

Inter Office Memo

October 7, 2013

Re: Signature of Standard Agreement between UNFPA and the Government of Finland for the Prevention of Violence against Women in Central America Project (SICA, Holland, Finland, IOM and UNFPA)

Dear Marcela,

Attached please find the following documents for your signature and approval:

- 1. Standard agreement between the Government of Finland and UNFPA regarding the Joint Programme Prevention of Violence against Women In Central America for 4.9 million euros**

The Ambassador a.i. for Finland based in Nicaragua, Eeva-Liisa Myllymaki signed the document last week here in our offices with Esteban Caballero, Markelda Montenegro, Director of INAMU Panama on behalf of the Presidencia Pro-tempore of Panama, and the LACRO Advisers.

This document has the revision and clearance internally of Rafael Cuestas, Esteban Caballero and the clearance of Phillipe Grandet, Resource Mobilization Adviser in HQ. We also have the waiver from Anne-Birgitte Albrechtsen, DED for you to sign this document.



STANDARD ADMINISTRATIVE ARRANGEMENT FOR MULTI-DONOR TRUST FUNDS AND JOINT PROGRAMMES¹ USING PASS-THROUGH FUND MANAGEMENT²

¹ This instrument will also be for 'Delivering as One'/'One UN' Funds

² This Standard Administrative Arrangement has been agreed upon by the members of the United Nations Development Group (UNDG). Any substantial ('substantial' would imply changes that are linked to the legal relationships described in the Standard Administrative Arrangement, the governance mechanisms, reporting arrangements or equivalent) modification to the Standard Administrative Arrangement requires the prior written agreement of the Participating UN Organizations and Administrative Agent of the particular MDTF, and needs be cleared by the UNDG Advisory Group through the UN Development Operations Coordination Office (DOCO).

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11/10/2013

**Standard Administrative Arrangement
between
Ministry for Foreign Affairs of Finland
and
United Nations Population Fund**

WHEREAS, Participating United Nations Organizations that have signed a Memorandum of Understanding (hereinafter referred to collectively as the "Participating UN Organizations") have developed the *Joint Programme Prevention of violence against Women In Central America* (hereinafter referred to as the "Programme") starting on October 1st, 2013 and ending on December 31, 2015, as may be amended from time to time, as part of their respective development cooperation with the Ministry for Foreign Affairs of Finland as more fully described in the Joint Programme Document (hereinafter referred to as the "Joint Programme Document"³), a copy of which is attached hereto as **ANNEX A**, and have agreed to establish a coordination mechanism (hereinafter referred to as the "Steering Committee")⁴ to facilitate the effective and efficient collaboration between the Participating UN Organizations and the Central America Integration System for the implementation of the Programme;

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 Programme and have developed a Joint Programme Document to use as the basis for mobilising resources for the Programme, and have further agreed that they should offer donors the opportunity to contribute to the Programme and receive reports on the Programme through a single channel; and

WHEREAS, the Participating UN Organizations have appointed **the United Nations Population Fund (UNFPA)** (hereinafter referred to as the "Administrative Agent") (which is also a Participating UN Organisation in connection with Programme)⁵ in a Memorandum of Understanding (hereinafter referred to as MoU concluded between, the Administrative Agent and Participating UN Organizations on 24th June, 2013 to serve as their administrative interface between donors and the Participating UN Organizations for these purposes. To that end the Administrative Agent 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 Programme through the Administrative Agent (hereinafter referred to as the "/Programme Account"); and

³ The Joint Programme Document contains at a minimum a common work plan, a budget, the coordination and management mechanism and signature of all participants. In the case of MDTF, the TOR will be used as base document for the establishment of the Fund.

⁴ The composition of the Steering Committee or other body will include all the signatories to the Memorandum of Understanding, representative(s) from the host Government (if applicable), and may include donors, in accordance with UNDG approved Generic MDTF Steering Committee Terms of Reference dated 20 September 2007.

⁵ In most cases, the Administrative Agent will also be a Participating UN Organization. However, where the Administrative Agent is not a Participating UN Organization, this provision can be deleted.

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11/10/2013

WHEREAS, the Ministry for Foreign Affairs of Finland (hereinafter referred to as the “Donor”) wishes to provide financial support to the Programme on the basis of the Joint Programme Document as part of its development cooperation with the Central America Integration System and wishes to do so through the Administrative Agent as proposed by the Participating UN Organizations.

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

Section I
Disbursement of Funds to the Administrative Agent
and the Programme Account

1. The Donor decides to make available, on a grant basis and subject to annual parliamentary approval in Finland, a contribution amounting up to a maximum of **four million nine hundred thousand euros (4,900,000 Euros)** and such further amounts as it may decide (hereinafter referred to as the “Contribution”) to support the Programme during the period 1st October, 2013– 31st December, 2015. The Contribution will enable the Participating UN Organizations to support the Programme in accordance with the Joint Programme Document, as amended from time to time in writing by the Steering Committee. The Donor authorizes the Administrative Agent to use the Contribution for the purposes of the Programme and in accordance with this Standard Administrative Arrangement (hereinafter referred to as “Arrangement”). The Donor acknowledges that the Contribution will be co-mingled with other contributions to the Programme 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, in convertible currencies of unrestricted use, to the following account:

Account number: 301018805654EUR
Bank Name: ING Belgium NV/SA
Account Name: UNFPA EURO Account
SWIFT Address: BBRUBREBB010
Address: 60 Cours Saint Michel
1040 Brussels, Belgium
IBAN Number BE42301018805654



3. When making a transfer to the Administrative Agent, the Donor will notify the Administrative Agent’s Treasury Operations of the following: (a) the amount transferred, (b) the value date of the transfer; and (c) that the transfer is from the Ministry for Foreign

Affairs of Finland in respect of the Programme in **Central America** pursuant to this Arrangement. The Administrative Agent 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 Administrative Agent 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 Programme Account will be administered by the Administrative Agent in accordance with the regulations, rules, directives and procedures applicable to it, including those relating to interest. The Programme 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 Administrative Agent.
7. The Administrative Agent will be entitled to allocate an administrative fee of one percent (1%) of the Contribution by the Donor, to cover the Administrative Agent's costs of performing the Administrative Agent's functions.
8. The Steering Committee may request any of the Participating UN Organizations, to perform additional tasks in support of the Programme not related to the Administrative Agent 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 Steering Committee be charged to the Programme as direct costs.

Section II
Disbursement of Funds to the Participating UN Organizations
and a Separate Ledger Account

1. The Administrative Agent will make disbursements from the Programme Account in accordance with instructions from the Steering Committee, in line with the approved programmatic document⁶/Joint Programme Document, as amended in writing from time to time by the Steering Committee. The disbursement to the Participating UN Organizations will consist of direct and indirect costs as set out in the Programme budget.
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

⁶ As used in this document, an approved programmatic document refers to an annual work plan or a programme/project document, etc., which is approved by the Steering Committee for fund allocation purposes.

to it from the Programme Account. Each Participating UN Organization assumes full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent. 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.⁷

3. Where the balance in the Programme Account on the date of a scheduled disbursement is insufficient to make that disbursement, the Administrative Agent will consult with the Steering Committee and make a disbursement, if any, in accordance with the Steering Committee's instructions.

Section III Implementation of the Programme

1. The implementation of the programmatic 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 Administrative Agent 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 Joint Programme Document, as amended from time to time by the Steering Committee 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 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 Programme will be recovered as direct costs.

1. The Participating UN Organizations will commence and continue to conduct operations for the Programme activities only upon receipt of disbursements as instructed by the Steering Committee.

⁷ Where the Administrative Agent is also a Participating UN Organization, it will need to open its own separate ledger account and transfer funds from the Fund/Programme Account to its separate ledger account.

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11/10/2013

5. The Participating UN Organizations will not make any commitments above the budgeted amounts in approved programmatic document/Joint Programme Document, as amended from time to time by the Steering Committee.

6. If unforeseen expenditures arise, the Steering Committee will submit, through the Administrative Agent, 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 programmatic document/Joint Programme Document 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 Programme 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 Administrative Agent 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 Steering Committee and the Administrative Agent, credit any funds so recovered to the Programme Account or agree with the Steering Committee to use these funds for a purpose mutually agreed upon. Before withholding future contributions or requesting recovery of funds and credit to the Programme Account, the Administrative Agent, 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 Administrative Agent and Participating UN Organizations regarding the Operational Aspects of the *Joint Programme to Prevent Violence against Women in Central America*, 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
Equipment and Supplies

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,

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11/01/2013

directives and procedures applicable to such Participating UN Organization, including any agreement with the relevant host Government if applicable.

Section V
Reporting

1. The Administrative Agent will provide the Donor and the Steering Committee with the following statements and reports, based on submissions provided to the Administrative Agent by each Participating UN Organization prepared in accordance with the accounting and reporting procedures applicable to it, as set forth in the Joint Programme Document:

- (a) Annual consolidated narrative progress reports, based on annual narrative progress reports received from Participating UN Organizations, to be provided no later than five months (31 May) 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 Programme Account, to be provided no later than five months (31 May) 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 programmatic document/Joint Programme Document and including the final year of the activities in the approved programmatic document/Joint Programme Document, to be provided no later than seven months (31 July) of the year following the financial closing of the Programme. The final consolidated narrative report will contain a summary of the results and achievements compared to the goals and objectives of the Programme.
- (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 programmatic document/Joint Programme Document and including the final year of the activities in the approved programmatic document/Joint Programme Document, to be provided no later than seven months (31 July) of the year following the financial closing of the Programme.

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2. The Administrative Agent will provide the Donor, Steering Committee and Participating UN Organizations with the following reports on its activities as Administrative Agent:

- (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 Programme.

3. Consolidated reports and related documents will be posted on the websites of the IOM www.iom.int and the Administrative Agent <http://lac.unfpa.org/public/> .



Section VI **Monitoring and Evaluation**

1. Monitoring and evaluation of the Programme including, as necessary and appropriate, joint evaluation by the Participating UN Organizations, the Administrative Agent, the Donor, the host Government (if applicable) and other partners will be undertaken in accordance with the Joint Programme Document.

2. The Donor, the Administrative Agent and the Participating UN Organizations will hold annual consultations as appropriate to review the status of the Programme.

Section VII **Joint Communication**

1. Information given to the press, to the beneficiaries of the Programme, all related publicity material, official notices, reports and publications, will acknowledge the role of the Ministry for Foreign Affairs of Finland, the donors, the Participating UN Organizations, the Administrative Agent and any other relevant entities.

 2. The Administrative Agent in consultation with the Participating UN Organizations will ensure that decisions regarding the review and approval of the Programme as well as periodic reports on the progress of implementation of the Programme, associated external evaluations are posted, where appropriate, for public information on the UNFPA Latin America and Caribbean Regional Office website <http://lac.unfpa.org/public> . Such reports and documents may include Steering Committee approved programmes and programmes awaiting approval, fund level annual financial and progress reports and external evaluations, as appropriate. 

Section VIII
Expiration, Modification and Termination

1. The Administrative Agent 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 programmatic document/Joint Programme Document 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 Administrative Agent 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 Programme Account or in the individual Participating UN Organizations' separate ledger accounts upon completion of the Programme will be used for a purpose mutually agreed upon or returned to the donor(s) in proportion to their contribution to the Programme as decided upon by the donor(s) and the Steering Committee.

Section IX
Notices

1. Any action required or permitted to be taken under this Arrangement may be taken on behalf of the Donor, by the Director of the Unit for Latin America and the Caribbean or his or her designated representative, and on behalf of the Administrative Agent, by Marcela Suazo, Regional Director, UNFPA Latin America and Caribbean Regional Office 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: Title: Director of the Unit for Latin America and the Caribbean



Address: Ministry for Foreign Affairs of Finland,
Unit for Latin America and the Caribbean,
PL 513,
000230, Government, Helsinki, Finland

For the Administrative Agent:

Name: Marcela Suazo
Title: Regional Director, UNFPA Latin America and Caribbean Regional Office
Address: P.O. Box 0819-05650, El Dorado, Panamá City, Panamá
Telephone: 507-305-5500
Facsimile: 507-305-5511
Electronic mail: suazo@unfpa.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.

Section XI
Settlement of Disputes

[1. Any dispute arising out of the Donor's Contribution to the Programme will be resolved amicably through dialogue among the Donor, the Administrative Agent and the concerned Participating UN Organization.

[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 Administrative Agent, or each Participating UN Organization.]

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11/01/2013

IN WITNESS WHEREOF, the undersigned, being duly authorized by the respective Participants, have signed the present Arrangement in English in two copies.

ANNEX A: TOR/Joint Programme Document

ANNEX B: Schedule of Payments

ANNEX C: Schedule of meetings for Steering Committee

ANNEX D: Letter of Intent for the Execution of the B.A.1 project of the Central American Security Strategy

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11/01/2013

SCHEDULE OF PAYMENTS

Schedule of Payments:

The contribution shall be paid to the Administrative agency in 5 instalments.

The first payment shall be made to the Administrative agency against a written request made by the Administrative agency to the Ministry, upon the entry into force of this Agreement.

Subsequent payments shall be made in accordance with the actual progress of the Activities and on the basis of the financial needs for the coming period upon receipt of a written request of the Administrative Agent after the approval by the Steering Committee of the consolidated annual work plan and budget and relevant reports.

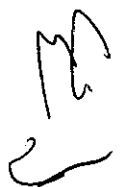
Any amount, including interest which has already been disbursed but has not been fully used shall be taken into account when requests are made.

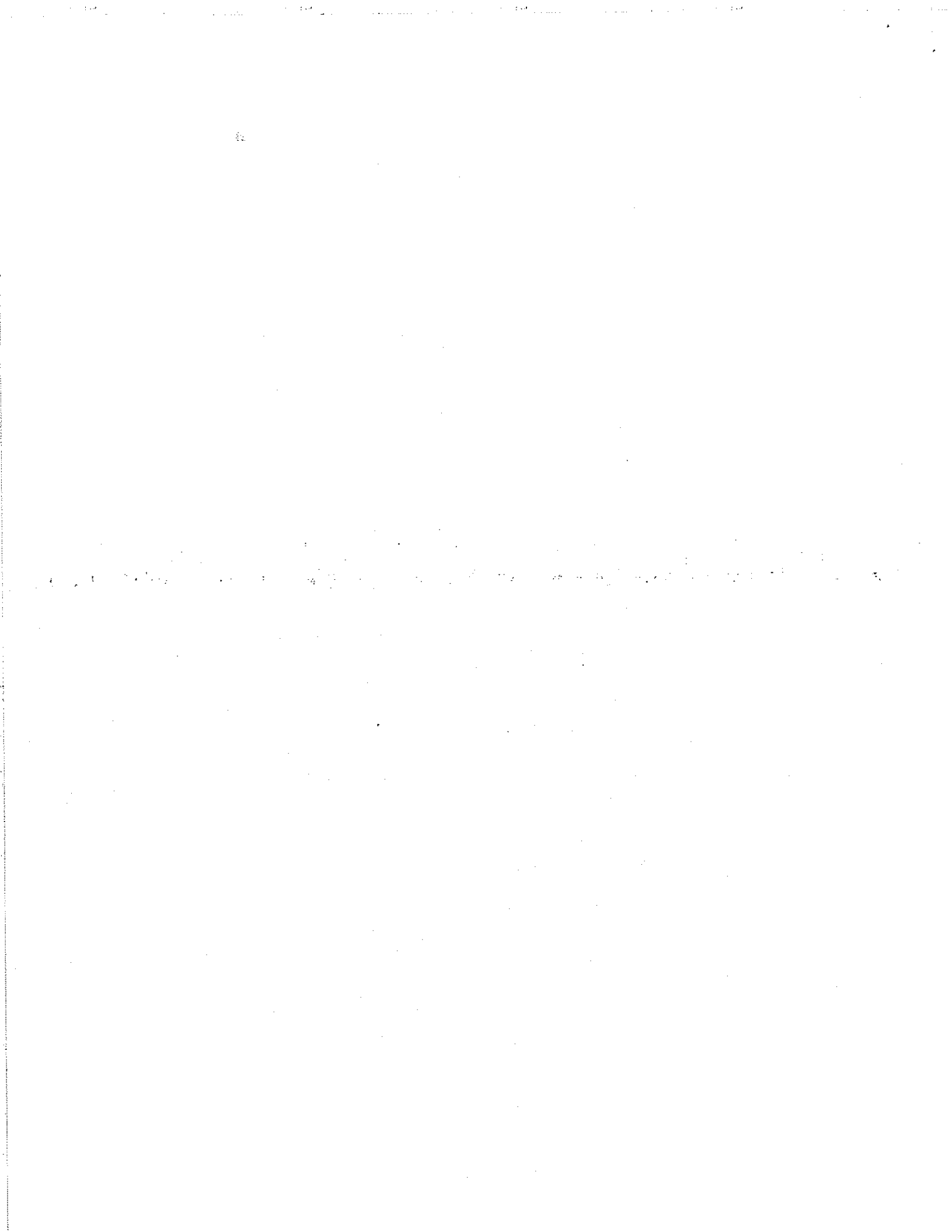
Tentative payment schedule:

- First installment (930,000 Euros)
- January 2014 (1,498,500 Euros)
- July 2014 (1,498,000 Euros)
- January 2015 (486,500 Euros)
- July 2015 (486,500 Euros)

Schedule of meetings for Steering Committee

- December 2013
- July 2014
- December 2014
- July 2015
- December 2015





**Letter of Intent
for the Execution of Project B.A.1 of the Central American Security Strategy
"Prevention of Violence against Women in Central America"**

WHEREAS:

The *Central American Security Strategy (ESCA)*, adopted in 2011 by the Heads of State and of Government of the countries that form the Central American Integration System (SICA), is carried out in part through a series of projects that have been presented to the international community for consideration for financing, and that one of these projects is B.A.1 *Prevention of Violence against Women in Central America* from the *Social Prevention of Violence* component.

The Minister for Foreign Trade and Development Cooperation of the Netherlands and the Ministry of Foreign Affairs of Finland have expressed interest in supporting the implementation of *ESCA* through the joint financing of Project B.A.1 from 2013 through December 2015 and that, in this framework, they will join the United Nations Population Fund (UNFPA) and the International Organization for Migration (IOM) in the execution of said project.

The project will be executed by the SICA General Secretariat (SG-SICA), the Central American SICA member countries, UNFPA and IOM in accordance with Project Document B.A.1 *Prevention of Violence against Women in Central America*, as recorded on 05 April 2013 and which was approved by the Central American Security Commission during their meeting held in San José, Costa Rica, on 25 April 2013 and according to those changes that may be agreed upon among the parties during the course of project execution in accordance to the procedures established for this purpose in the approved project document.

All of the signatories express their intent during the period of project execution to invite other donors to contribute to this effort, which has been prioritized by the Central American region.

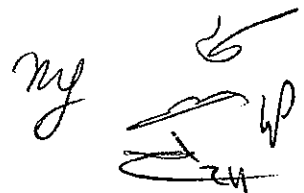
All the signatories express their determination to put into practice the principles expressed in the Vienna Initiative on the Process of Harmonization and Alignment of Regional Cooperation for Central America.

The common objective of all of the signatories is to make project implementation more effective and efficient through enhanced cooperation coordination.

It is in the interest of all the signatories to strengthen and intensify the bonds of friendship and mutual cooperation.

THEREFORE,

It is decided to sign the following Letter of Intent, under the following terms:

Handwritten signatures of the signatories, including names like 'my', 'hp', and '24'.

- 1) The Ministry of Foreign Affairs of Finland and the Minister for Foreign Trade and Development Cooperation of the Netherlands will sign a Standard Administrative Arrangement for Multi-donor Trust Funds and Joint Programmes using pass-through Fund Management with UNFPA to finance project activities from June 2013 through December 2015. A copy of the arrangement and terms is attached.
- 2) UNFPA will administer the donors' funds for the project through the above-mentioned Administrative Arrangement and will sign with IOM a standard Memorandum of Understanding (MoU) for Multi-donor Trust Funds and Joint Programmes.
- 3) UNFPA will sign Letters of Understanding and Annual Work Plans with SG-SICA for project fund execution.
- 4) The decisions regarding the donors' financial contributions will be made within the framework of the Standard Administrative Arrangement for Multi-donor Trust Funds and Joint Programmes. Should any incongruence or contradiction arise between the terms and conditions of this Letter of Intent and the Standard Administrative Arrangement for Multi-donor Trust Funds and Joint Programmes signed between the donors and UNFPA, the provisions of the latter shall prevail.
- 5) The logos of the five signatories will be used in all project materials and events and will be placed according to the SG-SICA protocol.
- 6) For the project execution, the signatories state their intent to respect the mechanisms set forth in the project document, which are a) the Steering Committee; b) the Advisory, Monitoring and Coordination Committee; c) the Technical Coordination Unit, which will be located in the SG-SICA facilities in El Salvador; d) the National Committees for Project Management. (The project document is attached.)
- 7) The reporting requirements are defined in the Standard Administrative Arrangements for Multi-donor Trust Funds and Joint Programmes to be signed between UNFPA and the donors.
- 8) In addition to the reports defined in the Standard Administrative Arrangements for Multi-donor Trust Funds and Joint Programmes, the Technical Coordination Unit (TCU) will prepare a concise, consolidated mid-year, progress report that will be submitted to the Steering Committee within the first two months of the following semester and, in coordination and with support of the UNFPA project staff, an interim financial report for all the stakeholders.
- 9) Joint meetings will be held twice a year and joint monitoring missions will be carried out once a year, which will be organized by the Project TCU with the participation and information from each of the five signatories of this Letter of Intent.
- 10) Each of the signatories will openly and regularly share information on project implementation.

- 11) The signatories will cooperate in the prevention of corruption according to that which is set forth in the Standard Administrative Arrangement for Multi-donor Trust Funds and Joint Programmes and in the Memorandum of Understanding signed by UNFPA and IOM with the implementing agencies of the project activities.
- 12) Each of the signatories will encourage future additional donors to the Project to sign these arrangements.
- 13) This Letter of Intent will enter into effect for a given signatory on the date of that signatory's signature.
- 14) Any change or amendment to the terms and provisions of this Letter of Intent will require the written approval of each of the signatories.
- 15) If any dispute arises between the signatories as to the interpretation, application or implementation of this Letter of Intent, they will consult each other in order to reach an amicable solution.
- 16) This Letter of Intent does not create any rights or obligations under international law.
- 17) The privileges and immunities enjoyed by IOM, UNFPA and SG-SICA as intergovernmental organizations are in no way affected by any of the contents of this Letter of Intent.