



ADAPTATION FUND

31 October 2012

Adaptation Fund Board

Agreements between the Adaptation Fund Board and the United Nations Foundation for the collection of online donations

The Board decides to authorize

- a) the Chair to sign the attached Framework Agreement between the United Nations Foundation and the Adaptation Fund Board, and the United Nations Foundation Grant Agreement; and*
- b) the trustee to sign the attached Donation Agreement between the United Nations Foundation and the International Bank for Reconstruction and Development, as trustee for the Adaptation Fund*

for the collection of online donations to the Adaptation Fund Trust Fund through the United Nations Foundation.

Decision B.18-19/18

**FRAMEWORK AGREEMENT BETWEEN
THE UNITED NATIONS FOUNDATION AND
THE ADAPTATION FUND BOARD**

This **AGREEMENT (the “Framework Agreement”)** is between the Adaptation Fund Board (“AFB”), established by the Conference of the Parties of the United Nations Framework Convention on Climate Change serving as the meeting of the Parties to the Kyoto Protocol (“CMP”) in its decision 1/CMP.3 as the operating entity to supervise and manage the Adaptation Fund (the “AF”), and the United Nations Foundation, Inc. (“UNF”), a not-for-profit corporation organized under the laws of the State of New York of the United States of America, with offices located in Washington, D.C.

WHEREAS, AFB seeks to finance concrete adaptation projects and programs in developing countries that are parties to the Kyoto Protocol and are particularly vulnerable to the adverse effects of climate change, taking into account that helping the most vulnerable countries and communities is an increasing challenge for the international community, especially because adaptation to climate change requires significant resources in addition to what is already needed to achieve international development objectives;

WHEREAS, AFB is interested in enhancing its activities partnering, *inter alia*, with the private sector, including corporations, foundations, non-governmental organizations and/or individual donors (the “Contributors”) in support of its work; and

WHEREAS, AFB and UNF mutually express their interest and desire to strengthen and broaden their existing relationship through a partnership in support of the AF’s mission and objectives by entering into this Framework Agreement;

NOW, THEREFORE, UNF and AFB agree to cooperate as follows:

**Article I
Purpose**

The purpose of this Framework Agreement is to provide a framework of cooperation and facilitate collaboration between UNF and AFB on a non-exclusive basis, in areas of mutual interest.

**Article II
Areas of Cooperation**

UNF and AFB agree to endeavor to cooperate in the following areas of activities:

- i. UNF shall receive funds raised from Contributors to support programs and activities developed in accordance with the goals, objectives and program priorities of AFB;
- ii. UNF shall grant funds raised for the AF during the term of this Framework Agreement, subject to funding received by UNF from the Contributors. Awards granted from these funds shall be made in accordance with: (a) the Grant Agreement (as hereinafter defined) and its annexes (the “Project Documents”); (b) the Donation Agreement (as hereinafter defined); and (c) UNF’s grantmaking policies and procedures;

- iii. UNF shall provide donor management services, including providing IRS tax recognition to Contributors, where applicable, by means of an acknowledgement letter (only covering those donations drawn from U.S. banks in accordance with U.S. tax law). All online donations shall receive electronic acknowledgement letters;
- iv. UNF shall not sell, rent or share donor information;
- v. UNF shall promote the AF in its public outreach efforts where it is mutually beneficial to UNF and AFB in the form of an online donate page hosted on UNF's website, the text of which will be jointly determined by UNF and AFB;
- vi. AFB shall add a link from its website to the UNF donate page to promote the AF and drive online donations;
- vii. UNF shall review in good faith requests from AFB related to communication, public outreach, and fundraising for other relevant AF activities and initiatives on a case by case basis;
- viii. AFB, in turn, shall promote UNF's fundraising for the AF, using language which will be jointly determined by UNF and AFB; and
- ix. UNF reserves the right to conduct a one-time appeal to invite donors to join the UNF mailing list as a part of the donation process.

i) Article III
ii) Implementation

- iii)
 - 3.1. As UNF is an entity established under United States law, and is separate and distinct from the United Nations ("UN"), it shall not be considered, for any purposes whatsoever, as having a legal status connected with or dependent upon the UN except as otherwise set forth in the Relationship Agreement between the UN and UNF and other applicable rules, regulations and agreements governing the UN and UNF. The personnel, agents or contractors of UNF shall not be considered in any respect or for any purposes whatsoever as being the employees or agents of the UN, nor shall any personnel, representatives or other affiliates of the UN be considered, for any purposes whatsoever, as being employees or agents of UNF. Neither UNF nor AFB shall enter into any contract or commitment on behalf of the other. They shall be solely responsible for fulfilling their contractual or other obligations arising out of this Framework Agreement, including making all payments, as provided under this Framework Agreement.
 - 3.2. UNF and AFB shall implement their respective obligations and responsibilities under this Framework Agreement in accordance with the regulations, rules, procedures, and any laws that are applicable to each of them.
 - 3.3. In conjunction with the Donation Agreement (as defined below), prior to the transfer of funds by the UNF to the International Bank for Reconstruction and Development as trustee for the Adaptation Fund (the "Trustee"), UNF and AFB shall enter into a grant agreement which shall contain, *inter alia*, a description of the activities that the AFB foresees to finance in whole or in part with the grant funds (the "Grant Agreement").

- iv)
- v)

vi) Article IV
vii) Utilization of the Contribution

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- ix) 4.1 The amount of funds mobilized by UNF for the AF shall be reviewed on a quarterly basis with the intent to inform AFB of the level of available funds.
- x)
- xi) 4.2 The use of funds transferred by UNF under this Framework Agreement and the Donation Agreement (as defined below) shall be subject to the conditions set forth in this Framework Agreement, the relevant Grant Agreement, the applicable AF's rules and regulations and UNF's grantmaking policies and procedures.
- xii)
- xiii) 4.3 As AF resources are held in a trust account with the Trustee, UNF agrees to enter into a separate agreement (the "Donation Agreement") with the Trustee, governing the transfer of grant funds from the UNF to the Trustee in support of the activities described in the Grant Agreement. Any interest earned on grant funds received from UNF shall accrue to the AF's general pool of funds to support the AF's mission and shall not be accounted for as UNF grants.
- xiv)
- xv) 4.4 Until such time as funds are transferred from UNF to the Trustee in accordance with the Donation Agreement and for the purposes of supporting the activities described in the Grant Agreement, discretion and control of the funds shall reside with UNF. Any interest accrued on the funds before they are transferred to the Trustee shall be collected by UNF to defray additional transaction costs over and above the 13% fee referred to in Article 5.3 hereof. UNF shall have no obligation of any nature to raise a minimum amount of funds for the AF by virtue of this Framework Agreement.
- xvi)
- xvii) 4.5 AFB shall be fully responsible for the achievements of all outcomes and outputs and for the implementation of all activities receiving funding through UNF hereunder.

xviii)
xix)

xx) Article V
xxi) Administration and Reporting

- xxii)**
- xxiii) 5.1 AF's activities shall be undertaken in accordance with the applicable AF's rules and regulations, to the extent consistent with UNF's grantmaking policies and procedures. Activities of the AF shall be subject to evaluations in line with established AF reporting procedures.
- xxiv)
- xxv) 5.2 Through the Trustee, AFB shall make available to UNF, within six (6) months following the end of each fiscal year of the Trustee, an annual single audit report, comprising (1) a management assertion together with an attestation from the Trustee's external auditors concerning the adequacy of internal control over cash-based financial reporting for all cash-based trust funds as a whole; and (2) a combined financial statement for all cash-based trust funds together with the Trustee's external auditor's opinion thereon. If a request to provide information concerning the amount of grant funds transferred by UNF to the Trustee is made by entities responsible for the auditing of UNF, AFB shall cooperate with UNF in supplying additional financial information as requested or required by UNF with respect to this Framework Agreement.
- 5.3 UNF shall deduct from any amount transferred through a Grant Agreement a UNF general management support costs fee of 13% for costs related to certification of contributions and general management in accordance with UNF guidelines for the management of fiduciary funds.

- 5.4 AFB shall submit a report on the use of funds to UNF on an annual basis. The AF's Annual Performance Report, prepared by the secretariat of the AFB, and the Financial Status of the Adaptation Fund Trust Fund report, prepared by the Trustee, shall be sufficient to fulfill the reporting requirement under this Article.

xxvi)

xxvii)

xxviii) Article VI

xxix) Use of Name and Emblem

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- 6.1. Neither UNF nor AFB shall use the name, emblem or trademarks of the other, its subsidiaries, and/or affiliates, or any abbreviation thereof, in connection with its business or otherwise without the express prior written approval of the other in each case. In no event shall authorization for the use of the other's name or emblem, or any abbreviation thereof, be granted for commercial purposes, or for use in any manner that suggests an endorsement by the other partner of such partner's products or services.
- 6.2. UNF and AFB shall acknowledge their collaboration under this Framework Agreement, as appropriate. To this end, they shall consult with each other concerning the manner and form of such acknowledgement.

xxxi)

xxxii) Article VII

xxxiii) Duration, Termination, Modification

xxxiv)

- 7.1. The cooperation under this Framework Agreement shall be on a non-exclusive basis and shall start on the date of the execution of this Framework Agreement and last until December 31, 2013, unless terminated earlier by either UNF or AFB upon thirty days notice in writing to the other. UNF and AFB may agree in writing to extend their cooperation under this Framework Agreement.
- 7.2. In the event of termination of this Framework Agreement, UNF and AFB shall take the necessary steps to ensure that the activities carried out under this Framework Agreement are brought to a prompt and orderly conclusion, and they shall wind up their obligations hereunder, including the disbursement of any remaining funds received by UNF for the AF (disbursement to be subject to UNF's grantmaking policies and procedures), and the provision of any information, reports, documentation, financial statements or other materials.
- 7.3. This Framework Agreement may be amended by mutual written agreement of UNF and AFB.
- 7.4. UNF and AFB shall periodically review the operations and activities under this Framework Agreement.

Article VIII

Settlement of Disputes

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- xxxvi) 8.1 UNF and AFB shall use their best efforts to settle amicably any dispute, controversy or claim arising out of or relating to this Agreement. Should UNF and AFB decide to resort to conciliation, the conciliation shall take place in accordance with those procedures that will be agreed between UNF and AFB.

xxxvii)

xxxviii) 8.2 Any dispute, controversy or claim arising out of or relating to this Framework Agreement, including the breach, termination or invalidity thereof, which is not settled amicably in accordance with the foregoing paragraph, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules then in force. The arbitral tribunal shall have no authority to award punitive damages. UNF and AFB shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy or claim. The number of arbitrators shall be three. The language to be used in the arbitral proceedings shall be English.

xxxix)

8.3 This Framework Agreement, the relevant Grant Agreements, and the related Project Documents comprise the complete understanding of UNF and AFB in respect of the subject matter in this Framework Agreement and supersede all prior agreements relating to the same subject matter. Failure by either UNF or AFB to enforce a provision of this Framework Agreement shall not constitute a waiver of that or any other provision of this Framework Agreement. The invalidity or unenforceability of any provision of this Framework Agreement shall not affect the validity or enforceability of any other provision of the Framework Agreement.

Article IX Notices

xl) Any notice required to be given by either UNF or AFB under this Framework Agreement shall be given in writing, shall be deemed given when actually received by the other, and shall be conveyed via first class mail, postage prepaid, or via private courier, facsimile or electronic mail as follows:

xli)

xlii) To the Adaptation Fund Board:

xliii)

Name: Ms. Marcia Levaggi
Address: Global Environment Facility
MSN P
1818 H Street, N.W.,
Washington, DC 20433

Telephone No: 202 473 6390

Fax No: 202 522 3240

Email address: mlevaggi@theGEF.org

xliv)

xliv) To the United Nations Foundation:

xlvi)

xlvii) Name: Mr. David Burton
xlviii) Address: United Nations Foundation
xlix) Business Services and Budgets

l) 1800 Massachusetts Ave NW

li) Suite 400

lii) Washington, DC 20036

Telephone No.: 202 887 9040

Fax No.: 202 887 9021

IN WITNESS WHEREOF, the duly authorized representatives of the United Nations Foundation and the Adaptation Fund Board have affixed their signatures below.

FOR the Adaptation Fund Board:

FOR the United Nations Foundation:

Signed

Signed

Mr. Luis Santos, Chair

Richard S. Parnell, COO

Date

Date

UNITED NATIONS FOUNDATION GRANT AGREEMENT

Grantee: Adaptation Fund Board
Grant Name: [UNF Grant Title]
Grant Number: [UNF Grant Number]
Grant Amount: [Total Grant Amount]
Date: [Date Grant Created]

WHEREAS, on _____, 2012, the United Nations Foundations (“UNF”) and the Grantee entered into an agreement which provides the framework of cooperation to facilitate collaboration between UNF and the Grantee on a non-exclusive basis, in areas of mutual interest (the “Framework Agreement”);

WHEREAS, on _____, 2012, UNF and the International Bank for Reconstruction and Development (“IBRD”), as trustee for the Adaptation Fund (the “Trustee”), entered into a donation agreement which governs the terms and conditions applicable to the transfer of the donations of the UNF to the Adaptation Fund Trust Fund;

NOW, THEREFORE, UNF and the Grantee agree as follows:

1. This grant (the “Grant”) is in support of Adaptation Fund projects/programmes aimed at assisting developing countries that are parties to the Kyoto Protocol to meet the costs of adaptation to climate change, including climate variability (the “Activities”). The Activities that the Grantee foresees to finance in whole or in part with the Grant amount are described in Annex 1 to this grant agreement (the “Agreement”). The applicable policies and guidelines on accessing resources from the Adaptation Fund are set out in Annex 2 to this Agreement.
2. The Grant may be expended only for the purposes outlined in Annex 1 to this Agreement, subject to any special conditions itemized below. No other uses are authorized without the express, written consent of UNF.
3. This Agreement shall become effective on [Agreement Start Date] and shall remain in force until [Agreement End Date].
4. The Grantee confirms that it has been established by the Conference of the Parties of the United Nations Framework Convention on Climate Change serving as the meeting of the parties to the Kyoto Protocol (“CMP”) in its decision 1/CMP.3 as the operating entity of the Adaptation Fund. The Grantee agrees to notify UNF if there is any change in the Grantee’s status during the term of this Agreement.
5. The use of the Grant amount is restricted solely to the purposes of the Activities and may not be expended for reasons unassociated with the Activities. The Grantee confirms that it does not engage in lobbying activities, and that Grant funds have not been earmarked for lobbying.

6. The Grantee agrees to immediately notify UNF, in writing, if it has reason to believe that any monies used in the Activities cannot be or continue to be expended for the specified purposes. The Grantee and UNF shall consult each other to determine if any unspent or uncommitted monies transferred to the Grantee can be reallocated to other projects/programmes and used for the specified purposes. The Grantee shall indemnify and hold UNF harmless from and against all third party claims, liabilities, expenses and costs (including, without limitation reasonable accounting and attorney's fees and expenses) which result from any breach of the terms of this Agreement, or from any gross negligence or willful misconduct by the Grantee, relating to activities pursuant to this Agreement. Such indemnity shall not include any liabilities, claims, losses, costs or expenses incurred by the UNF as a direct result of its own gross negligence or willful misconduct and shall not exceed the amounts of the funds transferred by the UNF to the Grantee under this Agreement.
7. The Grantee shall cooperate with UNF in supplying any information or complying with any procedures which might be required by any governmental agency in order for UNF to establish the fact that it has observed all requirements of the law with respect to this Grant.
8. UNF may monitor and conduct formal evaluations of operations under this Grant, which may include a visit from UNF personnel to observe the Activities and to review financial and other records and materials connected with the Activities. The Grantee, through the Trustee, shall make available to UNF, within six (6) months following the end of each IBRD fiscal year, an annual single audit report, comprising (1) a management assertion together with an attestation from the Trustee's external auditors concerning the adequacy of internal control over cash-based financial reporting for all cash-based trust funds as a whole; and (2) a combined financial statement for all cash-based trust funds together with the Trustee's external auditor's opinion thereon.
9. The Grantee shall submit a report to UNF on an annual basis describing how the Grant amount was used in accordance with the terms of this Agreement. The Adaptation Fund's Annual Performance Report, prepared by the Grantee's secretariat, and the Financial Status of the Adaptation Fund Trust Fund report, prepared by the Trustee, shall be sufficient to fulfill the reporting requirement under this paragraph.
10. Funding for this Grant shall be paid in a lump sum upon the execution of this Agreement.
11. Recognizing the obligations under United States law and the laws of other countries to take measures to prevent the financing of terrorists, the Grantee agrees to use its best efforts to ensure that the funds provided under this Agreement are used for their intended purposes and are not diverted to terrorists.
12. The Grantee shall use its best efforts to ensure that the funds provided under this Agreement are not used to make corrupt payments to foreign officials for the purpose of obtaining or keeping business.
13. Nothing in or related to this Agreement may be construed as a waiver, express or implied, of the privileges and immunities enjoyed by the Grantee or its secretariat.

14. Either party may terminate this Agreement upon thirty (30) days written notice to the other.
15. This Agreement, in conjunction with the Framework Agreement, constitutes the entire understanding of UNF and the Grantee with respect to the subject matter, and supersedes all prior agreements and understandings, whether oral or written. This Agreement may not be amended or modified except in writing and by mutual written agreement of UNF and the Grantee.
16. UNF and the Grantee shall use their best efforts to settle amicably any dispute, controversy or claim arising out of or relating to this Agreement. Should UNF and the Grantee decide to resort to conciliation, the conciliation shall take place in accordance with those procedures that will be agreed between UNF and the Grantee.
17. Any dispute, controversy or claim arising out of or relating to this Agreement, including the breach, termination or invalidity thereof, which is not settled amicably in accordance with the foregoing paragraph, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules then in force. The arbitral tribunal shall have no authority to award punitive damages. UNF and the Grantee shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy or claim. The number of arbitrators shall be three. The language to be used in the arbitral proceedings shall be English.

The undersigned duly authorized officials agree to these terms and conditions:

For the United Nations Foundation:

For the Grantee:

Date: _____

Date: _____

Richard S. Parnell
Chief Operating Officer

Name:
Title:

The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

1818 H Street N.W.
Washington, D.C. 20433
U.S.A

(202) 477-1234
Cable Address: INTBAFRAD

[Insert Date]

United Nations Foundation
1800 Massachusetts Avenue, NW, 4th Floor
Washington, D.C. 20036
USA

Donation to the Adaptation Fund Trust Fund (TF No. 069013)

Dear [_____]:

1. We are pleased to acknowledge the intention of the United Nations Foundation (the “Donor”) to make a donation to the Adaptation Fund Trust Fund (TF No. 069013) (the “Trust Fund”) in accordance with the terms of this agreement and the Terms and Conditions applicable to Donations to the Adaptation Fund Trust Fund attached hereto as Annex 1. Annex 1 constitutes an integral part of this letter (the “Letter”).

2. The amount of the donation (the “Donation”) will be specified in one or more confirmations from the Donor to the International Bank for Reconstruction and Development (the “IBRD”), as Trustee for the Adaptation Fund (the “Trustee”) indicating the amount to be donated and substantially in the form attached hereto as Annex 2 (each a “Confirmation of Donation”). Following the receipt of a Confirmation of Donation, the Trustee will issue one or more requests (each a “Call”) for the Donation funds, in accordance with the form attached hereto as Annex 3 (the “Call for Donation Funds”).

3. The offices responsible for coordination of all matters related to the implementation of this Letter are:

For the Trustee:

Director
Multilateral Trusteeship and Innovative Financing
The World Bank
1818 H St. NW
Washington, DC 20433

Tel: +1 202 458 0019
Fax: +1 202 614 0933
E-mail: aftrustee@worldbank.org

For the Donor:

United Nations Foundation
1800 Massachusetts Avenue, NW, 4th Floor
Washington, D.C. 20036
USA

Tel: + [_____]

Fax: + [_____]

4. This Letter may be modified only by written consent between the parties and will terminate on March 31st, 2014.

5. For the purpose of this Letter, the term “Agreement” referred to in Annex 1 to this Letter will be deemed to refer to this Letter.

6. The Trustee acknowledges that the Donor and the Adaptation Fund Board have entered into a Framework Agreement and will enter into Grant Agreements governing the collecting of funds by the Donor and the use of any Donation by the Adaptation Fund Board.

7. The Trustee will disclose this Letter and related information on this Trust Fund in accordance with the World Bank Policy on Access to Information. By entering into this Letter, the Donor consents to such disclosure.

8. Please confirm your agreement with the foregoing by signing, dating, and returning to us the enclosed copy of this Letter. Upon receipt by the Trustee of the copy of this Letter countersigned by you, the agreement contained herein will become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
as Trustee for the Adaptation Fund

Axel van Trotsenburg
Vice President
Concessional Finance and Global Partnerships

AGREED:

UNITED NATIONS FOUNDATION

By: _____
Name:
Title:

Date _____

Annex 1

Terms and Conditions applicable to Donations to the Adaptation Fund Trust Fund

1. Terms of Donation

1.1 In accordance with the Adaptation Fund Guidelines for Accepting Donations approved by the Adaptation Fund Board during its Eight Meeting in Bonn from November 16-18 2009 (the "Guidelines"), the Donation shall be unconditional and form part of the Adaptation Fund Trust Fund's general resources with no specific sectoral, regional or project-by-project earmarking of the Donation.

1.2 In accordance with the Guidelines, it is understood that the Donation:

- (i) shall not establish any membership or governance rights in the Adaptation Fund for the benefit of the Donor;
- (ii) is not intended to confer a special advantage or preference to the Donor in obtaining access to information not otherwise in the public domain, or to the Adaptation Fund Board, Secretariat, Trustee or staff;
- (iii) is not intended to confer a special advantage or preference to the Donor in competing with any other entity in relation to any Adaptation Fund procurement; and
- (iv) shall have no bearing on any ongoing or subsequent business decisions by, or opportunities with, the Adaptation Fund Board.

1.3 The Donor may use the Adaptation Fund logo, trademark or name only in the manner approved by the Adaptation Fund Board. Publicity about the Donation, press briefings and other materials on the Donation to be issued by the Donor shall be subject to prior written approval of the Adaptation Fund's Secretariat.

2. Administration of the Donation

The Donation shall be administered by the Trustee in accordance with the terms of this Agreement, the Terms and Conditions of Services to be provided by the International Bank for Reconstruction and Development as Trustee for the Adaptation Fund, as may be amended from time to time, the relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, and the decisions of the Adaptation Fund Board.

3. Reporting

The Donor acknowledges that no separate reporting from the Trustee will be provided in connection with the use of the Donation. In accordance with the Guidelines, reports on the activities of the Adaptation Fund will be accessible through the Adaptation Fund website: www.adaptation-fund.org.

4. Termination

In accordance with the Guidelines, the Trustee may terminate this Agreement by giving the Donor sixty (60) days prior written notice and may return all or part of any uncommitted balance of the Donation to the Donor within sixty (60) business days of such notice.

5. Disclosure

The Trustee may disclose this Agreement and the arrangements contemplated hereunder in accordance with the World Bank's policy on disclosure of information, in effect at the time of such disclosure. By entering into the Agreement, the Donor consents to its disclosure and of the arrangements contemplated hereunder.

6. Privileges and Immunities

Nothing in this Agreement shall be considered a waiver of any privileges or immunities of the International Bank for Reconstruction and Development under its Articles of Agreement or any applicable law, all of which are expressly reserved.