

**STANDARD ADMINISTRATIVE ARRANGEMENT FOR DONORS**

**to the**

**TRUST FUND TO SUPPORT INITIATIVES OF STATES  
COUNTERING PIRACY OFF THE COAST OF SOMALIA**

**Standard Administrative Arrangement**  
**between**  
**[Name of Donor],**  
**and**  
**the United Nations Office on Drugs and Crime**

**WHEREAS**, Participating United Nations Organizations that have signed a Memorandum of Understanding (hereinafter referred to collectively as the “Participating UN Organizations”) dated \_\_\_\_ have agreed to develop a *Trust Fund to Support Initiatives of States Countering Piracy off the Coast of Somalia* (hereinafter referred to as the “Fund”) starting on 10 February 2010, as may be amended from time to time, as part of their efforts to counter the challenges of piracy off the coast of Somalia, as more fully described in the Terms of Reference for the Trust Fund to Support Initiatives of States Countering Piracy off the Coast of Somalia, dated 27 January 2010 (hereinafter referred to as the “TOR”), a copy of which is attached hereto as **ANNEX A**, and have agreed to establish a coordination and advisory mechanism (hereinafter referred to as the “Fund Board”) to facilitate the effective and efficient collaboration between the Participating UN Organizations and the Member States Contact Group on Piracy off the Coast of Somalia for the implementation of the Fund;

**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 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 Organizations have appointed the United Nations Office on Drugs and Crime (hereinafter referred to as the “Fund Manager”) (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 Fund Manager and Participating UN Organizations, to serve as their administrative interface between donors and the Participating UN Organizations for these purposes. To that end the Fund Manager 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 Fund Manager (hereinafter referred to as the “Fund Account”); and

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

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

**Section I**  
**Disbursement of Funds to the Fund Manager**  
**and the Fund Account**

1. The Donor decides to make a contribution of [amount in words] ([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 carry out projects consistent with the purposes of the Fund in accordance with the TOR, as amended from time to time in writing by the Fund Board, with the approval of the UN Controller. The Donor authorizes the Fund Manager to use the Contribution for the purposes of the Fund and in accordance with this Standard Administrative Arrangement (hereinafter referred to as “Arrangement”), under the guidance of the Fund Board. 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:

For payment in US Dollars or any other currency, other than Euro, that may be converted into US Dollars:

Title of account:	United Nations Office on Drugs and Crime
Bank name:	JP Morgan Chase Bank
Account number:	485 00 1594
Bank address:	International Agencies Banking 270 Park Avenue, 43rd floor New York, NY 10017-2014, USA
ABA number:	021 000 021
SWIFT:	CHASUS33

For payment in Euro:

Title of account:	United Nations Office on Drugs and Crime
Bank name:	Bank Austria Creditanstalt
Account number:	012 7010 7400
Bank address:	Vienna International Centre Wagramer Strasse 5 A-1400 Vienna, Austria
Bank code:	Austrian BLZ code 12000 SWIFT/BIC: BKAUATWW IBAN: AT41 1100 0012 7010 7400

3. When making a transfer to the Fund Manager, the Donor will notify the Fund Manager’s Treasury Operations at Ferdinand.Grimm@unodc.org and the Fund Manager

at Tuesday.Reitano@unodc.org of the following: (a) the amount transferred, (b) the value date of the transfer; and (c) that the transfer is from the DONOR in respect of the Trust Fund to Support Initiatives of States Countering Piracy off the Coast of Somalia pursuant to this Arrangement. The Fund Manager 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 Fund Manager 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 Fund Manager 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 Fund Manager.
7. The Fund Manager will be entitled to allocate an administrative fee of three per cent (3%) of the Contribution by the Donor, to cover the Fund Manager's costs of performing the Fund Manager's functions.
8. The Fund Board may request any of the Participating UN Organizations, to perform additional tasks in support of the Fund not related to the Fund Manager 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 Fund Board 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 Fund Manager will make disbursements from the Fund Account in accordance with recommendations from the Fund Board, in line with the approved Project Documents of the Participating UN Organizations concerned, as may be amended in writing from time to time by the Fund Board. The disbursement to the Participating UN Organizations will consist of direct and indirect costs as set out in the budget contained in the Project Proposals that have been recommended by the Board and cleared by the Fund Manager.
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 them by the Fund Manager. 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.

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

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

1. The implementation of the programmatic activities as set out in the applicable approved Project Documents ("Project 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 Fund Manager 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 Project Documents, as amended from time to time by the Fund Board 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 a maximum of seven per cent (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 Project Activities only upon receipt of disbursements as instructed by the Fund Board.

5. The Participating UN Organizations will not make any commitments above the budgeted amounts in approved Project Documents, as may be amended from time to time by the Fund Board.

6. If unforeseen expenditures arise, the Fund Board will submit, through the Fund Manager, a supplementary budget to the Donor showing the further financing that will be necessary. If no such further financing is available, the activities to be carried out under the approved Project Documents 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 Fund Manager and the concerned Participating UN Organization under the Arrangement that there is evidence of improper use of funds, the Participating UN Organization will use their best efforts, consistent with their regulations, rules, policies and procedures to recover any funds misused. The Participating UN Organization will, in consultation with the Fund Board and the Fund Manager, credit any funds so recovered to the Fund Account or agree with the Fund Board 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 Fund Manager, 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 Fund Manager and Participating UN Organizations regarding the Operational Aspects of the Trust Fund to Support Initiatives of States Countering Piracy off the Coast of 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** **Ownership of Equipment, Supplies and Other Property**

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, including any agreement with the relevant host Government if applicable, as per the TOR.

#### **Section V** **Reporting, Transparency and Accountability**

1. The Fund Manager will provide the Donor and the Fund Board with the following statements and reports, based on submissions provided to the Fund Manager by each

Participating UN Organization prepared in accordance with the accounting and reporting procedures applicable to it, as set forth in the TOR:

- (a) Annual consolidated narrative progress reports, based on annual narrative progress reports received from Participating UN Organizations, to be provided no later than three months (31 March) after the end of the calendar year;
  - (b) Annual consolidated financial reports, based on annual financial statements and reports, to be received from the Participating UN Organizations, as of 31 December with respect to the funds disbursed to them from the Fund Account, to be provided no later than two months (28 or 29 February) after the end of the calendar year;
  - (c) Final consolidated narrative report, based on final narrative reports received from Participating UN Organizations after the completion of the activities in the approved Project Documents and including the final year of the activities in the approved Project Documents, to be provided no later than two months (28 or 29 February) of the year following the financial closing of the Fund. The final consolidated narrative report will contain a summary of the results and achievements compared to the goals and objectives of the Fund.
  - (d) Final consolidated financial report, based on certified final financial statements and final financial reports received from Participating UN Organizations after the completion of the activities in the approved Project Documents and including the final year of the activities in the approved Project Document, to be provided no later than four months (30 April) of the year following the financial closing of the Fund.
2. The Fund Manager will provide the Donor, Fund Board and Participating UN Organizations with the following reports on its activities as Fund Manager:
- (a) Certified annual financial statement (“Source and Use of Funds” as defined by UNDG guidelines) to be provided no later than five months (31 May) after the end of the calendar year; and
  - (b) Certified final financial statement (“Source and Use of Funds”) 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 websites of the Fund Manager ([www.UNODC.org](http://www.UNODC.org)).

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

1. Monitoring and evaluation of the Fund including, as necessary and appropriate, joint evaluation by the Participating UN Organizations, the Fund Manager, the Donor, the Contact Group (if applicable) and other partners will be undertaken in accordance with the TOR.
2. The Donor, the Fund Manager and the Participating UN Organizations will hold annual consultations as appropriate to review the status of the Fund.

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

1. 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 Contact Group, the Participating UN Organizations, the Fund Manager and any other relevant entities.
2. The Fund Manager in consultation with the Participating UN Organizations will ensure that decisions regarding the review and approval of the Fund as well as periodic reports on the progress of implementation of the Fund, associated external evaluations are posted, where appropriate, for public information on the websites of the Fund Manager ([www.UNODC.org](http://www.UNODC.org)). Such reports and documents may include Fund Board recommended projects and projects awaiting review, fund level annual financial and progress reports and external evaluations, as appropriate.

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

1. The Fund Manager will notify the Donor when it has received notice from all Participating UN Organizations that the activities for which they are responsible under the approved Project Documents 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 Fund Manager 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 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 Fund Board.

### **Section IX** **Notices**

1. Any action required or permitted to be taken under this Arrangement may be taken on behalf of the Donor, by \_\_\_\_\_ or his or her designated representative, and on behalf of the Fund Manager 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 Fund Manager:*

Name: Antonio Maria Costa  
Title: Executive Director  
Address: Vienna International Centre, 5 Wagramerstrasse, Vienna, Austria  
Telephone: +43 (0)126060 5001 / 5002  
Facsimile: +43 (0)126060 75001 / 5819  
Electronic mail: Antonio.maria.costa@unodc.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.

**[If the Donor is a Government, use the following:]**

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

1. The Participants will use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Standard Administrative Arrangement or the breach, termination or invalidity thereof.

**[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 Fund Manager, or each Participating UN Organization.

**[If the Donor is not a Government, use the following:]**

**Section XI**  
**Settlement of disputes**

[1. Amicable settlement. The Participants will use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Standard Administrative Arrangement or the breach, termination or invalidity thereof.

**[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 Fund Manager, 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 Fund Manager:*

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Place: \_\_\_\_\_

Date: \_\_\_\_\_

ANNEX A: Terms of Reference of the Fund

ANNEX B: Schedule of Payments

ANNEX C: Project Document Template

**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]