

**Letter of Agreement  
Between  
The United Nations  
and  
The United Nations Development Programme**

**WHEREAS**, the UN organizations that have signed the Memorandum of Understanding Regarding the Operational Aspects of the Joint Programme Relating to Human Security (hereinafter referred to collectively as the “Participating UN Organizations”) have developed joint programmes (hereinafter referred to as the “Joint Programmes”) with a view to receiving financial support from the United Nations, through the United Nations Trust Fund for Human Security, and have agreed to establish a coordination mechanism (hereinafter referred to as the “Joint Programme Steering Committee”)<sup>1</sup> in various countries to facilitate the effective and efficient collaboration between the Participating UN Organizations and the respective host Government for the implementation of the Joint Programmes;

**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 Joint Programmes and have developed Joint Programme Documents to use as the basis for mobilising resources for the Joint Programmes, and have further agreed that they should offer donors the opportunity to fund the Joint Programmes and receive reports on the Joint Programmes through a single channel;

**WHEREAS**, the Participating UN Organizations have appointed the United Nations Development Programme (UNDP) (hereinafter referred to as the “Administrative Agent”), which is also a Participating UN Organisation, in a Memorandum of Understanding concluded between the Administrative Agent and Participating UN Organizations, to serve as their administrative interface between the United Nations (hereinafter referred to as the “Donor”) and the Participating UN Organizations for these purposes and to that end the Administrative Agent establishes separate ledger accounts under its financial regulations and rules for the receipt and administration of the funds received from the Donor providing financial support to the Joint Programmes through the Administrative Agent (hereinafter, the “Joint Programme Accounts”); and

**WHEREAS**, the Donor wishes to provide financial support to the Joint Programmes on the basis of the Joint Programme Documents, from the United Nations Trust Fund for Human Security, in line with the Guidelines for the United Nations Trust Fund for Human Security, and wishes to do so through the Administrative Agent as proposed by the Participating UN Organizations.

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

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<sup>1</sup> The composition of the Joint Programme Steering Committee or other body shall include all the signatories to the Joint Programme Document. The Steering Committee may also have other members in an observer capacity, such as donors and other stakeholders.

**Article I**  
**Disbursement of Funds to the Administrative Agent**  
**and the Joint Programme Accounts**

1. The Donor agrees to make an initial contribution and such further amounts as it may decide (hereinafter referred to as the “Contribution”) to support the Joint Programmes. The Contribution shall be a contribution to the Participating UN Organizations to support the Joint Programmes in accordance with the Joint Programme Documents, as amended from time to time in writing by the respective Joint Programme Steering Committee and approved by the Donor. The Donor authorizes the Administrative Agent to use the Contribution for the purposes of the Joint Programmes and in accordance with this Letter of Agreement.

2. The Donor shall deposit the Contribution by wire transfer, in accordance with the Specific Country Contribution Annex, the form of which is attached hereto as ANNEX A. Such Specific Country Contribution Annexes shall be incorporated into this Letter of Agreement by reference. The Donor shall make the Contribution in convertible currencies of unrestricted use, to the account specified in the applicable ANNEX A.

3. When making a transfer to the Administrative Agent, the Donor will notify the Administrative Agent’s Treasury Operations, with a copy to the Executive Coordinator of the Multi-Donor Trust Fund, of the following: (a) the amount transferred, (b) the value date of the transfer; and (c) that the transfer is from the United Nations in respect of the relevant Joint Programme in the concerned country pursuant to this Letter of Agreement.

4. The value of a contribution-payment, if made in currencies other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Gains or losses on currency exchanges shall be recorded in the respective Joint Programme Account by the Administrative Agent.

5. Each Joint Programme Account shall be administered by the Administrative Agent in accordance with the regulations, rules, directives and procedures applicable to it, including those relating to interest. Each Joint Programme Account shall 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.

6. The Administrative Agent shall be entitled to allocate an administrative fee of one percent (1%) of the amount contributed by the Donor, to cover the Administrative Agent’s costs of performing the Administrative Agent’s functions. The Participating UN Organizations’ budgets should include programme support costs (PSC) at the rate up to 7%, and in case approved by the relevant legislative body, up to a maximum of 9%.

7. All financial accounts and statements shall be expressed in United States dollars.

**Article II**  
**Disbursement of Funds to the Participating UN Organizations**  
**and Separate Ledger Accounts**

1. The Administrative Agent shall make disbursements from the relevant Joint Programme Account in accordance with instructions from the concerned Joint Programme Steering Committee, in line with the applicable Joint Programme Document, as amended in writing from time to time by the Joint Programme Steering Committee and approved by the Donor. The disbursements will also be made in accordance with the Memorandum of Understanding between the Participating UN Organizations and the AA regarding the Operational Aspects of the specific Joint Programme. The Administrative Agent shall promptly notify the Donor of any amendment to the budget made by the Joint Programme Steering Committees. The disbursement to the Participating UN Organizations shall consist of direct and indirect costs as set out in the specific Joint Programme budget.

2. Each Participating UN Organization shall establish a separate ledger account under its financial regulations and rules for the receipt and administration of the funds disbursed to it from the concerned Joint Programme Account. Each Participating UN Organization assumes full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent. That separate ledger account shall 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 shall 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 a Joint Programme Account on the date of a scheduled disbursement is insufficient to make that disbursement, the Administrative Agent shall consult with the concerned Joint Programme Steering Committee and make a disbursement, if any, in accordance with the Joint Programme Steering Committee's instructions. The Administrative Agent shall promptly notify the Donor in such circumstances and shall advise the Donor of the Joint Programme Steering Committee's decision in that regard.

**Article III**  
**Implementation of the Joint Programme**

1. The Participating UN Organizations shall carry out the activities for which they are responsible, in line with the budget contained in the respective Joint Programme Document, as amended from time to time by the concerned Joint Programme Steering Committee in accordance with the regulations, rules, directives and procedures applicable to it. Accordingly, personnel shall 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.

2. The Participating UN Organizations shall commence and continue to conduct operations for the specific Joint Programme only upon receipt of disbursements as instructed by the concerned Joint Programme Steering Committee.

3. The Participating UN Organizations shall not make any commitments above the budgeted amounts in the relevant Joint Programme Document, as amended from time to time by the concerned Joint Programme Steering Committee.

4. If unforeseen expenditures arise, the specific Joint Programme 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 concerned Joint Programme 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 provided in the relevant Joint Programme Account.

#### **Article IV** **Equipment and Supplies**

On the termination or expiration of the Specific Country Contribution Annex or this Letter of Agreement, the matter of ownership shall be determined in accordance with the regulations, rules, directives and procedures applicable to such Participating UN Organization, including where applicable its basic agreement with the concerned Government.

#### **Article V** **Reporting**

The Administrative Agent shall provide the Donor and the concerned Joint Programme Steering Committee with the following reports and statements, based on reports and statements provided to the Administrative Agent by each Participating UN Organization prepared in accordance with the accounting procedures applicable to it, as set forth in the specific Joint Programme Document:

- (a) Substantive reports shall detail outputs, achievements and constraints with regards to the utilization of this contribution, as outlined in the Guidelines for the United Nations Trust Fund for Human Security. The first substantive progress report for the agreed period will be due no later than the date specified in the Specific Country Contribution Annex.
- (b) Subsequent substantive reports shall be provided at annual intervals by no later than 30 June after the end of the applicable year until the final substantive report required by this Agreement is submitted. In order to receive the second or subsequent installments, the reports must indicate that 70% or more of the first installment has been committed and/or expended, if applicable.
- (c) Within six (6) months after the concerned contribution has been fully expended, or the relevant Joint Programme has been completed, whichever is first to occur, UNDP shall provide a final consolidated substantive report detailing outputs, achievements and constraints with regards to the utilization of the contribution for the whole Joint Programme, as provided by the Participating UN Organizations.
- (d) Financial reports and statements shall reflect the amount received in relation to expenditure from the contribution. Annual interim financial reports, submitted by

the Participating UN Organization shall certify that the information is correct based on the financial records at the concerned country, and will be consolidated by the Administrative Agent and be submitted by 31 January. Annual financial statements certified by the Controllers of the Participating UN Organizations, and consolidated by UNDP, will be submitted by 30 June of each year following the reporting period.

The financial reports and statements submitted by the Participating UN Organizations shall provide information in the format attached hereto as ANNEX B1 and B2.

- (e) The final financial statements certified by the Controllers of the Participating UN Organizations and consolidated by the Administrative Agent will be submitted by 30 June of the year following completion of the Joint Programme.
- (f) In consolidating the reports and statements of the Participating UN Organizations as set out herein, the Administrative Agent shall sign and certify that the consolidation of the respective reports and statements is accurate, based on the reports and statements provided by the Participating UN Organizations, and their respective Controllers.
- (g) The Administrative Agent shall also provide a final certified financial statement to the United Nations and Participating UN Organizations, on its activities as Administrative Agent, to be provided no later than 30 June of the year following the financial closing of the Programme.

#### **Article VI** **Monitoring and Evaluation**

Monitoring and evaluation of the specific Joint Programme including, as necessary and appropriate, joint evaluation by the Participating UN Organizations, the Administrative Agent, the Donor, the concerned Government and other partners shall be undertaken in accordance with the relevant Joint Programme Document.

#### **Article VII** **Joint Communication**

Information given to the press, to the beneficiaries of the specific Joint Programme, all related publicity material, official notices, reports and publications, shall acknowledge the role of the concerned Government, the Donor, the Participating UN Organizations, the Administrative Agent and any other relevant parties.

#### **Article VIII** **Expiration, Modification and Termination of the Agreement**

1. The Administrative Agent shall notify the Donor when it has received notice from all Participating UN Organizations that the activities for which they are responsible under the specific Joint Programme have been completed. The date of the last notification received from a Participating UN Organization shall be deemed to be the date of expiration of the Specific Country

Contribution Annex, subject to the continuance in force paragraph 4 below for the purposes therein stated.

2. This Agreement and a Specific Country Contribution Annex may be modified only by written agreement between the parties.

3. This Agreement and a Specific Country Contribution Annex may be terminated by either party on thirty (30) days of a written notice to the other party, subject to the continuance in force of paragraph 4 below for the purpose therein stated.

4. Obligations assumed by the Donor and the Administrative Agent under this Agreement and a Specific Country Contribution Annex shall survive the expiration or termination of this Agreement or Annex to the extent necessary to permit the orderly conclusion of activities, the withdrawal of personnel, funds and property, the settlement of accounts between the Parties 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 Joint Programme Accounts or in the individual Participating UN Organizations' separate ledger accounts shall be returned to the Donor, including interest, unless otherwise stipulated in the Participating UN Organization's Financial Regulations and Rules.

#### Article IX Notices

1. Any action required or permitted to be taken under this Agreement or a Specific Country Contribution Annex may be taken on behalf of the Donor by the United Nations Controller, or his or her designated representative, and on behalf of the Administrative Agent by the Executive Coordinator, UNDP MDTF Office, or his or her designated representative.

2. Any notice or request required or permitted to be given or made in this Agreement shall be in writing. Such notice or request shall be deemed to be duly given or made when it shall have been delivered by hand, mail, cable or telex 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 shall have specified in writing to the party giving such notice or making such request.

*For the Donor:*

Name: Warren Sach,  
Title: Assistant-Secretary-General, Controller  
Address: 1 United Nations Plaza, New York, New York, 10017  
Telephone: 212-963-5569  
Facsimile: 212-963-8061  
Electronic mail: sach@un.org

*For the Administrative Agent:*

Name: Bisrat Aklilu  
Title: Executive Coordinator, MDTF Office  
Address: 828 Second Avenue, New York, New York, 10017  
Telephone: 1-212-906-6880  
Facsimile: 1-212-906-6990  
Electronic mail: bisrat.aklilu@undp.org

**Article X**  
**Entry into Force**

This Agreement shall enter into force upon signature thereof by the Parties and shall continue in full force and effect until it is expired or terminated.

**IN WITNESS WHEREOF**, the undersigned, being duly authorized by the respective Parties, have signed the present Agreement in English in two copies.



**ANNEX A:** Specific Country Contribution Annex

**ANNEX B1:** Format for “Interim Report of Income and Expenditures” to be submitted by the Participating UN Organizations

**ANNEX B2:** Format of “Statement of Income and Expenditures” to be submitted by the Participating UN Organizations



## FORM OF SPECIFIC COUNTRY CONTRIBUTION ANNEX

## A. PROJECT SUMMARY

Project title: Strengthening Human Security through Sustainable Human Development in (insert name of a country)

Reference Number: insert

Time frame: insert

Locations: insert

Contributions Amount: US \$

Donor: United Nations Trust Fund for Human Security

## B. PROJECT DESCRIPTION AND IMPLEMENTATION

1. The contribution governed by this *Annex* shall be utilized exclusively for, and in accordance with, the attached Joint Programme Document.

## C. SCHEDULE OF PAYMENTS

2. This contribution will be allocated in ( ) installments. The first installment of ( ) phase One (date) shall be issued immediately after both parties have signed this *Annex A*. The second installment of ( ) will be issued upon receipt of satisfactory substantive and financial reports from UNDP, consolidating the reports of the UN Participating Organizations to the Joint Programme.

## D. REPORTING

The first substantive progress report for the period through \_\_\_\_\_ is due no later than \_\_\_\_\_.

## E. PAYMENT INSTRUCTIONS

3. Upon signature of this Annex the funds shall be paid into the following account:

<b>Account Details:</b>	<b>Account Name:</b>	<b>UNDP Contributions Account</b>
	<b>Account Number:</b>	<b>015-002284</b>
	<b>Bank Name:</b>	<b>JP Morgan Chase Bank International Agencies Banking</b>
	<b>Swift Code:</b>	<b>CHASUS33</b>
	<b>ABA No:</b>	<b>021000021</b>
	<b>Reference:</b>	<b>United Nations Trust Fund for Human Security</b>

**CERTIFICATION AND AGREEMENT BY UNDP**  
As Administrative Agent

Signed:

.....  
**Bisrat Aklilu**  
Executive Coordinator, MDTF Office

Date:

**CERTIFICATION AND AGREEMENT BY THE UN**

Signed:

.....  
**Warren Sach**  
Controller

Date:

**Name of Implementing Agency**  
**As Executing Agency for .....**

**Project Name and Number**

**Interim Report of Income and Expenditures for the .....(specified period or Year Ended 31 December (Year))**

		<u>Amount</u> <u>(USD)</u>
<b>I. <u>OPERATING FUND</u></b>		
Balance as of 1 January (Year)		-
Add:	Remittances from United Nations in (Year)	
	Interest Income a/	-
	Miscellaneous income a/	-
	Subtotal	<u>-</u>
	<u>Unliquidated</u> <u>Obligation</u>	<u>Disbursements</u>
Less:	Staff and other personnel expenses	
	Travel on official business	
	Contractual services	
	Operating expenses	
	Acquisitions	
	Fellowships, grants and others	
	Total expenditures	<u>-</u>
	Programme support costs ...%	<u>-</u>
	Total expenditures and programme support costs	<u>-</u>
Balance as of 31 December (Year)		<u><u>-</u></u>

Notes:

a/ Please provide detail of interest and miscellaneous income.

\_\_\_\_\_  
 (Signature)

\_\_\_\_\_  
 (Name and Title)

\_\_\_\_\_  
 (Date)

**Name of Implementing Agency**  
**As Executing Agency for .....**

**Project Name and Number**

**Statement of Income and Expenditures for the .....(specified period or Year Ended 31 December (Year))**

	<u>Amount</u> <u>(USD)</u>		
<b>I. <u>OPERATING FUND</u></b>			
Balance as of 1 January (Year)	-		
Add: Remittances from United Nations in (Year)			
Interest Income a/	-		
Miscellaneous income a/	-		
Subtotal	-		
		<u>Unliquidated</u> <u>Obligation</u>	<u>Disbursements</u>
Less: Staff and other personnel expenses			
Travel on official business			
Contractual services			
Operating expenses			
Acquisitions			
Fellowships, grants, and others		_____	_____
Total expenditures			-
Programme support costs ...%			-
Total expenditures and programme support costs			-
 Balance as of 31 December (Year)	 -		

Notes:

a/ Please provide detail of interest and miscellaneous income.

This is to certify that the above statement of income and expenditure is correct and that the expenditure was incurred in connection with the approved projects for which the allocations have been received.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name and Title)

\_\_\_\_\_  
(Date)