



**MEMORANDUM OF UNDERSTANDING
FOR A STRATEGIC PARTNERSHIP BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)
AND
THE UNITED NATIONS OFFICE FOR PROJECT SERVICES (UNOPS)**

This Memorandum of Understanding (“MOU”) is entered into by the United Nations Development Programme (hereinafter referred to as “UNDP”), and the United Nations Office for Project Services (hereinafter referred to as “UNOPS”) both subsidiary organs of the United Nations, an intergovernmental organization established by its Member States. UNDP and UNOPS are hereinafter jointly referred to as the “Parties”.

WHEREAS both organizations are guided by General Assembly resolution 62/208, the “Triennial Comprehensive Policy Review of operational activities for development of the United Nations system, 2007” (hereinafter referred to as “TCPR”);

WHEREAS the TCPR and the 2005 World Summit Outcome Document have guided the formulation of UNDP’s current Strategic Plan, 2008-2011 (to be aligned with the new Quadrennial Comprehensive Policy Review (QCPR) and extended through 2013), which promotes an effective, efficient and coherent UN, focusing its programmatic contributions towards poverty reduction and the achievement of the Millennium Development Goals/Internationally Agreed Development Goals (MDGs/IADGs), through democratic governance, poverty reduction, crisis prevention and recovery, and environment and sustainable development whereby UNDP embraces national ownership, capacity development, effective aid management, gender equality and empowerment of women, and South-South cooperation;

WHEREAS the management of the Resident Coordinator system is firmly anchored in UNDP, providing enhanced UN coordination at country level under the guidance of the UNDG as the integrated third pillar of the Chief Executives Board (CEB) and assisting governments to access expertise available within the UN system, including through non-resident agencies, which support national development priorities and the United Nations Development Assistance Framework (UNDAF) and other related joint programming initiatives and programmes;

WHEREAS the Parties provide a host of administrative, financial and logistical support services at the country level for partner UN agencies;

WHEREAS pursuant to General Assembly Resolution 48/501 and Executive Board Decisions 94/12 and 94/32, UNOPS was established as a self-financing, independent entity, to provide project implementation and management services;



WHEREAS the Parties agree to work in line with their respective mandates as reflected in their legislation and respective financial regulations and rules;

WHEREAS In the partial IAPSO merger with UNOPS, UNOPS took over the direct procurement services carried out by UNDP/IAPSO that relate to goods that are of common use to its clients, the e-procurement platform Web Buy, the United Nations Global Marketplace, which is the portal for the vendor community for United Nations system and the production of the annual statistical report on the procurement activities of the UN system. UNDP retained direct procurement functions previously carried out by UNDP/IAPSO that are critical to the delivery of UNDP development results, capacity development functions for procurement that serve both the needs of programme country government counterparts as part of public sector reform initiatives and UNDP internal needs and the secretariat function of the Procurement Network of the High-Level Committee on Management;

WHEREAS Executive Board decision 2008/35 of September 2008 established a Policy Advisory Committee (PAC), with the UNDP Administrator as one of its members, to provide policy and strategic guidance to UNOPS;

WHEREAS both Parties report to the same Executive Board approving their respective Strategic Plans aligning with the new QCPR timeframe;

WHEREAS in March 1997, the Parties concluded an MOU establishing the terms of their partnership which was supplemented in 2003 by a subsequent MOU providing for reimbursement to UNDP for certain costs incurred for UNOPS at country level;

WHEREAS the Parties wish to conclude a strategic partnership agreement covering the global, regional and country levels to enhance the contribution and added value of each Organization aiming to strengthen the coherence of the UN system by promoting synergies based on comparative advantages which increase the quality and effectiveness of programme delivery through complementary and supportive efforts;

WHEREAS the Parties wish to update the terms and conditions of their partnership, reflected in the 1997 and 2003 MOUs as well as the exchange of letters in April and June 2000 relating to management services agreements, and any other corporate exchange of letters, corporate, regional or country level MOUs/agreements or cooperation frameworks concluded between the Parties are hereby superseded.

NOW, THEREFORE, the Parties agree to cooperate as follows:



Article I Purpose

1.1 The purpose of this MOU is to elaborate a strategic partnership and provide a framework of cooperation between the Parties and to facilitate collaboration, on a non-exclusive basis, taking into account the Parties' comparative strengths and roles, aiming to maximize cost effectiveness, avoid duplication, and guided by the 2007 TCPR which strives to enable national governments to access the full range of UN expertise, based on national development priorities, UNDAF outcomes, and supporting complementary UN system programming.

1.2 The Parties agree that this shall be the sole corporate framework governing their relationship. Notwithstanding, any existing letter of agreement (LOA) or other services instrument under specific projects per applicable UNDP policies and procedures shall continue in accordance with their terms, it being understood that any such agreement or instrument concluded following this MOU shall fully comply with its terms and conditions.

Article II Areas of Cooperation

2.1 The Parties agree that the collaboration between them will take place in areas of their comparative advantage. Recognizing UNDP's main mission and comparative advantage in capacity building, UNDP will partner with UNOPS in areas of recognized UNOPS competence and performance, and to meet urgent and priority needs identified by UNDP. The Parties, thus, recognize that UNDP will provide substantive leadership in UNDP's respective mandate areas and UNOPS will provide requisite services as jointly agreed with UNDP. Such services may include project management or procurement services and infrastructure/ public works.

2.2 The Parties agree that in all contexts mentioned above, and taking into account their respective mandates, UNOPS shall be selected on the basis of a comparative assessment by the RC/RR or appropriate HQ unit, including a validation of capacity, consistent with UNDP regulations, rules, policies and procedures, requiring transparency and the requisite documentation, and taking into account UNOPS' expertise and the requirements of the concerned project. Relevant UNDP units shall give due consideration to, and may seek a proposal from, UNOPS in the following primary areas of cooperation for which UNOPS has a comparative advantage:

- Procurement of "common user" and/or stand-alone items as well as those of a complex nature;



- Design and building of physical infrastructure (such as roads, schools, clinics, bridges, prisons, police stations, premises for UN agencies, governmental institutions, etc) which may include local capacity development for construction and maintenance;
- Support services for discreet components within election and mine action projects;
- Management Services Agreements (refer to Article III below).

2.3 UNDP shall assume all responsibility for substantive programme development outcomes/results and related indicators and UNOPS shall assume all responsibility for delivery of contracted operational services stipulated in the respective relevant project documentation. In the provision of services, including issuing contracts, neither Party shall contravene its Financial Regulations and Rules, policies and procedures. Recognizing that these areas of collaboration may evolve in line with changing needs and areas of competence, an annual assessment of such areas will be carried out as part of the periodic reviews set out in Article III below.

Article III MOU Application

3.1 The Parties concur that joint programming holds considerable potential for responding effectively to national priorities and building synergies between UN entities. The Parties shall therefore explore potential opportunities for collaboration based on required services identified through UNDP programming based on UNDAF outcomes. The Parties shall collaborate fully with each other in the delivery of activities with a view to achieve the expected results. Working and financial arrangement specifications are described in Article IV below.

3.2 Collaboration between the Parties shall be subject to specific project documents, annual work plans, joint programmes, MSAs or standard letters of agreement (LOAs) which shall set out in detail the roles and functions of each of the Parties linking UNDP project outputs directly to specific UNDAF outcomes as described in the UNDG CCA/UNDAF guidelines. Services provided by UNOPS to UNDP will be undertaken in accordance with UNOPS' Financial Regulations and Rules, policies and procedures, provided that these do not contravene the principles established in UNDP's Financial Regulations and Rules. Services provided by UNDP to UNOPS will be undertaken in accordance with UNDP's Financial Regulations and Rules, policies and procedures, provided that these do not contravene the principles established in UNOPS' Financial Regulations and Rules. As stipulated in 2.1 above, the partnership with UNOPS complements the work of UNDP with relevant services requested by UNDP from UNOPS and reflected in the relevant project documentation (project documents, annual work plans, management services agreements, letters of agreement, or other specific working arrangements).



3.3 Neither Party shall be an agent or representative of the other Party for purposes of entering into any contract, commitment, or otherwise, on behalf of the other Party unless explicitly authorized to do so. Each party shall be solely responsible for making all payments to and on behalf of its own account, as provided under this MOU and under relevant project documents.

UNDP Management Services Agreements (UNDP MSAs)

3.4 When UNOPS is selected to provide management services on behalf of UNDP, UNOPS will discuss and subsequently obtain a written agreement from the RC/RR on the proposed substantive terms of the UNDP Management Services Agreement (UNDP MSA), hence its consistency with the policies, aims and activities of UNDP in the respective programme country, as well as that to specific services that may be rendered by the CO including the terms for reimbursement for any services provided by the concerned UNDP CO.

3.5 Should the text of any proposed UNDP MSA deviate from the standard template, UNOPS will so notify the RC/RR who shall, in turn, obtain clearance through the Partnership Bureau in accordance with UNDP's internal procedures.

3.6 Following finalization of the UNDP MSA, UNOPS will submit the agreement to the RC/RR for signature in a timely manner.

3.7 UNDP CO will provide a copy of the UNDP MSA, along with copies of the respective clearances by both the RC/RR and UNOPS, to the relevant Bureau at UNDP Headquarters. Following final signature by the counterpart, the original agreement will be forwarded by the UNDP CO to the UNDP Controller for retention and safekeeping, copied to UNOPS.

3.8 UNOPS and the RC/RR will keep each other fully informed of all significant actions and potentially sensitive issues undertaken in carrying out the UNDP MSA or that may affect the UNDP MSA.

3.9 UNOPS will be fully accountable to UNDP for the provision of services and will implement these services in accordance with the provisions of the UNDP MSA.

3.10 UNOPS shall provide the UNDP Associate Administrator with semi-annual report on the status of all UNDP MSAs under UNOPS' responsibility, this report being additional to any specific project reporting under the UNDP MSA that may be agreed upon by the Parties.

3.11 Sharing of the management fee between the Parties as agreed by the RC/RR and UNOPS will take into account the Parties' corporate guidance and be based on the specific project agreement or UNDP MSA and the role played by each Party in business development and service implementation. A UNDP MSA signed by the RC/RR, carries accountability and oversight responsibilities which complement UNOPS accountabilities set out in paragraph 3.9 above. Should UNOPS need some services from UNDP in the implementation of a UNDP MSA, the



reimbursement of direct costs associated with standard services shall be guided by the universal price list (UPL) and other recovery instruments provided these are made known to UNOPS in advance.

UNOPS Direct Service Agreements

3.12 In cases where UNOPS opts for a UNOPS Direct Service Agreement with host governments, to the extent that such agreements relate to development oriented activities, these will be consistent with and in support of the UNDAF and undertaken in direct consultation with the RC/RR. It should be noted that the RC/RR will not sign UNOPS Direct Service Agreements and UNDP does not bear any accountability for such agreements.

Trust Funds

3.13 UNDP's practice areas are funded from regular and other resources. The funding instruments used for other resources are project level cost-sharing and trust funds. Resource mobilization for these areas using the cost sharing and trust fund modality remains the sole responsibility of UNDP. UNDP may utilize the services of UNOPS, in accordance with Article III of this MOU. UNDP is frequently appointed as the Administrative Agency (AA) for multi-donor trust funds (MDTFs), and for joint programmes (JPs) in its mandate areas taking into account UNDP's coordination role. This designation is an inter-agency decision based on the relevant expertise of the participating agency. In exceptional circumstances, when UNDP does not wish to undertake the role of multi-donor trust fund manager or AA, UNOPS may be requested to undertake the role of multi-donor trust fund manager or AA, subject to a request by donors, and after close consultation with and agreement by UNDP.

Monitoring

3.14 All services provided by one Party to the other will be undertaken with due diligence and aiming to provide the highest possible quality of services. In carrying out activities under this MOU, the Parties shall comply with their respective financial and operational instruments, regulations and rules.

Agency Status and accountability

3.15 The Parties will work in full compliance with decisions of the Executive Board and the UNDAF and with prior consultation with the RC/RR. The RC/RR will continue to work through the "UNDP field network" and shall act as the representative of UNOPS and in this context and upon request by UNOPS, establish representational contacts on behalf of UNOPS with government authorities, facilitate recognition of UNOPS for the purpose of its legal status, activities and privileges and immunities. The RC/RR, whilst exercising the representation functions, will act in the best interest of UNOPS and will be accountable to the Executive Director of UNOPS. UNOPS will indemnify UNDP for any damage or liability that the RC/RR



incurs in his/her representational functions for UNOPS except for acts and omissions of UNDP arising from gross negligence or wilful misconduct.

3.16 Where UNOPS is carrying out activities under a UNDP project, UNOPS and its personnel shall enjoy those privileges and immunities as are applicable to other UN bodies performing services under a UNDP project in accordance with the UNDP Standard Basic Assistance Agreement (SBAA) concluded between UNDP and the concerned government and which shall apply *mutatis mutandis* to UNOPS, its activities, and personnel.

Article IV

Operational and Financial Arrangements

Responsible Party services

4.1 In carrying out project activities, the Parties shall have the status of independent contractor vis-à-vis each other. When providing services, the Parties shall be accountable to each other.

Costs of Projects

4.2 UNDP undertakes to meet all costs directly incurred by UNOPS, in the amounts specified in the project budgets forming part of the Project Documents or as otherwise agreed in writing between the Parties. In the latter case, the headquarters of the Parties will be notified by their respective offices. It further undertakes to provide UNOPS, with advances, , in accordance with UNDP policies and procedures, of funds in such amounts and currencies as will assist it in meeting current expenses of such Projects. UNOPS will provide UNDP with a quarterly advance request against a UNOPS forecast of UNDP expenditures as well as a financial report on the usage of such amounts. Funds provided by UNDP must be used solely for the purposes of the project. UNOPS will not be required to advance its own funds in the implementation of UNDP projects.

4.3 In pursuance of resolutions of Governing Bodies, UNDP may request UNOPS to provide further provisions of services to UNDP under this MOU, and UNDP will then reimburse UNOPS for these costs.

4.4 UNOPS shall be responsible for discharging all commitments and obligations with third parties, incurred in the course of projects pursuant to this MOU. UNDP shall not be responsible for any costs other than those specified under paragraphs 4.1 and 4.2 of this Article. The cost of any litigation arising from UNDP funded activities for UNOPS acts or omissions, when UNOPS is providing services to UNDP, shall be the sole responsibility of UNOPS. The responsibility and liability of UNOPS, including regarding use of UNDP assets, shall be as set out in the standard letter of agreement.

4.5 To the extent that corrupt, fraudulent, collusive or coercive practices have resulted in a loss of UNDP resources, as a result of the acts and omissions of UNOPS, UNOPS will use its best



efforts, consistent with its regulations, rules, policies and procedures, to recover all misused funds. UNOPS will, in consultation with UNDP, credit any funds so recovered to the Project or agree with UNDP to use these funds for a mutually agreed upon purpose. Where a donor insists on UNDP's reimbursement of any funds related to such misused funds by UNOPS, UNOPS hereby agree to refund upon request such amounts to UNDP for onward transmission to the concerned donor.

4.6 Any cost overruns in projects must be addressed in accordance with UNDP's Financial Regulations and Rules, policies and procedures. If unspent balances remain in a Project, Parties must return these funds or alternatively, in consultation with UNDP and the Government, have the remaining balances re-programmed into Project budgets.

Fees

4.7 UNDP will reimburse UNOPS for its services in accordance with the fee schedule as specified in the project agreement or UNDP MSA. UNOPS shall set its fees for any requested service in accordance with its pricing policy provided these are made known to UNDP in advance.

Currency and Rates of Exchange

4.8 The United Nations operational rate of exchange shall apply for currency conversions between the UNDP and UNOPS under this Agreement.

4.9 Advances made to UNOPS for local expenditures must be paid in local currency. The gains or losses on currency exchange shall be borne by the Project.

Records and Accounts

4.10 UNOPS shall undertake project activities in accordance with the principles of its financial regulations, rules, and policies, provided these do not contravene those of UNDP, and shall maintain accounts, records and supporting documentation relating to projects, including funds received and disbursed by UNOPS, as required by UNDP financial regulations, rules and policies.

4.11 As stipulated in the project document and at such time and in such form as UNDP may request, UNOPS shall furnish to UNDP reports on the financial situation of UNDP projects. In the event financial transaction records of the Parties differ, they shall consult and reconcile the differences.

4.12 UNOPS will only start project activities and incur expenditures after signing specific project documents, annual work plans, management services agreements, or other specific working arrangements with UNDP. All budget revisions to such project budgets must be approved in writing by the designated UNDP official before UNOPS continues project activities and incurs any further expenditure.



4.13 The Parties recognize that each is subject to external and internal audit exclusively by the UN Board of Auditors and their internal audit services respectively as stipulated in their respective financial regulations and rules. Bearing in mind the UN system “single audit principle”, the Parties shall rely on the existing external and internal audit arrangement of the other Party in respect of the accounts and records of the projects. In accordance with UNDP regulations, organizations of the United Nations system including UNOPS, entrusted with the execution or implementation of UNDP programme activities, shall transmit to the Administrator, for submission to the Executive Board, biennial accounts showing the status of funds allocated to them by the Administrator. Such accounts shall bear audit certificates from the External Auditors of the organizations and shall be accompanied by their reports, if any, and copies of any relevant resolutions adopted by their legislative or governing bodies. If circumstances arise that warrant an investigation, such as credible or substantiated allegations of fraud, corruption or mismanagement, UNDP may request UNOPS to undertake an investigation or inspection with respect to the allegation and share the results with UNDP.

4.14 Without restricting the generality of the foregoing provisions, UNOPS shall, as soon as possible after the close of each reporting period, submit to UNDP financial statements of account duly audited by its external auditors (UNBOA) showing the status of funds provided to it by UNDP to finance projects.

4.15 UNOPS shall close the accounts of each project as soon as practicable, but normally no later than twelve months after the completion of the work set out in the project Documents or termination of a Project. Provisions shall be made for unliquidated obligations valid at the closing of the accounts.

Article V

Administrative and reimbursable support services to UNOPS

5.1 UNOPS may inform UNDP that it wishes to obtain office space and administrative services, including the procurement of goods, equipment and services and the recruitment of national personnel, in a particular country office. If UNDP has at its disposal adequate office space and the capacity to provide the necessary administrative services, the Parties shall set forth in detail the arrangements related to UNDP’s support for UNOPS. In cases where office space is provided to UNDP free of rent, UNDP will provide suitable office space to UNOPS on a rent-free basis when possible. The equipment and furnishings to be provided by UNDP shall be specified in the respective Country Level MOU. RC/RR shall have full authority for the overall physical management of the premises, including the UNOPS office space, and UNOPS personnel shall at all times be obliged to follow instructions given by the RC/RR or the UNDP Country Director, which relate to health, safety, and security.



5.2 Recovery of costs incurred by UNDP for administrative and support services provided to UNOPS at the country level shall be in compliance with the applicable UNDP Executive Board decisions relating to cost recovery.

5.3 Four different cost reimbursement arrangements and fee systems will regulate the recovery of costs incurred by UNDP COs and central units in connection with service provision to UNOPS. Such arrangements are as follows:

- i) for locally-provided services that due to their nature are provided in standard or uniform fashion across the network of UNDP COs, the Universal Price List (UPL) shall regulate the recovery of the UNDP CO's costs. The UPL is updated on a yearly basis and is subject to methodological reviews to ensure its effectiveness. The outcome of such reviews might entail price differentials which shall be communicated to UNOPS prior to entering into force.
- ii) the cost recovery fee for locally-provided services that due to their nature cannot be standardized across different UNDP COs, or services that vary in scope each time they are provided and that are not included in the UPL (e.g. IT support services, airport pickup, pouch administration, programmatic services), will be specified locally using either prevailing local market prices and best faith workload estimates and/or cost of input. To the extent possible, these services should be managed through the Common Service Account (CSA), based on local arrangements, similar to arrangements for premises, utilities, security, etc. All ad-hoc/other services, that are neither part of the UPL nor part of the CSA, will be specified locally prior to provision of services.
- iii) for services that are provided by units other than UNDP COs, the cost recovery arrangements will be in line with existing mechanisms in use by UNDP. For example, these may include the established fees in use to recover the Global Payroll Support costs provided by UNDP Global Payroll Support unit as well as the appropriate portion of the indirect costs provided by the Office of Finance and Administration, Office of Information Systems and Technology, and Office of Human Resources providing oversight, monitoring, reporting and policy advice where applicable.
- iv) other ad-hoc services provided by UNDP at UNOPS request are to be detailed in a separate Service Level Agreement (SLA) to be concluded for each service line, the general principle of full cost reimbursement will apply. All SLAs are to be negotiated and signed prior to entering into force. No retroactive cost increases shall be entertained unless pursuant to a written agreement.

5.4 Should UNDP be requested to provide local services to UNOPS, the principle of UNDP's pricing policy shall apply.

5.5 The responsible UNOPS official will discuss as required with the RC/RR or UNDP Country Director the quality of services and efficiency of the UNDP country office in providing services



to UNOPS. Any issue arising in connection with the quality and provision of services shall, if possible, be resolved at a local level. Should no solution be found, a joint report expressing the views of both organizations shall be submitted to the respective focal points for further discussion and resolution.

5.6 Any liability arising out of a Party's performance of functions set forth in Article V of this MOU, shall be the responsibility of the Party performing the function, which shall hold harmless and indemnify the other against all claims arising there from except to the extent of any gross negligence or wilful misconduct of the other Party.

Article VI Consultation and Exchange of Information

6.1 Consultation and exchange of information and documents under this Article shall be without prejudice to arrangements which may be in place to safeguard the confidential and restricted character of certain information and documents. Such arrangements will survive the termination of this MOU and of any agreements signed by the Parties within the scope of this collaboration.

6.2 This MOU shall be brought to the attention of the staff of both Organizations, in particular UNDP Regional Directors, RC/RRs, UNDP Country Directors and UNOPS Regional Directors, Operations Centre Directors and Managers and other field staff of the Parties. The Parties will collaborate to make available legislation, policy guidance, tools, and information to enable officials of both Organizations to be fully knowledgeable of the respective roles of the Parties, expertise, and conditions set forth in this MOU through a common communications strategy.

Article VII Visibility

7.1 The Parties agree to acknowledge the role and contribution of each Organization in all public information documentation relating to instances of such cooperation and use each Organization's name and emblem in documentation related to the cooperation in accordance with the current policies of each Organization and with United Nations Development Group (UNDG) policies. In this context, any information disseminated to the public (through websites or other means) and to donors, programmes country governments and other stakeholders must, to the extent possible, clearly articulate the mandate of the Party. Neither Party shall use the name or emblem of the other without prior written agreement.



Article VIII

Term, Termination, Amendment, Monitoring

8.1 This MOU shall enter into effect upon its signature by both Parties and shall remain valid until terminated.

8.2 This MOU is the sole corporate framework governing the relationship of the Parties and may be amended only by mutual written agreement of the duly authorized representatives of the Parties. In the case of UNDP, the authorized official is the Associate Administrator. In the case of UNOPS, the authorized official is the Executive Director. The Associate Administrator and the Executive Director will separately, on behalf of the respective organization, provide oversight of the implementation of the MOU, and may interact to address any outstanding implementation not effectively dealt with through the mechanisms outlined below.

8.3 The Parties shall consult with each other if any circumstances arises which in the judgment of either Party interferes or threatens to interfere with, the successful completion of project activities. The Parties shall cooperate toward the rectification or elimination of the occurrences in question and shall exert all reasonable efforts to that end, including prompt corrective steps where such circumstances are attributable to one of the Parties or within its responsibility or control. Subject to the provisions of UNDP's basic agreement with the Government concerned and the Project Document, if the cause of suspension is not rectified or eliminated within fourteen days after UNDP shall have given notice of suspension to the Government and UNOPS, UNDP may by written notice thereafter during the continuation thereof terminate the project activity concerned.

8.4 The UNDP Partnership Bureau and the UNOPS North America Office are hereby designated as the focal points for this MOU and thereby responsible for monitoring its achievements. Focal points will consult with each other on a regular basis on matters which might affect the successful completion of activities and will explore opportunities and exchange information related to developing and strengthening their cooperation. The Parties shall review the progress of activities being carried out and plan future activities as deemed appropriate responding to national priorities and UNDAF outcomes. Substantive areas of cooperation and the methods through which collaborative initiatives, strategies and support may be realized between the Parties will be elaborated by the focal points. Focal points shall monitor the compliance with and results of this MOU jointly on an annual basis, and provide regular feedback to their respective institutions. Modifications to this MOU will be based on written agreement by the Parties.

8.5 Specific regional and country level challenges, issues, and opportunities will be discussed at the regional level at minimum on an annual basis.



8.6 Either Party may terminate this MOU by giving not less than ninety days notice in writing to the other Party. Such termination shall become effective on the date specified in the termination notice.

8.7 In the event of termination of the MOU, any cost-sharing, project cooperation agreements, and any project documents concluded pursuant to this MOU, may also be terminated in accordance with the termination provisions. In such cases, the Parties shall take the necessary steps to ensure that the activities carried out under the MOU, any cost-sharing agreements, or project documents are brought to a prompt and orderly conclusion in accordance with the respective regulations and rules of the Parties, as applicable.

8.8 In the event of any termination under the preceding paragraph, UNDP shall reimburse UNOPS for commitments incurred that cannot be terminated or goods and services that have been delivered to carry out the project activity concerned up to the effective date of termination, as mutually agreed.

Article IX Notices and Addresses

9.1 Any notice or request required or permitted to be given or made under this MOU shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall have been delivered by hand, certified mail, or overnight courier to the party to which it is required to be given or made at the address specified below or such other address as shall be hereafter notified.

For UNDP: Associate Administrator
United Nations Development Programme
One UN Plaza
New York, New York 10017, USA

For UNOPS: Executive Director
UNOPS
Midtermolen 3, DK-2100 O
Copenhagen, Denmark

Article X Miscellaneous

10.1 This MOU comprises the complete understanding of the Parties in respect of the subject matter in this MOU and supersedes all prior agreements. The provisions of this MOU shall take precedence over the provisions in any specific project document, LoA, MSA or other related agreement in the event of conflict. Any dispute over the interpretation or application of any



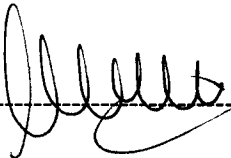
provision herein contained shall be settled through negotiations or by such other means as the Parties shall mutually agree. Failure by either Party to enforce a provision of this MOU shall not constitute a waiver of any other provision of this MOU. The invalidity or unenforceability of any provision of this MOU shall not affect the validity or enforceability of any other provision of the MOU.

**Article XI
Entry into Force**

11.1 This MOU may be signed in counterparts, each of which shall be deemed an original and both of which duly executed shall constitute one entire document, and shall enter into force and effect on the date in which it is duly signed by both parties.

For UNDP

Name: Ad Melkert
Position: Associate Administrator
Date:

 June 5 2009

For UNOPS

Name: Jan Mattsson
Position: Executive Director
Date: 5/6/09

