

**MEMORANDUM OF UNDERSTANDING**  
**concerning the**  
**PROVISION AND USE OF COMMON SERVICES**  
**by the**  
**Specialized Agencies, Commissions, Funds and**  
**Programmes of the United Nations**  
**in URUGUAY**

WHEREAS a joint initiative has been established by the Organizations of the United Nations System to achieve economies of scale by improving cost-effectiveness in the provision of services which are for the mutual benefit of two or more Specialized Agencies, Commissions, Funds and Programmes of the United Nations;

WHEREAS the joint initiative (hereinafter the "Common Services" or the "CS") was established in accordance with the Secretary-General's call for a greater UN harmonization at the Country Office level and the decision of the undg Executive Committee (ExCom) to launch a programme for the global expansion of common services, as set out in the letter dated 17 May 2004, signed by the Heads of ExCom Agencies;

WHEREAS the planning, implementation and management of Common Services agreements are governed by the above-referenced Secretary-General's request, and the decision of the ExCom, which will consistently be taken into consideration in evaluating the CS agreements;

WHEREAS the Specialized Agencies, Commissions, Funds and Programmes of the United Nations in Uruguay which are signatories to this Memorandum of Understanding (hereinafter the "Parties") seek to establish the terms and conditions under which Common Services will be provided in Uruguay;

NOW THEREFORE, the Parties hereby agree as follows:

**1.0**     **PURPOSE**

- 1.1     This Memorandum of Understanding (hereinafter referred to as the "MOU") shall establish the terms and conditions governing the provision of the CS set out in each of its corresponding Annexes.
- 1.2     This MOU shall govern the implementation, the management, the funding commitments and the transactions concerning the Common Services set out in the corresponding Annexes.

**2.0**     **SCOPE**

- 2.1 Each Common Service shall be only available to the Service Users, as established in the Annex corresponding to that Service. Common Services shall not be available to Specialized Agencies, Commissions, Funds and Programmes of the United Nations that are not Parties to this MOU, notwithstanding that they may be represented in the UN Country Team and Operations Management Team, referred to in sections 4.1 and 4.2 below.
- 2.2 The implementation of this MOU is subject to the demand for and the availability of the Common Services, as well as the availability of the required funding and related resources, when it corresponds.

### **3.0 EFFECTIVE DATE AND PERIOD OF THE MOU**

This MOU shall be effective upon the date of signature by the Parties and shall remain in effect until it is terminated by one or more Parties in accordance with Section 8.0 below.

### **4.0 MANAGEMENT STRUCTURE**

The management structure for the CS agreements under this MOU and the accountability and roles there under shall be as follows. In addition to the provisions of this section 4.0, the responsibilities of the Parties under this MOU are also set out in sections 5.0 to 7.0 below.

- 4.1 The UN Country Team (UNCT) consists of the Resident Coordinator (RC) as the Chairperson and, as the Members, the Heads of the Specialized Agencies, Commissions, Funds and Programmes of the United Nations in Uruguay.
- 4.2 The Operations Management Team (OMT) consists of the Operations or Administrative managers of the Specialized Agencies, Commissions, Funds and Programmes of the United Nations in Uruguay. The OMT, under the guidance of the Resident Coordinator and the representatives of the Parties, is the oversight and management body of the CS agreements. Its terms of reference include:
- Development of the CS annual work plans;
  - Preparation of the related budgets and submission for approval of UNCT, when it corresponds;
  - Determination of the appropriate executing/implementing modality for the Common Services, which will be set out in the Annex corresponding to each CS (such as outsourcing);
  - Periodic review of the status of implementation of the annual work plans and of the financial statements (when it corresponds);

- Reviewing and evaluating the performance of the Service Provider/Manager, based on the performance criteria set out in the corresponding Annex.
- 4.3 The Service Provider/Manager is the UN Office, Programme, Fund or Specialized Agency that will provide/manage the Common Services set out in the corresponding annexes , either directly or through outsourcing. Its terms of reference include:
- Provision/supervision of the CS set out in the corresponding Annexes to this MOU in accordance with its organizational policies, procedures, rules and regulations;
  - Submission of proposals and reports to Service Users in accordance with the terms set out in this MOU;
  - Ensuring that sufficient support personnel, property, equipment, logistical resources and managerial oversight are planned and provided for the CS set out in the corresponding annexes, when applicable.
  - Provision to the Common Service Users of regular maintenance reports on any shared equipment, where applicable, and of any replacement needs and their related costs.
- 4.4 The Service Users are the Specialized Agencies, Commissions, Funds and Programmes of the United Nations in Uruguay that are Parties to this MOU, as it will be established in the corresponding Annex.

## **5.0 FINANCIAL STRUCTURE**

- 5.1 The costs of the CS to be provided by the Service Provider/Manager shall be calculated, established and apportioned in accordance with the cost-sharing methodology set out in the corresponding Annexes.
- 5.2 The financial period for both the proposed utilization of resources and the incurring of and accounting for the costs of the CS shall consist of one calendar year.
- 5.3 When it corresponds, the OMT shall submit budgets for the approval of the UNCT. The proposed annual budget and cost apportionment shall be prepared by the Service Provider/Manager and shall be submitted to the OMT for review two months before the beginning of the implementation of the Common Service. The budget proposal shall include a proposed apportionment and contributions of the Service Users to the proposed budget and a proposed schedule setting out the payment dates by which the Service Users shall meet their financial obligations.

- 5.4 The budget proposals shall be incorporated as Annexes to this MOU. Subsequent budget proposals are to be drafted by the OMT and approved by the UNCT.
- 5.5 Expenditures not provided for in the approved budget or exceeding 10 % of the total amount approved shall require the prior written approval of the OMT.

## **6.0 RESPONSIBILITIES OF THE PARTIES**

- 6.1 The implementation of the CS arrangements set out in this MOU shall be governed by the defined responsibilities, the principle of full accountability and transparency, appropriate internal management controls, and the specified oversight mechanisms.
- 6.2 The Service Provider/Manager shall supply/administer the provision of the CS set out in the corresponding appropriate Annexes hereto, in accordance with the specific TORS.
- 6.3 None of the Service Users shall be liable for the acts or omissions of the Service Provider/Manager or its personnel, or of persons performing services on its behalf, except in regard to any contributory act or omissions of the other Service Users.
- 6.4 With respect to such contributory acts or omissions of the Service Users, the resulting liability shall be apportioned among them or any one of them to the extent of such contributory acts or omissions, or as may otherwise be agreed.

## **7.0 PERIODIC REVIEWS AND MONITORING**

- 7.1 The Common Services arrangements are subject to review at any time upon agreement of not less than half of the Service Users. At a minimum, one review shall take place each calendar year.
- 7.2 The purpose of the review is to conduct a critical assessment of the quality and effectiveness of the delivery of the CS arrangement and to make recommendations on the measures for improvement.
- 7.3 Such review may include:
  - Review of the Terms of reference set out in the annexes including the extent of compliance by the Service Provider/Manager and any outside party.
  - Revisions to the procedural, budgetary and/or reimbursement arrangements.
  - Determination of the need to continue, modify or terminate one or more CS and of the implications of CS contractual arrangements with third Parties.
- 7.4 The CS arrangements shall be monitored by the OMT under the guidance of the UNCT. Such supervision applies when a UN Office, Programme, Fund or Specialized Agency is the actual Service Provider or when it is managing the Service Provider.

## **8.0 AMENDMENTS, TERMINATION AND WITHDRAWAL**

- 8.1 This MOU may be amended by mutual agreement of the Parties in writing, which shall be set out as an Annex hereto and incorporated as an integral part of this MOU. Such Annex shall be signed by the Parties and shall enter into effect as of the date of signature by all Parties.
- 8.2 This MOU may be terminated by mutual agreement of all Parties in accordance with section 9 below.
- 8.3 Should this MOU be terminated, in accordance with the provisions of section 9 below, the Parties shall agree on the required actions to permit the orderly and prompt conclusion of the activities, including the settlement of debts between the Parties, should there be any. The Parties shall also agree on their respective responsibilities resulting from the termination, including sharing of responsibilities under the contractual arrangements made by the Service Provider/Manager with a third party, as applicable.
- 8.4 One Party may withdraw from this MOU – therefore from all the CS in which it participates— through a written notice to the Service Provider/Manager and the other Service Users with no less than six (6) months of anticipation, subject to section 9 below. If the six (6) month minimum notice is not given, the withdrawing Service User shall continue to be responsible for its obligations under this MOU for a period of six months from the date that the notice of withdrawal was given to the Service Provider/Manager and the other Service Users, unless otherwise agreed to by the OMT.
- 8.5 Similarly, a Service User may withdraw from that service, without withdrawing from the MOU, in the same conditions as set out in sections 8.4 and 8.6.
- 8.6 In the event that the remaining Service Users are unable to absorb the obligations of the withdrawing Service User, the CS arrangements set out in the corresponding Annexes shall be re-considered in accordance with the SC's provisions/contractual arrangements. The Parties shall also agree on their respective responsibilities resulting from the withdrawal, including sharing of responsibilities under the contractual arrangements made by the Service Provider/Manager with a third party, as applicable.
- 8.7 The Service Provider/Manager of a Service may decide to interrupt its provision/administration through a written notice to the Service

Users, with no less than six (6) months of anticipation, subject to section 9 below.

- 8.8 By mutual agreement, the Service Users may decide to terminate the appointment of the Service Provider/Manager through a written notice to the Service Provider/Manager, with no less than six (6) months of anticipation, subject to section 9 below.

## **9.0 NOTICES**

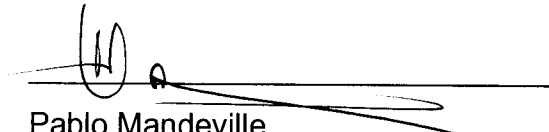
- 9.1 All communications regarding this MOU shall be in writing and/or reflected in official UNCT/OMT meeting minutes.
- 9.2 A copy of this MOU and any pertinent correspondence, amendments and/or other transactions pertaining to this MOU shall be provided to the Parties, the UN Resident Coordinator and the OMT in Uruguay.

## **10.0 SETTLEMENT OF DISPUTES**

- 10.1 Any relevant matter for which no provision is made in this MOU and any controversy, claim or dispute regarding the interpretation or application of this MOU shall be settled by negotiations between and/or among the Parties concerned.
- 10.2 Any controversy, claim or dispute that cannot be resolved by negotiations shall be referred to the OMT and, if necessary, to the UNCT. In the event that the OMT and the UNCT cannot resolve the controversy, claim or dispute within sixty (60) days from the date on which it has been referred to the OMT and UNCT, any Party may request that the controversy, claim or dispute be resolved through consultation between the Executive Heads of each Party.
- 10.3 In the event that the Executive Heads of the Parties fail to amicably resolve such controversy, claim or dispute, any Party may refer the controversy, claim or dispute to arbitration in accordance with the UNCITRAL Arbitration Rules. The Parties concerned shall be bound by the arbitration award rendered in accordance with such arbitration as the final adjudication of such controversy, claim or dispute. The expenses of the arbitration shall be borne equally by the Parties concerned. The foregoing does not apply where the controversy, claim or dispute is solely amongst Parties falling under the administrative authority of the Secretary-General, in which case, the controversy, claim or dispute shall be submitted to the Secretary-General for final resolution.

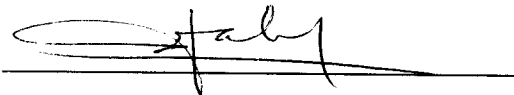
**IN WITNESS WHEREOF**, the undersigned, duly authorized representatives of the respective Parties, have signed this Memorandum of Understanding in English in three copies.

**UN**

Signature:   
Name: Pablo Mandeville  
Designation: United Nations Resident Coordinator in Uruguay  
Date: 24/09/2008

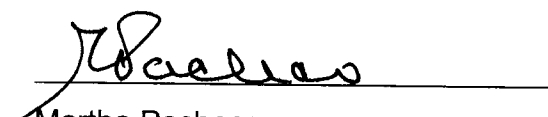
Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Designation: \_\_\_\_\_  
Date: \_\_\_\_\_

**FAO**


Signature:   
Name: Antonio Morales Mengual  
Designation: Representative  
Date: 24/9/08

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Designation: \_\_\_\_\_  
Date: \_\_\_\_\_

**ILO/  
Cinter-  
for**

Signature:   
Name: Martha Pacheco  
Designation: Director  
Date: 2/10/08

**IOM**

Signature: 


Name: Susana Leonardi

Designation: Head of Office

Date: 24/9/08

**PAHO/WHO**

Signature: 

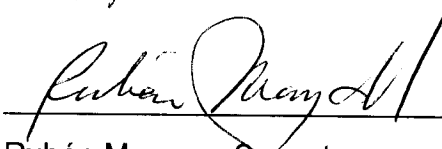
Name: José Fernando P. Dora

Designation: Representative

Date: 24/9/08

**UNAIDS**

Signature: 

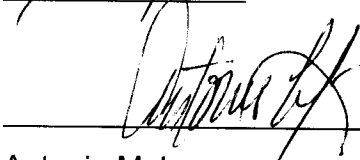
Name: Rubén Mayorga Sagastume

Designation: UNAIDS' Coordinator - Argentina, Chile, Paraguay and Uruguay

Date: 3/Dic/08

**UNDP**

Signature: 

Name: Antonio Molpeceres

Designation: Country Director

Date: 24.09.08

**UNEP**

Signature: \_\_\_\_\_

Name: Ricardo Sánchez Sosa

Designation: Regional Director for Latin America and the Caribbean

Date: \_\_\_\_\_

Signature: 

Name: Jorge Grandi

**UNESCO**

Designation: Director – Regional Office of Science for Latin America and the Caribbean. UNESCO's Representation to Mercosur. UNESCO's Representation to Argentina, Paraguay and Uruguay

Date: 22/10/2008

Signature: 

**UNFPA**

Name: Juan José Calvo

Designation: Assistant Representative

Date: 29/9/08

Signature: 

**UNICEF**

Name: Tom Bergmann-Harris

Designation: Representative

Date: 24/09/08

Signature: 

**UNIDO**

Name: Alberto Di Liscia

Designation: Representative

Date: 24/09/2008

Signature: 

**UNIFEM**

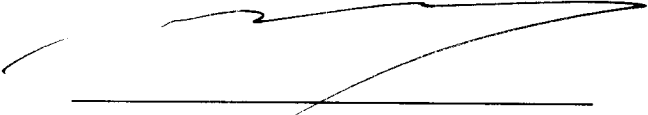
Name: Ana Falú

Designation: Director – Regional Office for Brazil and the Southern Cone

Date: 24.09.08

**UNOPS**

Signature:



Name:

María Noel Vaeza

Designation:

Regional Director for Latin America and  
the Caribbean

Date:

06/10/2008

**ANNEX A – COMMON SERVICE DETAILS<sup>1</sup>**

<b>Common Service No. 1:</b>			
Nature of Common Service:	<input type="checkbox"/> In-House	<input type="checkbox"/> Outsourced	
Cost-Sharing Methodology:	<input type="checkbox"/> Per space occupied	<input type="checkbox"/> Per number of staff	<input type="checkbox"/> Other
	Other:		
Service Provider/Manager			
Participating Service Users			
Minimum Performance Standards			

<sup>1</sup> This Annex should be tailored to the specific Common Service and shall be copied for each Common Service.

**ANNEX B – COMMON SERVICE PARTIES**

*[Please set out the addresses of the Parties]*