



ROYAUME DE BELGIQUE
Service public fédéral
**Affaires étrangères,
Commerce extérieur et
Coopération au Développement**

DG Coopération au Développement
Programmes Gouvernementaux
D1 4 Afrique Australe et de l'Est

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Mr Carl Michiels
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1000 Bruxelles
Belgique

votre communication du	vos références	nos références	date
10/12/08	OP/O/2008/384/KBD	D 1.4 /RVDP/SC/2008/31800/3 à mentionner dans toute correspondance	113 -01- 2009

Monsieur le Président,

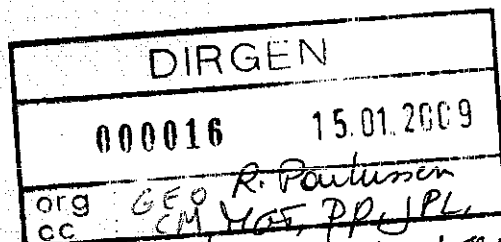
Objet: Ouganda – Programme d'aide budgétaire « Health Sector Strategic Plan II – Phase 2 » – Transmission de la Convention Spécifique signée et notification de la Convention de Mise en Œuvre signée (NI : 3006104 ; N°CTB : UGA 0801611)

Me référant à votre lettre OP/O/2008/384/KBD du 10/12/08 par laquelle vous nous transmettiez 2 originaux signés de CMO du projet repris en objet, veuillez trouver ci-joint un exemplaire signé par le Ministre.

Veuillez également trouver une copie de la Convention Spécifique signée le 2 décembre 2008.

Je vous prie d'agréer, Monsieur le Président, l'expression de mes salutations distinguées.

Marc Denys
Directeur D1



BPT, KOC, MDH, KBD(PIT)
Orig CHO : CDX (classement)

SPECIFIC AGREEMENT

between

The Kingdom of Belgium

and

The Republic of Uganda

on

**Sector Budget Support via the Poverty Action
Fund (PAF) to the**

**Health Sector Strategic Plan II- Phase II
2005/2006 – 2009/2010**

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"

- Considering the "General Agreement on Direct Bilateral Cooperation between the Kingdom of Belgium and the Republic of Uganda", signed in Kampala on 1st February 2005
- Considering the Agreed Minutes of the Joint Commission on Development Co-operation between the Parties, held in Kampala on 7th November 2008, Annex 8 "Belgium-Uganda Indicative Development Cooperation Program (IDCP) 2009-2012" - Chapter 6.1.a: "Earmarked sector budget support for the Health Sector, via the PAF budget lines".
- Considering the Memorandum of Understanding (MoU) between the Government of Uganda and the Development Partners regarding the commitment of all parties, who recognize it as guidelines in which the health sector operationalizes the partnership in the implementation of the Health Sector Strategic Plan II, signed between Uganda and the Development Partners on 21st November 2005.

AGREE AS FOLLOWS:

Article 1

Definition and object of the agreement

This Specific Agreement concerns the participation of Belgium in the realization of the objectives of the Health Sector Strategic Plan II, developed for the period 2005-2010. Belgium will contribute in accordance with the MoU related to the HSSP II, which was signed by Belgium together with the other Development Partners and is annexed to this agreement

The overall goal of HSSP II is reduced morbidity and mortality from the major causes of ill-health and premature death, and reduced disparities therein.

The specific objectives of the HSSP II are:

- a. reduce infant mortality rate from 88 to 68 per 1000 live births
- b. reduce under-5 child mortality from 147 to 103 per 1000 live births
- c. reduce maternal mortality ratio from 506 to 354 per 100 000 live births
- d. reduce total fertility rate from 6.9 to 5.4 and increase contraceptive prevalence rate from 23% to 40%
- e. reduce HIV prevalence at ANC sentinel sites from 6.2% to 5%
- f. reduction in the disparities for morbidity and mortality between the lowest and highest socio-economic quintiles.

The Parties consider Uganda's commitment to peace and to promoting free, credible and democratic political processes, independence of the judiciary, rule of law, human rights, good governance and probity of public life, including the fight against corruption, to be underlying principles for the provision of sector budget support.

Article 2

Responsibilities of both Parties

- 2.1. The responsibilities of both Parties are fully described in the MoU
- 2.2. The Belgian Party designates:
 - 2.2.1. The "Directorate General for Development Cooperation", of the Federal Public Service Foreign Affairs, Foreign Trade and Development Cooperation, hereinafter called DGDC, as the Belgian administrative entity, responsible for the Belgian contribution. DGDC is represented in Uganda by the Development Cooperation Attaché in Kampala.
 - 2.2.2. 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 HSSP II, in accordance with the arrangements of the MoUs. Its Resident Representative in Kampala represents BTC in Uganda.
- 2.3. The Ugandan Party designates:
 - 2.3.1. The Ministry of Finance, Planning and Economic Development as the Ugandan administrative entity, responsible for the Ugandan contribution to HSSP II.
 - 2.3.2. The Ministry of Health as responsible for the implementation of the HSSP II.

Article 3

Contribution of the Parties

- 3.1. The contribution and obligations of the Ugandan Party are described in different Articles of the MoUs.
- 3.2. The Ugandan Party will ensure that the overall proportion of the overall Government budgetary allocation to the health sector increases in real terms over the period of the HSSP II, as stipulated in section 3, paragraph 3.5 of the MoU.
- 3.3. The contribution and obligations of the Development Partners are described in different articles of the MoU.

- 3.4 The reporting obligations of the Ugandan Party are described in section 6 of the MoU. The Ugandan Party will ensure that financial and health management information is provided on time, in particular:
- Quarterly Area Teams monitoring reports
 - Quarterly Ministry of Health performance review reports
 - Quarterly progress reports on implementation of Joint Review Mission undertakings.
 - Annual reports on the performance of the sector, based on annual output targets. The annual report shall contain league tables of performance against agreed indicators for districts, hospitals and Ministry of Health departments and divisions.
 - Financial flows audit (tracking study), covering 3 – 4 previous financial years
 - Audits of agreed financial sub-systems such as payroll and any value-for-money audits
 - Annual Audit reports of the Auditor General
- 3.5 The Belgian contribution will be a grant of 10,000,000 (ten million) euro earmarked to the Primary Health Care Conditional Grant (PHCCG) to the Districts. The Belgian contributions to the health sector budget will contribute to an annual increase in the allocation to the PHCCG.
- 3.6 Disbursement modalities:

For the grant destined to the Primary Health Care Conditional Grant (PHCCG) to the Districts:

- a first instalment of 5,000,000 euro for the Ugandan budget year 2008/2009 will be transferred after the signing of this Specific Agreement, an overall satisfactory appreciation by the Development Partners of the performance of the health sector during the Joint Review of October 2008, on the basis of the annual health sector performance report 2007/2008 and the presentation by the Auditor general of the audit report for the Ministry of Health for the financial year 2006/2007.
- the second instalment of 5,000,000 euro for the Ugandan budget year 2009/2010 will be transferred after an overall satisfactory appreciation by the Development Partners of the performance of the health sector during the Joint Review of 2009, based on the annual health sector performance report 2008/2009 and the presentation by the Auditor general of the audit report for the Ministry of Health for the financial year 2007/2008.

Belgium will transfer its contribution to the central consolidated PAF account in the Bank of Uganda, as will be specified by the Ministry of Finance, Planning and Economic Development.

This account funds the Primary Health Care Conditional Grant (PHCCG) to the Districts.

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

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 attached MoU. The Parties shall inform each other about the results and possible recommendations of these control and evaluation exercises
- 4.2. The Joint Review Mission (JRM) shall be held at least once a year. The mission will review the performance of the health sector during the previous year and agree on sector priorities and resource allocation for the next Financial Year.
- 4.3. The Government shall organize an End Evaluation by all parties of the implementation of HSSP II, which will take place before the end of the third year and the last quarter of implementation respectively.
- 4.4. The outcome of the end evaluation of HSSP II will determine the continuation of Belgian sector budget support to the health sector.
- 4.4. BTC is responsible for the Belgian participation in the monitoring of the implementation of HSSP II, in close collaboration with the Attaché for International Cooperation at the Embassy of Belgium in Kampala. This Belgian technical expertise will work closely with the Attaché for International Cooperation at the Embassy of Belgium in Kampala and the other Development Partners in Health and within the existing framework of monitoring mechanisms.

Article 5

Entry into force, duration, modification 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 24 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.

54. Any disputes related to the application and interpretation of this Specific Agreement shall be settled through bilateral negotiations.
55. This Specific Agreement may be denounced by each of the Parties through verbal note, subject to a six months' notice.

Article 6

Addresses

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:

Embassy of Belgium
P.O. Box 7043
Kampala

For Uganda, to:

Ministry of Finance, Planning
And Economic Development
P.O. Box 8147
Kampala

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

For Belgium, to:

BTC
P.O. Box 40131
Kampala

For Uganda, to:

Ministry of Health
P.O. Box 7272
Kampala


Article 7

Final Dispositions

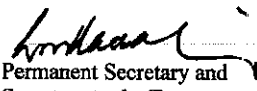
In witness whereof, the undersigned, duly authorized thereto, have signed the present Specific Agreement.

Done in duplicate in Kampala on the 2nd of December, 2008
In the English language, both copies being equally authentic.

For Belgium


Mr. Jan de Bruyne
Ambassador

For Uganda


Permanent Secretary and
Secretary to the Treasury
Ministry of Finance, Planning
and Economic Development