TECHNICAL AGREEMENT

on

CO-OPERATION IN THE FIELD OF MITIGATION AND ADAPTATION TO CLIMATE CHANGE

between

THE MINISTRY OF ENVIRONMENT, LAND AND SEA OF THE REPUBLIC OF ITALY

and

THE MINISTRY OF THE ENVIRONMENT, FOREST AND CLIMATE CHANGE OF THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

Preamble

The Ministry for the Environment, Land and Sea of the Republic of Italy and the Ministry for the Environment, Forest and Climate change of the Federal Democratic Republic of Ethiopia, hereafter referred to as "the Signatories",

RECALLING that the 21st Meeting of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) has adopted the Paris Agreement to combat climate change;

EMPHASIZING that the Paris Agreement, in enhancing the implementation of the Convention, including its objective, aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty, including by:

- (a) Holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 °C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change;
- (b) Increasing the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production;
- (c) Making finance flows consistent with a pathway towards low greenhouse gas emissions, climate-resilient development and supporting those communities affected by the impacts of climate change;

RECALLING that the Signatories of the present Technical Agreement are Parties to the United Nations Framework Convention on Climate Change (UNFCCC) and to the Kyoto Protocol and have signed the Paris Agreement on April 22nd, 2016;

TAKING INTO ACCOUNT the Decisions 1/CP.16, 9-15/CP.19, 17/CP.21 and 18/CP.21 of the Conference of the Parties to the UNFCCC which provides a framework for Parties undertaking actions relating to reducing emissions from deforestation and forest degradation, conservation of forest carbon stocks, sustainable management of forests and enhancement of forest carbon stocks (REDD);

TAKING INTO ACCOUNT article 4 of the Paris Agreement, and Decisions 1/CP.19, 1/CP.20 and 1/CP.21 of the Conference of the Parties to the UNFCCC which invites all Parties to identify, communicate and update every 5 (five) years their Intended Nationally Determined Contributions (INDCs);

EMPHASIZING that enhanced international cooperation on mitigation and adaptation and the provision of support to those communities affected by climate change are necessary measures for reducing the emissions and the vulnerability and for building resilience;

have entered into the following Technical Agreement:

Article 1 Objective

The purpose of this Technical Agreement is to strengthen and coordinate the efforts to combat global climate change and address its adverse effects, to support mechanisms for regional climate change vulnerability and risk assessment, to promote clean and efficient energy, to stimulate and disseminate the economic and technological transformation to low emission development, to ensure energy security and to create adaptation actions and opportunities to protect the environment and natural resources.

Article 2 Areas of cooperation

The Signatories will cooperate, in particular, in the following areas of common interest:

- a) Supporting the implementation, monitoring, reporting and communication of the Intended Nationally Determined Contributions (INDCs);
- b) Improving crop and livestock production practices for greater food security and higher farmer incomes while reducing emissions, also through the application of the climate-smart agriculture approach (CSA);
- c) Increasing resilience and reducing vulnerability of livelihoods and landscapes to drought and floods;

- d) Supporting mobilization of resources for the communities affected by the adverse effect of the climate change;
- e) Developing one (1), or more insurance systems, to enable citizens, especially farmers and pastoralists, to rebuild economic life following exposure to disasters caused by extreme weather events (floods and droughts);
- f) Protecting and re-establishing forests for their economic and ecosystem services, while sequestering significant amounts of carbon dioxide and increasing the carbon stocks in landscapes;
- g) Expanding electric power generation from renewable energy sources;
- h) Leapfrogging to modern and energy efficient technologies in transport, industry and building sectors, keeping greenhouse gas emissions low;
- i) Promoting good practices exchange, resources sharing, technical co-operation and information exchange with other global climate change initiatives;
- j) Developing fund raising capacities with regard to environmental issues and climate diplomacy;
- k) Developing research activities, also at regional level, including research on the impact of climate change and on the nexus between migration and climate change;
- l) Developing of public education and awareness campaigns on mitigation and adaptation to global climate change.

Further areas of cooperation could be included, upon approval by the Signatories.

Article 3

Activities

The cooperation between the Signatories will be conducted in the following means:

- a) realization of joint projects to achieve the objectives of the Technical Agreement;
- b) capacity building, technology transfer and technical assistance;
- c) exchange of information and materials related to environment, including programs, publications, expertise and studies results;
- d) exchange of experts, practitioners and delegations visits;
- e) joint organization of workshops, seminars or other meetings;

- f) reciprocal participation of experts to events and projects;
- g) promotion of private sector participation, including Technology Fairs and Exhibitions, and activities to implement Public Private Partnership initiatives;
- h) enhancement of migratory flows for local development;
- i) collaboration in climate diplomacy both at national and global level;
- j) any other form of cooperation agreed by the Signatories.

Article 4 Work Plan

4.1 Upon signature of this Technical Agreement, the Signatories shall appoint the experts who will prepare a medium term Work Plan identifying sectors of intervention. The Work Plan shall be approved by the Joint Committee as stipulated in Article 5.

4.2 In the implementation of the programs, projects and activities consideration will be given to the participation of the public, private and non-profit sectors including, where appropriate, universities, scientific and technical research bodies and nongovernmental organizations, as well as other institutions on both sides.

4.3 Taking into account the legal frameworks of each of the Signatories and their national obligations, the implementation of programs, projects and activities will be based on principles of impartiality, equality, reciprocity and common interest.

Article 5 Coordination

5.1 In order to ensure the efficient implementation of the provisions of this Technical Agreement the Signatories will establish a Joint Committee.

5.2 The Joint Committee will be composed by two (2) representatives from the Ministry for the Environment, Forest and Climate change of the Federal Democratic Republic of Ethiopia and two (2) representatives from the Ministry for the Environment, Land and Sea of the Republic of Italy.

5.3 The Ministry for the Environment, Forest and Climate change of the Federal Democratic Republic of Ethiopia will be represented by Director General of Climate Change Response with one (1) expert.

5.4 The Italian Ministry for the Environment, Land and Sea will be represented by the Director General of the Directorate for "Sustainable Development, Environmental Damage, European Union and International Affairs" and one (1) expert.

5.5 The Joint Committee will: provide general direction and advice for the implementation of the activities, approve the Work Plans, supervise and support the cooperation activities, take financial decisions.

During its first meeting, the Joint Committee shall:

- adopt rules and procedures and establish the frequency of the meetings;
- approve the medium term Work Plan, including projects and activities, as applicable.

In the subsequent meetings the Joint Committee shall:

- co-ordinate the implementation of the co-operation in the areas specified in article 2;
- systematically review and assess the status, progress, results achieved, and lessons learned of the co-operation activities;

The Joint Committee will meet within six (6) months after the signature of the present Technical Agreement.

Article 6

Means of implementation

6.1 The Ministry for the Environment, Land and Sea of the Republic of Italy will cofinance the implementation of the projects and activities under this Memorandum of Understanding in an amount not exceeding € 2.000.000 (two million euro).

6.2 The co-financing contribution from the Ministry for the Environment, Forest and Climate change of the Federal Democratic Republic of Ethiopia will be notified to the other Signatory, during the first meeting of the Joint Committee or the following technical meetings.

6.3 The Signatories will jointly submit project proposals to various multilateral organizations, *inter alia*: the European Commission, the International Financial Institutions, the United Nations organizations, World Bank, to assist to the Republic of Ethiopia to fulfill its commitments under the UNFCCC and its instruments.

Article 7

Contributions

7.1 Any cost regarding the subject matter, as programs, activities, and projects under this Technical Agreement will be borne by the Signatories as agreed by the Joint Committee, in conformity with their national legislation. Such costs will be met with the available budgeted resources of the Signatories and will not in any event create additional expenditures for the Government of Ethiopia and the Government of Italy.

7.2 The Signatories will agree on the financial coverage for the activities and establish a mechanism, under the provisions of the respective national law, for granting transparency of expenditures, accounting and audit.

7.3 The Signatories agree that all the financial resources allocated by the Italian Ministry for the Environment Land and Sea to the programs, projects and activities developed under the provisions of this Technical Agreement are not liable to tax, in accordance with the legislation of the Democratic Republic of Ethiopia or any other applicable laws.

Article 8 Relationship of the Signatories

8.1 This Technical Agreement is not legally binding, but is made effective as much as possible through collaborative spirit between the Signatories.

8.2 This Technical Agreement shall be implemented in conformity with international law principles, international Conventions and Protocols signed by the Signatories, as well as with any other obligations arising from the membership of the Republic of Italy in the European Union.

8.3 Neither of the Signatories to this Technical Agreement shall take positions on behalf of the other without their consent. The Signatories will maintain the right to express their opinion individually on topics related to this Technical Agreement.

Article 9 Amendments and termination

9.1 This Technical Agreement can be amended by written approval of the two (2) Signatories.

9.2 This Technical Agreement may be terminated by either Signatory upon six (6) months prior notice given to the other Signatory.

Article 10 Final Provisions

10.1 The present Technical Agreement shall become effective on the date of signing and will remain effective for five (5) years.

10.2 Any dispute arising from interpretation and implementation of this Technical Agreement shall be solved by the Signatories directly through consultations.

10.3 Termination of the present Technical Agreement shall have no effect on ongoing co-operation projects, and / or on initiatives already agreed upon by the Signatories.

In WITNESS THEREOF two (2) original copies in English of the Technical Agreement were signed on the day, month and year indicated below.

FOR THE MINISTRY OF ENVIRONMENT, LAND AND SEA OF THE REPUBLIC OF ITALY FOR THE MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE OF THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

The Minister

Dr. Gian Luca Galletti

The Minister

Dr. Gemedo Dale Tussie

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Done in Marrakesh, Morocco on November 18 2016.