

No. 779

**UNITED NATIONS,
UNITED NATIONS (UNITED NATIONS INDUSTRIAL
DEVELOPMENT ORGANIZATION) and
INTERNATIONAL ATOMIC ENERGY AGENCY**

**Memorandum of Understanding concerning the allocation
of common services at Donaupark Centre in Vienna
(with annex). Signed at Vienna on 31 March 1977**

Authentic text: English.

Filed and recorded by the Secretariat on 31 March 1977.

**ORGANISATION DES NATIONS UNIES,
ORGANISATION DES NATIONS UNIES
(ORGANISATION DES NATIONS UNIES POUR
LE DÉVELOPPEMENT INDUSTRIEL) et AGENCE
INTERNATIONALE DE L'ÉNERGIE ATOMIQUE**

**Protocole d'accord concernant la répartition des services
communs au Centre du Donaupark à Vienne (avec an-
nexe). Signé à Vienne le 31 mars 1977**

Texte authentique : anglais.

Classé et inscrit au répertoire par le Secrétariat le 31 mars 1977.

MEMORANDUM OF UNDERSTANDING¹ CONCERNING THE ALLOCATION OF COMMON SERVICES AT DONAUPARK CENTRE IN VIENNA

The following Memorandum of Understanding on Common Services at Donaupark which was signed *ad interim* on our behalf by Messrs. Clayton C. Timbrell, John A. Hall and Anders Y. Risholm is hereby confirmed in witness whereof we have today set hereunder our signatures.

[Signed]

KURT WALDHEIM
Secretary-General
United Nations

[Signed]

SIGVARD EKLUND
Director General
International Atomic Energy Agency

[Signed]

ABD-EL RAHMAN KHANE
Executive Director
United Nations Industrial Development Organization

31 March 1977.

MEMORANDUM OF UNDERSTANDING

The purpose of this Memorandum is to record the plans of the United Nations,* the United Nations Industrial Development Organization and the International Atomic Energy Agency concerning the allocation of common services and related matters at Donaupark Centre in Vienna.

For the purposes of this Memorandum of Understanding and its implementation, UNIDO, on account of its geographical location, is regarded as a separate partner. This provision has, however, no bearing on the current constitutional status of UNIDO as a subsidiary organ of the General Assembly and, therefore, as an integral part of the United Nations Secretariat.

On the basis of detailed consultations, the following plan of action to implement common service arrangements, as well as related organizational and operational matters, has been agreed.

¹ Came into force on 31 March 1977 by signature.

* In accordance with General Assembly resolution 31/194 of 22 December 1976² which *inter alia* provides for the assumption of responsibility for the occupancy of Tower A-2 by the United Nations.

² United Nations, *Official Records of the General Assembly, First Session, Supplement No. 39 (A/31/39)*, p. 167.

1. MANAGEMENT

The operation and maintenance functions of Donaupark premises have to be governed by the basic principle that the United Nations, UNIDO and IAEA bear joint responsibility and the common services will be implemented in a spirit of co-operation.

A tri-partite committee representing the United Nations, UNIDO and IAEA is to be established to provide policy direction and over-all management of the planning and implementation of common service arrangements at Donaupark.

(a) The committee members will be empowered to take decisions on behalf of their Organizations.

(b) The purpose of the committee is to deal with common service matters in the period until the Donaupark project is occupied.

(c) Each Organization will designate one member of the committee.*

(d) In the case of the member representing the United Nations, it is agreed that consultations may often have to be by correspondence or telephone.

(e) Whenever a joint service is to be contracted out, conditions of the contracts will be established, and contractors selected by the Organization to whom the service has been allocated. A final decision on these matters will be taken, however, by mutual agreement between the participating Organizations.

2. PERSONNEL MATTERS

It is recognized that the establishment of common services will affect the staff of UNIDO and IAEA now employed in the corresponding areas where separate services exist. There will also be redundancy, particularly where outside contractors are employed. Therefore, apart from any action which each Organization may wish to take on its own to meet this situation, it will be necessary to develop agreed principles for joint application in the selection of staff to be retained, the cases of redeployment, termination, the designation of a Head of Service, the establishment of grade and seniority levels, as well as the contractual status of the staff concerned and the like.

In this context, it is understood that each Organization to which one of the common services is allocated will, in that area, endeavour to employ or to take into secondment to the extent possible, the staff of the other Organization engaged in the same activity.

3. COST-SHARING AND OTHER FINANCIAL MATTERS**

(A) *Initial investments*

This subject is elaborated in IAEA Document GOV/1712 dated 9 April 1976 as well as in United Nations Documents A/10348 dated 17 November 1975, A/C.5/1725 dated 26 November 1975, A/CN.1/R.832 dated 26 November 1975 and A/C.5/31/34 dated 11 November 1976. Whereas so far no binding agreements on the sharing of initial investment costs at Donaupark exist, it has been understood that such costs will be borne in approximately equal shares by the United Nations, UNIDO and the IAEA. This cost-sharing formula is to apply to only those areas which are defined in the above-mentioned documents as common service areas.

* The members of the committee currently are Mr. Clayton Timbrell (UN), Mr. Anders Risholm (UNIDO) and Mr. John Hall (IAEA).

** It is understood that financial commitments on behalf of United Nations and UNIDO contained in this Agreement are subject to authorization of funds by the United Nations General Assembly.

Details of an agreement will be worked out in the immediate future by the task force mentioned under paragraph 3 (B) (a).

(B) *Operational costs*

It is essential that steps be taken immediately to develop policies and procedures for the sharing of the operational, maintenance and common service costs (related to the various common services) which will be borne by the United Nations, UNIDO, IAEA and other possible tenants.

(a) A task force on the financial matters representing UNIDO, IAEA (and the United Nations, if necessary) should be established to study the problems and propose procedures.

(b) In view of the fact that cost-sharing will present different questions in different common service areas, it is anticipated that the task force will have to consult various other officers.

(c) Agreements on personnel and financial matters, as referred to in paragraphs 2 and 3, are pre-conditions for the operation of the joint services. Failure to reach agreement as foreseen in these two paragraphs will lead to arbitration in accordance with paragraph 15.

(C) *Other financial matters*

It is recognized that there are financial matters other than cost-sharing that will have to be studied by the task force. It is further recognized that all such matters cannot now be foreseen. Some examples of these financial matters are disposition of profits and/or losses, the provision of working capital, application of financial rules and regulations, arrangements for billing procedures and provision for internal and external audit. On such matters procedures and agreements will have to be made and, if necessary, proposals submitted to the members of the committee referred to in 1 (c).

4. COMMISSARY AND CATERING SERVICES

(a) Responsibility for managing and operating the Commissary is assigned to IAEA. It is understood that IAEA intends to operate the Commissary as an in-house operation for which the IAEA will be the Manager on behalf of the Organizations located in Donaupark, subject to the provisions below.

(b) Responsibility for managing and operating the Catering Services is assigned to UNIDO. It is understood that UNIDO intends to operate the catering facilities through a contractual arrangement for which UNIDO will be the contracting agent on behalf of the Organizations located in Donaupark, subject to the provisions below.

(c) Advisory Committees will be established which will give guidance to the IAEA on the operation of the Commissary and to UNIDO on the operation of the Catering Services.

(d) Membership on the Committees will include the administrations and staff of UNIDO and IAEA. At such times as other United Nations units are housed at Donaupark, provision will be made to provide adequate representation for them.

(e) The Commissary Advisory Committee and the Catering Advisory Committee will give advice on such matters as hours of service; pricing policies; range of products to be handled; specifications for catering contract; catering contractors to be invited to bid; qualifications for Commissary Manager; utilization of profits, if any, etc.

(f) The Organizations responsible for the management of the Commissary and Catering Services will make every effort to accommodate the Committee's advice. It