

SPECIFIC AGREEMENT

between

the Kingdom of Belgium

and

the Palestinian Authority

concerning the project

**“Regeneration of Historic Centres
in Local Government Units
(RHC)”**

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 on Co-operation between the Parties signed on November 12th, 2001;

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

Hereby **agree on the following provisions:**

ARTICLE 1 – Object of the Agreement

1.1. Under the present Specific Agreement, the Parties undertake to fund the development and implementation of the project “**Regeneration of Historical Centres in Local Government Units (RHC)**”, hereinafter referred to as “the project”, with the following objectives:

1.2. The **general objective of the project is:**

“The social, cultural and economic development of Local Government Units and Municipalities in Palestine is improved”

1.3. The **specific objective is:**

“Local Government capacity to regenerate their Historic Centres and support sustainable local development in these areas is enhanced”

ARTICLE 2- Responsibilities of the parties

2.1 The Palestinian Authority designates:

the Ministry of Local Government, hereinafter referred to as MOLG, as the administrative entity responsible for the implementation of the project. The Municipal Development and Lending Fund (MDLF) is the Palestinian



implementation agency for some components as mentioned in the Technical and Financial File (TFF) which is annexed to this Agreement.

2.2. Belgium designates:

2.2.1. The Directorate general for Development Co-operation of the Federal Public Service for Foreign Affairs, Foreign Trade and Development Cooperation hereinafter referred to as "DGD", as the entity responsible for the Belgian financial contribution to the Project. DGD is represented in the occupied Palestinian territory (oPt) by the Head of Development Co-operation at the Belgian Consulate General in Jerusalem.

2.2.2. Belgium entrusts the follow up, guidance, monitoring, evaluation and auditing of the project to the "Belgian Technical Cooperation" (a public-law company with social purposes hereinafter referred to as the "BTC"). BTC is represented in the occupied Palestinian Territory by its Resident Representative. BTC performs this task pursuant to an agreement concluded with the Belgian State.

ARTICLE 3 – Cost of the Project and sources of its funding.

3.1 The total cost of the Project has been estimated at 8 110 000 €, of which:

3.2 110 000 € in kind to be contributed by the Palestinian Party.
This contribution notably includes running costs for field vehicles, office space, national staff.

3.3. 8 000 000 € (eight Million Euros) to be contributed by the Belgian Party.

3.4. The modalities for use of this budget are further 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 this Specific Agreement, hereinafter referred to as TFF.

4.2. With the exception of the specific objective of the Project (art.1.3), of the duration of the project (art.12.1) and of the budgets (art.3), for which a modification needs an exchange of letters between the Parties, MOLG and BTC may adapt the TFF according to the evolution of the general context and/or the course of the Project.

4.3. BTC shall inform the DGD on the following modifications made to the Project :

- The way in which the Belgian and/or the Palestinian contribution is made available to the Project;
- Results, including their respective budgets;
- Responsibilities, attributions, composition and operating mode of the Steering Committee (SC);



- Approval mechanism for adapting the TFF;
- Indicators for the specific objective and for the results;
- Financial modalities for the implementation of the contribution of the Parties.

An adapted indicative financial programme will be included, if deemed necessary.

ARTICLE 5 – Obligations of the Parties

Each of the Parties shall take timely all institutional, administrative and budgetary measures required for the correct implementation of the commitments described in this Specific Agreement.

ARTICLE 6 - Steering Committee (SC)

- 6.1. The Parties agree to entrust the Steering Committee with the follow-up, 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 SC are specified in the TFF.
- 6.3. The SC sets up its internal regulations with respect to the other articles of this Specific Agreement. Minutes of the meetings will be prepared by the Program Director and signed by the SC members. One copy will be sent to the Head of Development Co-operation at the Consulate General in Jerusalem.
- 6.4. The SC shall meet two times a year and at the latest three months after the signature of the present Agreement. Extraordinary meetings can be called by the Chair, according to the needs.
- 6.5. Not later than three months before the end of the Project, the SC will meet to examine the final draft report of the Project, prepared according to the regulations defined in the TFF, and to clarify the modalities for ending the Project as stipulated in article 12.2.

ARTICLE 7 – Means by which the international technical assistance funded by the Belgian contribution is made available.

- 7.1. The BTC can recruit and appoint technical assistance, both short term and long term, for the implementation of the project. MOLG will approve them prior to appointment.
- 7.2. The expatriate personnel, put at the disposal of the project by BTC, benefits from the privileges mentioned under article 8 of the General Agreement on Direct Bilateral Cooperation between the Kingdom of Belgium and the Palestinian Authority.

Handwritten signatures and initials at the bottom of the page, including the letters 'KO' and several scribbled lines.

ARTICLE 8 – Privileges and immunities.

- 8.1. No part of the Belgian contribution shall be used to pay any taxes, customs or import duties or other tax-related fees on supplies, equipment, works and services.
- 8.2. If duties or taxes are due according to the legislation, they will be covered by the Palestinian Party.

ARTICLE 9 – Reciprocal information

Each Party shall transmit to the other Party all information deemed relevant to the smooth and efficient implementation of the Project.

ARTICLE 10 – Reports, monitoring and evaluation

- 10.1. Procedures for administrative and operational, accounting and financial reporting are detailed in the TFF.
- 10.2. Either Party may, at any time, subject to preliminary information from the other Party, jointly or separately carry out an appraisal or an evaluation of the project. In case the evaluation or appraisal is carried out separately, each Party communicates to the other its findings and conclusions.

ARTICLE 11 – Sustainability of the results

In order to assure the sustainability of the results of the Project, the Palestinian Authority will take all institutional, administrative and budgetary measures deemed necessary.

ARTICLE 12: Duration, Extension, Renunciation and Amendment

- 12.1. This Specific Agreement shall enter into force the day of the signature by both Parties and is concluded for a period of 60 + 12 months, that can not be extended. The execution of the Project shall have a duration of 60 months.
- 12.2. Funds available for activities started before the expiration of this Specific Agreement shall be automatically used beyond this date in case the related contracts have not been fully executed at the end of the project.
- 12.3. After the financial closure of the Project, the funds not used will be re-allocated as project aid in the current Indicative Cooperation Program during a Partner Committee and will be confirmed via an Exchange of Letters between the Parties.



- 12.4. This Agreement may be cancelled by each of the Parties, by verbal note, subject to a three-month notice. In this case, the funds that have not been used will be reallocated at the ending of that notice in accordance with the above article 12.3. All outstanding contracts related to the TFF, before the cancellation of this Agreement will be honoured as foreseen.
- 12.5. The clauses of this Specific Agreement can be modified by common agreement between the Parties via an Exchange of Letters.
- 12.6. Any dispute relating to the implementation or interpretation of this Specific Agreement shall be settled through negotiation between the Parties.

ARTICLE 13 – Addresses

- 13.1 All notifications related to the Specific Agreement and, more specifically, any such notifications pertaining to its **modification or interpretation**, shall be handled via diplomatic channels at the following addresses:

for the first Party:

the Head of Development Co-operation
Belgian Consulate General
Baibars Street, 5, Sheikh Jarrah
97200 Jerusalem
POBOX 1150 91010 Jerusalem

for the Second Party:

the Ministry of Planning and Administrative Development
P.O. Box 1336 Ramallah
Palestine

- 13.2 All notifications and communications related to **the implementation** of the Specific Agreement shall be communicated to :

for the First Party :

BTC Resident Representative
BTC Office
Nashashibi Street
Sheikh Jarrah
97200 Jerusalem

for the second Party

the Ministry of Local Government
P.O. Box 731 Ramallah
Palestine

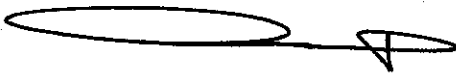


Done in Ramallah, on 5/6/2013 in three originals in the English language, all three copies equally authentic, each Party hereby acknowledging receipt of its copy.

In witness whereof the undersigned, duly authorised hereto by their respective Governments, have signed this agreement.

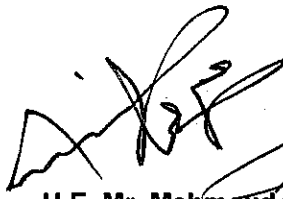
For the
Palestinian Authority

For the Government of the
Kingdom of Belgium



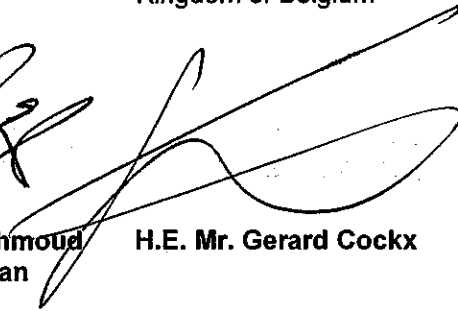
**H.E. Dr Khalid Fahed
Qawasmi**

Minister of Local Government



**H.E. Mr. Mahmoud
Abu Ramadan**

Minister of State
for Planning Affairs
Development



H.E. Mr. Gerard Cockx

Consul General of Belgium
in Jerusalem

