

Memorandum of Understanding between the Lead Negotiation Panel on the Post Referendum Negotiations for Sudan (“LNP”), African Union represented by the African Union High Level Implementation Panel (“AUHIP”) and the Secretariat of the Assessment and Evaluation Commission (“AEC”)

The Presidential decree of 20 February 2010, and the subsequent memorandum of understanding between the parties signed at Mekelle on 23 June 2010 together lay out the overall vision, framework and mechanisms for post-referendum discussions between the parties. These documents call upon the international community in the shape of the AUHIP and the AEC secretariat to lend technical and administrative support to the process, specifically by conducting ongoing co-ordination and liaison with the Joint Technical Secretariat to the discussions. This Memorandum of Understanding sets out how this technical and administrative support will be provided.

1. Purpose

The LNP, AUHIP and AEC shall cooperate in order to provide technical and administrative support to the Joint Technical Secretariat (“JTS”) established by the Mekelle memorandum of understanding. This Memorandum sets out the modalities of that support.

2. Financial Support

The LNP, AUHIP and AEC shall finance the JTS up to the sum of One Million United States Dollars (US\$1,000,000) (the “Funds”) in the proportion fifty percent (50%), twenty percent (20%) and thirty percent (30%) respectively. The LNP’s contribution shall be funded jointly by the Government of National Unity of the Sudan and the Government of Southern Sudan.

The LNP, AUHIP and AEC shall make available to the JTS the Funds as provided for, and in accordance with, the schedule of payments set out in Annex 2 to this Memorandum.

The Funds shall be used in accordance with the budget set out in Annex 1 to this Memorandum and subject to the rules and procedures set out herein.

3. Budget

The LNP shall ensure that the JTS applies the Funds in order to provide all necessary assistance to the negotiators engaged in the negotiation of the future of post-referendum Sudan. The Funds shall be applied solely to pay for the support and facilities set out in Annex 1. The cost for the duration of this Memorandum in respect of each line-item set out in Annex 1 shall not exceed the sum provided for in that item’s column.

4. Mechanism

The Funds shall be transferred to the JTS by bank transfer, for which written confirmation of receipt shall be provided.

5. Financial Accounting

The JTS shall make available to the LNP, AUHIP and AEC on their request receipts and, where appropriate, invoices for all expended funds. The JTS shall commission an independent audit of accounts which should not be inconsistent with the three organization financial rules and regulations at the conclusion of the period for which Funds are provided, and this shall be made available to the LNP, AUHIP and the AEC

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Any liability or expenditure incurred by the JTS in excess of Ten thousand United States Dollars (US\$10,000) shall be entered into only with the prior written approval of the AUHIP and AEC. Such consent shall not be unreasonably withheld when such liability or expenditure is consistent and impliedly foreseen in Annex 2

6. *Provision of technical expertise*

The Funds may be applied for the contracting of technical experts in order to inform and assist the LNP in its tasks. Such experts shall be contracted only by agreement between the LNP, the AUHIP and the AEC (where appropriate). Additionally, the AUHIP and the AEC shall, on request, make available to the JTS the services of a draftsman and expert notetakers to assist with the production of draft agreements which reflect the progress made in the negotiations for circulation to the LNP and its sub-committees.

7. *Identification of needs and utilization of Funds*

The LNP, AUHIP and AEC will meet regularly at the Senior Level to discuss the utilization of the Funds and to identify in a timely fashion forthcoming needs in support of the negotiations.

The JTS (as the secretariat to the LNP), AUHIP and AEC shall meet at the working level no less than once every two (2) weeks to implement the decisions of the Senior Level meetings referred to above to discuss the utilization of the Funds and to identify in a timely fashion forthcoming needs in support of the negotiations.

The JTS shall prepare monthly written reports to facilitate the Senior Level meetings referred to in this paragraph.

8. *Dispute Resolution*

Where any dispute arises from the implementation of this Memorandum every effort shall be made to resolve the dispute amicably and expeditiously.

In the first instance, an effort shall be made to resolve a dispute at the working level. A special meeting may be convened for this purpose.

Where the dispute cannot be resolved at the working level, an extraordinary meeting of the representatives at the Senior Level shall be convened to discuss the matter

In the event of a failure to resolve a serious dispute the LNP, AUHIP or AEC may give two (2) weeks' notice in writing to the signatories of this memorandum of its intention to suspend contributions to the Funds

The termination of this Memorandum and the provision of Funds provided thereunder as mentioned above does not give any right to other Parties for any judicial procedure or claim.

9. *Amendment and variation*

This Memorandum may only be amended or varied in writing with the written consent of the LNP, AUHIP and the AEC

10. *Duration*

This Memorandum shall enter into force upon the last date of its signature and shall remain in force for a period of six (6) months thereafter.

11. *Termination of the memorandum*

This memorandum may be terminated by the LNP, the AUHIP or the AEC which shall give to the signatories two (2) weeks notice in writing to that effect.

Signed in Khartoum, Sudan this [x] day of [month] 2010.

For and on behalf of the Lead Negotiations Panel

Title

Name

Date

For and on behalf of the African Union Represented by the AU High-Level Implementation Panel (AUHIP)

Title

Name

Date

**For and on behalf of the Secretariat of the Assessment and Evaluation
Commission (AEC)**

Title

Name

Date