

No. 21279

**UNITED NATIONS
(ECONOMIC COMMISSION FOR LATIN AMERICA)
and
NETHERLANDS**

Administrative Agreement on the implementation of a technical co-operation project—*Assistance to the establishment and strengthening of export financing and credit insurance* (with attachments). Signed at Santiago on 22 October 1982

Authentic text: English.

Registered ex officio on 22 October 1982.

**ORGANISATION DES NATIONS UNIES
(COMMISSION ÉCONOMIQUE
POUR L'AMÉRIQUE LATINE)
et
PAYS-BAS**

Accord administratif relatif à l'exécution d'un projet de coopération technique — *Assistance en vue de la création et du renforcement des mécanismes de financement et d'assurance-crédit à l'exportation* (avec pièces jointes). Signé à Santiago le 22 octobre 1982

Texte authentique : anglais.

Enregistré d'office le 22 octobre 1982.

ADMINISTRATIVE AGREEMENT¹ BETWEEN THE UNITED NATIONS AND THE NETHERLANDS MINISTER FOR DEVELOPMENT COOPERATION

Whereas the Economic Commission for Latin America, on behalf of the United Nations (hereinafter referred to as "ECLA", represented by its Executive Secretary, and the Netherlands Minister for Development Cooperation (hereinafter referred to as "the Minister") represented by the Ambassador of the Netherlands in Santiago, Chile, have agreed to co-operate in the implementation of a technical co-operation project entitled "Assistance to the Establishment and Strengthening of Export Financing and Credit Insurance" (hereinafter referred to as "the project"), which project is summarized in attachment A hereto and is more fully described in a project document dated December 1981;

Whereas the Minister has informed ECLA of the willingness of the Government of the Netherlands to contribute funds to meet the costs of the project on the basis of the project document dated December 1981, a copy of which has been provided to the Minister;

Whereas it has been agreed between ECLA and the Minister that ECLA shall be responsible under the terms of this administrative agreement for the management of the funds contributed by the Government of the Netherlands to meet the costs of the project;

Now therefore, ECLA and the Minister hereby agree as follows:

Article I. 1. The Minister shall, in the manner referred to in paragraph 2 below, place at the disposal of ECLA the sum of Nf. 200,000 and ECLA shall use such funds to meet the costs of the project as shown in attachment A.

2. The Minister shall, in accordance with the schedule of payments set out in attachment B of this administrative agreement, deposit the aforesaid funds, in convertible currencies of unrestricted use, to ECLA's Project Trust Funds Account No. 015-001784 in the Chemical Bank, United Nations Branch, New York, N.Y. 10017.

3. ECLA shall establish a trust fund under the Financial Regulations and Rules of the United Nations for the receipt and administration of the aforesaid funds.

4. The trust fund and the activities financed therefrom shall be administered by ECLA in accordance with the applicable United Nations regulations, rules and directives. Accordingly, personnel shall be engaged and administered, and contracts entered into, in accordance with the provisions of such regulations, rules and directives.

5. In accordance with United Nations financial regulations, ECLA shall invest in short-term deposits the trust fund contribution indicated in article I of this administrative agreement until such time as actual cash is required. The income generated from these deposits shall be credited by ECLA to a general ledger account. The interests accrued in this trust fund shall be used by ECLA for the purpose to be agreed upon between ECLA and the Minister.

¹ Came into force on 22 October 1982 by signature, in accordance with article X.

6. All financial accounts and statements shall be expressed in United States dollars.

Article II. 1. The trust fund shall be charged with expenditures incurred by ECLA in the performance of activities under this administrative agreement.

2. The trust fund will also be charged with thirteen (13) per cent of all expenditures from the trust fund, which percentage shall be a charge for programme support services provided by ECLA in the implementation of the project financed under the trust fund.

3. The trust fund will also be charged with an amount equivalent to one (1) per cent of the remuneration or net salary of persons engaged by ECLA and whose engagement is financed by the trust fund, to provide a reserve for coverage of any claim for service-incurred death, injury or illness, under the applicable United Nations regulations and rules or contracts, which reserve cannot be refunded to the Minister.

Article III. 1. ECLA shall commence and continue to conduct operations under this administrative agreement on the receipt of the contribution in full mentioned in paragraph 1 of article I.

2. ECLA will not make any commitments above the amounts specified for expenditure in attachment A.

3. If unforeseen expenditure arise and no such further financing is available, the assistance provided to the project under this administrative agreement may be reduced or, if necessary, terminated by ECLA. In no event will ECLA assume any liability in excess of the funds provided in the trust fund.

Article IV. Evaluation of the activities financed from this trust fund may be undertaken in accordance with the provisions contained in attachment A.

Article V. This trust fund shall be subject exclusively to the internal and external auditing procedures laid down in the Financial Regulations, Rules and Directives of the United Nations.

Article VI. ECLA shall provide the Minister with the following statements and reports prepared in accordance with the United Nations accounting and reporting procedures:

- (a) A progress report and a financial statement showing income and expenditures as well as a projection of expenditures through the end of the project, six months after commencement of project activities;
- (b) A final report and a final financial statement within six months after the date of expiration or termination of this administrative agreement.

Article VII. ECLA shall notify the Minister when, in the opinion of ECLA, the purposes for which the trust fund was established have been realized. The date of such notification shall be deemed to be the date of expiration of this administrative agreement, subject to the continuance in force of article IX for the purposes there stated.

Article VIII. This administrative agreement may be terminated by either party on 30 days written notice to the other party, subject to the continuance in force of article IX for the purposes there stated.

Article IX. On termination or expiration of this administrative agreement under article VII or VIII, the funds will continue to be held by ECLA until all

expenditures incurred by ECLA have been satisfied from such funds. Thereafter, any surplus remaining in the trust fund shall be used for a purpose determined by ECLA in consultation with the Minister.

Article X. This administrative agreement shall enter into force upon signature.

Article XI. IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present administrative agreement in the English language in two copies at [Santiago]¹ [on]¹ this [22nd]¹ day of [October 1982.]¹

For the Netherlands Minister
for Development Cooperation:

[Signed — Signé]²

22/10/82

For the Economic Commission
for Latin America:

[Signed — Signé]³

22/10/82

ATTACHMENT A

Region: Latin America

Title: Assistance to the Establishment and Strengthening of Export Financing and Credit Insurance

1. PROJECT SUMMARY

Several studies were already carried out by ECLA in the area of financing and credit insurance for exports of manufactures. These studies lead to the conclusion that the expansion and diversification of exports of manufactures and hence the economic development strategies of the Latin American countries are seriously hindered by the fact that most countries do not have the financing and credit insurance mechanism required for this type of export.

The project is designed to provide assistance in connexion with this fundamental aspect of the export promotion policies of the Latin American countries, i.e., export financing and credit insurance machinery.

The main objective of the project is to promote horizontal co-operation among export financing and credit insurance institutions and specialists in the region and to support the establishment of the Latin American Association of Export Credit Insurance Agencies and the possible creation of a Latin American grouping of export financing institutions.

2. BUDGET

(a) Consultants	US\$ 30,000
(b) Travel funds	10,000
(c) Meetings	<u>25,000</u>
	Sub-total 65,000
(d) Programme support costs (13%)	<u>8,450</u>
	TOTAL <u>US\$ 73,450</u>

¹ The place and date of signature appearing between brackets were omitted in the authentic English text and have been supplied by the Economic Commission for Latin America — Le lieu et la date des signatures indiqués entre crochets avaient été omis dans le texte authentique anglais et ont été fournis par la Commission économique pour l'Amérique latine.

² Signed by Gerhard J. van Hattum — Signé par Gerhard J. van Hattum.

³ Signed by Enrique V. Iglesias — Signé par Enrique V. Iglesias.

3. EVALUATION

Evaluation of the activities financed from this trust fund may be undertaken, if required, under the terms to be agreed upon between ECLA and the Minister.

ATTACHMENT B

SCHEDULE OF PAYMENTS

The Minister shall deposit the contribution referred to in paragraph 1 of article I of the administrative agreement in one installment amounting to Nf. 200,000, within thirty (30) days of the signature of the administrative agreement by both parties.
