

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME
AND**

Insurance Association of Kosova

This Memorandum of Understanding (“MOU”) is entered into by the United Nations Development Programme (“UNDP”), a subsidiary organ of the United Nations, an intergovernmental organization established by its Member States with its headquarters in New York, NY (USA), and the Insurance Association of Kosova (hereinafter “[IAK]”), headquartered in Prishtina. UNDP and Insurance Association of Kosova are hereinafter jointly referred to as the “Parties”.

WHEREAS, UNDP serves in many respects as the operational arm of the United Nations at the country level and works with partners in numerous countries to promote sustainable development, eradication of poverty, advancement of women, good governance and the rule of law.

WHEREAS, UNDP represented by Alessandra Roccasalvo, Resident Representative, is interested in enhancing its development activities on disaster risk reduction.

WHEREAS, *IAK* is an organization duly organized under the Law No. 04/L-057 on Freedom of Association in Non-Governmental Organizations and committed to improve the insurance industry.

WHEREAS, the Parties share similar missions and wish to cooperate in areas of mutual concern to enhance the effectiveness of their development efforts.

UNDP is working in the area of DRR in Kosovo since 2010, supporting local and central institutions in Kosovo to develop capacities to manage risks and deal with disasters.

The aim of the IAK is to improve the insurance industry in Kosovo, to assist in the stabilization of the insurance market, to offer education for the staff of insurance companies, and to increase the human resources in general, in the insurance field. Currently 14 insurance firms are part of the IAK.

The UNDP and IAK will cooperate to support the financial Institutions to understand and develop the concepts of the Sovereign Risk Financing and Risk Transfer Programme including insurance, (re-) insurance, and transfer of financial disaster risk (Catastrophe Bonds) between governments and capital market investors.

NOW, THEREFORE, the Parties agree to cooperate as follows:

**Article I
Purpose**

The purpose of this MOU is to provide a framework of cooperation and facilitate collaboration between the Parties, on a non-exclusive basis, in areas of common interest, to raise awareness on disaster risk reduction and promote Risk Financing and Risk Transfer Programmes, through co-operation, including communication channels, enhancing mutual understanding, exchanging information, etc.

**Article II
Areas of Cooperation**

The Parties agree to cooperate in the following areas of activity:

- i) work jointly for identification and addressing, subject to available staffing and resources, training, technical assistance needed to facilitate and develop the insurance market in Kosovo, with regard to disaster risk reduction and Risk Financing and Risk Transfer Programme.
- ii) extend and facilitate the exchange of knowledge, experience and expertise between the representatives of the Parties regarding the DRR in general and more specifically the Risk Financing and Risk Transfer Programme and, where appropriate.
- iii) the cooperation described above may take the form of any of the following activities:
 - a) take actions on raising awareness of the society, public institutions and government bodies on DRR;
 - b) organize meetings with the International Monetary Fund to discuss the DRR matters and Risk Financing and Risk Transfer Programme;
 - c) organizing meetings with the competent ministries to initiate the necessary legal changes, creating more favorable infrastructure to enable the operation of DRR and Risk Financing and Risk Transfer Programme;

Article III
Consultation and Exchange of Information

3.1 The Parties shall, on a regular basis, keep each other informed of and consult on matters of common interest, which in their opinion are likely to lead to mutual collaboration.

3.2 Consultation and exchange of information and documents under this Article shall be without prejudice to arrangements, which may be required to safeguard the confidential and restricted character of certain information and documents. Such arrangements will survive the termination of this MOU and of any agreements signed by the Parties within the scope of this collaboration.

3.3 The Parties shall, at such intervals as deemed appropriate, convene meetings to review the progress of activities being carried out under the present MOU and to plan future activities.

3.4 The Parties may invite each other to send observers to meetings or conferences convened by them or under their auspices in which, in the opinion of either party, the other may have an interest. Invitations shall be subject to the procedures applicable to such meetings or conferences.

Article IV
Implementation of the MOU

4.1 In order to implement the specific activities envisioned hereunder, the Parties shall conclude cost-sharing agreements in accordance with the applicable UNDP regulations, rules and procedures, which shall specify the costs or expenses relating to the activity and how they are to be borne by the Parties. The cost-sharing agreements shall also include a provision incorporating by reference the MOU, which is applicable to the cost-sharing agreements and the projects/ programmes financed there from.

4.2 It is understood that all activities will be carried out on the basis of project documents agreed between UNDP and the concerned governments, and in accordance with the applicable UNDP regulations, rules, policies and procedures.

4.3 The costs of public relations activities relating to the partnership, that are not otherwise addressed by a specific cost-sharing agreement concluded hereunder, will be the responsibility of IAK.

4.4 Neither Party shall be an agent, representative or joint partner of the other Party. Neither Party shall enter into any contract or commitment on behalf of the other Party and shall be solely responsible for making all payments to and on behalf of its own account, as provided under this MOU and under cost-sharing agreements concluded hereunder.

