

MOU Addendum¹ for European Union Contributions to the Spotlight Initiative

WHEREAS, the Recipient UN Organizations (hereinafter referred to collectively as the "Recipient UN Organizations") and the Administrative Agent signed the Memorandum of Understanding (MOU), for the purpose of the Spotlight Initiative hereinafter referred to as the **Spotlight**, starting on 1 July 2017 and ending on 31 December 2022;

WHEREAS, the objective, purpose and key aspects pertaining to the European Union's (EU) contribution to the Spotlight Initiative, (the "Contribution"), are defined in the Multi-Partner Contribution Agreement MIGR/2017/392-573 (ASEAN), HUM/2018/403-204 (Latin-America), EDF/2018/404-041 (Africa), EDF/2019/412-502 (Pacific), EDF/2019/412-681 (Caribbean) and HUM/2019/414-226 (Asia) and its Addenda with the European Commission (hereinafter referred to as the "Contribution Agreement"), a copy of which is attached as an Annex to this Addendum to the MOU;

WHEREAS, the Contribution Agreement, which is subject to the Financial and Administrative Framework Agreement between the European Community, represented by the Commission of the European Communities and the UN ("FAFA"), provides for certain EU requirements not otherwise required by other donors under the UNSDG Standard Administrative Arrangement, and in order to reflect the EU specific requirements related to the financial management of the EU Contribution to UN joint programming and pass-through arrangements, the MOU must be complemented with additional terms.

NOW, THEREFORE, the Administrative Agent and the Recipient UN Organizations (hereinafter referred to collectively as the "Participants") hereby agree to complement the provisions set out in the MOU with this Addendum with respect to the Contribution as follows:

Section I General Provisions and Conditions

1.1. The Participants acknowledge and agree that all the terms and conditions set out in the Contribution Agreement comprising the Special Conditions and the following annexes, which form an integral part of the Contribution Agreement, shall apply to the MOU:

Annex I:	Description of the Action (including Annexes Ia; Ib; Ic; Id; Ie and If)
Annex II:	General Conditions (including Annex IIa)
Annex III:	Budget for the Action (BfA)
Annex VI:	Communication and Visibility Plan
Annex IV:	Financial Identification Form
Annex V:	Standard Request for Payment
Annex VII:	Management Declaration Template ²

1.2. Where there is a conflict between the MOU and the Contribution Agreement, the Contribution Agreement will prevail as further described herein.

1.3. All references to the "Action" herein refer to the Action, as the term is defined in the Contribution Agreement.

¹ This instrument is to be signed between the Administrative Agent, the Convening Agent and the Participating UN Organizations involved in the implementation of a multi-donor trust fund (including Delivering as One/One UN Funds) and/or joint programmes funded or co-funded by the EU.

² Does not apply to funds/joint programmes where all participating organizations provide management declarations per organization.

- 1.4. The Recipient UN Organizations shall have full programmatic and financial accountability towards the EU with respect to the contributions received by them under the Spotlight Initiative to ensure implementation is carried out in accordance with the terms of the Contribution Agreement and the MOU, including the Addendum to the MOU.

Section II Monitoring

- 2.1 The Contribution Agreement implementation period, as identified in Articles 2.2 and 2.3 of the Special Conditions of the Contribution Agreement (the "Implementation Period"), defines the timeline during which expenditure needs to be incurred in order to be considered eligible.
- 2.2 The Participants shall ensure monitoring of the implementation of the Description of the Action (Annex I including Annexes Ia; Ib; Ic; Id; Ie and If of the Contribution Agreement) ("the Description of the Action"), the BfA (Annex III of the Contribution Agreement) and the Communication and Visibility Plan (Annex VI of the Contribution Agreement). The Recipient UN Organizations will map their own accounting categories against the categories used in the BfA (UNSDG harmonized budget categories). Recipient UN Organizations shall monitor expenditures against these budget categories, and anticipated deviations exceeding 25 per cent of any budget category of the BfA shall be promptly reported to the Administrative Agent and the Operational Steering Committee through the Spotlight Initiative Secretariat.
- 2.3 Each Recipient UN Organization shall also advise the Administrative Agent and the Operational Steering Committee through the Spotlight Initiative Secretariat, in case of delays or any circumstances likely to hamper or delay the implementation of activities. Once so advised, the Administrative Agent shall inform the EU accordingly and, where necessary, request that the Contribution Agreement be adjusted to changed circumstances, including suspension of implementation for irregularities and fraud.
- 2.4 Participating UN Organizations will not make any expenditure over 25 per cent of a budget category of the BfA without prior approval of the EU and amendment to the Contribution Agreement as outlined in Article 2.5 below.
- 2.5 Where changes require amending the Action, including the Implementation Period, and/or the Description of the Action, BfA or the Communication and Visibility Plan, the Operational Steering Committee through the Spotlight Initiative Secretariat shall immediately inform the Administrative Agent and provide all necessary information in order for the Administrative Agent to formulate a request for amendment of the Contribution Agreement in line with the provisions of Article 11 set forth in the General Conditions (Annex II of the Contribution Agreement). Where changes require prior approval by the EU, the Recipient UN Organizations shall await communication from the Administrative Agent before carrying out any additional tasks assigned or exceeding the existing budget's appropriations. The Operational Steering Committee will also be informed of the amendment.
- 2.6 An amendment to the Contribution Agreement shall be set out in writing and signed by the EU and the Administrative Agent. Requests for significant change of scope, Implementation Period and/or changes to the DoA, the BfA and the Communication & Visibility Plan shall be sent to the Administrative Agent at least two months before the change is expected to take effect.
- 2.7 Monitoring and evaluation of the Action by the EU will be in accordance with the provisions of the General Conditions, Article 10. At the conclusion of the EU evaluation mission, the EU will be requested to provide the Participants with a draft report prior to final issuance. Each RUNO shall inform the AA of the

monitoring missions and evaluation exercises it plans in relation to the Action, so the EC and/or the Contracting Authority (and/or other relevant stakeholders, where applicable and appropriate) can be invited to participate.

Section III **Reporting**

- 3.1 The narrative report referred to in the Contribution Agreement, shall follow the structure of the DoA and include the minimum requirements as provided in the General Conditions, complemented, as the case may be, by specific requirements set out in the Special Conditions.
- 3.2 A progress report (both narrative and financial) shall accompany any request for release of subsequent instalments of EU payments. The standard consolidated annual report produced by the Administrative Agent further to the MOU shall be used. It is further agreed that, when the timing of the request for subsequent instalments and annual reporting deadlines are not aligned, an ad hoc interim progress report shall be required to request a subsequent EU payment. The standard Reporting deadlines shall follow a thrice-yearly schedule to report expenditures incurred in each calendar year as of 30 June, 30 September and 31 December through the Administrative Agent's reporting system.
- 3.3 Upon a decision by the Operational Steering Committee to request a payment of the EU contribution outside of the regular reporting schedule, the Recipient UN Organizations commit to provide the Administrative Agent with information on the implementation of the Action (both financial and narrative) including on actual expense and commitments under legally binding agreements entered into for the implementation of the Action. That information shall be provided a month prior to the due date of the request. The information shall be consolidated by the Administrative Agent and sent to the EU together with a request for payment, and respective Management Declaration(s), where applicable.
- 3.4 A final narrative and financial report is required to be submitted to the EU in accordance with the Contribution Agreement. When the deadline for submission of the final report to the EU is not aligned with the deadline for final reporting outlined in Section IV of the MOU, the Recipient UN Organizations shall present to the Administrative Agent information concerning the implementation of the Action (both financial and narrative) over the Implementation Period and related eligible expenses carried out. The information shall be provided within four months of the completion of activities under the Action. The Administrative Agent shall consolidate the information and submit the final report to the EU no more than six months after the end of the Implementation Period, where applicable, together with the request for payment of the final instalment, and respective Management Declaration(s), where applicable.
- 3.5 In addition to the information provided to the Administrative Agent for the timely submission of the final report to the EU, the Recipient UN Organizations shall provide the Administrative Agent with a certified final financial statement in line with Section IV, Article 1(b) of the MOU.
- 3.6 The Administrative Agent shall consolidate and submit asset information for each Recipient UN Organizations to the EU. To this end, the Recipient UN Organizations shall provide information to the Administrative Agent on assets and must keep the certificates of the transfer of assets for 5 (five) years following the financial closure of the Contribution Agreement. The Administrative Agent shall have no responsibility to monitor the use of and/or transfer of assets. The management and verification of assets is the responsibility of the individual Recipient UN Organizations to be performed in accordance with their respective regulations, rules, policies and procedures, and with due regard to the relevant rules governing EU verification missions.

3.7 The Recipient UN Organizations will provide annual Management Declarations (Annex VII of the EU Contribution Agreement) to the Administrative Agent along with the financial report on a fund basis, unless the arrangements with the Recipient UN Organization requires the annual management declarations on an Organization basis.

3.8 The Recipient UN Organizations will provide financial and narrative reporting for the portions they manage outside the Spotlight, in line with the reporting agreed upon for the fund/joint programme account. The financial report on the use of other resources should be separate from the financial report on the use of the fund/joint programme account. All reports will be consolidated by the Administrative Agent.

Section IV **Managing Risks**

4.1 Currency exchange losses are considered ineligible by the EU and must be covered by another funding source. To share the risk of exchange rate fluctuations, any exchange rate differences will be shared among the Recipient UN Organizations proportionately.

4.2 Further to Article VI of the MOU, financial transactions and financial statements of the Administrative Agent and Recipient UN Organizations shall be exclusively audited by their respective internal and external auditors in accordance with their own financial regulations and rules. However, the Administrative Agent and the Recipient UN Organizations shall keep financial accounting documents concerning the activities forming part of the Action for at least five years after the end date of the Contribution Agreement or the date of the payment of the final instalment, whichever is later. Such documents may be required in the context of EU verification missions. This requirement applies also to Recipient UN Organizations' implementing partners, grant beneficiaries and contractors, as the terms are defined in the Contribution Agreement.

Section V **Verification**

5.1 Pursuant to the FAFA and the provisions of the Contribution Agreement, the Administrative Agent and Recipient UN Organizations may be subject to verification during which an EU-appointed team would verify the use to which EU funds have been put in accordance with the terms of the FAFA and the Contribution Agreement.

5.2 The Administrative Agent will notify and consult with the Recipient UN Organizations as soon as it receives notification from the EU.

5.3 When dealing with requests from the EU-appointed verification team, each Participating UN Organization will follow its own disclosure policy. Without prejudice to such policies, Recipient UN Organizations will develop a joint approach in providing the list of transactions with a view to ensuring consistency. The Recipient UN Organizations will provide the Administrative Agent with the list for onward submission to the EU.

5.4 The Administrative Agent will share the draft EU verification report with the Recipient UN Organizations. They will share their comments on the draft report with the Administrative Agent, which will consolidate the comments and share them with the EU.

5.5 Based on the findings of the final EU verification report, any ineligible expenditure incurred may result in a recovery order issued by the EU. The ineligible expenses shall be reimbursed to the EU by the respective Recipient UN Organization(s) that incurred the ineligible cost. In case the fund/joint programme account is open at the time of the recovery order, the Recipient UN Organization shall transfer the amount corresponding to the recovery order to the Administrative Agent, who shall subsequently return the funds to the EU. In the event that the Recipient UN Organization in question fails to do so, the Administrative Agent will then advise the EU. In no event will the Administrative Agent refund the EU from the fund/joint programme account if funds are not received from the Recipient UN Organization in question. In case the fund/joint programme account is closed at the time the recovery order is issued, the Recipient UN Organization will return the funds directly to the EU.

Section VI
Communication and Visibility

6.1 The Fund/Joint Programme will appoint a lead focal point to develop, implement and report on the communication and visibility plan annexed in the Contribution Agreement. Each Recipient UN Organization will appoint a focal point to work with the lead communication and visibility focal point.

Section VII
Expiration, Modification and Termination

7.1 This Addendum to the MOU may be modified only by written agreement between all of the Participants.

7.2 The obligations of the Participants hereunder including, without limitation, those under Section V, will survive the termination or expiration of the MOU and this Addendum to the extent necessary to ensure the orderly conclusion of activities and the settlement of all outstanding issues, accounts, claims, disputes and liabilities hereunder.

IN WITNESS WHEREOF, the undersigned, duly authorized representatives of the respective Participants, have signed this Addendum to the MOU in English.

For the Administrative Agent

*For the United Nations Entity for Gender for Equality
and the Empowerment of Women (UN Women)*

Signature: _____
Name: Jennifer Topping
Title: MPTFO Executive Coordinator
Place: New York
Date: 02 November 2021

Signature: _____
Name: Asa Regner
Title: Deputy Executive Director
Place: New York, USA
Date: 18 August 2021

For the United Nations Development Programme (UNDP)

Signature: _____
Name: Achim Steiner
Title: Administrator
Place: New York, USA
Date: 27 October 2021

For UNFPA, the United Nations Population Fund

Signature: _____
Name: Dr. Natalia Kanem
Title: Executive Director
Place: New York
Date: 10 August 2021

For United Nations Office on Drugs and Crime (UNODC)

Signature: _____
Name: JEAN-YVES LEMATHIEU
Title: UNODC DIRECTOR DPA
Place: GENEVA
Date: NOV. 22, 2021

For Office of the High Commissioner for Human Rights (OHCHR)

Signature: _____
Name: Eldon Pearce
Title: Chief a.i., PSMS
Place: Geneva, Switzerland
Date: 3 December 2021

For the International Organization for Migration (IOM)

Signature: _____
Name: ANTONIO VITO LINO
Title: DIRECTOR GENERAL
Place: GENEVA
Date: 15/12/2021

For United Nations Children's Fund (UNICEF)

Signature: _____
Name: Omar Abdi
Title: Deputy Executive Director, Programmes
Place: New York, USA
Date: 24 August 2021

For the International Labour Organization (ILO)

Signature: _____
Name: Rie Vejs Kjeldgaard
Title: Director, Department of Partnerships and Field Support
Place: Geneva
Date: 27 July 2021

For the United Nations Educational, Scientific & Cultural Organization (UNESCO)

Signature: _____
Name: Jean-Yves Le Saux
Title: Director of the Bureau of Strategic Planning
Place: Paris
Date: 27/07/2021

For the United Nations High Commissioner for Refugees (UNHCR)

Signature: _____
Name: Dominique Hyde
Title: Director, Division of External Relations
Place: Geneva, Switzerland
Date: 28 September 2021

For the Pan American Health Organization, Regional Office for the Americas of the World Health Organization (PAHO/WHO)

Signature: _____
Name: Dr. Carissa F. Etienne
Title: PAHO/WHO Director
Place: Washington, D.C.
Date: 30 November 2021

Annex I: Focal Points

For the Administrative Agent

EU focal point for agency: _____
Communication: _____
Audit: _____
Investigation: _____

For the United Nations Entity for Gender for Equality and the Empowerment of Women (UN Women)

EU focal point for agency: _____
Communication: _____
Audit: _____
Investigation: _____

For the United Nations Development Programme (UNDP)

EU focal point for agency: _____
Communication: _____
Audit: _____
Investigation: _____

For the United Nations Population Fund (UNFPA)

EU focal point for agency: _____
Communication: _____
Audit: _____
Investigation: _____

For the International Labour Organization (ILO)

EU focal point for agency: _____
Communication: _____
Audit: _____
Investigation: _____

For the United Nations Office on Drugs and Crime (UNODC)

EU focal point for agency: _____
Communication: _____
Audit: _____
Investigation: _____

For the United Nations Educational, Scientific & Cultural Organization (UNESCO)

EU focal point for agency: _____

Communication: _____

Audit: _____

Investigation: _____

For the Office of the High Commissioner for Human Rights (OHCHR)

EU focal point for agency: _____

Communication: _____

Audit: _____

Investigation: _____

For the United Nations High Commissioner for Refugees (UNHCR)

EU focal point for agency: _____

Communication: _____

Audit: _____

Investigation: _____

For the International Organization for Migration (IOM)

EU focal point for agency: _____

Communication: _____

Audit: _____

Investigation: _____

For the Pan American Health Organization (PAHO)

EU focal point for agency: _____

Communication: _____

Audit: _____

Investigation: _____