

Memorandum of Understanding

between

the United Nations Fund for International Partnerships

and

the _____

This Memorandum of Understanding (MOU) is entered into this ____ day of _____ 2000 between the United Nations Fund for International Partnerships, (hereinafter [UNFIP]) and the _____ (hereinafter [____]) (collectively hereinafter [the Parties]).

WHEREAS, the United Nations Foundation, Inc. (hereinafter [Foundation]), a not-for-profit corporation organized under the laws of the State of New York of the United States of America, has agreed to provide grant funds through UNFIP to finance exclusively charitable projects and activities of the United Nations approved by the Foundation (hereinafter [Project] or [Projects]);

WHEREAS, consistent with the Relationship Agreement and the Memorandum of Procedures, UNFIP and the Foundation have agreed upon certain policies and procedures that are reflected in this MOU and shall be employed, consistent with such policies and procedures, in order to provide for the orderly approval, effective administration and implementation of the Projects;

WHEREAS, under the Memorandum of Procedures, UNFIP will transmit to the Foundation completed project proposal packages reflective of basic requirements indicated by the Foundation following consultation with UNFIP to include such information and data as may be required to permit the Foundation to review and analyze each project request based upon the Foundation's programme priorities, range of interest and other criteria for funding exclusively charitable UN projects; and

WHEREAS, _____ has expressed a desire to cooperate in the implementation of the Projects.

NOW, THEREFORE, the Parties have agreed as follows:

Article I

Scope of Cooperation

Each Project under this MOU shall be carried out and managed in accordance with the UN regulations, rules and procedures applicable to _____, the applicable Project Document and this MOU.

Article II

Project Documents

1. This MOU sets forth the basic conditions under which _____ shall implement the Projects. The particular conditions of and the specifications relating to each such Project shall be set out in a Project Document or other similar instrument (hereinafter [Project Document]). Each such Project Document shall include, *inter alia*: (a) the name of recipient, (b) the duration of the Project, (c) exclusively charitable Project justification, (d) Project objective, output and activities, (e) planned inputs, (f) Project review schedule, (g) reporting schedule, (h) Project monitoring or evaluation procedure, as appropriate, and (i) the Project budget.
2. Each Project Document shall be consistent with the terms and conditions of the corresponding project proposal package approved by the Foundation.

Article III

The UN Resident Coordinator

The Parties recognize that the UN Resident Coordinator in a country acts as a focal point for UNFIP. _____ agrees to consult with and keep fully informed the UN Resident Coordinator on any aspect of any Project for which _____ is responsible.

Article IV

Basic Agreement

It is understood that the implementation of any Project may be dependent on the approval of a Government or Governments which may be the beneficiary of any such Project. Additionally, it is understood that _____ may have entered into a basic agreement with each such recipient Government or Governments concerning the provision of humanitarian, development, technical, financial or other assistance. In such case, the basic agreement between _____ and the recipient Government or Governments concerned shall be applicable to all such Projects.

Article V

Relation between the Parties

In the implementation of project activities, _____ shall not be considered as an agent of UNFIP, and, thus, the personnel of _____ shall not be considered as staff members or personnel of UNFIP. Without restricting the generality of the preceding sentence, UNFIP shall not be liable for the acts or omissions of _____ or its personnel, or of persons performing services on behalf of _____.

Article VI

Implementation and Use of Funds

1. _____ shall not undertake any actions, incur any expenses or make any commitments, financial or otherwise, which would be inconsistent with the purposes of such Projects as set forth in the applicable Project Documents.
2. In performing any responsibilities or engaging in any acts under this MOU, _____ shall not make any financial commitments or incur any expenses which would exceed the budget for implementing the Project as set forth in the applicable Project Document. _____ shall regularly consult with UNFIP concerning the status and use of funds; shall report to UNFIP on the use of funds; and shall promptly consult with UNFIP any time when _____ is aware that the budget for implementing the Project, as set forth in the applicable Project Document, is insufficient to fully implement the Project in the manner proposed in the applicable Project Document.

3. For each Project for which _____ is responsible, _____ shall prepare and submit to UNFIP a cashflow forecast, on a quarterly basis unless otherwise specified by UNFIP. UNFIP shall provide _____ with funds, as specified in the Project Documents, to enable _____ to meet its expenses associated with the implementation of the Projects. _____ shall commence and continue to carry out activities under the Project only upon the receipt of required funds as specified in the relevant project budget of the applicable Project Document. Unless the Parties have otherwise agreed in writing, UNFIP shall have no obligation to provide _____ with any funds or to make any reimbursement for expenses incurred by _____ in excess of the agreed total budget for implementation of such Projects as set forth in the applicable Project Documents.

4. _____ shall repay any portion of the amount of the funds that is not used for the purposes of the Project. _____ shall not use any of the funds to undertake any activity that is not of an exclusively charitable nature, or for any other unauthorized activity. To the extent possible and consistent with UN Regulations and Rules, UNFIP shall recover and return to the Foundation all misused funds.

5. (a) _____ understands that the Foundation is required and intends to monitor and evaluate the activities funded by the grant, and the Foundation may, following consultation with UNFIP, suspend, discontinue, modify, or withhold part or all of the unutilized grant funds when such action is necessary because the funds are not being used in accordance with this MOU, Project Document, all United Nations agreements with the Foundation, and/or the Memorandum of Procedures.

(b) In such cases, following consultation with _____, UNFIP will take whatever actions are necessary to suspend, discontinue, modify, or withhold part or all of the unutilized grant funds and to collect any such funds from _____ for return to the Foundation.

Article VII

Costs of Cooperation Activities

1. UNFIP undertakes to meet all costs directly incurred by _____ in the implementation of the Project, in the amounts set forth in project budget of the applicable Project Document.

2. UNFIP undertakes to reimburse such support costs as _____ may incur in the provision of services to UNFIP under this MOU. Unless otherwise set forth in the relevant project budget of the Project Document, such amount shall not exceed 5% of the total funding for the Project.

3. _____ shall be responsible for discharging all commitments and obligations with third parties, incurred in the course of the implementation of the Projects pursuant to this MOU. UNFIP shall not be responsible for any costs other than those specified under paragraphs 1 and 2 of this Article.

Article VIII

Maintenance of Records and Accounts

1. (a) _____ shall, in accordance with the UN financial regulations and rules, maintain separate accounts, records and supporting documentation relating to each Project under this MOU, including funds received and disbursed by _____.

(b) Upon request, _____ will make available all relevant financial information, including statements of accounts concerning the Project, to the Foundation at reasonable times, subject to general restrictions imposed by UN rules and regulations. It is understood that information shall be drawn from accounts and records and will be in a form which makes it possible for the Foundation to verify the use to which its grants had been put.

2. (a) Financial transactions entered into and records prepared by _____ shall be subject to the internal and external audit regulations and procedures of the UN.

(b) _____ shall submit to UNFIP audited statements of accounts or certified financial statements, as may be provided in the UN regulations and rules, showing the status of funds provided to it by UNFIP in order to finance the Projects under this MOU.

3. _____ acknowledges that a copy of such audited or certified financial statement shall be submitted to the Foundation by UNFIP.

4. _____ shall close the accounts relating to each Project funded by UNFIP under this MOU as soon as practicable but no later than twelve (12) months after the completion of the work set out in the Project Document or the suspension or termination of such Project. _____ shall make provision for any unliquidated obligations valid at the time of closing of such accounts.

Article IX

Information and Reports

1. (a) The Parties shall from time to time exchange views with one another on Projects including the progress and costs thereof and the benefits derived therefrom, and shall furnish one another with such information as the other Party may request in respect of such matters.

(b) UNFIP will, in collaboration with _____, undertake or coordinate on-the-spot checks, i.e. planned Headquarters or on-site project monitoring visits, to observe the progress of any operations carried out by _____.

(c) The Foundation may undertake, including on the spot, checks, coordinated with UNFIP, related to Projects funded by the Foundation. The purpose of on-the-spot checks is to allow representatives from the Foundation to be in a position to report on the implementation of Projects and whether value for money has been obtained.

(d) _____ shall, upon request, afford or ensure that full facilities are provided to such undertakings.

2. (a) _____ shall submit full and complete reports (semi-annually, annually and a final report for the Foundation) on the manner in which the grant funds are spent and the progress made in accomplishing the purposes of the grant.

(b) _____ shall furnish the following reports:

- (i) Quarterly, unaudited, financial utilization reports;
- (ii) Semi-annual and annual progress reports on the implementation of Projects and the relevant audited or certified financial reports, as appropriate, for the period; and
- (iii) A final report within twelve (12) months after the completion or termination of each Project. The final report shall include an assessment or evaluation, as appropriate, of whether and to what extent the Project accomplished its purpose as set out in the applicable Project Document, and all relevant audited or certified, as appropriate, financial statements and records related to such Project.

Article X

Force Majeure

1. In the event of any *force majeure* or other similar conditions or events which prevent the successful implementation or completion by _____ of any Projects under this MOU, _____ shall promptly give notice to UNFIP of the full particulars of such occurrence of *force majeure* and how such occurrence has or may be expected to affect the performance or the responsibilities of _____. If _____ is rendered temporarily or permanently unable by reason of such occurrence of *force majeure* to meet its responsibilities or perform its obligations under this MOU, UNFIP may suspend or terminate any Projects.

2. In the event of any termination under the preceding paragraph, UNFIP shall reimburse _____ for costs incurred or for which commitments have been made in accordance with this MOU in order to implement the Project concerned up to the effective date of the termination, including such proportion of _____'s support costs allowable for the Project, if any, as the amount expended by _____ on such Project up to the effective date of termination bears to the entire UNFIP allocation for such Project as budgeted in the applicable Project Document.

3. Any reimbursements made by UNFIP to _____ under the preceding paragraph, when added to amounts previously remitted to _____ by UNFIP in respect of the applicable Project shall not exceed the total UNFIP allocation for such Project, as budgeted in the applicable Project Document.

Article XI

Settlement of Disputes

1. Any relevant matter for which no provision is made in this MOU, or any controversy between UNFIP and _____ shall be settled, in keeping with the provisions of the Relationship Agreement and the Memorandum of Procedures, by negotiation between the Parties. Each party shall give full and sympathetic consideration to any proposal advanced by the other under this MOU.
2. In case any matters are not resolved by negotiation, either Party shall have the option to request the Secretary General of the United Nations for a resolution.

Article XII

Termination of Memorandum of Understanding

1. Either Party may terminate this MOU by giving written notice to the other Party, and this MOU shall be terminated sixty (60) days following receipt of such notice, provided that termination shall not become effective with respect to any approved Projects where funds are being used in accordance with the applicable Project Documents.
2. Any applicable provisions of this MOU shall survive termination or expiration of this MOU to the extent necessary in order to permit an orderly settlement of accounts between UNFIP and _____ and in order to wind-up any outstanding obligations with respect to the Projects.

Article XIII

Entry into Force and Modifications

1. This MOU shall enter into force upon signature by authorized officials of the Parties and shall continue in full force and effect until it is terminated.

2. This MOU may only be modified by a written agreement between the Parties duly executed by authorized officials of the Parties.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Parties, have signed this Memorandum of Understanding on the dates and at the places indicated below.

**For the United Nations Fund for
International Partnerships**

For the _____

Signature

Signature

Somendu Banerjee, Acting Executive Director

Name and Title

Name and Title

27 April 1999, New York, NY

Date and Place

Date and Place

Signature

Jean-Pierre Halbwachs, Controller

Date and Place