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**United Nations Industrial Development Organization
and
Montenegro**

Basic Cooperation Agreement between the United Nations Industrial Development Organization and the Government of the Republic of Montenegro. Vienna, 25 October 2010

Entry into force: *25 October 2010 by signature, in accordance with article XIV*

Authentic text: *English*

Registration with the Secretariat of the United Nations: *United Nations Industrial Development Organization, 6 June 2012*

**Organisation des Nations Unies pour le développement industriel
et
Monténégro**

Accord de base relatif à la coopération entre l'Organisation des Nations Unies pour le développement industriel et le Gouvernement de la République du Monténégro. Vienne, 25 octobre 2010

Entrée en vigueur : *25 octobre 2010 par signature, conformément à l'article XIV*

Texte authentique : *anglais*

Enregistrement auprès du Secrétariat des Nations Unies : *Organisation des Nations Unies pour le développement industriel, 6 juin 2012*

[ENGLISH TEXT – TEXTE ANGLAIS]

**BASIC COOPERATION AGREEMENT BETWEEN
THE UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION
AND THE GOVERNMENT OF THE REPUBLIC OF MONTENEGRO**

WHEREAS Article 16 of the Constitution of the United Nations Industrial Development Organization (hereinafter referred to as "UNIDO") provides that the Director-General of UNIDO, on behalf of the Organization and subject to its financial regulations, may accept voluntary contributions to the Organization from Governments, inter-governmental or non-governmental organizations or other non-governmental sources;

WHEREAS Article 17 of the Constitution of UNIDO provides that in order to increase the resources of UNIDO and to enhance its ability to meet promptly and flexibly the needs of the developing countries, UNIDO shall have an Industrial Development Fund to be financed by the voluntary contributions to the Organization and by other income as may be provided in the financial regulations of the Organization;

WHEREAS in accordance with Article 13 and Annex II of the Constitution of UNIDO, the Organization's expenditures for technical assistance and other related activities in the field of industrial development shall be financed from the above mentioned voluntary contributions as well as by a share in the amount of six per cent of the total assessed regular budget of the Organization;

DETERMINED to enhance the effectiveness of UNIDO as an instrument of international cooperation in the field of industrial development;

CONSCIOUS of the desirability and usefulness of establishing the basic terms and conditions under which UNIDO may provide industrial development assistance financed from the Industrial Development Fund or other funds administered by UNIDO;

NOW THEREFORE the Government of the Republic Of Montenegro (hereinafter referred to as "the Government") and UNIDO have agreed to enter into the following Basic Cooperation Agreement:

Article I

Scope of the Agreement

1. This Agreement embodies the basic terms and conditions under which UNIDO may assist the Government in implementing its objectives in the field of industrial development activities. The Agreement shall apply to all such assistance by UNIDO and, in particular, to such Project Documents as may be

agreed between the Government and UNIDO.

2. Each project shall be fully described in a Project Document, which shall be signed on behalf of the Government and UNIDO and which shall state the specific terms and conditions regarding the activities and the financing of the project, as well as the respective roles and responsibilities in these respects of the Government and of UNIDO.

3. Assistance shall be provided by UNIDO under this Agreement only in response to requests made by the Government and approved by UNIDO. Such assistance shall be made available to the Government, or to such entity as the Government may designate, and it shall be provided and received in accordance with the pertinent resolutions, decisions and regulations applicable to UNIDO, and subject to the availability of the necessary funds to UNIDO.

Article II

Forms of Assistance

Assistance which may be made available by UNIDO to the Government under this Agreement may consist of:

- (a) The services of staff members, advisory experts, associate experts or consultants, as well as of subcontracted firms or organizations, selected by and responsible to UNIDO;
- (b) The services of members of the United Nations Volunteers (hereinafter called "volunteers");
- (c) Equipment and supplies required for implementation of an approved project;
- (d) Demonstration projects, expert working groups, seminars and similar activities;
- (e) Fellowships, scholarships, training programmes or similar arrangements under which candidates nominated by the Government and approved by UNIDO may study or receive training in the country or abroad; and
- (f) Any other form of assistance within the field of industrial development, which may be agreed upon by the Government and UNIDO.

Article III

UNIDO Representative in Montenegro

1. UNIDO may appoint a UNIDO Representative in Montenegro. The Representative shall be responsible for the industrial development operational activities of UNIDO at the country level. In the performance of his or her duties the Representative shall be the principal channel of communication between the Government and UNIDO in matters pertaining to the formulation, implementation and evaluation of UNIDO-assisted projects. The Representative shall maintain liaison on behalf of UNIDO with the appropriate organs of the Government, and shall coordinate his or her activities with those of the Resident Coordinator of the United Nations and of the Resident Representative of the United Nations Development Programme in the country.
2. The contribution of the Government to the support costs for the services of the Representative shall be laid down in a supplementary agreement, which is hereby incorporated by reference and becomes part of this Agreement.

Article IV

Implementation of Projects

1. The Government shall have overall responsibility for any UNIDO-assisted project, including responsibility for implementation of the project and realization of the objectives of the project, in accordance with the relevant Project Document.
2. The Government and UNIDO shall each carry out such activities or implement such measures as are stipulated in the relevant Project Document and related Work Plan forming part of the Project Document, and which they have undertaken to accomplish by signing the Project Document.
3. The Government shall inform UNIDO of the Government Cooperating Agency directly responsible for the Government's participation in each UNIDO-assisted project. Without prejudice to the Government's overall responsibility for UNIDO-assisted projects, the Government and UNIDO may agree that UNIDO shall assume primary responsibility for implementation of a project in consultation and agreement with the Cooperating Agency; any arrangement to this effect shall be stipulated in the Project Document or in the related Work Plan forming part of the Project Document, together with arrangements for transfer of such responsibility to the Government or to any entity designated by the Government, which shall be envisaged in the course of project implementation and not later than at the operational completion of the project.
4. Compliance by the Government with any prior obligation agreed to be required for UNIDO assistance to a project shall be a condition of performance by

UNIDO of its responsibilities with respect to that project. Should provision of such assistance be commenced before such prior obligations have been met, it may be suspended or terminated without notice at the discretion of UNIDO.

5. Any agreement between the Government and UNIDO, including Project Documents, or between the Government and any of the persons referred to in Article II (a) or (b) above, concerning the implementation of a UNIDO-assisted project, shall be subject to the provisions of this Agreement.

6. The Cooperating Agency shall, as appropriate and in consultation with UNIDO, assign a full-time director for each project, who shall perform such functions as are assigned to him or her by the Cooperating Agency. UNIDO shall, as appropriate and in consultation with the Government, appoint a Chief Technical Adviser or Project Coordinator responsible to UNIDO for overseeing UNIDO's participation in the project at the project level. He or she shall supervise and coordinate activities of experts and other UNIDO personnel and be responsible for on-the-job training of Government counterpart personnel. He or she shall be responsible for the management and efficient utilization of all UNIDO-financed inputs, including equipment provided to the project.

7. In the performance of their duties, advisory experts or associate experts, consultants, firms, organizations and volunteers shall act in close consultation with the Government and with persons or bodies designated by the Government, and shall comply with such guidance from the Government as may be appropriate to the nature of their duties and the assistance to be given and as may be mutually agreed upon between UNIDO and the Government.

8. Recipients of fellowships shall be selected by UNIDO. Such fellowships shall be administered in accordance with the fellowship policies and practices of UNIDO.

9. Technical and other equipment, materials, supplies and other property financed or provided by UNIDO shall belong to UNIDO unless and until ownership thereof is transferred, on terms and conditions mutually agreed upon between the Government and UNIDO, to the Government or to an entity nominated by it.

10. Patent rights, copyrights and other similar rights to any discoveries or work resulting from UNIDO assistance under this Agreement shall belong to UNIDO. Unless otherwise agreed by the Government and UNIDO in each case, however, the Government shall have the right to use any such discoveries or work within the country free of royalty or any charge of similar nature.