

POLICY FOR REAL ESTATE MANAGEMENT IN FIELD OFFICES**TABLE OF CONTENTS**

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PRINCIPLES OF UNFPA REAL ESTATE MANAGEMENT POLICY

Purpose

The purpose of this policy is to equip UNFPA regional offices, sub-regional offices, field offices, and liaison offices (hereafter collectively referred to as “field offices”) with the information and tools necessary in order to carry out their tasks in relation to establishing, maintaining, and operating office premises.

Within this policy, the term “premises” refers to any real estate housing a UNFPA office and managed by UNFPA, including the premises of sub-offices, district offices, project offices, or other UNFPA offices besides the main Field Office. It does not refer to other project buildings (such as clinics) that do not house a UNFPA office.

Guidelines on Use of this Policy

For clarity and ease of reference, this policy contains a complete section on each of the different office premises arrangements possible. All the information pertaining to a specific arrangement may be found in the relevant section, even though it may be identical to some of the information provided elsewhere for other arrangements.

Each field office, therefore, may simply skip the portions of this policy that do not pertain to its own office premises arrangement. The policy is optimally used as follows:

- **Section C: all field offices** must consult this information.
- **Section D: all field offices** must follow this procedure.
- **Sections E and F:** select the most appropriate sub-section/s.
- **Sections G through I: all field offices** must consult this information.

Definitions: Each acronym or term is defined at the point where it is first used in the section. A glossary of common terms and acronyms is provided as Annex XV, and contains references to the most relevant portions of the policy in which key terms are used.

Delegation of Real Estate Management Authority

The UNFPA Executive Director has delegated management and approval authority for real estate management function to the Deputy Executive Director (External Relations, United Nations Affairs and Management) (DED(M)), who has further delegated his/her authority to the Director, Division of Management Services (DMS).

The Director, DMS has delegated his/her authority to UNFPA regional directors, UNFPA sub-regional office directors, UNFPA representatives, UNFPA country directors, UNDP resident representatives/UNFPA representatives, and to chiefs of liaison offices, hereinafter collectively referred to as “heads of office” and to the Chief, Facilities and Administrative Services Branch (FASB).

The heads of office and the Chief, FASB may further delegate real estate management authority to their staff to carry out real estate management tasks, but they remain responsible for compliance with all relevant financial regulations and rules and real estate management procedures.

Conflict Between Legal Instruments

All real estate management must strictly comply with UNFPA Financial Regulations and Rules. The delegation of real estate management authority is granted on an individual basis and required delegated authorities to adhere to the relevant portions of the controlling legal instruments. In the case of any inconsistency or ambiguity between them, these instruments must be applied in the following order of priority:

Article 100 of the Charter of the United Nations;

- i. [UNFPA Financial Regulations and Rules](http://www.unfpa.org/admin-resource/financial-framework) [http://www.unfpa.org/admin-resource/financial-framework];
- ii. [Staff Regulations and Rules of the United Nations](http://www.unfpa.org/admin-resource/policy-personnel-staffing) [http://www.unfpa.org/admin-resource/policy-personnel-staffing]; and

The applicable UNFPA policies and procedures.

Country Office Real Estate Management System (COREM)

- A.5.1. The URL for COREM is: (<https://www.myunfpa.org/Apps/COREM>). The User’s Guide for COREM is available on the top right corner of COREM application.
- A.5.2. It is required that all field office premises irrespective of funding source, and location be registered in COREM. Office premises, which are provided free of charge by the host government are also required to be registered in COREM. In case there are project offices(s) apart from the main office, those office(s) should also be recorded separately under the heading of ‘secondary office’ in COREM. This policy and procedure document applies to both main field office premises and project office premises also referred to as secondary or sub-field offices

A.5.3. All data entry fields must be completed during registration before an office can be accepted into COREM. Incomplete data entry fields or failure to upload all required supporting documentation will result in the registration not being complete.

A.5.4. Information in COREM must be as accurate and correct as possible. Therefore, it is necessary to update information as required and subject to the following changes:

- an office relocation;
- a new sub-office is opened or closed;
- the amount of space rented or occupied is modified in the existing office building;
- a major renovation is completed at an existing office location;
- a new lease agreement/other arrangement is signed by the field office or by the leading UN agency;
- a new MOU/MOA is signed;
- the rent amount is changed;

ROLES AND FUNCTIONS

Regional Offices and Internal and External Relations Division (IERD)

Regional offices and IERD provide primary support to the activities of field offices¹.
The division of responsibilities is as follows:

the relevant regional office for sub-regional and field offices; and
IERD for liaison offices.

Before beginning any process relating to renovation, relocation, or construction of field office premises, the Head of office must inform the relevant regional office or IERD, and liaise with it throughout as necessary.

Field Offices

As UNFPA staff in the field offices know their situation best, all processes related to office renovation, relocation or construction are initiated at this level. The heads of office must review existing office conditions, explore available options and assess the viability of each option to ensure the maximum benefit to UNFPA and its staff.

The heads of office are responsible for obtaining budget clearance from the Budget Section and advice and approval from the Contract Review Committee (CRC) where required. They must interact with FASB, the relevant regional office or IERD as applicable, and the host Government, as appropriate, on all office premises issues.

It is also the responsibility of the heads of office to ensure that the information in the Country Office Real Estate Management system (COREM) is kept up-to-date and to certify this fact each year by sending the standard COREM certification letter (Annex I) to FASB no later than 31/12/current year. In order to ensure that COREM is maintained and up to date, each office must designate a COREM Focal Point (CFP).

DMS / Facilities and Administrative Services Branch (FASB)

FASB supports the field office through provision of guidance and advice and, where required, approval on premises and administrative issues. The Chief, FASB liaises with the DHR Legal Specialist and the United Nations Office of Legal Affairs, if necessary, to secure approval of contractual arrangements requested by the field offices.

¹ The term “field office” excludes in this particular paragraph “regional offices”; it however includes “regional offices” in the remainder of this document as per the definition given in paragraph A.1.1.

The Head of office, in conjunction with the relevant regional office or IERD as applicable, must notify the Chief, FASB at the outset of plans to undertake any project related to office renovation, relocation or construction. After the available options have been explored and adequately assessed, a set of supporting documents must be submitted to and reviewed by the Chief, FASB, at which time recommendations will be made as appropriate.

The Chief, FASB is responsible to ensure that the information in the Country Office Real Estate Management system (COREM) is kept up-to-date and to certify this fact each year by sending the standard COREM certification letter (Annex I) to DED (M) no later than 31/12/current year.

DMS / Finance Branch / Budget Section

The Budget Section serves as a support mechanism to the field offices on budgetary planning for the proposed costs related to office renovation, relocation and construction. The Budget Section also releases resources from the Security Fund for planned security/MOSS installations if they have been approved by the UNFPA Security Coordinator.

Management Information System Branch (MIS)

MIS clears the purchase of all electronic data processing (EDP), information communication technology (ICT) and connectivity equipment to be purchased by the field offices, as per the [MIS Guidelines](https://docs.myunfpa.org/docushare/dsweb/View/Collection-276) [https://docs.myunfpa.org/docushare/dsweb/View/Collection-276], and provides guidance on the premises requirements for such installations as necessary.

Task Team on Common Premises (TTCP)

The TTCP provides support to field offices in or entering into arrangements with other agencies for Common Premises or UN Houses. The TTCP provides guidance, advice and, where required, approval on premises and administrative issues.

UNFPA Security Coordinator and the UN Department of Safety and Security (UNDSS)

Any premises relocation is subject to a security assessment by UNDSS. In every country there is a security office that is called upon to undertake a security assessment of the office premises and the surrounding area. When potential office premises are identified, the appropriate security officer in that country should be contacted to assess the security of the proposed offices and their locations.

The security assessment from UNDSS must be forwarded to the UNFPA Office of Security Coordinator at Headquarters for review and final clearance before

any premises relocation. Funding for security-related installations will not be released unless the proposed installations have been approved by the UNFPA Office of Security Coordinator.

TYPES OF PREMISES**Types of Office Premises and Most Preferred Options**

There are two categories of field office premises, defined by whether UNFPA shares space with other United Nations agencies or if it is located separately.

When space is shared with other agencies, the arrangements may take the form of a UN House, Common Premises, or Shared Premises. These are explained here in order of most to least preferred:

A UN House is established when the offices of all United Nations Development Group (UNDG) and Executive Committee² (ExCom) agencies working in the country are accommodated in the same premises. Other UNDG agencies are encouraged to locate their offices in the UN House as well.

- There can be more than one UN House per country and separate UN House satellite offices linked to any UN House. UN House satellite offices can be, and are in most cases, decentralized offices located in different departments/states of the country. If UNFPA operates at any of these locations, it should integrate with the UN House satellite office.

Common Premises are established when UNFPA co-locates with two other ExCom agencies. Other UNDG agencies are encouraged to locate their offices in the Common Premises as well.

Shared Premises are established when UNFPA co-locates with one other UNDG ExCom agency or one or more non-ExCom agencies.

Alternatively, UNFPA may be housed in UNFPA-specific premises.

Within these two categories there exist options, here arranged in order of most to least preferred:

UN Houses, Common Premises, and Shared Premises

- i. Premises provided by the Government, which may be either:
 1. fully completed and ready to move in (turn-key); or
 2. completed but requiring renovations, alterations, or fit-out; or
 3. premises commercially leased by the government for UN use
- ii. Commercially leased premises; and
- iii. Government donated land on which premises must be constructed.

² The agencies that together comprise the UNDG Executive Committee are UNDP, UNICEF, UNFPA and WFP.

UNFPA-Specific Premises

- i. Premises provided by the Government, which may be either:
 1. fully completed and ready to move in (turn-key); or
 2. completed but requiring renovations, alterations, or fit-out; or
 3. premises commercially leased by the government for UNFPA use
- ii. Commercially leased premises;
- iii. Government donated land on which premises must be constructed; and
- iv. Purchased premises.

In different countries different arrangements will be most suitable, depending on the local situation and the presence and arrangements of other ExCom agencies. However, UNFPA is a strong advocate of United Nations reform and supports the establishment of UN Houses, Common Premises, and Shared Premises whenever possible. The option of sharing premises with other agencies should be explored whenever a field office is considering relocation, as such arrangements can result in reduced one-time and running costs, enhanced coordination, and the creation of Common Services for the agencies involved.

Project Offices

UNFPA offices besides the main field office are variously called district offices, sub-field offices, secondary offices or other local terms. For the purposes of this policy all such offices are termed “project offices”. This term excludes other project buildings, such as clinics, that do not house a UNFPA office.

Project offices must be established in strict compliance with this policy. Efforts should be made to share premises wherever possible with other UN agencies.

All costs of project offices must be covered by programme funds, including costs related to security installations. This requirement notwithstanding, the proposed security installations must be approved by the UNFPA Security Coordinator based on the assessment of the Field Security Coordination Officer (FSCO).

Temporary Offices

In emergency situations, the Head of office may be exceptionally authorised by the relevant Regional Office and HRB to establish an office on a temporary basis (three to six months). Such arrangements are subject to continuous review. The Chief, FASB must be kept informed of all temporary offices set up on behalf of UNFPA.

Residential Accommodation for Staff

In principle, UNFPA does not maintain guest houses or provide residential

accommodation to staff members. Staff are responsible for making their own residential arrangements, following any guidelines provided by the local FSCO. In very rare circumstances, however, the situation in an area may be exceptional enough to warrant UNFPA to provide accommodation for staff, typically for security reasons.

Any process undertaken to establish premises for use as staff accommodation is subject to the advance approval of the DED (M). The field office must inform Chief, FASB and provide detailed justification, accompanied by a statement from UNDSS and/or the UNFPA Security Coordinator where staff housing is being considered for security reasons. Chief, FASB will forward the request, if endorsed, to the DED (M) for approval. Specific guidelines, including those governing staff contributions and services provided, will be determined subsequently on a case-by-case basis.

OFFICE PREMISES SELECTION

Assessing Current Premises

To determine whether office relocation is necessary, a comprehensive analysis of the conditions and requirements of the existing office premises should be undertaken. The following questions must be considered:

What is the condition of the building?

How much office space is currently required?

What was the growth rate of programmes and staffing levels in the past two biennia?

What is the projected growth rate of programmes/staff for the next two biennia?

What, if any, are the rental costs? How are they expected to change?

What are the long-term advantages and disadvantages of staying in the existing office?

Are there restrictions in the present contract that would interfere with potential office relocation?

Does the field office currently require a number of facilities that might be shared with other agencies (such as meeting rooms, a radio room, a drivers’ room, security, storage, cafeteria/kitchenettes)?

It may be possible to expand or reorganise the existing office space more efficiently, to add another floor, or to build an annex. The present lease contract (if applicable) must be reviewed by Chief, FASB in order to determine whether modifications to the space are allowed and, if so, how to facilitate this process.

When considering a reorganization of the existing office space, the development of a space layout is an efficient way to identify possible space saving options. A useful exercise is to list the aspects of the office that have functioned well and those that need improvement:

List the different aspects and conditions of the present office space	
The positives	The negatives

An accurate scale drawing of the currently occupied premises should be submitted to Chief, FASB for reference at this juncture.

Estimating Space Needs

As mentioned in the previous section, the history of growth for the field office should be examined, as past trends will provide a strong indication of how the

staffing levels of the field office might change in the next 5 to 10 years. This will help to determine if and how much additional office space should be factored into the current space.

In assessing future needs for the current and upcoming biennium (2-5 years maximum), the Joint Inspection Unit (JIU) space standards should be applied wherever possible. A worksheet for assessing space requirements based on the JIU space standards is attached as Annex III to aid in these calculations. It includes post title, post grade, number of staff in each grade, the space requirement per grade in square metres and feet, and the total space requirements for the field office.

a. Circulation Factor

The worksheet applies a combined circulation factor of 35% (i.e. 20% for movement between and around offices, and 15% for movement between Departments/Units and common areas). Please note that these estimates are empirically generated and have proven most accurate for large field offices; consequently each field office is responsible for testing them and making any adjustments necessitated by the specifics of that field office.

b. Swing Space

Each field office should also include approximately 10% to 15% additional “swing space” for visitors, short-term assignments, consultants, interns and other staff who may need to be accommodated on a short term basis. This figure is a guideline, and depends on the availability of other spaces, such as meeting rooms, that can be converted to this purpose temporarily if the need arises.

To use space more effectively, some separate but related facilities may be combined, such as LAN and Telecommunications and Radio and Telecoms.

After completing the office space calculation, compare current space totals with future space needs. As a general guideline, a difference of more than 10% may be considered sufficient enough to warrant assessment of alternative premises. If the difference is less than 10%, the possibilities of the existing premises should first be re-assessed: common facility areas should be reviewed for possible reduction and consideration should be given to the redesign or refurbishment of existing spaces.

Example

Future Space Need	(m²)
Estimated office space need for personnel	500

Circulation Factor – for personnel (20%)	100
Estimated common area space need	100
Circulation Factor – for common area (15%)	15
Grand Total space needed	715
Current Office Space	(m²)
Current office space (incl. circulation factor)	420
Current common area space	50
Total current space	470

In this example, the projected future space need exceeds the current space available by 245 m², or 52%, which is a difference substantial enough to warrant seeking new premises.

When considering the parking area needed for the office, the field office must ensure that secure parking is available for all official UNFPA vehicles. If possible, parking should be shared with other United Nations agencies; consideration must be given to the criteria governing each agency's allotment and any projected increases in the number of vehicles. Parking for staff-owned vehicles shall be provided only for reasons of security if the UNFPA Security Coordinator exceptionally endorses such an arrangement.

General Criteria for Field Offices

The general criteria enumerated here must be considered when planning the establishment of a potential office. Once possible options that substantially meet (or can be upgraded to meet) these criteria are identified, the assessments described in Section D.4. below must be completed by independent experts.

External Situation of the Premises

- Location. Where possible and practical, the field office should be located in proximity to other United Nations agencies and to Government counterparts (e.g. the Ministry of Health or the Ministry of Education), and should be accessible by public transportation.
- Appearance. The building should not draw undue attention to itself. Extremes that should be avoided are luxurious buildings that create an image of superiority over the community and buildings in disrepair that give the unfavourable impression of unsafe conditions.
- Visibility and identification to the public. The premises should ensure adequate visibility for UNFPA's presence and activities within the country. The United Nations flag should be flown visibly outside any premises occupied by United Nations bodies. The Head of office should consult with the Heads of any other UN agencies housed in the premises in order to ensure a harmonised approach to the sizing and

placement of each agency's external insignia (such as area signs, decals, directory boards, etc.).

Safety and Security

- Physical safety. The building structure must be safe and secure from fire, break-ins and vandalism. Certain architectural design modifications may be warranted to enhance security, such as window barriers, fences, and security walls. The Head of office should contact the local Field Security Coordination Officer (FSCO) and the UNFPA Security Coordinator for advice on such modifications.
- Security assessment. The FSCO must provide a security assessment of the potential office and building premises. The building selected must either be MOSS compliant or must be renovated to become MOSS compliant. The security assessment must be forwarded to the UNFPA Security Coordinator for final clearance. In addition, fundamental disaster and crisis scenarios should be considered i.e. proximity to emergency services, fire escape routes, safe and accessible assembly points within and outside the premises, evacuation routes out of the premises. Staff must be kept informed of this information and regular drills must take place.
- Secure entrances. The office entrance should be situated and organised such that visitors can be screened by a receptionist and/or security guard(s) who can monitor staff and visitors entering and leaving the premises both during and after office hours.
- Vehicle security. Secure parking space must be available for all official UNFPA vehicles. The Head of office may designate any remaining parking space for use of staff and/or visitors, in consultation with the FSCO³. Parking areas must be secure and adequately lit. Visitors' parking must be clearly marked as such. If bicycles or scooters are a common mode of transport, secure racks should be made available for the use by staff and visitors as part of the parking area.

Physical Working Environment

- Working conditions must be environmentally acceptable and in compliance with local law and practice. There must be an adequate supply of safe drinking water. The offices must be free of pests and vermin. It must be possible to daily collect garbage for disposal.

³ Please note that UNFPA will not absorb costs related to the parking of staff vehicles unless dictated by other factors, such as security, in which case the UNFPA Security Coordinator's approval is required. Where on-site parking is not available for the vehicles of all staff members, it is the staff members' responsibility to make other suitable arrangements.

- Climate control. Adequate air ventilation should be provided for heating and cooling the office working areas. Note that the design of the premises as a whole must be appropriate to the local climate in order to minimise the costs of artificial heating and/or cooling.
- Accessibility. Provisions should be made to make the field office itself accessible to the physically disabled. If there are no physically disabled staff posted to the field office, an extensive remodelling of premises (to provide elevator services, ramps, curb side cutaways, etc.) is not required; however, an accessible meeting area on the ground level should be available for physically disabled visitors to the field office.

Technology

- Electrical power supply. Electricity requirements vary from field office to field office; however, all field offices must ensure adequate lighting in staff working areas. Field offices experiencing fluctuating voltage or frequent power outages may install a back-up generator or Uninterrupted Power Supply (UPS). Refer to Annex IV to calculate the required output of a generator and standards for lighting conditions.
- Information Technology (IT) connectivity. In accordance with [MIS Guidelines](#) [<https://docs.myunfpa.org/docushare/dsweb/View/Collection-276>], the field office premises must meet the minimum specifications required to install the IT system.

Space Requirements

- Office space. It is important that staff be allocated enough space to enable them to perform their tasks comfortably and efficiently. The field office should allocate space according to the Joint Inspection Unit (JIU) standards and the other standards provided in Annex III where possible.
- Swing space / circulation. Adequate space should be allotted for conference rooms, library resources, reception and waiting areas, filing, mail and pouch services, photocopying, records and office supply storage, cafeteria area, and toilets. The premises should also include some provision for reasonable future expansion. Please refer to Annex III for calculating swing space requirements.
- Toilet facilities. There must be separate toilet facilities for male and

female staff. Toilets must be located in UNFPA space or in areas common to the United Nations agencies housed in the premises, and not shared with non-United Nations tenants. Note that if the premises are shared with other entities, it may be costly or impossible to ensure that these standards are met. Please refer to Annex III for calculating the number of toilet facilities necessary per field office.

- **Storage space.** The field office must provide for adequate storage room for such items as office supplies, IT equipment, programme-related materials, and any other supplies of which quantities need to be kept on location. If a distribution centre is needed, consider whether it is possible to establish a common storeroom with other United Nations agencies or whether it can be included in the office building. Convenience should be evaluated against cost.

Assessing Potential Office Premises

Among the types of assessments that should be completed on an office space or building identified as potential premises are those that evaluate the internal space, the building, and the surrounding land/area.

Security assessment

- Required for all types of potential office premises
- For UNFPA-specific premises: must be submitted to the UNFPA Security Coordinator and Chief, FASB
- For Common Premises / UN Houses: must be submitted to the TTCP

This assessment is conducted by the UNDSS FSCO and determines if the building and the surrounding area are safe and secure for United Nations staff.

Structural integrity / due diligence study

- Required for all ready-built potential office premises
- For UNFPA-specific premises: must be submitted to Chief, FASB
- For Common Premises / UN Houses: must be submitted to the TTCP

This assessment determines floor load capacities and confirms the general worthiness of the building and its components. A visual inspection should normally be adequate if detailed structural drawings or calculations are available. Further tests may be required in some instances if a building shows signs of distress.

Seismic study

- Required only if the site is in an earthquake-prone area
- For UNFPA-specific premises: must be submitted to Chief, FASB
- For Common Premises / UN Houses: must be submitted to the TTCP

This study assesses the seismic hazard, including the likelihood,

magnitude, location, and nature of earthquakes that might have damaging effects at the site.

Soil analysis

- Required only if UNFPA will be constructing a building
- For UNFPA-specific premises: must be submitted to Chief, FASB
- For Common Premises / UN Houses: must be submitted to the TTCP

This study analyses the physical characteristics of the soil in order to determine whether it is suitable to support the structure of a building.

Topographic survey

- Required only if UNFPA will be constructing a building
- For UNFPA-specific premises: must be submitted to Chief, FASB
- For Common Premises / UN Houses: must be submitted to the TTCP

This study accurately defines the site boundaries and all physical features, including a grid of levels/elevations.

An independent professional expert must be contracted to perform the relevant required assessments and to present the findings and recommendations in a report. In some situations, copies of reports completed recently by the owner or landlord may suffice as long as the complete documentation is made available. **Note:** the relevant assessments must also be completed when accepting a building donation from the Government. Approval must be obtained from the Chief, FASB, before making any verbal or written commitments to accept the donation.

All security measures recommended by the UNDSS to render field office premises MOSS compliant must be implemented on a timely basis and be funded from the Security Fund, distributed between IB and Programme funds based on number of staff. Security improvements for Project Offices have to be funded by Programme Funds. Clearance from the UNFPA Security Coordinator must be obtained before the Security Fund can be released by the Budget Section.

A set of questions to consider when assessing the location and actual building are listed under items II and III in the Criteria Checklist for Selection of Office Premises (Annex II). The Criteria Checklist comprises eight sections that examine multiple facets of the potential office building and immediate area.

All completed assessments should be sent to Chief, FASB for review.

Cost Benefit Analysis

A cost benefit analysis must be undertaken in order to project the anticipated costs of two or more premises over a certain number of years. This is a useful tool for assessing whether a potential relocation makes financial sense in the long term

as compared with staying in the current premises, or to decide between several potential premises that meet the other criteria in this section. In some cases after all costs over a certain period of time have been considered, a variant is not as cost effective as previously thought.

A component of the cost benefit analysis, known as an amortisation analysis, is useful for deciding whether purchasing premises is cost effective as compared with a leasing arrangement. An amortisation analysis indicates after how many years the one-time costs will be amortised.

See Annex III for the standard cost benefit analysis table, which can be downloaded and filled out as necessary. The sample lease negotiation scenarios in Annex V may also be useful in this regard.

The qualitative benefits resulting from a potential move must be noted in the benefit portion of the analysis. These may include better access to services, improved efficiencies, facilitating closer cooperation amongst United Nations agencies and staff, promotion of a more unified United Nations presence, simplifying procedures, enhanced security arrangements and/or allowing for the consolidation of resources.

Long-Term Maintenance Plan

In addition to assessing potential office premises, the Head of office must ensure that a long-term maintenance plan is created in order to provide an accurate idea of the additional costs required to keep the office in operable condition. This includes routine maintenance and minor renovations (such as re-painting), repairs, and expected maintenance on the building's mechanics, such as elevator, generator, air conditioner, heating, plumbing, roof, etc. during a biennium.

The industry standard for estimating the annual cost of such routine maintenance is 3% of the current market value of the premises. This figure does not take into account unforeseen emergency repairs or substantial renovations.

Water and energy usage. It is important to ensure that energy and water using systems are operating at optimal efficiency. Opportunities for the reduction of energy and water consumption should be identified and steps to reduce or eliminate wastage of these resources should be considered. For example: use of natural daylight, light switch sensors, trees to minimize sunlight, reporting of leaks, designating a person to ensure lights and electronics are turned off in unoccupied areas and at end of day. For further recommendations on environmental sustainable measures please consult the [UNFPA Emissions Reduction Plan](#).

[https://portal.myunfpa.org/c/document_library/get_file?uuid=3bda4752-3406-4a91-aadb-fde004fba3a3&groupId=93780]

UN HOUSES, COMMON PREMISES, AND SHARED PREMISES

Introduction

As an ExCom member of the UNDG, UNFPA is committed to the establishment of UN Houses, Common Premises, and Shared Premises worldwide. Consequently, as explained in **Section C.1.**, the most preferred premises arrangement is a UN House, followed by (in order of decreasing preference) Common Premises, Shared Premises and UNFPA-specific premises. The most preferred sub-option for each of these is government-donated premises, followed by commercial leasing and construction.

UN Houses and Common Premises

UN Houses and Common Premises arrangements are set up through a consultative process between the participating agencies at the field level and through regular meetings held by the Task Team on Common Premises (TTCP) at Headquarters. The TTCP must be notified at the outset of the agencies' intention to share space so that advice and counsel may be provided as necessary.

Field offices considering a UN House arrangement should consult the online step-by-step [guide](#) developed by the UNDG [<http://www.undg.org/index.cfm?P=1417>] as a supplement to the procedures in this section.

Shared Premises

In a Shared Premises arrangement, the process does not normally go through the TTCP, but is handled bilaterally by the agencies involved. Nevertheless, the TTCP and Chief, FASB should be notified at the outset of the agencies' intention to share space, so that advice and counsel can be provided as necessary.

Common Services

Sharing space with other United Nations agencies provides the opportunity to realise cost savings by adopting a common services approach to such necessary services as building maintenance, security, mail and pouch, staff training, etc. Other common services should also be explored by the Operations Management Team (OMT) or the United Nations Country Team (UNCT).

Review and Approval by Headquarters

Throughout this section, reference will be made to “the relevant Headquarters Liaison”. This is the body at Headquarters to which proposals and documentation must be submitted wherever specified for review and approval. The two Headquarters Liaisons are:

- The TTCP for UN Houses and Common Premises; and
- Chief, FASB for Shared Premises.

Option 1: Premises Provided by the Government

Introduction

- a. UN Houses, Common Premises, and Shared Premises are, in order, the most preferred options when considering relocation. Before any other possibilities are explored, the field office should confirm with the Resident Coordinator the possibility of enforcing or establishing a UN House or Common Premises arrangement. Generally, the Government will offer a building suitable for housing all the agencies. Through the UNCT, the agencies involved work to secure the required space in such a building.
- b. Government-Provided Premises Requiring Rent
 - i. Typically, the premises offered by the Government will be rent-free. In some cases, however, the Government will stipulate that rent must be paid either from the start of occupancy or after a certain number of years (for instance, once the costs of constructing a building on Government-donated land have been amortised).
 - ii. The procedures in this section, including all documentation, are applicable whenever the Government provides a suitable building, whether or not rent is required. However, **if the Government will be requiring rent at any time, please consult Section E.3. Commercially Leased Premises first**. The following portions are of special relevance:
 - Paragraph E.3.2. on convening an inter-agency task force to evaluate the Government’s proposal against possible alternatives in the commercial market;
 - Paragraphs E.3.8. – E.3.10. on deposits, fees, rental advances, and currency of payment; and
 - Paragraph E.3.13. on subleasing arrangements.

Government-Donated “Turn-Key” Premises

The term **turn-key** denotes a building that has been completed and is ready for occupancy. Under this option, the host Government may agree to provide office premises – either brand new or fully renovated at the Government’s cost – into which the tenant moves in. In some instances, the Government may only agree to provide an unfurnished building and the participating agencies will have to provide furnishings and equipment such as workstations, movable partitions, and other non-expendable

property.

This is the most sought-after option as it implies limited to no cost to the United Nations system. In the event that the Government is renovating or constructing the premises at the Government's costs, the UNCT also has an advantage of providing on-going input to the renovation / construction project to reflect its needs. The UNCT may wish to contract an independent project manager or architect to monitor that works are in compliance with the agencies' needs and to report on progress.

Space allocation and cost apportionment

Each agency's space requirements must be reviewed to determine the total space needed for potential UN Houses, Common Premises, or Shared Premises. In any arrangement where premises are shared, it is important to note that each agency pays a proportionate share of the cost, according to pre-agreed criteria (usually based on each agency's total office and common area space in square meters/feet). Refer to the Memorandum of Understanding between participating UN agencies for details. If there are costs related to renovation/refurbishment of common areas, these are also apportioned based on each agency's share of office and common area space.

Security and other Assessments

Once the Government proposes a building/site, the lead agency, on behalf of the participating agencies, must:

ascertain the terms and conditions under which the space will be made available to the UNCT;

request the local UNDSS FSCO to conduct a security assessment; and

contract an independent expert to conduct a structural assessment study and, if the site is in an earthquake prone area, a seismic study. The condition and suitability of the proposed site need to be fully assessed. Please refer to the Criteria Checklist for Selecting Office Premises (Annex II) when undertaking these studies.

Submission of reports

UN Houses and Common Premises: The UNCT must coordinate with and inform the TTCP accordingly to assess the viability of the proposed project. The security assessment (along with a list of recommendations of security installations required to make the premises MOSS-compliant) and the independent expert report(s) should be sent to the TTCP.

Shared Premises: The Head of office must coordinate with and inform Chief, FASB accordingly to assess the viability of the proposed project. The security assessment (along with a list of recommendations of security installations required to make the

premises MOSS-compliant) and the independent expert report(s) must be sent to Chief, FASB and the UNFPA Security Coordinator.

Letter of Commitment

Before it can be deemed acceptable, and while the studies and other factors are being reviewed, the UNCT must ascertain the duration for which the Government will make the space available and any associated conditions. The UNCT must obtain a letter of commitment from the Government for the proposed building / compound stating the terms for the donation and description of the premises it is donating with blueprints and/or floor plans.

The letter of commitment and all attendant documentation must be forwarded for review to the relevant Headquarters Liaison. Once the relevant Headquarters Liaison gives clearance, the office premises offered to the UNCT by the Government may be accepted by the Resident Coordinator or the lead agency. See Annex VII for the standard letter of commitment.

Memorandum of Agreement (MoA)

A MoA must be signed between the Government and the lead agency, but a *Letter of Agreement* may be used instead, provided all terms and conditions are included in the letter. A draft of this document must be sent to the relevant Headquarters Liaison for review. Once the text has been approved, the lead agency may proceed to sign the MoA. A signed copy must be sent to the relevant Headquarters Liaison for the records and a copy uploaded to COREM. See Annex IX for the standard MoA.

Walk-Through

Where the Government is leasing the premises to the participating agencies, a walk-through must be performed by representatives from the Government and the UNCT before the premises are occupied. The purpose of the walk-through is to document the condition of the premises prior to occupancy, so a detailed description of the kind and condition of significant fixtures and other details (e.g. carpeting, damaged counter-tops) must be noted and photographed. Another walk-through will be performed when the participating agencies vacate the premises, and the documentation will be compared to ensure that no significant alterations or damage requiring compensation have been done.

Memorandum of Understanding (MoU)

Once the space is deemed sufficient and suitable by all participating

agencies, a draft MoU for sharing of office accommodations spelling out the terms of occupancy, the basis for cost apportionment, and any common services, must be drafted by the UNCT and sent to the relevant Headquarters Liaison for review. Once approved by the relevant Headquarters Liaison, the document may be signed by all participating UN agencies. Copies must, in all cases, be sent to the TTCP for the records and uploaded to COREM. See Annex XI for the standard MoU.

Funding for one-time fit-out costs⁴

UN Houses and Common Premises

1. If the premises are UN Houses or Common Premises, the participating ExCom agencies may request coverage for costs related to fit-out works to the proposed site from reserve funds established by these agencies. In UNFPA, these funds have been designated as the Reserve for Field Accommodation (RFA). See Section H.1. for detailed information on use of the RFA.
2. An itemised cost breakdown of the fit-out works (including a separate section for one-time security installation costs and a separate section for one-time IT installation costs) along with other supporting documents must be compiled and sent to the TTCP. Once TTCP approval is secured, the package of documents must be sent to the lead agency's contract committee for approval if so required by its financial regulations and rules.
3. One-time security installation costs are not funded from the RFA. Such costs are covered by the Security Fund (see Section H.3. for detailed information). Clearance from the UNFPA Security Coordinator is required before the Security Fund can be released by the Budget Section.
4. Clearance from MIS is required before any funds will be released for one-time installations related to information technology, such as servers, wiring, etc.
5. An estimated budget including the total rent (if applicable), operating costs, each agency's share of these costs and a projected

⁴ Includes removal, relocation, or provision of partitioning, screens, and related changes; the installation, relocation, or removal of power and telephone, outlets, jiffy poles, counters, doors, windows, shelving and similar items; other redecorating, refinishing, renovations or installation of special light fixtures or additional lighting to meet special requirements; smoke detectors; supply and installation of separate or additional humidity-control and air conditioning systems where required; installation of internal and external telecommunications systems; supply and installation of separate ventilation systems; a separately itemized one-time security installation of special systems such as locks, extra keys, and alarm systems; and a separately itemized one-time information technology installation of servers, wiring, and related elements.

timeframe must be prepared and sent to the TTCP prior to the release of any funds.

Shared Premises

1. If the premises are Shared Premises, the one-time fit out costs is funded from the Institutional Budget (IB) and programme funds (prorated based on headcount). See Section H.2. for detailed guidance on use of IB and programme funds.
2. An itemised cost breakdown of the fit-out works (including a separate section for one-time security installation costs and a separate section for IT installation) along with other supporting documents must be compiled and sent to Chief, FASB. Once clearance from Chief, FASB and approval from the Budget Section are secured, the package of documents must be sent to the lead agency's contract committee for approval if so required by its financial regulations and rules.
3. One-time security installation cost is not covered by the IB or programme funds. Such cost is funded from the Security Fund (see Section H.3. for detailed information). Clearance from the UNFPA Security Coordinator is required before the Security Fund can be released by the Budget Section.
4. An estimated budget including the total rent, operating costs, each agency's share of these costs and a projected timeframe must be prepared and sent to Chief, FASB prior to the release of any funds.

Updating contact information

Following relocation and installation into the new premises, the field office must update the Global Directory in the UNFPA intranet and the COREM system.

Updating Asset Records

If the title of the premises has been transferred to UNFPA the premises must be recorded as an asset in the Asset Management Module in Atlas as per the [Policy and Procedures for Fixed Asset Management](http://www.unfpa.org/admin-resource/policy-and-procedures-fixed-asset-management) [http://www.unfpa.org/admin-resource/policy-and-procedures-fixed-asset-management]. The profile to choose for such occasion is BLDG1 – Office Premises., with the market value of the premises at the time of donation.

Government-Donated Premises Requiring Renovations/Alterations to be Undertaken
by the UNCT

When Government-donated premises require renovation and/or alterations, the procedures outlined in Section E.2.2. above remain applicable, with the difference that the renovation and fit-out of common premises are managed by a lead agency on behalf of the other participating agencies.

UN Houses or Common Premises: UNFPA's share of the renovation costs may be requested from the RFA, but the request is subject to approval by Chief, FASB.

Shared Premises: UNFPA's share of the renovation costs is funded from the IB and programme funds (prorated based on headcount).

The lead agency may:

contract a qualified architect / engineer, preferably one with prior experience with the United Nations system, to prepare a design, space plan, list of necessary installations/facilities not available in the premises that are required and cost estimates; or

send out a request for proposals (RFP) to qualified and pre-selected architects whose submissions will provide options for renovation and design from which United Nations agencies may select, and on which invitations for bid may be based.

The submissions from the project manager or architect must be sent to the relevant Headquarters Liaison for review and clearance and then submitted to the lead agency's contract committee for approval if so mandated by its financial regulations and rules. Once approval is secured, a funding request may be submitted. The first four items below must be submitted to Chief, FASB and (for Common Premises and UN Houses) to the TTCP before the UNCT can request funding. The remaining items should be submitted soon thereafter.

Security assessment;

Total area space in square meters or square feet including office space and parking;

Floor plans;

A cost-benefit analysis (Annex III) including total anticipated one-time costs (itemized cost breakdown) and estimated recurrent costs including a cost benefit analysis;

Draft Letter of Commitment;

Draft Memorandum of Agreement (MoA), if applicable;

Draft Memorandum of Understanding (MoU); and

Draft lease, if applicable.

Upon receiving approval from the relevant Headquarters Liaison, the UNCT must:

finalise the proposal for renovations / alterations with the architect;
send out an invitation for bids to search for a contractor; and
facilitate renovation works.

Once renovations / alterations are complete, the UNFPA field office must submit invoices to Chief, FASB for expenses incurred to date.

Option 2: Commercially Leased Premises

Before resorting to the commercial market, the UNFPA field office must, in coordination with the other agencies that intend to share office space, first determine that suitable and appropriate office accommodation is unavailable rent-free from the Government (as described in Section E.2. above).

The group of United Nations agencies intending to rent commercial premises as a UN House, Common Premises or Shared Premises may form a task force to search and identify potential sites. The task force may contact a real estate agent, if necessary, to compile at least three viable options. The UNFPA field office must coordinate with the task force on assessing conditions of proposed sites. Refer to Annex II, Criteria Checklist for Office Premises Selection.

Security and Building Assessments

A security assessment must be conducted by UNDSS FSCO on each proposed site and the resulting report submitted for review to the TTCP (for Common Premises and UN House) or to Chief, FASB and the UNFPA Security Coordinator (for Shared Premises). This report must include all security installations required to make the premises MOSS-compliant, including corresponding cost estimates.

Submission of Documentation to the Relevant Headquarters Liaison

UN Houses and Common Premises: Once suitable premises have been **identified, the UNCT must forward to the TTCP floor plans with staffing details, describing** any works that need to be done, the relevant expenses, the potential running costs and any other relevant information from the “Criteria Checklist” (Annex II).

Shared Premises: Once suitable premises have been identified, the Head of office must forward to Chief, FASB a floor plan(s) with staffing details and the office’s approved typology⁵, describing any works that need to be done, the relevant expenses, the potential running costs and any other relevant information from the “Criteria Checklist” (Annex II).

⁵ The latest version of the field office’s approved typology is available from the Division of Human Resources. This is the number and grade of staff required for a UNFPA field office to maintain the activities required by that country’s specific profile.

Lease Agreement

The terms of the lease agreement must be negotiated by the UNCT or the Operations Management Team (OMT) with the landlord and set forth using the standard lease agreement for which text has been approved by the United Nations Office of Legal Affairs (UNOLA). The proposed lease must conform to the standard lease agreement as much as possible. See Annex XII for the Standard English version. The standard lease is also available from FASB in French and Spanish upon request. The draft lease must include:

An accurate physical description of the premises and its location including the office address;

A list of the services and security arrangements to be provided by the landlord;

The duration of the lease (up to five years) with option for renewal at the United Nations agencies' discretion;

Details on whether there is or is not a renewal option;

The rental amount, including the method, schedule, and currency of payment, with separate note of any advance payments made;

The conditions for terminating the lease by either the landlord or the United Nations agencies; and

The three core clauses:

- The Escape or “Diplomatic” clause (Article 6 of the standard text);
- The “UNCITRAL” clause (Article 21 of the standard text); and
- The “Privileges and Immunities” clause (Article 22 of the standard text).

Any deviations from the standard lease agreement must be flagged to the relevant Headquarters Liaison. If the deviations are substantive, the relevant Headquarters Liaison may send the draft lease to UNOLA or the lead agency's legal section to review and approve the changes.

A draft lease which has the tentative approval of the landlord and the UNCT must be sent to the relevant Headquarters Liaison for review. A lease agreement must not be signed without prior consultation with, and budgetary approval from, the relevant Headquarters Liaison. Once the draft lease is cleared by the relevant Headquarters Liaison, the UNCT must submit the draft lease to the lead agency's contract committee for approval if so mandated by the lead agency's financial regulations and rules. Once it is approved, the lead agency may sign the lease.

Generally, the lead agency will not sign a lease agreement unless a letter of intent is first

signed by all participating agencies stating their commitment to the lease. See Annex X for the standard letter of intent.

A copy of the signed lease should be forwarded to the TTCP for the records and also uploaded to COREM.

Walk-Through

A walk-through should be performed by the landlord and the UNCT before the premises are occupied. The purpose of the walk-through is to document the condition of the premises prior to occupancy, so a detailed description of the kind and condition of significant fixtures and other details (e.g. carpeting, damaged counter-tops) should be noted and photographed. Another walk-through will be performed when the participating agencies vacate the premises, and the documentation will be compared to ensure that no significant alterations or damage requiring compensation have been done.

Memorandum of Understanding (MoU)

Once the space is deemed sufficient and suitable by all participating agencies, a draft MoU for sharing of office accommodations, spelling out the terms of occupancy, is sent to the relevant Headquarters Liaison for review. See Annex XI for the standard MoU.

When it has been approved, the document can be signed. A copy should, in all cases, be sent to the TTCP for the records and also uploaded to COREM.

Deposits and Fees

Security deposits and broker's fees are strongly discouraged by United Nations regulations. When local law or practice requires that such payments be made, exceptional approval must be obtained from the appropriate approval authority at the lead agency's headquarters.

Rental Advances

If a rental advance is required by the landlord, advance approval must be obtained from the appropriate approval authority at the lead agency's headquarters. The rental advance must be stipulated in the lease agreement and mentioned in the MoU signed by the participating agencies. The rental advance is paid by the lead agency in accordance with the MoU.

Currency of Payment

Most agencies' policy is to pay all local expenditures, including rent, in the local currency of the country. Requests for exceptions to this policy require approval from the relevant Headquarters Liaison.

Funding for One Time Fit-Out Costs

UN Houses and Common Premises

Funds from the RFA may be requested by field offices to fund for one time fit-out costs provided that the premises are UN Houses or Common Premises.

One-time security installation costs are not covered by the RFA. Such costs are funded from the Security Fund (see Section H.3. for detailed information). Clearance from the UNFPA Security Coordinator is required before resources from the Security Fund can be released by the Budget Section.

Shared Premises

If the premises are Shared Premises, the one-time fit-out costs are funded from the IB and programme funds (pro-rated based on headcount). See Section H.2. for detailed guidance on pro-rating between IB and programme funds.

One-time security installation costs are not covered by the IB and programme funds. Such cost is funded from the Security Fund (see Section H.3. for detailed information). Clearance from the UNFPA Security Coordinator is required before the Security Fund can be released by the Budget Section.

Updating contact information

Following relocation and installation into the new premises, field offices must update the Global Directory in the UNFPA intranet and the COREM system.

Subleasing

Subleasing office accommodations *from* a tenant, or subleasing *to* another potential tenant, will be considered only on an exceptional case-by-case basis. All subleasing plans must be approved in advance by the relevant Headquarters Liaison. A walk-through must be performed before and after the start of the sublease.

Most preferred option

The standard Lease Agreement used by UNFPA (Annex XII) provides a degree of freedom for United Nations Agencies to sublease property from or to each other. For this reason, and out of security considerations, subleasing arrangements should only be made with another United Nations Agency unless no other options exist.

Subleasing premises from or to another United Nations Agency

The written agreement of the other agencies participating in the UN House, Common Premises, or Shared Premises must be obtained. An MoU must be drafted between UNFPA, the sub-lessor or sub-lessee, and the other participating agencies. The MoU must specify which common premises and services will be transferred to the sub-lessee, and whether the sub-lessor will retain any privileges or obligations for the duration of the sublease. No separate sublease agreement is necessary. See Annex XI for the standard MoU.

The MoU must be sent to the relevant Headquarters Liaison for review and approval.

Subleasing premises from or to a non-United Nations entity

If the potential sub-lessor or sub-lessee is not a United Nations entity, a security assessment must first be conducted by the UNDSS FSCO.

If UNFPA is subleasing its premises *to* a non-United Nations tenant:

- the written consent of the Landlord must be obtained; and
- A MoU must be drafted between UNFPA and the remaining agencies participating in the UN House, Common Premises, or Shared Premises arrangement. It must specify whether any of the premises subleased by UNFPA will continue to be common premises, and whether UNFPA will continue participating in any common services, for the duration of the lease.

If UNFPA is subleasing premises *from* a non-United Nations tenant, a MoU must be drafted between UNFPA and the other agencies participating in the UN House, Common Premises, or Shared Premises arrangement. It must specify whether any of the premises subleased by UNFPA will become common premises, and whether UNFPA will be participating in any common services, for the duration of the lease.

The sublease agreement must be modelled on the standard Lease Agreement (Annex XII) and must contain all the information listed in Section E.3.5. If the sublease exceeds US\$ 100,000 within a 12-month period, a draft of the sublease agreement must be submitted to the Headquarters Contract Review Committee (CRC) for approval before it is signed, as per the [Procurement Procedures](http://www.unfpa.org/procurement-policies) [http://www.unfpa.org/procurement-policies].

The Landlord's letter of consent (if applicable), the draft sublease agreement, and the draft MoU must be sent to the relevant Headquarters Liaison for review and approval.

Option 3: Construction of Premises on Land Donated by Government

Consideration may be given to building construction only if there is no other way to address office space needs. **Construction is costly, time consuming and entails high risk; it is considered the least preferred modality for establishing office premises.**

For construction of a building to be used as office premises on land provided by the Government, the construction will be managed by the designated lead agency on behalf of all participating agencies.

Funding for Construction

UNFPA's share in construction costs is eligible to be funded through RFA.

Security

The UNCT must request the local UNDSS FSCO to conduct a security assessment of the surrounding area to ensure it is a safe environment to establish office premises. The security report must be submitted to the TTCP (for UN Houses and Common Premises) and to Chief, FASB and the UNFPA Security Coordinator (for Shared Premises).

Letter of Commitment

Before it can be deemed acceptable and while the studies and other considerations are being reviewed, the UNCT must ascertain the duration for which the Government will make the land available and any associated conditions.

The UNCT must obtain a Letter of Commitment from the Government for the proposed land stating the terms of the donation and description of the land it is donating along with a land survey. Once the relevant Headquarters Liaison gives clearance, the land offered to the United Nations system by the Government may be accepted by the Resident Coordinator or the lead agency. See Annex VII for the standard letter of commitment.

Land Grant Agreement

A land grant agreement must be concluded by the lead agency with the Government. The agreement addresses the timeframe for the grant, the title of the land, the respective rights and obligations of the parties, the applicable law and certain privileges and immunities to which the United Nations agencies might be entitled. A land grant agreement also provides the legal basis for approval of construction work which will be undertaken by the United Nations on the allocated land. See Annex VIII for the standard land grant agreement.

Memorandum of Agreement (MoA)

An MoA must be signed between the Government and the lead agency, but a

Letter of Agreement may be used instead, provided all terms and conditions are included in the letter. A draft of this document must be sent to the relevant Headquarters Liaison for review. Once the text has been approved, the lead agency may proceed to sign the MoA. In all cases a signed copy must be sent to the TTCP for the records and uploaded to COREM. See Annex IX for the standard MoA.

Memorandum of Understanding (MoU)

Once the space is deemed sufficient and suitable by all participating agencies, a draft MoU for sharing of office accommodations, spelling out the terms of occupancy, must be drafted and sent to the relevant Headquarters Liaison for review. See Annex XI for the standard MoU. When it has been approved, the document may be signed. In all cases a copy must be sent to the TTCP for the records and uploaded to COREM.

Proposal for Construction

The lead agency will identify a qualified independent architect / engineer, preferably one with prior experience working with the United Nations system, to prepare a proposal for construction. The proposal to build office premises shall be prepared in coordination and with input from all agencies and must be presented to the relevant Headquarters Liaison for review and approval.

The proposal for construction must include:

Security assessment of proposed site

Location

Size of the building, capacity

Facilities to be included

Duration of time the land will be made available to the United Nations System

A signed agreement to be obtained by the UNCT from the Government indicating that they have no objection to the United Nations' construction plans

Description of the local conditions for building trades and construction supplies

Confirmation that skills, services, and materials to design and build the structure are available locally; and, if any are not, a description of alternative sources, with justification, must be supplied.

Realistic cost estimates presented in sufficient detail and expressed in US\$ and local currency. Construction cost estimates should include all costs of design and supervision, and, where appropriate, a provision for projected inflation and / or currency fluctuations.

Detailed cost benefit analysis with justifications (Annex III).

Any additional costs that need to be borne by the agencies.

A maximum 10-year amortization schedule. Note that UNFPA restricts leases to a 5-year limit, and therefore 5-year commitments to amortization. Exceptions may be granted by Chief, FASB on a case-by-case basis.

Duration of construction and projected completion date.

Estimated occupancy date.

Task Force and Architectural Programme

Once the proposal is approved, the lead agency must organise a local task force to develop a Programme of Requirements for the construction project. It is highly recommended that a local architect is hired to assist the task force. The programme will serve as a framework for soliciting bids from architects to design the building and establish in an orderly way the current and projected staff needs and any special enhancements or environmental restrictions needed in the design of office space, such as special lighting, security measures, provisions for wheelchair access, etc.

The task force will invite a representative group of architects to submit preliminary sketches, models and bids for designing the building; and will select at least three architects from this group and submit their choices to the UNCT for consideration. It is recommended that written general requirements be sent to all architects, or, alternatively, that all candidates are invited to a briefing on the UNCT's vision of the premises. The UNCT chooses three of the architects from those recommended by the task force and submits these recommendations to the lead agency's contract committee for review and advice.

The architect / engineer selected will draw up detailed documentation (including design, drawings of specifications, etc.) in consultation with the task force, and formulate all invitation-to-bid forms for the construction of the building.

When the bids are received, the architect / engineer will evaluate the bids and recommend awards to the UNCT, which will present the recommendation to the appropriate contract committee. The architect / engineer shall formulate all construction contract documents, supervise construction, and make recommendations on provisional and final acceptance to the UNCT.

Project Manager

The UNCT is required to assign a Project Manager to work with the contractor to verify quality of work on behalf of the United Nations agencies. The Project Manager will monitor works and report to the UNCT on progress. Upon completion of the construction, the Project Manager will inspect and advise the UNCT of a move-in date.

Guidelines for using a private developer

The UNCT may choose to use a private developer, who will construct the building in exchange for a long-term lease agreement governing its occupancy.

Invitations to bid on the terms of occupancy are sent out to as many local developers as possible. Proposals should specify the yearly rent expressed in local and US\$ currency, the number of years of amortization, and whether there is a “purchase back option” so that the United Nations will own the building once the costs of construction are fully amortised.

Once a developer has been selected, a draft lease agreement must be sent to the relevant Headquarters Liaison for review and approval before any construction begins.

Guidelines for building construction

If the construction is not pursued through a private developer, the following steps are taken:

Invitations to bid for construction of the building are sent to as many local construction firms as possible that have the capacity and technical skills to fulfil the contract. The UNCT maintains records of all firms invited to bid.

Approval of all construction contracts generated in the building project is subject to review by the lead agency’s contract committee if it exceeds the mandated thresholds in its financial regulations and rules.

Payments for construction may be made in scheduled instalments, or all at once upon satisfactory completion of the works.

The UNCT chooses the most appropriate approach to manage construction within project costs in order to protect the United Nations’ interest by setting key milestones, deliverables and payment terms, penalties for late delivery, defects liability, and percentages of retention money and period of guarantee, as well as establishing a mechanism for technical monitoring and supervision.

One original signed set of all legal documents relating to the construction of the building must be forwarded by the UNCT to the TTCP (for Common Premises and UN Houses) or by the Head of office to Chief, FASB (for Shared Premises).

It is recommended that each contract submitted to the contract committee include approximately 10% contingency amount to cover possible cost overruns. However, should the entire construction budget appear in danger of exceeding the ceiling approved by the relevant Headquarters Liaison, **the proposal to build must be resubmitted to the relevant Headquarters Liaison by the UNCT**, showing new projected figures for the building’s completion and full justification for the increase.

Funding for One Time Fit-Out Costs

Funds from the RFA may be requested by the field offices to fund one time fit-out costs.

One-time security installation costs are not covered by the RFA. Such costs are funded from the Security Fund (see Section H.3. for detailed information). Clearance from the UNFPA Security Coordinator is required before the Security Fund can be released by the Budget Section.

Updating contact information

Following relocation and installation into the new premises, field offices should update the Global Directory in the UNFPA intranet and the COREM system.

Updating Asset Records

In the event that the premises become the property of the United Nations system once the costs of construction have been amortised, through the provision of a “purchase back option” in the contract with the developer, the premises must be recorded as an asset in the Asset Management Module in Atlas as per the [Policies and Procedures for Fixed Asset Management](http://www.unfpa.org/admin-resource/policy-and-procedures-fixed-asset-management) [http://www.unfpa.org/admin-resource/policy-and-procedures-fixed-asset-management]. UNFPA-owned premises must be recorded under the “BLDG1” profile, with the purchase value of the premises. In cases where UNFPA owns a portion of the premises in common with other agencies, only the agency holding the title of the premises should record the asset with the value at the time of purchase. In the case of a Joint Office, only the lead agency will record the building as its asset.

Renovation of Existing Premises Located in UN Houses, Common Premises and Shared Premises

UNFPA-Specific Renovations

When a UNFPA field office undertakes renovation or rehabilitation of the UNFPA-specific portion of a UN House, Common Premises, or Shared Premises office, the advance agreement of the other participating agencies must be obtained. If the other agencies will not be involved in the renovation project (as when common areas are not affected, or when the renovations will not significantly affect the structure of the building), please refer to Section F.6. on renovations of UNFPA-specific premises.

When existing premises located in UN Houses, Common Premises and Shared Premises require renovation or rehabilitation, and the works will involve agencies besides UNFPA (as when common areas are affected, or when the

renovation will substantially alter the structure of the building), the process should be managed by a designated lead agency on behalf of all participating agencies.

Funding for Renovation or Rehabilitation

Funding for such renovation/rehabilitation should ideally come from the long-term maintenance funds referred to in Section D.6. above.

In the event that the long-term maintenance funds set aside for this purpose are insufficient to cover the cost of the renovation, the UNCT should proceed as follows:

The lead agency may:

contract a qualified independent architect / engineer, preferably one with prior experience with the United Nations system, to prepare a design, space plan, list of necessary installations/facilities not available in the premises that are required and cost estimates; or

alternatively, send out a request for proposals (RFP) to qualified and pre-selected architects whose submissions will provide options for renovation and design from which United Nations agencies may select, and on which invitations for bid may be based.

The submission from the project manager or architect / engineer must be sent to the relevant Headquarters Liaison for review and clearance. The proposal must be submitted to the lead agency's Local and/or Headquarters CRC for approval if it exceeds the thresholds specified in its financial regulations and rules. Once the necessary approval is secured (if applicable), a funding request may be submitted. The following documents must be submitted to the relevant Headquarters Liaison before the UNCT can request funding:

Security assessment;

Total area in square meters or square feet, including office space and parking;

Floor plans; and

Detailed cost benefit analysis including total anticipated one-time costs (itemized cost breakdown) and estimated recurrent costs.

Upon receiving approval from the relevant Headquarters Liaison, the UNCT should proceed as follows:

1. finalise the renovation proposal with the architect;
2. send out an invitation for bids in order to identify a contractor; and
3. facilitate the renovation works.

Funding for Renovation

UNFPA's share of the renovation costs may be funded through the

RFA. Requests are subject to the approval by Chief, FASB.

UNFPA-SPECIFIC OFFICE PREMISES**Introduction**

Establishment of Common Premises with other United Nations agencies is a priority for UNFPA worldwide. However, it may not be feasible to establish such arrangements in every country. The following sections describe the procedures that pertain to office premises that UNFPA is pursuing alone.

Option 1: Government-Provided Premises

Introduction

- a. When seeking office premises, the most preferred option is to secure a donation of suitable premises from the Government. The Head of office shall contact the Government to engage in the necessary discussions. Note that land donation for the purpose of construction is the least preferred option.
- b. Government-Provided Premises Requiring Rent
 - i. Typically, the premises offered by the Government will be rent-free. In some cases, however, the Government will stipulate that rent must be paid either from the start of occupancy or after a certain number of years (for instance, once the costs of constructing a building on Government-donated land have been amortised).
 - ii. The procedures in this section, including all documentation, are applicable for any premises arrangement made with the Government. However, if the Government will be requiring rent at any time, please consult Section F.3. on Commercially Leased Premises first. The following portions are of special relevance:
 - Paragraphs F.3.2. – F.3.3. on evaluating the Government's proposal against possible alternatives in the commercial market;
 - Paragraphs F.3.7. – F.3.9. on deposits, fees, rental advances, and currency of payment; and
 - Paragraph F.3.14. on subleasing arrangements.

Government Donated "Turn Key" Premises

The term "turn key" denotes a building that has been completed and is ready for occupancy. Under this option, the host Government may agree to provide office premises – either brand new or fully renovated at the Government's cost – into which the tenant moves in. In some instances, the Government may only agree to provide an unfurnished

building and UNFPA will have to provide furnishings and equipment such as workstations, movable partitions, and other non-expendable property.

In the event the Government is renovating or constructing the premises at the Government's cost, UNFPA has an advantage of providing on-going input to the construction/renovation project to reflect its needs. UNFPA should contract an independent project manager or architect / engineer to monitor that works are in compliance with UNFPA's needs and to report on progress.

Security and other Assessments

Once the Government proposes a building/site, the Head of office should:

visit the building/site and ascertain the length of time that space will be made available to UNFPA;

request the local UNDSS FSCO to complete a security assessment; and

contract an independent expert to undertake seismic study (if site is on earthquake prone area) and structural integrity study (to assess the structure's stability, also to be used for any future renovation/fit-out works).

The resulting findings and recommendations together with the cost benefit analysis (Annex III) should be sent to the relevant regional office or IERD as applicable, the UNFPA Office of the Security Coordinator, and Chief, FASB. Refer to the Criteria Checklist for Selecting Office Premises (Annex II) when undertaking these studies.

Letter of Commitment

Before it can be deemed acceptable and while the studies and other considerations are being reviewed, the field office must ascertain the duration for which the Government will make the premises available, and any associated conditions. The field office must obtain a letter of commitment from the Government for the proposed building, stating the terms for the donation and description of the area it is donating with any blueprints and/or floor plans. See Annex VII for the standard letter of commitment.

The letter of commitment and all attendant documentation must be forwarded to Chief, FASB (who will forward it to the UNFPA Security Coordinator) for review. Once Chief, FASB and the UNFPA Security Coordinator give clearance, the building offered to UNFPA by the Government may be accepted by the Head of office.

Memorandum of Agreement (MoA)

A MoA must be signed between the Government and the field office, but a *letter* of agreement may be used instead, provided all terms and conditions are included in the letter. A draft MoA must be sent to Chief, FASB for review. Once it has been approved, the Head of office may sign it.

Signed copies must be uploaded to COREM. See Annex IX for the standard MoA.

Walk-Through

Where the Government is leasing premises to UNFPA, a walk-through must be performed by representatives from the Government and the UNFPA Head of office before the premises are occupied. The purpose of the walk-through is to document the condition of the premises prior to occupancy, so a detailed description of the kind and condition of significant fixtures and other details (e.g. carpeting, damaged counter-tops) should be noted and photographed. Another walk-through will be performed when UNFPA vacates the premises, and the documentation will be compared to ensure that no significant alterations or damage requiring compensation have been done.

Funding for one-time fit out costs⁶

Funds from the RFA may be requested by the field offices to fund one time fit-out costs, subject to approval by Chief, FASB.

One-time security installation costs are not covered by the RFA. Such costs are funded from the Security Fund (see Section H.3. for detailed information). Clearance from the UNFPA Security Coordinator is required before the Security Fund can be released by the Budget Section.

Clearance from MIS is required before any funds will be released for one-time installations related to information technology, such as servers, wiring, etc.

An itemized cost breakdown of the fit-out works (including a separate section for one-time security installation costs and a separate section for IT installation) along with other supporting documents should be compiled and sent to Chief, FASB. Once clearance from Chief, FASB, the UNFPA Security Coordinator, and the Budget Section are secured, the package of documents must be sent to the UNFPA Contract Review Committee (CRC) for approval if the amount for one-time fit out costs is greater than or equal to US\$ 100,000, as per the UNFPA [Procurement Procedures](http://www.unfpa.org/procurement-policies) [<http://www.unfpa.org/procurement-policies>].

An estimated budget including the total rent (if applicable), operating costs, and a projected timeframe must be prepared and sent to Chief, FASB prior to the release of any funds.

⁶ Includes removal, relocation, or provision of partitioning, screens, and related changes; the installation, relocation, or removal of power and telephone, outlets, jiffy poles, counters, doors, windows, shelving and similar items; other redecorating, refinishing, renovations or installation of special light fixtures or additional lighting to meet special requirements, smoke detectors; supply and installation of separate or additional humidity-control and air conditioning systems where required; installation of internal and external telecommunications systems; supply and installation of separate ventilation systems; a separately itemized one-time security installation of special systems such as locks, extra keys, and alarm systems; and a separately itemized one-time information technology installation of servers, wiring, and related elements.

Government Provided Premises Requiring Renovation or Alterations

When Government provided premises require renovation or alterations that UNFPA must undertake, the procedures for renovating UNFPA-specific premises in Section F.6. below must be followed.

Updating Contact Information

Following relocation and installation into the new premises, the field office should update the Global Directory in the UNFPA intranet and the COREM system.

Updating Asset Records

If the Government has donated the premises such that they become UNFPA property, the premises must be recorded as an asset in the Asset Management Module in Atlas as per the [Policy and Procedures for Fixed Asset Management](http://www.unfpa.org/admin-resource/policy-and-procedures-fixed-asset-management) [http://www.unfpa.org/admin-resource/policy-and-procedures-fixed-asset-management]. UNFPA-owned premises must be recorded under the “BLDG1” profile, with the value of the premises at the time of donation.

Option 2: Commercially Leased Premises

Before entering into a commercial lease agreement or renewing a commercial lease, the Head of office must determine whether suitable and appropriate office accommodation is available rent-free from the Government, or, alternatively, through sharing arrangements with one or more United Nations agencies.

If UNFPA is seeking to rent office space by itself, in consultation with the relevant regional office or IERD as applicable, the Head of office must seek information concerning the local commercial rental market. The field office may form a task force to search and identify available commercial premises.

The field office must assess the condition of all proposed sites. Refer to the Criteria Checklist in Annex II. If necessary, the field office may contract a real estate agent to compile a list of at least three (3) viable options and inform the UNDSS FSCO of these locations so that security assessments may be conducted. A comprehensive report of these options, including cost benefit analysis and any pertinent financial information, must be sent to Chief, FASB for review.

Security

A security assessment shall be conducted by UNDSS FSCO on each proposed site and the resulting reports submitted to the office of the UNFPA Security

Coordinator for review with copies to Chief, FASB for information. This report must include all security installations required to make the premises MOSS-compliant with corresponding cost estimates.

Once suitable premises have been identified, the Head of office must forward to Chief, FASB a cost benefit analysis (Annex III), floor plan(s) with staffing details and the field office's approved typology⁷, a description of any works that need to be done, the relevant expenses, the potential running costs and any other relevant information from the "Criteria Checklist" (Annex II).

Lease Agreement

A draft lease which has the tentative approval of the landlord and the Head of office must be sent to Chief, FASB for review. A lease agreement must not be signed without prior consultation with FASB.

The terms of the lease agreement must be negotiated by the Head of office with the landlord and set forth using the standard lease agreement for which text has been approved by the United Nations Office of Legal Affairs (UNOLA). The proposed lease must conform to the standard lease agreement as much as possible. See Annex XII for the Standard English version. The standard lease is also available from FASB in French and Spanish upon request.

The draft lease must include:

An accurate physical description of the premises and its location including the office address;

A list of the services and security arrangements to be provided by the landlord;

The duration of the lease (up to five years) with option for renewal at UNFPA's discretion;

The rental amount, including the method, schedule, and currency of payment, with separate note of any advance payments made;

The conditions for terminating the lease by either the landlord or UNFPA; and

The three core clauses:

- The Escape or "Diplomatic" clause (par. 6 of the standard text);
- The "UNCITRAL" clause (par. 21 of the standard text); and
- The "Privileges and Immunities" clause (par. 22 of the standard text).

Requests for deviations from the standard text of the lease must be submitted to Chief, FASB.

⁷ The latest version of the field office's approved typology is available from the Division of Human Resources. This is the number and grade of staff required for a UNFPA field office to maintain the activities required by that country's specific profile.

Once the draft lease is approved by Chief, FASB as to legal and financial criteria, and once clearances have been obtained from the Budget Section and the UNFPA Security Coordinator, the signing of the lease should proceed as follows:

For leases that commit UNFPA to an amount less than US\$ 100,000 within a 12-month period: the Head of office may sign the lease.

For leases that commit UNFPA to an amount greater than or equal to US\$ 100,000 within a 12-month period: the field office must submit the draft lease to the Headquarters Contract Review Committee (HQ CRC) as per UNFPA [Procurement Procedures](http://www.unfpa.org/procurement-policies) [<http://www.unfpa.org/procurement-policies>].

Once approved by the HQ CRC, the Head of office may sign the lease.

A copy of the signed lease should be uploaded to COREM.

A valid lease must be on file at all times for any rented property.

Deposits and Broker's Fees

Security deposits and broker's fees are strongly discouraged by United Nations regulations. If such payments are required per local law or practice, and the landlord does not agree to waive them, exceptional approval must be obtained from Chief, FASB.

Rental Advances

- a. Payment of rent will normally commence at the time UNFPA assumes occupancy of the premises, or at the time keys to the premises are handed over to UNFPA by the landlord. Payment of rental advances must be avoided where at all possible. The Head of office must not agree to rental advances in any amount unless the prior approval of Chief, FASB is exceptionally obtained.
- b. Requests for approval of rental advances will exceptionally be considered in the following circumstances:
 - i. Local practice dictates payment of rent in advance; and
 - ii. The Landlord has provided sufficient safeguards, in the form of a Bank Guarantee or a letter of credit from a reputable bank; and has agreed that a provision shall be included in the lease stipulating that any unutilised advance rent shall be refunded to UNFPA in case of an early termination of the lease.

- c. Requests meeting the criteria above must be submitted to Chief, FASB with detailed justification and all relevant documentation.
- d. The [Procurement Procedures](http://www.unfpa.org/procurement-policies) [http://www.unfpa.org/procurement-policies] must be strictly followed. In particular, rental advances equal to or greater than US\$ 50,000 require the advance approval of the local CRC; and rental advances in excess of US\$ 100,000 require the advance approval of the Headquarters CRC. In addition to this, approved advances must be described in the lease agreement.

Currency of Payment

UNFPA's general policy is to pay local expenditures in local currency. The Head of office may exceptionally request approval from Chief, FASB that rental payments to the owner be paid in hard currency in the following circumstances:

- i. If the banking laws and regulations of the Government do not prohibit such payments; and
- ii. Payment in US dollars or other currency imposes no additional costs.

The Head of office must confirm compliance with the above conditions in writing.

One Time Fit-Out Costs

Funds from the RFA may be requested by the field offices to fund one time fit-out costs, subject to approval by Chief, FASB.

One-time security installation costs are not covered by the RFA. Such costs are funded from the Security Fund (see Section H.3. for detailed information). Clearance from the UNFPA Security Coordinator is required before the Security Fund can be released by the Budget Section.

Clearance from MIS is required before any funds will be released for one-time installations related to information technology, such as servers, wiring, etc.

An itemized cost breakdown of the fit-out works (including a separate section for one-time security installation costs and a separate section for IT installation) along with other supporting documents should be compiled and sent to Chief, FASB. Once clearance from Chief, FASB, the UNFPA Security Coordinator, and the Budget Section are secured, the package of documents must be sent to the UNFPA Contract Review Committee (CRC) for approval if the amount for one-time fit out costs is greater than or equal to US\$ 100,000, as per the UNFPA [Procurement Procedures](http://www.unfpa.org/procurement-policies) [http://www.unfpa.org/procurement-policies].

An estimated budget including the total rent (if applicable), operating costs, and a projected timeframe must be prepared and sent to Chief, FASB prior to the release of any

funds.

Walk-Through

A walk-through must be performed by the landlord and the Head of office before the premises are occupied. The purpose of the walk-through is to document the condition of the premises prior to occupancy, so a detailed description of the kind and condition of significant fixtures and other details (e.g. carpeting, damaged counter-tops) must be noted and photographed. Another walk-through will be performed when UNFPA vacates the premises, and the documentation will be compared to ensure that no significant alterations or damage requiring compensation have been done.

Updating Contact Information

Following relocation and installation into the new premises, the field office must update the Global Directory in the UNFPA intranet and the COREM system.

Premiums for Vacating Prime Real Estate

Prime real estate is property whose value has substantially increased since the start of the lease. Such property would command a much higher rental price than that paid by the current tenant if it were to be placed upon the commercial real estate market, thus giving the landlord an incentive to offer a premium to the current tenant in exchange for vacating the premises before the lease has ended.

If the field office is commercially leasing prime real estate but must relocate to new premises before the end of the current lease, the Head of office must negotiate with the landlord in order to secure a premium for vacating the property. Chief, FASB must be informed at the outset of all such negotiations in order to provide the necessary guidance and support. The premium received will be used toward the fit-out or running costs of the new premises.

Subleasing

Subleasing office accommodations *from* a tenant, or subleasing *to* another potential tenant, will be considered only on an exceptional case-by-case basis. All subleasing plans must be approved in advance by Chief, FASB. A walk-through must be performed before and after the term of the sublease.

Most preferred option

The standard Lease Agreement used by UNFPA (Annex XII) provides a degree of freedom for United Nations Agencies to sublease property from or to each other. For this reason, and out of security considerations,

subleasing arrangements should only be made with another United Nations Agency unless no other options exist.

Subleasing premises from or to another United Nations Agency

An MoU must be drafted between UNFPA the other agency. The MoU must describe the premises being subleased, and (if the sub-lessor retains a portion of the premises) whether any shared premises or services arrangements will be made for the duration of the sublease. A separate sublease agreement is not required.

If UNFPA is subleasing from another United Nations agency and the amount of the sublease is greater than or equal to US\$ 100,000 within a 12-month period, a draft of the MoU must be submitted to the Headquarters CRC for approval before it is signed, in accordance with the [Procurement Procedures](http://www.unfpa.org/procurement-policies) [http://www.unfpa.org/procurement-policies].

Subleasing premises from or to a non- United Nations entity

If the potential sub-lessor or sub-lessee is not a United Nations entity, a security assessment must first be conducted by the UNDSS FSCO.

If UNFPA is subleasing its premises *to* a non- United Nations tenant, the written consent of the Landlord must be obtained.

In subleasing arrangements with a non- United Nations entity, a sublease agreement is required. The sublease agreement must be modelled on the standard Lease Agreement (Annex XII) and must contain all the information listed in Section F.3.6. above.

The Landlord's letter of consent and the draft sublease agreement should be sent to the Chief, FASB for review and approval.

If UNFPA is subleasing the premises from a non- United Nations tenant and the sublease will total US\$ 100,000 or more within a 12-month period, a draft of the sublease agreement should be submitted to the Headquarters CRC for approval before it is signed, as per the [Procurement Procedures](http://www.unfpa.org/procurement-policies) [http://www.unfpa.org/procurement-policies].

Option 3: Construction of Premises on Land Donated by Government

In principle, UNFPA shall not support construction of office premises. Any exception requires the *prior* approval of the DED (M). The land must be donated by the government. No funds for purchase of land will be allocated.

In order to obtain approval by the DED (M), the Head of office should request the local UNDSS FSCO to conduct a security assessment of the area.

The Head of office must obtain a letter of commitment from the Government for the proposed land, stating the terms of the donation and a description of the land it is donating. See Annex VII for the standard letter of commitment. Once the approval of the DED (M) is obtained, the land offered by the Government may be accepted by the Head of office.

Subject to a positive security assessment, a Land Grant Agreement must be concluded between the Head of office and the government, as described in Section D.4.5. See Annex VIII for the standard Land Grant Agreement.

Proposal for Construction

Potential contractors must inspect the site of the proposed construction and then submit proposals taking into consideration UNFPA's needs. Proposals for construction must include all the points listed in Section E.4.9., giving proper attention to areas of concern (such as space sufficiency based on JIU standards, stable supply of electrical power, etc.). Refer to the Criteria Checklist for Office Premises Selection in Annex II.

The Head of office should submit the UNDSS FSCO's security assessment, the Letter of Commitment and Land Grant Agreement, and the proposal for construction, along with a cost benefit analysis (Annex III) and the total estimated cost (with an itemized cost breakdown including one-time and recurrent costs and project timeline) to Chief, FASB, who will transmit it to the office of the DED (M) for approval.

Upon receiving the approval of the DED (M), the invitation to bid is sent out. Detailed guidelines are provided in Sections F.4.9. and F.4.10. below. Additionally, as per the [Procurement Procedures](http://www.unfpa.org/procurement-procedures) [<http://www.unfpa.org/procurement-policies>], the following conditions govern the bidding process:

In no case shall the maximum support to construction exceed five per cent (5%) of the country programme's regular resources, or a cumulative total of US\$ 1,000,000, whichever is less. Exceptions to this require the advance approval of the DED (M). Requests for exception must be submitted to Chief, FASB, with detailed justification; if endorsed, the request will be forwarded to the DED (M).

All awards for construction projects greater than or equal to US\$ 50,000 require sealed bidding. If the contract is awarded to anyone other than the lowest bidder, a review by the Headquarters Contracts Review Committee is mandated. Where the value of a contract is greater than or equal to US\$ 100,000 within a 12-month period, it is subject to review by the Headquarters CRC.

Where contracts for differing elements of the construction or renovation project may need to be split or divided for any reason into separate contractual awards, the UNFPA Head

of office must submit the project, in its entirety, for review by the Headquarters CRC.

Project Manager

For any construction activity over US\$ 50,000 the field office must recruit an independent engineering consultant, to serve as project manager, prior to the initiation of the construction project. It is also recommended that the services of a Project Manager be retained for smaller construction projects as well, to ensure that the work is conducted in a timely and cost-efficient manner and to confirm that the construction is completed in accordance with the specifications and standards cited in the contract document. Depending upon the size of the project, a part-time Project Manager may be adequate.

The Project Manager must review all plans and visit the construction site *prior to* initiation of work, and must submit a professional assessment of all aspects of the project to the Head of office. Any deficiencies or issues identified at this time shall be brought formally to the attention of the Head of office so that such problems may be addressed before the commencement of construction. The Project Manager shall also be required to monitor the project on UNFPA's behalf and provide regular monthly reports on all aspects of the work including progress, expenditure variations, and any other pertinent issues.

Guidelines for using a private developer

The field office may choose to use a private developer, who will construct the building in exchange for a long-term lease agreement governing its occupancy.

Invitations to bid on the terms of occupancy are sent out to as many local developers as possible. Proposals must specify the yearly rent expressed in local and US\$ currency, the number of years of amortisation, and whether there is a "purchase back option" so that UNFPA will own the building once the costs of construction are fully amortised.

Once a developer has been selected, a draft lease agreement must be sent to the Chief, FASB for review and approval before any construction begins.

Guidelines for building construction

If the construction is not pursued through a private developer, the following steps are taken:

Invitations to bid for construction of the building are sent to as many local construction firms as possible that have the capacity and technical skills to fulfil the contract. Records must be maintained of all firms invited to bid.

Construction contracts generated in the building project are subject to review and approval

by the Headquarters CRC if they will commit UNFPA to US \$ 100,000 or more in a 12-month period.

Payments for construction may be made in scheduled instalments, or, alternatively, all at once upon satisfactory completion of works.

UNFPA shall select the most efficient approach to manage construction within project costs to protect its interests, such as setting key milestones, deliverables and payment terms, penalties for late delivery, percentage of retention money and period of guarantee, establish mechanism for technical monitoring and supervision.

One original signed set of all legal documents relating to the construction of the building must be forwarded to the Chief, FASB.

It is recommended that each contract submitted to FASB for approval include approximately 10% contingency amount to cover possible cost overruns. However, should the entire construction budget appear in danger of exceeding the ceiling approved by FASB, **the proposal to build must be resubmitted to Chief, FASB and the DED(M)**, showing new projected figures for the building's completion and full justification for the increase.

One time fit-out costs

Funds from the RFA may be requested by the field offices to fund one time fit-out costs, subject to approval by Chief, FASB.

One-time security installation costs are not covered by the RFA. Such costs are funded from the Security Fund (see Section H.3. for detailed information). Clearance from the UNFPA Security Coordinator is required before the Security Fund can be released by the Budget Section.

Clearance from MIS is required before any funds will be released for one-time installations related to information technology, such as servers, wiring, etc.

An itemized cost breakdown of the fit-out works (including a separate section for one-time security installation costs and a separate section for IT installation) along with other supporting documents should be compiled and sent to Chief, FASB. Once clearance from Chief, FASB, the UNFPA Security Coordinator, and the Budget Section are secured, the package of documents must be sent to the UNFPA Contract Review Committee (CRC) for approval if the amount for one-time fit out costs is greater than or equal to US\$ 100,000, as per the UNFPA [Procurement Procedures](http://www.unfpa.org/procurement-policies) [http://www.unfpa.org/procurement-policies].

An estimated budget including the total rent (if applicable), operating costs, and a projected timeframe must be prepared and sent to Chief, FASB prior to the release of any funds.

Updating Asset Records

In the event that the building becomes UNFPA property when the costs of construction have been amortised, due to the provision of a “purchase back option” in the agreement with the developer, the premises must be recorded as an asset in the Asset Management Module in Atlas as per the [Policy and Procedures for Fixed Asset Management](http://www.unfpa.org/admin-resource/policy-and-procedures-fixed-asset-management) [http://www.unfpa.org/admin-resource/policy-and-procedures-fixed-asset-management]. UNFPA-owned premises must be recorded under the “BLDG1” profile, with the value of the premises at the time of construction.

Option 4: Purchasing Premises

The option of purchasing office premises is no longer a consideration in view of UNFPA’s commitment to share common premises with other United Nations agencies. If this option is **exceptionally considered (due to, for example, potentially significant savings for the organisation)**, the field office must first contact the Chief, FASB before proceeding. The field office must prepare a proposal for the acquisition of property, specifying the following information:

Government approval, if required;

Detailed list of advantages of purchase over leasing, including a cost-benefit analysis (Annex III);

Detailed description of the necessary renovation costs, if any;

Itemised additional installation costs and any required physical improvements to the land (for example, if an access road must be built, that must be included in the proposal to purchase);

Current space and future staff space needs;

Estimated operating expenses to include costs of annual maintenance. As per the industry standard, field office should set aside approximately 3% of the prevailing reconstruction cost of the premises as maintenance cost;

A copy of the certificate of title, in order to confirm the seller’s ownership of the property; and

Certification of the structural integrity of the property, conducted by an independent expert.

The field office must contact its corresponding regional office or IERD, as applicable, in order to establish whether any further documentation in support of the proposal is required before it can be approved.

If the proposed purchase is for a prefabricated or semi-permanent structure, and the

Government holds the title of the land, every effort must be made to secure a donation of land from the Government (or the equivalent, such as a 99-year lease). The field office must seek prior endorsement of these plans from Chief, FASB in advance.

The proposal must be reviewed by Chief, FASB and submitted to the headquarters CRC for approval. Upon approval of the CRC, it will be submitted to the Budget Section for commitment of funds. The field office may hire a local lawyer to assist in negotiating the purchase on UNFPA's behalf and to ensure compliance with all local legal requirements. The draft purchase agreement must be forwarded to Chief, FASB, who will then forward it to the UNFPA Legal Specialist or UNOLA for clearance.

The DED (M) must delegate the necessary authority to the Head of office in writing before the Head of office may sign the legal documents regarding the purchase of premises. The field office will retain for their records the original set of all legal documents related to the purchase of the building; a copy of all legal documents will be forwarded to Chief, FASB.

Updating Asset Records

The premises must be recorded as an asset in the Asset Management Module in Atlas as per the [Fixed Asset Management Policy and Procedures](http://www.unfpa.org/admin-resource/policy-and-procedures-fixed-asset-management) [http://www.unfpa.org/admin-resource/policy-and-procedures-fixed-asset-management]. UNFPA-owned premises must be recorded under the "BLDG1" profile, with the value of the premises at the time of purchase.

Renovations of UNFPA Premises

Requests for renovation of UNFPA premises should be submitted to Chief, FASB, with a detailed proposal of the work.

Thresholds

Renovations costing less than US\$ 5,000

Renovation or alterations whose cumulative cost during the calendar year is less than US \$5,000 do not require prior approval from Chief, FASB. Approval must be obtained from the Budget Section if additional funds required.

Renovation costing between US\$ 5,000 to US\$ 50,000

Renovation/alterations costing between US\$ 5,000 and US\$ 50,000 (both inclusive) requires prior approval from Chief, FASB. In such cases, a proposal for renovation including the following information must be submitted: total area space in square feet/meters including office space and parking; total anticipated costs (itemised cost breakdown) including one-

time and recurrent costs, floor plans, and project timeline. Upon technical clearance by FASB and confirmation from the Budget Section of availability of funds, the invitation for bids may be sent out.

Renovation costing more than US\$ 50,000

Renovation/alterations costing more than US\$ 30,000 require prior approval from Chief, FASB. In such cases, a proposal for renovation including the following information should be submitted: total area space in square feet/meters including office space and parking; total anticipated costs (itemised cost breakdown) including one-time and recurrent costs, floor plans, and project timeline. Upon technical clearance by FASB and confirmation from the Budget Section of availability of funds, the invitation for bids may be sent out.

All awards of renovation/alterations exceeding US\$ 50,000 require sealed bidding. Where the contract is awarded to anyone other than the lowest bidder, a review by the Headquarters Contract Review Committee is mandated. Where the value of a contract is greater than or equal to US\$ 100,000 within a 12-month period, it is subject to review by the headquarters CRC. In this respect, where contracts for differing elements of the construction project may need to be split or divided for any reason into separate contractual awards, the spirit of this procedure requires that Head of office to submit the project in its entirety for review by the CRC.

For renovation above US\$ 50,000, the field office should recruit an independent engineering consultant prior to the initiation of any construction work. This consultant shall be required to review all plans and visit the construction site prior to initiation of work. The consultant will submit a professional assessment of all aspects of this project to the Head of office. Any deficiencies or issues identified at this time shall be brought formally to the attention of the Head of office so that such problems may be addressed before the commencement of construction. The consultant shall also be required to monitor the project on UNFPA's behalf and provide ad-hoc reports concerning construction status. The role of this consultant shall be to ensure that such work is conducted in a timely and cost-efficient manner and to confirm that the construction is completed in accordance with the specifications and standards cited in the contract document.

Procurement Procedures

In all the above situations, the provisions of the [Procurement Procedures](http://www.unfpa.org/procurement-policies) [http://www.unfpa.org/procurement-policies] must be strictly followed.

Funding for Renovation / Alterations

Funding for renovation / alterations can be provided through the RFA, subject to approval by Chief, FASB.

In no case shall the maximum support to renovation exceed five per cent (5%) of the country programme's regular resources, or a cumulative total of US\$ 1,000,000, whichever is less. Exceptions to this require the advance approval of the DED (M). Requests for

exception must be submitted to Chief, FASB, with detailed justification; if endorsed, the request will be forwarded to the DED (M).

Leasing of UNFPA-Owned Premises to Other Parties

Introduction

Leasing vacant UNFPA-owned premises to another party is one way of keeping the property secure and maintained if the field office will need the property again. It is very important, however, that there be no public perception of UNFPA as a commercial landlord. Premises must not be leased out to other parties solely to take advantage of a favourable real estate market.

The most preferred option, therefore, is for the field office to lease the property to another United Nations agency. Under exceptional circumstances, and only for a short term, the field office may lease surplus property to a commercial tenant for fair market value.

For subleasing property that UNFPA is itself leasing, see Section F.3.14.

Security clearance from UNDSS must be obtained if the potential lessee is not a United Nations entity and UNFPA (or another United Nations agency) will retain a part of the premises in the building or compound.

In the interests of openness and transparency, the Government's written approval must be obtained in the case of a Government-donated building.

Lease Agreement

A draft lease which has the tentative approval of the lessee and the Head of office must be sent to Chief, FASB for review. A lease agreement must not be signed without prior consultation with FASB.

Using the standard United Nations Office of Legal Affairs (UNOLA) approved text; the terms of the lease should be negotiated by the field office with the lessee. The proposed lease must conform to this standard lease agreement whenever possible. Refer to Annex XII for the standard English version. The standard lease is also available from FASB in French and Spanish. The draft lease must include:

An accurate physical description of the premises and its location including the office address;

A list of any services and security arrangements to be provided by UNFPA as the landlord;

The duration of the lease (up to five years) with option for renewal at UNFPA's discretion;

The rental amount, including the method, schedule, and currency of payment, with separate note of any advance payments made;

The conditions for terminating the lease by either UNFPA or the lessee; and

The three core clauses:

- The Escape or “Diplomatic” clause (par. 6 of the standard text);
- The “UNCITRAL” clause (par. 21 of the standard text); and
- The “Privileges and Immunities” clause (par. 22 of the standard text).

Requests for deviations from the standard text of the lease must be submitted to the Chief, FASB.

Once the draft lease is granted legal and financial approval from Chief, FASB, clearances from the Budget Section and the UNFPA Security Coordinator have been obtained, the lease must be signed in the following manner:

For leases that commit UNFPA to less than US\$ 100,000 within a 12-month period: the Head of office may sign the lease.

For leases that commit UNFPA to US\$ 100,000 or more within a 12-month period: the field office must now submit the draft lease to the Headquarters CRC as per the UNFPA [Procurement Procedures](http://www.unfpa.org/procurement-policies) [http://www.unfpa.org/procurement-policies]. Once reviewed by the CRC, the lessee and the Head of office may sign the lease.

Currency of Payment

UNFPA’s general policy is to pay in local currency. The Head of office may exceptionally request approval from Chief, FASB that rental payments to the owner be paid in hard currency in the following circumstances:

- i. If the banking laws and regulations of the Government do not prohibit such payments; and
- ii. Payment in US dollars or other currency imposes no additional costs.

The Head of office must confirm compliance with the above conditions in writing.

Walk-Through

A walk-through must be performed by the Head of office and the lessee before the premises are occupied. The purpose of the walk-through is to document the condition of the premises prior to occupancy, so a detailed description of the kind and condition of significant fixtures and other details (e.g. carpeting, damaged counter-tops) should be noted and photographed. Another walk-through will be performed when the lessee vacates the premises, and the documentation will be compared to ensure that no significant alterations or damage requiring compensation have been done.

Surplus Real Estate

Introduction

Surplus property is real estate owned by UNFPA which no longer meets the needs of the organization, including permanent, semi-permanent and prefabricated structures. It may be economical to sell a small building in order to consolidate all UNFPA functions into a larger building, or if the buildings or structures have outlived their usefulness to UNFPA.

Property may be declared surplus if it is no longer useful for UNFPA's operations in the area. It may not be declared surplus and sold if the primary purpose of the sale is to take advantage of an exceptionally favourable real estate market.

The usual methods of disposal for any piece of surplus property are by sale, by destruction, or by donation. Leasing surplus property to another party is not considered a disposal method even if the interim result is the same. For guidelines on temporarily leasing vacant property, see Section F.7.

Procedure

The Head of office evaluates the continued usefulness of ownership of UNFPA real estate and, when warranted, recommends its disposal. Criteria for potential disposal could be:

Evidence of physical damage, such as a building damaged by fire or flood, when the level of damage is such that restoration efforts are needed to restore service utility.

Enactment or approval of laws or regulations or other changes in environmental factors, such as new earthquake standards that a facility does not meet, and cannot be modified to meet.

Technological development or evidence of obsolescence, such as that related to a major piece of diagnostic or research equipment.

A change in the manner or expected duration of use of a capital asset, such as closure of a building prior to the end of its useful life.

Construction stoppage, such as stoppage of construction as a result of a lack of funding.

The request for disposal of surplus real estate must be submitted to the Headquarters Property Survey Board (PSB). The Chief, FASB represents the Head of office in such submissions. The PSB is responsible for reviewing the Head of office's determination relating to surplus UNFPA property, and for recommending one of the disposal options detailed in Paragraph F.8.3. below for approval by the DED (M).

Disposal Options

Transfer of Ownership to the Government or Other United Nations Agencies

As per the standard land grant agreement (Annex VIII), buildings constructed on land provided by the Government will typically revert to the Government, at the completion of UNFPA's operations in the country

or at the close of a project. The standard land grant agreement also provides for transfer of ownership of the buildings to another United Nations agency. The field office must ensure that such transfers are carried out in full compliance with the applicable legal agreements.

Sale of UNFPA-Owned Real Estate

Chief, FASB will need the following minimum documentation to present a request for sale of UNFPA-owned property to the PSB:

- Memo from the Head of office providing background information on when and why the property was acquired, the original purchase price, the current status of UNFPA's activities in the country with rationale for declaring the property surplus, and rationale for recommending the sale of the property;
- Valuation reports from the property valuers; and
- Letter of property valuation received from a local bank.

Provided that the request for sale is approved, Chief, FASB will require the following information to secure Limited Power of Attorney related to sale of UNFPA-owned property from the DED(M):

- Memo from the Head of office to the DED(M) through Chief, FASB requesting Limited Power of Attorney;
- Copy of **the minutes of the** PSB meeting in which sale of the property is recommended; and
- A draft sale agreement drawn up by the agent for prospective purchasers.

Sale to a United Nations Agency

Subject to local laws, the most desirable of the disposal options is the sale of property at a fair price to another United Nations agency. A fair price should not represent a loss to UNFPA but need not necessarily be the estimated market value of the property.

Commercial Sale

If sale to another United Nations agency cannot be arranged, the Head of office may try to sell the property on the commercial market, subject to the following procedures:

1. The field office may hire a local lawyer to handle all the legal requirements necessitated by this sale. The services of a local real estate agency or agent may also be retained to assist the Head of office. All legal services must be approved in advance by Chief,

FASB.

2. The property shall be advertised for sale by sealed bid in a local newspaper in the local language. The PSB at Headquarters will usually recommend the sale of the property to the highest bidder.
3. Subject to all local laws, all sales are made in local currency. UNFPA shall not offer the buyer any loan or mortgage arrangement to facilitate the sale of the property.
4. Every effort must be made to ensure that a reasonable sale price is achieved. Proceeds from the sale shall be credited to the miscellaneous UNFPA income budget.

Donation of Surplus UNFPA Real Estate

The Head of office may recommend that donation (usually to a non-profit, non-governmental organisation) is the best option for disposal of the property. In addition to the documentation required above, a list of potential recipients must be submitted to Chief, FASB, with justification for the suitability of each. The PSB at Headquarters will review the list and will recommend the best candidate for approval by the DED (M). The documentation resulting from the donation must be submitted to Chief, FASB for the record.

Damaged Real Estate

If the property has sustained serious damage, as, for example, by fire or flood, the best option may be demolition in accordance with local law rather than repair. The Head of office shall arrange for the safe destruction of the property following recommendation by the Headquarters Property Survey Board and the approval of the DED (M). Any contracts which must be awarded to accomplish the demolition of the property must be cleared by the appropriate Contract Review Committee.

INSURANCE COVERAGE

Requirements

If UNFPA owns the building or if local law requires UNFPA to obtain insurance, the Head of office shall negotiate with local insurance companies for appropriate coverage.

If UNFPA owns the building, the Head of office should obtain coverage for public liability and a comprehensive policy to cover the risks of fire, explosion, civil strife, terrorism, earthquake, flood and other natural phenomenon.

Funding

The cost of the insurance policy shall be prorated between IB and programme funds based on head count. A copy of the signed insurance policy should be sent to the Chief, FASB for reference.

Claims

Where a claim arises for damages suffered by UNFPA-owned premises, every effort must be made to pursue the claim and to ensure fair compensation in accordance with the insurance policy. Field offices requiring assistance in pursuing insurance claims should contact FASB for guidance.

FUNDING**Reserve for Field Accommodation (RFA)**

The RFA is intended to cover works such as new construction of a minor nature, renovations, alterations and fit-out works (excluding furniture and one-time security installation). Funds from the RFA may also be requested in exceptional circumstances in order to hire technical expertise, such as a Project Manager or architect / engineer, or to undertake technical studies such as structural or seismic assessments.

The RFA is not intended to cover recurring costs such as rent, or costs related to furniture, relocation (moving costs), or security installation. Costs not covered by the RFA must be prorated between the IB and programme funds based on headcount as described in Section H.2. below.

Funding eligibility is subject to the approval of Chief, FASB. In order to determine eligibility, detailed information must be provided to Chief, FASB together with all necessary supporting documentation. Refer to Annex VI for a detailed checklist of the information required for an RFA Request.

Institutional Budget (IB) and Programme Funds

IB and programme resources may be used to facilitate the establishment and operation of UNFPA offices, provided that the following two conditions are met:

- a. advance approval from Chief, FASB is obtained on the premises project; and
- b. sufficient funds have been set aside as specified in Paragraphs H.2.3. and H.2.4. below.

IB and programme funds are intended to cover such costs as rent, utilities, renovation, moving costs, and charges paid to UNDP or other agencies for services provided. Recurrent security-related costs are likewise covered by the IB and programme funds, as detailed in Paragraph H.2.5. below. All such charges must be prorated between IB and programme funds “based on head count”, i.e. based on the respective number of core posts and project posts at the field office.

The Heads of Office are requested to allocate project resources accordingly for all project-funded personnel (including fixed term, continuing appointment, consultants on SSAs or SC and temporary personnel).

Given that agreements of the Governments would be required to include these costs to the programme ceilings, Heads of Office are to seek Government's concurrence when formulating proposals requiring these funds.

Recurrent Security Costs

Recurrent security-related costs exclude one-time security installation costs. One-time security installation costs are funded from the Security Fund, described in Section H.3. below, except in the case of project offices (see Paragraph H.2.6.). Recurrent security costs may include the hiring of security guards or UNFPA's share in the costs when security is part of a common services arrangement with other agencies. These recurrent costs are pro-rated between the security portion of the IB and programme funds based on headcount as specified above.

Project Offices

The costs of all aspects of project offices, including the security installation, are funded entirely from the appropriate project budget.

Security Fund

The Security Fund covers the one-time costs required to make a UNFPA field office MOSS-compliant, including UNFPA's portion of the one-time security installation in UN Houses, Common Premises, or Shared Premises arrangements. The Security Fund does not cover recurrent security-related costs or one-time security installations for project offices. Recurrent security-related costs are pro-rated between the IB and programme funds, as described in Paragraph H.2.5. above. Security installations for project offices are funded entirely from the project budget.

The approval of the UNFPA Security Coordinator must be obtained before any funds will be released from the Security Fund. For this reason, all proposals for one-time fit-out works must include a separate itemised description of the necessary security installations.

LEGAL DOCUMENTS

Heads of Office must follow the standard texts of the legal agreements described in this section and provided as annexes. Any deviation from these standard texts requires prior approval by Chief, FASB or the TTCP, as appropriate, and may require additional approval by UNOLA. Such approval will only be made on the basis of valid and compelling reasons. A draft of any legal agreement for office premises must be submitted for approval to Chief, FASB or the TTCP well in advance of the date on which it is to go into effect.

Memorandum of Agreement (MoA)

An MoA is an agreement between a United Nations agency and a Government, usually when the Government is donating an office(s) or a building to the United Nations system for its use. A draft of the agreement is required and should be sent to Chief, FASB for review. Once approval is given by Chief, FASB, the Head of office can sign the MoA on behalf of UNFPA. A copy of the signed agreement should be uploaded to COREM. See Annex IX for the standard MoA.

Letter of Intent

Generally, a lead agency will not sign a lease agreement on behalf of the agencies participating in a Common Premises or a UN House arrangement until a letter of intent has been signed. This agreement is signed between the Head of office/ Representative of the lead agency and the heads of office/representatives of the other participating agencies, and secures the commitment of each agency to their respective portion of the premises. As the letter of intent is a binding legal document that commits UNFPA to occupancy of premises and the corresponding share of the costs, a draft should be submitted along with other preliminary information (floor plans, etc.) to Chief, FASB and the TTCP. See Annex X for the standard letter of intent.

Lease Agreement

To protect UNFPA's best interests and prevent adverse legal ramifications, field offices must use the UNOLA-approved standard lease agreement, and to submit a draft of any lease agreement to Chief, FASB for approval before signing. The English-language version of the standard is attached as Annex XII.

When submitting a draft lease which diverges in any way from the standard text, the Head of office must attach a cover letter in which *each* deviation from the standard text is quoted in full and the reason for using it is explained. When submitting leases for approval in French or Spanish, an English translation must also be provided.

The term of the standard UNFPA lease is usually 3 years, with a maximum of 5 years, with an option to renew.

Both parties must initial each page of the lease and sign the lease where appropriate. The signed originals of all leases, including leases for sub-offices, project offices, etc., must be kept in a secure location at the main UNFPA office in the country, and must be made available for inspection should the need arise. A copy of all signed leases must additionally be uploaded to COREM.

Core Clauses

The lease agreement must include the three core clauses, as described below.

i. Escape Clause (or Diplomatic Clause)

The Escape (or Diplomatic) Clause appears in the standard lease agreement (Annex XII) as Article 6. It stipulates that UNFPA's occupancy of the premises is subject to UNFPA's continued presence and activity within the country.

ii. UNCITRAL Clause

The UNCITRAL Clause appears in the standard lease agreement (Annex XII) as Article 21. It stipulates that any disputes arising from the lease, or the carrying out of the terms thereof, will be settled according to the arbitration rules set forth by UNCITRAL.

iii. Privileges and Immunities Clause

The Privileges and Immunities Clause appears in the standard lease agreement (Annex XII) as Article 22. It stipulates that under no circumstances will the lease be considered a waiver of any portion of the privileges and immunities of the United Nations.

Approval of Lease Agreements

- a. A draft lease agreement that is in full compliance with the standard text must be sent to Chief, FASB for approval at least two weeks before the lease is to enter into effect.
- b. A draft lease agreement with non-standard text or significant deviations from standard text should be sent at least four to six weeks before the lease is to enter into effect, as these may require legal review.
- c. Draft lease agreements that will commit UNFPA to greater than or equal to US\$ 100,000 within a 12-month period must be submitted at least four to six weeks before the proposed effective date, as these must be approved in advance by the Headquarters CRC in addition to FASB.
- d. The time frame for final clearance of all leases may vary subject to the extent of renegotiation of legal or business terms with the landlord.

- e. Requests for FASB to review or provide post-facto approval on a lease that has already been signed are unacceptable. All draft leases must be approved in advance.

Before negotiating the terms of a lease with the Landlord, the Head of office should review the terms and conditions of the standard lease in advance in order to be ready to defend them or to explain their importance. In order to avoid advance payments, the Head of office should try to convince the Landlord that payment of rent will commence upon occupancy.

It is not UNFPA policy to pay security deposits unless it is the local law to do so. Similarly, it is not UNFPA policy to release a rental advance to the landlord for the purpose of renovating the space before the field office occupies the premises. UNFPA will normally pay rent (exceptionally including rental advances as specified in Paragraph F.3.8. above) only after the lease is signed and the field office has occupied the premises.

The amount of rental advance and length of the lease term are two vantage points that can be used as leverage for negotiating a favourable agreement. By agreeing to a longer lease term, the landlord should agree to lower his initial rental charge. By offering a substantial rental advance, the landlord should agree to undertake certain needed renovations or security modifications without additional costs to UNFPA. Several example scenarios for lease negotiation and comparing potential lease options are provided in Annex V.

Memorandum of Understanding (MoU)

In situations where UNFPA agrees to share office space with one or more United Nations agencies, an MoU for occupancy and use of common premises should be prepared. The standard MoU for agencies sharing space must be drafted by the UNCT and submitted for review, together with any annexes, to their respective agency Headquarters. For UNFPA, the appropriate office is FASB. Once approval is given, the Head of office may sign the agreement. A copy of the signed MoU and its annexes should be submitted to Chief, FASB for record retention purposes. See Annex XI for the standard MoU.

As the MoU is a legally binding document, its text must be reviewed carefully before signature. Areas of particular importance are the Apportionment of Costs and Expenses (Article 4) and the Withdrawal Clause (Article 8).

Common Services

- a. The participating agencies must agree on a formula for sharing costs of services. As costs are frequently determined on the basis of percentage of space allotted to each agency, space allocation must be carefully planned utilizing the JIU space standards (Annex III). Other bases for determining

cost apportionment include the following:

- i. on a strict utilisation basis, such as for gas, water and electricity;
 - ii. on the basis of occupied space, such as for cleaning services;
 - iii. based on the number of staff members who utilise a service, such as for a dispensary; or
 - iv. based on the number of computers and telephones, as for IT and related services.
- b. An agency may or may not wish to participate in every common service offered in the Common Premises. Any agency has the right to opt in or out as may prove necessary. It is recommended that these decisions be documented at the time the MoU is completed and attached as an annex. The Annex C of the MoU needs to be updated, as required.

Purchase Agreements

All draft legal purchase agreements must be reviewed and cleared by the Headquarters CRC. Such agreements must be submitted through FASB.

ANNEX I: COREM CERTIFICATION LETTER

COREM Certification Letter

Today's date: _____
UNFPA Office Name: _____
PO Business Unit: _____
Office Location(s): _____

I, the Resident Representative/Director of UNFPA Field Office/ Chief FASB hereby confirm as of 31 December 20__ that the entry in COREM for all existing office locations in the country under my responsibility, are complete and accurate.

I hereby acknowledge that all information has been verified by me for all office locations (main office and secondary office locations) irrespective of the funding source of each location.

Print Name & Title

Date

Signature

ANNEX II: CRITERIA CHECKLIST FOR SELECTION OF OFFICE PREMISES

UNFPA OFFICE IN:	
DATE RECEIVED:	
ASSIGNED:	

I.	OFFICE PREMISES FEASIBILITY	COMMENTS
	1. Has UNFPA explored the possibility of establishing/joining shared or common premises with the UNCT?	
	2. Is correspondence between the UN RC and field office available on file to support UNFPA's efforts?	
	3. Were advice and approval requested from DMS/FASB before finalizing the selection?	
	4. Has the relevant regional office or IERD as applicable, been informed and provided guidance?	
II.	LOCATION AND POTENTIAL BUILDING	
	5. Is the security situation in the neighbourhood good? (Attach feasibility study, DSS FSCO report, certification of MOSS compliance, clearance from UNFPA Security Coordinator.)	
	6. Is the site/building in a strategic location?	
	7. Does site/building have easy access to public roads/transportation?	
	8. Is proposed site/building in proximity to other UN Agencies and Government offices?	
	9. Assess feasibility and costs of MOSS compliance.	
	10. What is the gross size of the proposed space in square meters or square feet?	
	11. Is proposed space adequate for present office needs and future expansion?	
	12. Does the proposed building project the right image for UNFPA (neither too ostentatious nor too run-down)?	
	13. Does the proposed building provide sufficient visibility for the UNFPA office?	
	14. Was the proposed building constructed for office accommodation or as a residence?	
	15. Is sufficient supply of electrical power, proper sewage, adequate water and sanitation facilities, available?	
	16. Were blueprints and footprints of proposed building provided?	
	17. Has a structural assessment of the proposed building been completed, with seismic assessment by independent expert?	
	18. Was a land survey undertaken and results provided?	
	19. How many parking spaces are available?	
III.	LAYOUT/ FLOOR PLAN	
	20. Are photographs available to support the proposal?	
	21. In the case of a newly constructed building, does a structural safety certificate of occupancy exist?	
	22. Has layout and floor plan been prepared by office, and if so, does it conform to JIU standards?	
	23. Are renovations required for the proposed building? If so, describe briefly.	
IV.	SPACE PROGRAMME	
	24. What is the current total number of staff?	

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	25. Are new posts expected to be approved and when?	
	26. If office is shared, what is obligation of current space?	
	27. Are JIU space standards followed in space allocation?	
	28. Are the non-JIU space standards / guidelines issued by UNFPA followed in space allocation?	
V.	RENTAL COSTS	
	29. What are the estimated utilities/maintenance and operational costs per sqm/sqft of present premises?	
	30. What is the monthly /yearly rent of present building in local currency and USD? Date of lease expiration?	
	31. What is the present rent per sqm/sqft?	
	32. What is rent monthly/yearly, per sqm/sqft of proposed premises?	
	33. What are the escalation clauses per year?	
	34. What are the estimated utilities/maintenance and operational costs per sqm/sqft of new premises?	
VI.	LEASE AGREEMENT AND TERMS OF PAYMENT	
	35. Is lessor the owner or a sub lessee or an agent?	
	36. What is expiry date of present lease agreement?	
	37. Are there any legal/financial obligations to terminating present lease? If so, describe briefly.	
	38. Does the lessor hold a position in the Government? If so, explain. Check credibility/background of lessor.	
	39. Is new lease a head lease or a sub-lease?	
	40. Period of the proposed new lease agreement?	
	41. Is advance rent required? Why? If so, number of months?	
	42. Is there a broker and/or agent fee required?	
	43. Is rental payable in hard or local currency? Indicate currency.	
	44. If hard currency, has permission been obtained by landlord from Ministry of Finance or equivalent to receive payment in other than local currency?	
	45. Does lease comply with the principle terms and conditions of UNFPA standard lease agreement? Describe any deviations on a separate sheet, if necessary.	
VII.	BUDGETARY REQUIREMENTS	
	46. Are sufficient funds available in budget to cover all expenditures, i.e. rental costs, maintenance & operational costs, moving and one-time installation costs and new furniture? (Cost has to be prorated between IB and programme based on headcount.)	
	47. Has the Regional Office approved the project and/or necessary funding?	

APPROVED BY CHIEF, PROCUREMENT AND FACILITIES MANAGEMENT BRANCH; DATE	
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ANNEX III: WORKSHEET FOR ASSESSING OFFICE REQUIREMENTS

The actual calculation sheet can be found under

<https://docs.google.com/spreadsheets/d/1ch4v7vzXhtuxMPTcjcF4REcwUOkFy8YIyXXES6G9kuA/edit#gid=314367458>

For the purpose of this policy we portray screenshots of the above worksheet in this Annex (8 pages).

GENERAL GUIDELINES

This document is intended to provide an overview of the proposed premises of a Country Office planning to relocate. Information provided will be used for selection of new premises and for initial assessment of resources and other requirements for the selected premises. After the initial review and endorsement(s) by HQ, Country Offices will be required to provide more detailed information on the selected location.

To ensure accuracy, avoid duplication, and for ease of input, the workbook allows for automatic population of data from one sheet to another. Your office is required to complete the **blue shaded** sections only of each worksheet; cost estimates must be presented in US Dollars.

On the "IT Requirements", "MOSS Premises Security", and "Cost Benefit Analysis" worksheets, **Current Location refers to information or actual costs for the current premises**; Options 1, 2 and 3 refers to relative information and costs associated with the proposed new location(s). **Should remaining in the current premises be an option, then in addition to information presented under "current location" the updated information and revised costs for the current premises should be reflected as Option 1.**

On completion of the individual worksheets, please refer to the "Submission Checklist" below to ensure that all pertinent documents are included with the submission. The completed workbook must be submitted through the DMS Service Desk (under the Category - FO/RO/SRO/Admin Services) to the HQ Facilities and Administrative Services Branch (FASB), Management & Information Systems (MIS) team and Office of the Security Coordinator (OSC) for technical endorsement/approval. The relocation process cannot begin before technical endorsement/approval of all three HQ units and Financial Approval/Clearance from the Finance Branch - Budget Section.

SUBMISSION CHECKLIST

1)	SRA or MOSS Baseline Requirements have been attached to the submission (include photographs if not included in the SRA)	NO	Attach requested documents
2)	Architectural floor plans for the proposed locations are attached	NO	Attach requested document
3)	Network diagram is attached	NO	Attach requested document
4)	Inventory listing with model and date of purchase of current IT infrastructure equipment (e.g. firewall, switches, phone system, and servers) is attached	NO	Attach requested document
5)	Details of class of network wiring installed (e.g. Cat 5, Cat 5e, or Cat 6) is attached	NO	Attach requested document
6)	The Staffing Entry Worksheet has been completed	NO	Complete Staffing Entry Sheet
7)	The IT Requirements Worksheet has been completed	NO	Complete IT Requirements worksheet
8)	The MOSS Premises Security Worksheet has been completed	NO	Complete MOSS Premises Security worksheet
9)	The Cost Benefit Analysis Worksheet has been completed	NO	Complete CBA worksheet
10)	The Furniture Worksheet has been completed	NO	Complete FURNITURE worksheet
11)	The Off Grid Electricity and Office Space Requirements Worksheets have been reviewed and completed where applicable	NO	Review and Complete required areas of worksheet
12)	Photographs and other attachments have been clearly labeled to indicate location (i.e., Option 1, 2 or 3) it pertains to	NO	Label attachments for each option clearly
13)	The number of copy machines currently held has been provided	NO	Complete in worksheet - IT Requirements Cell D50

Policies and Procedures Manual
Real Estate Management for Field Offices

COUNTRY:			
Office Type:			
Proposed Premises Type:	Option 1	Option 2	Option 3
Proposed Locations: (Name of or Address for Options 1, 2 & 3 if available)			
Date Prepared: (mm/dd/yy)			

WORKSHEET TO REFLECT NUMBER OF STAFF

(Information provided must be for all approved posts including vacant positions, and must be in agreement with staffing table)³

	Post Grade	BSB Staff	Programme/Project Staff	№. of Persons
Regional Director	D1 - D2			
Representative/Head of Office	P5 - D1			
All International Staff	P1 - P5			
National Staff	NOA - NOD			
Junior Professional Officers	Each			
GS Staff excluding drivers	GS3-GS7			
UN Volunteers	Each			
Drivers	All			
Additional Workstations ¹	All			
Service Contracts ²	All		-	
Total				

¹ Number of additional workstations (or offices) to be used as 'swing space'. Usually 10-15% of total net area.

² Enter information for Service Contracts only in table below. Percentage breakdown between BSB and Programme should be the same as the payroll distribution; Please indicate if a dedicated office space is required for each SC holder - for example each Security Guard would not need an individual office space, but potentially a joint space. In this case a dedicated office space requirement should be indicated for only one Guard.

³ Information provided is critical for the assessment of office space requirements

Service Contract List	Title/Description	Cost Share/Distribution (%)			Office Space Required ?
		BSB	Programme	Total	
Name1					NO
Name2					NO
Name3					NO
Name4					NO
Name5					NO
Name 6					NO
Name 7					NO
Name 8					NO
Name 9					NO
Name 10					NO
Name 11					NO
Name 12					NO
Name 13					NO
Name 14					NO
Name 15					NO
Name 16					NO
Name 17					NO
Name 18					NO
Name 19					NO
Name 20					NO
Name 21					NO
Name 22					NO
Name 23					NO
Name 24					NO
Name 25					NO
Name 26					NO
Name 27					NO
Name 28					NO
Name 29					NO
Name 30					NO
Name 31					NO
Name 32					NO
Name 33					NO
Name 34					NO
Name 35					NO
Total Service Contract Holders YES Space Required				-	
Total Service Contract Holders NO Space Required				-	
Total Service Contract Holders					

Policies and Procedures Manual
Real Estate Management for Field Offices

COUNTRY:			
Office Type:			
Proposed Premises Type:	Option 1	Option 2	Option 3
Proposed Locations: <i>(Name of or Identifier for Options 1, 2 & 3)</i>			
Date Prepared:			

WORKSHEET FOR ASSESSING IT REQUIREMENTS

Part 1: Data and Voice Wiring Allocation per Staff Member / Grade

It is recommended that 2 data (Ethernet RJ-45) and 1 voice (RJ-11) wires be run to each termination point. Should the price differential be minimal, CAT6 wiring is recommended. Should CAT6 costing be prohibitive (e.g. 30% more than CAT5e), CAT5e wiring is acceptable. Wiring should be replaced after 10 years – if existing runs are close to this timeframe, new runs are recommended.

Post Title	Post Grade	(A) Termination points	(B) №. of Persons	(C) Total Terminations (A x B)
Regional Director	D1 - D2	2		
Representative/Head of Office	P5 - D1	2		
All International Staff	P1 - P5	1		
National Staff	NOA - NOD	1		
Junior Professional Officers	Each	1		
GS Staff excluding drivers	GS3-GS7	1		
UN Volunteers	Each	1		
Drivers ¹	All	0.5		
Service Contract Holders	All	1		
Additional Workstations ²	All	1		
Total				

Notes:

¹ Wiring allocation for drivers is not per driver but rather for a common use room. A minimum of one termination point should be run.

² Number of additional workstations (or offices) to be used as 'swing space'.

Part 2: Wiring Allocation for Common Facilities

(Column B must be populated with "Yes" or "NO")

Facilities	(A) Termination points	(B) Room Available (Yes/No)	(D) Total Terminations
Conference Room	4		
Library	2		
Common File Room	1		
Reception	2		
Communication Room	2		
Audio Visual Storage Room	1		
Copy Room	2		
Eating Facilities	2		
Total			

Indicate the number of copier machines in use at the current location

Total number of termination points (C + D)

Part 3: Backup Power Standards

(All sections must be completed)

To estimate the need for IT backup power requirements (UPS and generator), please indicate stability of power and frequency and duration of power outages.

Power stability (5-very stable, 1-poor)	
Average number of power outages/week	
Average duration of outage (hours)	

Part 4: Internet Connectivity Options

Please indicate means of Internet connectivity, bandwidth, and number of users for the current and proposed location(s).

	Current Location	Option 1	Option 2	Option 3
Type of Internet connection (e.g. VSAT, land line)				
Bandwidth (e.g. 512kbps downlink/256kbps uplink)				
Number of users sharing link				
Yearly Cost for UNFPA (USD)				

Part 5: IT Support

Please indicate how local support is provided, and give a rating for the current level of support

	Current Location	Option 1	Option 2	Option 3
IT Support provided by (e.g. UNDP, UNICEF, Consultant, Vendor)				
Level of support provided is: (Excellent, Satisfactory, Unsatisfactory)				

Part 6: Shared Services

Please indicate whether the following services are shared with other agencies in the current location and provisions for the proposed locations (Yes/No):

	Current Location	Option 1	Option 2	Option 3
Internet				
Phone System				
Firewall				
Network servers				
Network switches				

Part 7: Other Information

Please provide any other information that affects IT implementation.

Relevant IT information

Policies and Procedures Manual
Real Estate Management for Field Offices

COUNTRY:			
Office Type:	-		
Proposed Premises Type:	Option 1	Option 2	Option 3
	-	-	-
Proposed Locations: <small>(Name of or Identifier for Options 1, 2 & 3)</small>	-	-	-
Date Prepared:			

Security Funding Assessment for Premises Relocation

- 1) Security Risk Assessment (SRA) or MOSS Baseline Requirements must be attached to the submission (include pictures if not included in the SRA)
- 2) Categories of investments are indicative only and should be applied as per SRA / MOSS or Regional Security Advisor recommendations
- 3) Provide description of all "other items" within each category
- 4) Detailed Security budget to be submitted upon final selection of the office i.e. option 1, 2 or 3
- 5) All amounts to be expressed in US dollars based on best estimates

SECURITY UPGRADES / REQUIREMENTS

CATEGORY	DESCRIPTION	CURRENT LOCATION	OPTION 1 (US\$)	OPTION 2 (US\$)	OPTION 3 (US\$)
PHYSICAL MEASURES	One time cost for installation of Physical Measures (e.g. perimeter walls/fences, Access control i.e. screening area/man trap, turnstiles, Gates, Barriers, Guard reception, Emergency exits, Blast Protection, Razor/Barbed wire etc.)				
	Other One Time costs ¹				
	Recurring costs of Physical measures				
TECHNICAL MEASURES	access control (Card readers), CCTV, ID cards, Walk through/Hand held metal detectors, Fire/intruder alarm system, fire safety equip, back up generator etc.)				
	Other One Time costs ¹				
	Recurring costs of Technical measures				
LIGHTING	One Time cost for lighting (e.g. Flood lights, Perimeter lighting, Safety lights, light sensors etc.)				
	Other One Time costs ¹				
	Recurring costs for lighting				
PERSONNEL	One time cost for Security guards				
	Recurring cost for Security guards				
	Other Personnel recurring costs ¹				
COMMON COST	MOSS Common Cost shared budget at Country/area level (recurring)				

¹ Summary justification and Detailed information must be provided in space above

Total One Time Costs		-	-	-	-
	BSB				
	Programme				
Total Running Costs		-	-	-	-
	BSB				
	Programme				

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Real Estate Management for Field Offices

COUNTRY:			
Office Type:			
Proposed Premises Type:	Option 1	Option 2	Option 3
Proposed Locations: <small>(Name of or Identifier for Options 1, 2 & 3)</small>			
Date Prepared:			

WORKSHEET TO CREATE A COST BENEFIT ANALYSIS

(All cost estimates to be reflected in USD)

Space	Current Location	Option 1	Option 2	Option 3
Total sqm				
Total number of staff				
sqm/# staff				
Recurrent Costs (US\$)				
Rent				
Utilities				
Telephone				
Internet charges	-	-	-	-
Cleaning				
Security	-	-	-	-
Common Services				
Other				
Other				
Other				
TOTAL Recurrent costs (A)	-	-	-	-
Recurrent costs per sqm				
Recurrent costs per staff				

One-time costs (US\$)				
Renovation works				
Furniture				
Partition				
Generator/ Solar/ Wind Energy				
IT installation				
Relocation costs				
Security	-	-	-	-
Other				
Other				
Other				
Total One-time Costs (B)	-	-	-	-
One-time cost per sqm				

Yearly average Costs per sqm over 5 years $(((5 \times "A") + "B") / \text{sqm}) / 5$

Briefly describe any benefits of current and proposed locations which facilitates selection of new premises

Benefits	Current Location	Option 1	Option 2	Option 3

Summary

Recurrent Costs				
BSB				
Programme				
Total	-	-	-	-

One Time Cost				
BSB				
Programme				
Total	-	-	-	-

COUNTRY:	-
Office Type:	-
Date Prepared:	

Off Grid Power Supply Requirements

Field offices requiring a off grid power supply (such as a generator) to offset fluctuations and surges in the main electrical power supply should first establish that alternative solutions, such as surge protectors, are inadequate. Where a generator/solar energy is required to keep the core functions of a field office running in the event of a blackout, the field office must carefully determine which portions of the office and which equipment are essential.

Add up the wattage of all the equipment that will be run at the same time. Then select a Generator/Photovoltaic installation with the **RUNNING wattage** rating to match or exceed the total load. Keep in mind that some equipment requires **SURGE wattage** at startup that can be double or triple the normal running wattage requirement. Look at the surge wattages required and make sure you choose a generator with enough additional wattage to start them. Keep in mind that you typically are not starting more than half of the items at the same time.

The chart below may be used to estimate the wattages of the equipment you will be operating at the same time. Wattages noted below are approximates only; please refer to the individual equipment for specific wattage required.

AVERAGE WATTAGE REQUIREMENT GUIDE				
(AMPS X VOLTS = WATTS)				
Equipment	Approximate Surge Wattage	Approximate Running Wattage	Number of units in office	Total Surge Wattage Requirements
Coffee Maker	600	600		
Microwave Oven	1000	1000		
Refrigerator or Freezer	1200	132-192		
Incandescent Lights	as indicated on bulb	as indicated on bulb		
Air Conditioner	2200	1500		
Desktop Computer	800	600 to 800		
Laptop Computer	250	200 to 250		
Computer Monitor (CRT)	250	200 to 250		
Server	as indicated	as indicated		
Fax	800	600 to 800		
Printer	600	400 to 600		
[Indicate other equipment]				
[Indicate other equipment]				
[Indicate other equipment]				
TOTAL RUNNING WATTAGE REQUIRED				

ANNEX IV: TECHNICAL STANDARDS AND REQUIREMENTS

The standards provided in this annex are advisory only. They are intended to provide field offices with a realistic guide in the event that there are no comparable local laws or standards.

Lighting

The standard required lighting power density for an office is set at 10.76 Watts/m². Natural lighting is not required when sufficient artificial light is provided, however it is recommended to use as much natural light as possible. Light bulbs must be environmentally friendly Compact Fluorescent Light Bulbs (CFL) or Light Emitting Diodes (LED). Light sensors must be used to the extent possible. Exterior lighting should be powered by photovoltaic cells and must be restricted to hours of darkness.

Air Quality

The standard required quantity of outdoor air for ventilation in an office is set at 34 [m³/h] per person. Please note that the air supply is not measured “per person per cubic metre of office space”, but either “per person” or (when the occupancy is not finite) “per area”.

Temperature

The design standard for minimum and maximum temperature in each office is based on the range of values for temperature and humidity that satisfies minimum 80% of the occupants. These ranges may vary greatly by local seasons, climate and the preferences of the staff members in each office. A typical acceptable range is 20 °C – 24 °C in winter and 23 °C to 26 °C in summer, with optimal relative humidity range between 30% and 60%. For energy saving purpose the maximum temperature in winter should be no higher than 20 °C in winter and no lower than 26 °C in summer.

ANNEX V: SAMPLE LEASE NEGOTIATION / COMPARISON SCENARIOS

Sample scenario for lease negotiation

The landlord wants a 20% increase in rent when the lease is renewed. How should the field office proceed? Consider these factors:

1. Is moving to common premises an option?
2. If not, renew lease with Escape Clause for a 2 or 3 year term.
3. Offer a 10% increase in first year and 5% to 7% for subsequent years.
4. If the landlord insists and you have no options, accept the 20% increase for the 2 or 3 year duration of lease. Negotiate the rent increase on the base rent rather than on the compounded rent.
5. Make payments in local currency. If you can extract major concessions from the landlord to benefit UNFPA and if it is legal to pay in US dollars, proceed.

Comparing Lease Options

Case 1: Different Rates of Rent Increase

When looking at several leasing options with different rates of rent increase, consider utilizing the below exercise to determine which option is the most cost effective in the long term.

Premises	Rentable Square Footage (RSF) in m2	Usable Square Footage (USF) in m2	Price per m2 (1 st year)	Rent increase for 2 nd year	Rent increase for 3 rd year	Total for 1st year	Total for 2nd year	Total for 3 rd year
Option 1	16,000	12,000	\$25.00	\$2.00	\$2.5 0	\$400,000.00	\$432,000.00	\$472,000
Option 2	17,000	14,000	\$22.00	10%	15%	\$374,000.00	\$411,400.00	\$473,110

Field office should decide on the basis of which of these two options have the lower average cost per square meter per year, as per the table below:

Average cost per square meter per year

Option 1	\$25.00	\$27.00	\$29.00
Option 2	\$22.00	\$24.20	\$27.83

Although the total rent for the 3rd year for option 2 is higher than the total rent for option 1, the average cost per square meter per year for option 2 is lower throughout the duration of the lease. Therefore, the field office should choose option 2.

Case 2: Leases of Different Durations

When considering several leases with different terms and costing factors, it can be useful to compare them in a table such as the one below.

	A.	B.	C.	D.	
Premises	One-time Costs	Length of Lease (years)	Yearly Running Cost	Total Running Costs for Duration of Lease (C x B)	Total Cost per Year (D + A) / B
Option 1	\$ 12,320.00	2	\$76,800.00	\$153,600.00	\$82,960.00
Option 2	\$14,820.00	5	\$70,800.00	\$354,000.00	\$73,764.00
Option 3	\$19,820.00	5	\$85,200.00	\$426,000.00	\$89,164.00

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ANNEX VI: ELEMENTS OF A RESERVE FOR FIELD ACCOMMODATION (RFA) OR INSTITUTIONAL BUDGET (IB) REQUEST

Location of UNFPA Office: _____

Request for (choose one): RFA IB

	Yes/ No	Not Applicable	Notes
BACKGROUND			
1. What year did UNFPA establish operations?			
2. Was UNFPA housed in a UN House / Common Premises with other agencies from the start of operations?			
3. Did the agencies occupy the same building from the start?			
4. Lease history			
5. Previous major renovation/improvement works undertaken on the property for which RFA/IB is being requested			
CURRENT STATUS			
6. Actual value of property			
7. Total number of staff members and staffing levels			
8. Current space occupied by UNFPA in square meters/square feet (please specify when using sq m or sq ft)			
9. Current monthly rent, operating and maintenance costs paid by UNFPA			
PROPOSED PROJECT			
10. Project history (brief summary of other options explored)			
11. List all other Agencies involved (if any).			
12. Proposed space requirements in square meters/square feet based on JIU standards			
13. Is the UNFPA programme expanding? Has this space growth been factored into the proposed space requirements?			
14. If UN House or Common Premises, what percentage of the space will UNFPA occupy in the proposed building?			
15. Do renovation works pertain particularly to UNFPA or is it a general rehabilitation plan for the entire building?			
16. Design drawings/floor plans			
17. Project timeline and proposed completion date			

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	Yes/ No	Not Applicable	Notes
COSTS			
18. Estimated costs for proposed works (per square meters/per square feet) with line item and cost breakdown, contingency and space growth contingent (on contractor letterhead)			
19. Have renovation estimates been prioritized in order of need and importance?			
20. Estimated one time fit out costs (with line item and cost breakdown) *			
21. Estimated monthly rent, operating and maintenance costs for proposed office *			
22. Cost apportionment by agency (for UN Houses/Common Premises) *			
23. Cost Benefit Analysis *			
24. Bids received *			
25. Were estimated costs based on received bids?			
ASSESSMENTS/ STUDIES			
26. Structural Integrity Study / Seismic study			
27. Security assessment of proposed building and location			
ADDITIONAL FUNDING			
28. Required funding for MOSS compliance			
29. Required funding for IT			

* Please attach all necessary supporting documentation where available.

**ANNEX VII: LETTER OF COMMITMENT FROM GOVERNMENT TO UN
AGENCIES FOR DONATION OF LAND / PREMISES**

LAND AGREEMENT

between

**THE UNITED NATIONS [FULL NAME OF LEAD AGENCY SIGNING ON BEHALF OF
PARTICIPATING AGENCIES]**

and

[NAME OF HOST COUNTRY]

WHEREAS, the Government of [COUNTRY] (hereinafter referred to as “*the Government*”) is willing to provide, at no charge, the below-described land to be used as the location for the new UN House for the United Nations [FULL NAME OF LEAD AGENCY] (hereinafter referred to as “[ACRONYM OF LEAD AGENCY]”) representing the UN Funds, Programmes, and Specialized Agencies, including [ACRONYM OF LEAD AGENCY] (hereinafter referred to as “*the UN System*”) in [COUNTRY].

WHEREAS, [ACRONYM OF LEAD AGENCY] and the Government desire to formalize the use of the land located at [ADDRESS], [CITY], [COUNTRY].

NOW THEREFORE, [ACRONYM OF LEAD AGENCY] and the Government in consideration of their mutual undertakings hereby agree as follows:

Article 1

LAND

The Government being the owner of the land located at [ADDRESS], [CITY], [COUNTRY] described in Annex 1 [INSERT DESCRIPTION OF THE SIZE OF THE LAND PLUS AREA MAP] agrees to provide to [ACRONYM OF LEAD AGENCY] and [ACRONYM OF LEAD AGENCY] agrees to take, for the construction of the new UN House, the land measuring [INDICATE AMOUNT OF SURFACE AREA IN ACRES], bearing plot number (fully shown in Annex 1), -with its appurtenances for so long as [ACRONYM OF LEAD AGENCY] or any other Funds, Programmes or Specialized Agencies of the UN system maintain offices in [COUNTRY]. The land shall be made available immediately upon signature of this Agreement, free of charge, rent, taxes, levies or other duties to [ACRONYM OF LEAD AGENCY].

Article 2

CONSTRUCTION

[ACRONYM OF LEAD AGENCY] shall have the right to construct office premises for the use of the UN System in [COUNTRY] and install equipment, ancillary amenities and connections for utilities, such as electricity, water, telephone, telex, satellite communications, gas, drainage and sewerage as may be required for the offices. The costs of such construction shall be borne by the UN System as agreed among them in a separate Memorandum of Understanding.

Article 3

OWNERSHIP OF LAND AND BUILDINGS

1. The Government warrants and represents that all ownership title, rights and interest in the land are vested in the Government, full and clear of any encumbrance and undertakes not to, other than pursuant to Article 1 above, dispose of any interest in the land or encumber the same. To this end, the Government shall defend [ACRONYM OF LEAD AGENCY] against any and all claims to or in respect of the land by third parties.
2. Subject to the last paragraph of this Article 3, [ACRONYM OF LEAD AGENCY] undertakes not to make any dispositions of or in any way encumber the rights and interests granted to it by the Government pursuant to Article 1 above.
3. Title to all the buildings, fixtures and installations to be constructed on the said land (the "UN House") shall at all times vest in [ACRONYM OF LEAD AGENCY].
4. In the event that [ACRONYM OF LEAD AGENCY] decides to transfer the UN House to the Government, the Government shall pay compensation to [ACRONYM OF LEAD AGENCY] for the then fair market value of the UN House constructed and installations at the UN System's expense; it being understood that [ACRONYM OF LEAD AGENCY]'s rights and interest over the land granted to it pursuant to Article 1 shall revert to the Government without charge for the value thereof.

Article 4

USE OF LAND AND BUILDINGS

The Government hereby grants to [ACRONYM OF LEAD AGENCY] all rights to the exclusive occupation, utilization and undisturbed possession of all of the said land and **all of the buildings and appurtenances to be constructed thereon for as long as the as** [ACRONYM OF LEAD AGENCY] or any other Funds, Programmes or Specialized Agencies of the UN system maintain offices in [COUNTRY].

The [UN House](#) shall be utilized by the [ACRONYM OF LEAD AGENCY] primarily as UN System offices in the country and for such other purposes as the [ACRONYM OF LEAD AGENCY] may desire.

Article 5

TERMINATION

It is understood that the [ACRONYM OF LEAD AGENCY] may terminate this Agreement at any time upon giving notice to the Government not less than (30) thirty days before such termination.

- a) In the event of such termination where [ACRONYM OF LEAD AGENCY] has commenced construction on the land, the land shall revert back to the Government and the Government shall compensate [ACRONYM OF LEAD AGENCY] for the value of the works completed up to the termination date;
- b) In the event of such terminations where [ACRONYM OF LEAD AGENCY] has completed construction, the Government shall compensate [ACRONYM OF LEAD AGENCY] for the then fair market value of the UN House and installations as outlined in Article 3, para. 3;
- c) In the case [ACRONYM OF LEAD AGENCY] decides to close down its Office in the country, it shall have the right to transfer its interest in the land and ownership title to the UN House and installations to any other United Nations Fund, Programme, or Specialized Agency in the country, upon notification to the Government, or at the Government's request, to the Government. Where such transfer is to the Government, the Government shall compensate [ACRONYM OF LEAD AGENCY] as set out in Article 3, para. 3.

Article 6

QUIET POSSESSION

1. The Government shall ensure that [ACRONYM OF LEAD AGENCY]'s occupation and use of the **land** is and remains free of any encumbrances, liens or interest of third parties. To this end, the Government shall defend [ACRONYM OF LEAD AGENCY] against any and all claims to or in respect of the land by third parties.
2. [ACRONYM OF LEAD AGENCY] shall enjoy full and quiet possession of the land granted under this Agreement. The Government shall take the necessary steps to ensure that the use made of areas and buildings in the vicinity of the land due not adversely affect its usefulness for the purpose for which it is used by [ACRONYM OF LEAD AGENCY].

Article 7

SETTLEMENT OF DISPUTES

Any dispute between the Parties arising out of or relating to this Agreement which cannot be settled by negotiations or other agreed mode of settlement shall be submitted to arbitration at the request of either Party. Each Party shall appoint one arbitrator, and the two arbitrators so appointed shall appoint the third, who shall be chairman. If, within (30) thirty days of the request for arbitration, either Party has not appointed an arbitrator or if within (15) fifteen days of the appointment of two arbitrators the third arbitrator has not been appointed, either Party may request the President of the International Court of Justice to appoint an arbitrator. The procedure of the arbitration shall be fixed by the arbitrators, and the expenses of the arbitration shall be borne by the Parties as assessed by the arbitrators. The arbitral tribunal shall have no authority to award punitive damages. The arbitration shall contain a statement of the reasons on which it is based and shall be accepted by the Parties as the final adjudication of the dispute.

Article 8PRIVILEGES AND IMMUNITIES

Nothing contained in this Agreement shall be deemed as a waiver, express or implied, of the privileges and immunities enjoyed by [ACRONYM OF LEAD AGENCY] or the UN system, whether pursuant to Convention on the Privileges and Immunities of the United Nations or any other Convention, law or decree of an international or national character or otherwise.

Article 9

GENERAL PROVISIONS

1. Any modification of this Agreement shall be by mutual consent of the Parties and shall be in writing.
2. The Foreign Secretary, Ministry of Foreign Affairs shall in all matters relating to this Agreement be the authorized representative of the Government.
3. The Resident Representative of the [ACRONYM OF LEAD AGENCY] in [COUNTRY] shall in all matters relating to this Agreement be the authorized representative of the [ACRONYM OF LEAD AGENCY].
4. This Agreement shall benefit any assignee of [ACRONYM OF LEAD AGENCY] contemplated in the last paragraph of Article 5c.

Article 10

INTERPRETATION

This Agreement shall be interpreted in the light of its primary purpose: to enable [ACRONYM OF LEAD AGENCY] to fully and efficiently discharge its responsibilities and fulfil its objectives in _____.

Article 11

ENTRY INTO FORCE

This Agreement shall enter into force on the date of its signature by the Parties.

IN WITNESS WHEREOF, the Parties hereto have affixed their signatures on the dates indicated beneath their respective signatures.

DONE, in _____ in two originals in the English language, this _____ day of _____, in the year _____.

FOR GOVERNMENT:

By: _____

Title: _____

WITNESS:

By: _____

Title: _____

FOR [ACRONYM OF LEAD AGENCY]:

By: _____

Title: _____

WITNESS:

By: _____

Title: _____

ANNEX VIII: STANDARD LAND GRANT AGREEMENT

AGREEMENT
BETWEEN
THE GOVERNMENT OF [COUNTRY]
AND
THE UNITED NATIONS POPULATION FUND
FOR GRANT OF LAND FOR THE CONSTRUCTION OF UNFPA BUILDINGS

This Agreement is entered into between the Government of [Country] (hereinafter referred to as the “Government”) and the United Nations Population Fund, a subsidiary organ of the United Nations, (hereinafter referred to as “UNFPA”) for the grant of land by the Government to UNFPA to be used for construction of premises for the UNFPA office in [City, Country].

WITNESSETH

The Government and UNFPA (hereinafter referred to as the “Parties”) hereby agree as follows:

Article I
Application

This Agreement shall be supplementary to and read together with the Standard Basic Assistance Agreement (SBAA) between UNFPA and the Government of [Country] concerning the activities of UNFPA in [Country], signed at [Location] on [date: day, month, year].

Article II
Land

The Government hereby grants to UNFPA, free of charge, rent, taxes, levies or other dues, the land known as lot number [number], located in [location: Quarter, City] measuring [m] width and [m] length and totaling [m²] in area, the full description of which appears in Annex 1 hereto //a survey map should be made and annexed//, to be used by UNFPA for construction of the building(s) and other facilities for its office in [City, Country].

UNFPA

Article III Occupation and Use

1. UNFPA shall have the right to occupy and use the land for as long as the UNFPA office shall remain established in [Country].
2. UNFPA shall have the right to construct, at its expense, buildings and other facilities for the UNFPA Office, and install equipment, ancillary amenities and connections for utilities, such as electricity, water, telephone, telex, satellite communications, gas, drainage, and sewerage as may be required for the Office.
3. In the construction of the premises, UNFPA agrees to respect all relevant laws and regulations in force in the country.

Article IV Ownership of Buildings

1. Except as the Parties may otherwise agree, title to the land shall at all times remain vested with the Government. However, ownership of the buildings, equipment and other installations shall vest in UNFPA.
2. In case UNFPA decides to close down the Office, it shall have the right to transfer its interest in the land and ownership of the building to any other United Nations Agency or at its request, to the Government. In the event that UNFPA decides to transfer the buildings to the Government, the Government shall pay compensation to UNFPA for the then fair value of the buildings and installations constructed therein at UNFPA's expense; it being understood that the land shall revert to the Government without charge for the value thereof.

Article V Quiet Possession

1. The Government shall ensure that UNFPA's occupation and use of the land is and remains free of any encumbrances, liens or interest of third parties. To this end, the Government shall defend UNFPA against any and all claims to or in respect of the land by third parties.
2. UNFPA shall enjoy full and quiet possession of the land granted under this Agreement. The Government shall take the necessary steps to ensure that the use made of areas and buildings in the vicinity of the Office or otherwise adversely affect its usefulness for the purpose for which it is used by UNFPA.

Article VI
Settlement of Disputes

Any dispute arising out of or in connection with this Agreement shall be settled amicably by negotiations or by any other agreed mode of settlement, failing which the dispute shall be submitted to arbitration by a single arbitrator appointed by the President of the Permanent Court of Arbitration, at the request of either Party.

Article VII
Interpretation

This Agreement shall be interpreted in the light of its primary purpose: to enable UNFPA to fully and efficiently discharge its responsibilities and fulfill its objectives in [Country].

Article VIII
Entry into Force

This Agreement shall enter into force on the date of its signature by the Parties.

IN WITNESS WHEREOF, the respective representatives of the Government and of UNFPA have signed this Agreement.

DONE, in [language] and in two originals in the English language, this [day] day of [Month], in the year [year].

For UNFPA

For the Government

**ANNEX IX: MEMORANDUM OF AGREEMENT WITH GOVERNMENT FOR
OCCUPANCY AND USE OF PREMISES**

MEMORANDUM OF AGREEMENT
between
THE GOVERNMENT OF [.....]
and
THE UNITED NATIONS POPULATION FUND

WHEREAS, the Government of [.....] (hereinafter referred to as the "Government") is willing to offer the below-described premises to be used as office space for the United Nations Population Fund (hereinafter referred to as the "UNFPA") providing assistance in [.....];

WHEREAS, the UNFPA and the Government wish to establish the terms and conditions for the occupancy and use of such premises.

NOW THEREFORE, the UNFPA and the Government in consideration of their mutual undertakings hereby agree as follows:

Article I
Premises, Term

1. The Government, being the owner of the land and buildings located at [.....], described in Annex 1 hereto and of the fixtures, furnishings and equipment thereon described in the inventory lists in Annex 2, including parking space, (such land, buildings, fixtures, furnishings and equipment, all hereinafter referred to as the "Premises"), as provided for in Article III below, places at the disposal of the UNFPA the whole of the Premises to be occupied and used as its Office for the exercise of its official functions, and for such other services and facilities directly related thereto, for the period established herein below.
2. The Premises shall be placed at the disposal of the UNFPA with effect from [...] and they shall continue to inure to the benefit of the UNFPA until [...].
3. It is understood that the UNFPA may terminate this Agreement at any time upon giving notice to the Government not less than 30 days before such termination. This Agreement shall be terminated without prejudice to any existing claims.

Article II
Rent

The UNFPA shall pay the Government for the Premises a rent of ... for each full month of the term hereby granted. Such rent shall be payable within five calendar days after the end of the

calendar month to which the rent payment pertains. In the event the use and occupancy of the Premises is for less than a full month, the monthly rent shall be pro-rated.

Article III
Inspection of the Premises

Prior to occupation of the Premises, the UNFPA shall inspect the Premises and the parties shall arrange for the preparation of an inventory list of the fixtures, furnishings and equipment on the Premises which are the property of the Government. This list shall be annexed hereto as Annex 2. This list shall be revised periodically in accordance with a schedule agreed to by the parties. These revised lists shall be considered to form an integral part of Annex 2 to this Agreement.

Article IV
Alterations, Repairs, Maintenance

1. The Government undertakes to maintain, at its expense, the Premises in good and tenantable conditions, assuming responsibility for the major repairs on the exterior and interior of the Premises, its structures, utility services and fixtures, ground and parking areas. The UNFPA shall be responsible, at its expense, for the orderly operation and adequate maintenance of the building.
2. The UNFPA may, with the consent of the Government, and at UNFPA's expense, make repairs, alterations, attach fixtures, and erect additions, structures, and signs in or upon the building. The UNFPA shall have the right to affix a United Nations flagstaff, office sign and insignia outside the building.

Article V
Insurance

1. The UNFPA shall, within its established practice, be responsible for covering loss and damage to the building by fire attributable to its negligence or its employees. The UNFPA shall not be responsible for any loss of or damage to the building caused by civil disturbances, riots, vandalism, wars, floods, earthquakes or other force majeure.
2. The UNFPA may take out insurance against loss or damage of fixtures, furnishings and equipment owned by the UNFPA or its personnel.

Article VI
Utilities, Other Services

1. The UNFPA shall bear the charges for water, electricity, gas or other utilities provided to the Premises provided that the UNFPA shall be given the same priority treatment when installing or reinstalling or restoring such services as is given to diplomatic missions and where these services are shared with other institutions or persons arrangements shall be made for separate meters to charge for amounts consumed.

2. Payments for these utilities and other services shall be made at the rate of [...].

Article VII
Taxes, Charges

1. The UNFPA shall, in respect of the Premises, be accorded all the privileges and immunities stipulated in the Convention on the Privileges and Immunities of the United Nations and the Standard Basic Assistance Agreement concluded between the UNFPA and the Government on [....., 19..].

2. In respect of charges for which the UNFPA will be liable under Article VI, the Government shall make every possible effort to obtain for the UNFPA reduced charges or rates, if any, granted to Governments, including their diplomatic missions.

Article VIII
Damage to Premises

In the event of loss or damage to the Premises including any damage to the buildings or fixtures or equipment on the Premises by fire, civil disturbance, riot, vandalism, aircraft and other aerial devices, war, floods, earthquakes or force majeure, the parties shall hold consultations with a view to agreement on repairs or restoration of the Premises or provision of alternative facilities while repairs or restoration of the Premises are undertaken; provided, however, that should the Premises be totally destroyed or should the Premises or buildings be rendered unusable in the view of UNFPA, this Agreement shall immediately terminate.

Article IX
Quiet Enjoyment

The Government covenants and agrees that the UNFPA may peaceably and quietly enjoy the Premises hereby described for the term hereby granted.

Article X
Settlement of Disputes

Any dispute between the UNFPA and the Government arising out of or relating to this Agreement which is not settled by negotiation or other agreed mode of settlement shall be submitted to arbitration at the request of either Party. Each Party shall appoint one arbitrator, and the two arbitrators so appointed shall appoint a third, who shall be the chairman. If within thirty days of the request for arbitration either Party has not appointed an arbitrator or if within fifteen days of the appointment of two arbitrators the third arbitrator has not been appointed, either Party may request the President of the International Court of Justice to appoint an arbitrator. The procedure of the arbitration shall be fixed by the arbitrators, and the expenses of the arbitration shall be borne by the Parties as assessed by the arbitrators. The arbitral tribunal shall have no authority to award punitive damages. The arbitral award shall contain a statement

of the reasons on which it is based and shall be accepted by the Parties as the final adjudication of the dispute.

Article XI
Entry into Force

This Agreement shall enter into force upon signature.

Article XII
Annexes

Attached hereto are Annexes 1 and 2 which form an integral part of this Agreement, Annex 2 being subject to periodic revision as provided for in Article III above.

DONE IN [.....] in duplicate in [.....] and English, both texts being equally authentic, on [....., 19..].

(signed)

(signed)

By:

By:

For the UNFPA

For the Government

ANNEX X: LETTER OF INTEREST FOR OCCUPANCY AND USE OF COMMON PREMISES BETWEEN LEAD AGENCIES AND OTHER PARTICIPATING UN AGENCIES

LETTER OF INTEREST
BETWEEN
[FULL NAME OF LEAD AGENCY]
AND
[ACRONYMS OF THE PARTICIPATING AGENCIES]

[ACRONYM OF LEAD AGENCY] as the signatory of the lease agreement for the proposed premises wishes to confirm agreement among the following Agencies: [ACRONYMS OF PARTICIPATING AGENCIES] in respect of premises located at [FULL ADDRESS, CITY, COUNTRY] to serve as UN Common Premises/UN House.

This Letter of Interest is intended to reflect a consultative and coordinated effort of all the UN Agencies/entities participating in the UN Common Premises/UN House, under the leadership of the UN Resident Coordinator.

Each Agency, signatory of this Letter of Interest, agrees as follows:

Each Agency wishing to occupy and use the UN Common Premises/UN House undertakes to sign and comply with this agreement, and observe the terms of this agreement. Moreover, the agreement will represent the basis for formalizing the inter-Agency Memorandum of Understanding (MOU).

Space Allocation

Each Agency agrees to occupy their respective shares of the space as listed below (information valid as of [DATE]):

AGENCY	AGENCY-SPECIFIC AREAS (m²)⁸	COMMON AREAS (m²)¹	TOTAL AREA OF AGENCY (m²)	PROPORTIONAL SHARE OF AGENCY (%)
TOTAL	m²	m²	m²	100.00%

⁸ Agency-Specific Areas, i.e. offices and other areas, inclusive of associated circulation space.

Costs

Each Agency agrees to pay its apportioned share of the one-time fit-out costs, monthly rent, related operating costs, and all common services as agreed upon.

Dated: [DATE OF SIGNING].

Signed:

By [PRINT FIRST NAME, LAST NAME, JOB TITLE]
For [ACRONYM OF AGENCY]

Signed:

By [PRINT FIRST NAME, LAST NAME, JOB TITLE]
For [ACRONYM OF AGENCY]

Signed:

By [PRINT FIRST NAME, LAST NAME, JOB TITLE]
For [ACRONYM OF AGENCY]

Signed:

By [PRINT FIRST NAME, LAST NAME, JOB TITLE]
For [ACRONYM OF AGENCY]

Signed:

By [PRINT FIRST NAME, LAST NAME, JOB TITLE]
For [ACRONYM OF AGENCY]

ANNEX XI: MEMORANDUM OF UNDERSTANDING FOR OCCUPANCY AND USE OF COMMON PREMISES BY UN AGENCIES, PROGRAMMES, FUNDS AND OFFICES**MEMORANDUM OF UNDERSTANDING
CONCERNING OCCUPANCY AND USE
OF COMMON PREMISES BY UNITED NATIONS
AGENCIES, PROGRAMMES, FUNDS AND OFFICES
(HEREINAFTER THE "AGENCIES")**

WHEREAS, the General Assembly, in its resolution 44/211 of 22 December 1989, requested all organs, organizations and bodies of the United Nations Systems to make the necessary arrangements, in cooperation with host Governments and without additional cost to developing countries, to establish common premises at the country level; and

WHEREAS, in its resolution 47/199 of 22 December 1992, the General Assembly emphasized that the establishment of common premises should be achieved in cooperation with host Government in a way that increases efficiency through, inter alia, consolidation of administrative infrastructures of organizations concerned, and does not increase the costs for the United Nations System or for developing countries; and requested the Secretary-General to strengthen the Resident Coordinator System;

WHEREAS, pursuant to these resolutions a Lease Agreement dated _____ has been concluded or premises have been constructed or purchased by the United Nations Development Programme (UNDP) on behalf of United Nations bodies (hereinafter referred to individually as the "Agency" and collectively as "the Agencies") for the premises located at _____, to serve as common premises for the Agencies (hereinafter referred to as the "Common Premises"). A copy of the Lease or Construction or Purchase Agreement is attached to this Agreement as **Annex A**;

WHEREAS, the Agencies which have expressed their intention to participate in the Common Premises have entrusted the United Nations Development Programme with the duty to contract for and administer the Common Premises;

WHEREAS, it is now necessary to establish the terms and conditions for occupation of the Common Premises by each of the Agencies; the Memorandum of Understanding is intended to reflect a consultative and coordinated effort of all the United Nations entities participating in Common Premises for the adequate and sound management of common services, under the leadership of the United Nations Resident Coordinator.

NOW, THEREFORE, UNDP and each of the Agency signatories of this Memorandum agree as follows:

ARTICLE 1. OCCUPATION OF THE COMMON PREMISES

Each Agency wishing to occupy and use the Common Premises undertakes to sign and comply with this Memorandum of Understanding, including its annexes, as applicable to the Agencies concerned, and observe the terms of the Lease or Construction or Purchase Agreement or Memorandum of Agreement attached hereto. The layout of the Building constituting or including the Common Premises (hereinafter referred to as the "Building") is described in **Annex B** to this Agreement.

ARTICLE 2. ALLOCATION AND USE OF SPACE IN COMMON PREMISES

1. Each Agency shall have the exclusive right to occupy and use such offices and other spaces in the Common Premises (hereinafter referred to as "Offices") as are allocated to it by the Resident Coordinator, in consultation with the participating Agencies. In allocating such Offices, the Resident Coordinator shall take into account the needs of the Agencies participating in the Common Premises. The term "Offices" shall also include any office or space that is designated for allocation to an Agency, but has been relinquished by an Agency or it otherwise not allocated to an Agency.

2. All Offices shall be used exclusively for office accommodation of the Agencies in accordance with this Memorandum and with such rules and regulations as may be issued by the Resident Coordinator in consultation with the participating Agencies.

3. Except as otherwise provided in this Memorandum, the Agencies shall have the right, in common, to use spaces and areas of the Common Premises that are not Offices (hereinafter referred to as "Common Areas"), including, but not limited to, conference and meeting rooms, parking areas, driveways, lobbies, halls, corridors, public toilets, courtyards, elevators and stairways.

4. The use of certain portions of the Common Areas, as specified in **Annex F** of this Agreement, shall be subject to availability.^{1/} The Resident Coordinator, in consultation with the participating Agencies, shall coordinate and allocate the usage of said portions of the Common Areas.

5. Common Areas shall be used in accordance with this Memorandum and with such issuances as may be made by the Resident Coordinator, in consultation with the participating Agencies, and in a manner non-detrimental to the use of the Common Areas in common by the Agencies.

6. The UN House/Common Premises is a non-smoking environment.

ARTICLE 3. MANAGEMENT OF COMMON PREMISES

^{1/} These spaces and areas should include, for example, conference and meeting rooms, parking areas, and similar areas that must be subject to availability.

1. The Resident Coordinator shall be responsible for the direction and administration of the Common Premises. In that connection, the Resident Coordinator shall be advised by a Management Committee^{2/} constituting not more than three Agency Representatives, to be appointed by all the represented Agencies on a rotational basis to serve for a period of one year.
2. The Resident Coordinator shall arrange for and manage the Common Building Services set forth in **Annex C** of this Agreement in respect of the Common Premises.^{3/} Any services provided to an Agency beyond those set forth in **Annex C** hereof shall be exclusively at the expense of the Agency.
3. The Separate Services specified in **Annex C** of this Memorandum shall be coordinated by the Resident Coordinator but shall be invoiced to each Agency directly by the provider of the service and paid for by each Agency individually.^{4/}

ARTICLE 4. APPORTIONMENT OF COSTS AND EXPENSES

1. As of the date of this Agreement, the Monthly Base Cost of the Common Premises is _____.^{5/} The Resident Coordinator shall provide to each Agency prior notice of any change in the Monthly Base Cost. The Agencies shall share the Monthly Base Cost in the proportions set forth in **Annex D**.
2. Each Agency shall pay its proportionate share of the Common Building Services as provided in Article 7(1) hereof. Such proportionate share shall be equivalent to the percentage that the total area of the Offices allocated to each Agency bears to the total area of all Offices in the Common Premises, including any Office that is not allocated to any Agency.

^{2/} It is foreseen that such a Committee be composed of three participating Agencies in the Common Premises in the country, which agencies would be rotated on an annual basis, although there is no legal obstacle for the participating agencies to agree to a different composition of such Committee.

^{3/} The Common Building Services should include, for example, property and liability insurance, maintenance, repair, cleaning, security, heating, ventilation, air conditioning, waste removal, landscaping and dispensary. They may also include tele-communications, electricity and other utilities, if those services are not metered separately for each Agency; for services that are metered separately, see paragraph 3 of this Article 3.

^{4/} These Separate Services may include, for example, utilities such as electricity and telephone.

^{5/} In the case of leased Common Premises, the Monthly Base Cost will be the rent payable for the Common Premises. In the case of Common Premises owned by UNDP, the Monthly Base Cost should be calculated and amortized on the basis of the construction or purchase costs of the Common Premises.

ARTICLE 5. INSURANCE

1. The Resident Coordinator shall arrange for:
 - (a) Insurance of the Premises against loss or damage due to fire;

- (b) Public liability insurance in such limits as the Resident Coordinator shall deem desirable;
 - (c) Such other forms of insurance as the Resident Coordinator in its judgment shall elect to effect.
2. Each Agency shall be responsible for insuring or self-insuring its own property (excluding the building), equipment and furnishings and of that of its employees in the Common Premises.
3. Each Agency shall be exclusively responsible for dealing with any tort claims brought against it by third parties for personal injury, loss, illness death or damage to their property arising from its occupation and use of the Common Premises. The cost of satisfying any such tort claim shall be borne by the Agency. Each Agency shall maintain such insurance as is necessary to meet its responsibilities under this paragraph.

ARTICLE 6. REPAIRS, REMODELLING AND RENOVATIONS

1. The Resident Coordinator shall coordinate all repairs, remodeling and renovation work to be done with respect to the Common Premises, including the Offices if such work would affect the Building, the Common Premises, or the use of other Offices. It shall arrange for repair, remodeling and renovation work to be done with respect to the Common Areas and to any Office that is not allocated to any Agency.
2. The Agencies shall share the costs and expenses for maintenance, repair, remodelling and renovation work with respect to the Building, the Common Areas or any Office that is not allocated to an Agency, in the same proportions as provided in paragraph 2 of Article 4 of this Agreement; provided, however, that the costs and expenses of any repair, remodelling or renovation work resulting from loss or damage attributable to the fault, neglect or other legal responsibility of an Agency, or its employees, invitees or contractors, shall be borne exclusively by that Agency.
3. An Agency shall not paint or otherwise decorate, change the appearance of, alter or remove any part of, any portion of the Common Premises or the Building not within the walls of the Offices allocated to it, unless the written consent of the Resident Coordinator is obtained.
4. The Agencies shall promptly report to the Management Committee any defect or need for repairs, the authority for the remedying of which has been allocated by this Agreement to the Resident Coordinator.
5. An Agency shall not make any alterations in the portions of the Offices allocated to it or remove any portion thereof or make any additions thereto or do anything which would or might jeopardize or impair the safety or soundness of the Common Premises or the Building without first obtaining the written consent of the Resident Coordinator.

6. Each Agency shall be responsible for maintaining, repairing, and replacing at its own expense all portions of the Offices allocated to it, and all internal installations of such Offices such as appliances, heating, plumbing, electrical, and air conditioning fixtures or installations, and any portion of any other utility service facilities located within the boundaries of said Offices. The Agency shall give prior notice to the Resident Coordinator of such maintenance, repair, and replacement work, and such work shall be subject to the coordination and supervision of the Resident Coordinator through the Management Committee.

7. The Resident Coordinator, upon consultation with participating Agencies and the advice of the Management Committee, shall arrange for maintenance and repair of any Office at the expense of the Agency to which the Office has been allocated, if such maintenance or repair is necessary, to protect such Office or the Common Premises or the Building or any other portion thereof, and an Agency to which such Office has been allocated has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Resident Coordinator to said Agency.

8. The Resident Coordinator may enter any Office when necessary in connection with any maintenance or construction for which the Resident Coordinator is responsible.

ARTICLE 7. FINANCIAL STATEMENTS AND ACCOUNTS

1. On or before December first of each year, the Resident Coordinator shall estimate the total amount necessary to pay the Common Area Services and other costs and expenses determined by the Resident Coordinator under this Agreement which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Resident Coordinator to be necessary for a reserve of contingencies and replacements, and shall, on or before 15 December, notify each Agency as to the amount of such estimate with reasonable itemization thereof. On or before January 1 of the ensuing year, and on or before the first of each and every subsequent month of said year, each Agency shall pay to the Resident Coordinator one-twelfth of the assessment made pursuant to this paragraph, plus the applicable Monthly Base Cost.

2. On or before 31 January of each year, the Resident Coordinator shall supply to all Agencies an itemized accounting of the Monthly Base Cost, Common Area Expenses and other costs and expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected by the Resident Coordinator and showing the net amount over or short of the actual expenditures plus reserves.

3. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited to the next monthly instalments due from Agencies under the current year's estimate, until exhausted, and any net shortage shall be added to the instalments due in the succeeding six months after rendering of the accounting.

4. The Resident Coordinator shall build up and maintain a reasonable reserve for contingencies and replacements. Expenditures not originally included in the annual estimate

which may become necessary during the year, shall be charged first against such reserve. If said reserve proves inadequate for any reason, including non-payment of any Agency's assessment, the Resident Coordinator may at any time levy a further assessment which shall be assessed to the Agencies in their respective proportions as provided in Article 4(2) hereof.

5. All funds collected hereunder shall be held and expended solely for the purposes designated herein. The Resident Coordinator shall keep full and correct books of account, which may be inspected at any reasonable time by the authorized representative of any Agency.

ARTICLE 8. WITHDRAWAL FROM COMMON PREMISES

1. An Agency may terminate the arrangements set forth in this Memorandum of Understanding as they apply to it, if it intends to relocate permanently its headquarters or offices out of the Country.

2. An Agency seeking to terminate these arrangements shall give at least one month's prior written notice of its intention to terminate the arrangements to the Resident Coordinator.

3. In the case of leased Common Premises, the Agency withdrawing shall continue to be financially responsible for the payment of its portion of the Monthly Base Cost set forth in Annex D and its proportionate share of the Common Building Services set forth in Annex C hereof, until such time as the Lease Agreement expires.

4. The provisions of paragraph 3 above should not apply where:

- (a) The Lease Agreement provides for the Landlord to reduce the rent of the Common Premises proportionately to the space left vacant by the departing Agency;
- (b) The vacated space is taken by another United Nations Agency, in which case such Agency agrees to assume the obligations of the departing Agency as set forth in this Memorandum of Understanding;
- (c) The remaining Agencies agree to absorb the costs, which should otherwise be the responsibility of the departing Agency.

ARTICLE 9. SETTLEMENT OF DIFFERENCES

Any differences between Agencies, or between an Agency or Agencies and the Resident Coordinator, shall be resolved by means of mutual discussions. Any difference not so resolved may be referred to the United Nations Development Operations Coordination Office (DOCO) for its advice.

ARTICLE 10. GENERAL

Each Agency may enter into these arrangements by authorizing its Representative in the Country to sign below on its behalf. Upon such signature the Agency shall be bound by the terms of this Memorandum of Understanding and the Lease or Construction or Purchase Agreement attached hereto, including, in particular, the payment obligations.

ARTICLE 11.

Upon such signature, the Agency shall be bound by the terms of this Memorandum of Understanding and the special Annex, if any, applicable to the Agency concerned.

Signed: _____
for _____

Signed: _____
for _____

Signed: _____
for _____

Signed: _____
for _____

Standard Annexes to MOU

Annex A- Copy of the Lease, Construction or Purchase Agreement.

Annex B- Copy of the layout of the office/ building constituting or including the Common Premises.

Annex F- Common Areas

Annex C- Common Services and Separate Services

Annex D- Proportionate share of monthly base cost

ANNEX XII: STANDARD LEASE AGREEMENT

LEASE
between

and

THE UNITED NATIONS POPULATION FUND

THIS LEASE, made and entered into this _____ day of _____ in the year of one thousand nine hundred and _____ by and between whose address is _____ for himself/herself, his/her heirs, executors, administrators, successors and assignees, [hereinafter referred to as "the Lessor"], and the United Nations Children's Fund [hereinafter referred to as "the UNFPA"] acting by _____, its Representative in _____ [hereinafter referred to as "the country"], whose address is _____ . The Lessor and the UNFPA are collectively hereinafter referred to as "the Parties".

W I T N E S S E T H:

The Parties hereto, for the mutual considerations herein set forth, hereby agree as follows:

1. The Lessor hereby leases to the UNFPA, and the UNFPA hires from the Lessor, the [house] [building] known as _____ [on the _____ floor(s) in the building known as _____] [together with appropriate parking space,] in the city of _____, the said [house] [building] and parking space [hereinafter referred to as "the demised Premises"] being more fully described as follows:

If the building is to be shared with other occupants, the following provisions must be included:

start - // **TOGETHER WITH** the use in common with other persons entitled thereto of the entrances to the building, its public halls, corridors, elevators, stairways, and public toilets.

TO BE USED for a UNFPA office in the country and for such other purposes as the UNFPA may desire, this Lease cancelling all other agreements, if any, heretofore entered into between the said Parties relating in any way to the demised Premises. // - end

FOR A TERM beginning _____ and ending _____, or on such earlier date as this Lease may terminate as herein provided.

2. UNFPA shall pay the Lessor for the demised Premises a rent of _____ for each full month of the term of this Lease. Such rent shall be payable within five calendar days after the end of the calendar month to which the rent payment pertains. In the event the UNFPA's use and occupancy of the demised Premises is for less than a full month, the monthly rent shall be pro-rated.

If the above standard provision is changed and, in particular, if the rent is to be paid in advance after the provisions of UNFPA financial rule 114.17 have been satisfied, the following must be added at the end of this Article 2 to read as follows:

start - // The Lessor shall issue a standby irrevocable letter of credit [or give a bank guaranty or other form of guarantee] acceptable to the UNFPA to the benefit of the UNFPA. // - end

3. The UNFPA shall take good care of the demised Premises and the fixtures and appurtenances therein reasonable wear and tear excepted.

4. The Lessor represents that the demised Premises [other than the parking space] may lawfully be used for a UNFPA office and other purposes, if any, expressly set forth in this Lease, and covenants and agrees that the UNFPA shall peaceably and quietly have, hold and enjoy the demised Premises for the term above-mentioned without any unlawful interruption or disturbance.

5. Upon its expiration, this Lease shall be renewable at the option of the UNFPA, under the same terms and conditions as are set forth herein.

If the landlord is agreeable to renewing the Lease on the same terms and conditions, except for the monthly rent, then the following provisions must be added to the end of Article 5:

start - // ", except for the rent which shall be adjusted within agreed limits on the basis of the rate of increase or decrease of the official consumer price index in(city)..... or such other index as the Parties may agree." // - end

6. It is further understood and agreed that in case the UNFPA decides to close down the office of its Representative in the country, or to remove it from _____, or to change the level of the UNFPA representation in the country, or in the event that UNFPA acquires its own property in the country, or in the event of a change in the security situation, or if UNFPA decides to move its office into the United Nations system common premises, pursuant to General Assembly resolutions, it shall have the right to terminate this Lease upon giving written notice to the Lessor not less than thirty days in advance without the Lessor having the right to any payment, other than for rent, to the date UNFPA vacates the demised Premises.

7. In the event of a sale or transfer of title or the creation of a mortgage or any other encumbrances affecting the demised premises, the Lessor warrants that the Lease terms and conditions shall remain in full force without prejudice to any rights or remedies the UNFPA have hereunder, including but not limited to, the right to enjoy and use the demised premises until its date of expiry as provided in this lease, or any extension or renewal thereof.

8. The Lessor undertakes to furnish, at no additional cost to the UNFPA, the services described in Annex 1 hereto.

9. The Lessor undertakes full and sole responsibility for the payment of all taxes and for any other charges of a public nature which are or may be assessed in the future against the demised Premises.

10. The Lessor undertakes to maintain the demised Premises [and the building, including its entrances, public halls, corridors, elevators, stairways, and public toilets] in good repair and tenable condition, including repainting and/or repairing at intervals of two years and when their condition warrants earlier attention. For this purpose, and subject to the UNFPA's agreement, the Lessor shall have the right upon reasonable prior notice to the UNFPA and at reasonable times to enter, inspect and make any necessary repairs to the demised Premises, and may enter the demised Premises forthwith whenever reasonably necessary to make urgent, emergency repairs.

11. The Lessor undertakes and agrees to maintain the sidewalks of the [house] [building] in proper condition and free [of ice, snow and] any obstruction, and to accept all responsibility in connection therewith.

If the building is to be shared with other occupants, the following paragraph must be included:

start - // 12. The Lessor undertakes that other parts of the building shall not be let or used for any illegal purpose or for gambling, and to take into account that the UNFPA is a tenant in the building. // - end

13. (a) The UNFPA shall have the right to make alterations, attach fixtures, and erect additions, structures, and signs in or upon the demised Premises, and to affix a flagstaff and office signs and insignia outside the [house] [building] and on the demised Premises [provided such alterations, additions, structures, or signs shall not be detrimental to or inconsistent with the rights granted to other tenants in the building]. Such fixtures, additions or structures so placed in or upon or attached to the demised Premises shall be and remain the property of UNFPA and may be removed therefrom by UNFPA prior to or within a reasonable time after the term of this Lease expires or is terminated in accordance herewith;

(b) Where minor alterations, renovations or additions are made on the demised Premises, the UNFPA, at the request of the Lessor, shall restore the demised Premises to the same condition as that existing at the time of entering upon the same under this Lease, reasonable wear and tear and damage by the elements or by circumstances over which the

UNFPA has no control, excepted. If the Lessor requires such restoration, the Lessor shall give written notice thereof to the UNFPA not less than thirty days before the expiration or termination of this Lease.

(c) Where, with the prior written consent of the Lessor, major alterations, renovations or additions are made on the demised Premises, the UNFPA shall not be under any obligation to restore the demised Premises to the state and conditions existing prior to entering upon the same under this Lease. Such consent shall be set forth in writing and shall contain provisions on the amortization or compensation of the expenses either through offsetting the expenses against rental payments, or payment for their fair market value.

14. UNFPA shall not transfer, assign or sublet the demised Premises or any part thereof, except to other units, organs or bodies of the United Nations or Specialized Agencies within the United Nations System, without the written consent of the Lessor, which consent shall not, however, be unreasonably withheld, and when given to a transfer or assignment, said consent shall have the legal effect of releasing and discharging the UNFPA from its obligations under the Lease as of the date of the transfer or assignment.

15. Should the [house] [building] or any part thereof be damaged by fire or any other cause, this Lease shall, in case of total destruction of either the [house] [building] or the demised Premises or upon either the [house] [building] or the demised Premises being rendered unfit for further tenancy or for use by the UNFPA, immediately terminate and, in case of partial destruction or damage of either the [house] [building] or the demised Premises, shall terminate at the option of the UNFPA upon giving notice in writing to the Lessor within thirty days after such fire or partial destruction or damage. In the event of termination of this Lease under this paragraph, no rent shall accrue to the Lessor after such total or partial destruction or damage. Should the UNFPA elect to remain on the demised Premises rendered partially untenable, it shall have the right to a proportionate rebate or reduction of the rent payments. In such circumstances, the Lessor shall promptly undertake the repairs or permit the UNFPA to undertake the repairs at the expense of the Lessor. Such permission shall be set forth in writing and shall contain a provision authorizing the UNFPA to offset the expenses incurred on Lessor's behalf against the monthly rent.

16. In the event of interruption or curtailment, whether due to strikes, mechanical difficulties or other causes, of any service maintained or required to be maintained in the [house] [building], or the demised Premises, the Lessor undertakes to take such measures as may be necessary in the circumstances to restore the service without undue delay. UNFPA shall have the right to a proportionate abatement of rent during the period of such interruption or curtailment.

17. In the event the Lessor fails to substantially fulfil any of the terms and conditions of this Lease, and without prejudice to any other remedy which UNFPA may have for such failure, the UNFPA shall have the right either to terminate this Lease without prior notice and/or, at its option, to take any other measures which it may deem necessary to establish the conditions contemplated by this Lease and at the entire cost and expense of the Lessor.

If advance payment is made, the following paragraph 18 must be added.

start - // 18. Without prejudice to any other rights available to the UNFPA against the Lessor, and notwithstanding any provision of this Lease to the contrary, should this Lease be terminated by the UNFPA for any reason prior to the ending date set forth in Article 1 or any extension thereof, the Lessor shall refund the UNFPA the balance of any advance payment after having deducted the rent corresponding to the period of the UNFPA's actual occupancy of the demised Premises. Such refund shall be effected on the date the UNFPA vacates the demised Premises. // - end

19. The Lessor undertakes to provide and maintain at its own cost public liability insurance which shall hold the UNFPA harmless, and name the UNFPA as additional assured, from claims against it as occupant of the demised Premises, and the Lessor shall provide the UNFPA with proof that such insurance has been obtained and remains in effect.

20. (a) The Lessor shall keep the demised Premises insured for all risks, including fire, explosion, civil strife, as well as earthquake, flood or other natural phenomenon, under a comprehensive policy taken out with an insurance company acceptable to the UNFPA, and shall make known to such insurance company the use to which the building will be put by the UNFPA.

(b) The Lessor shall obtain, for each policy of each insurance, provisions providing for a waiver of subrogation of the Lessor's rights to the insurance carrier against the UNFPA.

(c) The UNFPA shall be responsible for the insurance of its own property, equipment and furnishings and of that of its employees in the demised Premises.

(d) The Lessor shall be responsible for satisfying any tort claims by third parties for personal injury, loss, illness, death or damage to their property occurring on or about the demised Premises and attributable to the acts or omissions of the Lessor or of its servants or agents, and shall hold the UNFPA harmless against such claims.

(e) The UNFPA shall be responsible for dealing with any tort claims by third parties for personal injury, loss, illness, death or damage to their property arising from its occupation and use of the demised Premises. The Lessor acknowledges and agrees that the UNFPA shall self-insure against such risks.

21. The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Lease or the breach, termination or invalidity thereof through negotiation, conciliation or other modes of amicable settlement. Where the Parties wish to seek such an amicable settlement through conciliation, the conciliation shall be undertaken in accordance with the UNCITRAL Conciliation Rules then obtaining. If the Parties fail to resolve the dispute, controversy or claim amicably within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, either party shall submit the dispute, controversy or claim to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitral tribunal shall have no authority to award punitive damages. The Parties

UNFPA

shall be bound by the arbitration award rendered in accordance with such arbitration, as the final adjudication of any such dispute, controversy or claim.

22. Nothing contained in this Lease shall be deemed a waiver, express or implied, of any immunity from suit or legal process, or of any privilege, exemption or other immunity enjoyed by the UNFPA, whether pursuant to the Convention on the Privileges and Immunities of the United Nations or other Convention, law or decree of an international or national character or otherwise.

23. The Lessor undertakes to pay the stamp duties for and the taxes or levies on this Lease, if any.

IN WITNESS WHEREOF, the Parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR:

**LESSEE:
UNITED NATIONS POPULATION
FUND**

BY:

BY:

(Signature)

(Signature)

Annex 1 to Lease

Services to be provided by the Lessor at no additional cost to the UNFPA referred to under Paragraph 8 of the Lease. // the following are examples, to be modified and/or added to //

- (1) Passenger elevator service on official UNFPA working days, from 8:00 a.m. to 7:30 p.m., it being agreed that all other times there shall be one elevator subject to call;
- (2) Adequate heat or air conditioning, during the appropriate seasons, on official UNFPA working days from 8:00 a.m. to 7:30 p.m.;
- (3) Hot and cold water for lavatory purposes;
- (4) Cleaning services, adequate to maintain the demised Premises in a condition and at standard of cleanliness appropriate for the use for which they are intended by the UNFPA;
- (5) Light and electricity;
- (6) Rubbish disposal;
- (7) Toilet facilities, including necessary sewage facilities;
- (8) Provision for access to the demised Premises on all days and at all times and hours, whether business days or hours or otherwise; and
- (9) All facilities and services which it makes available generally to tenants in the building.

The Lessor undertakes to furnish heat and air conditioning at the rate of _____ and respectively at times other than those indicated in subparagraph (a)(2) above, whenever requested by the UNFPA and for the periods requested by it.

ANNEX XIII: LETTER OF UNDERSTANDING



Date:

Letter of Understanding

This LoU is entered into between UNFPA and [enter name of other Party] (collectively “the Parties”) in order to confirm the interest of UNFPA (“the Lessee”) in leasing the property situated at and registered in the name of (the Lessor) for use by UNFPA as its Country Office, and to memorialize the main terms and conditions applicable to such lease as well as certain obligations of the Lessor pending finalization of any lease agreement between the Parties for said property:

1. The annual rent payable by Lessee for said property will amount to US\$..... and will be paid in advance on a [monthly/quarterly/semi-annual] basis.
2. The Lessor will provide the lessee with a bank guarantee equivalent to the amount of the quarterly rental advance.
3. There will be a lease term of year initially, renewable automatically thereafter at option of the Lessee.
4. The lease will terminate without any penalty against the Lessee should the UNFPA Country Office relocate, for any reason whatsoever.
5. The Lessee will be entitled to terminate the lease at any time and without cause upon one (1) month advance notice.
6. The Lessee will take steps, without undue delay, for the completion of certain security-related assessments of the said premises required of the Lessee by its internal rules and policies. Such security-related assessments shall be entirely at Lessee’s expense. During this period of security-related assessments by Lessee, the Lessor is prevented from undertaking any negotiations with any other persons or parties in respect of said premises.
7. It is understood that the Lessee will proceed to process and finalize the formal lease documents, containing all applicable terms and conditions, only upon conclusion of its security-related assessments satisfactory to Lessee. Barring any unforeseen circumstances, it is expected that the subject security assessment report should be available within a maximum period of eight (8) weeks from the date of this letter.
8. The Lessor hereby confirms to the Lessee that the subject property is registered in his sole name, without any attachments, and that the Lessor is fully authorised to lease the said property to the Lessee.
9. Both parties have affixed their signature to this letter as evidence of their acceptance of and will to be bound by its terms and contents.
10. Nothing in or relating to this Letter shall be deemed a waiver, express or implied, of any of the Privileges and Immunities of the United Nations, including its subsidiary organs.

For the Lessee

For the Lessor

.....
Representative, United Nations Population Fund

.....

Witness

Witness

ANNEX XIV: STANDARD INFORMATION

Standard Information required for Office Move Proposals*

1. What is the reason for the move?
2. Please provide at least three alternatives for new premises indicating, size, rent, security, location, estimated renovation costs).
3. What are the conditions of your current lease with regards to breaking the lease? – Is UNFPA required to pay any penalty or continue to pay the rent for additional months?
4. Is a UN House coming up in the near future? – Confirmation from the RC required.
5. Is there any possibility to share new premises with sister agencies?
6. Has security clearance been obtained for the new premises?
7. What are the one-time costs of the move?
8. What are one time renovation costs (old and new premises)?
9. What are the recurrent costs of the new premises (rent, services, utilities, etc.)?
10. Internet connectivity? (Clearance from George Price)
11. What is the size of the new premises (floor plan with square meters)? – Compare with JIU standards
12. How many staff (IB/Programme) will be in the premises?
13. Is the UNFPA standard lease agreeable to the new landlord?

*These are some notes to take into consideration use as a check list and as guidance prior and during a change of office.

ANNEX XV: GLOSSARY

Key terms and acronyms are defined below. Where necessary, references to the most relevant sections in which procedures and detailed explanations may be found are given after the definition. Where it may be useful to refer to the definitions and references provided for other terms in this glossary, the relevant terms are also noted.

<u>Amortisation</u>	The process by which a total cost is paid off in periodic instalments. For example, the costs of construction may be amortised by paying rent to the developer for a certain number of years.
<u>Broker's Fees</u>	Fees paid to an agent for buying or selling property on others' behalf.
<u>IB</u>	Institutional Budget. <i>See esp. Sections H.2, and F.; also rel. <u>Shared Premises</u>.</i>
<u>Circulation Factor</u>	The amount of space required in a field office for circulating between office space and common areas, including corridors, stairwells, toilets, etc. <i>See Section D.2.2.a.; Annex III.</i>
<u>Common Premises</u>	Premises in which three of the four UNDG ExCom agencies are housed. <i>See esp. Section C., D, E.; see also <u>UN House</u>, <u>TTCP</u>, <u>MoU</u>, <u>RFA</u>; also rel. <u>Shared Premises</u>.</i>
<u>Common Services</u>	Services whose cost is shared by United Nations agencies. Examples include security, cleaning, mail & pouch services, and travel.
<u>COREM</u>	Country Office Real Estate Management, a web-based database system that captures the details of field office premises. https://www.myunfpa.org/Apps/COREM/
<u>Cost Benefit Analysis</u>	An itemised analysis of all the costs, recurrent or one-time, that are required or will be required in a premises arrangement, and a description of the benefits resulting from it. A Cost Benefit Analysis is useful for comparing several premises options. <i>See Section D.5.; Annex III; and throughout.</i>
<u>CRC</u>	Contracts Review Committee. Contracts committing UNFPA to US \$ 100,000 or more in any one-year period must be submitted to the Headquarters CRC.
<u>DED(M)</u>	Deputy Executive Director (External Relations, UN Affairs, and Management). <i>See <u>Delegation of Authority</u>, Section A.2. and throughout.</i>
<u>DMS</u>	Division of Management Services. <i>See Sections B.3. – B.5.</i>
<u>Escape Clause</u> (also, <u>Diplomatic Clause</u>)	Clause which reaffirms the right of a UN agency to terminate a Lease upon a change of its activities in a country; must appear in any lease agreement signed by or on behalf of UNFPA. <i>See Section I.3.; Annex XII (Article 6)</i>
<u>ExCom</u>	The four United Nations Agencies that together comprise the UNDG Executive Committee: UNDP, UNICEF, UNFPA, and WFP. <i>See Sections C., E.</i>
<u>FASB</u>	Facilities and Administrative Services Branch (DMS / FASB). <i>See Section B.3. and throughout; also rel. <u>Headquarters Liaison</u>.</i>
<u>Field Office</u>	For the purposes of this policy, UNFPA field offices are regional offices, sub-regional offices, field offices, and liaison offices.
<u>FSCO</u>	Field Security Coordination Officer
<u>Headcount</u>	The number of staff members. Pro-rating cost “based on headcount” is when the proportion of the total number staff affiliated with each funding source (e.g., the proportion of core to project staff) is used to determine the cost apportioned to each

	funding source.
<u>Headquarters Liaison</u>	The body at UNFPA Headquarters which will provide premises-related support to the field office, based on the particulars of its premises arrangement. The relevant Headquarters Liaisons are <u>FASB</u> for Shared Premises and UNFPA-specific premises, and <u>TTCP</u> for Common Premises and UN Houses.
<u>JIU Standards</u>	Standards for office space allocation of the Joint Inspection Unit, approved by the Joint Consultative Group on Policy. Used by many UN Agencies. <i>See Sections D.2. – D.3.; Annex III; and throughout.</i>
<u>Lead Agency</u>	The ExCom agency designated by the UNCT to manage a premises arrangement (including lease negotiation, construction, or other projects of such nature) on behalf of the other agencies participating in a UN House or Common Premises.
<u>MIS</u>	Management Information Services Branch (DMS). <i>See Section B.5.; rel. Section D.3.</i>
<u>MoA</u>	Memorandum of Agreement. Legally binding document signed between a Government and UNFPA or the lead agency when the Government provides premises to the UN system. <i>See Section I.1.; Annex IX.; see also Section E.2., F.2.</i>
<u>MoU</u>	Memorandum of Understanding. Legally binding document signed between two or more UN agencies when they agree to share premises, and/or to establish common services. <i>See Section I.4.; Annex XI.; see also <u>Shared Premises</u>, <u>Common Premises</u>, <u>UN Houses</u>.</i>
<u>MOSS</u>	Minimum Operating Security Standards.
<u>OMT</u>	Operations Management Team.
<u>One-Time Fit-Out Cost</u>	Cost which is required only once, as when a field office moves into new premises requiring security, IT, and related installations. It is important to itemise one-time and recurrent costs separately, as they are often funded from different sources. <i>Rel. <u>recurrent cost</u>.</i>
<u>Premises</u>	Any real estate housing a UNFPA office and managed by UNFPA. Project offices are premises; however, real estate affiliated with a project (such as a clinic) which does not house a UNFPA office is <i>not</i> considered premises.
<u>Prime Real Estate</u>	Property whose value has substantially increased since the start of the lease, and which would command a much higher rental price than that paid by the current tenant if it were to be placed upon the commercial real estate market. <i>See Section F.3.13.</i>
<u>Privileges & Immunities Clause</u>	Clause which reaffirms the privileges and immunities enjoyed by the United Nations; must appear in any lease agreement signed by or on behalf of UNFPA. <i>See Section I.3.; Annex XII (Article 22)</i>
<u>Pro-Rated Cost</u>	When cost is apportioned between multiple funding sources based on the proportion of need affiliated with each funding source. Cost may be pro-rated between agencies or between different budgets. Pro-ration may be based on headcount (number of staff members from each funding source) or other criteria. <i>See Section H.2., I.4.3.</i>
<u>Programme Funds</u>	Funds set aside for programme-related activities; programme funds are not part of the IB. <i>See Section H.2.</i>
<u>PSB</u>	Property Survey Board. Reviews requests for disposal of UNFPA-owned real estate. <i>See Section F.8.</i>

<u>Recurrent Cost</u>	Cost which recurs periodically, such as rent, utilities, etc. It is important to itemise one-time and recurrent costs separately, as they are often funded from different sources. <i>Rel. <u>one-time fit-out cost</u>.</i>
<u>RFA</u>	Reserve for Field Accommodation. Certain fit-out (and associated) costs for Common Premises and UN Houses may be charged to the RFA, as per <i>Section H.1</i> .
<u>RFP</u>	Request for Proposal.
<u>Security Fund</u>	One-time fit-out costs (but not recurrent costs) relating to security are covered by the Security Fund, as per <i>Section H.3</i> .
<u>Shared Premises</u>	Premises shared by UNFPA and one other ExCom agency (with or without non-ExCom agencies), or by UNFPA and any number of non-ExCom agencies. <i>See Sections C., D., E., H.2.; see also <u>MoU</u>, Section I.4. and Annex XI.</i>
<u>Subleasing</u>	When a tenant who is leasing premises from a landlord leases part or all of the premises to a third party. The third party is two steps removed from the landlord, and is thus <i>subleasing</i> the premises. <i>See Sections E.3.13. and F.3.14.</i>
<u>Surplus Property</u>	Property owned by UNFPA for which no further use by the organisation is foreseen. <i>See Section F.8.</i>
<u>Swing Space</u>	A portion of the field office's office space that can be made available for short-term personnel. The total office space planned for a field office should include swing space as well space for permanent staff. <i>See Section D.2.2.b.</i>
<u>Turn-Key</u>	A building that is fully completed (including construction and interior design) and ready for immediate occupancy by a tenant. <i>See esp. Section C.1., E.2., F.2.</i>
<u>Typology</u> ("office's approved typology")	The number and grade of positions for any particular field office, determined based on the specific host country's profile. Typologies are revised yearly by the Division of Human Resources.
<u>UN House</u>	Building or compound in which the offices of all four UNDG ExCom agencies are housed. <i>See esp. Section C., D., E.; see also <u>Common Premises</u>, <u>TTCP</u>, <u>MoU</u>, <u>RFA</u>; also rel. <u>Shared Premises</u>.</i>
<u>UNCITRAL Clause</u>	Clause which addresses the amicable settlement of disputes arising from a lease; must appear in any lease agreement signed by or on behalf of UNFPA. <i>See Section I.3.; Annex XII (Article. 21)</i>
<u>UNCT</u>	United Nations Country Team.
<u>UNDG</u>	United Nations Development Group.
<u>UNDSS</u>	United Nations Department of Safety and Security. <i>See Section B.7. and throughout.</i>
<u>UNOLA</u>	United Nations Office of Legal Affairs. <i>See Section I and throughout.</i>
<u>UPS</u>	Uninterrupted Power Supply. <i>See Section D.3.; Annex IV.</i>
<u>Walk-Through</u>	A tour undertaken with the aim of documenting the condition of the premises, with itemised descriptions and photographs, which should be undertaken before and after a new tenant occupies the premises. <i>See Sections E.2., E.3., F.2., F.3., and F.7.</i>
<u>TTCP</u>	Task Team on Common Premises. Reviews and approves proposals and provides guidance relating to Common Premises and UN House arrangements. <i>See esp. Sections B.6., E.; also rel. <u>Headquarters Liaison</u>.</i>

ANNEX XVI: FLOWCHART OF APPROVAL PROCESS

