**,** and further described in the Memorandum of Agreement (MOA) between the Government and UNDP for Management and Other Support Services related to the Facility concluded on [date], a copy of which is attached hereto as **ANNEX B**;

**WHEREAS**, UNDP agreed to serve as the provisional Trustee and provide thefund administration, through its Multi-Partner Trust Fund Office (MPTF Office) (hereinafter “Administrative Agent”), as well as management and other support services for the Facility, pursuant to its Financial Regulations and Rules;

**WHEREAS**, the Facility started on 26 November 2012 and is open for receipt of contributions, as more fully described in the Facility TOR, and to facilitate the effective and efficient collaboration between the Government, Contributors, the Administrative Agent, and other stakeholders for the implementation of the Facility, a coordination and governance mechanism (hereinafter the “Management Committee”) has been established;

**WHEREAS,** the Government has designated the Ministry of Finance and Economic Development (MOFED) to coordinate the development and implementation of the Facility’s activities on behalf of the Government and assume full financial and programmatic accountability for the funds disbursed by the Administrative Agent to the government entities through MOFED National Account that shall implement the activities funded by the Facility (hereinafter the “National Entities”), and shall have such other responsibilities as set forth herein; and

**WHEREAS,** the Government may utilize technical cooperation provided by organizations of the United Nations system (hereinafter “Participating United Nations Organizations” or PUNOs”) and Multilateral Development Banks (hereinafter “MDBs”) as deemed necessary, hereinafter jointly referred to as the “International Participating Organizations”, for the provision of capacity building and technical support to be funded by the Facility, and towards that end, the relationship between the Participating United Nations Organizations and the Administrative Agent will be governed by the Memorandum of Understanding for the Facility (Annexed hereto as **ANNEX C**); and the relationship between a MDB and the Administrative Agent will be governed by the MDB Memorandum of Understanding for the Facility (Annexed hereto as **ANNEX D**);

**WHEREAS**, on behalf of the Government, UNDP as Administrative Agent has established a separate ledger account under its financial regulations and rules for the receipt and administration of the funds received from contributors who wish to provide financial support to the Facility through the CRGE Facility’s International Account, provisionally administered by the Administrative Agent (hereinafter the “Facility International Account”); and

**WHEREAS, [name of the Contributor]** (hereinafter the “Contributor”) wishes to provide financial support to the Government, through the Facility’sInternational Account on the basis of the Facility TOR, as part of its development cooperation with the Government and wishes to do so through the Administrative Agent.

**NOW, THEREFORE**, the Contributor and the Administrative Agent (hereinafter referred to collectively as the “Participants”) hereby decide as follows:

**Section I**

**Disbursement of Funds to the Administrative Agent**

**and the Facility International Account**

1. The Contributor decides to make a contribution of **[amount in words]** (**[amount in figures]**) and such further amounts as it may decide (hereinafter referred to as the “Contribution”) to support the Facility. The Contribution willenable the National Entities, through MOFED, and the International Participating Organizations, to support the Facility, in accordance with the Facility TOR, as amended from time to time in writing by the Management Committee. The Contributor authorizes the Administrative Agent,providing management and other support services on behalf of the Government, to use the Contribution for the purposes of the Facility and in accordance with this Standard Administrative Arrangement (hereinafter the ‘‘Arrangement’’). The Contributor acknowledges that the Contribution will be co-mingled with other contributions to the Facility International Account and that it will not be separately identified or administered.
2. The Contributorwill deposit the Contribution by wire transfer, in accordance with the schedule of payments set out in **ANNEX E** to this Arrangement, in convertible currencies of unrestricted use, to the following account:

Name of Account:  UNDP Multi-Partner Trust Fund Office (USD) Account

Account Number: 790440309

Name of Bank: JPMorgan Chase Bank

International Agencies Banking

Address of Bank: 270 Park Avenue, 43rd Floor

New York, New York 10017

SWIFT Code:  CHASUS33

ABA:  021000021

Reference: Ethiopia CRGE Facility Account

1. When making a transfer to the Administrative Agent, the Contributor will notify the Administrative Agent’s Treasury Operations at [mptfo.treasury@undp.org](mailto:mptfo.treasury@undp.org)with a with copy to the MPTF Office at [mptfo.finance@undp.org](mailto:mptfo.finance@undp.org) and [executivecoordinator.mptfo@undp.org](mailto:executivecoordinator.mptfo@undp.org), of the following: (a) the amount transferred, (b) the value date of the transfer; and (c) that the transfer is from **[name of Contributor]** in respect of the Facility pursuant to this Arrangement. The Administrative Agent will promptly acknowledge receipt of funds in writing.
2. All financial accounts and statements will be expressed in United States dollars.

5. The US dollar value of a contribution-payment, if made in currencies other than United States dollars, will be determined by applying the United Nations operational rate of exchange in effect on the date of receipt of the Contribution. The Administrative Agent will not absorb gains or losses on currency exchanges. Such amounts will increase or decrease the funds available for disbursements to MOFED, to the National Entities and International Participating Organizations.

6. The Facility International Account will be administered by the UNDP MPTF Office, as the provisional Administrative Agent, in accordance with the regulations, rules, directives and procedures applicable to it, including those relating to interest. The Facility International Account will be subject exclusively to the internal and external auditing procedures laid down in the applicable UNDP financial regulations, rules, directives and procedures applicable to the Administrative Agent.

7. The Administrative Agent will be entitled to allocate an administrative fee of one percent (1%) of the Contribution by the Contributor, to cover the costs of performing its functions.

8. The Management Committee may request MOFED,the National Entities or International Participating Organizations, to perform additional tasks in support of the Facility not related to the Administrative Agent’s functions detailed in Article II, Paragraph 8of the Memorandum of Agreement and subject to the availability of funds. In this case, costs for such tasks will be decided in advance and with the approval of the Management Committee be charged to the Facility as direct costs.

**SectionII**

**Disbursement of Funds to National Entities and International Participating Organizations and a Separate Ledger Account**

1. The Administrative Agent will make disbursements from the FacilityInternational Account to the National Entities and to the International Participating Organizations on instruction from MOFED in accordance with decisions of the Management Committee, in line with the approved programmatic document[[1]](#footnote-3), as amended in writing from time to time by the Management Committee. The disbursement to the National Entities and International Participating Organizations will consist of direct and indirect costs as set out in the budget.

2. The National Entities receiving funds from the Facility International Account based on their agreements with MOFED, will establish a separate ledger account under their financial regulations and rules for the receipt and administration of the funds disbursed to them from the Facility International Account. MOFED assumes full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent. The separate ledger accounts will be administered by the National Entities in accordance with the “National Regulatory Framework”, provided thelaws, regulations and procedures do not contravene the principles set out in UNDP’s regulations and rules, policies and procedures.

3. International Participating Organizationswill establish a separate ledger account under their financial regulations and rules for the receipt and administration of the funds disbursed to them from the Facility International Account. Each International Participating Organization assumes full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent. That separate ledger account will be administered by each International Participating Organization in accordance with its own regulations, rules, directives and procedures, including those relating to interest. That separate ledger account will be subject exclusively to the internal and external auditing procedures laid down in the financial regulations, rules, directives and procedures applicable to the International Participating Organization.

3. Where the balance in the Facility International Account on the date of a scheduled disbursement is insufficient to make that disbursement, the Administrative Agent will consult with the Management Committee and make a disbursement, if any, in accordance with the Management Committee’s decisions.

**Section III**

**Implementation of the Programme**

1. The implementation of the programmatic activities which the Contributor assists in financing under this Arrangement will be the responsibility of MOFED and through it the National Entities, and the International Participating Organizations, as approved by the Management Committee. The activities implemented by the National Entities will be carried out in accordance with the applicable National Regulatory Framework. The activities implemented by the International Participating Organizations will be carried out in accordance with theirown applicable regulations, rules, policies and proceduresincluding relating to procurement. The Contributor will not be directly responsible or liable for the activities of any person employed by MOFED, the National Entities, International Participating Organizations or the Administrative Agent as a result of this Arrangement.

2. The National Entities through MOFED will carry out the activities for which they are responsible, in line with the budget contained in the approved programmatic document, as amended from time to time by the Management Committee in accordance with the applicable National Regulatory Framework. The International Participating Organizations will carry out the activities for which they are responsible, in line with the budget contained in the approved programmatic document, as amended from time to time by the Management Committee in accordance with the regulations, rules, directives and procedures applicable to them. Accordingly, personnel will be engaged and administered, equipment, supplies and services purchased, and contracts entered into in accordance with the provisions of such regulations, rules, directives and procedures.

3. Indirect costs of the Participating UN Organizations recovered through programme support costs will be 7%. In accordance with the UN General Assembly resolution 62/208(2007 Triennial Comprehensive Policy Review principle of full cost recovery), all other costs incurred by each Participating UN Organization in carrying out the activities for which it is responsible under the Facility will be recovered as direct costs. Indirect Costs of the Multilateral Development Banks will be recovered in accordance with their policies on trust fund fees.

1. MOFED, the National Entities and International Participating Organizations will commence and continue to conduct operations for the programmaticactivitiesonly upon receipt of disbursements as instructed by the Management Committee.

5. MOFED, National Entities and International Participating Organizations will not make any commitments above the budgeted amounts in approved programmatic document, as amended from time to time by the Management Committee.

6. If unforeseen expenditures arise, the Management Committee will submit, through the Administrative Agent, a supplementary budget to the Contributor showing the further financing that will be necessary. If no such further financing is available, the activities to be carried out under the approved programmatic document may be reduced or, if necessary, terminated by MOFED and by the International Participating Organizations. In no event will MOFED or the International Participating Organizations assume any liability in excess of the funds transferred from the FacilityInternational Account.

7. The Contributor reserves the right to discontinue future contributions if reporting obligations are not met as set forth in this Arrangement, or if there are substantial deviations from agreed plans and budgets. If it is agreed among the Management Committee, Contributor, MOFED,the Administrative Agentand the concerned International Participating Organization under the Arrangement that there is evidence of improper use of funds MOFEDorthe International Participating Organization will use their best efforts, consistent with their regulations, rules, policies and procedures to recover any funds misused. MOFED and the International Participating Organizations will, in consultation with the Management Committee and the Administrative Agent, credit any funds so recovered to the Facility International Account or agree with the Management Committee to use these funds for a purpose mutually agreed upon. Before withholding future contributions or requesting recovery of funds and credit to the Facility International Account, the Administrative Agent, MOFED, the concerned International Participating Organization and the Contributor will consult with a view to promptly resolving the matter.

8. The Participants recognize that it is important to take all necessary precautions to avoid corrupt, fraudulent,collusive or coersive practices. To this end:

1. As set out in the MOA, MOFED, and the National Entities will maintain standards of conduct that govern the performance of their staff, including  the prohibition of corrupt, fraudulent, collusive or coersive practices in connection with the award and administration of contracts, grants, or other benefits, as set forth in the National Regulatory Framework.
2. As set out in the MOUs between the Administrative Agent and International Participating Organizations, each International Participating Organization will maintain standards of conduct that govern the performance of its staff, including  the prohibition of corrupt, fraudulent, collusive or coersive practices in connection with the award and administration of contracts, grants, or other benefits, as set forth in their Staff Regulations and Rules and the Financial Regulations and Rules, including regarding procurement.

**Section IV**

**Equipment and Supplies**

1. On the termination or expiration of this Arrangement, for Facility activities implemented by the National Entitiesthe ownership of equipment, supplies and other property financed from the Facility shall be vested in the Government. On the termination or expiration of this Arrangement, for Facility activities implemented by the International Participating Organizations, the ownership of equipment, supplies and other property financed from the Facilitywill be determined in accordance with the regulations, rules, policies and procedures applicable to them, including anyrelevant agreement with the Government.

**Section V**

# **Reporting**

1. For funds received from the Facility International Account, the Administrative Agent will provide MOFED, the Contributor and the Management Committee, through the Facility Secretariat the following statements and reports, based on submissions provided to it by each National Entity, through MOFED, and each International Participating Organization, prepared in accordance with the accounting and reporting procedures applicable to them, as set forth in the TOR:

1. Quarterly financial and narrative progress reports, at the initial stage of the Facility, to be provided no later than [60 days after the end of the quarter;
2. Annual consolidated narrative progress reports, based on annual narrative progress reports received from National Entities and International Participating Organizations, to be provided no later than five months (31 May)after the end of the calendar year;
3. Annual consolidated financial reports, based on annual financial statements and reports, to bereceived from the National Entities and International Participating Organizations, as of 31 December with respect to the funds disbursed to them from the Facility International Account,to be provided no later than five months (31 May) after the end of thecalendar year;
4. Final consolidated narrative report, based on final narrative reports received from National Entities and International Participating Organizations after the completion of the activities in the approved programmatic document, to be provided no later than seven months (31 July) of the year following the financial closing of the programme.The final consolidated narrative report will contain a summary of the resultsand achievements compared to the goals and objectives specified in the programmatic document;
5. Final consolidated financial report, based on certified final financial statements and final financial reports received from National Entities and International Participating Organizations after the completion of the activities in the approved programmatic document to be provided no later than seven months (31 July) of the year following the financial closing of the related programmes.

2. The Administrative Agent will provide MOFED, the Contributor, Management Committee, and International Participating Organizations,through the Facility Secretariat, with the following reports on its activities

(a) Certified annual financial statement (“Source and Use of Funds”) to be provided no later than five months (31 May) after the end of the calendar year; and

(b) As applicable, certified final financial statement (“Source and Use of Funds”)to be provided no later than seven months (31 July) of the year following the financial closing of the Facility.

3. Consolidated reports and related documents will be posted on the websites of the Facility (<http://www.mofed.gov.et>) and the Administrative Agent (http://mptf.undp.org ).

**Section VI**

**Monitoring and Evaluation**

1. Monitoring and evaluation of the Facility including, as necessary andappropriate, joint evaluation by the Government, MOFED, the Contributor, the International Participating Organizations, the Administrative Agent, and other partners will be undertaken in accordance with the provisions contained in the Facility TOR.

2. MOFED, the Contributor, the Facility Secretariat, EPA together with National Entities, the International Participating Organizations and the Administrative Agent, through the Management Committee, will hold annual consultations, as appropriate, to review the status of the Facility.

**Section VII**

**Joint Communication**

1. Information given to the press, to the beneficiaries of the Facility, all related publicity material, official notices, reports and publications, will acknowledge the role of the Government, the Contributors, the MOFED, the Administrative Agent and any other relevant entities, as appropriate.In particular, the Administrative Agent will include and ensure due recognition of the role of the Government, MOFED, NationalEntities and International Participating Organizations and Contributors in all external communications relating to the Facility.
2. The Administrative Agent in consultation with MOFED will ensure that decisions regarding the review and approval of the Facility,periodic reports on the progress of implementation of the Facility-financed activities and associated external evaluations are posted, where appropriate, for public information on the websites of the Facility (<http://www.mofed.gov.et>) and the Administrative Agent (<http://mptf.undp.org>).Such reports and documents may include Management Committee approved programmesand programmesawaiting approval, fund level annual financial and progress reports and external evaluations, as appropriate.

**Section VIII**

**Expiration, Modification and Termination**

1. The Administrative Agent will notify the Contributor when it has received notice from the National Entities, through MOFED, and the International Participating Organizations that the activities for which they are responsible under the approved programmatic document have been completed. The date of the last notification received from a National Entity or International Participating Organization will be deemed to be the date of expiration of this Arrangement, subject to the continuance in force of paragraph 4 below for the purposes therein stated.

2. The Facility has a termination date of **31 December 2030**. However, UNDP’s role as the Facility’s Administrative Agent shall be limited to such time that a successor to fulfil the services ascribed to UNDP in the MOA signed between the Government and UNDP, is selected by the Management Committee in consultation with the Contributors.

3. This Arrangement may be modified only b2y written agreement between the Participants.

4. This Arrangement may be terminated by either Participant on thirty (30) days of a written notice to the other Participants, subject to the continuance in force of paragraph 4 below for the purpose therein stated.

5. Commitmentsassumed by the Contributor and the Administrative Agent under this Arrangement will survive the expiration or termination of this Arrangement to the extent necessary to permit the orderly conclusion of activities, the withdrawal of personnel, funds and property, the settlement of accounts between the Participants hereto,MOFED, the National Entities and the International Participating Organizations, and the settlement of contractual liabilities required in respect of any subcontractors, consultants or suppliers. Any balance remaining in the Facility International Account or in the individual National Entities’ or International Participating Organizations’ separate ledger accounts upon winding up of the Facility will be used for a purpose mutually agreed upon or returned to the Contributor(s) in proportion to their contribution to the Facility as decided upon by the Contributor(s) and the Management Committee.

**Section IX**

**Notices**

1. Any action required or permitted to be taken under this Arrangement may be taken on behalf of the Contributor, by [title of the representative of the Contributor]or his or her designated representative, and on behalf of the Administrative Agent, by the Executive Coordinator of the UNDPMPTF Office or his designated representative.

2. Any notice or request required or permitted to be given or made in this Arrangementwill be in writing. Such notice or request will be deemed to be duly given or made when it will have been delivered by hand, mail, or any other agreed means of communication to the party to which it is required to be given or made, at such party's address specified below or at such other address as the party will have specified in writing to the party giving such notice or making such request.

*For the Contributor:*

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Telephone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Facsimile: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Electronic mail: \_\_\_\_\_\_\_\_\_\_\_\_\_\_

*For the Administrative Agent:*

Name: Bisrat Aklilu

Title: Executive Coordinator, MPTF Office, UNDP

Address: 730 Third Avenue, New York, NY 10017, USA

Telephone: +1 212 906 6880

Facsimile: +1 212 906 6990

Electronic mail: [bisrat.aklilu@undp.org](mailto:bisrat.aklilu@undp.org)

**Section X**

**Entry into Effect**

1. This Arrangement will come into effect upon signature thereof by the Participants and will continue in effect until it is expired or terminated.

**Section XI**

**Settlement of Disputes**

1. Any dispute arising out of the Contribution to the Facilitywill be resolved amicably through dialogue among the Contributor, the Administrative Agent, MOFED, and the concerned International Participating Organization.

**Section XII**

**Privileges and Immunities**

1. Nothing in this Standard Administrative Arrangement will be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, the Administrative Agent, or each International Participating Organization.

**IN WITNESS WHEREOF**, the undersigned, being duly authorized by the respective Participants, have signed the present Arrangement in English in two copies.

*For the Contributor:*

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Place: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*For the Administrative Agent:*

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: Bisrat Aklilu

Title: Executive Coordinator

Place: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ANNEX A: The Ethiopia Climate Resilient Green Economy (CRGE) Facility’s Terms of Reference

ANNEX B: Memorandum of Agreement for Management and Other Support Services related to the Ethiopia CRGE Facility

ANNEX C: Memorandum of Understanding between the Participating UN Organizations and Administrative Agent

ANNEX D: Memorandum of Understanding betweenMultilateral Development Banks and the Administrative Agent

ANNEX E: Schedule of Payments

**ANNEX E**

**SCHEDULE OF PAYMENTS**

**Schedule of Payments: Amount:**

[Time of first payment] [amount in figures]

[Time of second payment] [amount in figures]

1. As used in this document, an approved programmatic document refers to an annual work plan or a programme/project document, etc., which is approved by the Management Committee for fund allocation purposes. [↑](#footnote-ref-3)