

**LETTER OF AGREEMENT ON PROVISION OF SERVICES  
(Referred to hereinafter as the "LoA" or "Services Agreement")**

Between

IUCN, International Union for Conservation of Nature and Natural Resources (referred to hereinafter as "IUCN"), represented by the Director General of IUCN, (referred to hereinafter as "DG-IUCN"), headquartered at Rue Mauverney, 28, 1196 Gland, Switzerland,

And

The Convention on Wetlands of International Importance (Ramsar, Iran 1971) (referred to hereinafter as "Ramsar Convention" or "Ramsar"), represented by the Chair of the Standing Committee of Ramsar (hereinafter referred to as "Chair-Ramsar"), headquartered at Rue Mauverney 28, 1196 Gland, Switzerland,

Hereinafter also referred to individually and collectively, respectively, as "Party" and "Parties".

**PREAMBLE**

**Recalling** that the Ramsar Convention, Art. 8(1) provides that "[t]he International Union for Conservation of Nature and Natural Resources shall perform the continuing duties under this Convention until such time as another organization or government is appointed by a majority of two-thirds of all Contracting Parties".

**Recalling** Resolution X.5 adopted at the 10th Meeting of the Conference of Parties to the Ramsar Convention held in Changwon, Republic of Korea from 28 October to 4 November 2008, which, inter alia:

- CONFIRMED that the Ramsar Convention is an international treaty deposited with the United Nations and that activities mandated by its Conference of Parties for the implementation of the Convention are activities carried out under the legal authority of an international treaty and its Contracting Parties; and
- CALLED UPON the Secretary General of the Ramsar Convention (referred to hereinafter as "SG-Ramsar"), the DG-IUCN, and the government of Switzerland to continue to work together to resolve the challenges identified in SC DOC 37-2 and other related documents, and any other impediments that the Secretariat faces in carrying out its functions;

**Recalling** that to date, services by IUCN to the Ramsar Secretariat for the management of financial and budgetary matters, personnel management and facility management have been provided under the framework of the following documents:

- The Service Agreement between IUCN and the Ramsar Convention dated 4 March 2005,
- The Memorandum of Understanding on Headquarters Facilities between the DG-IUCN and the Chair-Ramsar dated 7 November 1991 and
- The Delegation of Authority by the DG-IUCN to the SG-Ramsar dated 29 January 1993 and the Supplementary Note thereto also dated 29 January 1993, as each such document was agreed and signed by and between the DG-IUCN and the Chair-Ramsar (and is hereafter referred to respectively, as the "1993 Delegation of Authority" and the "1993 Supplementary Note".

**Recognizing** that in accordance with relevant Resolutions of the Ramsar Conference of Parties, in particular Resolution C.4.15 of 1990 and the Delegation of Authority, the SG-Ramsar is responsible for the administration of the Convention funds and for all other matters except those requiring the exercise of legal personality, it being understood that the responsibility for the latter rests with the DG-IUCN.

**Taking note** (a) of the letter dated 8 February 2008 by which the SG-Ramsar gave notice to the DG-IUCN of the cancellation of the Service Agreement between IUCN and the Ramsar Convention dated 4 March 2005, and the need to conclude a new service agreement within the framework of the documents mentioned above and other relevant documents; and (b) of the letter of 7 February 2009 signed by the Parties and extending the term of the referenced current Service Agreement up to and including 6 March 2009.

**Taking note** of Ramsar Standing Committee's decision SC37-41 approving "that up to a maximum of 13% of the expenditure in each year's core budget can be spent on service charges for Administration, Human Resources, Information Technology, and Financial Services". Also taking note that the decision SC37-41 is binding on Ramsar only and does not give rise to any contractual obligation for IUCN.

Accordingly, IUCN agrees to provide the Ramsar Secretariat with services in the areas of accounting and finance, information technology, facility and personnel management (hereinafter referred to as "Services") in return for monetary payments, as detailed under Sections A to D of this Services Agreement.

Ramsar Secretariat agrees to adhere to all IUCN policies and procedures relevant to matters within the purview of this Services Agreement as they currently exist. IUCN shall inform and, where appropriate, consult Ramsar when policies and procedures relevant to matters within the purview of this Services Agreement are amended or developed in the future. Ramsar will conform with these amendments and developments provided they are not materially inconsistent with existing Resolutions of the Ramsar Conference of Parties and decisions of the Ramsar Standing Committee. Where an IUCN policy is amended in a manner that is materially inconsistent with existing Resolutions and decisions, the SG-Ramsar is required to report this to IUCN. The SG-Ramsar is responsible for endeavouring to ensure that any decision taken relating to matters within the purview of this Services Agreement by the Standing Committee or Conference of Parties is consistent with IUCN policies and procedures. Where a decision is taken that is materially inconsistent with IUCN policies and procedures the SG-Ramsar is required to report this to IUCN. Ramsar Secretariat and IUCN shall always remain in compliance with applicable Swiss laws and regulations.

## **A. ACCOUNTING AND FINANCE**

### **1. Accounting and Financial Services**

#### IUCN shall:

- a. Provide and maintain a separate Ramsar general ledger with separate accounting transactions from those of IUCN.
- b. Process all validly supported and coded payment requests prepared by Ramsar subject to liquidity availability.
- c. Process all the necessary Journal entries into the Ramsar general ledger according to applicable policies and procedures.
- d. Ensure that all interest accruing on Ramsar bank accounts is credited to Ramsar.
- e. Prepare the current account reconciliation between the Ramsar general ledger and the IUCN general ledger.
- f. Prepare bank reconciliations on a monthly basis on the Ramsar bank accounts and review them in accordance with applicable policies and procedures.
- g. Provide the SG-Ramsar with Cost Centre and Project reports on a monthly basis.
- h. Issue travel advances, process travel expense claims, and in collaboration with Ramsar, follow up on overdue travel advances in accordance with applicable policies and procedures in effect at any given time.
- i. Maintain a Fixed Assets Register, calculate annual depreciation charges and process the charges through the Ramsar ledger.
- j. File all Ramsar accounting documents and make them available to authorized Ramsar staff as necessary.
- k. Issue corporate credit cards to eligible Ramsar staff in accordance with applicable policies and procedures.

#### Ramsar shall:

- l. Ensure that its Finance Officer and other related Ramsar Secretariat staff work on implementation of this Services Agreement and maintain and keep open communication with the IUCN Chief Financial Officer and related staff on all matters related to accounting and financial management.
- m. Prepare payment requests and any journal entries in the format provided by IUCN and in accordance with applicable policies and procedures. The required approval and authorization process will be completed before sending them to IUCN for processing. Approvals will only be made by IUCN when requests and entries are properly coded by Ramsar.
- n. Provide all financial and accounting documents (such as bank statements, invoices and deposit slip) to IUCN after their receipt and/or approval.
- o. Code bank notifications for processing by IUCN.

## **2. Budgetary & Financial Planning Tasks**

### IUCN shall:

- a. Review annual budgets and monthly income and expenditure statements to ensure the ongoing financial viability of Ramsar.
- b. Prepare a monthly income and expenditure statement of the Core budget, in an agreed format and on a timely basis, and submit this to the SG-Ramsar.

### Ramsar shall:

- a. Provide annual budgets to IUCN on a timely basis.

## **3. Treasury and Liquidity Services**

### IUCN shall:

- a. Direct its Chief Financial Officer to act as second signatory to Ramsar bank accounts and exercise all due diligence in the operation of said accounts in accordance with actual policies and guidelines.
- b. Provide Ramsar with petty cash services.
- c. Provide Ramsar with bank balances as and when occasionally requested.
- d. Liaise with the designated bank on behalf of Ramsar.
- e. Administer Ramsar bank accounts and provide monthly reports to the Ramsar Finance Officer on the status of the deposits and other cash balances.

## **4. External Audits and Reporting**

### IUCN shall:

- a. Prepare the annual financial accounts for Ramsar and make them available to the SG-Ramsar.
- b. Select the external auditors and facilitate the external audit of the Ramsar accounts.
- c. Assist Ramsar in addressing any issues raised by the external auditors.

### Ramsar shall:

- d. Pay for the cost of its external annual audit and for any other third party services required on its behalf over and above the service fees specified under this Agreement.

## **5. Financial Oversight and Administration**

### IUCN shall:

- a. Perform an internal audit on Ramsar as part of the IUCN Internal Auditor's rotation plan (and in accordance with the IUCN policy on Internal Audit) and in coordination with the external auditors.
- b. Review and provide advice on Ramsar's standard contract forms.

### Ramsar shall:

- c. Meet the cost of any internal audits in addition to those in a) above, as may be requested by the Standing Committee.
- d. Give reasonable and sufficient written notice to the IUCN Chief Financial Officer of the early termination of contracts (excluding employment or staff contracts which are addressed under Section D) which might result in financial and/or other legal liability.

## **B. INFORMATION TECHNOLOGY SERVICES**

### IUCN shall:

1. Provide computer services including connectivity (Internet, switches, routers, etc.), email, storage network drives, backup, helpdesk support, licenses for standard software packages, desktop and network security, and antivirus updates.
2. Provide telephone services including billing and equipment support. The actual cost of mobile and telephone calls and associated services will be billed to Ramsar directly.

3. Provide general hardware services including purchasing and configuring laptops, desktops and printers, installing software, and providing helpdesk support. The actual cost of such equipment will be billed to Ramsar directly.

### **C. FACILITIES MANAGEMENT SERVICES**

The Ramsar Secretariat will be hosted at IUCN's Headquarters in Gland, Switzerland, in office premises located in the original building provided by the Swiss authorities. The number and disposition of these offices will be adjusted to the number of Ramsar staff as of the date of this agreement and provision will be made for reasonable future growth of the Ramsar Secretariat.

#### IUCN shall:

1. Provide the Ramsar Secretariat with appropriate office space for staff in a prominent identifiable area of the Headquarters building in Gland, Switzerland. Additionally, and at Ramsar's cost, IUCN a) will ensure that a panel or plaque is affixed to the entrance of the building indicating that the building houses the Headquarters of the Ramsar Convention, with similar signage at the entrance of the Ramsar area of the building, and b) will provide a flag-pole for Ramsar alongside that of IUCN.
2. Provide basic office and support services for the Ramsar Secretariat and give access to all the common facilities of the Headquarters building, including meeting rooms and suitable archive space.
3. Make available to Ramsar car parking facilities, conference facilities and other common areas in the Headquarters building in accordance with applicable policies and procedures.
4. Equip the offices made available to the Ramsar Secretariat with office furniture, and telecommunication and computer cabling in line with those of other offices in the Headquarters building. The standard of accommodation shall be no different from that made available to IUCN staff in the same grades.
5. Retain the ownership of all furnishings and fittings, except for those furnishings, fittings, and works of art purchased by Ramsar or donated specifically to Ramsar for the use of the Ramsar Secretariat.
6. Endeavor to meet requests made by the SG-Ramsar for additional office space in the Headquarters building. Such requests shall be considered in light of IUCN's own requirements and will be determined by the DG-IUCN in agreement with the SG-Ramsar on the basis of an equitable allocation of facilities between IUCN and Ramsar.
7. No rent shall be charged to Ramsar for the facilities made available above. However, Ramsar's share of maintenance, heating, lighting, ventilation and other agreed costs and services shall be charged to Ramsar, as outlined in Section E, paragraph 6 below.
8. Provide Ramsar with reasonable written advance notice should IUCN change its planned future use of its Headquarters building in Gland, Switzerland.

#### Ramsar shall:

9. Accept the cost associated with any additional office space that may be allocated to Ramsar as provided hereunder, which cost shall be determined as provided in Section E below.

### **D. PERSONNEL SERVICES**

#### IUCN shall:

1. Provide human resource services including the preparation, extension, termination and/or amendments of staff contracts, assistance with relocation, termination and departure of staff, work permit administration and the administration of all social charges, insurances (unemployment, accident, and travel), benefits and pension schemes.
2. Provide payroll services including provision of yearly salary certificates, tax certificates, reconciliations and related official employer documentation.
3. Provide staffing budgets, statistics, and human capital indicators on a needs basis.

4. Provide work certificates and other certificates as necessary and as required by local labour laws, access to training and capacity building opportunities offered to IUCN staff, and human resources management and information systems. Additional human resource services, as required by Ramsar, will be made available by IUCN at an additional cost and with previous approval.
5. Invite all Ramsar staff to IUCN staff meetings and official social gatherings.
6. Keep confidential personnel records for all Ramsar staff, former and current, according to Swiss law.
7. Receive applications for new Ramsar positions, collate these and provide hard or electronic copies to Ramsar for short listing and selection of candidates in accordance with IUCN policy and procedure. Applications to be saved by IUCN in electronic format and in accordance with IUCN policy and procedure.
8. Participate in interviews as a member of selection panel, where requested and if possible.
9. Administer selection process for new Secretaries General, in collaboration with the Chair-Ramsar or any other Ramsar Standing Committee Executive.

Ramsar shall:

10. Ensure that all IUCN Human Resources policies and practices are effectively implemented. Any deviations from the above must be communicated in advance to the Head, Global Human Resources for consideration and approval.
11. Provide the details of each expected Ramsar position to IUCN in advance of and for each Ramsar budget cycle period, with an annual update also to be provided no later than 30 September of every calendar year.
12. Designate a staff member to sit in an *ex officio* capacity on the IUCN Staff Liaison Committee.
13. Provide in its budget the necessary funding required to meet payment obligations for Ramsar Secretariat staff salaries and associated benefits and allowances, as well as for the costs of severance payments, repatriation and all other expenses incurred by IUCN in connection with the termination or expiration of Ramsar Secretariat staff employment contracts. Ramsar will also bear the costs of recruitment for its staff and, where applicable, of expatriate benefits for which Ramsar staff are eligible under IUCN's Guidelines and Procedures for Expatriates in effect at any given time. Where employees have served as staff of both the Ramsar Secretariat and IUCN, severance costs will be shared by and between the Parties based on the prorated portion of time that those staff served each of the Parties.
14. Give reasonable written advance notice corresponding to the notice period (at a minimum), to the Head, IUCN Global Human Resources Management Group, of the early termination of staff employment and consultants' contracts which might result in financial and/or other legal liability.

**E. SERVICE FEES**

1. In consideration of the Services provided to Ramsar by IUCN as described in Sections A to D above, Ramsar shall pay to IUCN overheads and service fees, in accordance with the payment provisions set forth below. Additionally, Ramsar shall bear all the costs for services not identified specifically in the present Services Agreement, including but not limited to any special staff training it may request, and legal or additional internal audit services that it may request.
2. All Services to be provided to Ramsar by IUCN will be at the same levels at which those Services are provided to IUCN.
3. Six months prior to the start of each Ramsar budgetary cycle (between its Conferences of the Contracting Parties to the Convention - referred to hereinafter as "COP") IUCN will provide estimated costs for the cycle to the Ramsar Secretariat. These shall be discussed between the DG-IUCN, the SG-Ramsar and the Chair-Ramsar with a view to including into the budget proposals for consideration and adoption by the COP. Thereafter, projected annual costs will be communicated by IUCN to the Ramsar Secretariat no later than 31 October of each calendar year, and will be agreed in writing by the Parties no later than 15 December.

4. The Parties have agreed that the total fees payable by Ramsar to IUCN hereunder shall be calculated partly on the basis of the number of Ramsar staff and partly on the basis of the number of square meters of office space occupied by Ramsar. The amount and breakdown of the said total fees shall be calculated in the format illustrated in *Annex 1*, which is attached hereto as an integral part of this Agreement and which sets forth the following four separate categories of services (as described in detail in Sections A-D above):
  - a. Accounting and Finance Services;
  - b. Information Technology Services;
  - c. Facility Management Services; and
  - d. Personnel Services.
5. IUCN shall provide a quarterly invoice to Ramsar. The amount of the invoice shall be based on (a) the actual number of staff and number of square meters of office space provided to Ramsar during that quarter and (b) the budgeted cost per specified category of Service agreed between IUCN and Ramsar on an annual basis.
6. Ramsar shall make payment of the invoiced amount to IUCN within thirty (30) days following the date of the invoice.
7. Within three months after the end of the financial year IUCN and Ramsar will together examine actual number of staff and actual costs and agree to adjust charges as necessary for the current financial year.

#### **F. ANNUAL REVIEW OF THIS AGREEMENT**

The performance of this Services Agreement shall be reviewed at annual meetings between the Parties to be held no later than 30 April following each year. Background documentation required for these meetings shall be made available at least one month before the meetings. They shall be convened by the IUCN Chief Financial Officer and shall be attended by the DG-IUCN or his/her appointee, the SG-Ramsar or his/her appointee, and/or any other staff selected by the DG-IUCN and/or the SG-Ramsar.

#### **G. COOPERATION AND REPORTING**

The DG-IUCN and the SG-Ramsar shall report annually to the Standing Committee on the cooperation between them and on the performance of this Service Agreement.

#### **H. WHOLE AGREEMENT, AMENDMENTS**

1. For the avoidance of any doubt, it is understood that the 1993 Delegation of Authority and the 1993 Supplementary Note attached hereto as *Annex 2*, shall for the duration of this Services Agreement form an integral part of it. It is further understood that the termination of this Services Agreement in accordance with the procedure set out in Section K below, shall be without prejudice to the continued legal validity and effect of the Delegation of Authority.
2. Subject to paragraph 1 above, this Services Agreement, including *Annexes 1* and *2* which shall form an integral part thereof, supersedes the previous Service Agreement between IUCN and the Ramsar Secretariat dated 4 March 2005 and any other understanding between the Parties concerning the subject matter of that Agreement including without limitation the Memorandum of Understanding on Headquarters Facilities between the DG-IUCN and the Chair-Ramsar dated 7 November 1991.
3. Subject to paragraph 1 above, this Services Agreement may be amended only by a further written agreement executed by both Parties, represented by the DG-IUCN and the Chair-Ramsar, respectively.

## I. LIABILITY AND INDEMNIFICATION

Subject to the terms of this Services Agreement, and consistent with

- a. Article 8 (1) of the Ramsar Convention which states that IUCN shall perform the continuing Bureau (now Secretariat) duties under the Convention until such time as another organisation or government is appointed by a majority of two-thirds of all Contracting Parties, and
- b. The related decisions of the Conferences of Parties, in particular Resolution 4.13 which states that a separate account has been established by the DG-IUCN on behalf of the Bureau (now Secretariat) of the Convention to administer the finances of the Convention and that the SG-Ramsar is responsible for the administration of Convention funds with all expenditure from this account requiring his approval, and
- c. Resolution 4.15 which provides *inter alia*, that the SG-Ramsar shall be responsible to the Conference of the Contracting Parties, and between meetings of the Conference of the Contracting Parties, to the Standing Committee for all matters under the Convention except for those requiring the exercise of legal personality on behalf of the Convention (it being understood that for such latter matters the SG-Ramsar shall be responsible to the DG-IUCN, with whom formal responsibility for such matters rests), and
- d. The consequent 1993 Delegation of Authority and the 1993 Supplementary Note.

It is agreed that, in order to protect the interests of and to minimize any risk to Ramsar and IUCN, the SG-Ramsar shall ensure, with the assistance of IUCN's insurance broker, that there is sufficient insurance coverage to protect against any risk related to any acts and omissions by Ramsar staff. To the extent that such insurance coverage is unavailable or inapplicable, Ramsar, shall indemnify and hold IUCN harmless for and against all damages, claims, losses and expenses (including legal fees) that IUCN may sustain or incur in connection with its performance of this agreement.

It is understood that IUCN's liability to Ramsar shall be limited solely to damages caused by IUCN's negligence or wilful misconduct in the performance of the services herein.

## J. DISPUTE RESOLUTION

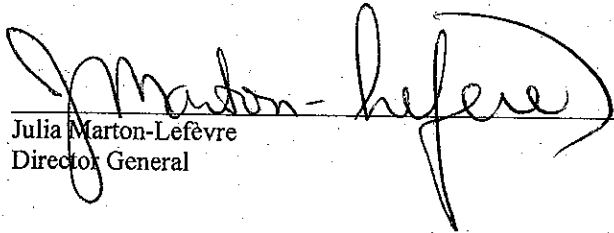
1. In any instance of dispute, each Party shall notify in writing the other of its concerns and provide the other Party with a full and fair opportunity to respond to the concerns. The Parties, through the instructions and discussions between the DG-IUCN and the SG-Ramsar, will make every effort to resolve the dispute promptly and give each other the opportunity to address the concerns. In the event that the DG-IUCN and the SG-Ramsar cannot resolve the dispute to their mutual satisfaction, either or both the DG-IUCN and the SG-Ramsar will refer the matter to the IUCN Treasurer and the Chair-Ramsar, who jointly will attempt to reach a mutually agreeable resolution.
2. Should the Parties' respective representatives be unable to reach a mutually agreeable resolution as set forth above within a period of thirty (30) days from the date on which the dispute was referred to the IUCN Treasurer and the Chair-Ramsar, either Party may commence arbitration proceedings under the UNCITRAL Arbitration Rules in effect at the time the dispute arose, and in accordance with the following provisions:
  - a. The arbitral tribunal shall consist of three (3) arbitrators unless the Parties agree to one (1) arbitrator;
  - b. The place of the arbitration shall be IUCN Headquarters, in Gland, Switzerland;
  - c. The language to be used in the arbitral proceedings shall be English; and
  - d. The arbitral award, which shall include the tribunal's determination on the allocation to the Parties of legal and other arbitration fees, shall be final and binding on the Parties.

**K. EFFECTIVE DATE, TERM AND TERMINATION**


1. This Services Agreement shall enter into force on the 7th day of March 2009 and it shall remain in effect indefinitely and until terminated by either Party, for cause or as otherwise provided hereunder.
2. This Services Agreement may be terminated by either Party upon advance written notice of termination to the other Party of not less than twelve (12) months from the date when notice is posted by registered first class mail.

Signed in Gland, Switzerland this 15<sup>th</sup> day of May 2009

For and on behalf of  
IUCN, International Union for Conservation of Nature and Natural Resources

  
\_\_\_\_\_  
Julia Marton-Lefevre  
Director General

For and on behalf of  
Ramsar Convention on Wetlands of International Importance

  
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Kim Chan-woo  
Chair, Standing Committee



## Annex 1: Service Fee Calculation

### Accounting and Financial Services

Accounting and Financial Services fees are based on estimated time spent by IUCN Finance and Oversight staff to perform tasks as described in the Services Agreement under section A.

#### Calculation:

1. For all IUCN HQ Accounting and Finance staff members, estimated annual time spent on Ramsar matters (as a %age of total work) *multiplied by* current budgeted annual staff cost for that position *equals* annual Ramsar Accounting and Financial Management Fees

### Information Technology Services

Services fees for Information and Technology support as described under section B of the Services Agreement are based on the number of desktops (or laptops) provided to Ramsar. It is considered that each staff has one desktop (or laptop) Hardware is not part of the fee as Ramsar is charged separately.

#### Calculation:

1. For all IUCN HQ IT staff members, estimated annual time spent (as a %age of total work) on Swiss versus Global matters *multiplied by* current budgeted annual staff cost for that position *equals* annual HQ cost per staff member
2. Number of Ramsar Staff *divided by* Total HQ staff *multiplied by* annual HQ cost per staff member *equals* annual Ramsar IT staff Fees
3. *Plus* an allocation of other agreed costs. Allocation based on the Swiss versus Global estimate and Ramsar staff versus total HQ staff *multiplied by* annual budget costs

### Facilities Management Services

Facilities Management Services fees as described under section C of the Services Agreement are based on the IUCN Administration budget and the number of square meters occupied by Ramsar. These fees include all costs related to hosting personnel in Gland and to IUCN's Renovation Fund and cafeteria.

#### Calculation:

1. Administration's Unit annual budget *divided by* Total number of square meters *equals* Facility fee per square meter
2. Number of square meter occupied by Ramsar *multiplied by* Facility fee per square meter *equals* annual Ramsar Facility Fees

### Personnel Services

Personnel Services fees as described under section D of the Services Agreement are based on the IUCN Human Resources Management Group (HRMG) unit budget and the number of Ramsar staff.

#### Calculation:

1. For all IUCN HQ HRMG staff members, estimated annual time spent (as a %age of total work) on Swiss versus Global matters *multiplied by* current budgeted annual staff cost for that position *equals* annual HQ cost per staff member.
2. Number of Ramsar Staff *divided by* Total HQ staff *multiplied by* annual HQ cost per staff member *equals* annual Ramsar Staff Fees
3. *Plus* an allocation of other agreed costs such as training, payroll and liability insurance. Allocation based on the Swiss versus Global estimates and Ramsar staff versus total HQ staff *multiplied by* annual budget costs.

### Overheads

Overheads fees (calculated as a percentage of the total service fees) are to cover annual costs of overseeing the effective operation of the Services Agreement between IUCN and Ramsar:

- Costs incurred by the Director General's Office
  - Costs incurred by the Office of the Legal Adviser;
- and Administrative costs not accounted for in the above calculation such as
- Facility management services costs in relation to finance and accounting services or IT and Personnel services.
  - Telephone, printing costs under accounting and finance services