

**OFFICIAL
DOCUMENTS**

MEMORANDUM OF UNDERSTANDING

between

**IUCN, INTERNATIONAL UNION FOR CONSERVATION
OF NATURE AND NATURAL RESOURCES**

and

**THE SECRETARIAT OF
THE GLOBAL ENVIRONMENT FACILITY**

June 11, 2014

MEMORANDUM OF UNDERSTANDING

MEMORANDUM OF UNDERSTANDING, dated June 11, 2014, between the SECRETARIAT OF THE GLOBAL ENVIRONMENT FACILITY (respectively, “the Secretariat” and “GEF”) and IUCN, INTERNATIONAL UNION FOR CONSERVATION OF NATURE AND NATURAL RESOURCES (“IUCN”).

WHEREAS, pursuant to paragraphs 20 (f) and 28 of the *Instrument for the Establishment of the Restructured Global Environment Facility* (“the Instrument”), the Council of the GEF (the “Council”) has the authority to approve and periodically review operational modalities for the GEF, including means to facilitate arrangements for project preparation and execution;

WHEREAS, effective May, 2011, pursuant to such authority, and on the basis of document GEF/C.40/09, *Broadening the GEF Partnership under Paragraph 28 of the GEF Instrument (April 26, 2011)*, the Council approved a pilot to broaden its partnerships by approving the policies, procedures, and criteria for accrediting new institutions to serve as GEF Partners for the implementation of GEF projects (“the GEF-5 Pilot on Accrediting GEF Project Agencies”);

WHEREAS, IUCN submitted a Stage I application and supporting documentation to be considered for accreditation as a GEF Project Agency, and taking into consideration the Value Added Review of IUCN, conducted by the Secretariat, the Council has approved IUCN to progress to Stage II of the accreditation process during its 42nd meeting (June 2012) in accordance with the provisions set forth in the document GEF/C.40/09, *Broadening the GEF Partnership under Paragraph 28 of the GEF Instrument (April 26, 2011)*, the document C.39/8/Rev.2, *Accreditation Procedure for GEF Project Agencies* (November 18, 2010), the document C.40/Inf.4 *Draft Procedures Manual for the Accreditation of GEF Project Agencies* (May 9, 2011) and the document GEF/PR/IN.04, *Procedure: Accreditation of GEF Project Agencies* (May 21, 2011), as amended/revised thereof (“the GEF Accreditation Policy and Procedure”).

WHEREAS, IUCN submitted a Stage II application and supporting documentation that was assessed by an independent GEF Accreditation Panel (“the Panel”) in accordance with the GEF Accreditation Policy and Procedure and other documents GEF/C.31/6 *Required Minimum Fiduciary Standards for GEF Implementing and Executing Agencies* (May 16, 2007), GEF/C.40/10/Rev.1 *GEF Policies on Environmental and Social Safeguards and Gender Mainstreaming* (May 26, 2011), GEF/C.41/10/Rev.1 *GEF Policy on Agency Minimum Standards on Environmental and Social Safeguards* (November 18, 2011) and GEF/PL/SD/02 *Policy on Gender Mainstreaming* (May 1, 2012). (“GEF Minimum Standards”);

WHEREAS, the Panel, upon review of IUCN's application and supporting documents, has determined that IUCN meets all of the GEF's minimum fiduciary standards and the GEF's environmental and social safeguards standards, including gender mainstreaming, except for:

a. Safety of Dams

WHEREAS, the Panel further determined that the following GEF environmental and social safeguards standards are inapplicable to IUCN:

a. Safety of Dams

WHEREAS, the Panel approved IUCN on May 21, 2014 to move to Stage III of the accreditation process in accordance with the GEF Accreditation Policy and Procedure and issued its final Panel Assessment Report on May 21, 2014;

WHEREAS, based on the recommendations of this Panel Assessment Report, this Memorandum of Understanding (MOU) with the Secretariat committing IUCN to all relevant GEF policies and procedures and taking is now being entered into;

WHEREAS, Upon signing of this MOU with the Secretariat, IUCN, as recommended by the Panel in its Final Assessment Report, is expected to implement an appropriate staffing plan, undertake necessary training of its staff and engage a procurement officer within nine months of the date of this MOU, to ensure proper implementation of GEF policies and procedures, as well as to maintain appropriate firewalls between its implementing and executing functions, especially in cases where IUCN is assuming both roles for a GEF Project, in accordance with the provisions of the Council paper GEF/C.41/06/Rev.01, *GEF Minimum Fiduciary Standards: Separation of Implementation and Execution Functions in GEF Partner Agencies*.

WHEREAS, at the seventh session of the Conference of the Parties to the UN Framework Convention on Climate Change ("UNFCCC") held in Marrakesh, from October 29 to November 10, 2001, (COP7) the GEF was requested to operate two trust funds related to the UNFCCC: the Special Climate Change Fund ("SCCF") and the Least Developed Countries Fund ("LDCF"). At its May 15-17, 2002 meeting, the Council, on the basis of document GEF/C.19/6, (i) approved the arrangements proposed for the establishment of the LDCF AND the SCCF, including applicability of the operational policies and procedures and governance structure of the GEF to the operation of the LDCF and SCCF, and (ii) invited the World Bank to act as trustee of the LDCF and SCCF;

WHEREAS, on February 18, 2011, the Council approved (without meeting) the creation of the Nagoya Protocol Implementation Fund (“**NPIF**”), a trust fund aiming to support the early entry into force and effective implementation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization (adopted at the tenth meeting of the Conference of the Parties to the Convention on Biological Diversity) and invited the World Bank to act as trustee of the NPIF. At its May 24-26, 2011 meeting, the Council, on the basis of document GEF/C.40/11Rev.1, approved the arrangements proposed for the operation of the NPIF, including applicability of the operational policies and procedures and governance structure of the GEF to the operation of the NPIF;

WHEREAS, In addition to the GEF Trust Fund, the LDCF, the SCCF and the NPIF trust funds, the GEF may operate other trust funds (together with the GEF Trust Fund, the LDCF, the SCCF and the NPIF, the “Trust Funds”), to which the International Bank for Reconstruction and Development (the “World Bank”) may also act as trustee for the administration, commitment and disbursement of certain resources, and to which the operational policies and procedures and governance structure of the Council may also apply;

NOW, THEREFORE, the Secretariat and IUCN agree as follows:

ARTICLE I

Definitions

Section 1.01. Unless the context otherwise requires, the several terms defined in the Preamble to this MOU will have the respective meanings therein set forth and the following additional terms will have the following meanings:

- (a) “Financial Procedures Agreement” (“FPA”) means the Financial Procedures Agreement between IUCN and the World Bank—acting as Trustee of a Trust Fund to which IUCN may have access—to be executed at a later date, for the administration, commitment and disbursement of GEF Resources;
- (b) “GEF Agency Fee” means the amount given to IUCN for implementing a GEF Project consistent with the GEF fee policy;
- (c) “GEF Council” means the Council or the Council of any other trust funds operated by the GEF to which IUCN has access, including the Councils for each of LDCF, SCCF and NPIF trust funds;
- (d) “GEF Policies and Procedures” means any operational policies, procedures, and/or decisions adopted by the GEF Council, the Secretariat or the CEO, as may be amended from time-to-time, relevant for IUCN’s use, fiduciary administration

and reporting of GEF Resources and for the preparation, approval and implementation of GEF Projects;

- (e) "GEF Project" means a project, project component(s) or project preparation activity that promotes the achievement of the purposes of the GEF for which funding from the Trust Funds operated by the GEF has been requested by IUCN and/or approved by the GEF Council or the CEO;
- (f) "GEF Resources" means resources in US dollars from any Trust Funds to which IUCN has access; such GEF Resources may include, without limitation: (i) any Project Preparation Grant ("PPG"); (ii) resources for the implementation of Medium-Sized Projects; and (iii) resources for the implementation of Full-Sized Projects, as such terms are defined or construed under the applicable GEF Policies and Procedures;
- (g) "IUCN Policies and Procedures" means any operational policies, procedures, and/or decisions adopted by IUCN, as may be amended from time-to-time, relevant to the use, fiduciary administration and reporting of GEF Resources and for the preparation, approval and implementation of GEF Projects;
- (h) "Project Document" means a document submitted by IUCN to the Secretariat seeking approval of an allocation of grant and other funding from GEF resources to IUCN from the GEF Council, or the CEO, as appropriate, for GEF projects; and
- (i) "Trustee" means the World Bank acting as Trustee of a Trust Fund in accordance with paragraph 8 and Annex B of the Instrument.

ARTICLE II

General Principles

Section 2.01. All provisions of this MOU will be interpreted and carried out in accordance with GEF Policies and Procedures and IUCN's Policies and Procedures.

Section 2.02. If any decisions or guidance referred to under section 2.01 are inconsistent with the policies or procedures of the GEF or IUCN, the Secretariat and IUCN will promptly take all appropriate actions to resolve any such inconsistency.

ARTICLE III
**Relationship with the GEF Council and Commitment
to GEF Policies and Procedures**

Section 3.01. IUCN will be accountable to the GEF Council for its activities financed with GEF Resources, including the preparation and cost-effectiveness of GEF Projects, in accordance with this MOU, and applicable GEF Policies and Procedures.

Section 3.02. The Secretariat will provide guidance and cooperate with IUCN to facilitate IUCN's compliance with GEF Policies and Procedures, within the framework of IUCN's Policies and Procedures.

ARTICLE IV
Administration of GEF Resources

Section 4.01. From time to time, IUCN will submit proposals to the Secretariat seeking GEF Resources for GEF Projects. Such proposals will be consistent with GEF Policies and Procedures applicable for the type of project and the GEF Resources requested will be for an amount no greater than (a) any individual project ceiling of GEF Resources and (b) any total project limit, both (a) and (b) recommended by the Secretariat and approved by the Council in accordance with paragraphs 39-41 of the document GEF/C.40/09, *Broadening the GEF Partnership under Paragraph 28 of the GEF Instrument*.

Section 4.02. The proposals submitted by IUCN to the Secretariat will be reviewed by the Secretariat and forwarded to the GEF Council or the CEO, as appropriate, for approval. Any proposal approved by the GEF Council, will be submitted after being prepared as a final project proposal by IUCN to the CEO for endorsement before final project approval by IUCN. The final GEF Resources amount to be provided to IUCN for each GEF Project will be the amount specified in the GEF Project approved or endorsed, as appropriate, by the CEO.

Section 4.03. As per GEF/C.41/10/Rev.1 *GEF Policy on Agency Minimum Standards on Environmental and Social Safeguards*, the inapplicability of the GEF's environmental and social safeguards standard on Safety of Dams to IUCN implies that IUCN will not be able to propose or receive GEF Resources for any projects that design and construct new dams and rehabilitate existing dams or projects financing agriculture or water resource management infrastructure that are highly dependent on the performance of dams or that potentially affect their performance.

ARTICLE V
GEF Agency Fees

Section 5.01. IUCN shall receive a fee for project cycle management services in respect of each GEF Project approved by the GEF Council or CEO. Such fee shall become payable in full upon approval of the project proposal for the GEF Project in respect of which such fee is provided, or at such time as may be provided for under the applicable GEF Policies and Procedures or the applicable Financial Procedures Agreement.

Article VI
Financial Procedures Agreements

Section 6.01. GEF Resources approved by the GEF Council or the CEO will be subject to the terms and conditions of the applicable Financial Procedures Agreement. No GEF Resources, including the GEF Agency Fee, will be transferred unless and until an effective Financial Procedures Agreement for the relevant Trust Fund has been entered into between IUCN and the Trustee.

Section 6.02. In the event of any conflicting provisions between this MOU and any Financial Procedures Agreement, the latter will prevail.

ARTICLE VII
GEF Activities

Section 7.01. IUCN will be solely responsible for:

- (a) Ensuring that the documentation (including but not limited to the Project Documents) submitted by IUCN to the Secretariat for review and/or approval meets the GEF requirements;
- (b) Ensuring that the development, preparation, implementation, monitoring and evaluation of the activities financed with GEF Resources are consistent with GEF Policies and Procedures;
- (c) Preparing IUCN's Project Documents for consideration by the Secretariat and approval by the GEF Council or the CEO, as appropriate;
- (d) Supervising activities performed under approved Project Documents;
- (e) Reporting to the Secretariat in accordance with Article IX hereof; and

- (f) Informing the Secretariat in writing of any conditions IUCN believes may interfere with the performance of its obligations under this MOU or the implementation of any activities due to be performed under any Project Document.

Section 7.02. IUCN may request the Secretariat's guidance and cooperation, as contemplated in Section 3.02 above, to assist IUCN in the discharge of its responsibilities under Section 7.01 hereto.

ARTICLE VIII Standard of Care

Section 8.01. IUCN will be solely responsible for the administration of GEF funds made available to it and will carry out such administration in accordance with IUCN's applicable regulations and rules, standard practices and procedures taking into account the provisions of this MOU and the relevant Project Document approved by the relevant Council or the CEO, as appropriate. IUCN will exercise the same care in the discharge of its functions, as described in this MOU, as it exercises with respect to the administration and management of IUCN's own resources.

Section 8.02. IUCN will take all appropriate measures to ensure that GEF Resources are used for the purposes for which they were provided, as set out in the pertinent Project Document. IUCN will be accountable to the relevant GEF Council for: (i) all activities funded by the GEF Resources, including their preparation and cost-effectiveness, and (ii) the implementation of the operational policies, strategies and decisions of the relevant GEF Council with respect to such activities.

ARTICLE IX Records and Reporting

Section 9.01. IUCN will provide the Secretariat with copy of the annual financial statements for the Trust Funds (individually or combined) as provided to the Trustee in accordance with the applicable FPA, as soon as they are available. In addition, IUCN will provide the Secretariat with the following reports:

- (a) annual reports on status of the GEF Project in IUCN's portfolio;
- (b) After the close of each GEF project, a final financial statement for the GEF Project as provided to the Trustee in accordance with the applicable
- (c) FPA as soon as they are available; and

- (d) such other reports, including reports on disbursement, procurement of goods and services for activities financed by the GEF Resources, as may reasonably be requested by the Secretariat from time to time.

ARTICLE X
Visibility

Section 10.01. IUCN will ensure that GEF Projects will include information and communication related activities to identify the support of the Trust Funds for GEF Projects, and to communicate to the public the results of GEF Projects consistent with relevant GEF Policies and Procedures, including the GEF Communication and Visibility Guidelines.

ARTICLE XI
Consultation

Section 11.01. IUCN and the Secretariat will consult and share information with each other from time to time and at the request of either party on matters arising out of this MOU.

ARTICLE XII
Communications

Section 12.01. All communications concerning this MOU will be made to the relevant person at the address, telephone number or electronic mail address, from time to time designated by that party to the other for that purpose. The address, telephone number and electronic mail address so designated are set out below.

- (a) For IUCN:

IUCN - International Union for Conservation of Nature
Rue Mauverney, 28
CH - 1196 Gland
Switzerland

Attention: Cyrie Sendashonga
Global Director, Policy and Programme Group
Telephone: +41 22 999 03 17
Fax: +41 22 999 00 02
Email: Cyriaque.Sendashonga@iucn.org

With a copy to:

Attention: Office of the Legal Adviser
Telephone: +41 22 999 02 93
Fax: +41 22 999 00 02
Email: LEGAL-OLA@iucn.org

(b) For the Secretariat:

Global Environment Facility
1818 H Street, N.W.
Washington, D.C. 20015
USA

Attention: Chief Executive Officer
Telephone: (202) 473 1075
Fax: (202) 522 3240/3245
Electronic mail: nishii@thegef.org; secretariat@thegef.org

ARTICLE XIII Amendment

Section 13.01. This MOU may be amended at any time by the written agreement of IUCN and the Secretariat.

ARTICLE XIV Termination

Section 14.01. This MOU may be terminated by IUCN or the Secretariat with sixty (60) days prior written notice. In the event that IUCN's access to GEF Resources is terminated or suspended for any reason by the GEF Council, this MOU will automatically cease to have effect during such suspension, or termination, as the case may be, as of the date of the Council's decision for suspension or termination.

Section 14.02. Notwithstanding the paragraph above, if there are outstanding activities under this MOU, including GEF Projects under which IUCN has entered into commitments with third parties, at the time of suspension or termination of this MOU, the provisions of this MOU will continue to apply to any such outstanding activities until such activities have been fully completed.

ARTICLE XV
Miscellaneous

Section 15.01. The Secretariat and IUCN agree that this MOU will be publicly disclosed by the Secretariat and/or IUCN. Such disclosure will be made in accordance with their respective disclosure policies at the time of disclosure.

Section 15.02. Notwithstanding the paragraph above, the Secretariat and IUCN will not publicly disclose the information that either Party has provided as a result of this MOU and has explicitly indicated in writing and marked as confidential except having obtained the other Party's prior consent.

ARTICLE XVI
Dispute resolution

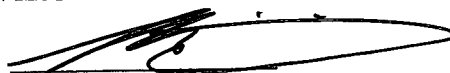
Section 16.01. If any dispute arising out of or relating to this MOU cannot be settled by agreement of the parties, the CEO will inform the GEF Council and seek the GEF Council's advice with respect to a resolution. The CEO will invite IUCN to participate in any relevant GEF Council meeting at which the resolution of any such dispute will be discussed.

ARTICLE XVII
Effectiveness

Section 17.01. This MOU will come into force and effect upon on the date aforementioned on the first page of this MOU.

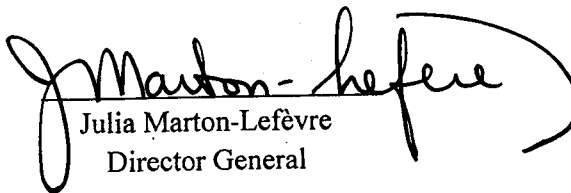
IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed this MOU with effect from the date aforementioned on the first page of this MOU.

**SECRETARIAT OF THE GLOBAL
ENVIRONMENT FACILITY**



Naoko Ishii
CEO/Chairman

**IUCN, INTERNATIONAL UNION
FOR CONSERVATION OF NATURE AND NATURAL RESOURCES**



Julia Marton-Lefèvre
Director General