

**STANDARD MEMORANDUM OF UNDERSTANDING (MOU)
FOR JOINT PROGRAMMES
USING PASS-THROUGH FUND MANAGEMENT**

1. The Participating Organizations hereby appoint **UNDP** through its Multi-Donor Trust Fund Office (hereinafter referred to as the “Administrative Agent”) to serve as their Administrative Agent in connection with the Joint Programme, 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 Organizations assume full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent. This appointment will continue until it expires, or is terminated, in accordance with Section VIII below.

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

- (a) Receive contributions from donors that wish to provide financial support to the Joint Programme;
- (b) Administer such funds received, in accordance with this Memorandum of Understanding including the provisions relating to winding up the Joint Programme Account and related matters;
- (c) Subject to availability of funds, disburse such funds to each of the Participating Organizations in accordance with instructions from the Steering Committee, taking into account the budget set out in the Joint Programme Document, a copy of which is attached hereto as Annex A, as amended in writing from time to time by the Steering Committee;
- (d) Consolidate statements and reports, based on submissions provided to the Administrative Agent by each Participating UN Organization, as set forth in the Joint Programme Document, and provide these to each donor that has contributed to the Joint Programme Account and to the Steering Committee;
- (e) Provide final reporting, including notification that the Joint Programme has been operationally completed, in accordance with Section IV below;
- (f) Disburse funds to any Participating UN Organization for any additional costs of the task that the Steering Committee may decide to allocate (as referred to in Section I, Paragraph 3) in accordance with Joint Programme Document.

3. The Steering Committee may request any of the Participating Organizations, to perform additional tasks in support of the Joint Programme not related to the Administrative Agent functions detailed in Section I, Paragraph 2 above and subject to the availability of funds. Costs for such tasks will be agreed in advance and with the approval of the Steering Committee be charged to the Joint Programme as direct costs.

4. The Administrative Agent will enter into a Standard Administrative Arrangement, in the form attached hereto as ANNEX B (hereinafter referred to as an “Administrative Arrangement”), with each donor that wishes to provide financial support to the Joint

as amended from time to time by the Steering Committee. The disbursements will consist of direct and indirect costs as set out in the budget.

4. The Administrative Agent will normally make each disbursement within three (3) to five (5) business days after receipt of the relevant Joint Programme Document, in accordance with the instructions received from the Steering Committee in line with the Joint Programme Document, along with a copy of the relevant Joint Programme Document, signed by all the Participants concerned. The Administrative Agent will transfer funds to each Participating UN Organization through wire transfer. 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 UNDP in respect of the Joint Programme pursuant to this Memorandum of Understanding.

5. Where the balance in the Joint Programme 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.

The Participating 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 Joint Programme 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 Joint Programme Account to carry out the activities for which it is responsible as set out in the Joint Programme Document, as well as for its indirect costs. The Participating Organizations will commence and continue to conduct operations for the Joint Programme activities only upon receipt of disbursements as instructed by the Steering Committee. The Participating Organizations will not make any commitments above the approved budget in the Joint Programme Document, as amended from time to time by the Steering Committee. If there is a need to exceed the budgeted amount, the Participating UN Organization concerned will submit a supplementary budget request to the Steering Committee.

8. Indirect costs of the Participating 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

the Joint Programme 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 Joint Programme Account, the Administrative Agent, the concerned Participating UN Organization and the donor will consult with a view to promptly resolving the matter.

7. The Participating Organizations recognize that it is important to take all necessary precautions to avoid corrupt, fraudulent, collusive or coercive 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, 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 Financial Regulations and Rules, including regarding procurement. In the event that a Participating UN Organization determines that an allegation in relation to the implementation of activities – including that corrupt, fraudulent, collusive or coercive practices may have taken place - is credible enough to warrant an investigation, it will promptly notify the Steering Committee and the Administrative Agent, to the extent that such notification does not jeopardize the conduct of the investigation. The allegation will be dealt with in accordance with the Participating UN Organization's accountability and oversight framework and by the Participating UN Organization's unit in charge of investigations. Upon completion of the investigation, the Participating UN Organization will inform the Steering Committee and the Administrative Agent about the results of the investigation.

8. As an exceptional measure, particularly during the start up phase of the Joint Programme, subject to conformity with their financial regulations, rules and directives, Participating Organizations may elect to start implementation of Joint Programme activities in advance of receipt of initial or subsequent transfers from the Joint Programme Account by using their own resources, subject to and in accordance with their financial regulations, rules and directives. Such advance activities will be undertaken in agreement with the Steering Committee 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 Administrative Arrangements by donors contributing to the Joint Programme. Participating 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 Joint Programme Document. The Participating 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;

2. The donor(s), the Administrative Agent and the Participating Organizations will hold annual consultations, as appropriate, to review the status of the Joint Programme.

Section VI

Audit

1. The Administrative Agent and Participating Organizations will be audited in accordance with their own Financial Regulations and Rules.

Section VII

Joint Communication

1. Each Participating UN Organization will take appropriate measures to publicize the Joint Programme and to give due credit to the other Participating Organizations. Information given to the press, to the beneficiaries of the Joint Programme, all related publicity material, official notices, reports and publications, will acknowledge the role of the host Government, the donors, the Participating Organizations, the Administrative Agent and any other relevant entities. 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 Joint Programme.

2. The Administrative Agent in consultation with the Participating Organizations will ensure that decisions regarding the review and approval of the Joint Programme as well as periodic reports on the progress of implementation of the Joint Programme, associated external evaluation are posted, where appropriate, for public information on the websites of the Participating UN Organizations and the Administrative Agent (<http://www.undp.org/mdtf>). Such reports and documents may include Steering Committee approved programmes, fund level annual financial and progress reports and external evaluations, as appropriate.

Section VIII

Expiration, Modification and Termination

1. This Memorandum of Understanding will expire upon completion of the Joint Programme, 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 Organizations may withdraw from this Memorandum of Understanding upon giving thirty (30) days' written notice to all other Participants to this Memorandum of Understanding 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

Section XI
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 Participant has notified the other Participant 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 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 in **[number of signatories⁴]** copies.

For the Administrative Agent

Signature: _____

Name: Bisrat Aklilu

Title: Executive Coordinator, MDTF Office

Place: New York

Date: 9 March 2010

For UNDP

Signature: _____

Name: Jordan Ryan

Title: Director, BCPR

Place: New York

Date: 24/11/2009

For UN- HABITAT

Signature: _____

Name: Antoine King

Title: Director, Programme Support

Place: NAIROBI

Date: 17 Nov 09

For UNICEF

Signature: _____

Name: Dr Nicholas K Alipui

Title: Director of Programmes

Place: NYHQ

Date: 25 Feb, 2010

For the UN Secretariat

Signature: _____

Name: Sergio Duarte

Title: High Representative for Disarmament Affairs, UNODA

Place: New York

Date: 17-12-09

Signature: _____

Name: Antonio Marosta

Title: Executive Director, UNODC

Place: VIENNA

Date: 8/10/09

For WHO

Signature: _____

Name: Dr Ala Din Alwan

Title: Assistant Director-General,

⁴ Additional signatories can be included through addendum

ANNEX C

NOTICES

For the Administrative Agent:

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For UNODC

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