Memorandum of Understanding
between
the Organisation for Economic Co-operation and Development
and
United Nations Development Programme
regarding the Operational Aspects of the
Working for Health Multi-Partner Trust Fund

This Memorandum of Understanding (hereinafter referred to as “MOU”) is concluded between the Organisation for Economic Co-operation and Development, an inter-governmental organization, established by treaty and having its headquarters at Paris, 2 Rue André Pascal, 75775 Paris, Cedex 16, France (hereinafter “OECD”) and the United Nations Development Programme, a subsidiary organ of the United Nations, having its Headquarters at One United Nations Plaza, New York, New York 10017, USA, as Administrative Agent of the Trust Fund for the Programme on Working for Health (the “Trust Fund”), (hereinafter “UNDP”);

WHEREAS, the Participating UN Organizations to the Trust Fund (the World Health Organization and the International Labour Organization) have signed a Memorandum of Understanding relating to the Operational Aspects of the Programme on Working for Health (attached Annex 1 hereto);

WHEREAS, OECD wishes to participate in the Trust Fund and receive funds on the same terms as the Participating UN Organizations, and Participating UN Organizations have asked UNDP to provide the same administrative interface functions as provided to them, to OECD;

WHEREAS, the Participating UN Organizations and Donors to the Trust Fund agree to OECD’s participation in the Trust Fund;

WHEREAS, the Participating UN Organizations authorize UNDP, represented by its Multi-Partner Trust Fund Office, as Administrative Agent to conclude this Memorandum with OECD for its participation in the Trust Fund;

WHEREAS, the OECD may have different privileges and immunities from the Participating UN Organizations in certain countries where the Trust Fund will operate.

NOW, THEREFORE, OECD and UNDP hereby agree as follows:

1. OECD warrants and confirms that it has entered into relevant agreements providing OECD with privileges and immunities (“privileges and immunities agreements”) with the governments in whose territories it will operate in connection with the Trust Fund. Those privileges and immunities afforded by such agreements may be different from those of the United Nations. In those countries of Trust Fund operations where the privileges and immunities agreements are not sufficient to cover OECD’s activities or where OECD does not
have privileges and immunities arrangements, OECD warrants that it shall make arrangements with ILO and/or WHO with respect to any of its staff whose services are required in those countries as described in the TORs. For avoidance of doubt, OECD will not operate in such countries directly under the Trust Fund.

2. OECD warrants and confirms that it has appropriate and sufficient privileges and immunities in respect of its personnel and assets which will permit it to undertake any activities and actions, including the use of funds, in respect to the Trust Fund and under this MOU, including functional immunity of its personnel, immunity from legal process, and immunity from search and seizure of any of its assets. UNDP and the Donors will bear no responsibility for the actions and activities of OECD and for any violations or inadequacy of its privileges and immunities.

3. OECD shall have full programmatic and financial accountability for use of funds received from the Trust Fund and for achieving the results of the projects financed thereby, further to necessary arrangements to this end with ILO and/or WHO. It shall carry out its activities in accordance with its rules, policies and practices.

4. The rights and obligations of the OECD with respect to the Trust Fund are as set out the Memorandum of Understanding entered into between the Participating UN Organizations and UNDP attached hereto as Annex I which is an integral part of this MOU except as modified below. The OECD agrees to carry out its activities on the terms and conditions of this MOU subject to the following amendments:

   • in Section III(3) of the Fund MOU, the following final sentence is added for the purposes of the Agreement: “For its part, the OECD confirms that the Fund activities further its mission to promote policies that will improve the economic and social well-being of people around the world”;

   • in Section III(9) of the Fund MOU, the sentence “Similarly, all Participants recognize their obligation to comply with any applicable sanctions imposed by the UN Security Council” is deemed replaced with the following for the purpose of the Agreement: “Similarly, all Participants will comply with any applicable sanctions imposed by the UN Security Council”;

   • Section VI(2) of the Fund MOU is modified by inserting the following additional text at the end of the Section: “The cooperation and coordination of internal audit activities between the Participating UN Organisations and OECD, including the exchange of information, will be done on an as needed basis with due regards to their respective regulations, rules, policies and practices.”

   • Section VI(4) of the Fund MOU is modified by inserting the following additional text at the end of the Section: “With respect to OECD, the conduct of audits and the disclosure of any relevant reports, will be done in accordance with the OECD’s audit architecture and applicable OECD rules, policies and practices.”

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• Section VII(1) of the Fund MOU is modified by inserting the following additional text at the end of the Section: "With respect to the OECD, OECD staff will comply with the provisions in Title II of the OECD’s Staff Regulations, Rules and Instructions that require OECD staff to carry out their duties in accordance with the highest standards of integrity and loyalty, to conduct themselves with objectivity and impartiality and to avoid any conflict of interest or appearance thereof in the performance of their duties, to carefully manage the resources of the OECD and to not use the OECD’s resources for their own personal benefit or that of third parties, and to report any fraud, corruption or misuse of the OECD’s resources, as illustrated in the OECD’s Code of Conduct."

• Section VII(3) of the Fund MOU is to be read with the understanding that the OECD has rules on investigation that apply internally but does not have a dedicated investigation service nor rules that could be applied to investigations of parties external to the Organisation.

• Section XIII of the Fund MOU is replaced in its entirety by the following text: "The Parties shall use good faith efforts to settle amicably any dispute, controversy or claim arising out of this MOU. Where the Parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the Parties. Any dispute, controversy or claim between the Parties arising out of this MOU which is not settled amicably in accordance with the foregoing shall be referred to arbitration under the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules then in force. The arbitral tribunal shall have no authority to award punitive damages. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute”.

5. For Notices under this Memorandum, the addresses of UNDP and OECD are as specified in the attached Annex 2 hereto.

6. This Memorandum shall enter into force upon signature by the authorized officials of OECD and UNDP and shall continue in force and effect until it expires or is terminated.

IN WITNESS WHEREOF, the undersigned, duly authorized representatives of the respective Parties, have signed this Memorandum in English in two copies.
ANNEX 1: MOU between Participating UN Organizations and UNDP

ANNEX 2: Notices

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