AMENDMENT TO THE CONTRIBUTION AGREEMENT
Between
UNITED NATIONS HUMAN SETTLEMENTS PROGRAMME
And
FUKUOKA HABITAT INSTITUTE

The Contribution Agreement (hereinafter referred to as the “Agreement”) between United Nations Human Settlements Programme, UN-Habitat, (hereinafter referred to as the “Recipient”) and Fukuoka Habitat Institute (hereinafter referred to as the “Donor”) that entered into force on 20 September 2013 with a completion date of 30 September 2014, amended under Amendment 1 on 30 September 2014 with a completion date of 31 March 2015, amended under Amendment 2 on 11 March 2015 with a completion date of 29 February 2016, and amended under Amendment 3 on 8 December 2015 with a completion date of 31 May 2016 for the implementation of the Project “Water for Life in Lao PDR and Nepal” is hereby further amended as follows:

Under this Contribution Agreement (hereinafter referred to as the “Agreement”) the Donor shall be responsible for providing the funds for the Project and UN-Habitat shall be responsible for implementing the project through technical assistance to install a Rainwater Harvesting (RWH) system in Lao PDR and the water quality improvement by AQUALIFT in Nepal.

The Recipient shall receive and administer the Contribution in accordance with UN-Habitat’s Financial Regulations and Rules, policies and procedures, and on the following terms and conditions:

1. The Contribution shall be paid in accordance with the following schedule:
   - Full payment of USD50,000 (United States Dollars Fifty Thousand) on signing of the Contribution Agreement;
   - Full payment of USD27,000 (United States Dollars Twenty Seven Thousand) on signing of the Amendment 2 of Contribution Agreement;
   - Full payment of USD82,000 (United States Dollars Eighty Two Thousand) on signing of the Amendment 3 of Contribution Agreement; and
   - Full payment of USD31,000 (United States Dollars Thirty One Thousand) on signing of the Amendment 4 of Contribution Agreement.

14. This Agreement between the Donor and Recipient shall become effective from the date of its execution and terminate in accordance with the time-frame and terms and conditions as set out in the Project Documents and its Amendment 1, 2, 3, and 4 herein attached as Annexure I. In the event that the Project is not completed within the term of this Agreement, for any reason whatsoever, the Parties shall extend the term of the Agreement for such further duration/period as the Parties may deem fit and proper after reviewing the progress of the Project. Extensions, if any, will be recorded in writing by the Parties herein.

This amendment shall become effective as of the date of countersignature. All other terms and conditions of the Agreement remain valid and enforceable.
The undersigned duly authorized representatives of UN-Habitat and Fukuoka Habitat Institute have signed this Agreement in two original copies on the date(s) and at the place(s) below written.

FOR UN-Habitat:

Signature: [Signature]
Name: Yoshinobu Fukasawa
Title: Director, Regional Office for Asia and the Pacific
Place: Fukuoka, Japan
Date: 2 Aug 2016

FOR Fukuoka Habitat Institute:

Signature: [Signature]
Name: Hideaki Moriyama
Title: Representative
Place: Fukuoka, Japan
Date: 3 Aug 2016
Water for Life Project in Lao PDR and Nepal

Concept Note
(English Translation of the Japanese original concept note approved by the Board in December 2014, October 2015, and July 2016)

Goal of the project:
To improve access to safe and sustainable water, and other basic infrastructure, for the most vulnerable communities in Nepal.

Background and Objective of the Project
Despite its rich history of culture and tradition, Nepal continues to be listed among the least developed countries (LDC) due to its political situations it is unlikely to see drastic improvements in the areas of water, sanitation and hygiene, especially in the traditional neighborhoods not covered by centralized systems.

In the urban areas of Nepal, neighborhoods have traditionally developed around structured water reservoirs which serves the daily water needs of the community such as washing and cleaning, and also functions to absorb storm water in the rain seasons, to prevent the neighborhood from flooding. In the recent years, however, due to rapid urbanization, increase of population and changes of lifestyles, the water quality of these ponds have increasingly deteriorated; the waste water from households are being discharged to these ponds and more significantly to the rivers. The majority of the poorer communities have no choice but to use the contaminated water, and improving the water conditions have becoming an immediate and critical issue.

In the previous phase of the Water for Life Project, community ponds, river stretches, waste water treatment facilities were improved by using bio formula, which was a safe, sustainable, low cost and low maintenance solution to improve the water quality and conditions by reducing accumulated sludge and contamination.

This year, the project will be further up-scaled and reach out to a larger number of water bodies which are critical for the livelihood and the health of the residents. At the same time, the project will work with the local governments who will mobilize the schools and the communities to initiate water and sanitation awareness building and clean-up campaigns by further expanding the area and scope of activities to areas outside of Kathmandu such as Pokhara, with partnership with local NGOs.

After the Nepal earthquake in April and May 2015, it was decided by the Board of
Directors (of the Donor) that this project be expanded to cover ‘Emergency Assistance for Nepal’ and focus on relief and humanitarian support for the most affected communities. Additional cash donations collected from the local governments, partner private sector companies, and citizens groups were added to this project.

These additional funds will support the most vulnerable families in need in the coming severe winter seasons.

- **Project Budget:**

  **Total: US$109,000**

  USD27,000 (UN exchange rate $1=JPY119.17 as of December 2014) + USD82,000 for Emergency Assistance for Nepal

  The UN currency rate will apply at the time of money transfer.

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<th>Object Class</th>
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Implementation strategies and activities

The project will be implemented jointly by UN-Habitat Nepal Office, local NGO, local governments and universities in Nepal, and by technical assistance from Aquaservice Inc., the producer of the bio formula. The implementation will cover Kathmandu and several other municipalities, improving approximately 14 water reservoirs, 2 lakes and 3 branch rivers of the Bagmati River. One water reservoir is shared by 40-50 families, and the direct beneficiary will be 200-300 people.

While continuing the improvement of water bodies on a mid-long term, the emergency post-earthquake component of the project will provide safe and sustainable materials such as P-Forms for the emergency shelter roofs and cooking stoves for the most vulnerable families.

Implementation period: 1 year from March 2015 to May 2016

The project will overall target the most vulnerable, poorer and/or isolated communities, whom without this assistance, would be difficult to obtain access to safe and sustainable
water. It is therefore a very meaningful project, and is also an opportunity for the technology companies in Fukuoka and the Kyushu region to contribute to improving the living environment of the people in Asia region by utilizing their expertise.

The earthquake assistance component will also target the most vulnerable families, namely women headed families, single women, people with disabilities and elders whom had been affected by the earthquake.

The component will provide two most critical items, P-Forms for Ceiling covers of the temporary shelters with CGI roofs, and Metal Cooking/Room Heating Stoves. Most of the temporary shelters are made of CGI roofing. In the winter these sheets will condense the moisture in the atmosphere and start bleeding inside the roof wetting the floor and bed. To avoid such situation and provide a bit of thermal insulation in the temporary rooms this initiative will provide P-form sheets that will be installed below the CGI roofing in the ceiling.

The Metal Cooking Stoves are in urgent demand, as an overwhelming numbers of families in the mountains use firewood cooking stoves. These traditional stoves are relatively inefficient as it consume more firewood. This is not friendly to environment and adds more burden to women and girls who are more responsible for collecting fire wood. Moreover it generates more smokes that affect the health of family members particularly women and children with eye diseases and respiratory illness. This support intends to provide newly developed cooking stove that has three major advantages:
• It has better energy efficiency than the traditional stoves thereby reduce the burden of collecting firewood and hence also reduce the effect on local forest resource. This also reduce burden of collecting wood to the women and girls.

• These cooking stoves have built in chimneys that eject the smoke out of the room. This is very important as the rooms in the temporary shelters are small and congested. There are incidences in the past that people warming up their room with closed windows in the winter were suffocated to death due to excess CO and lack of oxygen. This also helps to protect the women and children from the extended exposure to smoke.

• The third benefit of the proposed cooking stove is its merits of heating the room through its metal body. This is very important particularly with the elderly, babies and children in the family.

• The Government of Nepal is promoting various improved cooking stoves including this model to protect forest, reduce burden to women and prevent health problems related to smoke. This stove will not only provide these benefits but can also be continued with the same stove after they build their permanent houses. Therefore, this initiative may be considered as turning the tragedy into opportunity to better life for the future.
The following components (Nepal and Laos) were added as additional activities (Amendment 4) for 2016 based on discussion and approval by the Board in July 2016:

**Goals of the project:**

1. To improve access to safe and sustainable water for the most vulnerable communities and improve safety and quality of water bodies in Nepal.
2. To improve access to safe and sustainable water during the dry seasons for the most vulnerable communities, in particular women, in Laos

**Total Project Budget:**

- Additional budget for Amendment 4: US$31,000

**Total: US$140,000**

USD27,000 Amendment 2 (UN exchange rate $1@JPY119.17 as of December 2014)
USD82,000 Amendment 3 (for Emergency Assistance for Nepal)
US$31,000 Amendment 4 (for activities in Nepal and Laos)

The UN currency rate will apply at the time of money transfer.

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(1) Nepal Component

Background and Objective
Since 2014, UN-Habitat Regional Office for Asia and the Pacific (UN-Habitat ROAP) has been implementing the ‘Water for Life Nepal’ campaign, with the objective of improving the water quality and conditions of the traditional water reservoirs and river stretches in the Kathmandu Valley area on a long term.

After the Nepal earthquake in April 2015, it was decided by the Board of Directors (of the Donor) that this project be shifted to ‘Emergency Assistance for Nepal’ and focus on relief and humanitarian support for the most affected communities. Additional cash donations collected from the local governments, partner private sector companies, and citizens groups were added to this project. This emergency component was called the ‘Emergency winterization project’ where durable iron stoves and foam mattresses were delivered to over 700 households.

In this phase 2016-2017, the project will continue to address and improve water quality in various water bodies around Kathmandu area and additionally the Terai region which face even larger water related challenges by use of sustainable technology called ‘Aqualift’, which is a bacterial formula developed by Aquaservice Inc. in Fukuoka City. The technology is not only low-cost, it is low maintenance and easy to be treated and maintained by the communities in Nepal, and moreover it has proven to be safe and very effective in improvement of various water bodies including rivers, lakes, waste water treatment facilities, and septic tanks in Japan as well as Laos, Myanmar, Sri Lanka and other countries through UN-Habitat projects.

The project will work with the local governments who will mobilize the schools and the communities to initiate water and sanitation awareness building and clean-up campaigns.

Nepal Component Budget: USD15,000 (UN exchange rate $1@JPY104.50 as of July 2016)

Implementation strategies and activities
The project will be implemented jointly by UN-Habitat Nepal Office, CIUD (Center for Integrated Urban Development, local NGO), local governments and universities in Nepal, and
by technical assistance from Aquaservice Inc., the producer of the bio formula. The implementation will cover Kathmandu and several other municipalities.

- Implementation period: 12 months from June 2016 to May 2017

(2) Laos Component

- Background and Objective
The objective of the project is to improve access to safe and sustainable water for the most vulnerable communities in Attapeu Province, where piped water supply is not available and the communities had to rely on surface groundwater wells and traditional rainwater harvesting systems using large size clay containers to store rainwater during the monsoon seasons.

In this project, a unique underground rainwater harvesting tank, developed by Daiken Inc. of Fukuoka, Japan, will be constructed in conjunction with a new community center which will be constructed in Attapeu Province for women of the community. (The construction of the Community Center is a separate project, however will be coordinated as a joint effort through Attapeu Province Office.) The tank, together with the community center, will empower and enable women to participate in social and educational activities, and provide safe and sustainable water during the dry seasons without long travel from the conventional water sources.

The tank was first introduced in Laos in 2013-2014 as part of the earlier phase of the Water for Life Project. Two tanks stored approximately total 100 tons of rainwater underground and enabled the community to use the water for four months during the dry season.

- Laos Component Budget: USD16,000 (UN exchange rate $1@JPY104.50 as of July 2016)

- Implementation strategies and activities
The project will be implemented jointly by UN-Habitat Laos Office, Attapeu Province Office, and by technical assistance from Daiken Inc., the developers of the rainwater harvesting tank.

- Implementation period: 12 months from June 2016 to May 2017
Both two projects will target the most vulnerable, poorer and/or isolated communities, whom without this assistance, would be difficult to obtain access to safe and sustainable water. It is therefore a very meaningful project, and is also an opportunity for the technology companies in Fukuoka and the Kyushu region to contribute to improving the living environment of the people in Asia region by utilizing their expertise.

**Note:**

* The project locations are subject to change, subject to unavoidable conditions such as weather, availability of materials, security of the beneficiaries and partners involved.
* The project budget includes costs such as purchase of necessary materials, technical assistance, testing and monitoring, travel, awareness building campaign and events, AOS and so on. The actual cost will be disbursed in US dollars.