

ANNEX I

BILATERAL AGREEMENT BETWEEN THE GOVERNMENT OF AUSTRALIA AND THE UNITED NATIONS CHILDREN'S FUND (UNICEF) ON

SUPPORT TO THE HEALTH POOL FUND (HPF-III) IN SUPPORT TO THE IMPLEMENTATION PROCESS OF THE HEALTH SECTOR DEVELOPMENT PROGRAMME OF ETHIOPIA

1. Within the framework of the Joint Memorandum of Understanding on the Management of the Health Pool Fund (HPF-III) for Support to the Implementation Process of the Health Sector Development Programme of Ethiopia (HSDP IV), signed on 11 October 2011, the Government of Australia ("GOA"), acting through Australian Agency for International Development ("AusAID"), will make available to the United Nations Children's Fund (UNICEF) ("the recipient") a sum of AUD \$2 million (Two million Australian dollars) ("the contribution") towards "The management of the Health Pooled Fund for support to the implementation process of the HSDP IV (HPF-III)" ("the Project"). This bilateral Agreement between AusAID and the recipient in line with the spirit, framework and clauses of the Joint MOU signed on 11 October 2011.
2. The Project will be implemented from 1 July 2011 to 30 June 2015.
3. The Contribution will be administered by UNICEF and will be subject to the following conditions:
 - (a) The Contribution will be utilized by UNICEF for "support to the implementation process of the third health sector development programme of Ethiopia HPF III)" as detailed in the proposal (Annex II).
 - (b) The Contribution will not be used to meet the cost of import or customs duties (or any similar fees) imposed by the Government of Ethiopia on the goods imported or services provided.
4. As soon as this Agreement (the "Agreement") comes into operation, will make a deposit of a sum of AUD \$2 million (\$2 million Australian Dollars) into the UNICEF account:

500,000	upon signing of this agreement
500,000	2012/13
500,000	2013/14
500,000	2014/15

5. UNICEF as designated Pool Fund Administrative Manager will administer and account for the Contribution in accordance with its regulations, rules, directives and procedures applicable to Special Accounts, including those relating to interest; and keep separate records for the Project. In line with the UNICEF Executive Board decision of July 2006, the Contribution shall include a separate budget line, equivalent to seven percent of the total budget, for indirect programme support costs. These costs will be stated separately in the budget and financial statements. The HPF III shall be subject exclusively to the internal and external auditing procedures laid down in the financial regulations, rules, directives and procedures applicable to UNICEF.

6. All funds received in the Special Account will be recorded in United States dollars. The United Nations operational rates of exchange shall be used to convert into United States dollars all funds received in other currencies, based on the United Nations operational rates of exchange in effect on the date of receipt.

7. The Contribution will be solely for the project "The management of the Health Pooled Fund for support to the implementation process of the health sector development programme of Ethiopia (HPF-III)".

8. In line with what stated in the HPF-III Joint MoU as well as Annexes I - III, regular reports on the implementation of the activities and the execution of the HPF-III will be drawn up in the spirit of One Plan, One Budget and One Report, so avoiding accounting to individual donors. In particular,

- Biannual (every six month) financial utilization progress update of the approved funds and a brief summary of the activities undertaken by the fund recipients during the quarter in question, to be submitted within 1 month after the end of the reporting period – as per template in Annex III.
- Overall annual progress (narrative and financial) reports for every Ethiopian fiscal year, to be submitted within 2 months after the end of the reporting period – as per template in Annex III.
- A final narrative and financial report no later than 6 months after completion of the project covering the entire period of the project.
- A final certified financial statement as per UNICEF's rules and regulations.

9. If any changes occur which, in the opinion of AusAID, impair significantly the developmental value of the project, AusAID will proceed as per clause in the HPF-III MoU and will formally inform UNICEF.

10. This MOU is neither a treaty nor an instrument of treaty status. Consequently, differences which may arise concerning the interpretation or application of the MOU will not be subject to adjudication or arbitration by any national or international court or tribunal but will instead be dealt with in an amicable way as the appropriate method of achieving the peaceful settlement of those differences.

The Parties will consult together at any time upon request of either Party regarding any matter relating to the terms of this Memorandum and will endeavour jointly in a spirit of cooperation, good faith and mutual trust to resolve expeditiously any difficulties or misunderstandings that may arise.

11. Consistent with UN Security Council Resolutions relating to terrorism, including UNSC Resolution 1373 (2001) and 1267 (1999) and related resolutions, both the UNICEF and AusAID are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of AusAID 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 its policy, UNICEF undertakes to use all reasonable efforts to ensure that none of the Contribution is used to provide support to individuals or entities associated with

terrorism. If, during the course of this Agreement, UNICEF discovers a link with any organization or individual associated with terrorism, UNICEF will inform AusAID immediately.

12. Both parties to this MoU having agreed to all of the above terms have signed this agreement on 8/11/2011 and will continue to remain in effect through the duration of the HPF-III Joint MOU on 30 June 2015.

FOR AusAID

Name: Jamie Isbister

Title: Minister Counsellor

Signature: 

SEAL

FOR THE UNITED NATIONS CHILDREN'S FUND

Name: Patrizia Di Giovanni

Title: Deputy Representative

Signature: 

SEAL