

**Memorandum of Understanding between the Government of the Republic of the Philippines (GRP), the National Democratic Front of the Philippines (NDFP) and the Third Party Facilitator, the Royal Norwegian Government**

**In relation to the role of the designated Finance Agent of the Royal Norwegian Government and their financial support to the Joint Monitoring Committee (JMC) and its Joint Secretariat (JS)**

The respective Monitoring Committees of the Government of the Republic of the Philippines (GRP), the National Democratic Front of the Philippines (NDFP), through their respective Chairpersons, by authority of their respective Negotiating Panels have agreed with the Third Party Facilitator, the Royal Norwegian Government that the following will guide the role of the designated Finance Agent (employed by the Centre for Humanitarian Dialogue, CHD) of the Third Party Facilitator and their financial support to the Joint Monitoring Committee and its Joint Secretariat:

1. The Finance Agent will relate with the respective sections of the GRP and the NDFP in the Joint Secretariat in reviewing and submitting a budget for funding of the Joint Secretariat to the Third Party Facilitator.
2. The Finance Agent will release funds and disburse money in accordance with the allotments contained in the approved budget for the Joint Secretariat for an initial three (3) month period.
3. The Finance Agent will release funds to the respective sections of the GRP and the NDFP in the Joint Secretariat for their daily expenses on a monthly basis to ensure their efficient and smooth operations and to receive receipts and supporting documents of the liquidation of such expenses.
4. The Finance Agent will release directly the allowances or honoraria for the staff and personnel of the GRP and the independent nominees and contracted staff of the NDFP sections in the Joint Secretariat every 15th and 30th of the month.
5. The Finance Agent will relate with the respective Heads of the GRP and NDFP sections in the Joint Secretariat as limited agents or representatives of their respective Monitoring Committees exclusively on disbursement and release of funds for the operations of the Joint Secretariat; *provided that the power to audit shall be vested in another entity.*
6. The Finance Agent will hold office, consistent with its role and function, outside and independent of the Joint Secretariat offices.
7. The Finance Agent will deal with the building administrator or officers of the corporation that owns the offices being leased by the Centre for Humanitarian Dialogue, as representative of the Royal Norwegian Government, for the benefit of the Joint Secretariat, exclusively on financial matters related thereto.
8. The Finance Agent will relate with the two parties in agreeing on a format for reports, attaching receipts and supporting documents, helping when necessary in submitting financial reports to the Third Party Facilitator.
9. In cooperation with the JMC, the Third Party Facilitator retains the right to review the disbursement of funds distributed through the Finance Agent and the appropriate utilization of those funds by the Joint Secretariat in carrying out the designated tasks and aims of the Joint Monitoring Committee.
10. The Third Party Facilitator retains ownership of all the equipment and property purchased with funds provided by the Third Party Facilitator unless representatives from the two parties are notified otherwise.

Done in Oslo on the 25th of June, 2004

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