

No. 804

**UNITED NATIONS
(UNITED NATIONS DEVELOPMENT PROGRAMME)
and
INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

Agreement concerning UNDP technical co-operation activities for development (with annex). Signed at Washington on 7 February 1978

Authentic text: English.

Filed and recorded by the Secretariat on 7 February 1978.

**ORGANISATION DES NATIONS UNIES
(PROGRAMME DES NATIONS UNIES
POUR LE DÉVELOPPEMENT)
et
BANQUE INTERNATIONALE POUR
LA RECONSTRUCTION ET LE DÉVELOPPEMENT**

Accord relatif aux activités du PNUD en matière de coopération technique pour le développement (avec annexe). Signé à Washington le 7 février 1978

Texte authentique : anglais.

Classé et inscrit au répertoire par le Secrétariat le 7 février 1978.

AGREEMENT¹ BETWEEN THE UNITED NATIONS DEVELOPMENT PROGRAMME AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The United Nations Development Programme and the International Bank for Reconstruction and Development (hereinafter called the Parties),

Considering that the General Assembly of the United Nations has established the United Nations Development Programme (hereinafter called UNDP) to support and supplement the national efforts of developing countries to accelerate their economic and social development,

Mindful of the desire of the General Assembly that organizations of the United Nations system should play the role of partners in this common endeavor,

Aware that the General Assembly has called upon the Administrator of the UNDP to establish and maintain close and continuing relationships with the Specialized Agencies,

Conscious of the readiness of the International Bank for Reconstruction and Development (hereinafter called the Executing Agency) to participate in activities designed to give effect to the resolutions and decisions of the General Assembly in this matter,

Determined to enhance the effectiveness of the UNDP as an instrument of international development co-operation with developing countries,

Have agreed as follows:

Article I. SCOPE OF THIS AGREEMENT

The Parties hereby agree to join efforts and to maintain close and continuing working relationships in order to achieve their individual and common purposes. The Parties also recognize their separate and complementary roles within the United Nations system for the achievement of those purposes, and the Executing Agency agrees to carry out such relevant activities as it (the Executing Agency) may accept at the request of UNDP. Those activities shall include the execution of specific UNDP technical co-operation activities with Governments. The relationship between the Parties in the execution of such UNDP co-operation activities shall be governed by this Agreement.

Article II. CONDITIONS OF CO-OPERATION ACTIVITIES

1. The basic conditions of execution of technical co-operation activities by the Executing Agency hereunder shall be those set forth in the relevant and applicable resolutions and decisions of the competent UNDP organs and in such basic Agreements as the UNDP may enter into with recipient Governments. The particular conditions of and the specifications relating to each such activity shall be as set forth in such Project Documents or other similar instruments (hereinafter called Project Documents) as the UNDP, the Executing Agency, and the recipient Government may conclude with respect to each technical co-operation activity.

2. The text of the Standard Basic Assistance Agreement with Governments in current use by UNDP is annexed to this Agreement. The UNDP shall consult with the Executing Agency on any substantial variation in that text which it proposes to

¹ Came into force on 7 February 1978 by signature, in accordance with article XIV (1).

adopt for general use, and shall provide the Executing Agency with copies of individual signed Agreements.

Article III. THE UNDP RESIDENT REPRESENTATIVE

The Parties recognize that the UNDP Resident Representative in a country has full responsibility and ultimate authority on behalf of the Administrator of the UNDP for all aspects of the UNDP programme in the country concerned, and that in this respect his role in relation to the representatives of the Executing Agency in the country is that of leader of the team, taking into account the professional competence of the Executing Agency and its relationship with appropriate organs of the Government. The Executing Agency further recognizes a central coordinating role of the Resident Representative at the country level in respect to technical cooperation programmes of the United Nations system and agrees to consult him and to keep him informed, to the extent feasible, on the planning and formulation of its technical co-operation activities and to provide him with reports on the execution of those activities. The term "Resident Representative" as used in this Agreement includes a regional representative, representative and officer-in-charge of a UNDP field office, and any other official performing the functions of a Resident Representative.

Article IV. PROJECT CO-OPERATION

The Parties hereto shall co-operate fully with one another and with the Government concerned in the execution of UNDP technical co-operation activities with a view to the realization of the objectives described in Project Documents. The Parties shall consult with one another with respect to any matters which might affect the successful completion of any such activity.

Article V. INFORMATION REGARDING PROJECTS

1. The Parties shall from time to time exchange views with one another and with the Government on UNDP technical co-operation activities, including the progress and costs thereof and the benefits derived therefrom, and each shall comply with any reasonable request for information which the other may make in respect of such matters. The Executing Agency shall furnish the UNDP with periodic reports on the carrying out of UNDP technical co-operation activities at such times and in such forms as may be agreed by the Parties.

2. The UNDP and the Government may observe at any time the progress of any technical co-operation activities carried out by the Executing Agency under this Agreement, and the Executing Agency shall afford full facilities to the UNDP and the Government for this purpose.

Article VI. CONDITIONS OF PROJECT SERVICE; PROCUREMENT

1. With a view to securing the highest standards of efficiency, competence and integrity in the execution of technical co-operation activities, the UNDP shall develop general conditions of service for project staff in consultation with appropriate organs of the U.N. system. The Executing Agency agrees to give sympathetic consideration to the adoption of any such conditions of service recommended to it by the UNDP, and shall adopt such conditions of service to the maximum extent possible.

2. To the extent appropriate in the circumstances of individual cases, the Executing Agency agrees to apply the principles of international competitive bidding in the procurement of goods and contractual services for technical co-operation activities, with due regard to the requirements of the project, the principle of equitable

geographical distribution, the need for economy, and the need to make the fullest possible use of various currencies available to UNDP.

3. Experts, consultants and suppliers of goods and contractual services and in general all persons performing services for the Executing Agency as part of a technical co-operation activity shall in all cases meet appropriate standards of qualifications or acceptability.

Article VII. AGENCY STATUS AND ACCOUNTABILITY

In the execution of technical co-operation activities, the Executing Agency shall have the status of an independent contractor vis-à-vis the UNDP. The Executing Agency shall be accountable to the UNDP for its execution of such activities.

Article VIII. INTELLECTUAL PROPERTY

Except where a Government and UNDP shall have agreed otherwise, patent rights, copyright rights, and other similar rights to any discoveries or work resulting from technical co-operation activities shall belong to the UNDP, it being understood that the recipient Government shall have the right to use any such discoveries or work within the country free of royalty or any charge of similar nature. The Executing Agency agrees to co-operate with UNDP in regard to such steps as the UNDP may decide to take in each case concerning such rights.

Article IX. COSTS OF CO-OPERATION ACTIVITIES

1. The UNDP undertakes to meet all costs directly incurred by the Executing Agency in the execution of technical co-operation activities, in the amounts set forth in project budgets forming part of Project Documents or otherwise agreed between the Parties. It further undertakes to provide the Executing Agency with advances of funds in such amounts and such currencies as will assist it in meeting current expenses on such activities.

2. The UNDP undertakes to meet Executing Agency overhead costs covering the clearly identifiable additional expenses incurred by the Executing Agency in the provision of services to UNDP under this Agreement, in amounts determined in pursuance of such resolutions and decisions as the competent UNDP organs may adopt from time to time.

Article X. CURRENCY AND RATES OF EXCHANGE

1. The Parties shall consult from time to time regarding the use of currencies available to them, with a view to the effective utilization of such currencies.

2. The UNDP may establish operational rates of exchange for transactions between itself and the Executing Agency under this Agreement. Such rates of exchange may be revised by the UNDP in accordance with its Financial Regulations. The Parties shall consult one another, if necessary, on such rates of exchange.

Article XI. FINANCIAL RECORDS AND ACCOUNTS

1. The Executing Agency shall maintain accounts, records and supporting documentation relating to UNDP technical co-operation activities, including funds received and disbursed by the Executing Agency, in accordance with the Executing Agency's Financial Regulations and Rules, insofar as applicable.

2. The Executing Agency shall furnish to the UNDP periodic reports on the financial situation of such activities at such times and in such form as the UNDP, within reason, may request.

3. The Executing Agency shall cause its External Auditor to examine and report on its (the Executing Agency's) accounts and records relating to UNDP technical co-operation activities, and shall make its External Auditor's reports available to the UNDP.

4. Without restricting the generality of the foregoing provisions, the Executing Agency shall as soon as possible after the close of each financial year submit to the UNDP audited statements of accounts showing the status of funds provided to it by the UNDP to finance technical co-operation activities.

5. The Executing Agency shall close the accounts of each technical co-operation activity as soon as practicable but normally no later than twelve months after the completion of the work set out in the Project Document or termination of the activity. Provision shall be made for unliquidated obligations valid at the closing of the accounts.

Article XII. SUSPENSION OR TERMINATION OF ASSISTANCE

1. The Parties hereto recognize that the successful completion and accomplishment of the purposes of a technical co-operation activity are of paramount importance, and that the UNDP may find it necessary to terminate a UNDP technical co-operation activity, or the responsibility of the Executing Agency for execution of such technical co-operation activity, should circumstances arise which jeopardize successful completion or the accomplishment of the purposes of such an activity. The provisions of this Article shall apply to any such situations.

2. The UNDP shall consult with the Executing Agency if any circumstance arises which, in the judgement of the UNDP, interferes or threatens to interfere with the successful completion of a technical co-operation activity, or the accomplishment of its purposes. The Executing Agency shall promptly inform the UNDP of any such circumstance which might come to its (the Executing Agency's) attention. The Parties shall co-operate towards the rectification or elimination of the circumstance in question and shall exert all reasonable efforts to that end, including prompt corrective steps by the Executing Agency where such circumstances are attributable to it or within its responsibility or control.

3. The UNDP may at any time after occurrence of the circumstance in question and appropriate consultations suspend execution of the technical co-operation activity concerned by written notice to the Executing Agency and the Government, without prejudice to the initiation or continuation of any of the measures envisaged in the preceding paragraph. The UNDP may indicate to the Executing Agency and the Government the conditions under which it is prepared to authorize a resumption of execution of the technical co-operation activity concerned.

4. If the cause of suspension is not rectified or eliminated within fourteen days after the UNDP shall have given notice of suspension to the Government and/or the Executing Agency, the UNDP may by written notice at any time thereafter during the continuation thereof:

- (a) terminate the technical co-operation activity concerned, or
 - (b) terminate the Executing Agency's execution of such activity, and take over its execution or entrust it to another Executing Agency,
- with effect on the date specified in the written notice from UNDP.

5. (a) In the event of any termination under the preceding paragraph, the UNDP shall reimburse the Executing Agency for all costs it may incur or may have incurred (and for which provision has been made in the Project Document) to exe-