

**MEMORANDUM OF UNDERSTANDING BETWEEN THE ORGANISATION OF
ECONOMIC CO-OPERATION AND DEVELOPMENT AND THE SAHEL AND WEST
AFRICA CLUB**

On the establishment at the OECD of the Secretariat of the Sahel and West Africa Club

The Organisation of Economic Co-operation and Development (hereafter "the OECD") and the Sahel and West Africa Club (hereafter "the Club");

Recognising the long-standing close relationship between the OECD and the Club (hereafter "the Parties") which was, notably, the object of a Memorandum of Understanding dated 10 January 2003, to which succeeds the present Memorandum of Understanding;

Desiring to continue fostering synergies between the Club and the OECD;

Noting the mandate of the Club signed by the members of the Club (hereafter "the Members") and included in Annex I of the present Memorandum of Understanding;

Noting that the Club is an independent structure in terms of its financing and the content of its work programme;

Noting the desire of the Parties to administratively, legally and financially link the Secretariat of the Club (hereafter "the Secretariat") to the OECD;

Noting the decision of the OECD Council of 1st December 2010 to continue hosting the Secretariat;

Considering that the objectives of development of the Club and the OECD would be furthered by the possibilities of mutually beneficial networking between the Secretariat and the OECD, particularly the OECD Development Cluster;

Considering, in this context, the need to precisely redefine the terms and conditions of the hosting of the Secretariat by the OECD;

Have agreed as follows:

General principles

Article 1. The Secretariat shall function under the substantive guidance of the Strategy and Policy Group (hereafter "the SPG") of the Club which also determines the work programme of the Secretariat.

Article 2. The Secretariat shall be administratively integrated into the OECD and shall report for that purpose to the Secretary-General of the OECD or to a designated Deputy Secretary-General. The OECD shall facilitate participation in OECD meetings by the Club and its members as appropriate, in accordance with the rules and practices of the OECD.

Article 3. Except as otherwise provided in the present Memorandum of Understanding or approved by the OECD Council, the Secretariat shall carry out its functions in accordance with the rules and practices of the OECD, in particular those with regard to staff and financial administration.

The Secretariat's documents shall be classified in accordance with the rules and practices of the OECD. Access to documents of the OECD and the Secretariat shall be allowed in accordance with the rules and practices of the OECD.

Article 4. Except as otherwise agreed by the Parties, all costs related to the functioning and to the staff of the Secretariat, including those linked to the termination of appointments, shall be borne by the Members. It is understood that a reserve fund dedicated to end-of-contracts costs related to Secretariat staff is established.

Recruitment and staffing of the Secretariat

Article 5. The Secretariat shall be led by a Director appointed by the Secretary-General of the OECD, on the advice of the Members, represented by the President of the Club.

Article 6. The Secretary-General of the OECD shall appoint the other staff members of the Secretariat in accordance with the rules and practices of the OECD.

Article 7. The staff of the Secretariat, including staff loaned or seconded to it, shall be selected in accordance with the OECD's recruitment procedures. As a departure from the provisions of the Staff regulations, rules and instructions applicable to officials of the Organisation, the Secretary-General of the OECD shall be authorised to appoint to the Secretariat nationals from non-OECD countries which are members of the Club or are members of international organisations which participate in the Club.

Financing and budgetary procedures

Article 8. The expenditures of the Club are deducted from budgetary allocations authorised under fund 32 of Part II of the budget of the OECD. The OECD opens a budget heading in its accounts dedicated to these contributions. The Club's budget is submitted to the OECD Council for formal approval.

Article 9. The budget of the Club is financed by statutory contributions from Members, which include a minimum amount determined by mutual agreement of the Members and fixed at 200 000 Euros per year.

Article 10. The Members undertake a financial commitment in Euros covering the whole period of duration of the present Memorandum of Understanding¹, in accordance with the table in Annex II setting out the financing and contributions of the members of the Club, which is an integral part of the present Memorandum of Understanding. All unbudgeted or unforeseen expenditures of the Club shall be paid exclusively by the Members.

Article 11. The Members shall disburse their statutory contributions from the date of the signature of the present Memorandum of Understanding or in advance yearly instalments. These contributions shall be in Euros.

Article 12. Supplementary contributions in Euros, from Members or non-Members of the Club, may contribute to the financing of the programme of work of the Club as approved by the SPG.

Article 13. The OECD administers the contributions in accordance with its Financial Regulations and with all other applicable rules, policies and procedures.

¹ Except for Germany which financial commitment is limited to 2011.

Article 14. A financial report showing income and expenditures shall be presented by the Secretariat to the members of the Club and to the OECD Council twice a year. The transactions of the Secretariat shall be subject to audit, in accordance with the OECD's normal auditing procedures.

Article 15. Notwithstanding the provisions of the financial rules of the OECD, appropriations that have not given rise to a commitment by the end of the financial period for which they were appropriated, and any remaining net amounts, shall be automatically carried forward to the budget of the ensuing period by decision of the Secretary-General.

Settlement of disputes

Article 16. Any dispute, controversy or claim arising out of or relating to the interpretation, application or execution of the present Memorandum of Understanding shall be resolved amicably by the OECD and the Club. If an amicable agreement cannot be reached, such dispute, controversy or claim shall be settled by a final and binding arbitration in accordance with the Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organisations and States, in effect on the date of the present Memorandum of Understanding. The sole arbitrator shall be chosen by mutual agreement between the OECD and the Club. Failing such an agreement within a period of three months following the request for arbitration, the appointing authority shall be the Secretary-General of the Permanent Court of Arbitration. The place of arbitration shall be Paris, France, and the language to be used in the arbitral proceedings shall be French.

Duration, modification and termination

Article 17. The present Memorandum of Understanding shall take effect on the date of its signature for a period expiring on 31 December 2012. The Memorandum of Understanding is renewable by mutual agreement between the Parties for periods of two years.

Article 18. The Memorandum of Understanding may be terminated by written notice of the OECD or the Club. Termination shall take effect twelve months from receipt of the written notice to the OECD or the Club. In case of termination on the initiative of the OECD, the notification shall be sent to the President of the Club.

Article 19. The Memorandum of Understanding may be modified at any time by written mutual agreement.

Article 20. If modification or termination of this Memorandum of Understanding entails that the Secretariat is no longer integrated administratively within the OECD, the costs of separation of the staff of the Secretariat as well as all other direct costs linked to the orderly winding-up of the Memorandum of Understanding shall be borne by the members of the Club. If necessary, the Members shall undertake to provide any additional financing for that purpose. Conversely, if appropriate, any resources remaining at the conclusion of the winding-up process shall be refunded to the Club.

Done in
Date ... 8 March 2011

For the OECD

The Secretary-General

For the Club

The President of the Club

Annex I: Text of the Mandate of the Sahel and West Africa Club

Annex II: Table setting out financing and contributions of the Members of the Club for the period 2011-2012

Annex I

MANDATE OF THE SAHEL AND WEST AFRICA CLUB (SWAC)

Article 1. Mission

The Sahel and West Africa Club (hereafter "the Club") is a multilateral group of countries, West African regional organisations and other international organisations (hereafter "the Members") who share the determination to work together for the development and the integration of the West African region. To this end, the Club is an instrument of monitoring, prospective analyses and dialogue that ensures a permanent surveillance and an independent structural analysis of the socio-economic and political evolutions of the region, as well as the relationship between these evolutions and global issues.

The Club contributes to the effectiveness of action taken by its Members and other stakeholders by providing information and prospective analyses to help better anticipate the potential for development and conflicts in West Africa.

Article 2. Composition

The following countries and organisations that wish to contribute to the Club's mission are eligible for membership:

- West African regional organisations;
- member countries of the Permanent Interstate Committee for drought control in the Sahel (CILSS), the West African Economic and Monetary Union (UEMOA) and the Economic Community of West African States (ECOWAS);
- development partner countries of the Sahel and West Africa;
- the European Union;
- and other international organisations.

The Club is composed of Members who contribute financially to its running in accordance with the provisions of Article 5.1 of the present mandate.

All the Members participate in the governance of the Club on an equal basis.

The Club may invite socio-professional and civil society associations as observers or *ad hoc* experts to meetings of the Strategy and Policy Group defined in Article 3.1 of the present mandate and, if necessary, to meetings of bodies assisting it.

Article 3. Structure

The Club comprises the Strategy and Policy Group (hereafter "the SPG"), working groups and a secretariat (hereafter "the Secretariat").

3.1. The Strategy and Policy Group

The SPG is the decision-making body of the Club. It may be assisted by any other body it deems necessary.

The SPG is composed of representatives of the Members. It defines the strategic orientations and fields of intervention of the Club on the basis of the Members' priorities, taking into consideration the added value provided by the Club and in accordance with the mission defined in Article 1 of the present mandate. The SPG approves the programme of work and the budget for each biennium, as well as technical and annual financial reports.

All decisions, including those related to the participation of new Members, are taken by consensus.

The SPG appoints the President of the Club for a renewable term of two years.

The President ensures the smooth running of the Club in accordance with the present mandate. He represents the Club on the West African and international scene. He is expressly authorised by the Members to sign the Memorandum of Understanding between the OECD and the Club to establish the Secretariat of the Sahel and West Africa Club in the OECD (hereafter "the MOU"), the text of which is reproduced in Annex I to the present mandate.

3.2. The working groups

The Club draws on existing research and/or creates processes of research to elaborate further on subjects requested by its Members. To this end, the Club calls on working groups based on themes defined in the framework of the programme of work and which bring together representatives of Members, socio-professional and civil society associations, relevant OECD directorates and experts chosen on an *ad hoc* basis. These working groups use and capitalise on the thinking and experience of Members and other participants.

3.3. The Secretariat

The Secretariat is in charge of implementing the orientations and decisions of the SPG. In particular, it carries out the work programme defined by the SPG. In this regard, its missions include:

- carrying out media-monitoring in both the region and the international environment;
- implementing a communication strategy for the region and Members;
- coordinating the working groups on the main lines of the work programme;
- coordinating long-term prospective reflection processes;
- facilitating the involvement of West African regional organisations in OECD work that is relevant to strategic areas for West Africa;
- producing an annual report on the region and the actions of Members,
- organising and leading a dialogue based on specific themes;
- organising the Club annual Forum;
- fostering synergies between the Club and the OECD.

The Secretariat is made up of professionals from OECD and non-OECD countries, including officials loaned or seconded to it. It has correspondents (focal points) in the regional organisations of West Africa which are Members. It relies on a permanent partnership with the West Africa Institute, mandated by the ECOWAS and UEMOA heads of state and government for developing West African research relating to regional cooperation.

A Director, appointed under the conditions provided for in the MOU, coordinates the work of the Secretariat. He shall report to the President of the Club. Both the Director and the President report to the SPG.

The Secretariat is hosted by the OECD.

Article 4. Relationship with the OECD

Relationship between the Club and the OECD are governed by the MOU, which includes provisions relating to personnel and the budget.

Article 5. Financing

The expenditures of the Club are under Part II of the OECD budget.

5.1. Statutory contributions

The budget of the Club is financed by contributions from Members which include a minimum amount determined by mutual agreement and fixed at 200 000 Euros per year.

Members undertake a financial commitment in Euros for each biennium² according to a table setting out the financing and Member contributions, as approved by the Members.

The first biennium runs from 1 January 2011 to 31 December 2012. The table setting out the financing and Member contributions, as approved by the Members for this period, is included in Annex II to the present mandate.

5.2. Supplementary contributions

Supplementary contributions in Euros, from Members or non-Members, may contribute to the financing of the programme of work of the Club as approved by the SPG.

5.3. Automatic carry-forward of appropriations

Appropriations that have not given rise to a commitment by the end of the financial period for which they were appropriated, and any remaining net amounts, shall be automatically carried forward to the budget of the ensuing period by decision of the Secretary-General.

5.4. Financial responsibility

The financial liability of each Member of the Club is proportionate to the amount of that Member's contribution to the financing of the Club.

Article 6. Settlement of disputes

Any dispute, controversy or claim arising out of or relating to the interpretation, application or execution of the present mandate shall be resolved amicably by the Members. If an amicable agreement cannot be reached, such dispute, controversy or claim shall be settled by a final and binding arbitration in accordance with the Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organisations and States, in effect on the date of the present mandate. The sole arbitrator shall be chosen by mutual agreement of the Members. Failing such an agreement within a period of three months following the request for arbitration, the appointing authority shall be the Secretary-General of the Permanent Court of Arbitration. The place of arbitration shall be Paris, France, and the language to be used in the arbitral proceedings shall be French.

² Except for Germany which financial commitment is limited to 2011.

Article 7. Modification

The mandate may be modified at any time by written mutual agreement of the Members.

Article 8. Duration

The present mandate is valid for a period which will expire on 31 December 2012, renewable by mutual agreement between the Members for periods of two years.

Done in Paris.....,
Date.....,

Done in Paris.....,
Date.....,

Belgium

Economic Community of West African States

Done in Paris.....,
Date.....,

Done in Paris.....,
Date.....,

United States

France

Done in Paris.....,
Date.....,

Done in Paris.....,
Date.....,

Luxembourg

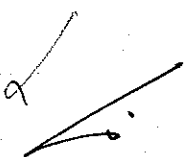
The Netherlands

Done in Paris,
Date,

Done in Paris,
Date,

Switzerland

West African Economic and Monetary union



Annex II

**Table setting out financing and contributions of the Members of the Club
for the period 2011-2012 (€000)**

	2011	2012	Total
Belgium (1)	200	200	400
ECOWAS (2)	200	200	400
France (3)	200	200	400
Germany (4)	220		220
Luxembourg	200	200	400
Netherlands (5)	300	300	600
Switzerland (6)	333	333	666
UEMOA (7)	200	200	400
United States	200	200	400
TOTAL	2053	1833	3886

- (1) The Belgium contribution should/needs to be confirmed under the new Government's constitution.
- (2) The Vice-President of the ECOWAS Commission has signed a joint memo with the Director of the SWAC, dated 18 September, committing ECOWAS financially.
- (3) France confirmed by letter.
- (4) Germany's current financing contract terminates end-2011. Germany does not wish to be a Member of the SWAC in 2012.
- (5) The Netherlands has signed a financial contract for €300 000 a year for the period 2008–2012.
- (6) Switzerland has confirmed by letter its resolve to sign the Club's new Mandate for the biennium 2011–2012 and to pay a contribution of CHF500 000 a year for this period.
- (7) The UEMOA Commission has taken the decision to finance the SWAC for the biennium 2011-2012.