

Specific agreement between the Government of Sweden and Addis Abeba University on research cooperation period 1 July 2018-30 June 2023

between

the Addis Abeba University (AAU)

and

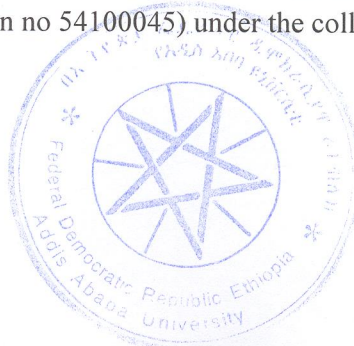
Sweden, represented by the Swedish International Development Cooperation Agency, in
Ethiopia represented by the Embassy of Sweden in Addis Abeba ("Sweden"),

for the AAU-Sweden Research Cooperation Programme, "Support to research training and
capacity building at Addis Abeba University 2018-2023".

AAU and Sweden are hereinafter called the Parties.

The Parties, considering that:

- AAU has requested Sweden to fund the AAU-Sweden Research Cooperation Programme, "Support to Ph.D. training and capacity building at Addis Abeba University" (hereinafter the Programme, contribution number 51080124, during the following activity period 1 July 2018 - 30 June 2023 as specified in the Programme document (Annex 1). The program will be implemented by AAU in collaboration with The Swedish Partners (Annex 2). Uppsala University/International Science Program (UU/ISP) will coordinate and forward funds to The Swedish Partners. All The Swedish Partners (except UU/ISP) have Memorandum of Understandings ("MoU's") with AAU to cooperate for the project implementation;
- Sweden will, subject to parliamentary appropriations, make available support to the Programme by providing financial assistance up to a maximum amount of 196 000 000 SEK, of which 90 600 000 SEK will be disbursed to AAU from Sweden in accordance with this Agreement. In addition, 4 600 000 SEK will be disbursed to UU/ISP from Sweden to cover coordination costs in Sweden and 71 800 000 SEK will be disbursed to UU/ISP to be forwarded to The Swedish Partners, in accordance with a specific agreement (Sidas särskilda villkor för bidrag till MYNDIGHET, including appendices) to be entered into between Sweden and UU/ISP, and 26 000 000 SEK in allowances for Ph. D. students traveling to Sweden (disbursed under contribution no 54100045) under the collaborative programmes



with The Swedish Partners and 3 000 000 SEK will remain with Sweden for monitoring and evaluation and technical assistance.

Have agreed as follows:

Article 1 – Objectives of the Programme and scope of the Agreement

1.1 This Agreement regulates funding to research collaboration between Sweden and AAU. The maximum amount of 196 000 000 SEK for the research collaboration is divided in this Agreement between AAU and The Swedish Partners.

1.2 The overall objective of the Programme is to strengthen the capacity of Ethiopian Higher Education and Research to meet the poverty reduction strategy of the country by supporting Ph.D. program expansion and capacity building, as described in the Programme document (Annex 1), dated 12 June 2018. The Programme document including Results framework and budget in the currency of Ethiopian Birr (ETB), and an equivalent in Swedish Krona (SEK), will be updated through amendments in writing whenever major changes in the Programme are required for effective implementation.

Article 2 – Reference to other agreements

The Programme and cooperation between the parties under the Programme is also governed by:

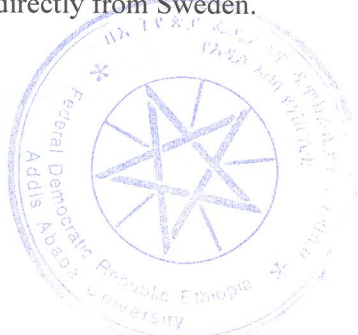
- the agreement that Sweden intends to sign with UU/ISP (Sidas särskilda villkor för bidrag till MYNDIGHET, including appendices) for coordination, forwarding of funds and follow-up of funds to The Swedish Partners; and
- the agreement between Sweden and UU/ISP (Sweden contribution no 54100045) regarding student allowances in Sweden; and
- any agreement that may replace or amend the said agreements.

Article 3 – Implementation, responsibilities and representation

3.1 AAU will be fully responsible for the implementation, monitoring and follow-up of the Programme, and for the management and control of all funds disbursed from Sweden to AAU. As a financier, Sweden shall not bear any responsibility and/or liability to any third party with regard to the implementation of the Programme.

3.2. AAU shall collaborate with The Swedish Partners that cooperate with AAU in the Programme (Annex 3).

3.3 Sweden will enter into agreement with Uppsala University/International Science Program (UU/ISP) who will coordinate and forward funds to the Swedish Partners collaborating with AAU. UU/ISP will request funds directly from Sweden.



3.4 In the event of conflict between the provisions of this Agreement and any Annex thereto, the provisions of this Agreement shall take precedence.

3.5 Any communication relating to this Agreement must be in writing, state Sweden's contribution number and title of the Programme and be sent to the following addresses:

For Sweden:

The Swedish International Development Cooperation Agency, Sweden
The Swedish Embassy, Addis Abeba
Lideta Subcity, Kebele 07/14, House No 891
Addis Abeba
Ethiopia

For the attention of: Dr Alexander Sellerholm
Research Advisor/Second Secretary Research Cooperation

For the Addis Abeba University:

Addis Abeba University, AAU
P. O. Box 1913 Code 1110
Addis Abeba
Ethiopia

For the attention of: Prof. Brook Lemma
Coordinator, Sweden Project Coordination Office (SPCO)

Article 4 – Activity Period and specific budget conditions

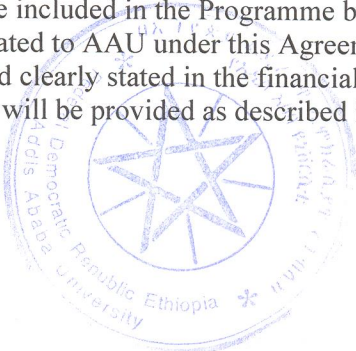
4.1. The total maximum contribution amount of Swedish Krona (SEK) from Sweden for the Program is 196 000 000.

The total maximum contribution amount of 196 000 000 SEK from Sweden for the Programme may only be used for activities as specified in the Programme document (Annex 1), and any amendments to them as accepted by Sweden, during 1 July 2018 - 30 June 2023 which is the activity period of the Agreement. The activity period is the term used to clarify the entire time period under which Sweden will finance the costs of the Programme (Annex 1), i.e. the time duration during which approved activities in the Programme shall take place.

4.2 Currency exchange losses shall not be considered eligible for financing from this Agreement. In the event of an exceptional exchange-rate fluctuation, the Parties shall consult each other with a view to restructuring the Programme in order to lessen the impact of such a fluctuation.

Currency exchange gains are to be accounted separately and not utilized without written agreement with Sweden.

4.3 Overhead costs (OH) at AAU are included in the Programme budget and may not exceed a maximum of 12% of the funds allocated to AAU under this Agreement. The OH must be calculated on actual expenditures and clearly stated in the financial statement and report. The AAU OH policy for this Agreement will be provided as described in Article 5.7.



4.4 Per Diem for travels by personnel who are employed by AAU shall follow Ethiopian Government regulations. Air travel cost for business or first class are not eligible for financing from this agreement.

Article 5 – Disbursements

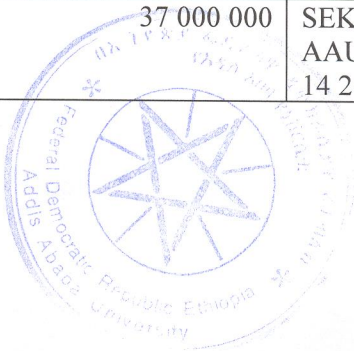
5.1 Sweden will strive to ensure the predictability of its financing by aligning its annual financial commitments and disbursements with AAU's budgetary cycle and cash flow needs of the Programme.

5.2.1 The total maximum contribution of the Programme 196 000 000 SEK includes:

- 1) Funds to be disbursed by Sweden to AAU in total 90 600 000 SEK according to this Agreement.
- 2) Funds to be disbursed from Sweden to UU/ISP for coordination (4 600 000 SEK) and to be forwarded to The Swedish Partners collaborating with AAU (71 800 000 SEK) to build research capacity, in total 76 400 000 SEK according to the Programme budget.
- 3) Fund for allowances within the Swedish Partners collaborations (26 000 000 SEK).
- 4) Funds to remain with Sweden for monitoring and evaluation (according to Article 12) and technical assistance, in total 3 000 000 SEK. Only to be disbursed upon written agreement between the Parties.

5.2.2 The Parties foresee the following disbursement schedule:

YEAR 1 (2018)	24 200 000	SEK of which 12 500 000 SEK to AAU; 900 000 SEK to UU/ISP; 8 100 000 SEK to The Swedish Partners collaborating with AAU and 2 700 000 SEK for allowances.
YEAR 2 (2019)	53 300 000	SEK of which 24 700 000 SEK to AAU; 900 000 SEK to UU/ISP; 20 300 000 SEK to The Swedish Partners collaborating with AAU and 7 400 000 SEK for allowances.
YEAR 3 (2020)	37 300 000	SEK of which 18 400 000 SEK to AAU; 900 000 SEK to UU/ISP; 13 400 000 to The Swedish Partners collaborating with AAU and 4 600 000 SEK for allowances.
YEAR 4 (2021)	37 000 000	SEK of which 16 700 000 SEK to AAU; 800 000 SEK to UU/ISP; 14 200 000 SEK to The Swedish



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		Partners collaborating with AAU and 5 300 000 for allowances.
YEAR 5 (2022)	29 400 000	SEK of which 12 700 000 SEK to AAU; 1 100 000 SEK to UU/ISP; 11 200 000 SEK to The Swedish Partners collaborating with AAU and 4 400 000 SEK for allowances.
YEAR 6 (2023)	11 800 000	SEK of which 5 600 000 SEK to AAU; 0 SEK to UU/ISP; 4 600 000 SEK to The Swedish Partners collaborating with AAU and 1 600 000 SEK for allowances.
Total disbursements	193 000 000	SEK
Funds remaining with Sweden	3 000 000	SEK for monitoring and evaluation and technical assistance.
Total maximum contribution	196 000 000	SEK

5.3.1 The financing provided by Sweden to AAU shall be paid in instalments upon receipt and approval by Sweden of written payment requests signed by the President of AAU. Disbursements are conditional upon the fulfilment of the requirements in this Agreement; progress in relation to programme objectives and expected results; Annual Narrative and Financial reports, Agreed Signed Minutes of Annual Meetings and Annual Audit reports approved by Sweden, as well as actual cash flow needs in accordance with by Sweden approved Annual Work Plans including budgets, and that AAU has valid MoU's with all The Swedish Partners (except UU/ISP).

5.3.2 Formal requirements: The request from AAU shall be sent in one original to Sweden, Addis Abeba with information on the title of the Agreement and the contribution ID (51080124). The request shall be signed by the responsible function of the AAU, namely the President or his/her designated representative. The requested amount shall be stated in the currency of Swedish Krona (SEK), independent of which currency the payment shall be effectuated in. The payment will be effectuated in the preferred currency as indicated by AAU in the request.

The payment will be made in a convertible currency other than SEK provided it has been clearly stated in the request and provided that the account can receive the currency indicated. The exchange of the SEK will be made by Sweden's bank following the payment instructions from Sweden.

The following complete bank details have to be included in the request:

- Bank account holder,
- Bank account number,
- IBAN (if applicable),



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- SWIFT/Bic-code,
- Currency of the account,
- Whether the account is interest bearing or not.

5.3.3 The first request from AAU shall be accompanied by a letter sent from the bank to Sweden, Addis Abeba including an assurance regarding the following: bank account holder, bank account number, IBAN (if applicable), SWIFT/Bic-code as well as the currency of the account. Subsequent disbursement requests need to be accompanied by a new bank letter only if the AAU has made any changes regarding any of the above-mentioned bank details.

5.4 The financing provided by Sweden shall be deposited by AAU in a separate, non-interest foreign exchange account held by AAU, in accordance with the bank regulation in Ethiopia. AAU will immediately acknowledge the receipt of the funds in writing to Sweden. The statement shall include the received amount in the received currency as well as the equivalent amount credited in local currency.

5.5 The first payment shall be deposited into the designated account based on signature of this Agreement followed by a request.

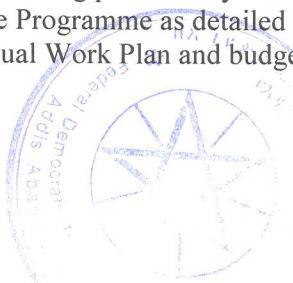
5.6 Additional specific condition for the second disbursement to AAU (first disbursement of 2019) is that AAU shall present to Sweden a management response addressing the findings and recommendations in "*Review of Internal Management and Control and Cash Flow of Addis Abeba University*", Moore Stephens LLP Chartered Accountants, 18 June 2018, including action plan, to be approved by Sweden before January 2019. The management response shall be followed up together with action plans from regular annual audits as described in Article 13. A precondition for further disbursements is that the yearly audit reports confirms that AAU complies with the approved management response.

5.7 Additional specific condition for third disbursement to AAU (second disbursement of 2019) is that the Over Head-guideline for the programme shall be presented ahead of the Annual Planning Meeting of 2019, to be approved by Sweden.

5.8 Additional specific condition for fourth disbursement to AAU (first disbursement of 2020) is that AAU provides Sweden with an evaluation of the previous Swedish support (Sida contribution ID 51080090) to female and disabled students. Sweden shall approve the Terms of Reference of the evaluation in advance. The evaluation shall be presented ahead of the Annual Review Meeting of 2019. The costs are included in the Programme.

5.9 Subsequent payments shall be made based on the reporting requirements in Articles 8-10 and Article 13 as well as liquidity needs according to presented and by Sweden approved Annual Work Plans and budgets.

5.10 AAU affirms that the financing provided by Sweden shall be used exclusively to cover expenditures allocated for the Programme as detailed in the Programme document and further detailed in the approved Annual Work Plan and budget.



Article 6 – Financial management

6.1 AAU shall maintain an appropriate financial management system for the Programme in accordance with national legislation and the AAU Financial Management Manual, dated May 2007, and any revision of it during the Agreement period.

6.2 Budget re-allocations shall be agreed upon in advance, in writing between the parties, and with explicit reference to this clause in the Agreement. This is in addition to budget re-allocations mentioned in Article 10.3.

Article 7 – Procurement

7.1 AAU shall be responsible for all procurement under the Programme in accordance with the Federal Public Procurement Directive of the Ministry of Finance & Economic Development PUBLIC PROCUREMENT MANUAL, dated 2011, and any revision of that document during the agreement period.

7.2 A Procurement plan, detailing the procurement activities, shall form part of the Annual Work Plans.

7.3 AAU shall, upon request, provide Sweden with relevant documents/information on its procurement practices, decisions and actions taken, including details and copies of contracts that they have awarded.

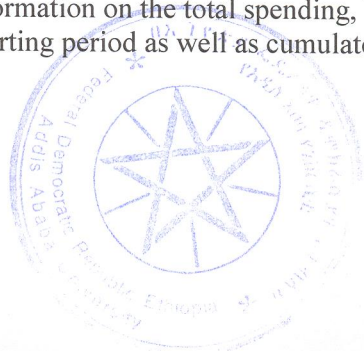
7.4 At the request of either of the Parties, consultations shall be held on any matter relating to procurement within the Programme; Sweden may carry out checks on procurement within the Programme, in the form of a procurement audit. In such cases, AAU shall provide Sweden with all necessary documentation and information. The Parties may agree that, as part of the Swedish contribution, Sweden shall provide a procurement expert to support competence development at AAU.

Article 8 – Financial reporting

8.1 AAU shall prepare and furnish to Sweden an annual financial statement and report no later than August 15 each year (except 2018). The Financial statements and reports shall be signed by the Director of finance or his/her designated representative and cover all Programme receipts and expenditures and shall show funding from Sweden, in form and detail that permit identification of disbursements on agreed Programme document and Work Plan including budget which enables comparison of the expenditure with actual plan and budget.

8.2 The Financial statements and reports shall include information on the received amount, both in the currency of transfer and the amount in the local currency, exchange rate and information on the date when the amount has been credited.

The report shall also include information on the total spending, broken down in accordance with the agreed budget lines, per reporting period as well as cumulated amounts for the entire Programme period.



Article 9 – Narrative reporting

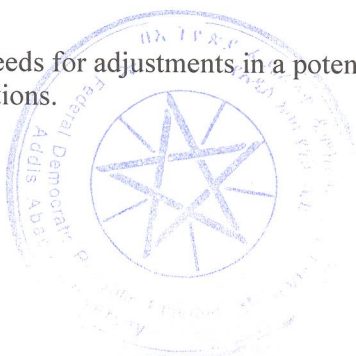
9.1 AAU will furnish to Sweden in writing an Annual Narrative report (hard copy and soft copy). The Narrative report shall contain a description and an analysis of the progress of the Programme with relation to its objectives, planned activities and expected and achieved results and the results framework as further elaborated in the approved Annual Work Plans. Regarding the part of the Programme that will be implemented by AAU in collaboration with The Swedish Partners, narrative reports are prepared jointly by AAU and The Swedish Partners.

The reports will cover the Programme periods 1 July to 30 June of the subsequent year. A draft will be delivered four (4) weeks before the Annual Review Meeting of the next programme year, and the final version presented to Sweden two (2) weeks after the Annual Review Meeting. The reports shall contain an account on a cumulative basis covering the entire Programme period, of

- activities achieved during the period of reporting,
- achieved outputs compared to planned outputs, according to Results framework of Programme's,
- achieved outcome objective(s) compared to planned outcome objective(s) (or progress) towards achieving the outcome objective(s) and an assessment of the likelihood of achieving the planned outcome objectives,
- an assessment of risk factors that may affect the achievement of the objectives, and
- an assessment of possible adjustments in the Programme implementation, including risk management.

9.2 AAU will furnish to Sweden in writing a draft Programme Completion report by 30 September 2023. The final Programme Completion report shall be submitted no later than 15 November 2023. The Programme Completion report shall contain an account on a cumulative basis covering the entire activity period 1 July 2018-30 June 2023, of

- achieved outputs compared to planned outputs,
- achieved outcome objective(s) compared to planned outcome objective(s),
- an assessment of factors that have affected the achievement of the objectives,
- lessons learned from the Programme implementation, and
- an assessment of possible needs for adjustments in a potential new phase of the Programme, including risk mitigating actions.



9.3 AAU shall provide Sweden with all such information relevant to the implementation of the Programme as may be requested by Sweden.

Article 10 – Consultations

10.1 The Parties shall cooperate and regularly communicate with each other on all matters relevant to the implementation of the Programme and this Agreement.

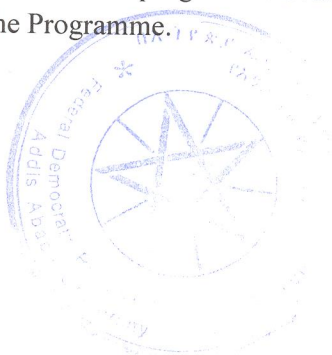
10.2 The Parties shall meet every year to discuss the planning, implementation and progress of the Programme in the statutory Annual Planning and Review Meetings. The meetings shall be called by AAU and chaired by AAU. All the Swedish Partners (as of Annex 2) shall be invited to the Annual Meetings.

The following meetings shall be held:

- The Annual Planning Meeting, called for no later than 15 March each year, and held by 15 May at the latest.
- The Annual Review Meeting, called for no later than 15 September each year, and held by 15 November at the latest.
- The Annual Review Meeting of 2018 will be replaced by a first Annual Planning Meeting called for no later than 15 September 2018, and held by 15 November 2018 at the latest.

10.3 The following information is required for the Annual Planning Meeting shall be furnished and distributed by AAU to Sweden four (4) weeks in advance of each meeting: Draft Annual Activity Plans and budgets for the forthcoming year.

- A summary of suggested changes in the draft Annual Activity Plans, compared to previous plans.
- A summary of suggested budget re-allocations.
- An Annual Procurement Plan for the forthcoming year.
- An updated results framework at overall Programme level and sub-Programme level.
- Any reviews, audits or evaluations conducted by AAU or other institutions/funders/partners of relevance to the Programme in terms of finding synergies, avoiding financial or programme overlap, and the general implementation of the Programme.



- Information about any legal or other significant changes in the context of Ethiopia of relevance to the implementation of the Programme.

The final Annual Activity Plan and budget based on the agreements reached at the Annual Planning Meeting shall be submitted to Sweden for written approval no later than two (2) weeks after the Annual Planning Meeting.

The following information required for the Annual Review Meeting shall be furnished and distributed by AAU to Sweden four (4) weeks prior to the meeting:

- Narrative report and documents as set out in Article 9 of this Agreement.
- Any reviews, audits or evaluations (including management responses and follow-ups) conducted by AAU and/or other institutions/funders/partners of AAU of relevance to the Programme in terms of finding synergies, avoiding financial or programme overlap, and the general implementation of the Programme.
- Any legal or other significant changes in the context of Ethiopia of relevance to the implementation of the Programme.

10.4 Key subjects to be discussed during the annual consultations include, but is not limited to, assessment/review of performance related to the results framework at overall Programme level; review of Activity Work Plans and budget for the forthcoming programme years; alignment of the Programme to the policies/strategies of AAU; expenditure priorities; follow up on audits/reviews and evaluations.

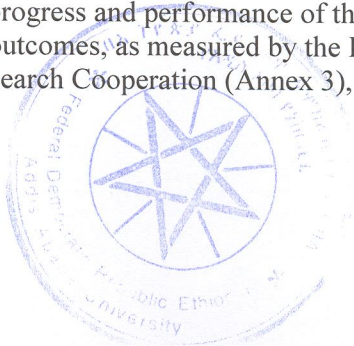
10.5 The outcome of the meeting shall be recorded in Agreed Minutes signed by the authorised representative(s) of both Parties. The Agreed Minutes shall be drafted by AAU and a draft shall be sent to Sweden, for its comments, within two (2) weeks after the meeting. Sweden shall inform AAU of its comments within two (2) weeks of receipt of the draft. AAU is responsible for the circulation of the signed Agreed Minutes to the Swedish Partners (as of Annex 2).

10.6 Additional consultation meetings may be requested by AAU and/or Sweden on any subject relevant to the implementation of the Programme.

10.7 AAU shall immediately inform Sweden of any circumstance which may interfere or threaten to interfere with the successful implementation of the Programme and, with a view to resolving the issue, shall call for a meeting to inform or consult with Sweden on what corrective action, if any, should be taken.

Article 11 – Monitoring

11.1 AAU is responsible for monitoring progress and performance of the Programme and the achievement of its expected outputs and outcomes, as measured by the Results Framework as per Sweden's Handbook on RBM for Research Cooperation (Annex 3), or any revision of this handbook during this Agreement.



11.2 Sweden will monitor the compliance and performance based on this Agreement. Progress will be measured through the agreed performance indicators as described in the Results Framework and other, for this Programme, relevant information.

11.3 The process of reviewing the progress of implementation of the Programme will be aligned with AAU's review process. AAU and Sweden will maintain a close dialogue regarding the support and the implementation of the Programme.

Article 12 – Evaluation

12.1 If Sweden carries out an (interim or ex post) evaluation or a monitoring mission, AAU shall undertake to provide any document or information which will assist with the evaluation or monitoring mission, and grant the access rights described in Article 13.2.

12.2 If either Party carries out or commissions an evaluation in the course of the Programme, it must provide the other Party with a copy of the evaluation report.

12.3 AAU in consultation with Sweden shall undertake a mid-term review of the Programme in the first quarter of 2021, including an assessment of academic quality and management of the PhD training and an 'Exit Strategy' foreseeing the phasing out of Swedish funding to research collaboration. The Terms of Reference for the mid-term review shall be approved by Sweden. The cost shall be borne by Sweden and is included in the total budget for the Programme.

12.4 An external Programme evaluation shall be conducted in 2023. The cost of the evaluation shall be borne by Sweden and is included in the total budget for the Programme. Terms of Reference for the evaluation, and who will procure, shall be agreed upon between the Parties.

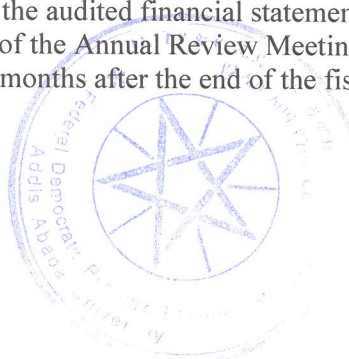
Article 13 – Audit

13.1 AAU shall share with Sweden the audits of AAU carried out by the Auditor General of Ethiopia, as well as any action plans to address potential qualifications in these.

13.2 The Programme shall be audited annually by an external independent and qualified auditor to be approved by Sweden. The audit shall be carried out in accordance with international standards issued by the International Organisation of Supreme Audit Institutions (INTOSAI) or the International Federation of Accountants (IFAC) or in accordance with comparable national standards. The cost of the audit shall be borne by AAU and is included in the total budget for the Programme.

Sweden's Standard Terms of Reference for financial audit shall be used as reference (Annex 4) and the final Terms of Reference shall be approved by Sweden.

AAU shall furnish Sweden with the audited financial statements of the Programme no later than 14 days before the planned date of the Annual Review Meeting specified in Article 10 above and in any case no later four (4) months after the end of the fiscal year covered by such report.



If the audit contains any recommendations, AAU shall furnish Sweden with a Management Response including an Action plan no later than one (1) week before the planned date of the Annual Review Meeting specified in Article 10 above. The Action Plan will be reported on by AAU in writing every six (6) months.

13.3 Sweden may at any time commission or request any additional audits (such as procurement or forensic audits), follow-ups or financial studies. AAU shall co-operate with and assist Sweden in any such audits.

Costs for the additional audits other than the audits performed by the Auditor General of Ethiopia will be financed by Sweden.

Article 14 – Corruption

14.1 The Parties will cooperate on preventing fraud and corruption in connection with the Programme, and shall require that the staff involved in, and consultants/suppliers/contractors financed under the Programme refrain from offering third parties, or seeking, accepting or being promised by third parties, for themselves or for any other party, any gift, remuneration, compensation or benefit of any kind whatsoever, which could be interpreted as an illegal or corrupt practice.

14.2 The Parties shall promptly inform each other of any instances or suspicions of fraud and corruption as referred to in this article and of the measures taken as referred to in the following subparagraph.

14.3 The Parties shall take swift action to stop, initiate investigations and if relevant take actions in order to initiate prosecution against and/or apply sanction in accordance with applicable laws and policies towards any person suspected of misuse of resources, fraud or corruption in connection with the Programme.

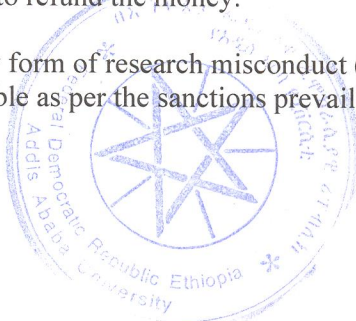
Article 15 – Research Ethics

15.1 AAU shall ensure that all grantees adhere to the professional and ethical standards set by AAU and the basic cardinal principles of research ethics shall be applied both to the humanities and basic sciences.

15.2 AAU shall further ensure that all grantees shall guarantee that the proposed research is original and does not violate rights of third parties.

15.3 AAU shall require all grantees to disclose if he/she holds another research grant for a related study and the activities being catered for, and if yes, not permit additional grant deriving from this Agreement, to avoid double funding. If the grantee fails to disclose such information, AAU shall compel the grantee to refund the money.

15.4 AAU shall ensure that any form of research misconduct (fabrication of data, falsification, or plagiarism) shall be punishable as per the sanctions prevailing at AAU.



15.5 The national rules and regulations concerning ethical approval of research in Ethiopia, as well as the existing policies and procedure at AAU for ethical approval of research, shall apply for the Programme at AAU.

Article 16 – Visibility and information

16.1 Research results shall be freely published and distributed. Due credit and recognition shall be given to Sida (if published by a Swedish partner) or Sweden (if published by non-Swedish partner) and to AAU. Sida or Sweden cannot be used in any way that can be perceived as if Sida or Sweden has participated in the production or support any opinions presented. Sweden shall have the right to copy and distribute in a suitable form any reports and studies that have been submitted by AAU to Sweden as part of the reporting.

16.2 When referring to activities, fully or partly financed in accordance with this Agreement, AAU shall always recognize and make public that the activities are financed through Swedish development aid. The Sweden logotype shall be used in the production of publications, information materials and in connection with information activities in Ethiopia; the Sweden logotype shall be used for publications (including Ph.D. dissertations), information materials and in connection with information activities held in Sweden. The production of such materials is fully the responsibility of the Programme and the liability of the contents lies with the publisher. “Sida” or “Sweden” cannot be used in any way that can be perceived as if Sida or Sweden has participated in the production or support any opinions presented. Sida and other departments of the Swedish administration abroad reserve the right to copy and distribute such materials if required.

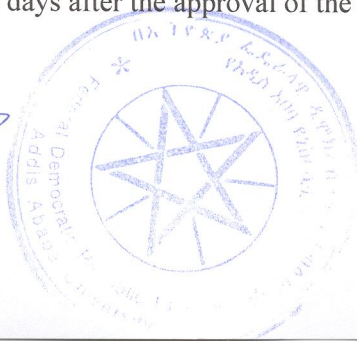
Article 17 – Patents and know-how

17.1 As regards patents and know-how, the participating Swedish Partners and AAU and researchers co-operating in the research project shall have access to all results and know-how obtained within the collaborative projects mentioned in the Agreement. Each party that has participated in the co-operation shall have the right to the patent in their own name and at their own expense.

17.2 The Swedish Partners and AAU shall have the right to equal shares of the revenue derived from grant of user licenses to third parties if the patent is registered by mutual agreement. The grant of user licenses and patent(s) shall be determined in each case by a mutual agreement between the participating institutions provided the participating institutions agree in delegating such a task to one party.

Article 18 – Repayment

Sweden shall establish the final amount of the contribution upon receipt and approval of the final report(s) (narrative/financial) and audited accounts of the Programme. Funds which have been placed at AAU's disposal and which remain after completion of the Programme shall be returned to Sweden within 60 days after the approval of the financial audit.



Sweden will inform AAU of the amount to be repaid to Sweden as well as the preferred currency and bank details.

Article 19 – Remedies

19.1 In the event of non-compliance by AAU with the provisions of this Agreement Sweden reserve the right to exercise the following remedies including withholding further disbursements and/or reduction of new disbursements, seeking refund of disbursed funds or termination of its support to the Programme.

19.2 In case of breach of the Agreement, Sweden or AAU may terminate the Agreement with two months' notice.

19.3 In case of serious breach of the Agreement, Sweden or AAU may terminate the Agreement with immediate effect.

19.4 In cases of termination by Sweden the termination shall not apply to funds irrevocably committed in good faith by AAU to third parties before the date of the notice of termination, provided that the commitments were made in accordance with this Agreement.

19.5 Any termination shall be done by written notice of termination.

Article 20 – Termination

This Agreement shall remain valid until 31 December 2023 unless terminated earlier by six (6) months' written notice by either Party. In case of termination by AAU, no funds shall be made available for activities after six (6) months of the written notice. All rights and obligations of the Parties pursuant to this Agreement shall continue unimpaired until the return of the remaining funds/fund balance to Sweden and fulfilment of the reporting requirements of this Agreement, at which time this Agreement expires.



Article 21 – Entry into force

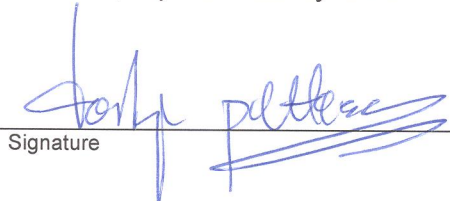
This Agreement shall enter into force when the last of the Parties signed the Agreement.

This Agreement has been signed in the English language in two (2) originals, one (1) for AAU and one (1) for Sweden.

Addis Abeba , 2018- 02 02

Place and date

Sweden, represented by Sida



Signature

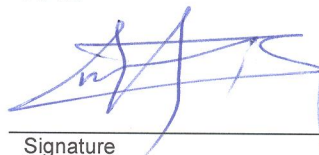
Mr Torbjörn Pettersson, Ambassador
Embassy of Sweden, Addis Abeba

Name and title in block letters

Addis Abeba , 2018- 02 02

Place and date

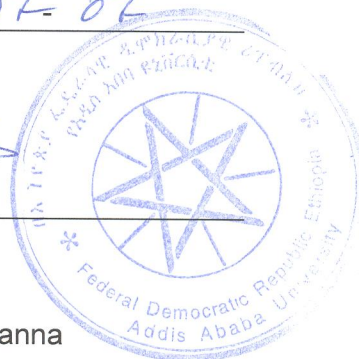
AAU



Signature

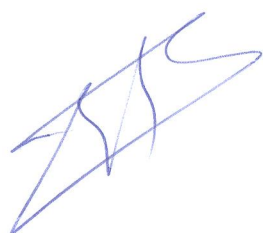
Prof. Tassew Woldehanna
President of AAU

Name and title in block letters



Annexes:

1. Programme document 'AAU's Application for Support to Research, Training and Capacity Building at Addis Abeba University (SRTCB-AAU): 2018-2023', including budgets, dated 12 June 2018
2. The Swedish Partners
3. "A Handbook on Results based management for Sweden research Cooperation", dated December 2014
4. External audit Terms of Reference template





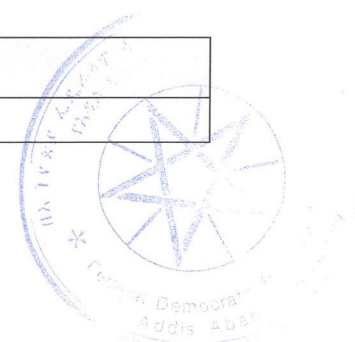
Swedish Partners - Collaborating Swedish universities

(all 5 partner universities and 6 institutions)

Swedish University	Full Proposal Title	Swedish Coordinator	AAU Coordinator
Chalmers University	PhD Program in Electrical Power and Control Engineering	Erik Ahlgren < erik.ahlgren@chalmers.se > Stanislaw Gubanski < stanislaw.gubanski@chalmers.se >	Mengesha Mamo < mengesha.mamo@aau.edu.et >
Royal Institute of Technology (KTH)	PhD Program in Electrical Power and Control Engineering	Mikael Amelin < amelin@kth.se >	Mengesha Mamo < mengesha.mamo@aau.edu.et >
ABB/Sammarkand	PhD Program in Electrical Power and Control Engineering	Lisbeth Söderling < soderling.energy@gmail.com >	
University of Gothenburg	Collaboration between College of Business and Economics at Addis Ababa University, JIBS/ Jönköping University and University of Gothenburg (UGOT) for Capacity Building and Knowledge Creation Through Research-Led Teaching Collaboration.	Gunnar Köhlin Yonas Alem < yonas.alem@economics.gu.se >	Workneh Kassa < worknehtessama@gmail.com > Atlaw Alemu < atlaw.econ@gmail.com >
	Research Training Partnership Programme in International and Comparative Education	Gun-Britt Wärvik < gun-britt.warvik@ped.gu.se >	Temesgen Fereja < temesgenf2004@yahoo.com > Alebachew Kemisso < alebachew.kemisso@aau.edu.et >
Jönköping University	Collaboration between College of Business and Economics at Addis Ababa University, JIBS/ Jönköping University and University of Gothenburg (UGOT) for Capacity Building and Knowledge Creation Through Research-Led Teaching Collaboration.	Etherl Brundin < ethel.brundin@ju.se > Lars Hartvigsson < Lars.Hartvigson@ju.se >	Workneh Kassa < worknehtessama@gmail.com > Atlaw Alemu < atlaw.econ@gmail.com >
Swedish University of Agriculture (SLU)	Biotechnology for environmentally safe and sustainable food security and green development in Ethiopia	Rodolfo Octavio Ortiz Rios < rodolfo.ortiz@slu.se >	Kassahun Tesfaye < kassahun.tesfaye@aau.edu.et > Tsefaye Tessema < tesfu74@yahoo.com >

AAU/International Science Program (UU/ISP) will coordinate and forward funds to The Swedish Partners

Swedish University	Full Proposal Title	Swedish Coordinator
UU/ISP	Coordination of Swedish universities/institutions partners	Olle Terenius, olle.terenius@isp.uu.se



Annex IV

SIDA'S STANDARD TERMS OF REFERENCE FOR ANNUAL AUDIT OF "Support to research training and capacity building at Addis Abeba University 2018-23" PROGRAMME SUPPORT

Introduction

Brief presentation of Addi Abeba University (AAU):

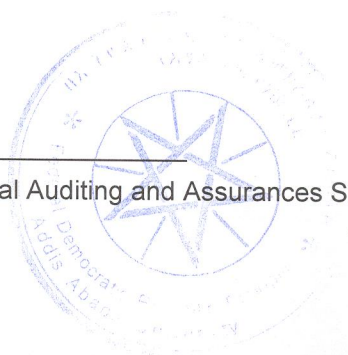
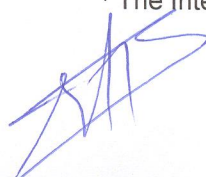
Addis Abeba University was established in 1950 and is the oldest university in Ethiopia. At present AAU runs 70 undergraduate and 293 graduate programs. It has a total of over 48,000 students and over 6,000 staff, both academic and support. SIDA has been supporting AAU for over three decades now. As a result of this long-standing support, AAU has been benefiting through capacity building in terms of manpower, programme development, infrastructure, equipment, administrative systems etc.

AAU wishes to engage the services of an audit firm for the purpose of auditing the "Support to research training and capacity building at Addis Abeba University 2018-23", as stipulated in the agreement between AAU and Sida. The audit shall be carried out in accordance with international audit standards issued by IAASB¹. The audit shall be carried out by an external, independent and qualified auditor.

I. Objectives and scope of the audit

The objective is to audit the financial report for the period [year-month-day to year-month-day] as submitted to Sida and to express an audit opinion according to ISA 800/805 on whether the financial report of "Support to research training and capacity building at Addis Abeba University 2018-2023" is in accordance with Sida's instruction for financial reporting as stipulated in the agreement including appendix between Sida and [cooperation partner].

¹ The International Auditing and Assurances Standards Board (IAASB)



II. Additional assignment; according to agreed upon procedures ISRS 4400, review the following areas in accordance with the Terms of reference below

- Follow up whether salary costs debited to the project/programme are recorded throughout the duration of the year in a systemized way and examine whether the salary costs can be verified by sufficient supporting documentation.²
- Examine whether the financial report includes a comparison, for every budget item, between the actual costs/expenditures of activities and the budgeted costs/expenditures as approved by Sida for the period.
- Based on materiality and risk the auditor shall examine whether there is supporting documentation related to incurred costs
- Follow up whether AAU has implemented the following recommendations from the assessment of internal control: **xxx**, **xxx** and **xxx**. The examination includes reviewing whether AAU has implemented the action points as described in AAUs management response that has been submitted to Sida.
- Examine whether foreign exchange gains and losses are disclosed in accordance with what is stipulated in the agreement including appendixes.
- Follow up whether AAU has adhered to the procurement guidelines annexed to the agreement.
- Review if outgoing balance for previous period is the same as incoming balance for the current period.
- Follow up whether admittance rules to Ph.D. programen have been followed according to [regulation document]
- That budgeting has been done in accordance to [procedure manual]
- That AAU guidelines on travel allowances have been followed, according to Agreement.

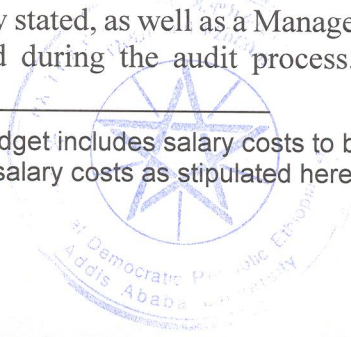
III The reporting

The scope of the audit shall be stated in the report and the methodology used shall be presented.

The reporting shall be signed by the responsible auditor (not just the audit firm) and title.

The reporting from the auditor shall include an independent auditor's report in accordance with the format in standard ISA 800/805 and the auditor's opinion shall be clearly stated, as well as a Management letter with audit findings and weaknesses identified during the audit process. The auditor shall regardless of materiality,

² If the budget includes salary costs to be debited to the project, the auditor shall always examine salary costs as stipulated here.



quantify the amount for costs lacking sufficient supporting documentation. The auditor shall make recommendations to address the weaknesses identified and the recommendations shall be presented in priority order. If the auditor assesses that no findings or weaknesses have been identified during the audit that would result in a Management letter, an explanation of this assessment must be disclosed in the audit reporting.

Measures taken by the organisation to address weaknesses identified in previous audits shall also be presented in the Management letter.

The additional assignment according to agreed upon procedures ISRS 4400 under paragraph III, shall be reported separately in a "Report of factual findings".

If the auditor conducts an additional assignment according to ISRS 4400 and assesses that the observations presented in the "Report of factual findings", include the information that would have been included in a Management letter, a Management letter does not need to be developed. In such a case, the "Report of factual findings" shall include an explanation of why a Management letter has not been developed.

