



Embassy of the Kingdom of Belgium
in Kampala

Rwenzori Towers, Nakasero Road 6
P.O. Box 7043, Kampala
T +256 414 34 95 59
F +256 414 34 72 12
E-mail: kampala@diplobel.fed.be
www.diplomatie.be/kampala

**The Permanent Secretary / Secretary
to the Treasury
Ministry of Finance, Planning &
Economic Development
Kampala**

your communication of	your reference	our reference	date
		13/0256	25 th November, 2013

to be quoted in all correspondence

**Re: Third Exchange of letters concerning the Belgo-Ugandan
study and consultancy fund.**

Dear Permanent Secretary,

The Belgian Embassy in Kampala presents its compliments to the Ministry of Finance, Planning and Economic Development and has the honor to refer to your letter MoFPED-ALD of the 20th of May 2013.

- Considering the General Agreement on Direct Bilateral Cooperation between the Kingdom of Belgium and the Republic of Uganda signed in Kampala on the 1st of February, 2005;
- Referring to the third management contract between the Government of Belgium and his implementing agency the Belgian Technical Cooperation (BTC) signed on 5th August 2006 and entered into force on 1st of January 2007,
- Referring to the Indicative Bilateral Cooperation Programme agreed between the Republic of Uganda and the Kingdom of Belgium and signed in Kampala on the 7th of November 2008, specifically paragraph 6.3.3. on the "Study and Consultancy Fund";
- Referring to the Minutes of the Joint Local Consultative Body of the 13th of March, 2009 approving the Annual Report 2008 on the use of the Belgo-Ugandan Study and Consultancy Fund;
- Referring to the "Specific Agreement on the Creation of a Belgo-Ugandan Study and Consultancy Fund" between the Republic of Uganda and the Kingdom of Belgium signed on the 8th of August 2002 and the exchange of letters of 3 July and 31 October 2006 extending the validity and increasing the grant of the agreement up to 1.250.000 EUR (one million two hundred and fifty thousand Euros);

- Referring to the Exchange of letters concerning the Belgo-Ugandan Study & Consultancy Fund of the 2nd of December 2009 extending the validity and increasing the grant of the agreement up to 3.250.000 EUR (three million two hundred and fifty thousand Euros);
- Referring to the Indicative Bilateral Cooperation Programme agreed between the Republic of Uganda and the Kingdom of Belgium and signed in Kampala on the 5th of April 2012, specifically paragraph 6.3.3. on the "Study and Consultancy Fund";
- Referring to the Minutes of the Local Partner Committee of the 15th of April, 2013, specifically paragraph 5a) asking for the extension of the Fund ;
- Considering the fact that the Specific Agreement expired on the 8th of August 2013 and in order to proceed to the replenishment of the Fund as stated in article 2.1, it is considered that all provision agreed upon in this Agreement have continued to produce their effects since its expiry date and will remain applicable until the replenishment of the Fund is fully effective.

I would like to propose you to adapt the articles **1.1, 2.1, 4.2, 5, 11.1** of the Specific Agreement "on the Creation of a Belgo-Ugandan Study and Consultancy Fund" by the following texts and to maintain all other articles as they were written down in the second Exchange of Letters of the 2nd of December 2009.

ARTICLE 1

SCOPE AND OBJECTIVES

- 1.1. The Fund could finance, in full or in part, the following:
- (a) in support of the priority sectors of the Belgian Cooperation in Uganda or the implementation of the Paris Declaration: A maximum of 25% of the Belgian contribution of the Fund can be reserved for activities in support to the implementation of the Paris, Accra and Busan Declarations. If useful, the studies would be undertaken in cooperation with other donors in Uganda.
- identification studies related to development projects or programs;
 - the preparation of terms of reference or the bidding documents for studies in case the Ministries or Government Agencies do not have the required expertise;
 - consultancies and missions related to the preparation, implementation and follow-up of development projects and programs in Uganda;
 - strategic analysis in the context of the priority sectors of the Belgian Cooperation in Uganda;
 - seminars or workshops;
 - training of Ugandan civil servants in view of strengthening their capacities in the context of preparation of development projects or programs.
 - consultancies and missions related to the preparation, implementation, monitoring and follow-up of sector strategic plans;

- studies, missions, seminars and training programs with regards to the integration of transversal themes (gender, environment, child rights, HIV) in sector programs and development projects or programs
- (b) studies in the context of the Belgian-Ugandan Indicative Development Cooperation Programs;
A maximum of 25% of the Belgian contribution of the Fund can be reserved for activities in support to the implementation of the Paris, Accra and Busan Declarations. If useful and efficient, the studies would be undertaken in cooperation with other donors in Uganda.

ARTICLE 2

FINANCIAL MEANS

- 2.1. Belgium shall on the terms and conditions set forth or referred to in the Agreement, extend a grant of 4.750.000 EUR (four million seven hundred and fifty thousand Euros) - hereinafter referred to as "the contribution" - to Uganda for the replenishment of the Fund.

ARTICLE 4

THE FUND JOINT LOCAL CONSULTATIVE BODY

- 4.2. The Fund JLCB shall be composed of the following members:
- the Fund Director (Chairperson);
 - a representative of the Ministry of Foreign Affairs;
 - the Fund Co-Director ;
 - A representative the Office of the Attaché for International Co-operation at the Embassy of Belgium in Kampala.

ARTICLE 5

REQUESTS FOR FUNDING

- 5.1. Any Ugandan Ministry, Department and Authority (MDA) eligible to this Fund and wanting to have a Study or Consultancy financed by the Fund shall submit a funding request through the Fund Director with a copy to the Fund Co-Director. In order to be eligible, such a request shall contain at least the following information:
- a) Identification of the requesting institution (name, address, telephone, fax, mail...);
 - b) objectives of the Study or Consultancy;
 - c) the Ministry acting as the implementing entity;

- d) draft of terms of reference of the study or expertise conform with the format approved by both parties;
- e) profile of the consultant(s);
- f) cost estimate;
- g) estimated timetable;
- h) the expected results.

5.2. Any Ugandan MDA fitting within the framework of the Belgo-Ugandan Development Cooperation may request the assistance of the Joint Local Consultative Body. The Fund JLCB will commonly notify the decision to the requesting Ugandan MDA in writing.

ARTICLE 11

DURATION, PROLONGATION, DENUNCIATION AND MODIFICATION

11.1 The Agreement enters into force on the day of its signing and it is valid for a period of sixteen years up to the 8th of August 2018. At the expiration of the Agreement, the unspent funds already transferred to the account shall be used for similar purposes decided upon by mutual agreement between the parties.

ARTICLE 12

SETTLEMENT OF DISPUTES

12.1 Any dispute between the Parties arising out 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.

12.2 In case a compromise cannot be reached, the agreement may be terminated by either of the parties as contemplated in Article 11.2.

If you agree with the proposed changes, this letter and the reply will be valued as a formal agreement between our two governments and they will constitute the third amendment to the agreement of the Belgo-Ugandan Study and Consultancy Fund.

Please accept the assurances of my highest regard and esteem.

Yours sincerely,

Alain Hanssen

Ambassador

Embassy of the Kingdom of Belgium



Telephone : 256 41 4707 000
: 256 41 4232 095
Fax : 256 41 4230 163
: 256 41 4343 023
: 256 41 4341 286
Email : finance@finance.go.ug
Website : www.finance.go.ug



THE REPUBLIC OF UGANDA

Ministry of Finance, Planning &
Economic Development
Plot 2-12, Apollo Kaggwa Road
P.O. Box 8147
Kampala
Uganda

In any correspondence on
this subject please quote No. ALD 179/200/01

28th November 2013

H.E. The Ambassador
Royal Belgian Embassy
KAMPALA

Your Excellency,

**RE: THIRD EXCHANGE OF LETTERS CONCERNING THE
BELGO-UGANDAN STUDY AND CONSULTANCY FUND**

Reference is made to your letter Ref. 13/0256, dated 25th November 2013 and our letter of even reference dated 20th May 2013 regarding the above subject matter.

Your Excellency, Considering the General Agreement on Direct Bilateral Cooperation between the Republic of Uganda and the Kingdom of Belgium and the Indicative Bilateral Cooperation Programmes, the recent one having been successfully concluded on 5th April 2012;

Referring to the Specific Agreement on the creation of a Belgo-Uganda Study and Consultancy Fund between our two countries, signed on 8th August 2002, and the subsequent Exchange of Letters of 31st October 2006, and 2nd December 2009 extending the Financing Agreement and increasing the Grant Amount to 1,250,000 EUR and 3,250,000 EUR respectively;

Mission

"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"

Referring to the Minutes of the Local Partner Committee of 15th April 2013 seeking for the extension of the Fund;

And

Considering the fact that the Specific Agreement expired on the 8th August 2013, and the need to proceed with replenishment of the Fund as stated in Article 2.1, Government of Uganda hereby concurs that all provisions agreed upon in this Agreement have continued to produce their effects since its expiry date and will remain applicable until the replenishment of the Fund is fully effective.

Government further concurs that Articles 1.1, 2.1, 4.2, 5, 11.1 of the Specific Agreement on the Creation of the Belgo – Uganda Study and Consultancy Fund be adopted with text as proposed by you, and all the other Articles be maintained as they were written down in the Exchange of Letters of 2nd December 2009.

Your Excellency, it is now our understanding that from this day forth, this Third Amendment to the Specific Agreement on the Creation of the Belgo – Uganda Study and Consultancy Fund by way of Exchange of Letters is effective for the period as defined in Article 11.

Please accept your Excellency, the assurances of my highest consideration.


Keith Muhakanizi

PERMANENT SECRETARY / SECRETARY TO THE TREASURY

Mission

"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for