



**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE UNITED NATIONS DEVELOPMENT PROGRAMME  
AND  
THE MUNICIPALITY OF TEŠANJ**

This Memorandum of Understanding ("MOU") is entered into by the United Nations Development Programme ("UNDP"), a subsidiary organ of the United Nations, an intergovernmental organization established by its Member States and the Municipality of Tešanj (hereinafter "the Municipality"), UNDP and the Municipality are hereinafter jointly referred to as the "Parties".

**WHEREAS**, UNDP serves in many respects as the operational arm of the United Nations at the country level and works with partners in numerous countries to promote sustainable development, eradication of poverty, advancement of women, good governance and the rule of law.

**WHEREAS**, UNDP represented by UNDP Country Office Bosnia and Herzegovina is interested in enhancing its development activities in contributing to the democratic stabilization, conciliation, and further development of Bosnia and Herzegovina through support to selected municipalities in establishing improved local authority/civil society relations and facilitating financing mechanisms for improved service delivery.

**WHEREAS**, the Parties share similar missions and wish to cooperate in areas of mutual concern to enhance the effectiveness of their development efforts.

**NOW, THEREFORE**, the Parties agree to cooperate as follows:

**Article I  
Purpose**

1.1 The purpose of this MOU is to provide a framework of cooperation and facilitate collaboration between the Parties, on a non-exclusive basis, in areas of common interest.

This MoU is entered into with the purpose to provide a framework for the implementation of the project entitled "Reinforcement of Local Democracy II (LOD II): Institutionalizing Cooperation between Municipalities and Civil Society Organizations for Improved Service Delivery" (hereinafter referred to as "LOD II Project").

1.2 Specifically, the objectives of this collaboration are:

Facilitating partnerships between the Municipality and civil society organizations (CSO);

- Generating transparent mechanism for disbursement of municipal funds foreseen for civil society organizations based on the projects addressing local service needs;
- Ensuring a sustainable source of funding through a municipal budget line for

- financing projects of the civil society organizations;
- Encouraging civil society organizations to professionalize their activities, adopt a long-term planning perspective, and to become more responsive to the local needs.

1.3 This partnership between the Parties, upon successful completion of the envisaged implementation framework, will result in the following outcomes:

- Reviewed, and if necessary improved, existing Agreement between the Municipality and Civil Society Organizations<sup>1</sup>;
- Established Selection Committee and selection criteria for CSO projects;
- Successfully carried out a Public Call for Selection of CSO projects;
- Secured municipal co-funding of at least 10 percent of the selected CSO projects, and Cost Sharing Agreement signed between the Parties with regards to the funding the most successful CSO projects selected through the Public Call;
- At least one CSO project implemented, based on the Public Call and with co-funding by the Parties;
- Developed and adopted methodology for monitoring and evaluation of CSO projects funded by the Municipality;
- Established Monitoring and Evaluation Commission;
- Strengthened capacities of the Municipality and partner CSOs for cooperation to improve service delivery;
- Municipality provided with the set of recommendations on lessons learned, and codified practices for improved relationship with CSOs;

## **Article II Areas of Cooperation**

2.1 The Parties agree to cooperate in the following areas:

- Strengthening ties between the Municipality and CSOs, including transparent fund disbursement for CSO projects, based on the local needs and priorities;
- Strengthening capacities of the Municipality for improved collaboration with civil society organizations and service delivery;
- Strengthening capacities of CSOs to effectively articulate and represent interests of the local population and the most vulnerable groups in particular, to participate in policy formulation and project implementation;

2.2 Activities to be undertaken within the aforementioned cooperation areas that will serve to accomplish the objectives of this MOU are as follows:

- Conducting regular meetings between representatives of the Municipality and UNDP;
- Development of an Annual Work Plan with regard to the implementation of the MOU objectives;
- Conducting regular meetings between representatives of CSOs and UNDP with regards to assessing and improving the existing Agreement between CSOs and the Municipality;

---

<sup>1</sup> Agreement represents some sort of an institutional cooperation with CSOs and as such was submitted as a part of the municipal application package for the LOD II Project. Existence of this Agreement, which was signed by the Municipality and CSOs, was one of the obligatory criteria with regards to the LOD II Public Call for Municipalities held in January 2011.

- Conducting a Public Call for CSO project proposals, prepared and agreed on by both Parties;
- Establishing a Committee for Selection of CSO project proposals using UNDP guidelines;
- Creation and adoption of a methodology for evaluation and monitoring of CSO projects in compliance with UNDP guidelines;
- Signing of a Cost Sharing Agreement, between the Parties, for financing of the most successful CSO selected through the Public Call for CSO projects in the Municipality;
- Organizing trainings in identified areas of Project Cycle Management including budgeting, selection processes, criteria setting, evaluation and monitoring techniques, for municipalities and local CSOs;
- Lessons learned and recommendations for the enhancement of municipal-CSO cooperation through inter-municipal information exchange.

### **Article III Consultation and Exchange of Information**

3.1 The Parties shall, on a regular basis, keep each other informed of and consult on matters of common interest, which in their opinion are likely to lead to mutual collaboration.

3.2 Consultation and exchange of information and documents under this Article shall be without prejudice to arrangements, which may be required to safeguard the confidential and restricted character of certain information and documents. Such arrangements will survive the termination of this MOU and of any agreements signed by the Parties within the scope of this collaboration.

3.3 The Parties shall, at such intervals as deemed appropriate, convene meetings to review the progress of activities being carried out under the present MOU and to plan future activities.

3.4 The Parties may invite each other to send observers to meetings or conferences convened by them or under their auspices in which, in the opinion of either party, the other may have an interest. Invitations shall be subject to the procedures applicable to such meetings or conferences.

### **Article IV Implementation of the MOU**

4.1 In order to implement the specific activities envisioned hereunder, the Parties shall conclude cost-sharing agreements in accordance with the applicable UNDP regulations, rules and procedures, which shall specify the costs or expenses relating to the activity and how they are to be borne by the Parties. The cost-sharing agreements shall also include a provision incorporating by reference the MOU, which is applicable to the cost-sharing agreements and the projects/programmes financed there from.

4.2 It is understood that all activities will be carried out on the basis of project documents agreed between UNDP and the Government, and in accordance with the applicable UNDP regulations, rules and directives.

4.3 The costs of public relations activities relating to the partnership, that are not otherwise addressed by a specific cost-sharing agreement concluded hereunder, will be the responsibility of the Municipality.

4.4 Neither Party shall be an agent, representative or joint partner of the other Party. Neither Party shall enter into any contract or commitment on behalf of the other Party and shall be solely responsible for making all payments to and on behalf of its own account, as provided under this MOU and under cost-sharing agreements concluded hereunder.

4.5 Each Party shall be responsible for its acts and omissions in connection with this MOU and its implementation.

#### **Article V Visibility**

The Parties recognize that the cooperative arrangements should be publicized and therefore agree to acknowledge the role and contribution of each organization in all public information documentation relating to instances of such cooperation and use each organization's name and emblem in documentation related to the cooperation in accordance with the current policies of each organization and subject to prior written agreement of each party.

#### **Article VI Term, Termination, Amendment**

6.1 The proposed cooperation under this MOU is non-exclusive and shall have an initial term commencing on May 04, 2011 and ending on March 18, 2012, unless terminated earlier by either party upon two months notice in writing to the other party. The Parties may agree to extend this MOU in writing for subsequent periods of one year.

6.2 In the event of termination of the MOU, any cost-sharing or project cooperation agreements, and any project documents concluded pursuant to this MOU, may also be terminated in accordance with the termination provision contained in such agreements. In such case, the Parties shall take the necessary steps to ensure that the activities carried out under the MOU, the cost-sharing agreements, and project documents are brought to a prompt and orderly conclusion.

6.3 This MOU may be amended only by mutual written agreement of the Parties.

#### **Article VII Notices and Addresses**

Any notice or request required or permitted to be given or made under this MOU shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall have been delivered by hand, certified mail, overnight courier, telex, or cable to the party to which it is required to be given or made at the address specified below or such other address as shall be hereafter notified.

For UNDP:	Peter Van Ruyseveldt Resident Representative a.i. Maršala Tita 48 71000 Sarajevo Bosnia and Herzegovina
-----------	---

For the Municipality: Fuad Šišić  
Mayor  
Trg Alije Izetbegovića 11  
74 260 Tešanj  
Bosnia and Herzegovina

**Article VIII  
Miscellaneous**

This MOU and any related co-financing agreements and project document comprise the complete understanding of the Parties in respect of the subject matter in this MOU and supersede all prior agreements relating to the same subject matter. Failure by either Party to enforce a provision of this MOU shall not constitute a waiver of that or any other provision of this MOU. The invalidity or unenforceability of any provision of this MOU shall not affect the validity or enforceability of any other provision of the MOU.

**Article IX  
Entry into Force**

This MOU may be signed in counterparts, each of which shall be deemed an original and both of which duly executed shall constitute one entire document, and shall enter into force and effect on the date ("Effective Date") in which it is duly signed by both parties.

**IN WITNESS WHEREOF**, the duly authorized representatives of the Parties affix their signatures below.

**FOR UNDP:**

  
Peter Van Ruyseveldt  
Resident Representative a.i.

Date

**FOR THE MUNICIPALITY:**

*za*  
  
Fuad Šišić  
Mayor

04.05.11.  
Date