

UGA/01/004

**SPECIFIC AGREEMENT**

**BETWEEN**

**THE REPUBLIC OF UGANDA**

**AND**

**THE KINGDOM OF BELGIUM**

**ON**

**THE CREATION OF A**

**BELGO-UGANDAN  
STUDY AND CONSULTACY FUND**

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**SPECIFIC AGREEMENT  
BETWEEN THE KINGDOM OF BELGIUM AND  
THE REPUBLIC OF UGANDA  
ON THE CREATION OF A BELGO-UGANDAN STUDY AND CONSULTANCY FUND**

**PREAMBLE**

The Kingdom of Belgium, hereinafter referred to as Belgium,  
And the Republic of Uganda, hereinafter referred to as Uganda,  
hereinafter jointly referred to as the "Parties" and in the singular as a "Party";

Considering the Memorandum of Understanding on Development Cooperation between  
the Parties signed on 23d of March 1995;

Considering the wish of both Parties to improve and accelerate the implementation of  
the Ugandan-Belgian Cooperation;

Have agreed as follows:

**ARTICLE 1  
SCOPE AND OBJECTIVES**

- 1.1. The Parties agree to set up a Study and Consultancy Fund hereinafter referred to as the "Fund"; the aim of which shall be to finance in full or in part studies and consultancies in the framework of the Belgo-Ugandan Development Cooperation including identification, preparation and follow-up studies of projects and programmes, investigations, missions, seminars and services.
- 1.2. Ministries and government agencies of Uganda shall be the only beneficiaries of the Fund.
- 1.3. The funding of a consultancy or a study through the Fund does not commit Belgium to any further actions as follow-up of such study or consultancy.

**ARTICLE 2  
FINANCIAL MEANS**

- 2.1. Belgium shall, on the terms and conditions set forth or referred to in this Agreement, extend a grant of 750.000 EUR (seven hundred and fifty thousand

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euros), hereinafter referred to as "the contribution", to Uganda for the establishment of the Fund.

- 2.2. The Fund may be replenished after examination of its utilization.

### ARTICLE 3

#### ADMINISTRATION AND MONITORING OF THE FUND

- 3.1. The Fund will be jointly managed by both Parties.
- 3.2. Uganda designates the Ministry of Finance, Planning and Economic Development, hereinafter called MoFPED, as responsible for the supervision of the arrangements regarding the execution of the present Agreement.
- 3.3. Within one month of the signing of the present Agreement the MoFPED will designate a Fund Director within the MoFPED, who will be responsible for:
- The Ugandan approval of study and consultancy proposals submitted in the framework of the present Agreement;
  - The approval of the orientation of the selection and awarding procedure stipulated in Article 6 hereinafter;
  - The approval of the organization and coordination of the different Ugandan intervening Authorities;
  - The approval of expenditures chargeable to the Fund (sign all payment orders of the Fund).
- 3.4. The Ugandan Ministry or Government agency which will benefit from a study or consultancy to be carried out by virtue of the present Agreement, hereinafter referred to as the Ugandan technical Ministry/Agency is appointed as the agency responsible for the carrying out of the study and consultancy. For each study or consultancy the Ugandan Technical ministry/Agency will appoint a Supervising Officer, co-responsible for the selection and awarding process and approval of the services rendered. This responsibility will be shared with Belgian Technical Cooperation ( defined in article 3.5.2 of the present Agreement), and eventually with the Supervising Assistant
- 3.5. Belgium designates:
- 3.5.1. The "Directorate General for International Cooperation within the Ministry of Foreign Affairs, Foreign Trade and International Co-operation hereinafter referred to as "the DGIC", as the entity responsible for the commitment of the Belgian budgetary contribution to the Fund, in line with the general rules and procedures of the Belgian Development Cooperation.

- The DGIC shall be represented in the Republic of Uganda by the Attaché for International Co-operation at the Embassy of Belgium in Kampala. The DGIC grants authority to the Attaché for International Cooperation to approve on behalf of Belgium the study or consultancy proposals as stipulated in Article 3.3. of the present Agreement.
- 3.5.2. The Belgian Technical Cooperation, a Belgian public law company with social purpose, hereinafter called BTC, as responsible to Belgium for the management of the entire Belgian contribution to the Fund.
- The BTC shall be represented in the Republic of Uganda by its Resident Representative in Kampala.
  - The Resident Representative of BTC is the Fund Co-Director, co-responsible for:
    - \* The follow-up of the selection and awarding process;
    - \* Approval and authorising the expenditures chargeable to the Fund;
    - \* The daily management of the Fund.
  - The BTC can designate a Supervising Assistant, co-responsible with the Supervising Officer, defined in article 3.4: for the selection and awarding process and the approval of services rendered.
- 3.6. All originals of accounting documents and their justification are kept by the Fund Co-Director, who will hand them over to the Fund Director at the end of the cooperation activity.

#### ARTICLE 4

##### THE FUND JOINT LOCAL CONSULTATIVE BODY

- 4.1. The Joint Local Consultative Body, hereinafter called "Fund JLCB" shall be set up to oversee and coordinate the Fund. It shall be composed of the following members:
- The Fund Director (Chairperson),
  - the Attaché for International Development Co-operation (Co-chairperson),
  - A representative of the Ministry of Foreign Affairs
  - The Fund Co-Director.
- 4.2. The Fund JLCB shall have the following tasks:
- To monitor the use of the Fund;
  - To assess the relevance of the results consultancies financed by the Fund.

- To verify that applied procedures comply with the procedures stipulated in this Agreement;
  - To propose possible adaptations of procedures to both Parties.
- 4.3. The Fund JLCB shall meet at least every six months, but extraordinary meetings can be called on demand of one of its members. The Attaché for International Cooperation will convene the first meeting within three months of entering into force of this Specific Agreement. During the first meeting the operational modalities of the Fund JLCB will be decided upon.

## ARTICLE 5 REQUESTS FOR FUNDING

- 5.1. Any Ugandan technical Ministry/Agency wanting to have a consultancy or study financed by the Fund shall submit a request funding simultaneously to both the Fund Director and the Attaché for International Cooperation. In order to be eligible, such request shall contain at least the following information:
- (a) identification of the requesting institution (name, address, telephone, fax, mail....);
  - (b) objectives of the requesting institution;
  - (c) subject of the consultancy;
  - (d) conformity of the proposed consultancy with the criteria laid down in Article 1(1);
  - (e) draft of terms of reference of the consultancy;
  - (f) profile of the consultant(s);
  - (g) cost estimate; and
  - (h) estimated timetable.
- 5.2. Any Ugandan technical Ministry/Agency may request the assistance of the Fund Director and/or the Attaché for International Cooperation in drawing up its request.
- 5.3. Within 60 calendar days after receiving the request, the Fund Director and the Attaché for International Cooperation will examine the request, and will commonly agree whether the proposal is approved or rejected for funding.
- 5.4. If the estimated cost of the proposed study or consultancy is not higher than 62.500 EUR, the decision thus taken shall be final.
- 5.5. If the estimated cost of the proposed study or consultancy exceeds 62.500 EUR, the decision shall have to be endorsed by DGIC Head Office - Belgium and by

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the MoFPED, for which 30 calendar days have to be foreseen within the also mentioned 60 calendar days.

- 5.4. The Fund Director and the Attaché for International Cooperation will communicate the decision to the requesting Ugandan technical Ministry/Agency in writing. They will also inform the BTC about each approved study or consultancy.
- 5.5. The Fund Director will earmark the financial means required to conduct the approved study or consultancy.

## ARTICLE 6

### PROCEDURE AND CRITERIA FOR SELECTION OF CONSULTANTS AND AWARDING OF CONTRACTS

- 6.1. Any aspect of the tenders and contracts not specifically stipulated in this Agreement shall be managed in accordance with the Ugandan rules and regulations.
- 6.2. Within 10 days of being notified of the approval of its request, the Ugandan technical Ministry/Agency, beneficiary of the financing of the Fund, shall appoint a Supervising Officer and notify his identity in writing to the Fund Director and the Fund Co-Director.
- 6.3. The BTC can identify a Supervising Assistant, and notify in writing his identity to the Fund Director and the Technical Ministry/Agency.
- 6.4. The Supervising Officer and the Fund Co-Director or the Supervising Assistant appointed by the Fund Co-Director shall jointly and in consultation with the beneficiary prepare:
  - (i) the terms of reference suitable for a tender procedure;
  - (ii) a short list of consultants or consultancy firms, if deemed necessary preceded by a call for interest;
  - (iii) the administrative conditions including the awarding criteria.

For each study or consultancy an offer shall be asked to at least 3 possible candidates, unless justification is given why this is not possible.

- 6.5. The documents referred to in 6.4. shall be submitted for approval to the Fund Director and the Fund Co-Director before issuing the invitation to tender.

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- 6.6. The Supervising Officer and the Fund Co-Director or the Supervising Assistant shall jointly, in consultation with the Fund Director –
- (i) issue the tender and receive offers;
  - (ii) analyse the offers;
  - (iii) select a consultant or consultancy firm;
  - (iv) prepare a contract with the selected consultant or consultancy firm.
- 6.7. All letters related to the awarding of contracts as well as all contracts shall be submitted to the Fund Director and the Fund Co-Director, who will both approve the contract within 30 days of its reception. The Fund Director will then sign the approved contract.
- 6.8. If necessary the contract may provide for an advance payment of maximum 60% of the total amount of the contract. The last payment, to be settled after approval of the final report of the study or consultancy as stipulated in Article 7, shall represent at least 40% of the total amount of the contract.
- 6.9. The Parties to this agreement shall ensure that both the Supervising Officer and the Supervising Assistant are at any time in a position to verify the correctness and fairness of the procedure.
- 6.10. All decisions related to the selection of consultants or consulting firms and the awarding of contracts shall be taken by mutual consent between the Fund Director, the Fund Co-Director and both Supervising Officer and Supervising Assistant. Should such agreement turn out to be impossible, no contract shall be awarded. The Attaché for International Co-operation shall be informed and the decision to finance the study/consultancy shall be cancelled.

#### ARTICLE 7 DISBURSEMENT PROCEDURES

- 7.1. Belgium shall make the grant available to the Ugandan authorities through a specific account opened in the name of the "Belgo-Ugandan Study and Consultancy Fund".
- 7.2. The account shall be opened in euros with a local commercial bank. Interests on this account, if any, shall be capitalised on the same account and shall be utilised for the purposes of this Agreement.
- 7.3. The account shall be opened by both the Fund Director and the Fund Co-Director, and will be operated under the double signature of the Fund Director and the Fund Co-Director.

7.4. The account shall be provided with different disbursements:

- (a) The DGIC shall initially provide the account with an amount of 200.000 EUR (two hundred thousand euros) that shall be disbursed into the account.
- (b) Subsequent provisions shall be made in parts of 50.000 EUR (fifty thousand euros), which shall be disbursed upon request of the Fund Director and Fund Co-Director after examination and approval by the DGIC-Head Office of the utilisation of the previous disbursement. Requests for subsequent provisions shall be addressed by the Fund Director and Fund Co-Director to the BTC Head Office in Brussels and shall be accompanied by:
  - a financial report of the previous funds received,
  - an estimation and justification of subsequent funding requirements.

7.5. In order to proceed with the payment, the Consultant shall submit his invoices with the requested Study or Consultancy report(s). The Supervising Officer and the Supervising Assistant shall verify the invoices and certify in close co-operation with the requesting institution that the terms of reference and conditions of the contract have been carried out and are of acceptable standards. The Supervising Officer and the Supervising Assistant shall sign the invoices with the mention "For services rendered", and shall forward them to the Fund Director and the Fund Co-Director for approval. Payments from the account shall be made against invoices signed by the Fund Director and the Fund Co-Director with the mention "read and approved".

7.6. The Fund Director and the Fund Co-Director shall take the necessary steps to proceed to the payment of the invoices.

7.7. Any amount saved from executing a study or consultancy contract shall be on the account and used to finance subsequent study or consultancy contracts.

7.8. Any interest produced by this account will be capitalised on the same account and will be utilised in the same manner.

7.9. The Fund Director, the Fund Co-Director and the Attaché will each receive copies of the Bank statements as and when they are issued by the bank.



## ARTICLE 8 INFORMATION

- 8.1. The Fund Co-Director will forward the names of the Supervising Officer and the Supervising Assistant to the Attaché for International Cooperation.
- 8.2. The Fund Co-Director will provide a copy of the signed contracts to the Fund Director, the Attaché for International Cooperation, the Supervising Officer and the Supervising Assistant.
- 8.3. All official correspondence exchanged with the Consultant will be copied to the Supervising Officer and the Supervising Assistant.
- 8.4. The consultant will provide copies of all reports elaborated as part of the study consultancy contract to the Fund Director, the Fund Co-Director and the Attaché for International Cooperation.
- 8.5. The administration of the account mentioned in 7.1. will be the joint responsibility of the Fund Director and the Fund Co-Director. The Fund Co-Director will be responsible for the daily management. He will inform the Fund Director and the Attaché for International Cooperation on a three monthly basis on the financial status of the Fund and the advancement of the different studies and consultancies.
- 8.6. An annual Study and Consultancy Fund report will be prepared by the Fund Director and the Fund Co-Director, and submitted to all members of the Fund JLCB.

## ARTICLE 9 OWNERSHIP OF THE STUDIES

- 9.1. The results of the studies, which are financed under the present Agreement, are the property of the Ugandan authorities. However, Belgium is entitled to make use of these results for development co-operation activities.
- 9.2. Neither the Ugandan authorities nor the beneficiary may sell or give the results of the studies without the foregoing written consent of Belgium.

## ARTICLE 10 TAXES, CHARGES AND IMPORTS DUTIES

The contribution shall not be used for the financing of taxes, other public charges and import duties set up by the Ugandan authorities.

**ARTICLE 11**  
**DURATION, PROLONGATION, DENUNCIATION AND MODIFICATION**

11.1. The present Agreement enters into force on the day of its signing and is valid for a period of four years.

At the expiration of the present Agreement, the unspent funds already transferred to the account shall be used for similar purposes decided upon by mutual agreement between the Parties.

11.2. This Agreement may be terminated by either Party giving 90 days of written notice in advance through the diplomatic channel of its intention to terminate the Agreement, and as far as running commitments and approved contracts are concerned, shall be honoured.

11.3. This Agreement may be amended and/or extended by an Exchange of Letters.

**ARTICLE 12**  
**SETTLEMENT OF DISPUTES**

Any dispute between the Parties arising out of or relating to the interpretation or implementation or application of this Agreement, whatever the case may be, shall be settled amicably through consultation or negotiation. In case a compromise cannot be reached, the Agreement may be terminated by either of the Parties as contemplated in Article 11.2.

**ARTICLE 13**  
**NOTIFICATIONS AND AMENDMENTS**

13.1. All notifications related to this Specific Agreement and more specifically modifications and interpretation of this Agreement, shall be communicated through diplomatic channels at the following addresses :

For Belgium, to:

The Attaché for International  
Cooperation  
Belgian Embassy  
Kampala

For Uganda, to:

The Ministry of Finance, Planning  
and Economic Development  
Kampala

13.2 All notifications related to the technical execution of this Agreement mentioned in article 3, can be addressed at the following institution

For Belgium, to:

The BTC-Resident Representative  
Kampala

For Uganda, to :

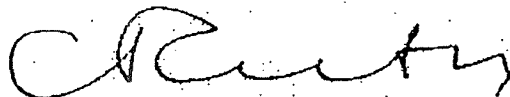
The Ministry of Finance, Planning  
and Economic Development  
Kampala

IN WITNESS WHEREOF the undersigned, being duly authorised thereto, having signed and sealed this Agreement in duplicate in the English language, both texts being authentic, each Party hereby acknowledge receipt of its copy.

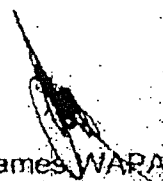
DONE at Kampala on this 12 day of August, 2002

On behalf of the Kingdom of Belgium,

On behalf of the Republic of Uganda



Carl PEETERS  
Ambassador of Belgium



Hon. James WAPAKHABAMBA  
Third Deputy Prime Minister  
Minister of Foreign Affairs