

SPECIFIC AGREEMENT

Between

The Kingdom of BELGIUM

And

The Republic of RWANDA

On the project:

**IMPROVING ACCESS TO RELIABLE ON-GRID
ELECTRICITY SERVICES FOR HOUSEHOLDS AND
PRIORITY PUBLIC INSTITUTIONS**

BELGIAN CONTRIBUTION TO EARP –COMPONENT 2

(BE2.EARP)



The Kingdom of Belgium,

And

The Republic of Rwanda,

Hereafter referred to as “the Parties”

- Considering the “General Agreement on Direct Bilateral Co-operation between Rwanda and Belgium”, signed in Kigali on May 18th 2004,
- Considering the agreed minutes of the Joint Commission on Development Co-operation between the Parties, held in Kigali on May 18th, 2011, Annex 8 “Belgium-Rwanda Indicative Development Co-operation Program (IDCP) 2011-2014”

AGREE AS FOLLOWS:

Article 1: Subject of the Agreement

- 1.1 By the present Specific Agreement, the Parties make a commitment to finance the implementation of the Project “**Improving Access To Reliable On-Grid Electricity Services for Households and Priority Public Institutions - Second component of the Belgian Contribution to EARP**”, hereinafter referred to as the “**Project**”.
- 1.2. The overall objective of the Project is: “**The energy sector is able to provide sufficient, reliable and affordable energy for all Rwandans**”.
- 1.3. The specific objective of the Project is: “**The access to reliable on-grid electricity services for households, enterprises and priority public institutions in rural areas is improved**”.

Article 2: Responsible Entities of the Parties

- 2.1 The Republic of Rwanda designates the “Ministry of Finance and Economic Planning”, hereinafter referred to as “MINECOFIN” as the entity responsible to supervise the financial aspects of the Specific Agreement (SA) on behalf of the Rwandan Party.

The Republic of Rwanda designates the “**Rwanda Energy Group**”, hereinafter referred to as “REG” as the entity responsible to supervise the technical arrangements of the SA on behalf of the Rwandan Party.

- 2.2. The Kingdom of Belgium designates the Directorate-General for Development cooperation, hereinafter referred to as “DGD”, of the Federal Public Service for Foreign Affairs, Foreign Trade and Development Cooperation as the entity responsible for the Belgian contribution to the Project.
DGD is represented in Rwanda by the Attaché for International Cooperation at the Embassy of Belgium in Kigali.

- 2.3. The Kingdom of Belgium entrusts the implementation and the follow-up of its obligations to the "Belgian Technical Cooperation", a public-law company with social purposes, hereinafter referred to as "BTC".
Its Resident Representative in Kigali represents BTC in the Republic of Rwanda.
BTC performs this task pursuant to an agreement concluded with the Belgian State.

Article 3: Contribution of both Parties to the Project

- 3.1. The total budget of the Project is of an amount of 13,650,000 EUR on the date of signing of this Specific Agreement.
- 3.2. The Kingdom of Belgium undertakes to contribute a maximum amount of 12,000,000 EUR on the date of signing of the Specific Agreement.
- 3.3. The Republic of Rwanda undertakes to contribute an amount of 1,650,000 EUR on the date of signing of the Specific Agreement. The Government of Rwanda commits to finance operations and maintenance costs of the new infrastructures constructed under the Project from the moment of their commissioning.
- 3.4. The utilization of this budget is detailed in the Technical and Financial File, annexed to this Agreement.

Article 4: Technical and Financial File (TFF)

- 4.1 The Project will be implemented according to the Technical and Financial File, attached to the Specific Agreement.
- 4.2 With the exception of the Specific Objective of the Project (art.1.3), of the duration of the Specific Agreement (art. 12.1) and of the global budget (art. 3), for which a modification needs an exchange of letters between the Parties, according to article 12.7 of the Specific Agreement, the Project Steering Committee (PSC) may adapt the Technical and Financial File according to the evolution of the general context and/or the course of the Project.
- 4.3 BTC shall inform the DGD on the modifications made to the TFF :
- The way in which the Belgian and/or the Rwandan contribution is made available to the Project;
 - Results, including their respective budgets;
 - Responsibilities, attributions, composition and operating mode of the PSC;
 - Approval mechanism for adapting the TFF;
 - Indicators for the specific objective and for the results;

Adapted indicative financial program will be included, if deemed necessary.

Article 5: Obligations of the Parties

Both parties agree to take timely all institutional, administrative and budgetary measures required for the correct implementation of the commitments described in this Specific Agreement.

Article 6: Project Steering Committee (PSC)

- 6.1. The Parties agree to entrust the PSC with the strategic steering, the monitoring and the control of the implementation of the Project.
- 6.2. The composition, the attributions, the responsibilities and the operating mode of the PSC are specified in the Technical and Financial File.
- 6.3. The PSC sets up its internal regulations with respect to the other articles of this Specific Agreement. Minutes of the meetings will be signed by the members. One copy will be sent to the Attaché for Development Cooperation.
- 6.4. The PSC shall meet on at least a six-monthly basis and at the latest three months after the signature of the present Agreement.
- 6.5. Not later than six months before the end of the Project, the PSC will meet to examine the final draft report of the Project, prepared according to the regulations defined in the Technical and Financial File, and to clarify the modalities for ending the Project as stipulated in article 12.

Article 7: Means by which the international technical assistance funded by the Belgian contribution is made available

- 7.1. The international technical assistants financed by the Belgian contribution will be recruited and engaged by the BTC. This staff will be subjected to the preliminary agreement of MINECOFIN.
- 7.2. The expatriate staff non-resident of the Republic of Rwanda, put at the disposal of the Project by BTC, benefits from the same privileges and immunities as those granted to the technical experts of United Nations. He/she notably has the right to import or to buy, franchised taxes according to the current Rwandan regulations, the furniture and the personal effects, the electronic equipment, and the articles, for his/her personal usage as well as for the members of his/her family living with him, imported within six months following the first installation of the expert.

His/her salary and its fees are tax-exempt on the territory of the Republic of Rwanda.

When it is required, he/she is subjected to the Social Security in respect of the Belgian legislation.
- 7.3. The Rwandan Party authorizes the temporary admission, according to the regulations in force under the regulations of the cooperation, the personal vehicle at the rate of one vehicle for a family.

- 7.4 The Rwandan Party delivers to this staff an identity card for expatriate staff and grants him with the necessary visas, according to the modalities for the experts of the United Nations in the Republic of Rwanda.

Article 8: Privileges and immunities

Goods and Services to be used wholly and exclusively for the purpose of the Project under this Specific Agreement shall be exempted from taxes and duties in accordance with prevailing tax laws of the Republic of Rwanda.

Article 9: Mutual Information

Each of the Parties will transmit to the other Party all information necessary for the smooth implementation of the Project.

Article 10: Reports, control and evaluation

10.1 The TFF determines the procedures for administrative and operational, accounting and financial reporting.

10.2 Each Party can at any moment control or evaluate the Project, jointly or separately, provided the other Party is informed in advance. Each Party will communicate to the other Party the conclusions of its controls and evaluations.

Article 11: Post Project period and sustainability of the results

In order to ensure the sustainability of the results of the Project, the Republic of Rwanda takes all necessary institutional, administrative, contractual and budgetary measures.

Article 12: Duration, Extension, Suspension, Denunciation, Modifications and Disputes

12.1 The present Specific Agreement shall enter into force the day of signature by both Parties and is concluded for a period of 60 months. The duration of the implementation of the project is 48 months.

12.2 Funds available for activities started before the expiration of this Specific Agreement will be automatically used beyond this date in case the related contracts have not been fully executed at the end of the said duration.

12.3 After the financial closure of the intervention, any unspent funds from the Belgian contribution will be recovered by the Belgian State.

To this end, the Rwandan Party commits itself to refund to the BTC the bank balances and ineligible amounts within three months of the Steering Committee's approval of the financial closure.

- 12.4 Either Party may suspend the implementation of the present Specific Agreement. If one of the Parties deems that the other has failed to respect one of its fundamental obligations under the present Specific 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 Specific 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.
- 12.5 Either Party may suspend the implementation of the present Specific Agreement in case of 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.
- 12.6 This Specific Agreement may be denounced by either Party by 'note verbale', subject to a three months' written notice. In such case, any unused funds will be recovered by the Belgian State, as described in article 12.3. In any case, the contracts concluded in compliance with the TFF before the denunciation of this Specific Agreement will be honored as foreseen.
- 12.7 The duration of the present Specific Agreement as defined in article 12.1, its amount as stipulated in article 3, and its Specific Objective as defined in article 1.3, may only be changed by an Exchange of Letters between the Parties. In any case, its total duration cannot exceed 72 months.
- 12.8 Any dispute arising from the implementation or interpretation of the present Specific Agreement shall be settled by negotiation

Article 13: Addresses:

The notifications foreseen by the present Specific Agreement, and more specially those who would have object its modification or its interpretation, will be sent by the diplomatic way,

For the Belgian Party:

The Attaché for International Cooperation at the Embassy of Belgium,
P.O. Box 81,
KIGALI.

For the Rwandan Party:

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



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The notifications or the correspondence pertaining to the implementation of its technical components will be sent to:

For the Belgian Party:

Resident Representative of BTC
P.O. Box 6089,
KIGALI.

For the Rwandan Party:

CEO of REG
P.O. Box 537,
KIGALI.

In witness whereof, the Parties have signed this Specific Agreement, in two originals in the English language, both copies being equally authentic, each Party hereby acknowledging receipt of its copy.

Done in duplicate in Kigali on ... *December 17* 2015.

For the Republic of Rwanda



Claver GATETE

**Minister of Finance and
Economic Planning**

For the Kingdom of Belgium



Arnout PAUWELS

Ambassador