

**SPECIFIC AGREEMENT**

**between**

**THE KINGDOM OF BELGIUM**

**and**

**THE PALESTINIAN AUTHORITY**

**concerning**

**“THE STUDY, CONSULTANCY AND EXPERTISE FUND– ICP  
2012-2015”**

**The Government of the Kingdom of Belgium, hereinafter referred to as “the First Party”**

**and**

**The Palestinian Authority, hereinafter referred to as “the Second Party”**

both Parties jointly referred to as “the Parties”;

Considering the existing relations of friendship and solidarity between the two Parties;

Considering the General Agreement of Cooperation between the Parties signed in Ramallah on November 12<sup>th</sup>, 2001;

Reference to the third meeting of the Belgian-Palestinian Cooperation Joint Committee held in Ramallah on March 4<sup>th</sup>, 2008 and in particular to the Indicative Development Cooperation Programme 2008-2011;

Reference to the fourth meeting of the Belgian-Palestinian Cooperation Joint Committee held in Ramallah on November 23<sup>rd</sup>, 2011, and in particular to the Indicative Development Cooperation Programme 2012-2015;

**Hereby agree on the following provisions:**

**ARTICLE 1 - Replacement of Specific Agreement (dated November 12<sup>th</sup>, 2001).**

This Specific Agreement replaces the Specific Agreement (Palestinian-Belgium Study and Consultancy Fund) signed by the Parties in Ramallah on 12 November 2001 and all Exchanges of Letters which extended the validity of that Specific Agreement.

**ARTICLE 2 – Objectives of the Agreement.**

- 2.1. The Parties agree to sign a Specific Agreement to set up a Study, Consultancy and Expertise fund, hereinafter called “the Fund”. The objectives of the Fund are to enhance: (1) the capacities of Palestinian public institutions in order to support the priority sectors of the Belgian-Palestinian bilateral cooperation, (2) the preparation process of future Palestinian-Belgian Indicative Cooperation Programs and (3) the implementation of principles on harmonization and alignment as per the “Paris Declaration on Aid Effectiveness”.
- 2.2. The Fund can finance, in whole or in part, the following activities:
  - a) Support to priority sectors of the Palestinian-Belgian Cooperation and their implementation in accordance with the principles of the Paris Declaration, including:

- Studies that identify development projects and programs;
- Preparation of tenders for which the local authorities lack expertise ;
- Consultations and technical expertise for a duration of maximum 12 months. The costs for expertise will also entail the means and logistics required for its good functioning (transport, operation costs, ...);
- Strategic analysis of the priority sectors in which Palestine – Belgium cooperation is or will be active;
- Seminars or workshops;
- Training of administrative Palestinian staff to strengthen their capacities in terms of preparing, developing and managing projects and programs;
- Sector based studies, missions, seminars and training activities related to the integration of crosscutting issues (gender, environment, social economy, children's rights) in programs and projects.

b) Studies and consultancies in preparation of future Indicative Cooperation Programs of bilateral cooperation between the Palestinian Authority and Belgium.

c) Any other priority study/ consultancy/ expertise in relation to the development priorities of both Parties

d) Recruitment of short term external experts for technical and administrative advice on the terms of reference, and on documents and reports emerging from the different activities within the Fund. This expertise will be financed from the budget allocated to the activity.

Where possible, the studies will be carried out together with other donors in order to promote harmonization of the aid.

2.3. Palestinian Ministries and other Palestinian governmental or semi-governmental bodies, especially those involved in Belgian-Palestinian Cooperation activities are the beneficiaries of the resources of the Fund.

2.4. As agreed upon at the Joint Committee Session on the 4<sup>th</sup> March 2008, an amount of 1,2 million Euros will be placed at the disposal of the Ministry of Planning and Administrative Development (MoPAD) for capacity and institutional building.

MoPAD will provide an annual planning, made with the support of the Belgian Technical Cooperation (“BTC”), to the Belgian Party at the beginning of each year. This annual plan will contain detailed information on the projected capacity and institutional building of MoPAD.

2.5. The Fund cannot be used for financing infrastructure or other capital goods, purchase of vehicles or their maintenance, payment of salaries or operation costs of the beneficiary public body.

- 2.6. Funding of a study or consultancy through this Fund does not mean that there will be an obligation for either of the Parties to finance the activities analyzed and/or recommended by the study.

### **ARTICLE 3: Fund Provisions**

The Belgian contribution to the Fund was fixed in the Indicative Cooperation Programme 2008-2011 and also referred to in the new ICP 2012-2015 at 1.6 million Euros. In addition, the Fund will include the balance from the expired Palestinian-Belgian Study and Consultancy Fund totalling 101.829 Euro.

### **ARTICLE 4: Responsibilities of Parties**

- 4.1. The Fund is managed jointly by the Parties.
- 4.2. The Second Party designates the Ministry of Planning and Administrative Development (MoPAD) as the administrative entity responsible for managing the Fund.

Upon the official endorsement of this agreement, the Ministry of Planning and Administrative Development shall assign a 'Fund Manager' who will hold the following responsibilities:

- Approve, together with the Co-manager as per 4.3 below, proposals for activities to be financed by the Fund;
- Ensure the accurate follow-up of the Fund procedures for selection and approval of proposals as defined in Article 7 below;
- Approve all expenditures from the Fund account;
- Ensure the organization and coordination of all activities of the various government stakeholders implemented under this Fund;

The Ministry and/or the governmental or semi-governmental body that benefits from the Fund are designated as the "Executive Body" responsible for the technical monitoring of an activity.

For each activity financed by the Fund, the Executive Body appoints a person who shall be responsible for the proper implementation of the approved activity.

- 4.3. The First Party is represented by the Directorate General for Development Cooperation, Federal Public Service Foreign Affairs, Foreign Trade and Development Cooperation, hereinafter referred to as "DGD", and is responsible for the Belgian contribution to the Fund. DGD, is represented by the Head of Cooperation of the Consulate General in Jerusalem and will be referred to as the "Attaché".

The DGD designates the Belgian Technical Cooperation, hereinafter referred to as "BTC" as the body responsible for co-managing, monitoring, bookkeeping and technical follow-up of the Fund activities. BTC is represented in Jerusalem by its Resident Representative.

The BTC appoints its Resident Representative in his capacity as Co-manager of the Belgian fund, who shall be responsible for monitoring the procedure for allocating and approving of expenditures of the Fund, along with the technical monitoring of each activity.

**ARTICLE 5 : Monitoring and Evaluation.**

The Partner Committee, consisting at least of the representatives of MOPAD, DGD and BTC, will assure the strategic oversight of the Fund. It will meet twice a year upon the invitation of its Palestinian chairperson, but **extraordinary meetings can be organized on request of one of its members.**

The chairperson may invite, for advice only, other representative persons to the meeting.

The Partner Committee shall establish by consensus its operational procedures, and shall have the following tasks:

- Monitoring the implementation of the Fund;
- Developing and adjusting, upon request of the parties, the Manual of Procedures and/or the Fund Management;
- Verifying the compliance of procedures with this Specific Agreement;
- Assessing the relevance and quality of the results of activities financed by the Fund;
- Requesting the renewal or extension of the Belgian contribution, supervising the closure of the Fund and approving the final report.

The Partner Committee may request an evaluation of the relevance and results of the activities. This evaluation will be financed and implemented from the Fund resources, and shall follow the same procedures set for all activities under this Fund.

The Partner Committee will hold, within three months after the official endorsement of this Specific Agreement, its first meeting to discuss the Manual of Procedures for use and management of the Fund. This manual will be prepared by the manager and Co-manager of the Fund. In no case the Manual of Procedures may modify the terms of this Specific Agreement.

The Manual of Procedures shall be approved by the Partner Committee.

**ARTICLE 6: Proposals for Studies, Professional Expertise, Workshops, Seminars or Training.**

The proposals will be submitted to the Fund Manager by any Palestinian Ministry, Palestinian governmental or semi-governmental body. They shall include the following information:

- a) Identification of the applying institution (name and address);
- b) Subject of the intervention to be financed;
- c) Name of the Palestinian Ministry, Governmental or semi-governmental body which shall be in charge of the activity;
- d) Terms of reference of the study or consultancy, according to the template accepted by the parties;
- e) Agenda of the seminar or workshop;
- f) Profile(s) of the needed expert (s)
- g) Budget and cost-estimates;
- h) Timetable for implementation;
- i) Results to be achieved by the intervention.

#### **ARTICLE 7 : Approval Procedure of the Fund Operations**

Within 30 days of receipt of a funding request, the Fund Manager and Co-manager shall provide a decision based on agreed selection criteria. The Fund Manager and BTC Co-manager shall also ensure the availability of financial resources required to complete the requested activity.

The Fund Manager and BTC Co-manager, subsequently, submit a no-objection request to the Attaché. In the case of no response of the Attaché within a period of 10 days the proposal shall be considered accepted.

Upon final approval, the Fund Manager and Co-manager shall notify their decision to the applicant Ministry, governmental or semi-governmental body, and inform the Attaché.

#### **ARTICLE 8 : Public Laws**

All aspects of procurement not specifically regulated under this Specific Agreement shall be, unless otherwise decided by the Partner Committee, governed by the World Bank regulations, Guidelines and supplementary Standard Bidding Documents.

#### **ARTICLE 9 : Financing through Non-refundable Belgian Aid**

- 9.1. The Fund will be jointly managed by the Fund Manager and the BTC Co-manager, or their respective authorized delegates.
- 9.2. Upon signing this agreement, the BTC, shall open at a commercial bank, a EURO account titled "Study, consultancy and expertise Fund" and communicate the references to MOPAD.
- 9.3. This account is operated by the BTC Co-manager or his/her delegates.
- 9.4. Payments can only be made subject to delivery by MOPAD of a request for payment approved by the Fund Manager or his/her authorized delegate.
- 9.5. The account will be replenished quarterly by the BTC on the basis of quarterly financial planning and the balance of the account prepared by the Manager and Co-manager of the Fund.
- 9.6. The interest generated by the account will be capitalized into the same account and endorsed in the same manner.

#### **ARTICLE 10: Information**

- 10.1. The Project Manager of each activity shall provide a written and electronic copy of the final report on the study, consultancy, workshop, seminar, training or any other operation financed by the Fund. The report should be submitted to the Attaché, the Fund manager and the BTC Co-manager.
- 10.2. An annual report of the Programme implementation is prepared by the Manager and the Co-manager of the Fund and discussed in the Partner Committee
- 10.3. The Partner Committee will focus, through annual reviews, on the strategic direction and utilization of the Fund, as well as the quality and impact of the achieved results.

#### **ARTICLE 11: Dissemination of the Study Reports and the Expertise**

The reports of activities charged to the Fund shall be the property of the Second Party. However, the Second Party cannot sell or circulate the Report without the prior written consent of the First Party.

#### **ARTICLE 12: Fees, Taxes, and Duties**

The Belgian contribution shall in no case be used to pay any taxes, customs duties, entry fees or any other taxes (including VAT) on supplies and equipment, works and services supported under this Fund.

**ARTICLE 13: Duration, Extension, Renunciation and Amendment**

- 10.1. This agreement shall enter into force upon signature and is concluded for a duration of 4 years.
- 10.2. At the expiration of the present agreement, any surplus amounts remaining in the Fund and already transferred to the account, shall be used for similar activities that are mutually agreed upon by both Parties.
- 10.3. The specific agreement may be terminated by either Party through a formal Exchange of Letters, taking into account a three months notification. The balance of the fund then available and not committed under a previously signed contract will be immediately returned to the Belgian Party.
- 10.4. The present agreement may be amended and/or extended by an Exchange of Letters.
- 10.5. Any dispute concerning the application or interpretation of this specific agreement will be settled through negotiation.



**ARTICLE 14 : Mode of Communication**

On policy matters:

The notifications under this agreement, especially those that contain articles related to its amendment or its interpretation will be communicated through the following channels:

Concerning the First Party:

To the Consulate general in Jerusalem, to the attention of the Head of Development Cooperation.

Concerning the Second Party:

To the Ministry of Planning and Administrative Development.

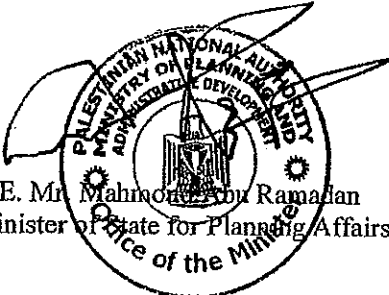
On operational and technical matters:

Any notices or correspondence related to the implementation of the Fund will be sent to the Fund Manager and Co-manager of the "Study, Consultancy and Expertise Fund Programme".

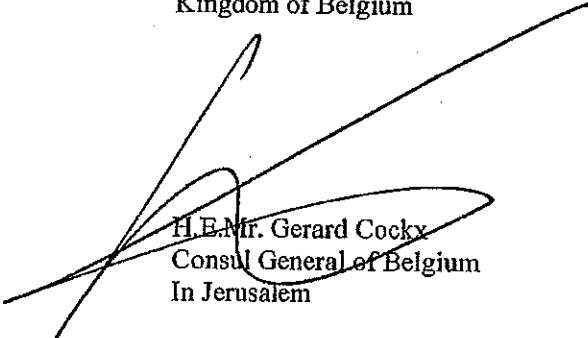
Done in Ramallah, on the 29/08/2012 in two originals in the English language, both equally authentic. Each Party hereby acknowledge receipt of one original copy.

Authorized Signatories for each Party:

For the  
Palestinian Authority

  
H.E. Mr. Mahmoud Abu Ramadan  
Minister of State for Planning Affairs  
Office of the Minister

For the Government of the  
Kingdom of Belgium

  
H.E. Mr. Gerard Cockx  
Consul General of Belgium  
In Jerusalem