Memorandum of Understanding
between
the United Nations
and
the United Nations Development Programme
regarding the Administration of the
Sustainable Energy For All Multi-Partner Trust Fund

This Memorandum of Understanding (MOU) is concluded between the Secretary-
General, represented by its Assistant Secretary-General for Strategic Planning at the
Executive Office of the Secretary-General (EOSG), and the United Nations Development
Programme (UNDP), represented by its Multi-Partner Trust Fund Office (MPTF Office).
The United Nations and UNDP are hereinafter collectively referred to as the
"Participants."

WHEREAS, the Secretary-General launched the Sustainable Energy for All Initiative
(SE4ALL) to mobilize action from all sectors of society in support of three interlinked
objectives to be achieved by 2030: ensuring universal access to modern energy services;
doubling the global rate of improvement in energy efficiency; and doubling the share of
renewable energy in the global energy mix.

WHEREAS, the Terms of Reference ("TOR") for the SE4ALL Multi-Partner Trust Fund
(MPTF), as may be amended from time to time, attached hereto as ANNEX A, and
incorporated herein by reference into this MOU, UNDP’s MPTF Office has been
requested by the Secretary-General to serve as the SE4ALL MPTF Administrative Agent,
responsible for the administration of the Fund, under the overall direction and guidance
of the Chief Executive of the Sustainable Energy for All (herein under referred to as
"Chief Executive") appointed by the Secretary-General;

WHEREAS, UNDP is willing and able to administer the SE4ALL MPTF in accordance
with its Financial Regulations and Rules as well as this MOU and the TOR for the
SE4ALL MPTF;

WHEREAS, UNDP will also participate in the SE4ALL MPTF as a Recipient
Organization, under a separate agreement, whose role is separate and distinct from its
Administrative Agent functions related to the SE4ALL MPTF; and

WHEREAS, the United Nations System Organizations, as well as other Organizations
that have similar international character and financial rules and regulations will also
participate in the SE4ALL MPTF as Recipient Organizations;

NOW, THEREFORE, the Participants agree as follows:
Section I

The Roles of Office of the Chief Executive of the Sustainable Energy for All Initiative and the Administrative Agent

Responsibilities of the Chief Executive of the Sustainable Energy for All under the SE4ALL MPTF

1. The Chief Executive is responsible for managing the SE4ALL MPTF in accordance with the TOR in Annex A.

2. The Chief Executive will authorize disbursements by the Administrative Agent from the SE4ALL MPTF Account to Recipient Organizations for approved projects in accordance with the TOR;

3. The Chief Executive may request any of the Recipient Organizations, to perform additional tasks in support of the Fund’s operations at global and country levels that are not related to the Administrative Agent functions detailed in Section I, Paragraph 6 below and subject to the availability of funds. Costs for such tasks will be agreed in advance and with the approval of the Chief Executive be charged to the Fund as direct costs.

4. The Chief Executive will review and approve the consolidated annual reports prepared by the Administrative Agent that will subsequently be submitted to the Executive Committee for the SE4ALL Initiative which provides overall guidance on the SE4ALL MPTF management.

Responsibilities of UNDP

2. UNDP, through the MPTF Office, will serve as Administrative Agent for the SE4ALL MPTF in accordance with UNDP’s Financial Regulations and Rules, the TOR and the terms and conditions set out in this MOU. In case of any conflict between this MOU and the TOR, the MOU will prevail. The Administrative Agent agrees to assume this responsibility on the understanding that Recipient Organizations (United Nations, its funds and programmes and specialized agencies as well as other Organizations that have similar international character and financial rules and regulations) receiving funds from the SE4ALL MPTF assume full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent.

3. A clear delineation, including distinct reporting lines and an accountability framework, will be established and maintained within UNDP between its functions as an Administrative Agent and its functions as a Recipient Organization.

4. On behalf of the Secretary-General, the MPTF Office, as Administrative Agent will:
(a) Conclude a standardized Memorandum of Understanding with Recipient Organizations wishing to support the implementation of activities for which they will receive funds from the SE4ALL MPTF, incorporating this MOU and the TOR for the SE4ALL MPTF;

(b) Receive contributions from Donors that wish to provide financial support to the Fund; the Administrative Agent will enter into a Standard Administrative Arrangement, in the form attached hereto as ANNEX B (hereinafter referred to as an “Standard Administrative Arrangement or SAA”) and incorporated herein by reference with each Donor that wishes to provide financial support to the SE4ALL MPTF. The Administrative Agent will not agree with the Donor to amend the terms of Annex B without prior written agreement of the Chief Executive. The Administrative Agent will ensure the posting of a sample of the SAA it enters into, as well as information on Donor contributions online on the SE4ALL MPTF website on the MPTF Office GATEWAY.

(c) Administer such funds received, in accordance with this Memorandum of Understanding including the provisions relating to winding up the SE4ALL MPTF Account and related matters (Section VII below);

(d) Subject to availability of funds disburse such funds to each of the Recipient Organizations in accordance with instructions from the Chief Executive, taking into account the budget set out in the approved programmatic document\(^1\), as amended in writing from time to time by the Chief Executive;

(e) Consolidate statements and reports, based on submissions provided to the Administrative Agent by each Recipient Organization, as set forth in the TOR, and provide these to the Chief Executive and subsequently to the Executive Committee and to each Donor that has contributed to the SE4ALL MPTF Account, in accordance with Section III below;

(f) Provide final reporting, including notification that the Fund has been fully expended or has been wound up, in accordance with Section IV below;

(g) Disburse funds to any Recipient Organization for any additional costs of the tasks that Chief Executive may decide to allocate (as referred to in Section I, Paragraph 2 above) in accordance with the TOR;

(h) Perform such other activities as the Participants may agree in writing.

---

\(^1\) As used in this document, an approved programmatic document refers to an annual work plan or a programme/project document, etc., which is approved by the Steering Committee for fund allocation purposes.
Section II
Financial Matters

The Administrative Agent

1. The Administrative Agent has established a separate ledger account under its financial regulations and rules for the receipt and administration of the funds received pursuant to Administrative Arrangements (hereinafter, the “SE4ALL MPTF Account”). The SE4ALL MPTF Account will be administered by the Administrative Agent in accordance with the regulations, rules, directives and procedures applicable to it, including those relating to interest. The SE4ALL MPTF Account will be subject exclusively to the internal and external auditing procedures laid down in the financial regulations, rules, directives and procedures applicable to the Administrative Agent.

2. The Administrative Agent will not absorb gains or losses on currency exchanges which will increase or decrease the funds available for disbursements to Recipient Organizations.

3. The Administrative Agent will be entitled to allocate an administrative fee of one percent (1%) of the amount contributed by each Donor signing an Administrative Arrangement, to meet the Administrative Agent’s costs of performing the Administrative Agent’s functions described in this Memorandum of Understanding.

4. Subject to the availability of funds, the Administrative Agent will make disbursements from the SE4ALL MPTF Account in accordance with the TOR for the SE4ALL MPTF and this MOU, based on instructions from the Chief Executive, in line with the budget set forth in the programmatic document, as amended from time to time by the Chief Executive. The disbursements will consist of direct and indirect costs as set out in the approved Project.

5. The Administrative Agent will normally make each disbursement within three (3) to five (5) business days after receipt of instructions received from the Chief Executive in line with the TOR, along with a copy of the relevant approved programmatic document, signed by all the parties concerned. The Administrative Agent will transfer funds to each Recipient Organization through wire transfer in US dollars.

6. Where the balance in the SE4ALL MPTF Account on the date of a scheduled disbursement is insufficient to make that disbursement in full, the Administrative Agent will consult with the Chief Executive, and make a partial disbursement, if any, in accordance with the Chief Executive’s instructions, provided that such partial disbursement will not exceed the funds available in the SE4ALL MPTF Account.
Section III
Reporting

1. The Administrative Agent will provide the Chief Executive with the following reports, based on reports provided to the Administrative Agent by each Recipient Organization:

   (a) Consolidated Annual narrative progress report and financial report on activities implemented under the SE4ALL MPTF as of 31 December, to be provided no later than 15 May after the end of the calendar year;

   (b) Consolidated Final narrative report and financial report, after the completion of all project activities financed from the SE4ALL MPTF and including the final year of the project activities, to be provided no later than 15 July of the year following the financial closing of the Fund. The final report will give a summary of results and achievements compared to the goals and objectives of the Fund; and

2. Following the review and acceptance by the Chief Executive of the reports referred to in Paragraph 1 above, the Administrative Agent will provide the consolidated reports to the Executive Committee and each Donor that has contributed to the SE4ALL MPTF Account in accordance with the timetable established in the Administrative Arrangement.

3. The Administrative Agent will also provide the Chief Executive, the Executive Committee, Donors and Recipient Organizations, with the following statements on its activities as Administrative Agent:

   (a) Certified annual financial statement ("Source and Use of Funds" as defined by UNDG guidelines) to be provided no later than five months (31 May) after the end of the calendar year; and

   (b) Certified final financial statement ("Source and Use of Funds") to be provided no later than seven months (31 July) of the year following the financial closing of the Fund.

4. Consolidated reports and related documents will be posted online on the SE4ALL MPTF website on the MPTF Office GATEWAY.

Section IV
Monitoring and Evaluation

1. The Chief Executive will provide overall management of the SE4ALL MPTF, and monitor its operations in accordance with the TOR.
2. Monitoring and evaluation of the Projects will be undertaken by the respective Recipient Organizations in accordance with the provisions contained in the approved Projects, which are to be consistent with the respective regulations, rules and procedures of the Recipient Organizations.

3. In addition, the Secretary-General, the Executive Committee or the Chief Executive may request an independent evaluation, assessment or review of SE4ALL MPTF operations including country-level programmes, thematic interventions, in particular interventions with innovative features.

Section V
Audit

1. The Administrative Agent and Recipient Organizations will be audited in accordance with their own Financial Regulations and Rules and in accordance with the Framework for auditing multi-partner trust funds which has been agreed to by the Internal Audit Services of Recipient Organizations and endorsed by the UNDG in September 2007.

Section VI
Communication

1. The Administrative Agent in consultation with the Chief Executive will ensure that decisions regarding the review and approval of the Fund, as well as periodic reports on the progress of implementation of the Fund, including associated external evaluations are posted online on the SE4ALL MPTF website on the MPTF Office GATEWAY, where appropriate. Such reports and documents may include Chief Executive approved programmes, programmes awaiting approval, fund level annual financial and progress reports and external evaluations, as appropriate.

Section VII
Expiration, Modification and Termination

1. This Memorandum of Understanding will expire upon winding up of the Fund, subject to the continuance in force of paragraph 4 below for the purposes therein stated, unless terminated earlier by either party, upon thirty (30) days prior written notice to the other party.

2. This Memorandum of Understanding may be modified only by written agreement between the Participants.

3. The Administrative Agent’s appointment shall terminate upon termination of the SE4ALL MPTF, subject to the continuance in force of paragraph 4 below for the purpose therein stated, unless such appointment is terminated earlier by the United Nations.
4. Obligations assumed by the Parties under this MOU will survive the expiration or termination of this MOU to the extent necessary to permit the orderly conclusion of the activities or transfer of such activities to the United Nations. Any balance remaining in the Fund Account or in the individual Recipient Organizations’ separate ledger accounts upon winding up of the Fund will be used for a purpose mutually agreed upon or returned to the donor(s) in proportion to their contribution to the Fund as agreed upon by the donors and the Chief Executive.

**Section VIII**

**Notices**

1. Any action required or permitted to be taken under this Memorandum of Understanding may be taken on behalf of the United Nations, by the Chief Executive, or his or her designated representative, and on behalf of the Administrative Agent by the Executive Coordinator of the MPTF Office, or his or her designated representative.

2. Any notice or request required or permitted to be given or made in this Memorandum of Understanding will be in writing to the Chief Executive and to the Executive Coordinator of the MPTF Office, UNDP. Such notice or request will be deemed to be duly given or made when it will have been delivered by hand, mail or any other agreed means of communication to the party to which it is required to be given or made, at such party's address specified in ANNEX C to this Memorandum of Understanding or at such party’s address as the party will have specified in writing to the party giving such notice or making such request.

**Section IX**

**Entry into Effect**

1. This Memorandum of Understanding will come into effect upon signature by authorized officials of the Participants and will continue in full force and effect until it is expired or terminated.

**Section X**

**Settlement of Disputes**

1. The Parties will use their best efforts to amicably settle any dispute, controversy or claim arising out of this Memorandum of Understanding or the breach, termination or invalidity thereof. Should the Parties not be in a position to find a mutually acceptable solution, after full and careful consideration by the Administrator of UNDP and the Chief Executive, the matter shall be deferred to the Secretary-General of the United Nations for resolution.
IN WITNESS WHEREOF, the undersigned, duly authorized representatives of the respective Participants, have signed this Memorandum of Understanding in English in two copies.

For UNDP

Signature: 
Name: Bisrat Aklilu
Title: Executive Coordinator, MPTF Office
Place: New York
Date: 28/11/2012

For the Secretary-General

Signature: 
Name: Robert C. Orr
Title: Assistant Secretary-General for Strategic Planning
Place: New York
Date: 

******************************************************

ANNEX A: Terms of Reference of the SE4ALL MPTF

***************

ANNEX B: Standard Administrative Arrangement between the Donor and the Administrative Agent

***************

ANNEX C: Notices

***************
ANNEX C

NOTICE

For the Secretary-General:
Name: Kandeh Yumkella
Title: Director-General, United Nations Industrial Development Organisation, and Chief Executive of the Sustainable Energy for All Initiative
Address: Vienna International Centre, P.O. Box 300, A-1400 Vienna, AUSTRIA
Telephone: +431 26026 3003
Facsimile: +431 260267 3003
Electronic mail: K.Yumkella@unido.org

For the UNDP Administrative Agent:
Name: Bisrat Aklilu
Title: Executive Coordinator, MPTF Office
Address: 730 Third Ave., 20th Floor, New York, NY 10017, USA
Telephone: +1 212 906 6880
Facsimile: +1 212 906 6990
Electronic mail: bisrat.akililu@undp.org