

UNITED NATIONS
ECONOMIC COMMISSION FOR EUROPE



TRANS EUROPEAN RAILWAY (TER)
PROJECT CENTRAL OFFICE

**TRANS-EUROPEAN RAILWAY (TER)
CO-OPERATION TRUST FUND AGREEMENT**

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Agreement between the United Nations Economic Commission for Europe (UNECE), on the one hand, and the TER 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 TER Governments hereinafter referred to as the „participating Government”, have agreed to co-operate in the implementation of a project entitled „Trans-European Railway (TER)”, hereinafter referred to as „the project”, a description of which is summarised in the attachment. 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 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 TER 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 \$10,000 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 costs of the project as shown in the attachment.
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 JP Morgan Chase, 270 Park Avenue, 43rd floor, New York, NY 10017, USA , not later than January of each year.

3. The United Nations Economic Commission for Europe shall establish a trust fund under the Financial Regulation and Rules of the United Nations for the receipt and administration of the aforesaid funds.
4. The trust fund and 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 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 statements 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 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 TER Steering Committee notify the participating Governments when, in its opinion, the purposes for which the trust fund was established have been realised. 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 organisations constitute 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 Executing 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 communications to the parties thereto concerning the intended participation, the State, or the organisation 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 the 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 TER states. It shall enter into force upon signature by the United Nations Economic Commission for Europe and by the following TER participating Governments: Hungary, Romania and Turkey.

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

Signed

For the Government of Romania, 17-12-1992

For the Government of Hungary, 17-12-1992 (terminated 25-07-2013)

For the Government of Turkey, 17-12-1992

For the Government of Croatia, 21-07-1993

For the Government of Bulgaria, 08-11-1993

For the Government of Slovak Republic, 17-12-1993

For the Government of Poland, 20-04-1994

For the Government of the Czech Republic, 26-05-1994

For the Government of Slovenia, 30-06-1994

For the Government of Austria, 28-07-1994

For the Government of the Russian Federation, 27-09-1994

For the Government of Georgia, 17-07-1996

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

For the Government of Lithuania, 23-10-1998

For the Government of Greece, 15-12-1999

For the Government of Italy, 08-03-2001

For the Government of Armenia, 09-12-2005

For the Government of Serbia, 05-08-2010

For the Economic Commission for Europe:

17-12-1992, 21-07-1993, 08-11-1993, 17-12-1993, 20-04-1994, 26-05-1994, 30-06-1994, 28-07-1994, 27-09-1994, 17-07-1996, 14-03-1997, 30-10-1998, 15-12-1999, 08-03-2001, 09-12-2005, 05-08-2010.