

**SPECIFIC AGREEMENT**

**Between**

**The Kingdom of Belgium**

**and**

**The Republic of Rwanda**

**on**

**“Joint Health Sector Support IIIc (JHSS IIIc)”**

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The Kingdom of Belgium, hereinafter referred to as "Belgium",

and

The Republic of Rwanda, hereinafter referred to as "Rwanda",

hereinafter jointly referred to as "the Parties";

- Considering the "General Agreement on Direct Bilateral Co-operation between Rwanda and Belgium," signed in Kigali, on May 18<sup>th</sup> 2004;
- Considering the agreed minutes of the Joint Commission on Development Co-operation between the parties, held in Kigali on May 18<sup>th</sup> 2011, Annex 8 "Belgium-country Indicative Development cooperation Program (IDCP) 2011-2014";
- Considering the Memorandum of Understanding (MoU) for joint monitoring between the Government of Rwanda and the Health Sector Development Partners, Regarding Partnership Principles for Support to the Health Sector, signed on the 17<sup>th</sup> October 2007;
- Considering the Economic Development and Poverty Reduction Strategy (EDPRSII) Performance and Policy Matrix agreed between the Government of Rwanda and the Development Partners.

#### **AGREE AS FOLLOWS:**

##### **Article 1: Definition and object of the agreement**

The Specific Agreement concerns the participation of Belgium in the realization of the objectives of the Health Sector Strategic Plan III (HSSP III), developed for the period 2012-2018.

The overall goal of HSSP III is to universal accessibility (in geographical and financial terms) of quality health services for all Rwandans.

This objective will be attained through the implementation of the HSSP III 4 components: Leadership and Governance, Programs, Health Support Systems, Service Delivery Systems.

##### **Article 2: Responsibilities of both Parties**

2.1 The Belgian Party designates:

2.1.1 The "Directorate General for Development Cooperation", of the Federal Public Service Foreign Affairs, Foreign Trade and Development Cooperation, hereinafter called DGD, as the Belgian administrative entity, responsible for the Belgian contribution. DGD is represented in Rwanda by the Belgian Embassy in Kigali.

2.1.2 The "Belgian Technical Cooperation", hereinafter referred to as BTC, as the Belgian entity responsible for the Belgian participation in the monitoring of the implementation of the Joint Health Sector Support IIIc (JHSS IIIc) and the transfer of funds. BTC is represented in country by its Resident Representative in Kigali.

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## 2.2. The Rwandan Party designates:

2.2.1. The Ministry of Finance and Economic Planning (MINECOFIN) as the country administrative entity, responsible for the Rwandan contribution to the HSSP III.

2.2.2. The Ministry of Health (MINISANTE) as the Rwandan entity responsible for the implementation of the HSSP III.

### **Article 3: Contribution of the Parties**

3.1 The Belgian grant contribution to the HSSP III is 18,000,000 € over the financial years 2016/17 and 2017/18. The Belgian contribution to the sector budget will contribute to an annual increase in the allocation to the Health budget, during this period.

Satisfactory coordination and implementation of the Sector Wide Approach (SWAp) mechanisms will be assured through:

- The Joint Health Sector Review shall be held twice per year to review the performance of the sector during the previous year and agree on sector priorities and resource allocation for the next financial year (or as specified by MINECOFIN guidelines).
- The Health Sector Working Group will convene at least twice a year to advise on strategic policy orientations for the sector (or as specified by MINECOFIN guidelines).
- Joint field visits as well as videoconference monitoring meetings with districts will be held respectively on a semi-annual basis to monitor and evaluate the implementation of health sector activities.
- A Budget support High Level Meeting, to be established, consisting of at least the Belgian Embassy, BTC, the Ministry of Health Rwanda, the Ministry of Finance and Economic Planning will sit twice a year during the foreseen period of support (and for at least one more financial year following the year of the final disbursement), to discuss mutual priorities and the Belgian focus for the policy dialogue outlined in article 4.4. Other national institutions or agencies active in the health sector may be invited on an adhoc basis as necessary.

A first instalment of 12,000,000 € for the Rwandan budget year 2016/17 will be transferred after submission of:

- General satisfactory evaluation of the Health Sector EDPRSII Policy Matrix Indicators for the Financial Year 2014/15;
- Validated Annual Health Sector Report (technical and financial) for Financial Year 2014/15 by the Government of Rwanda;
- Validated report from the Health Resource Tracking Tool on the 2014/2015 budget and 2013/14 expenditures by the Government of Rwanda;
- Unqualified audit reports for both MoH and RBC for FY 2014/15. In the event of (a) qualified opinion, (a) management response(s) discussed with the DPs will need to accompany the audit report(s). In the case of (an) adverse or disclaimer of audit opinion(s), consultations will take place with GoR on measures and terms, as detailed in the management response(s), that will enable the disbursement. The ensuing management response and a first implementation report regarding this management response will need to accompany the audit report(s) before disbursement.
- Validated Health Sector annual work plan and budget for Financial Year 2016/17 by Government of Rwanda.
- Minutes of at least one Budget support High Level Meeting, which discusses the set of strategic areas of health focus as listed under 4.4, based on evidences and information readily available.

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A second instalment of 6,000,000 € for the Rwandan budget year 2017/18 will be transferred after submission of:

- General satisfactory evaluation of the Health Sector EDPRSII Policy Matrix Indicators for Financial Year 2015/16;
- Validated Annual Health Sector Report (technical and financial) for Financial Year 2015/16 by Government of Rwanda;
- Validated report from Health Resource Tracking Tool on the 2015/2016 budget and 2014/15 expenditures by Government of Rwanda complemented by information on private expenditure (including household, health insurers, health care providers) and related analysis;
- Unqualified audit reports for both MoH and RBC for FY 2015/16. In the event of (a) qualified opinion, (a) management response(s) discussed with the DPs will need to accompany the audit report(s). In the case of (an) adverse or disclaimer of audit opinion(s), consultations will take place with GoR on measures and terms, as detailed in the management response(s), that will enable the disbursement. The ensuing management response and a first implementation report regarding this management response will need to accompany the audit report(s) before disbursement
- Validated Health Sector annual work plan and budget for Financial Year 2017/18 by Government of Rwanda;
- Online National Health Observatory containing key health data updated periodically and validated Annual Health Statistics booklet of year 2016 ;
- Minutes of two Budget support High Level Meetings, including the monitoring of the progress in the implementation of recommendations of previously discussed health policy matters.

The Ministry of Health is responsible for availing all the above disbursement-related documents to the Belgian authorities. The Ministry of Health will further avail to the Belgian authorities the Office of Auditor General (OAG) annual audit report of the Ministry of Health and Rwanda Biomedical Centre for the Financial Years of the Belgian Budget Support contributions (2016/17 and 2017/18).

For each disbursement, BTC will produce a report analysing the achievement of the above-mentioned conditions and formulate an advice which will be submitted to the Embassy of Belgium.

Belgium will transfer its contribution to the Sector Budget Support foreign Exchange account at the National Bank of Rwanda as will be specified by the Ministry of Finance and Economic Planning (MINECOFIN).

Within a month of the transfer being made by Belgium, the National Bank of Rwanda will issue a receipt to the BTC Resident Representative in Kigali, confirming the amount received and the bank account to which it was lodged.

3.2 The planned disbursements can be delayed or even cancelled, in an evident case of fraud, in case not sufficiently corrected, after being detected and notified. In the case of serious misappropriation of misuse of transferred funds, Belgium reserves the right to unilaterally or jointly claim repayment in full or in part of the funds.

#### **Article 4: Monitoring, Control and evaluation**

4.1 The parties shall take all necessary administrative and budgetary measures to achieve the objectives of this Specific Agreement, including joint or separate technical, administrative and financial control and evaluations as mentioned in the Memorandum of Understanding (MoU). The Parties shall inform each other about the results and possible recommendations of these control and evaluation exercises.

4.2 BTC is responsible for the Belgian participation in the monitoring of the implementation of the programme in close collaboration with the Embassy of Belgium in Kigali. The Belgian technical expertise, provided by BTC and based in Kigali will work closely with the other Development Partners

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and within the existing framework of monitoring mechanisms. To this effect, the Embassy of Belgium and BTC technical experts appointed to this budget support operation will be invited to participate in all field or supervision visits and meetings of the fora mentioned under art. 3.1.

4.3 This Specific Agreement encourages a constructive dialogue between the Belgian and Rwanda governments on the development of the health service delivery systems in Rwanda in alignment with the priorities formulated in the EDPRS II and HSSP III.

4.4 Belgian and Rwanda focus in policy dialogue will be on the following topics:

- The development of a people-centred, integrated, resilient and sustainable health system (E.g.: Development of sustainable financing plans for the health sector for the next 5-10 years, Health Resources Tracking Tool, Mid-Term Review of HSSP III recommendations);
- The development of an inclusive health system (E.g.: utilisation rate of health services – Outpatient Department, Health Management Information System and Demographic Health Survey with timely and disaggregated data, access to District Health Plans);
- Consultative, transparent, evidence-based and costed strategy and policy making for the sector (E.g.: Costing reports of the health sector and perspectives on medium term);
- Health insurance packages at the level of Community Based Health Insurance (E.g.: updated analysis of the Community Based Health Insurance scheme regarding costing of packages, contributions, enrolment, public subsidies or evolution of the scheme to achieve Universal Health Coverage);
- The implementation of the national reforms on Public Finance Management and Decentralization (E.g.: updated analysis of health service delivery or planning at district level, relevant findings and recommendations from the available OAG reports and measures taken to improve systems in place);
- A regular, constructive policy dialogue around strategic issues based on the Memorandum of Understanding between the Government of Rwanda and the Development Partners (E.g.: content of agenda of HSWG, signed minutes of meetings, follow-up of recommendations);
- A strengthened national reporting system providing timely access to key health information (key elements: operationalization and utilisation of National Health Observatory - NHO, timely publication of Annual Health Statistics booklet and Annual Health Sector Report, strengthened role of the *Knowledge Management and Research Technical Working Group* in the selection and utilisation of studies and analytical works for evidence based policy formulation).

4.5 Policy dialogue will be based on documents shared or presentations made by the Ministry of Health with an adequate level of information to have an informed discussion.

4.6. The quality of engagement in this dialogue on Belgian areas of focus will be documented in minutes of Budget Support High Level meetings.

4.7 All studies and costing validated reports undertaken in the health sector will be made available to the representatives of the Belgian Cooperation in Kigali.

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## Article 5: Entry into force, Duration, Modifications and Termination

- 5.1. This Specific Agreement will enter into force on the date of its signature by both parties.
- 5.2. This Specific Agreement is valid for a period of 36 months starting from its date of signing.
- 5.3. The provisions of this Specific Agreement may be modified by mutual agreement between the Parties, through exchange of letters.
- 5.4. Either Party may suspend the implementation of the present Agreement. If one of the Parties deems that the other has failed to respect one of its fundamental obligations under the present Agreement, an obligation arising from the respect of human rights, democratic principles or the rule of law, as well as in cases of corruption, it shall notify the other Party of the relevant information required for a thorough examination of the situation, as well as of its intention to suspend the present Agreement in case of absence of an acceptable solution within three months. The Parties shall consult and determine the appropriate actions to be taken, within three months of the notification.
- 5.5. Either Party may suspend the implementation of the present Agreement in case of force majeure during the duration of this force majeure. The Party invoking a case of force majeure shall notify the other Party of the relevant information required for a thorough examination of the situation in order to find an acceptable solution for the Parties. The Parties shall consult and determine the appropriate actions to be taken, within three months of the notification.
- 5.6. Any disputes related to the application and interpretation of this Specific Agreement shall be settled through bilateral negotiation.
- 5.7. This Specific Agreement may be denounced by each of the Parties, through verbal note, subject to a three months' notice.

## Article 6: Notifications

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

for Rwanda, to

The Permanent Secretary and Secretary to the Treasury  
Ministry of Finance and Economic Planning  
P.O. Box 158  
Kigali

for Belgium, to

Embassy of Belgium  
P.O. Box 81  
Kigali

All notifications related to the execution of this Agreement shall be addressed at following institutions:

for Rwanda, to  
Ministry of Health  
P.O. Box 84  
Kigali

for Belgium, to  
BTC Rwanda  
P.O. Box 6089  
Kigali

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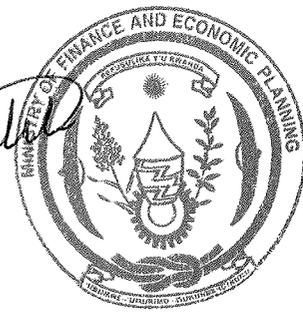
**Article 7: Final dispositions**

In witness whereof, the undersigned, duly authorized thereto, have signed the present Specific Agreement.

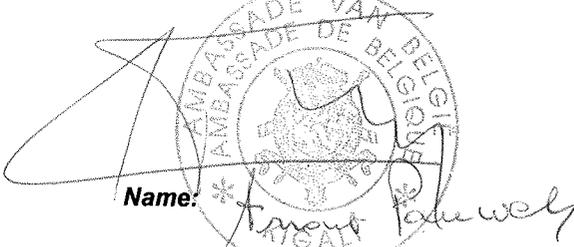
Done in duplicate at Kigali, on the *13<sup>th</sup>* of *October* 2016  
in the English language, both copies being equally authentic.

for the Republic of Rwanda

  
**Name:**  
**Minister**



For the Kingdom of Belgium

  
**Name:**  
**Ambassador**

