

17 June 2008

**Standard Administrative Arrangement
between
[Name of Donor],
the United Nations Resident Coordinator
and
the United Nations Development Programme**

WHEREAS, the Government of Pakistan (hereinafter referred to as the “Government”) has requested the members of the United Nations Country Team in Pakistan (hereinafter referred to as the “UNCT”), under the leadership and coordination of the United Nations Resident Coordinator in Pakistan (hereinafter referred to as the “Resident Coordinator”), to develop a single framework for their activities in support of national development priorities in accordance with the Pakistan national priorities and accordingly the members of the UNCT will prepare a One UN Programme Document (hereinafter referred to as the “One UN Programme”);

WHEREAS, members of the UNCT that have signed a Memorandum of Understanding (hereinafter referred to collectively as the “Participating UN Organizations”) have agreed to establish, a joint development fund (hereinafter referred to as the “Pakistan One Fund”), under the leadership of the Resident Coordinator, that will facilitate the coordinated resource mobilization, allocation and disbursement of donor contributed resources for the unfunded elements of the One UN Programme, starting on 1 June 2008 and ending on 31 December 2010, to coincide with the current United Nations Development Assistance Framework (UNDAF), which will be renewed with the start of a new UN programme planning cycle;

WHEREAS, the Pakistan One Fund will complement other channels for the transfer of donor resources to support implementation of the One UN Programme and will operate in accordance with the Pakistan One Fund Terms of Reference, attached hereto as Annex A;

WHEREAS, the Government and the Participating UN Organizations have agreed to establish a coordination mechanism (hereinafter referred to as the “High Level Committee”) to facilitate effective and efficient collaboration between the Participating UN Organizations and the Government for the oversight of the Pakistan One Fund and, through the High Level Committee Finance Sub-Committee (hereinafter referred to as the “HLC Finance Sub-Committee”), which will endorse, based on a documented dialogue with Technical Ministries, national partners and donors, on unearmarked allocations of resources to Joint Programmes and to the Joint Programme Components under the Pakistan One Fund as proposed by the UNCT and by the Joint Programme Steering Committee and associated Thematic Working Groups respectively;

WHEREAS, the Joint Programme Steering Committees (hereinafter referred to as the “JPSCs”) will be the decision-making authority for the particular Joint Programmes, with responsibility for overseeing and providing guidance for the implementation, approving

the prioritisation of outcomes/outputs and, through subsidiary Component Allocation Sub-Committees, deciding on allocation of resources between Joint Programme Components¹, and proposing these allocations to the HLC Finance Sub-Committee for its endorsement, and through subsidiary JPC Task Forces, deciding on allocations to Participating UN organisations within Joint Programme Components and monitoring the implementation of and promoting synergies within the Components.

WHEREAS, the Participating UN Organizations have appointed the United Nations Development Programme (hereinafter referred to as the “Administrative Agent”) (which is also a Participating UN Organisation in connection with this Pakistan One Fund) in a Memorandum of Understanding (MOU) concluded between, the Resident Coordinator, the Administrative Agent and Participating UN Organizations on **17 June 2008** serve as their administrative interface between donors, the Resident Coordinator and the Participating UN Organizations for these purposes and 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 Pakistan One Fund through the Administrative Agent (hereinafter, the “Pakistan One Fund Account”); and

WHEREAS, [**Name of Donor**] (hereinafter referred to as the “Donor”) wishes to provide financial support to the Pakistan One Fund on the basis of the One UN Programme as part of its development cooperation with the Government of Pakistan and wishes to do so through the Administrative Agent as proposed by the Participating UN Organizations.

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

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

1. The Donor agrees to make a contribution of [**amount in words**] ([**amount in figures**]) and such further amounts as it may decide (hereinafter referred to as the “Contribution”) to support the One UN Programme. The Contribution will be a contribution to the Participating UN Organizations to support the One UN Programme, as amended from time to time by the High Level Committee at the One UN Programme level, JPSC at the Joint Programme level, and Task Forces at the Joint Programme Component level. The Donor authorizes the Administrative Agent to use the Contribution for the purposes of the One UN Programme and in accordance with this Standard Administrative Arrangement. The Donor acknowledges that the Contribution will be co-mingled with other contributions to the Pakistan One Fund Account and that it will not be separately identified or administered, except where such Contribution is earmarked for a specific Joint Programme or Joint Programme Component.

¹ The term “Joint Programme Components” refers to sectors, sub-sectors or thematic areas within the Joint Programme.

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

For payment in USD:

UNDP Contributions Account
JP Morgan Chase Bank
Account 015002284
1166 Avenue of the Americas, NY, NY 10022
SWIFT: CHASUS33
Reference: Pakistan One Fund Account

For payment in Euro:

UNDP Contributions Account
Bank of America London
Account 600862722022
5 Canada Square
London E14 5AQ England
SWIFT: BOFAGB22
IBAN: GB59 BOFA 1650 5062 7220 22
Reference: Pakistan One Fund Account

3. When making a transfer to the Administrative Agent, the Donor will notify the Administrative Agent's Treasury Operations at contributions@undp.org, with a copy to the Executive Coordinator of the Multi-Donor Trust Fund Office at executivecoordinator.mdtfo@undp.org, of the following: (a) the amount transferred, (b) whether the Contribution is earmarked/un-earmarked, (c) the value date of the transfer; and (d) that the transfer is from **[name of Donor]** in respect of the Pakistan One Fund pursuant to this Standard Administrative Arrangement. The Administrative Agent will promptly acknowledge receipt of funds in writing.

4. The 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.

5. The Pakistan One 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 Pakistan One 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.

6. The Administrative Agent will 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.

7. The UNCT may request the Resident Coordinator, the Administrative Agent, or any of the Participating UN Organizations, to perform additional tasks in support of the Pakistan One Fund not related to the Administrative Agent functions and as set forth in the One UN Programme and subject to the availability of funds. In this case, direct costs for such tasks will be agreed in advance with the UNCT and with the approval of the HLC Finance Sub-Committee, will be charged to the Pakistan One Fund.

8. All financial accounts and statements will be expressed in United States dollars.

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

1. The Administrative Agent will make disbursements from the Pakistan One Fund Account in accordance with instructions from the Resident Coordinator, on behalf of the HLC Finance Sub-Committee, taking into account the budget set out in the approved programmatic document, as amended from time to time by the High Level Committee at the One UN Programme level, JPSCs at the Joint Programme level, and Task Forces at the Joint Programme Component level. The Administrative Agent will promptly notify the Donor of any amendment to the budget. 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 Pakistan One Fund 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 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 Pakistan One Fund Account on the date of a scheduled disbursement is insufficient to make that disbursement, the Administrative Agent will consult with the Resident Coordinator, and make a disbursement, if any, in accordance with the Resident Coordinator's instructions.

Section III **Implementation of the Programme**

1. The implementation of the Programme which the Donor assists in financing under this Standard Administrative 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 policies, 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 Standard Administrative Arrangement.
2. The Participating UN Organizations will carry out the activities for which they are responsible, in line with the budget contained in the programmatic documents, as amended from time to time. 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 will be 7% of expenditures.
4. The Participating UN Organizations will commence and continue to conduct operations for the Programme activities only upon receipt of disbursements as instructed by the Resident Coordinator, on behalf of the HLC Finance Sub-Committee.
5. The Participating UN Organizations will not make any commitments above the their existing resources as approved in the relevant Joint Programme budgets, as amended from time to time.
6. If unforeseen expenditures arise, the Resident Coordinator, on behalf of the UNCT, 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 One UN 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 Pakistan One Fund Account.
7. The Donor reserves the right to discontinue future transfers if reporting obligations are not met as set forth in this Standard Administrative Arrangement; or if there are substantial deviations from agreed plans and budgets. If there is evidence of improper use of funds agreed among the Donor, the Administrative Agent and the concerned Participating UN Organization under the Standard Administrative Arrangement, 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 Donor and the Administrative Agent, credit any funds so recovered to the Pakistan One Fund Account. Before withholding disbursements or requesting recovery of funds and credit to the

Pakistan One 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 practices. To this end, as set out in the Memorandum of Understanding between the Resident Coordinator, the Administrative Agent and Participating UN Organizations regarding the Operational Aspects of the Pakistan One Fund, each Participating UN Organization will maintain standards of conduct that govern the performance of its staff, including the prohibition of corrupt 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 Standard Administrative 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 where applicable its basic agreement with the Government.

Section V **Reporting**

1. The Resident Coordinator will provide the Donor, the High Level Committee and UNCT with the following statements and reports, based on consolidated reports provided by the Administrative Agent, in turn based on reports submitted by each Participating UN Organization, using the standard reports format endorsed by the UNCT, in the case of narrative reports through JPSCs and Task Forces, and prepared in accordance with the accounting and reporting procedures applicable to it and consolidated by the Administrative Agent, as set forth in the One UN Programme:

- (a) Annual consolidated narrative progress report, received from the Administrative Agent and based on annual narrative progress reports received from Participating UN Organizations, to be provided no later than six months (30 June) after the end of the calendar year;
- (b) Annual consolidated financial report, received from the Administrative Agent and based on annual financial statements and reports received from the Participating UN Organizations as of 31 December with respect to the funds disbursed to them from the Pakistan One Fund Account, to be provided no later than six months (30 June) after the end of the calendar year;

- (c) Final consolidated narrative report, received from the Administrative Agent and based on final narrative reports received from Participating UN Organizations after the completion of the Programme and including the final year of the Programme, to be provided no later than seven months (31 July) of the year following the financial closing of the Programme. The final consolidated narrative report will contain a summary of the results and achievements compared to the goals and objectives of the Programme.
 - (d) Final consolidated financial report, received from the Administrative Agent and based on certified final financial statements and final financial reports received from Participating UN Organizations after the completion of the Programme and including the final year of the Programme, to be provided no later than seven months (31 July) of the year following the financial closing of the Programme.
2. The Resident Coordinator, based on statements received from the Administrative Agent on its activities as Administrative Agent, will provide the Donor, the High Level Committee and Participating UN Organizations with the following reports:
- (a) Certified annual financial statement (“Source and Use of Funds”) to be provided no later than six months (30 June) 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 Pakistan One Fund.
3. Consolidated reports and related documents will be posted on the websites of the UNCT in Pakistan (www.un.org.pk) and the Administrative Agent (www.undp.org/mdtf).

Section VI **Monitoring and Evaluation**

1. Monitoring and evaluation of the Pakistan One Fund will be undertaken in accordance with the provisions contained in the One UN Programme, which are consistent with the respective policies, regulations, rules and procedures of the Participating UN Organizations.
2. The Donor, the Resident Coordinator, the Administrative Agent and the Participating UN Organizations will hold annual consultations, as appropriate, to review the status of the One UN Programme.
3. In addition, the Resident Coordinator and the UNCT may commission a regular, independent lessons-learned and review exercise relating to the operations and management of the Pakistan One Fund.

Section VII
Joint Communication

1. Information given to the press, to the beneficiaries of the One UN Programme, all related publicity material, official notices, reports and publications, will acknowledge the role of the Government, 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 One Programme as well as periodic reports on the progress of implementation of the One Programme, associated external evaluation are posted, where appropriate, for public information on the websites of the UNCT in Pakistan [www.un.org.pk] and the Administrative Agent (www.undp.org/mdtf).

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 One Programme 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 Standard Administrative Arrangement, subject to the continuance in force of paragraph 4 below for the purposes therein stated.
2. This Standard Administrative Arrangement may be modified only by written agreement between the Participants.
3. This Standard Administrative 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 Standard Administrative Arrangement will survive the expiration or termination of this Standard Administrative 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 Pakistan One Fund Account or in the individual Participating UN Organizations' separate ledger accounts will be used for a mutually agreed upon purpose by the Donor, the UNCT and the Administrative Agent.

Section IX
Notices

1. Any action required or permitted to be taken under this Arrangement may be taken on behalf of the Donor by _____, or his or her designated representative, by the Resident Coordinator, or his or her designated representative and on behalf of the Administrative Agent by the Executive Coordinator, Multi-Donor Trust Fund Office, UNDP, or his 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 participant to which it is required to be given or made, at such participant's address specified below or at such other address as the participant will have specified in writing to the participant giving such notice or making such request.

For the Donor:

Name: _____
Title: _____
Address: _____
Telephone: _____
Facsimile: _____
Electronic mail: _____

For the United Nations Country Team, Chair:

Name: Fikret Akcura
Title: Resident Coordinator
Address: _____
Telephone: _____
Facsimile: _____
Electronic mail: _____

For the Administrative Agent:

Name: Bisrat Aklilu
Title: Executive Coordinator, Multi-Donor Trust Fund Office, UNDP
Address: 828 Second Avenue, 4th Floor, New York, NY 10017, USA
Telephone: +1 212 906 6880
Facsimile: +1 212 906 6990
Electronic mail: bisrat.aklilu@undp.org

Section X
Entry into Effect

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

Section XI
Settlement of Disputes

Any dispute arising out of the Donor's Contribution to the Pakistan One Fund will be resolved amicably among the Donor, the Administrative Agent and the concerned 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: _____

Title: _____

Place: _____

Date: _____

For the United Nations Country Team, Chair:

Signature: _____

Name: Fikret Akcura

Title: Resident Coordinator

Place: _____

Date: _____

For the Administrative Agent:

Signature: _____

Name: Bisrat Aklilu

Title: Executive Coordinator, MDTF Office

Place: _____

Date: _____

ANNEX A: Pakistan One Fund Terms of Reference

ANNEX B: Schedule of Payments

SCHEDULE OF PAYMENTS

Schedule of Payments:

[Time of first payment]
[Time of second payment]
[Time of third payment]

Amount:

[amount in figures]
[amount in figures]
[amount in figures]