

**IMPLEMENTING AGREEMENT
BETWEEN**

THE

THE GOVERNMENT OF THE ITALIAN REPUBLIC

AND

**THE GOVERNMENT OF THE FEDERAL DEMOCRATIC REPUBLIC OF
ETHIOPIA**

Regarding the Programme: **“Improvement of sanitation facilities in urban areas of Ethiopia”**, (hereinafter referred to as “the Programme”)

The Government of the Italian Republic (hereinafter referred to as “GOI”) and the Government of the Federal Democratic Republic of Ethiopia (hereinafter referred to as “GOE”) hereinafter referred to as the “Parties”:

WHEREAS in the framework of the Growth and Transformation Plan II (hereinafter referred to as “GTP II”) of the Ethiopian Government, currently under implementation with the support of the Donor Community and the Italian Government, the Water Supply, Sanitation and Hygiene Services (hereinafter referred to as “WASH”) sector is considered a pillar of the national strategy against poverty;

WHEREAS to accelerate progress in the water and sanitation sector, the Government of Ethiopia, in collaboration with its development partners has designed the ONE WASH NATIONAL PROGRAM (hereinafter referred to as “OWNP”) which aims at harmonizing different approaches and modalities into a common operational framework;

WHEREAS in March 2006, the Ministries of Water Irrigation and Energy (hereinafter referred to as “MoWIE”), Health and Education of the Government of Ethiopia signed the Memorandum of Understanding on Water, Sanitation and Hygiene to coordinate the efforts and start joint operations for planning, implementation and monitoring of water supply, sanitation and hygiene in communities, schools and health institutions;

WHEREAS the Italian and the Ethiopian Governments have signed, on September 15th 2017, the Ethio-Italian Cooperation Framework 2017-2019. In this context, the Directorate General For Development Cooperation of the Italian Ministry of Foreign Affairs and International Cooperation (hereinafter referred to as “MAECI/DGCS”), for the Italian side, and the Ethiopian Ministry of Finance and Economic Cooperation (hereinafter referred to as “MoFEC”), for the Ethiopian side, have agreed on the provision of funds in support of the WASH sector, for years 2017-2019, in alignment with the OWP;

WHEREAS the Italian Agency for Development Cooperation (AICS) has been instituted by law 125/2014 as an autonomous agency, operational from 1 January 2016 and in charge of identification, formulation, implementation, financing and monitoring of development cooperation projects under the political guidance of the Italian Ministry of Foreign Affairs and International Cooperation (MAECI);

WHEREAS the Statute of the Italian Development Cooperation Agency has been

approved by inter-ministerial decree n.113/2015 and makes provisions for the financial means of the Agency (Art.13);

WHEREAS in September 2017 the Water Resources Development Fund (hereinafter referred to as "WRDF") submitted for the consideration of the Italian Agency for Development Cooperation, Addis Ababa Office (hereinafter referred to as "AICS Addis Ababa") a formal request for contribution to the revolving fund managed by WRDF for construction, rehabilitation and extension of urban sanitation facilities in small and medium towns;

WHEREAS the Joint Development Cooperation Committee of the MAECI has approved the financing of the Programme **"Improvement of sanitation facilities in urban areas in Ethiopia"** on December 21st 2017;

RECALLING the Development Cooperation Framework Agreement between the Government of the Italian Republic and the Government of Federal Democratic Republic of Ethiopia done at Addis Ababa on December 8th, 2014;

have decided to enter into this Implementing Agreement (hereinafter referred to as the "Agreement"):



Acronyms:

AICS: Italian Agency for Development Cooperation
AOP: Annual Operational Plan
CDP: Cassa Depositi e Prestiti
GOE: Government of Ethiopia
GOI: Government of Italy
GTP: Growth and Transformation Plan
ICB: International Competitive Bidding
IE: Italian Expert
LIA: Low Income Area
MAECI/DGCS: Directorate General for Development Cooperation of the Italian Ministry of Foreign Affairs and International Cooperation
MoFEC: Ministry of Finance and Economic Cooperation
MoWIE: Ministries of Water Irrigation and Energy
NBE: National Bank of Ethiopia
NCB: National Competitive Bidding
OWNP: One WASH National Programme
PID: Project Implementation Document
PIC: Person in Charge
RWB: Regional Water Bureau
SAR: Semi Annual Report
SC: Steering Committee
SIF: Sanitation Investment Fund
TA: Technical Assistance
TABF: Technical Assistance Basket Fund
TAMU: Technical Assistance and Monitoring Unit
TWU: Town Water Utility
WASH: Water Sanitation and Hygiene
WRDF: Water Resources Development Fund

ARTICLE 1

SCOPE AND CONTENTS OF THE AGREEMENT

In compliance with Article 7 of the Development Cooperation Framework Agreement done in Addis Ababa on December 8th 2014, the present Agreement is aimed at:

- Establishing the mutual obligations of the Parties concerning the implementation of the Programme;
 - Defining crediting, disbursement, procurement, monitoring, evaluation, control and reporting procedures.
2. This Agreement consists of the present Text, the Programme Implementation Document (PID), which constitutes Annex A, and the Ethical clauses and general principles for procurement and execution of contracts document, which constitutes Annex B.

ARTICLE 2

PROGRAMME OBJECTIVES

1. The **Overall Objective** of the Programme is the improvement of life condition of people by strengthening the sanitation component of the OWNPN.
2. The **Specific Objective** of the Programme is to improve access to sanitation facilities in the Low Income Areas (LIA) of Addis Ababa and at least 4 small and medium towns in Ethiopia.

ARTICLE 3

FINANCIAL CONTRIBUTION OF THE PARTIES

3.1 Contribution of the GOI

The total financial contribution of the GOI consists in a Loan and Grant up to a ceiling of **EURO 22,000,000** (twenty two million EURO/00), divided as follows:

LOAN EURO 17,000,000 (hereinafter referred to as "Loan") for the physical implementation of the Sanitation infrastructures and procurement of heavy equipment for the selected towns. This amount shall be directly transferred to WRDF, which is the recipient executing agency. This amount will be part of the Sanitation Investment Fund (hereinafter referred to as the "SIF").

The financial conditions are the following:

- Annual interest rate: 0,00%;
- Repayment: 30 years of which 20 of grace period, in equal, consecutive, and deferred instalments".

GRANT EURO 5,000,000(hereinafter referred to as "Grant") for the Technical Assistance (TA) at WRDF and Regional Water Bureaus (RWBs)/Town Water Utilities (TWUs) level in order to strengthen the capacity in managing the SIF and the new infrastructures. This amount shall be directly transferred to the WRDF, which is the recipient executing agency. This amount will be part of the Sanitation Technical Assistance Fund (hereinafter referred to as the "STAF").

3.2 Contribution of MoFEC on behalf of the GOE through Regional Bureaus and/or Town Administrations

MoFEC shall ensure that Regional Governments, Town Administrations and, where appropriate, Town Water Utilities share the costs of the Programme. It has been estimated that the GOE will provide approximately 20% of the total amount of the Loan contribution (Loan), which includes VAT and other taxes, duties, clearing and storage charges and any other levies to be paid in Ethiopia for the execution of the Programme activities. The GOE shall also ensure that WRDF and RWBs contribute with human, financial and logistic resources necessary for the execution of the Programme activities.

ARTICLE 4

INSTITUTIONS AND BODIES INVOLVED IN THE IMPLEMENTATION OF THE AGREEMENT

The main Institutions and Bodies involved in the implementation of the Agreement are:

For the GOE side:

- The **Ministry of Finance and Economic Cooperation of Ethiopia (MoFEC)**, representing the GOE as counterpart of the GOI for this Agreement and signatory of the subsidiary financing agreement with Cassa Depositi e Prestiti S.p.A.
- The **Ministries of Water Irrigation and Energy (MoWIE)**, representing the Institution responsible for the supervision of the activities. It is represented by one delegated person in the Steering Committee (see article 5.1 of this Agreement).
- The **Water Resources Development Fund (WRDF)**, acting as the main executing recipient agency of the Programme and implementing agency for capacity building activities. It is the body in charge to deliver loans to the selected Town Water Utilities for the implementation of sanitation projects.
- The **National Bank of Ethiopia** (hereinafter referred to as "NBE"), acting as administrator of the SIF and STAF accounts in Euro and Birr into which the GOI shall transfer agreed funds.
- The **Regional Water Bureaus (RWBs)**, acting as co-financing agencies and as implementing bodies in support of the Town Water Utilities.
- The **Town Administrations** and their **Water Boards**, bodies in charge of Programme supervision at local level

- The **Town Water Utilities (TWUs)**, representing the final recipient of the loans delivered by the WRDF and acting as main implementing agencies.

For the GOI side:

- The **Directorate General for Development Cooperation of the Italian Ministry of Foreign Affairs and International Cooperation (MAECI/DGCS)**, representing the GOI for the Agreement.

- The **Italian Agency for Development Cooperation (AICS)**: Italian Public Institution in charge of identification, formulation, implementation, financing and monitoring of development cooperation projects under the political guidance of the Italian Ministry of Foreign Affairs and International Cooperation.

- **AICS Addis Ababa Office** representing AICS in Ethiopia for the implementation of this Agreement. It is responsible for the supervision of the bilateral cooperation activities between Italy and Ethiopia.

- **Cassa Depositi e Prestiti S.p.A.** (hereinafter referred to as "CDP"), the Italian Cassa Depositi e Prestiti will act as lender for the Loan on behalf of the GOI providing all the transfers requested by MoFEC or Executing Agency and receiving the repayments with the Financial Agreement.

The Parties, having properly informed all the above-mentioned Institutions and Bodies, will provide them with a copy of the present Agreement. The Parties will ensure that such Institutions and Bodies will fulfil, for what concerns to each of them, the obligations of the Agreement.



ARTICLE 5

GOVERNANCE OF THE PROGRAMME

1. A **Steering Committee** (hereafter referred to as "SC") will be put in place. It will be composed by the board of the WRDF and one representative of AICS Addis Ababa. The SC will be in charge of the overarching supervision of the Programme. It shall meet annually to evaluate the progress towards the achievement of objectives, the adherence/alignment with national sectoral policies and to endorse the Annual Operational Plan proposed by the WRDF for the Grant and Loan components. All the decisions of the SC must be unanimously taken. It will meet under request of one of its members, at least once a year or any time decisions are required. Costs associated with the participation to the meetings, if any, will be borne by the respective institutions.

2. The Programme shall comply with the framework of the OWNPN, and shall follow the WRDF Programme Implementation Manual for the execution of funds on water & sanitation. WRDF shall operate in consultation and full cooperation with the Regional Water Bureaus of the selected localities.

3. The execution of the Programme shall be under the responsibility of WRDF. The WRDF shall assign or recruit key personnel involved in the Programme, including the Person in Charge, whose roles and responsibilities are defined in article 5.4 of this Agreement.



4. The **Person in Charge** (hereafter referred to as "PIC") will be the WRDF General Manager or any other WRDF staff selected by the General Manager. He/she will be responsible for the management of the Loan and Grant and the GOE funds provided under the present Agreement. The PIC will be supported by staff of the WRDF. He/she will sign all reports and requests for transfer of funds according to the relevant provisions of the Agreement and will have towards the Parties the responsibility to ensure the full implementation of the Agreement. The PIC, under the overall guidance of the SC, shall also steer and coordinate the technical assistance provided to the Programme.

5. The **Technical Assistance and Monitoring Unit** (hereinafter referred to as TAMU). In order to facilitate an effective implementation of the Programme, a Technical Assistance and Monitoring Unit shall be established at AICS Addis Ababa level to support WRDF operations. The TAMU will be staffed with Italian Experts (IEs) designated by AICS. The PIC will be the direct counterpart of the TAMU's IE. The PIC and the IE will work in regular consultation and agreement for the daily activities of the Programme.

ARTICLE 6

CREDITING MODALITIES OF ITALIAN FUNDS

The GOI under this Agreement commits itself to provide financial resources as indicated in the Article 3.

6.1 Bank Accounts:

- The financial resources provided by the Italian side through the Loan under the present Agreement will be transferred to the "EURO SIF Account".
- The financial resources provided by the Italian side through the Grant under the present Agreement will be transferred to the "EURO STAF Account".

6.2 Instalments:

LOAN

Upon entering into force of the present Agreement and the signature of a Financing Agreement between MoFEC and the Italian intermediary bank CDP, and pursuant to the following clauses of this Agreement, the same CDP will transfer the funds, in three instalments:

	I Instalment	II Instalment	III Instalment	Total
Loan component	5.000.000	7.000.000	5.000.000	17.000.000

Each, according to the below crediting procedures.

GRANT

Pursuant to the following clauses of this Agreement, upon signature of the present Agreement and completion of its internal procedures, AICS will transfer the funds, in three instalments:

	I Instalment	II Instalment	III Instalment	Total
Grant component	1.363.400	1.918.800	1.717.800	5.000.000

Each according to the following crediting procedures.

6.3 Crediting procedures:

LOAN

Upon entering into force of this Agreement and Financing agreement, the following pre-conditions will have to be fulfilled prior to the start-up of the crediting procedure by CDP of the **first instalment**:

- a) Formal approval by the Steering Committee of the Annual Operational Plan. The document shall include a disbursement plan for both the Loan and the Grant components;
- b) The signature of an on-granting agreement between MoFEC and WRDF, after approval from AICS Addis Abeba;
- c) Written evidence from WRDF that key supporting staff (a senior accountant and a senior procurement officer, funded with the Grant contribution) at WRDF level is under recruitment (elaboration of the job description and publication of the vacancy announcements);

Pre-condition for the disbursement of **following installments** are:

- a) 40% of the last tranche is spent and justified, 100% of the previous tranche is spent and justified;
- b) An Annual Operational Plan is produced and approved by the Steering Committee. The document shall include a disbursement plan for both the Loan and the Grant components;
- c) Submission of the audit reports concerning the use of the installments prepared in accordance with article 8. Such installment audit report shall be approved by CDP and by AICS.

GRANT

Upon entering into force of this Agreement, the following pre-conditions will have to be fulfilled prior to the start-up of the crediting procedure by AICS of the **first instalment**:

- a) WRDF shall have assigned the PIC;

b) MoFEC shall have informed AICS Addis Ababa regarding the details of the "EURO STAF Account" and "EURO SIF Account"; PIC shall submit a specific request for the crediting of the instalment to AICS Addis Ababa.

Pre-condition for the disbursement of **following installments** are:

- a) 40% of the last tranche is spent and justified, 100% of the previous tranche is spent and justified;
- b) An Annual Operational Plan is produced and approved by the Steering Committee. The document shall include a disbursement plan for both the Loan and the Grant components;
- c) Submission of the audit reports concerning the use of the installments prepared in accordance with article 8. Such installment audit report shall be approved by AICS.

6.4 Taxes:

The Italian contribution, as detailed in article 3.1 of this Agreement, cannot cover taxes, VAT, duties, clearing and storage charges and any other levies to be paid in Ethiopia. In case any of the above expenses are needed for the execution of the Programmes activities, they will be covered by the GOE contribution (see article 3.2 of this Agreement).

ARTICLE 7

ACTIVITIES AND FINANCIAL REPORTS

7.1 LOAN

The WRDF will provide an Annual Operational Plan as a precondition for the first disbursement of the Loan as well as Annual Operational Plan for each new disbursement taking into account the audit report.

7.2 GRANT

Within 60 days from the receipt of the Grant, WRDF with the support of the TAMU, shall prepare the Annual Operational Plan (AOP) relative to the entire amount of funds or part of it. Each AOP shall be submitted to the PIC and approved by the Steering Committee.

7.3 Other activities and financial reports

1. The WRDF will provide financial / administrative and technical reporting to AICS Addis Ababa every six months (Semi Annual Report - SAR). The report will analyze the utilization of the entire SIF and STAF funds (Loan and Grant) of the

Programme including procurement process concerning NCB tenders mentioned in art. 9.3. The TAMU will support the WRDF in drafting such reports.

2. The SAR, shall include two sections reporting the description of the activities carried out (first section) and the relevant financial, administrative, procurement information (second section). The first of such reports shall cover the first six months of activity starting from the date in which the funds have been credited. The last SAR produced shall also have the function of Final Project Report. The SAR can coincide with the Interim Request Report that has to be attached to the tranche request (except the first).

3. Day to day monitoring activities of the Programme shall be responsibility of the WRDF in collaboration with RWBs and the TWUs and shall be performed in accordance to the PID.

4. The PIC is responsible for maintaining an updated accounting system that contains records to ensure the accuracy and reliability of Programme financial information and reporting. The accounting system shall also ensure that supporting documents (statements of expenditure, bidding documents, contract documents etc.) are properly identified and that approved/amended budgetary lines are not exceeded. The original documents must be kept in WRDF offices. The accounting system and/or record keeping must track the advances received and the expenditure records by the Programme. Financial reports, statements of the executed expenses and contracts shall be presented to the SC whenever required.

5. At the moment of requesting the second and third instalment, WRDF shall provide an Instalment Request Report having the same structure and transmission procedure as for the points 1 and 2 above.

ARTICLE 8

EXTERNAL AUDITING AND MONITORING & EVALUATION ACTIVITIES

8.1 Auditing modalities

Audits will be performed by an independent auditing firm selected based on a call for tenders or assigned by the Office of the Federal Auditor General. AICS Addis Ababa will approve the TORs, the selection process and the contract. The auditor will audit yearly the disbursements under the Programme, both on SIF and STAF, on basis of the Ethiopian fiscal year.

Audit reports shall be made available no later than six (6) months after the last day of each fiscal year. The Auditor shall also produce three reports related to the use of the three instalments (loan and grant).

LOAN

The external audit will focus on both:

- Administrative and financial aspects: compliance with WRDF procedures (including procurement process, bidding document preparation, selection and awarding process). The procurement process shall concern only NCB tenders in article 9.3.

- Technical aspects: compliance with the technical clauses of the contracts, infrastructure quality check, compliance and follow up of the projects impact indicators.

The final audit should justify the use of 100% of the tranches.

Audit will be performed on the Loan component as well as on and the Grant component.

GRANT

The AOP, excluding the first, must be supported by an external audit that certifies the regularity of the expenses and of procurement disbursements, relative to the fiscal year. The audit will also certify the regularity of procurement procedures.

8.2 Other activities

Parties will have the right to perform, at their own expenses, all the monitoring & evaluation, control and auditing activities that shall be deemed necessary. Joint (ongoing, final and ex-post) evaluation activities will be organized by MAECI/DGCS/AICS through their Addis Ababa offices whenever deemed appropriate.

ARTICLE 9

USE OF ITALIAN FUNDS

In the event of the unsatisfactory progress of Programme activities as resulting from review missions performed by AICS, and of a consequent decision of withdrawing funds from the Programme, the Italian funds already disbursed and not spent will be made available to the GOI.

9.1 Reallocation of funds (LOAN and GRANT)

Budget lines reallocations in respect to the Programme Budget in Euro, detailed in the PID, are allowed during the preparation of the AOPs. Requests for reallocations will be submitted by the PIC to AICS Addis Ababa for approval and do not require this Agreement to be amended.

9.2 Interests accrued and savings

Any interest generated in the accounts shall be used for the same purposes and with the same procedures outlined in this Agreement, prior approval of the SC.

9.3 Procurement activities

Procurement activities will be performed at local level by Town Water Utilities (TWUs), with the assistance of WRDF and Regional Water Bureaus, according to the budget allocations and following the existing World Bank's guidelines and procedures. They must also meet the eligibility criteria for contractors, eligible and ineligible costs,

ethical clauses, contract general.

Thresholds are:

	ICB thresholds	NCB thresholds
Services	More than 400 001 € per contract for firms	Less than 400 000 € per contract for firms
	More than 100 001 € for individual consultant	Less than 100 000 € for individual consultant
Goods	More than 400 001 €	Less than 400 000 €
Works	More than 5 000 001 €	Less than 5 000 000 €

LOAN and GRANT

AICS hold the right to review WRDF's procurement decisions in order to ensure that activities have been conducted transparently and efficiently in conformity with established guidelines of the Financing Agreements.

For all NCB processes, regarding the entire amount of the Programme, AICS Addis Ababa, will perform an ex-post review of all procurement procedures on the basis of the latest semi-annual financial and technical reporting (see Article 7.3.1) and an annual audit report(see Article 8.1) presented by the WRDF precedent to every disbursement subsequent to the first one.

For ICB process, controls will be made in advance (ex ante) by AICS Roma. Such ex ante control shall include the following steps: bidding document preparation, selection process, financial opening and awarding of the related contract.
All the procurement procedures, both for ICB and for NCB, shall be reviewed by the PIC.

ARTICLE 10

OBLIGATIONS OF THE ETHIOPIAN PARTY

1. MoFEC shall ensure that the Italian funds are properly and timely accounted within the budget for the due fiscal year.
2. MoFEC shall communicate to AICS Addis Ababa, upon the entry into force of the present Agreement, bank accounts details according to what described in article 6 of this Agreement.
3. MoFEC shall make sure that all the Ethiopian bodies and institutions involved in the Programme implementation will observe the provisions of this Agreement, in particular that financial and technical reports, necessary for funds disbursements, shall be timely submitted to AICS according to articles 6 and 7 of this Agreement.
4. In case there is a need for hard currency as per contract agreement for importation of goods for the projects, MoFEC, shall facilitate the provision of hard

currency for the contractors in line with the provisions of article 9 of this Agreement.

ARTICLE 11

OBLIGATIONS OF THE ITALIAN PARTY

1. AICS/CDP shall disburse the total amount agreed according to the procedures described in article 6 of this Agreement.
2. AICS shall accomplish all the required activities for the supervision, monitoring and evaluation of the Programme. It shall dedicate particular attention to the efficiency for funds utilization and to the effectiveness of Programme implementation.

ARTICLE 12

SETTLEMENT OF DISPUTES

Any dispute arising out of the implementation of this Agreement shall be settled amicably by consultations or negotiations between the Parties through diplomatic channels.

ARTICLE 13

IMPEDIMENTS AND FORCE MAJEURE

In case of impediments to implement this Agreement due to case of force majeure such as war, flood, fire, typhoon, earthquake, labour conflicts and strikes, civil unrest acts of any government, unexpected transportation difficulties and other cases which will be recognized by both Parties upon agreement as force majeure according to practice or in case of peril or unsafe conditions for the expatriate personnel, the following provisions shall apply:

- In case that the duration of the impediment to the implementation of the Programme is less than six months, the use of the funds shall be suspended until MAECI/DGCS authorizes resumption of activities.
- In case the duration of the impediment to the implementation of the Programme is greater than six months, the Programme shall be suspended and the residual funds shall be maintained until the impediment finishes and MAECI/DGCS authorizes resumption of the Programme activities.

ARTICLE 14

PREVENTION OF ABUSE AND ILLEGAL USE OF FUNDS

MoFEC, MoWIE, WRDF and RWBs shall ensure that the funds provided by GOI under this Agreement will be used strictly in accordance with the provisions of this Agreement. The GOE commits itself to take all reasonable measures to ensure an efficient administration of the aforementioned funds and prevent any abuse and illegal use thereof.

ARTICLE 15

RESOLUTION OF THE AGREEMENT

1. The GOI reserves the right to resolve this Agreement in the following cases, due to severe fault by WRDF and MoFEC, i.e.:

- Unmotivated and prolonged delays in the use of the funds such to threat the achievement of Programme objectives.
- The use of the funds for reasons different than those included in this Agreement and its annexes or its amendments.
- Severe mismanagement of the funds.
- In the event of failure to implement, or to report on, the program in a manner consistent with the terms of this Agreement.
- In case of impediment or force majeure as per article 13 of this Agreement.

2. In case of the above mentioned severe fault, MAECI/DGCS, on behalf of the GOI, shall notify the event in writing to the GOE via MoFEC, inviting it to take the measures necessary to solve the fault within maximum sixty days from the date of the notification. Passed this time limit, the GOI reserves itself the right to terminate immediately this Agreement. In this case the provisions contained in article 12 of this Agreement shall apply.

3. In the cases mentioned above, the GOI may decide unilaterally the termination of this Agreement notifying, through Verbal Note, the GOE via MoFEC with at least three months in advance. In all cases, after such notification, MoFEC shall stop all activities of the Programme, unless otherwise agreed between the two Parties.

ARTICLE 16

AMENDMENTS

The Parties may amend this Agreement, at any time by means of Exchange of Verbal Notes between the Parties. The amendment shall come into force on the date of the Verbal Note of response.

ARTICLE 17

ENTRY INTO FORCE, DURATION AND TERMINATION

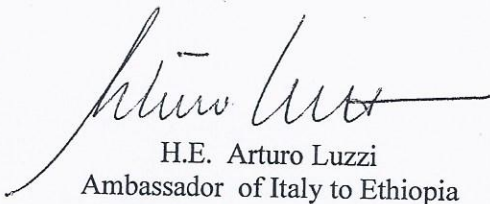
1. This Agreement shall enter into force on the date of signature, and shall remain in force until the complete reimbursement of the Loan.
2. At the end of the Programme activities, the FPR (in line with article 7) shall include an additional section dedicated to the status of the loans disbursed to the TWUs and the plan of foreseen repayments. On the basis of this information an exchange of Verbal Notes between the Parties shall define the modalities for possible controls by AICS of the funds therefore returning to the WRDF in due time and to be used by WRDF.
3. The Agreement may be terminated by either Parties giving 3 (three) months written notice in advance, through the diplomatic channels, of its intention to terminate the Agreement. Funds not credited at the date of termination of the present Agreement shall be returned to the GOI.
4. If, for any reason, the execution of this Agreement cannot be completed in conformity with the provision of this Agreement, the Parties shall consult each other on the matter. The funds not yet credited and/or committed shall be utilized only upon a specific written agreement between the Parties, otherwise they shall be returned to the GOI.

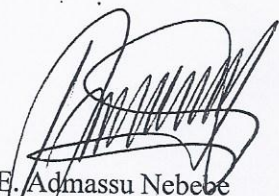
In witness whereof the undersigned, being duly authorized by their respective Governments, have signed and sealed this Agreement in the English language in duplicate, both texts being equally authentic.

Done at ADDIS ABABA.... on this 05..... Day of OCTOBER.....2018

FOR THE GOVERNMENT
OF THE ITALIAN REPUBLIC

FOR THE GOVERNMENT OF THE
FEDERAL DEMOCRATIC REPUBLIC
OF ETHIOPIA


H.E. Arturo Luzzi
Ambassador of Italy to Ethiopia


H.E. Admassu Nebebe
State Minister
Ministry of Finance and Economic Cooperation

