



MEMORANDUM OF UNDERSTANDING

Concerning the establishment of a strategic partnership between

The European Commission and the United Nations Development Programme

Considering the Charter of the United Nations, the Treaties of the European Communities, the Millennium Declaration, the outcomes of the United Nations conferences and recent Communications of the European Commission such as the Communications to the European Council and Parliament “Building an effective partnership with the United Nations in the fields of Development and Humanitarian Affairs” and “The European Union and the United Nations: the choice of multilateralism”;

2. *Considering* United Nations General Assembly Resolution 2029 approved on 22 November, 1965 that established the United Nations Development Programme;
3. *Considering* the various programmes and existing arrangements for cooperation between the UNDP and the European Commission;
4. The Commission and the UNDP hereby establish a strategic partnership (‘the Partnership’) with the aim of enhancing and increasing the development effectiveness of their efforts to achieve their common goals and objectives in the field of development, particularly in the areas of governance, conflict prevention and post-conflict reconstruction.

A. Principles and objectives

5. Through this Partnership, the European Commission and the UNDP express their wish to mutually benefit, develop and structure their cooperation in areas of common concern and decide to work together towards the shared goal of establishing the solid foundations for peace and recovery from crisis and to promote the Millennium Development Goals, particularly, the fight against poverty.
6. The Partnership will be based on the respect and mutual understanding of the respective strengths, organizational structures, mandates and institutional capacities, as well as the policies of both institutions.

The Partnership will aim at enhancing country ownership and the overall effectiveness of the two organizations in the areas covered by the partnership.

8. The objectives of the Partnership are:
 - a. to foster close collaboration on common policy approaches, and to ensure a more strategic framework for cooperation at all levels between the European Commission and the UNDP;



- b. to facilitate the joint identification of programmes in the areas covered by the partnership;
 - c. to enhance knowledge sharing with a view to fostering improved co-ordination and synergies in the field, and to help support best practice;
 - d. to build on each others' comparative advantage, particularly to advance development effectiveness of the actions of both institutions;
- 9. It is anticipated that this process will lead to greater harmonization, coordination and complementarity of policy approaches, planning and implementation. The process will likewise ensure a more strategic and structured policy framework for cooperation, for shared analysis, for exchange of information and for the identification of complementary interventions and programmes as well as value added of each organisation.
- 10. The objectives of the Partnership will be achieved through:
 - a. Regular policy dialogue between the Commission and the UNDP;
 - b. Enhanced programme collaboration at all levels between the Commission and the UNDP including global, regional and country levels;
 - c. Financial cooperation within the UNDP's operational activities in the areas covered by the Partnership that will be in accordance with existing agreements and procedures and where there is added value, relevant impact, common interest and adequate capacities.
- 11. The European Commission will endeavour to strengthen its participation in the UNDP Executive Board and other governing bodies and the UNDP will endeavour to facilitate this approach.
- 12. The co-operation under the Partnership recognises and complements the already existing co-operation between the Commission and the UNDP in areas of common concern.
- 13. Within the Partnership, specific areas of policy dialogue, programming, common approaches and co-operation will be defined jointly by both institutions on an ongoing basis.

B. SCOPE

- 14. The geographical scope of the Partnership is limited to those countries classified as 'developing' according to the OECD-DAC list of aid recipients³.

³ DAC List of Aid Recipients as of 1st January 2003



15. Initially the partnership's scope will be the areas of governance, conflict prevention, and post-conflict reconstruction including the broader post conflict agenda such as approaches linking relief, rehabilitation and development (LRRD) and transition issues; this does not rule out other areas of cooperation at a future stage. Human rights and gender issues will be dealt with as cross-cutting issues under these thematic areas.
16. Developing common approaches to governance, conflict prevention, and to post-conflict reconstruction is a process. The Commission and the UNDP agree that the most strategic priorities for policy dialogue and joint work should be defined with a view to progressively enlarging the topics for discussion. The policy dialogue on governance, conflict prevention and post-conflict reconstruction will facilitate collaboration at the global, regional and country level.
17. In countries where the parties have common interests, the European Commission and the UNDP will work together to harmonize their respective common framework or cooperation strategies based on national policies, priorities and strategies.

C. AREAS FOR POLICY DIALOGUE AND PROGRAMING COOPERATION

18. The following issues of mutual concern are set out as a starting point for the strategic partnership as well as the basis for elaborating a commonly agreed multi-annual work programme for policy dialogue and programme implementation. Linking governance, peace, security, and development in a holistic and effective way, including country ownership and compliance with the multilateral framework, is an overarching theme and ambition of the partnership in the areas for policy dialogue, and programming cooperation.
19. Particular attention will be paid to challenges for countries at risk, in or emerging from crisis, which are in situations that make it particularly necessary to develop comprehensive preventive or restorative strategies. In addition, particular attention will be devoted to human rights and gender issues, including women empowerment (the participation of women in political and economic life), as cross-cutting issues when developing co-operation in these areas.
20. A common aim across the cooperation will be to strengthen each organisation's respective coordination role with the objective of increasing aid effectiveness, and to act as agents of change and brokers of multi-stakeholder dialogue, with particular emphasis on the link between governance and poverty alleviation.

Governance

21. Cooperation in the area of governance will aim to help countries develop institutions, policies and capacities that help to eradicate poverty. This includes fostering political systems that respect human rights, ensure participation, decentralize power, offer equal access to the law, remove gender and minority discrimination, and provide free and fair multiparty elections. Governance cooperation will also support economic systems that enforce clear and predictable rules, guarantee property rights, provide equitable access to



credit and land, and provide adequate budgetary support for social and priority areas in promoting development.

- 22 Cooperation will include areas such as democracy building, including elections and legislatures; public administration reform and human resources development/capacity building; justice and the rule of law; security sector reform; governance at the local level and decentralization; regional governance; Human Development Reports (global, regional and national); disaster preparedness and response; Mid Term review processes and country and regional strategy papers of the Commission.

Post-Conflict Reconstruction

- 23 Cooperation in the area of post-conflict reconstruction will explore the possibilities to improve policies and programmes, as well as effective sequencing, for effective transition to recovery, aimed at restoring the capacity of governments and communities to rebuild and to prevent the reoccurrence of violent conflict. Activities will be designed to help countries develop programmes, capacities and approaches as early as possible through the pursuit of appropriate and timely programmes in a number of areas.
- 24 Cooperation will include the broader post-conflict agenda such as: applying the linking relief with rehabilitation and development (LRRD) principles, approaches and transition frameworks, including economic, social and institutional framework for recovery and peace building; security sector reform; the interlinkages of security and development; justice and rule of law in post-conflict situations; democracy building including electoral support; mine action and small arms reduction; disarmament, demobilization and reintegration (DDR) processes. Efforts will be made by both parties to promote these principles, approaches and frameworks in cooperation with other UNAFPs.

Conflict Prevention

- 25 Ongoing Commission-UNDP cooperation in this area will remain critical to the implementation of the EU-UN shared approach on conflict prevention. The European Commission and UNDP will continue to look at ways and means to make better use of the instruments and programmes of both organisations to support efforts to prevent conflict, from far upstream to the last phases of a conflict developing into confrontation and crisis, and continuing through to the post-conflict reconstruction phase. This will include exchange of analyses on potential crises, co-operation on fact-finding missions and training programmes, field co-ordination and programmes implementation.
- 26 Cooperation will include areas such as comprehensive preventive strategies addressing root causes of conflict; establishing information exchange for early warning; joint preliminary assessment missions; systematic coordination with other regional organisations and strengthening of regional mechanisms for conflict prevention and handling crisis and post-crisis situations; joint training programmes; establishing a record of best practices and lessons learned.



D. WORKING PRINCIPLES

27. In all the areas covered by the partnership, cooperation will include efforts to develop/strengthen and/or harmonise the following:
- Exchange of information and informal consultation on a desk-to-desk basis and between the European Commission delegations and UNDP representatives at the field level
 - Knowledge networks
 - Collaboration in research and studies
 - Shared approaches and analysis, tools, indicators, performance reviews, assessments, and methodologies for mainstreaming
 - Field coordination
 - Monitoring and quality control
 - Joint examination of ways to build links to Non State Actors in the areas covered by the partnership
 - Pilot-testing policy options and pilot programmes

E. AREAS FOR FINANCIAL COOPERATION

28. In addition to the areas in which the Commission has been providing financial support to the UNDP, such as human rights promotion or electoral observation, the Partnership will provide specific opportunities for financial cooperation in areas covered by the partnership. These areas will be defined in the context of the multi-annual work programme, based on the progress made in the policy dialogue process.

F. ARRANGEMENTS

29. The Commission and the UNDP agree that the following arrangements for the Partnership will apply:
30. In addition to the existing high level contacts including the established geographical dialogue on crisis and pre-crisis regions, the Commission and UNDP will regularly hold a High Level Bilateral Meeting on strategic policy matters of common interest, in accordance with the work programme agreed in advance by the two parties.
31. Senior level meetings shall be held once a year between the Director-General responsible for Development in the Commission, with the participation of other Commission services, or a representative nominated by him, and a UNDP representative appointed by Headquarters, to review progress of work in the priority areas of cooperation and to discuss policy, technical and operational issues related to furthering the objectives of the



Partnership. Senior level meetings may take the initiative of proposing to review and adapt the Partnership in the framework of a High Level Bilateral Meeting.

- 32 Further bilateral policy dialogue will be set up on an ad hoc basis as deemed necessary by the two parties to address issues, to exchange information or for purposes of policy debate on matters of common interest regarding priority themes. This dialogue may take the form of workshops or seminars.
- 33 Where one of the parties is organising a meeting with external participation at which policy matters related to the aims of the Partnership will be discussed, the party will, as appropriate, invite the other to participate.
- 34 Representatives of the UNDP and the relevant services of the Commission will maintain a regular dialogue about the implementation of the Strategic Partnership and will meet on a regular basis, to assess progress made and difficulties encountered in achieving the objectives of the partnership and if necessary to review the work programme, in its policy, organisational and technical aspects.
- 35 A focal point for the Strategic Partnership will be appointed within the Directorate-General responsible for Development in the Commission with a view to ensuring coordination with other concerned Commission services and with the partner on the implementation of the work programme. For the UNDP, its Brussels Office will be the Focal Point.

G. FINANCIAL FRAMEWORK

- 36 Financial assistance by the Commission to activities undertaken by the UNDP shall, unless otherwise agreed in exceptional circumstances, be in accordance with the Financial and Administrative Framework Agreement between the European Communities and the United Nations, which entered into force on 29 April 2003. In particular disbursements may be made on the basis of agreed results.
- 37 Any financial support should be additional to the UNDP's regular budget, permitting the acceleration of the delivery of results, or widening the scope and/or the geographical extension of the programme concerned.
- 38 Programming of resources made available by the Commission under this Partnership will be carried out in conjunction with the relevant parties in those countries or regional groupings for which the funds are earmarked.
- 39 The parties will within the Partnership consider possibilities of an enhanced, more predictable, multi-year financial co-operation based on the multi-annual work programme agreed by both parties.



H. DURATION

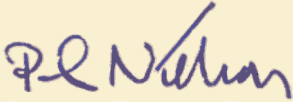
40. The Partnership enters into force at the date of the signature of this Memorandum and is for an indefinite period. The content of the Partnership may be reviewed by agreement between the parties within the arrangement established in this Memorandum.


Done at 28 June 04.

Date: 28 Jun 2004

For the Commission of the
European Communities

For the United Nations
Development Programme


Poul NIELSON
Commissioner for Development and
Humanitarian Aid


Mark MALLOCH BROWN
UNDP Administrator



COMMUNICATION TO THE COMMISSION

In response to the 2001 Communication on “Building an effective partnership with the UN in the fields of development and humanitarian affairs”¹ and the 2003 Communication on “The European Union and the United Nations: the choice of multilateralism”², a Memorandum of Understanding between the European Commission and the United Nations Development Programme (UNDP) has been negotiated over the past year confirming the intention of the two organisations to establish a strategic partnership. The aim of the EC-UNDP partnership is to enhance the development effectiveness of the two organisations in achieving their common goals and objectives.

Through the Partnership the European Commission wishes to develop and structure its cooperation with the UNDP in areas of common concern and will work together with the UNDP towards the shared goal of establishing the solid foundations for peace and recovery from crisis and to promote the Millennium Development Goals, particularly the fight against poverty.

The main objectives of the Partnership are to promote policy dialogue, common policy approaches, and to ensure a more strategic framework for cooperation at all levels between the European Commission and UNDP.

Linking governance, peace, security, and development in a holistic and effective way, including country ownership and compliance with the multilateral framework, is an overarching theme and ambition of the partnership in the areas of policy dialogue and programming cooperation.

Initially the areas of governance, conflict prevention and post-conflict reconstruction including the broader post-conflict agenda such as approaches aiming at better linking relief rehabilitation and development (LRRD), and transition issues, will be the scope of the partnership without excluding other areas of cooperation at a future stage. Human rights and gender issues will be dealt with as cross-cutting issues under these thematic areas. The substantive content of this cooperation will be developed jointly by the two organisations during the course of the future policy dialogue and technical meetings and will be included in a work programme to be agreed by both parties.

Financial assistance by the Commission to activities undertaken by the UNDP shall, unless otherwise agreed in exceptional circumstances, be in accordance with the Financial and Administrative Framework Agreement between the European Communities and the United Nations, which entered into force on April 29, 2003.

It is anticipated that the partnership will contribute to greater harmonisation, coordination and complementarity of policy approaches, planning and implementation.

COM(2001)231 final of 2 May 2001
COM(2003)526 final of 10 September 2003



The European Commission will endeavour to strengthen its participation in the UNDP Executive Board and other governing bodies and the UNDP will endeavour to facilitate this approach.

The signing of this MoU falls within the limited autonomous powers of the Commission to conclude such agreements with third countries and international organisations. Article 302 EC allows the Commission to maintain appropriate relations with international organisations including the entering into practical non-binding arrangements.

It is proposed that the MoU be signed on behalf of the Commission by the Commission Member in charge of Development and Humanitarian aid or by any person the latter may appoint for that purpose.

To conclude, the Commission is requested to:

adopt the text of the draft Memorandum of Understanding between the Commission and the United Nations Development Programme;

authorise the Member responsible for Development and Humanitarian Aid or any person he may appoint for that purpose to sign the Memorandum of Understanding on behalf of the Commission.