

UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE

**TRANS-EUROPEAN NORTH-SOUTH MOTORWAY (TEM)  
CO-OPERATION TRUST FUND AGREEMENT**

Agreement between the United Nations Economic Commission for Europe (ECE), on the one hand, and the TEM participating Governments on the other, which hereby agree as follows:

**ARTICLE I**

**Scope of the Agreement**

The United Nations Economic Commission for Europe and the TEM Governments hereinafter referred to as the participating Governments, have agreed to cooperate in the implementation of a project entitled "Trans-European North-South Motorway (TEM)", hereinafter referred to as "the project", a description of which is summarized in attachment A. The United Nations Economic Commission for Europe and the participating Governments have further agreed that the United Nations Economic Commission for Europe is to be the Executing Agency for the said project.

**ARTICLE II**

The participating Governments will contribute funds to meet the costs of the project, as described below.

**ARTICLE III**

The Executing Agency shall be responsible under the terms of this Agreement and on the basis of the TEM Steering Committee's decisions relating to the work programme and budget for the management of the funds contributed by the participating Governments to meet the costs of the project:

The Executive Secretary of the United Nations Economic Commission for Europe will furthermore discharge such secretariat functions as are assigned to him under this Agreement and as may be determined by the parties.

**ARTICLE IV**

1. Every participating Government shall, in the manner referred to in paragraph 2 below, place at the disposal of the United Nations the sum of \$7,500 per annum, supplemented as the case may be by additional contributions from any other source and the United Nations Economic Commission for Europe shall use such funds to meet the costs of the project as shown in attachment A.
2. Every participating Government shall deposit the aforesaid funds, in convertible currencies of unrestricted use, to an account designated by the United Nations Economic Commission for Europe at the Swiss Bank Corporation, Case postale 2770, CH 1211 Genève 2, not later than January of each year.

3. The United Nations Economic Commission for Europe 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 there from shall be administered by the United Nations Economic Commission for Europe in accordance with the applicable United Nations regulations, rules and directives. Accordingly, personnel shall be engaged and administered; equipment, supplies and services purchased; and contracts entered into in accordance with the provisions of such regulations, rules and directives.
5. All financial accounts and statements shall be expressed in United States dollars.

#### **ARTICLE V**

1. The trust fund shall be charged with expenditures incurred by the United Nations Economic Commission for Europe in the performance of project activities under this Agreement.
2. The trust fund will also be charged with thirteen (13) percent of all expenditures from the trust fund, which percentage shall be a charge for programme support services provided by the United Nations Economic Commission for Europe 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) percent of the remuneration or net salary of persons engaged by the executing agency, 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 participating Governments.

#### **ARTICLE VI**

1. The United Nations Economic Commission for Europe shall commence and continue to conduct operations under this Agreement on the receipt of contributions.
2. The United Nations Economic Commission for Europe will not make any commitments above the amounts specified for expenditure in the project.
3. If unforeseen expenditures arise, or if the amount of the annual contribution determined in Article IV paragraph 1 above, prove to be insufficient to meet the cost of the project, the United Nations Economic Commission for Europe will submit a supplementary budget to the participating Governments showing the further financing that will be necessary. If no such further financing is available, the assistance provided to the project under this Agreement may be reduced or, if necessary, terminated by the United Nations Economic Commission for Europe. In no event will the United Nations Economic Commission for Europe assume any liability in excess of the funds provided in the trust fund.

#### **ARTICLE VII**

Ownership of equipment, supplies and other property financed from this trust fund shall vest in the United Nations. On the termination or expiration of this Agreement, the matter of

ownership shall be a subject for consultations between the participating Governments and the executing agency.

#### **ARTICLE VIII**

Evaluation of the project activities financed from this trust fund, shall be undertaken jointly by the United Nations Economic Commission for Europe and the participating Governments periodically as appropriate.

#### **ARTICLE IX**

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 X**

The United Nations Economic Commission for Europe shall provide the participating Governments with the following statements and reports prepared in accordance with the United Nations accounting and reporting procedures:

- (a) An annual financial statement showing income, expenditures, assets and liabilities as of 31 December each year with respect to the funds provided by the donor Government;
- (b) A final report and final financial statement within six months after the date of expiration or termination of this Agreement.

#### **ARTICLE XI**

The United Nations Economic Commission for Europe shall, in consultations with the TEM Steering Committee, notify the participating Governments when, in its opinion, 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 Agreement, subject to the continuance in force of article XIV for the purposes there stated.

#### **ARTICLE XII**

Any member State of the United Nations Economic Commission for Europe as well as States having consultative status with the Commission and regional economic integration organizations constituted by sovereign States members of the United Nations Economic Commission for Europe which have competence in matters covered by the present agreement which desire(s) to participate in the project and consequently in this Agreement, shall so notify the Executive Secretary of the United Nations Economic Commission for Europe. The latter shall transmit a copy of this notification to the participating Governments.

If no objection is received by the Executive Secretary within ninety days of his communication to the parties thereto concerning the intended participation, the State, or the organization concerned will become a Contracting Party to the Agreement, subject to the execution of its obligations, inter alia, under article I. The Executive Secretary will inform the Parties accordingly.

### **ARTICLE XIII**

This Agreement may be terminated by either the United Nations Economic Commission for Europe or the participating Governments on 30 days' written notice to the other party, subject to the continuance in force of article X for the purposes there stated.

### **ARTICLE XIV**

On termination or expiration of this Agreement under article XI or XIII, the funds will continue to be held by the United Nations Economic Commission for Europe until all expenditures incurred by the United Nations Economic Commission for Europe have been satisfied from such funds. Thereafter, any surplus remaining in the trust fund shall be disposed of as indicated by the participating Governments.

### **ARTICLE XV**

This Agreement shall be open for signature by all TEM states. It shall enter into force upon signature by the United Nations Economic Commission for Europe and by the following TEM participating Governments: Hungary, Italy, Poland, Romania and Yugoslavia.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in English language in two copies at Geneva.

Signed

For the Government of Hungary, 18-12-1991 (membership terminated 01-08-2013)

For the Government of Italy, 19-12-1991

For the Government of Poland, 18-12-1991

For the Government of Romania, 18-12-1991

For the Government of Yugoslavia, 18-12-1991

For the Government of Bulgaria, 28-02-1992

For the Government of Czech and Slovak Federal Republic, 05-02-1992

For the Government of Turkey, 02-09-1992

For the Government of Croatia, 21-07-1993

For the Government of Lithuania, 24-10-1994

For the Government of Georgia, 17-07-1996

For the Government of Bosnia and Herzegovina, 26-11-1996

For the Government of Armenia, 09-12-2005

For the Government of Slovenia, 04-07-2006

For the Economic Commission for Europe:

18-12-1991, 02-09-1992, 21-07-1993, 24-10-1994, 14-03-1997, 09-12-2005, 04-07-2006