MEMORANDUM OF UNDERSTANDING CONCERNING OCCUPANCY AND USE OF COMMON PREMISES BY UNITED NATIONS AGENCIES, PROGRAMMES, FUNDS AND OFFICES IN BRAZIL (HEREINAFTER THE "AGENCIES")

<u>WHEREAS</u>, 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

<u>WHEREAS</u>, 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 Co-ordinator System;

<u>WHEREAS</u>, pursuant to these resolutions a Lease Agreement for temporary facilities, as detailed in Annex A to this document, will be concluded 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 temporary premises located at the land donated to the UN by the local government, at *Setor de Embaixadas Norte - Quadra 802, Conjunto C, Lote 17 - CEP: 70800-400*, to serve as common premises for the Agencies (hereinafter referred to as the "Common Premises"). A copy of the Lease Agreement is attached to this Agreement as Annex A;

<u>WHEREAS</u>, 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;

<u>WHEREAS</u>, considering that this MOU does not come into effect until the Lease Agreement detailed in Annex A is concluded, 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 UN entities participating in Common Premises for the adequate and sound management of common services, under the leadership of the UN Resident Co-ordinator.

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

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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 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 C of this Agreement, shall be subject to availability. The Resident Co-ordinator, 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 Co-ordinator, 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 Common Premises is a non-smoking environment.

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ARTICLE 3. MANAGEMENT OF COMMON PREMISES

- 1. The Resident Co-ordinator shall be responsible for the direction and administration of the Common Premises. In that connection, the Resident Co-ordinator shall be advised by a Management Committee¹ 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 Co-ordinator shall arrange for and manage the Common Building Services set forth in Annex D of this Agreement (once finalized and signed) in respect of the Common Premises. Agencies retain the right to decide which common services they are part of from inception, except for all mandatory security costs. Any services provided to an Agency beyond those set forth in Annex D hereof shall be exclusively at the expense of the Agency.
- 3. The Separate Services specified in Annex D of this Memorandum shall be coordinated by the Resident Co-ordinator but shall be invoiced to each Agency directly by the provider of the service and paid for by each Agency individually.

ARTICLE 4. APPORTIONMENT OF COSTS AND EXPENSES

- 1. As of the date of this Agreement, the Monthly Base Cost of the Common Premises will be determined once Annex D is completed. The Resident Co-ordinator 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 E.
- 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.

ARTICLE 5. INSURANCE

- 1. The Resident Co-ordinator 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 Co-ordinator shall deem desirable;
 - (c) Such other forms of insurance as the Resident Co-ordinator 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 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

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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 Co-ordinator 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, remodeling 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, remodeling 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 Co-ordinator 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 Co-ordinator.
- 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 Co-ordinator.
- 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 Co-ordinator of such maintenance, repair, and replacement work, and such work shall be subject to the coordination and supervision of the Resident Co-ordinator through the Management Committee.
- 7. The Resident Co-ordinator, 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 Co-ordinator to said Agency.

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

ARTICLE 7. FINANCIAL STATEMENTS AND ACCOUNTS

- 1. On or before December first of each year, the Resident Co-ordinator shall estimate the total amount necessary to pay the Common Area Services and other costs and expenses determined by the Resident Co-ordinator 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 Co-ordinator 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 Co-ordinator 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 Co-ordinator 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 Co-ordinator 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 installments due from Agencies under the current year's estimate, until exhausted, and any net shortage shall be added to the installments due in the succeeding six months after rendering of the accounting.
- 4. The Resident Co-ordinator 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 Co-ordinator 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 Co-ordinator 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 three months' prior written notice of its intention to terminate the arrangements to the Resident Co-ordinator.
- 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 E

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and its proportionate share of the Common Building Services set forth in Annex D 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 UN 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. <u>SETTLEMENT OF DIFFERENCES</u>

Any differences between Agencies, or between an Agency or Agencies and the Resident Co-ordinator, shall be resolved by means of mutual discussions. Any difference not so resolved may be referred to the United Nations Development Group (UNDG) 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

UNDP

EQSW 103/104 Lote 01Bloco D – Setor Sudoeste – Brasília – DF

CEP: 70.670-350

Signed:

for

UNFPA

EQSW 103/104 Lote 01 Bloco C – Setor Sudoeste – Brasília - DF

M. J.

CEP: 70.670-350

Signed:

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for

UNEP

EQSW 103/104 Lote 01 Bloco C – Setor Sudoeste – Brasília - DF

CEP: 70.670-350

Signed:

UNAIDS

EQSW 103/104 Lote 01 Bloco C – Setor Sudoeste – Brasília - DF

CEP: 70.670-350

Signed:

for

UNWOMEN

EQSW 103/104 Lote 01 Bloco C – Setor Sudoeste – Brasília - DF

CEP: 70.670-350

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ANNEX A - LEASING DETAILS

1. Leasing for a total of 65 modified containers for the provisory premises and architectural project:

a) Provisory premises:

Project	Total Area to be distributed	Agency				
		UNFPA	UNEP	UN Women	UNAIDS	
Common Areas	265,72	66,43	66,43	66,43	66,43	
Individual Offices	908,25	284,3	184,61	269,52	169,82	
Total Area occupied per agency	1173,97	350,73	251,04	335,95	236,25	
% Occupied	100,0%	29,9%	21,4%	28,6%	20,1%	
Amount Payable USD - 12 months	353.509,36	105.699,30	75.651,00	101.103,68	71.055,38	

^{*}Initial contract shall be for 12 months with possibility to extend it for additional 6 months

b) One Time Cost for Premises:

Project	Total Area to be distributed	Agency				
		UNFPA	UNEP	UN Women	UNAIDS	
Common Areas	265,72	66,43	66,43	66,43	66,43	
Individual Offices	908,25	284,3	184,61	269,52	169,82	
Total Area occupied per agency	1173,97	350,73	251,04	335,95	236,25	
% Occupied	100,0%	29,9%	21,4%	28,6%	20,1%	
Amount Payable USD - 12 months	265.583,90*	79.409,59	56.834,95	75.957,00	53.382,36	

^{*} Breakdown for One Time Costs

- Layout Study USD 10.000,00
- Contingencies USD 29.000,00
- Instalation of Temporary Premisses USD 38.206,90
- Direct Support Cost USD 58.377,00
- Preparatory Civil Works USD 130.000,00
 Including electric project, Network Infrastructure, Fiber Optics, Eletrical Power Transformer and Concrete structure for containers.

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C) Total Costs for Provisory premises (a+b)

Project	Total Area to be distributed	Agency				
		UNFPA	UNEP	UN Women	UNAIDS	
Common Areas	265,72	66,43	66,43	66,43	66,43	
Individual Offices	908,25	284,3	184,61	269,52	169,82	
Total Area occupied per agency	1173,97	350,73	251,04	335,95	236,25	
% Occupied	100,0%	29,9%	21,4%	28,6%	20,1%	
Amount Payable USD - 12 months	619.093,26	185.108,88	132.485,96	177.060,67	124.437,75	

