

## Enhancing the Framework for Implementation with Partners



### Establishing and Maintaining Partnership

Work step 2:

- a) Establishing Project Agreement
  - b) Termination of Project Agreement
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*Draft subject to consultation and approval*

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## INTRODUCTION

Partnership is integral and core to UNHCR for achieving the best results for refugees and persons of concern. The nature of partnership varies and various initiatives of shared goal are undertaken.

It is required of UNHCR to sign a binding agreement when formalizing partnership with UN, intergovernmental, NGOs and other civil society actors and non-profit entities. Formal agreements provide applicable legal and/or administrative authority to the High Commissioner to engage partners in discharging the mandate.

This document provides guidance on the types of agreements, their purpose and features, authorized/delegated person to sign. The document also outlines the procedures for terminating Project Agreements.

The current standard format of agreements and related business processes are being reviewed in the context of enhancing the UNHCR Framework for Implementing with Partners<sup>1</sup>.

The findings and proposed changes that were gathered through analysis and Reference Groups discussions are also provided in this document for further consultation and soliciting further views and feedback from broader audience of stakeholders. After the completion of the consultations, revised project agreements, and related guidelines will be introduced.

## Work Step 2 (a): ESTABLISHING AGREEMENTS

### OBJECTIVE

The objective of the policy and procedure for the establishment of project agreements with partners is to ensure that UNHCR properly engages partners that are interested in the participation of undertaking agreed projects for the realization Country Operation Plans (COP) for achieving Global Strategic Priorities (GSP).

### APPLICATION

This policy and procedure shall apply to all UNHCR Offices, both Field and Headquarters.

This policy and procedure applies when entering project implementation agreement to partners that are governmental and non-governmental organizations, intergovernmental and United Nations agencies.

This policy and procedure allows for flexibility for operational requirements.

## TYPES OF AGREEMENTS

### Memorandum of Understanding

#### Purpose and Features

Memorandum of Understanding (MoU) is a formalized agreement in which parties confirm their mutual understanding and commitment towards shared goals. It is a strategic

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<sup>1</sup> For details on the development of the Framework please see the Framework Summary Document

agreement that recognizes respective mandate, mission and builds on complementary advantages of the participating parties.

Normally, it stipulates common intent, areas of mutual interest, scope of cooperation and operational engagements and defines clearly the respective roles and responsibilities in a specified sphere of collaboration of the parties.

The purpose of a MOU is "to ensure that for agreed areas of cooperation, interventions be predictable and automatic." MoUs thus serve as tools for promoting strategic and operational collaboration and reinforcing inter-agency cooperation with other regional and international organizations.

MoUs are applicable when collaborations that broadly focused on joint pursuit of identified common goals using each partner's existing resources, **without the transfer of resources from one partner to the other**. For example, UNHCR, an NGO partner and a host government on stand-by deployment for emergency operation, an agreement between and a regional network organization on advocacy for access of special group of refugees or social groups, a multi-agency coordination and commitment towards IDPs.

MoUs may also provide the basis for project or country level agreements. However, they are not a prerequisite for establishing partnership or signing Project Agreement at operational/country level.

#### Authority

Only the Executive Head of each organization is authorized to sign a global MoU.

## Project Agreements

### Purpose and Features

Project agreement instruments conclude and confirm the agreed understanding on all previous discussions and negotiations of all involved parties, including formation of strategies and objectives of the Project, the expected outcome, performance indicators, budget and duration. They also stipulate the shared principles and common goals and sets out the terms, conditions, obligations, and accountabilities of all participating parties. The document recognizes the contributions of all participating parties and governs the transfer of financial and other resources of each party into the common Project.

Under UN/UNHCR rules and regulations<sup>2</sup>, the project agreement grants the High Commissioner the legal mandate and administrative authority that allows UNHCR to provide support **through transfer of funds, equipment, in-kind items and other resources** to its partner for their participation in the implementation of the programme (Country Operation Plans (COP) for achieving Global Strategic Priorities GSP).

Therefore, Field Offices and Headquarters, before entering into agreements with respective partners, must ensure that the agreements and projects are based on Country Operation Plan (guided by prioritization of outputs) and are within Operating Level (within authorized budget level) for achieving target results.

Under such collaborative arrangements, the partner assumes the full responsibility and accountability to UNHCR for the effective use of resources and the delivery of outputs as set forth in such signed Project Agreement. UNHCR nevertheless, retains the overall responsibilities and accountability for its mandate and resources entrusted by its governing

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<sup>2</sup> UNHCR's Financial Rules for Voluntary Funds.

bodies and donors. Both parties are also obligated to fulfill their accountability towards the refugees and persons of concern and upholding the rights.

### Types of Project Agreement

Project Agreements<sup>3</sup> are standard legal and administrative instruments that forms basis for transferring UNHCR resources<sup>4</sup> to partners that participates in UNHCR Programme, as described above.

They are the following standard formats:

- Exchange of Letters
- Bipartite/Tripartite Project Agreement<sup>5</sup>
- Asset Agreement

Project Agreements (be it Bipartite, Tripartite, or Exchange of Letters) contain standard provisions that:

- define the purpose and objectives of the project and the means of achieving them;
- specify the conditions which are to govern the financing and implementation of the project;
- specify the amount of moneys to be made available by the High Commissioner, the currency in which it will be paid and, when applicable, the purposes for which it is to be used;
- specify the termination date of the project;
- prescribe the form of the financial statements to be submitted at least annually to the High Commissioner, and the dates on which they shall be submitted;
- provide that the High Commissioner may arrange for such inspections and examinations as he/she deems necessary to ensure the proper implementation of the project;
- Provide that expenditure made by the agency under the agreement may be audited on behalf of the High Commissioner.

### **1. Exchange of Letters**

An Exchange of Letters is a simplified type of Project Agreement, which is usually chosen when the implementing partner is a United Nation agency.

The minimum requirements for inclusion in an Exchange of Letters text are as follows:

- Total financial requirements and amount obligated;
- UNHCR Budgetary contribution (expressed in currency of recording in MSRP)
- Mandatory clauses (as per UNHCR's Financial Rules);
- Project duration;
- Reporting requirements;
- Project Description;

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<sup>3</sup> Chapter IV.

<sup>4</sup> Financial Rules and Chapter VI.

<sup>5</sup> Known as Sub-project Agreement

An Exchange of Letters is signed by a Certifying Officer at Headquarters (in accordance with Delegated of financial Authority Plan- DOAP)<sup>6</sup> and has the same binding force as a Project Agreement. The implementing partner countersigns UNHCR's letter and returns the original to UNHCR.

## 2. Project Agreement (Bi-partite or Tri-partite)

Standard Project Agreements<sup>7</sup> exist in three formats as follows:

- **Bipartite** projects where the implementing partner is either a nongovernmental organization (**Agency**) or governmental institution/department of a host (**Government**)
- **Tripartite**: projects where the implementing partner is an NGO, and the host government is a third signatory of the Agreement

Both types of Project Agreement are governed by preset and standardized clauses- the "Governing Clauses for UNHCR Project Agreements"

The essential components of Project Agreements are as follows and described in box below.

<b>Main body of the agreement</b>	Sets out the purpose, project duration, obligation of the parties, terms, conditions and appendixes.
<b>Appendix 1</b>	Contains the financial and programme arrangements.
<b>Appendix 2</b>	This sets the standards of conduct (ensuring protection from sexual exploitation and abuse)
<b>Project description (Annex A)</b>	Defines the overview plan, strategy, operational context, population planning group, rationale, justification and objectives of the project (and arrangements/methodologies for achieving them) as well as specific performance and impact indicators pertaining to the specific project. The project description and its log frame is generated and partially pre-filled from Focus.
<b>Project budget (Annex B)</b>	Provides detailed financial provisions for the project. It should be attached to the Agreement. It can be created in Focus and interfaced with EPM, the budget mode of MSRP, UNHCR's management software. Note that accumulated delays might mean that the initial budget will need to be reviewed!
<b>Project work plan (Annex C)</b>	Describes project activities and the timelines for achieving them. It can be created in Focus and interfaced with EPM/MSRP. Note that accumulated delays might mean that the initial work plan will need reviewing!
<b>Monitoring plan</b>	Accompanies the work plan and reflects the type and frequency of monitoring. Sometimes, the work plan can serve as a monitoring plan. The monitoring plan should reflect the project's specifics. One option for assistance-heavy projects is to paste an excerpt of relevant indicators from the Operations Plan into an Excel chart that provides an overview of the indicators whose progress is to be checked against

<sup>6</sup> Financial Internal Control Framework

<sup>7</sup> Currently known as Sub-project and Sub-project Agreement ( In this document is referred as Project , and Project Agreement , respectively)



	targets. Special monitoring plans are available for specific activities such as the distribution of goods. Monitoring plans, with associated baselines and targets, need to be agreed and designed as part of the IPA to support effective monitoring later on.
<b>Project staffing table (Annex D)</b>	Shows the personnel assigned to the specific project, together with the amounts UNHCR is contributing towards IP personnel costs. However, if the IP contributes staffing time to the project (via related inputs), that is to be reflected in the Project Agreement. This information needs to be fairly detailed, especially in situations where significant numbers of staff or time are required to achieve the deliverables of the project.

### Authority

Project Agreements are countersigned by the delegated officers of UNHCR and Partner Organization. In UNHCR, it is the Certifying Officer at Headquarters or Field levels such as the Representative, Head of Office, and Director of Division as defined by Delegated of financial Authority Plan (DOAP).

### Letter of Mutual Intent

In situations of exceptional urgency, an interim "Letter of Mutual Intent to conclude an Agreement" (LoMI), incorporating the relevant mandatory clauses, may be signed with an implementing partner in order to begin a project. This Letter is not an implementing instrument, but a temporary arrangement, pending the preparation of a detailed budget, and of a formal Project Agreement.

In exceptional circumstances, and with the agreement of Headquarters, funds may be released to the partner to begin urgently needed assistance under the terms of a Letter of Mutual Intent to Conclude an Agreement. However, under all circumstances, Project Agreements must be prepared and signed as soon as possible so as to formalize the relationship with the implementing partner concerned.

### Authority

Usually, LoMIs are countersigned by the delegated officers of UNHCR and Partner Organization. In UNHCR, it is the Certifying Officer at Headquarters or Field level such as the Representative, Head of Office, and Director of Division as defined by Delegated of financial Authority Plan (DOAP)<sup>8</sup>.

### Short Format Agreement

Short Format Agreement (SFA)<sup>9</sup> is a simplified Project Agreement for small scale project with transfer of funds to a partner that does not exceed **50,000 USD**, within one year programme cycle. SFAs are used to promote the participation of emerging new partners or community-based organizations or address one single Objective within one Population Planning Group (PPG). This type of agreement is designed to avoid costly administration, reporting and accounting procedures.

<sup>8</sup> Financial Internal Control Framework

<sup>9</sup> Template of Standard SFA will be attached after revision (annex xxx)

Nevertheless, such Agreement should be on Country Operational Plan and budgeted within Operating Level. Core standard governing clauses and provisions apply to provide adequate legal and financial accountability.

#### **Authority**

Similarly, as other Project Agreement, SFA are countersigned by the delegated officers of UNHCR and Partner Organization. In UNHCR, it is the Certifying Officer at Headquarters or Field level such as the Representative, Head of Office, and Director of Division as defined by Delegated of financial Authority Plan (DOAP)<sup>10</sup>.

#### **Amendments and Supplementary Agreement**

Governing Clauses, which are statutory requirements, cannot be excluded from Project Agreements. In cases where the implementing partner cannot comply with such universally applicable clauses and their inclusion obstructs the signing of an Agreement, such clauses may be made non-applicable only after consultation with UNHCR Headquarters (LAS and IPMS).

Minor variations to non-statutory clauses may be made as necessary due to local circumstances; however such variations should be kept to an absolute minimum and not change the intent of the Governing Clauses of the relevant Sub-Agreement. All such variations should be indicated in the Project Description of the Agreement under "Implementing Procedures" and notified to Headquarters when uploading the original of the Agreement into MSRP.

A Supplementary Project Agreement is issued as amendments to Project Agreement and the formal recognition of a modification due to agreed changes and revision in Project's scope, number of beneficiaries, objective, expected output, budget or/and duration, within one programming cycle (unless otherwise authorized by Headquarters for extension). Specially, when changes necessitate making budgetary re-allocations of 15% at the level indicated in the Project Agreement, even the total budget does not change.

#### **Authority**

Similarly, as other Project Agreement, Supplementary Project Agreements are countersigned by the delegated officers of UNHCR and Partner Organization. In UNHCR, it is the Certifying Officer at Headquarters or Field level such as the Representative, Head of Office, and Director of Division as defined by Delegated of financial Authority Plan (DOAP)<sup>11</sup>.

### **3. Assets Agreement**

For purposes of asset agreements, assets can be considered non-expendable property purchased by an implementing partner for the Project or provided by UNHCR to an implementing partner for use of during the implementation of the Project. Examples of non-expendable property vehicles, computers, machinery etc...

There are two types of agreements that UNHCR may enter into with an implementing partner related to assets:

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<sup>10</sup> Financial Internal Control Framework

<sup>11</sup> Financial Internal Control Framework



1. Right of Use Agreement
2. Transfer of Ownership Agreement

Right of Use Agreement is a legal and binding agreement entered into by UNHCR and an implementing partner that defines the procedures and conditions for granting the right or use of assets for a defined period. At the end of the period, the assets have to be returned to UNHCR or the agreement renewed.

Transfer of Ownership Agreement is a legal and binding agreement entered into by UNHCR and an implementing partner that defines the procedures and conditions for the transfer of ownership of other assets from UNHCR to the implementing partner at the end of the project, or whenever applicable, and the for use thereafter of the asset.

### Authority

Similarly, as other Project Agreement, Supplementary Project Agreements are countersigned by the delegated officers of UNHCR and Partner Organization. In UNHCR, it is the Certifying Officer at Headquarters or Field level such as the Representative, Head of Office, and Director of Division as defined by Delegated of financial Authority Plan (DOAP)<sup>12</sup>.

### Checklist for negotiating agreements with partners

- Negotiate and prepare the agreement in good time. Keep relevant staff informed of any progress or delays (for example, keep finance staff informed of progress so that they can plan the financial instalments accordingly).
- Establish time-line if needed.
- Share concept notes and/or other background material relevant to the project with the implementing partner, for example: excerpts from the Operations Plan (OP), (Results Framework) as well as a project description and budget format of the Project-Agreement.
- Define the project's beneficiaries, objectives, expected deliverables and associated indicators.
- Decide the budget, the level and the level at which budgetary transfers are authorised (Article 2.07 of the Project Agreement. Note that accumulated delays might mean that a review of the initially agreed budget and associated outputs is required!
- Agree on the partner's contribution, in kind and funding.
- Develop a work plan (Annex C of the Project Agreement) which includes a monitoring plan. Note that accumulated delays might mean that the initial work plan needs to be reviewed.
- Agree on realistic reporting requirements, i.e. standard and specific reports (where applicable), as well as the frequency of reporting. Note that accumulated delays might mean that a review of the initial reporting plan is needed.
- Develop the instalment plan based on the work plan; liaise with Finance to ensure that

<sup>12</sup> Financial Internal Control Framework

instalments are available on time.

- Ask the partner for the staffing list (Annex D of the Project Agreement).
- Ensure that the implementing partner understands the content of Project Agreement including the clauses and conditions.
- Make sure that all governing clauses are well-understood by the partner.
- Go through the rules and regulations on the use of UNHCR assets in accordance with the Assets Agreement with the partner.
- Agree with the partner, the arrangements for audit at the end of the programme.

### Checklist for preparing the Project Agreement

- If the partner is new, create the partner in UNHCR's Management Systems Renewable Project (MSRP) and obtain the partner's banking details.
- Ensure that the Project Description conforms to the UNHCR Plan in Focus
- Update plans and associated targets in case delays cause the project to start later than planned.
- Enter the budgets in Focus and interface them with EPM (the budget mode in MSRP) or change them if the belated commencement of the project has an impact on the budget.
- Produce and agree the work plan with the partner (Annex C of the Project Agreement); note that accumulated delays might mean that the initial work plan needs to be reviewed.
- Produce a monitoring plan to review the progress of the project in accordance with the Project Agreement.
- Ensure that (if applicable) the partner has produced a staff list (Annex D of the Project Agreement)
- Print the Project Agreement (from MSRP/ Focus as applicable); note that accumulated delays might mean that the initial instalment plan needs to be reviewed.

### Checklist for after the Project Agreement has been signed

- Provide each party of the Project Agreement with an original copy of it.
- Give the partner a blank Implementing Partner Financial Reports (IPFR) for financial reporting.
- Transfer the first instalment to the partner within ten days of signing the Project Agreement.
- Make sure that agreed monitoring takes place and is followed up upon
- Ensure that the partner submits reports on time and follow up
- Provided that UNHCR's overall funding level permits it, and 70% of last instalment have been spent (based on reported expenditure by partner and verification and acceptance by UNHCR), transfer the subsequent instalment.

### Main steps and related deadlines for agreements

Project Agreements are normally signed for a period of one calendar year, i.e. from 1st January to 31st December. Even if the project starts on another date in the calendar year, the completion date of the agreement still remains 31st December of the same year. If cooperation with the implementing partner continues into the next year, a new agreement needs to be negotiated, prepared and signed, unless a short liquidation period might have been authorised.

The Project Agreement is signed by authorized persons of all parties. It needs to be kept in mind that partners might not enjoy the same level of decentralized authority as UNHCR. Therefore partners (particularly international NGOs) might require more time to review and ultimately sign agreements. UNHCR authorization for signing the Project Agreement must be in accordance with the Delegation of Authority

Activity	Not later than ...	Responsibility
Participatory planning meeting with partners to review and validate the Operations Plan. Relevant issues (authority, responsibility, and mandate) are agreed by stakeholders, for example government, other UN-agencies.	October	Partner and UNHCR Office
Agreement on project activities including: budget and performance targets, an instalment plan, monitoring plan, work plan, staffing plan, audit, etc. reached.	November	Partner and UNHCR Office
Project Agreement documents finalized (i.e. main body and annexes).	December	Partner and UNHCR Office
Project Agreement signed.	End of December, beginning January	Partner and UNHCR Office
First instalment paid within 10 days of signature. Finance needs to be appraised of the amount in time to have the amount available; other instalments are in accordance with performance and availability of UNHCR funding (not to be confused with financial planning).	As per instalment plan	UNHCR Office
Preparation and submission of project reports	Quarterly and when instalments are requested	Partner
Project liquidation.	January 30	Partner and UNHCR Office
Year-end project closure.	February 15	Partner and UNHCR Office
Audit reports on IPFR submitted to HQ.	April 30	Partner, UNHCR Office, and Partner auditors in collaboration with partner

## **Work Step 2 (b): DRAFT PROPOSED PROCEDURES FOR TERMINATION OF PROJECT AGREEMENTS**

### **1. OBJECTIVE**

- 1.1. The objective of the policy and procedure for the termination of project agreements is to ensure that UNHCR takes appropriate action if a partner's actions demonstrate that it wishes to terminate the Agreement or is not committed to: common humanitarian goals; the core values of UNHCR; the Principles of Partnership; and/or, good governance, including transparency, accountability and sound financial management.

### **2. DEFINITIONS**

- 2.1. Termination of a Project Agreement is different from standard closure of a Project Agreement and Partnership.
  - a) Standard closure of a Project Agreement is the completion of project activities in its normal programme cycle.
  - b) Termination of a Project Agreement may take place prior to the completion of project activities as a result of events listed in section 3.
- 2.2. Partnership is not solely related to implementation of an agreement, if a partner fails on one project that leads to a Project Termination, does not automatically lead to termination of relationship. Partnership is established globally, such relationship can only be terminated by headquarters in cases of gross violations.

### **3. Events that may lead to termination of a Project Agreement include:**

- 3.1. Partner or its staff members violates the regulation of the UN Sanctions Committee in pursuant to the UN Council Resolution 1267.
- 3.2. Partner is charged or found to be complicate in corrupt activities, including crimes against humanity and war crimes or becomes involved in activities that would render the organization unsuitable for dealing with UNHCR or working with persons of concern.
- 3.3. Partner discriminates against persons of concern, including discrimination due to race, religion, nationality, political opinion, gender or affiliation with social groups.
- 3.4. Partner demonstrated behavior that is found to be in gross violation of humanitarian and partnership principles.
- 3.5. Partner is found to be in gross violations of the terms, conditions or requirements of the Project Agreement and fails to take remedial actions.
- 3.6. Partner misuses or misdirects UNHCR resources (financial and physical assets) and fails to take remedial actions.

### **4. TERMINATION PROCESS**

- 4.1. The Project Agreement Manager must bring to the attention of the MFT IP Review Committee in a timely manner any issue that warrants termination of a Project

Agreement. The MFT IP Review Committee will decide whether termination of the Project Agreement should be pursued.

- 4.2. Prior to termination of a Project Agreement, the Head of Office must advise the Implementing Partner of the issue of concern and request that remedial action acceptable to UNHCR is taken. The time given to the Implementing Partner for remediation should be directly related to the severity of the issue.
- 4.3. In the event that the Implementing Partner fails to address the issue of concern, the Head of Office must notify the Implementing Partner in writing of the decision to terminate the Project Agreement.
- 4.4. The termination notification should include reference to article 8.07 of the Project Agreement and request the return of any unspent funds or UNHCR assets in the possession of the Implementing Partner.
- 4.5. The Head of Office must inform IPMS, UNHCR HQ of any termination of Project Agreement decision not later than the working day that the Implementing Partner is informed in writing. The rationale of the decision and its impact, if any, on operations should be included in the notification.

## **5. ACCOUNTABILITY, RESPONSIBILITY, AUTHORITY**

- 5.1. Each UNHCR Office has the authority to terminate a Project Agreement.
- 5.2. An UNHCR Office does not have the authority to terminate the UNHCR relationship with a Partner. It is UNHCR Headquarters that is entrusted with the authority to terminate the UNHCR relationship with a partner.

### **Further information**

Further details:

- Definitions of terms used in this document are provided in Appendix A of the document Work Step 1.
- Defined accountability, responsibility and authority of parties referenced in this document are provided in Appendix B of the document Work step 1.

## REVIEW OF STANDARD UNHCR PROJECT AGREEMENTS

### Scope of the review

The scope of the standard project agreements review covered the following aspects:

- Project Agreements
  - Types of agreements, and their purposes
  - Updates and emerging needs
  - Content (parties, obligations, stakeholders, application of clauses, etc.)
  - Processes and procedures including signing authority, termination
  - Simplification
  - UN Harmonization (where applicable)
- Termination of Project Agreements and Partnership
  - Termination of Project Agreements
  - Termination of partnership
  - Difference between the above two relations
  - Conditions
  - Procedures
  - Authorization of Field and Headquarters levels for the above two relations

### Main Findings of the Review

Summary of the main findings through desk review, benchmarking and consultations with Field and HQs Reference Groups and Budapest Workshop include:

#### Content and Format

- The existing four main agreement formats were found relevant and recommended to remain, albeit, with required updates/amendments from a content perspective;
- Change name of standard Sub-Project Agreement to Project Agreement including a general terminology update;
- There is a need to improve upon the clarity of the purpose of the agreement (preamble) including reference to the *Principles of Partnership*;
- Agreement considers the requirements of all stakeholders but there is the need to further clarify the obligations and responsibilities of all parties;
- There is a need to ensure that the future Project Agreement represents an equitable balance between rights and obligations for both UNHCR and Partners;
- There is a need to improve upon availability and standardization of the Letter of Mutual Intent and inclusion in UNHCR's resource management systems (i.e. MSRP and FOCUS), as other standard agreements;



- There is a need to detail several aspects of using a Letter of Mutual Intent, including: timeframe limitations; monetary limitations; and consideration of the risk of not being to enter into the anticipated Project Agreement;
- There is a need to provide for the ability to document contributions from partners that are not easily monetized (in-kind contributions) in the Project Description section of the Project Agreement;
- Confirmed the need to address redundancies and improve upon certain clause, and Programme and Financial Arrangements,
- Confirmed the need to update clauses related to assets for alignment with International Public Sector Accounting Standards (IPSAS);
- Confirmed the need to enhance ethics through including the clauses related to the Inspector General's Office and the UN Sanctions Committee list maintained pursuant to the UN Council Resolution 1267 and related resolutions;
- There is a need to further elaborate/detail issues related to implementing partner personnel as well as privileges and immunities;
- Several areas that required further detailing in the Project Agreement were brought forward (i.e. misc. income, monitoring, and project symbol, cost center); and,
- There is a need for increased recognition and visibility of the partner participation.

#### Processes

- There is a major risk for population of concern, UNHCR and partners when agreements are not signed in a timely fashion and there are delays in UNHCR transferring the first installment – this risk is particularly problematic for implementing partners;
- The level of delegation and authority to sign agreement vary in certain countries with certain partners, creating uneven negotiation authority and delays in signing agreements (UNHCR is highly decentralized and the Representative/Head Offices wield higher authority); and
- There is a need for more training at the Field level (both UNHCR and partners) related to understanding the content and importance of Project Agreements.

#### Proposed Main Changes

##### **Inspection, Audit and Investigation**

**To enhance ethical conduct, protection and accountability towards the Project target beneficiaries (refugees and other persons of concern).**

The Partner (i.e. Government or Agency) shall facilitate inspection and audit of the Project by the UNHCR Audit Service of the United Nations Office of the Internal Oversight Services, the UNHCR Inspector General's Office, or any other person duly authorized by UNHCR. Should they at any time wish to do so, the United Nations Board of Auditors may also carry out an audit of the Project.

The Government or Agency will undertake to inform their personnel to refrain from any conduct that would adversely reflect on UNHCR and/or the United Nations and from any activity that is incompatible with the aim and objectives of the United

Nations or the mandate of UNHCR to ensure the protection of refugees and other persons of concern to UNHCR. Standard of Conduct (Appendix 2) is an integral part of this agreement. (The Standard of Conduct and procedures related to managing and reporting misconduct are in a process of being revised in consultations with major partners).

The Government or Agency shall undertake all possible measures to prevent its personnel from exploiting and abusing refugees and other persons of concern to UNHCR and engaging in any form of behavior that could amount to possible misconduct. The failure of the Government or Agency to take effective measures to prevent abuse, investigate allegations of abuse and to take disciplinary and corrective actions when misconduct is found to have occurred, will constitute grounds for termination of a Project Agreement with UNHCR.

The Government or Agency shall ensure close coordination with UNHCR regarding the planning and conduct of any investigation or administrative action into allegations of such abuse, and shall share with UNHCR the full investigative report. Where necessary and appropriate, UNHCR may conduct the investigation in coordination with the Government or Agency and share the findings with the Government or Agency.

#### **Explicit Expression of *Principles of Partnership***

In order to stress and institutionalize partnership engagement and obligations of both parties in this aspect, include the Principles of Partnership

#### **General Provision of Cooperation**

To improve expressions of equal partnership and participation of both parties in the common Project include the following Articles in the Governing Clauses

#### **Upon UNHCR**

In the spirit of partnership, to develop and implement strategies to best serve refugees and other persons of concern, UNHCR shall make itself available to fully cooperate and engage in mutual consultation with the Agency, and support the Agency to assist and achieve desired results for refugees and persons of concern in the manner and in accordance with the implementation procedures and responsibilities described in this Agreement and its Project documentation (Annexes A, B, and C)

#### **Upon Partner Agency**

In a spirit of partnership to develop and implement strategies to best serve refugees and other persons of concern, the Agency shall make itself available to fully cooperate and engage in mutual consultation with UNHCR, and commits to assist and achieve the desired results for refugees and persons of concern in the manner and in accordance with the implementation procedures and responsibilities

described in this Agreement and its Project documentation (Annexes A, B, C, and D) and Appendices

### **Copyright, Patents and other Proprietary Rights**

To the extent that any such intellectual property or other proprietary rights consist of any intellectual property or other proprietary rights of the Agency that pre-existed the performance by the Agency of its obligations under the Agreement, or that the Agency may develop or acquire, or may have developed or acquired, independently of the performance of its obligations under this Agreement, UNHCR does not and shall not claim any ownership interest thereto.

### **Status of Agency Personnel**

The Government shall be requested by UNHCR to grant to Agency Personnel, other than nationals of the country employed locally or refugees, the privileges and immunities specified in Article V, Section 18, of the Convention on the Privileges and Immunities of the United Nations of 13 February 1946. (This Clause is planned to be modified legally applicable- since UN cannot transfer such privileges accorded by states to its partners)

### **Visibility**

The Parties shall accord each other the maximum publicity possible, with regard to the implementation of the Project. The Parties agree to fully identify and acknowledge the funding and contribution towards the Project by each Party in reports, statements, advertisements and other materials regarding the Project. (To give the Partner more credit and exposure of the same level as UNHCR)

### **Termination**

If, at any time, the Agency is sanctioned by the UN Security Council Committee on Sanctions pursuant to resolutions 1267 (1999) and 1989 (2011), or that the Agency has been evidenced supporting, directly or indirectly, individuals and entities associated with those sanctioned by the Committee, UNHCR will terminate the Agreement with immediate effect. *(See the proposed procedure for termination of Project Agreement above)*

### Follow up

Technical issues relating to Appendix 1 (which is an integral part of the current sub-agreement) will be addressed in further discussions following the Annual Consultation.

Upon conclusion of consultations with partners and other stakeholders, the Standard Project Agreement will be revised incorporating the proposed changes/solutions. Thereafter, it will subject to legal clearance and management approval.

Guidelines and trainings will be provided to enhance the capacity of UNHCR and partners for effective use of these agreements.

**Any Other Comments/Proposals on establishing and terminating Project Agreement are most welcome.**