Memorandum of Understanding
between
Participating UN Organizations,
the United Nations Resident Coordinator
and
the United Nations Development Programme
regarding the Operational Aspects of the One UN Fund for Rwanda

WHEREAS, the Government of Rwanda (hereinafter referred to as the 'Government') has requested that the members of the United Nations Development Group (UNDG) develop a single framework for their activities in support of Government's development priorities in accordance with the Rwanda Statement on Aid effectiveness and accordingly the members of the UNDG (hereinafter referred to as the 'Participating UN Organizations') have prepared the detailed Common Operational Document (COD) dated 20 November 2007, attached as Annex A (hereinafter referred to as the 'COD');

WHEREAS, the Participating UN Organizations that have signed this Memorandum of Understanding have agreed to establish a common development fund (hereinafter referred to as the 'One UN Fund for Rwanda') that, under the leadership of the Resident Coordinator, will support the coordinated resource mobilization, allocation and disbursement of donor contributed resources for the unfunded elements of the One UN Fund for Rwanda

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

WHEREAS, a One UN Steering Committee chaired by the Minister of Finance and Economic Planning will oversee the annual review, strategic orientation and overall monitoring of implementation of the One Programme to ensure the achievement of its UNDAF results and its contribution to national priorities in accordance with its Terms of Reference as annexed to the Common Operational Document;

WHEREAS, the United Nations Country Team (UNCT), chaired by the UN Resident Coordinator (hereinafter referred to as the 'Resident Coordinator'), and comprising of the Heads of the Participating UN Organizations will be responsible for prioritising the thematic allocation of funds from the One UN Fund based on the strategic orientation provided by the Steering Committee and in accordance with the procedures laid out in the COD and for providing oversight of the management and operations of the One UN Fund with the Resident Coordinator making the ultimate decisions on fund allocation;

WHEREAS, UNDAF Theme Groups, co-chaired by two UN agencies, will provide guidance and recommendations on priority actions to be undertaken to meet the objectives of the One Programme based on the thematic allocation. They will prepare consolidated funding
recommendation relating to the Annual Work Plans (AWP) to the Resident Coordinator for allocation of funding from the One Fund;

WHEREAS, the Participating UN Organizations have further agreed that the United Nations Development Programme (UNDP) (which is also a Participating UN Organization in connection with this One Programme) should be asked to serve as their administrative interface between donors and the Participating UN Organizations for these purposes and UNDP has agreed to do so in accordance with this Memorandum of Understanding.

NOW, THEREFORE, the Participating UN Organizations, the Resident Coordinator and the United Nations Development Programme (hereinafter referred to collectively as the "Participants") hereby agree as follows:

Section I
Appointment of Administrative Agent; Its Status, Duties and Fee

1. The Participating UN Organizations hereby appoint the United Nations Development Programme (hereinafter referred to as the "Administrative Agent") to serve as their Administrative Agent in connection with the One UN Fund for Rwanda, in accordance with the terms and conditions set out in this Memorandum of Understanding. The Administrative Agent accepts this appointment on the understanding that the Participating UN Organizations assume full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent. This appointment will continue until it terminates, or is terminated, in accordance with Section VII below.

2. On behalf of the Participating UN Organizations, the Administrative Agent will:

   (a) Receive contributions from donors that wish to contribute to the One UN Fund for Rwanda through the Administrative Agent;

   (b) Administer such funds received, in accordance with this Memorandum of Understanding including the provisions relating to winding up the One UN Fund for Rwanda Account and related matters;

   (c) Subject to availability of funds, disburse such funds to each of the Participating UN Organizations in accordance with the procedures outlined in the COD and taking into account the provisions of the applicable Standard Administrative Arrangement and this Memorandum of Understanding;

   (d) Compile financial and narrative reporting on the basis of the consolidated reports submitted by the UNDAF Theme Groups to the UNCT;

   (e) Provide final reporting, including notification that the activities funded from the One UN Fund for Rwanda have been operationally and financially completed, in accordance with Section IV below; based on reports received from the Participating UN Organizations;

   (f) Perform such other activities as the Resident Coordinator, Participating UN Organizations and the Administrative Agent may agree in writing.

3. The Administrative Agent will enter into a Standard Administrative Arrangement, in the form attached hereto as ANNEX C (hereinafter referred to as an "Administrative Arrangement"), with each donor that wishes to provide financial support to the One UN Fund for Rwanda through the Administrative Agent. The Administrative Agent will not amend the terms of Annex C
without prior written agreement of the Resident Coordinator and the Participating UN Organizations. The Administrative Agent will ensure the posting of each Administrative Arrangement it enters into on the website of the Administrative Agent (www.unpd.org/mdtf), as well as the website of the UN in Rwanda (www.unrwanda.org), as appropriate.

4. None of the Participating UN Organizations will be liable for the acts or omissions of the Administrative Agent or its personnel, or of persons performing services on its behalf, except in regard to any contributory acts or omissions of other Participating UN Organizations. With respect to such contributory acts or omissions of the Participating UN Organizations, the resulting liability will be apportioned among them or any one of them to the extent of such contributory acts or omissions, or as may otherwise be agreed. In addition, Donors 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 Memorandum of Understanding.

5. 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.

6. Upon securing approval from the UNCT, through the Resident Coordinator, the Administrative Agent may also deduct from the One UN Fund for Rwanda account and transfer to the Resident Coordinator’s Office the estimated actual costs of the staffing support provided by the Resident Coordinator’s Office to the One UN Fund for Rwanda in accordance with the Terms of Reference of the One UN Fund for Rwanda attached hereto as Annex B

Section II
Financial Matters

The Administrative Agent

1. The Administrative Agent will establish a separate ledger account under its financial regulations and rules for the receipt and administration of the funds received pursuant to Administrative Arrangement (hereinafter, the "One UN Fund for Rwanda Account"). The One UN Fund for Rwanda 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 One UN Fund for Rwanda 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. Such amounts will increase or decrease the funds available for disbursements to Participating UN Organizations.

3. The Administrative Agent will make disbursements from the One UN Fund for Rwanda Account based on instructions from the Resident Coordinator taking into account the provisions in the applicable Standard Administrative Arrangement and this Memorandum of Understanding, in line with the budget set forth in the Consolidated Annual Plans submitted by the UNDAF Theme Groups and approved by the UNCT. The disbursements will consist of direct and indirect costs as set out in the budget.

4. Subject to the availability of funds, the Administrative Agent will normally make each disbursement within three (3) to five (5) business days after receipt of the approval of the specific AWP by the Resident Coordinator along with a copy of the signed AWP by all the parties.
concerned. The Administrative Agent will transfer funds to each Participating UN Organization through wire transfer in US Dollars. Each Participating UN Organization will advise the Administrative Agent in writing of the bank account for transfers pursuant to this Memorandum of Understanding. When making a transfer to a Participating UN Organization, the Administrative Agent will notify that Participating UN Organization's Treasury Operations of the following: (a) the amount transferred, (b) the value date of the transfer; and (c) that the transfer is from the United Nations Development Programme as Administrative Agent in respect of the One UN Fund for Rwanda pursuant to this Memorandum of Understanding; and (d) the reference to the COD.

5. Where the balance in the One UN Fund for Rwanda 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, provided however that such disbursement will not exceed the funds available in the One UN Fund for Rwanda Account.

The Participating UN Organizations

6. 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 by the Administrative Agent from the One UN Fund for Rwanda Account. 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 concerned.

7. Each Participating UN Organization will use the funds disbursed to it by the Administrative Agent from the One UN Fund for Rwanda Account to carry out the activities for which it is responsible as set out in the Consolidated Annual Plans approved by the UNCT, as well as for its indirect costs. The Participating UN Organizations will commence and continue to conduct operations for the One UN Fund for Rwanda only upon receipt of disbursements as instructed by the Resident Coordinator. The Participating UN Organizations will not make any commitments above the approved budget by the Resident Coordinator. If there is a need to exceed the budgeted amount, the Participating UN Organization concerned will submit a supplementary budget request to the Resident Coordinator. If no such further financing is available, the activities to be carried out under the One UN Fund for Rwanda may be reduced or, if necessary, terminated by the Participating UN Organizations.

8. Indirect costs of the Participating UN Organizations will be 7%.

Section III

Activities of the Participating UN Organizations

1. The implementation of the One UN Fund for Rwanda will be the responsibility of the Participating UN Organizations and will be carried out by each Participating UN Organization in accordance with its applicable regulations, rules, directives and procedures. 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. On the termination or expiration of this Agreement, the matter of ownership will be determined in accordance with the regulations, rules, directives and procedures applicable to such Participating UN Organizations, including, where applicable, its basic agreement with the Government of Rwanda.
2. Any modifications to the activities set out in the Programme Document, including as to their nature, content, sequencing or the duration thereof will be subject to mutual agreement in writing between the relevant Participating UN Organization and the Resident Coordinator. The Participating UN Organization will promptly notify the Administrative Agent through the Resident Coordinator, of any change in the budget as set out in the Programme Document.

3. Where a Participating UN Organization wishes to carry out its activities under the approved Annual Plan through or in collaboration with a third party, it will be responsible for discharging all commitments and obligations with such third parties, and no other Participating UN Organization, nor the Administrative Agent, will be responsible for doing so.

4. In carrying out their activities, none of the Participating UN Organizations will be considered as an agent of any of the others and, thus, the personnel of one will not be considered as staff members, personnel or agents of any of the others. Without restricting the generality of the preceding sentence, none of the Participating UN Organizations will be liable for the acts or omissions of the others or their personnel, or of persons performing services on their behalf.

5. Each Participating UN Organization will advise the Administrative Agent in writing when all activities for which it is responsible under an approved Programmatic Document have been completed.

6. The Participating UN Organizations recognize that the Donors reserve the right to discontinue future transfers if reporting obligations are not met as set forth in the 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 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 One UN Fund for Rwanda Account. Before withholding disbursements or requesting recovery of funds and credit to the One UN Fund for Rwanda, the Administrative Agent, the concerned Participating UN Organization and the Donor will consult with a view to promptly resolving the matter.

7. The Participating UN Organizations recognize that it is important to take all necessary precautions to avoid corrupt practices. To this end, each Participating UN Organization will maintain standards of conduct that govern the performance of their 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 Financial Regulations and Rules, including regarding procurement.

8. As an exceptional measure, particularly during the start up phase of the One UN Fund for Rwanda, subject to conformity with their financial regulations, rules and directives, Participating UN Organizations may elect to start implementation of project activities in advance of receipt of initial or subsequent transfers from the One UN Fund for Rwanda Account by using their own resources. Such advance activities will be undertaken in agreement with the Resident Coordinator on the basis of funds it has allocated or approved for implementation by the particular Participating UN Organization following receipt by the Administrative Agent of an official commitment form or signature of the Standard Administrative Arrangements by donors contributing to the One UN Fund for Rwanda. Participating UN Organizations will be solely
responsible for decisions to initiate such advance activities or other activities outside the parameters set forth above.

Section IV
Reporting

1. Each Participating UN Organization will provide the Administrative Agent with the following statements and reports prepared in accordance with the accounting and reporting procedures applicable to the Participating UN Organization concerned, as set forth in the COD. The Participating UN Organizations will endeavour to harmonize their reporting formats to the extent possible.

(a) Annual narrative progress reports, to be provided no later than three months (31 March) after the end of the calendar year;

(b) Annual financial statements and reports as of 31 December with respect to the funds disbursed to it from the One UN Fund for Rwanda Account, to be provided no later than four months (30 April) after the end of the calendar year;

(c) Final narrative reports, after the completion of the One UN Fund for Rwanda and including the final year of the One UN Fund for Rwanda, to be provided no later than four months (30 April) of the year following the financial closing of the One UN Fund for Rwanda. The final report will give a summary of results and achievements compared to the goals and objectives of the One UN Fund for Rwanda; and

(d) Certified final financial statements and final financial reports after the completion of the One UN Fund for Rwanda and including the final year of the One UN Fund for Rwanda to be provided no later than six months (30 June) of the year following the financial closing of the One UN Fund for Rwanda.

2. The Administrative Agent will prepare consolidated narrative progress and financial reports, based on the reports referred to in paragraph 1 (a) to (d) above, and will provide those consolidated reports to each donor that has contributed to the One UN Fund for Rwanda Account, as well as the Resident Coordinator, in accordance with the timetable established in the Administrative Arrangement.

3. The Administrative Agent will also provide the donors, Resident Coordinator and Participating UN Organizations with the following statements on its activities as Administrative Agent:

(a) Certified annual financial statement ("Source and Use of Funds") 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 six months (30 June) of the year following the financial closing of the One UN Fund for Rwanda.

4. Consolidated One UN Fund for Rwanda reports and related documents will be posted on the websites of the UN in Rwanda (www.unrwanda.org) and the Administrative Agent (www.undp.org/mdtf).

Section V

MoU One Fund for Rwanda final version
Monitoring and Evaluation

1. Monitoring and evaluation of the One UN Fund for Rwanda will be undertaken in accordance with the provisions contained in the specific projects and programmes submitted by the concerned Participating UN Organizations and approved by the Resident Coordinator which are consistent with the respective regulations, rules and procedures of the Participating UN Organizations.

2. The Donor, the Administrative Agent and the Participating UN Organizations will hold annual consultations, as appropriate, to review the status of the One UN Fund for Rwanda.

Section VI
Joint Communication

1. In accordance with the UN Communication Strategy dated 10 October 2007, the UNCT will take appropriate measures to publicize the One Programme, the One UN Fund for Rwanda and to give due credit to the role of the Government of Rwanda, the Participating UN Organizations, national partners and donors. Information given to the press, to the beneficiaries of the One Programme and One UN Fund, all related publicity material, official notices, reports and publications, will acknowledge the role of the Government of Rwanda, the donors, the Participating UN Organizations, national parties, the Administrative Agent and any other relevant participants. In particular, the Administrative Agent will include and ensure due recognition of the role of each Participating UN Organization and national partner in all external communications relating to the One UN Fund for Rwanda.

2. The Administrative Agent in consultation with the Participating UN Organizations will ensure that decisions regarding the review and approval of the One UN Fund for Rwanda as well as periodic reports on the progress of implementation of the One UN Fund for Rwanda, associated external evaluation are posted, where appropriate, for public information on the websites of UN in Rwanda (www.unrwanda.org) and the Administrative Agent (www.undp.org/mtf). Such reports and documents may include Resident Coordinator approved projects and projects awaiting approval, fund level annual financial and progress reports and external evaluations, as appropriate.

Section VII
Expiration, Modification and Termination of the Agreement

1. This Memorandum of Understanding will expire upon completion of the One UN Fund for Rwanda, subject to the continuance in force of paragraph 5 below for the purposes therein stated.

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

3. Any of the Participating UN Organizations may withdraw from this Memorandum of Understanding upon giving thirty (30) days' written notice to all other participants to this Memorandum of Understanding stating that it has given notice, in accordance with the One Programme Document, of its withdrawal from the One UN Fund for Rwanda, subject to the continuance in force of paragraph 5 below for the purpose therein stated.

4. The Administrative Agent’s appointment may be terminated by the Administrative Agent (on the one hand) or by the mutual agreement of all Participating UN Organizations (on the other hand) on thirty (30) days' written notice to the other party, subject to the continuance in force of
paragraph 5 below for the purpose therein stated. In the event of such termination, the Participants will agree on measures to bring all activities to an orderly and prompt conclusion so as to minimize costs and expense.

5. Commitments assumed by the withdrawing or terminating Participants under this Memorandum of Understanding will survive the expiration or termination of this Memorandum of Understanding or the termination of the Administrative Agent or withdrawal of a Participating UN Organization to the extent necessary to permit the orderly conclusion of the activities and the completion of final reports, the withdrawal of personnel, funds and property, the settlement of accounts between the Participants hereto and the settlement of contractual liabilities that are required in respect of any subcontractors, consultants or suppliers. Any balance remaining in the One UN Fund for Rwanda Account or in the individual Participating UN Organizations’ separate ledger accounts upon completion of the One UN Fund for Rwanda will be returned to the Donor in proportion to their contribution to the One UN Fund for Rwanda.

Section VIII
Notices

1. Any action required or permitted to be taken under this Memorandum of Understanding may be taken by the Resident Coordinator, or his or her designated representative, on behalf of the Administrative Agent by the Executive Coordinator, Multi-Donor Trust Fund Office, UNDP, or his designated representative and on behalf of a Participating UN Organization by the head of office in Rwanda 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. 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 D to this Memorandum of Understanding or at such other address as the party will have specified in writing to the party giving such notice or making such request.

Section IX
Entry into Effect

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 Participants will use their best efforts to promptly settle through direct negotiations any dispute, controversy or claim arising out of or in connection with this Memorandum of Understanding or any breach thereof. Any such dispute, controversy or claim which is not settled within sixty (60) days from the date either party has notified the other party of the nature of the dispute, controversy or claim and of the measures which should be taken to rectify it, will be resolved through consultation between the Executive Heads of each of the Participating UN Organizations and of the Administrative Agent.

IN WITNESS WHEREOF, the undersigned, duly authorized representatives of the respective Participants, have signed this Memorandum of Understanding in the English
For the Resident Coordinator
Signature: (sign)
Name: Moustapha Soumaré
Title: UN Resident Coordinator
Place: 
Date: 

For the Administrative Agent
Signature: (sign)
Name: Bisrat Aklilu
Title: Executive Coordinator, MDTF Office
Place: New York, USA
Date: 21 January 2008

For FAO
Signature: (sign)
Name: Elisabeth Balega
Title: Representative
Place: 
Date: 

For IFAD
Signature: (sign)
Name: Eric Rwabidadi
Title: Country Liaison Officer
Place: 
Date: 

For ILO
Signature: (sign)
Name: Toudjida Andemel
Title: Regional director
Place: 
Date: 

For OHCHR
Signature: (sign)
Name: Scott Campbell
Title: Director Africa Division
Place: 
Date: 

For UNAIDS
Signature: (sign)
Name: Kekoura Kourouma
Title: Country Coordinator
Place: 
Date: 

For UNDP
Signature: (sign)
Name: Anthony Ohemeng-Boamah
Title: Country Director
Place: 
Date: 

For UNECA
Signature: (sign)
Name: Patrick Bugembe
Title: Regional Director
Place: 
Date: 

For UNEP
Signature: (sign)
Name: Cristina Boelcke
Title: Director Regional Cooperation
Place: 
Date: 

For UNCTAD

Signature: ______________
Name: ______________
Title: ______________
Place: ______________
Date: ______________

For ...

Signature: ______________
Name: ______________
Title: ______________
Place: ______________
Date: ______________

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ANNEX A: Common Operational Document (COD)

ANNEX B: One UN Fund for Rwanda Terms of Reference (TOR)

ANNEX C: Standard Administrative Arrangement between the Donor, Resident Coordinator and the Administrative Agent

ANNEX D: NOTICES