

**STANDARD ADMINISTRATIVE ARRANGEMENT
FOR THE
CLIMATE VULNERABLE FORUM TRUST FUND**

**Standard Administrative Arrangement
between
Switzerland, represented by the Federal Office for the Environment (FOEN),
and
the United Nations Development Programme**

WHEREAS, Participating United Nations Organizations that have signed a Memorandum of Understanding (hereinafter referred to collectively as the “Participating UN Organizations”) recognize that the Climate Vulnerable Forum (CVF), with current membership of 20 countries, is an international platform for cooperation, coordination, advocacy and knowledge-building among developing countries that face significant insecurity due to climate change and are determined to catalyze more effective and broad-based action for tackling the global climate challenge, internationally and nationally;

WHEREAS, the Participating UN Organizations agree to support the initiative of the current and incoming CVF Chairs, respectively Bangladesh and Costa Rica, to establish a transparent **Climate Vulnerable Forum Trust Fund (CVFTF)** (hereinafter referred to as the “Fund”), in order to ensure adequate, predictable and flexible finance for the Forum’s activities starting on 1 October 2012 and ending on 30 September 2015 as may be amended from time to time, as more fully described in the Framework Document of the Fund dated 21 September 2012, (hereinafter referred to as the “TOR”), a copy of which is attached hereto as ANNEX A;

WHEREAS, the Participating UN Organizations have agreed to the establishment of a coordination mechanism (hereinafter referred to as the “Steering Committee”) to facilitate the effective and efficient collaboration between the Participating UN Organizations and the Climate Vulnerable Forum for the implementation of the Fund;

WHEREAS, the Participating UN Organizations have agreed that they should adopt a coordinated approach to collaboration with donors who wish to support the implementation of the Fund and have developed a TOR to use as the basis for mobilising resources for the Fund, and have further agreed that they should offer donors the opportunity to contribute to the Fund and receive reports on the Fund through a single channel; and

WHEREAS, the Participating UN Organizations and the CVF have appointed the United Nations Development Programme (hereinafter referred to as the “Administrative Agent”) (which is also a Participating UN Organisation in connection with Fund) in a Memorandum of Understanding (hereinafter referred to as “MOU”) concluded between, the Administrative Agent and Participating UN Organizations on 26 September 2012, to serve, through its Multi-Partner Trust Fund Office (MPTF Office), as their administrative interface between donors and the Participating UN Organizations for these purposes. To that end the Administrative Agent has established a separate ledger account under its financial regulations and rules for the receipt and administration of the funds received

from donors who wish to provide financial support to the Fund through the Administrative Agent (hereinafter referred to as the “Fund Account”); and

WHEREAS, Switzerland, represented by the Federal Office for the Environment (FOEN) (hereinafter referred to as the “Donor”) wishes to provide financial support to the Fund on the basis of the TOR as part of its development cooperation and wishes to do so through the Administrative Agent as proposed by the CVF and the Participating UN Organizations.

NOW, THEREFORE, the Donor and the Administrative Agent (hereinafter referred to collectively as the “Participants”) hereby decide as follows:

Section I
Disbursement of Funds to the Administrative Agent
and the Fund Account

1. The Donor decides to make a contribution of **one hundred thousand dollars (USD 100’000.-)** and such further amounts as it may decide (hereinafter referred to as the “Contribution”) to support the Fund. The Contribution will enable the Participating UN Organizations to support the Fund in accordance with the TOR, as amended from time to time in writing by the Steering Committee. The Donor authorizes the Administrative Agent to use the Contribution for the purposes of the Fund and in accordance with this Standard Administrative Arrangement (hereinafter referred to as “Arrangement”). The Donor acknowledges that the Contribution will be co-mingled with other contributions to the Fund Account and that it will not be separately identified or administered.

2. The Donor will deposit the Contribution by wire transfer, in accordance with the schedule of payments set out in ANNEX B to this Arrangement, in convertible currencies of unrestricted use, to the following account:

For payment in USD:

Name of Account:	UNDP Multi-Partner Trust Fund Office (USD) Account
Name of Bank:	JPMorgan Chase Bank
Address:	International Agencies Banking 270 Park Avenue, 43rd Floor New York, New York 10017
Account Number:	790440309
SWIFT Code:	CHASUS33
ABA:	021000021
Reference:	CVFTF Account

3. When making a transfer to the Administrative Agent, the Donor will notify the Administrative Agent’s Treasury Operations at mptfo.treasury@undp.org and the MPTF Office at executivecoordinator.mptfo@undp.org of the following: (a) the amount transferred, (b) the value date of the transfer; and (c) that the transfer is from **Switzerland, represented by the Federal Office for the Environment (FOEN)** in

respect of the Fund pursuant to this Arrangement. The Administrative Agent will promptly acknowledge receipt of funds in writing.

4. All financial accounts and statements will be expressed in United States dollars.
5. The US dollar value of a contribution-payment, if made in currencies other than United States dollars, will be determined by applying the United Nations operational rate of exchange in effect on the date of receipt of the Contribution. The Administrative Agent will not absorb gains or losses on currency exchanges. Such amounts will increase or decrease the funds available for disbursements to Participating UN Organizations.
6. The Fund 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 Fund 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.
7. The Administrative Agent will be entitled to allocate an administrative fee of one percent (1%) of the Contribution by the Donor, to cover the Administrative Agent's costs of performing the Administrative Agent's functions.
8. The Steering Committee may request any of the Participating UN Organizations, to perform additional tasks in support of the Fund not related to the Administrative Agent functions detailed in Section I, Paragraph 2 of the Memorandum of Understanding and subject to the availability of funds. In this case, costs for such tasks will be decided in advance and with the approval of the Steering Committee be charged to the Fund as direct costs.

Section II
Disbursement of Funds to the Participating UN Organizations
and a Separate Ledger Account

1. The Administrative Agent will make disbursements from the Fund Account in accordance with instructions from the Steering Committee, in line with the approved programmatic document¹, as amended in writing from time to time by the Steering Committee. The disbursement to the Participating UN Organizations will consist of direct and indirect costs as set out in the budget.
2. Each Participating UN Organization will establish a separate ledger account under its financial regulations and rules for the receipt and administration of the funds disbursed to it from the Fund Account. Each Participating UN Organization assumes full programmatic and financial accountability for the funds disbursed to them by the

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.

Administrative Agent. That separate ledger account will be administered by each Participating UN Organization in accordance with its own regulations, rules, directives and procedures, including those relating to interest. That separate ledger 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 Participating UN Organization.

3. Where the balance in the Fund Account on the date of a scheduled disbursement is insufficient to make that disbursement, the Administrative Agent will consult with the Steering Committee and make a disbursement, if any, in accordance with the Steering Committee's instructions.

Section III **Implementation of the Programme**

1. The implementation of the programmatic activities which the Donor assists in financing under this Arrangement will be the responsibility of the Participating UN Organizations and will be carried out by each Participating UN Organization in accordance with its own applicable regulations, rules, policies and procedures including relating to procurement. The Donor will not be directly responsible or liable for the activities of any person employed by the Participating UN Organizations or the Administrative Agent as a result of this Arrangement,

2. The Participating UN Organizations will carry out the activities for which they are responsible, in line with the budget contained in the approved programmatic document, as amended from time to time by the Steering Committee in accordance with the regulations, rules, directives and procedures applicable to it. Accordingly, personnel will be engaged and administered, equipment, supplies and services purchased, and contracts entered into in accordance with the provisions of such regulations, rules, directives and procedures.

3. Indirect costs of the Participating UN Organizations recovered through programme support costs will be 7%. In accordance with the UN General Assembly resolution 62/208 (2007 Triennial Comprehensive Policy Review principle of full cost recovery), all other costs incurred by each Participating UN Organization in carrying out the activities for which it is responsible under the Fund will be recovered as direct costs.

4. The Participating UN Organizations will commence and continue to conduct operations for the programmatic activities only upon receipt of disbursements as instructed by the Steering Committee.

5. The Participating UN Organizations will not make any commitments above the budgeted amounts in approved programmatic document, as amended from time to time by the Steering Committee.

6. If unforeseen expenditures arise, the Steering Committee will submit, through the Administrative Agent, a supplementary budget to the Donor showing the further financing that will be necessary. If no such further financing is available, the activities to be carried out under the approved programmatic document may be reduced or, if necessary, terminated by the Participating UN Organizations. In no event will the Participating UN Organizations assume any liability in excess of the funds transferred from the Fund Account.

7. The Donor reserves the right to discontinue future contributions if reporting obligations are not met as set forth in this Arrangement; or if there are substantial deviations from agreed plans and budgets. If it is agreed among the Donor, the Administrative Agent and the concerned Participating UN Organization under the Arrangement that there is evidence of improper use of funds, the Participating UN Organization will use their best efforts, consistent with their regulations, rules, policies and procedures to recover any funds misused. The Participating UN Organization will, in consultation with the Steering Committee and the Administrative Agent, credit any funds so recovered to the Fund Account or agree with the Steering Committee to use these funds for a purpose mutually agreed upon. Before withholding future contributions or requesting recovery of funds and credit to the Fund Account, the Administrative Agent, the concerned Participating UN Organization and the Donor will consult with a view to promptly resolving the matter.

8. The Participants recognize that it is important to take all necessary precautions to avoid corrupt, fraudulent, collusive or coercive practices. To this end, as set out in the MoU between the Administrative Agent and Participating UN Organizations regarding the Operational Aspects of the Fund, each Participating UN Organization will maintain standards of conduct that govern the performance of its staff, including the prohibition of corrupt, fraudulent, collusive or coercive practices in connection with the award and administration of contracts, grants, or other benefits, as set forth in their Staff Regulations and Rules and the Financial Regulations and Rules, including regarding procurement.

Section IV **Equipment and Supplies**

On the termination or expiration of this Arrangement, the matter of ownership of equipment and supplies will be determined in accordance with the regulations, rules, directives and procedures applicable to such Participating UN Organization, including any agreement with the relevant host Government if applicable.

Section V **Reporting**

1. The Administrative Agent will provide the Donor and the Steering Committee with the following statements and reports, based on submissions provided to the Administrative Agent by each Participating UN Organization prepared in accordance with the accounting and reporting procedures applicable to it, as set forth in the TOR:

- (a) Annual consolidated narrative progress reports, based on annual narrative progress reports received from Participating UN Organizations, to be provided no later than five months (31 May) after the end of the calendar year;
- (b) Annual consolidated financial reports, based on annual financial statements and reports, to be received from the Participating UN Organizations, as of 31 December with respect to the funds disbursed to them from the Fund Account, to be provided no later than five months (31 May) after the end of the calendar year;
- (c) Final consolidated narrative report, based on final narrative reports received from Participating UN Organizations after the completion of the activities in the approved programmatic document and including the final year of the activities in the approved programmatic document, to be provided no later than seven months (31 July) of the year following the financial closing of the Fund. The final consolidated narrative report will contain a summary of the results and achievements compared to the goals and objectives of the Fund.
- (d) Final consolidated financial report, based on certified final financial statements and final financial reports received from Participating UN Organizations after the completion of the activities in the approved programmatic document and including the final year of the activities in the approved programmatic document, to be provided no later than seven months (31 July) of the year following the financial closing of the Fund.

2. The Administrative Agent will provide the Donor, Steering Committee and Participating UN Organizations with the following reports 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.

3. Consolidated reports and related documents will be posted on the websites of the CVFTF and the Administrative Agent (<http://mptf.undp.org>).

Section VI
Monitoring and Evaluation

1. Monitoring and evaluation of the Fund including, as necessary and appropriate, joint evaluation by the Participating UN Organizations, the Administrative Agent, the Donor, the host Government (if applicable) and other partners will be undertaken in accordance with the TOR.
2. The Donor, the CVF, the Administrative Agent and the Participating UN Organizations will hold annual consultations as appropriate to review the status of the Fund.

Section VII
Joint Communication

1. Information given to the press, to the beneficiaries of the Fund, all related publicity material, official notices, reports and publications, will acknowledge the role of the CVF, the donors, the Participating UN Organizations, the Administrative Agent and any other relevant entities.
2. The Administrative Agent in consultation with the Participating UN Organizations 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, associated external evaluations are posted, where appropriate, for public information on the websites of the Administrative Agent (<http://mptf.undp.org>). Such reports and documents may include Steering Committee approved programmes and programmes awaiting approval, fund level annual financial and progress reports and external evaluations, as appropriate.

Section VIII
Expiration, Modification and Termination

1. The Administrative Agent will notify the Donor when it has received notice from all Participating UN Organizations that the activities for which they are responsible under the approved programmatic document have been completed. The date of the last notification received from a Participating UN Organization will be deemed to be the date of expiration of this Arrangement, subject to the continuance in force of paragraph 4 below for the purposes therein stated.
2. This Arrangement may be modified only by written agreement between the Participants.
3. This Arrangement may be terminated by either Participant on thirty (30) days of a written notice to the other Participants, subject to the continuance in force of paragraph 4 below for the purpose therein stated.

4. Commitments assumed by the Donor and the Administrative Agent under this Arrangement will survive the expiration or termination of this Arrangement to the extent necessary to permit the orderly conclusion of activities, the withdrawal of personnel, funds and property, the settlement of accounts between the Participants hereto and the Participating UN Organizations and the settlement of contractual liabilities required in respect of any subcontractors, consultants or suppliers. Any balance remaining in the Fund Account or in the individual Participating UN 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 decided upon by the donor(s) and the Steering Committee.

Section IX Notices

1. Any action required or permitted to be taken under this Arrangement may be taken on behalf of the Donor, by Ambassador Franz Perrez, Head of the International Affairs Division of FOEN or his or her designated representative, and on behalf of the Administrative Agent, by the Executive Coordinator, Multi-Partner Trust Fund Office or his or her designated representative.

2. Any notice or request required or permitted to be given or made in this Arrangement will be in writing. 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 below or at such other address as the party will have specified in writing to the party giving such notice or making such request.

For the Donor:

Name: Franz Perrez
Title: Ambassador, Head of the International Affairs Division,
Federal Office for the Environment (FOEN)
Address: 3003 Berne, Switzerland
Telephone: +41 31 322 93 23 (direct), +41 31 322 92 43 (Secretariat)
Facsimile: +41 31 323 03 49
Electronic mail: franz.perrez@bafu.admin.ch
(cc: marie-claire.brahier@bafu.admin.ch)

For the Administrative Agent:

Name: Yannick Glemarec
Title: Executive Coordinator, MPTF Office, UNDP
Address: 730 Third Avenue, New York, NY 10017, USA
Telephone: +1 212 906 6880
Facsimile: +1 212 906 6990
Electronic mail: yannick.glemarec@undp.org

Section X
Entry into Effect

This Arrangement will come into effect upon signature thereof by the Participants and will continue in effect until it is expired or terminated.

Section XI
Settlement of Disputes

1. Any dispute arising out of the Donor's Contribution to the Fund will be resolved amicably through dialogue among the Donor, the Administrative Agent and the concerned Participating UN Organization.

Section XII
Privileges and Immunities

1. Nothing in this Standard Administrative Arrangement will be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, the Administrative Agent, or each Participating UN Organization.

IN WITNESS WHEREOF, the undersigned, being duly authorized by the respective Participants, have signed the present Arrangement in English in two copies.

For the Donor

Signature: _____

Name: Franz Pérez
Title: Ambassador, Head of the International Affairs Division of FOEN
Place: Berne, Switzerland
Date: 4.3.2013

Signature: _____

Name: Jdsé Romero
Title: Head of the Rio Conventions Section, International Affairs Division, FOEN
Place: Berne, Switzerland
Date: 4.3.2013

For the Administrative Agent

Signature: _____

Name: Yannick Glemarec
Title: Executive Coordinator, MPTF Office
Place: New York
Date: 25/02/13

- ANNEX A: Climate Vulnerable Forum Trust Fund Framework Document/Terms of Reference
- ANNEX B: Schedule of Payments

SCHEDULE OF PAYMENTS

Schedule of Payments:
15 March 2013

Amount:
USD 100'000.-