# **Security Charges to Individual Contracts**

**Contributions to security system**

1. UNDP projects are liable to cover UNSMS contributions and Minimum Operating Security Standards (MOSS) compliance costs on behalf of ICs. The contributions and costs are based on total payments for professional fees, excluding payments to vendors for travel and/or Daily Subsistence Allowance (DSA), to a particular IC. A percentage fee will be automatically charged on a regular basis against the budget(s) used for payment of the IC.
2. Certain IC contracts, related to the hiring of hourly labor, are excluded from this recurring exercise.
3. The percentage fee charged is calculated based on the duty station hardship classification and the annual estimated General Assembly (GA) mandated security expenses. UNDP CO staff is responsible for ensuring that account payable vouchers adequately reflect professional fees.
4. As security charges are levied on professional fees only, it is critical that there is clear division between IC professional fees and other expenses (living allowance, travel etc.). Failure to separate professional fees from other expenses will result in security charges being levied on the total payment amount.