

**STANDARD ADMINISTRATIVE ARRANGEMENT (SAA)  
FOR  
THE COMMON HUMANITARIAN FUND FOR SOMALIA**

**Standard Administrative Arrangement  
between  
[Donor]  
and  
the United Nations Development Programme**

**WHEREAS**, the Participating United Nations Organizations that have signed a Memorandum of Understanding (hereinafter referred to collectively as the “Participating UN Organizations”) have developed a Common Humanitarian Fund in Somalia (CHF-Somalia) starting on 29 June 2010 and ending upon completion of all projects funded through the CHF-Somalia (hereinafter referred to as the “Fund”), to support a coordinated approach to the delivery of humanitarian aid in Somalia within the framework of the Coordinated Aid Programme (CAP) which outlines the strategic and operational plan for the UN and partners humanitarian assistance in Somalia as more fully described in the Guidelines of the Fund dated 27 April 2010, (hereinafter referred to as the “Guidelines”), a copy of which is attached hereto as ANNEX A;

**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 Fund and have developed a Guidelines to use as the basis for mobilising resources for the Fund, and have further agreed that they should offer donors the opportunity to contribute to the Fund and receive reports on the Fund through a single channel; and

**WHEREAS**, the Participating UN Organisations have agreed that the Programmes/Projects and the operations of the Fund will be designed and carried out in accordance with the Fund Guidelines and under the authority of the Humanitarian Coordinator for Somalia;

**WHEREAS**, the United Nations Office for the Coordination of Humanitarian Affairs (hereinafter “OCHA”), which is also a Participating UN Organization in connection with the CHF, has agreed, as manager of the Humanitarian Coordinator system, that such responsibilities be entrusted in the Humanitarian Coordinator, advised by an Advisory Board as described in the Guidelines;

**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 the Fund) in a Memorandum of Understanding (hereinafter referred to as “MOU”) concluded between, the Administrative Agent and Participating UN Organizations on **20 May 2010**, to serve as their administrative interface between donors and the Participating UN Organizations for these purposes. 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 Fund through the Administrative Agent (hereinafter referred to as the “Fund Account”); and

**WHEREAS**, NGO partners and other designated institutions or entities will have access to the Fund through OCHA performing an additional oversight function;

**WHEREAS**, [name of Donor] (hereinafter referred to as the “Donor”) wishes to provide financial support to the Fund on the basis of the Guidelines and wishes to do so through the Administrative Agent as proposed by the Participating UN Organizations.

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

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

1. The Donor decides to make a contribution of [amount in word] (**amount in figures**) and such further amounts as it may decide (hereinafter referred to as the “Contribution”) to support the Fund. The Contribution will enable the Participating UN Organizations to support the Fund in accordance with the Guidelines. The Donor authorizes the Administrative Agent to use the Contribution for the purposes of the Fund and in accordance with this Standard Administrative Arrangement (hereinafter referred to as “Arrangement”). The Donor acknowledges that the Contribution will be co-mingled with other contributions to the Fund Account and that it will not be separately identified or administered.

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

UNDP Multi Donor Trust Fund Office (USD) Account  
JP Morgan Chase Bank  
International Agencies Banking  
270 Park Avenue, 43rd Floor  
New York, New York 10017  
Account 790440309  
SWIFT Code: CHASUS33  
ABA: 021000021  
Reference: Common Humanitarian Fund – Somalia (CHF-Somalia)

3. When making a transfer to the Administrative Agent, the Donor will notify the Administrative Agent’s Treasury Operations at [mdtfo.treasury@undp.org](mailto:mdtfo.treasury@undp.org), with a copy to the Executive Coordinator of the Multi-Donor Trust Fund Office at [executivecoordinator.mdtfo@undp.org](mailto:executivecoordinator.mdtfo@undp.org) of the following: (a) the amount transferred, (b) the value date of the transfer; and (c) that the transfer is from [Name of Donor] in respect

of the Fund pursuant to this Arrangement. The Administrative Agent will promptly acknowledge receipt of funds in writing.

4. All financial accounts and statements will be expressed in United States dollars.
5. The US dollar 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.
6. The 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 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.
7. The Administrative Agent will be entitled to allocate an administrative fee of one percent (1%) of the Contribution by the Donor, to cover the Administrative Agent's costs of performing the Administrative Agent's functions.
8. The Humanitarian Coordinator may request any of the Participating UN Organizations, to perform additional tasks in support of the Fund not related to the Administrative Agent functions detailed in Section I, Paragraph 2 of the Memorandum of Understanding and subject to the availability of funds. In this case, costs for such tasks will be decided in advance and with the approval of the Humanitarian Coordinator be charged to the Fund as direct costs.

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

1. The Administrative Agent will make disbursements from the Fund Account in accordance with instructions from the Humanitarian Coordinator, in line with the approved programmatic document<sup>1</sup>. 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 Fund Account. Each Participating UN Organization assumes full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent. That separate ledger account will be administered by each

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<sup>1</sup> As used in this document, an approved programmatic document refers to an annual work plan or a programme/project document, etc., which is approved by the Humanitarian Coordinator for fund allocation purposes.

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.<sup>2</sup>

3. Where the balance in the Fund Account on the date of a scheduled disbursement is insufficient to make that disbursement, the Administrative Agent will consult with the Humanitarian Coordinator and make a disbursement, if any, in accordance with the Humanitarian Coordinator's instructions.

### **Section III** **Implementation of the Programme**

1. The implementation of the programmatic activities which the Donor assists in financing under this 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 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 Arrangement.

2. The Participating UN Organizations will carry out the activities for which they are responsible, in line with the budget contained in the approved programmatic document, in accordance with the regulations, rules, directives and procedures applicable to it. 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 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 activities for which it is responsible under the Fund will be recovered as direct costs.

4. The Participating UN Organizations will commence and continue to conduct operations for the programmatic activities only upon receipt of disbursements as instructed by the Humanitarian Coordinator.

5. The Participating UN Organizations will not make any commitments above the budgeted amounts in approved programmatic document.

6. If unforeseen expenditures arise, the Humanitarian Coordinator will submit, through the Administrative Agent, a supplementary budget to the Donor showing the

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<sup>2</sup> Where the Administrative Agent is also a Participating UN Organization, it will need to open its own separate ledger account and transfer funds from the Fund Account to its separate ledger account.

further financing that will be necessary. If no such further financing is available, the activities to be carried out under the approved programmatic document 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 transferred from the Fund Account.

7. The Donor reserves the right to discontinue future contributions if reporting obligations are not met as set forth in this Arrangement; or if there are substantial deviations from agreed plans and budgets. If it is agreed among the Donor, the Administrative Agent and the concerned Participating UN Organization under the Arrangement that there is evidence of improper use of funds, the Participating UN Organization will use its best efforts, consistent with its regulations, rules, policies and procedures to recover any funds misused. The Participating UN Organization will, in consultation with the Humanitarian Coordinator and the Administrative Agent, credit any funds so recovered to the Fund Account or agree with the Humanitarian Coordinator to use these funds for a purpose mutually agreed upon. Before withholding future contributions or requesting recovery of funds and credit to the 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, fraudulent, collusive or coercive practices. To this end, as set out in the MOU between the Administrative Agent and Participating UN Organizations regarding the Operational Aspects of the CHF-Somalia, each Participating UN Organization will maintain standards of conduct that govern the performance of its 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 the Financial Regulations and Rules, including regarding procurement.

#### **Section IV** **Equipment and Supplies**

On the termination or expiration of this 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.

## **Section V** **Reporting**

1. The Humanitarian Coordinator, supported by OCHA and in close consultation with the cluster leads, will provide the Donor with regular consolidated progress reports on the impact of the CHF on the humanitarian situation and response in Somalia, based on submissions provided by each Participating UN Organization to the Humanitarian Coordinator and the Administrative Agent respectively.
2. The Administrative Agent will submit to the Donor the following financial reports and statements:
  - (a) Statements of donor commitments, deposits and transfers to Participating UN Organizations and other financial information (referred to as “CHF Somalia Funding Framework”), available directly from the publicly accessible MDTF Office GATEWAY (<http://mdtf.undp.org>);
  - (b) Annual consolidated financial reports, based on annual financial statements and reports received from Participating UN Organizations, no later than five months (31 May) after the end of the calendar year;
  - (c) Final consolidated financial reports, based on certified final financial statements and final financial reports received from Participating UN Organizations, no later than seven months (31 July) of the year following the financial closing of the Fund;
  - (d) Certified annual financial statement (“Source and Use of Funds” as defined by UNDG guidelines) on its activities as Administrative Agent, to be provided no later than five months (31 May) after the end of the calendar year; and
  - (e) Certified final financial statement (“Source and Use of Funds”) on its activities as Administrative Agent, to be provided no later than seven months (31 July) of the year following the financial closing of the Fund.
3. Consolidated reports and related documents will be posted on the official CHF-Somalia website (<http://ochaonline.un.org/somalia/chf>) and the Administrative Agent website (<http://mdtf.undp.org>).

## **Section VI** **Monitoring and Evaluation**

1. Monitoring and evaluation of the Fund will be undertaken in accordance with the provisions contained in the Guidelines, which are consistent with the respective regulations, rules and procedures of the Participating UN Organizations.
2. The Advisory Board may commission an independent evaluation for selected completed projects funded by the Fund, as described in the Guidelines.

**Section VII**  
**Joint Communication**

1. Each Participating UN Organization will take appropriate measures to publicize the Fund and to give due credit to the other Participating UN Organizations. Information given to the press, to the beneficiaries of the Fund, all related publicity material, official notices, reports and publications, will acknowledge the role of the donors, the Participating UN 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 Fund.
  
2. The Humanitarian Coordinator will ensure that decisions regarding the review and approval of Programmes/Projects funded by the Fund, as well as periodic reports on the progress of implementation of such Programmes/Projects and associated external evaluation reports are posted, for public information on the official website of the CHF-Somalia <http://ochaonline.un.org/somalia/chf>.

**Section VIII**  
**Expiration, Modification and Termination**

1. The Humanitarian Coordinator will notify the Donor and the Administrative Agent when it has received notice from all Participating UN Organizations that the activities for which they are responsible under the approved programmatic document 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 Arrangement, subject to the continuance in force of paragraph 4 below for the purposes therein stated.
  
2. This Arrangement may be modified only by written agreement between the Participants.
  
3. This 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 Arrangement will survive the expiration or termination of this 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 OCHA, and the settlement of contractual liabilities required in respect of any subcontractors, consultants or suppliers. Any balance remaining in the Fund Account or in the individual Participating UN Organizations' separate ledger accounts upon winding up of the Fund will be used for a purpose mutually agreed upon or returned to the donor(s) in proportion to their contribution to the



Fund as decided upon by the donor(s) and the Humanitarian Coordinator, in consultation with Participating Organizations.

**Section IX**  
**Notices**

1. Any action required or permitted to be taken under this Arrangement may be taken on behalf of the Donor, by his or her designated representative, and on behalf of the Administrative Agent, by the Executive Coordinator, Multi-Donor Trust Fund Office (MDTF Office), UNDP, or his or her 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 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 will have specified in writing to the party giving such notice or making such request.

*For the Donor:*

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

*For the Administrative Agent:*

Name: Bisrat Aklilu  
Title: Executive Coordinator, MDTF Office, UNDP  
Address: 730 Third Avenue, TB9000G, 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 effect until it is expired or terminated.

**Section XI**  
**Settlement of Disputes**

1. Any dispute arising out of the Donor's Contribution to the Fund will be resolved amicably through dialogue among the Donor, the Administrative Agent and the concerned Participating UN Organization.

**Section XII**  
**Privileges and Immunities**

1. Nothing in this Standard Administrative Arrangement will be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, the Administrative Agent, or each 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 Administrative Agent:*

Signature: \_\_\_\_\_  
Name: Bisrat Aklilu  
Title: Executive Coordinator, MDTF Office, UNDP  
Place: \_\_\_\_\_  
Date: \_\_\_\_\_

ANNEX A: Guidelines - Common Humanitarian Fund for Somalia (CHF-Somalia)

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]