

**GENERAL AGREEMENT
ON
DEVELOPMENT CO-OPERATION**

between

THE KINGDOM OF BELGIUM

and

**THE PALESTINIAN LIBERATION ORGANISATION
for the benefit of
THE PALESTINIAN AUTHORITY**

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hereinafter referred to as "the Parties",

Determined to intensify their relationship of partnership and co-operation on the basis of mutual respect, the sovereignty and equality of the two parties, and to pursue a common policy of sustainable and harmonious development which is beneficial to all segments of their respective populations, in particularly the most disadvantaged,

Reaffirming their attachment:

- to the principles of the Charter of the United Nations, the values of democracy and Human Rights, as recognised in the Universal Declaration of Human Rights and the World Conference on Human Rights organised in Vienna in June 1993;
- to the 20/20 concept adopted at the World Summit of Copenhagen in March 1995 on Social Development;
- to the declaration of the International Labour Organisation relative to the principles and fundamental rights at work, adopted by the International Labour Conference in June 1998;
- to the dignity and value of human beings, men and women, actors and beneficiaries of development, equal in rights and obligations according to the recommendations of the fourth World Conference on Women organised in Beijing in September 1995;
- to the protection and preservation of the environment as well as to the implementation of the Agenda 21 adopted at the United Nations Conference on the Environment and Development organised in Rio de Janeiro in June 1992;

- to the spirit and objectives of the Barcelona Declaration issued by the 27 Euro-Mediterranean partners on 28 November 1995 in Barcelona ;

Convinced that these principles are the essential fundamentals for a relationship of co-operation between the two Parties,

Considering that it is important to establish a political and legal framework for their co-operation, based on a dialogue and shared responsibility;

HAVE AGREED AS FOLLOWS:

Art. 1. Objective of the agreement.

The purpose of this general agreement is (A) to define the political, institutional and legal framework for the direct bilateral co-operation between the two Parties and (B) to outline guiding principles and operational procedures governing all aspects of their relations in the fields of development co-operation.

Art. 2. Objectives of the development co-operation

The main objective of this development co-operation is to further sustainable human development. To that end, both Parties agree to join effort within their bilateral aid program to pursue the overall objective as highlighted in this agreement, with the aim to enhance peace, stability and prosperity in the region. Special emphasis is assigned to fight poverty, to cultivate partnership between the Belgian and the Palestinian peoples, to promote democracy, the rule of law, the role of the civil society and good governance, to favour the respect of human dignity, freedom and human rights and to fight all forms of discrimination, whether based on social, ethnical, religious or philosophical grounds or on gender, the economic and social development being at the centre of these actions.

Art. 3. Priority sectors and themes of Co-operation.

The bilateral co-operation between the two Parties shall focus within their bilateral aid program on one or more of the following sectors:

1. Primary health care, including reproductive health;
2. Education and training;
3. Agriculture and food security;
4. Basic infrastructure;
5. Conflict prevention and institutional development.

Within these five priority sectors the bilateral co-operation shall integrate the following themes as cross common feature and denominator:

1. Equality of rights and opportunities between men and women;
2. Protection and preservation of the environment;

3. Social economy.

Art. 4. Indicative co-operation development programmes

In order to implement such direct bilateral co-operation, development co-operation programmes shall be jointly conceived, developed and subsequently submitted for approval by the Joint Committee as referred to in article 5.

The objectives of these indicative co-operation development programmes shall comply with and reflect goals and aims articulated and defined in the Palestinian Development plan as well as with those set out in article 2.

Furthermore and in line with the spirit and content of article 3 of this agreement, the indicative co-operation development programmes shall ensure that:

1. Institutional and management capacities are strengthened by entrusting a growing role to local management and local implementation;
2. The programmes remain technically and financially viable after Belgian funding has ended;
3. The programmes are implemented in a way that is effective and efficient, with decision-making powers being as close as possible to the target groups.

Art. 5. Joint Committee.

In order to put into effect the terms of this agreement and to monitor its implementation, both Parties consent to establish a Joint Committee composed of their respective representatives.

Its main task is to serve as forum for policy dialogue in development co-operation, for considering and approving the bilateral aid program (the Indicative Co-operation Development Programme - ICDP), to monitor its progress, to introduce modification, addition or adjustment to the program or its components and to give directives and orientations as may be required or emerge from the development on the ground.

The Joint Committee shall meet at ministerial level at least every three years alternatively in the Palestinian Territories and in Belgium. Both Parties agree to outline and draw up the procedures and modalities governing their relations and defining roles, responsibilities within the programme and project cycle management.

The Joint Committee shall also meet once every year at the appropriate level of representation to carry out a thorough review and analysis of program implementation. It shall also address problems and obstacles at the level of individual projects and agree on operational steps to overcome them.

Art. 6. Co-operation activities.

1. The indicative co-operation development programmes shall be transformed into Specific co-operation activities. For each such activity, the Kingdom of Belgium's contribution may include technical co-operation, training activities or studies, grants in kind or in funds including notably budgetary aid, loans, shareholdership, debt relief or a combination of these elements.
2. All co-operation activities shall be jointly conceived, prepared, planned, implemented, monitored and evaluated in accordance with an integrated and goal-orientated management cycle and composed of four phases: identification, formulation, implementation and evaluation.
3. The identification of each co-operation activity shall be the result of a consultative process between the two Parties and the partners concerned.
The Palestinian Authority shall have the final responsibility for initiating and processing the phase of the identification in close co-operation with the Attaché in the General Consulate and the BTC as the source of technical expertise.
4. In order to make sure that each co-operation activity is well adapted to the capabilities and needs of the beneficiaries, a participative approach shall be followed. In principle, a Joint Local Consultative Body, called Steering Committee, shall be set up.
5. A specific Agreement, concluded between the two Parties before the start of the implementation phase, shall constitute the legal basis for each co-operation activity.
It shall stipulate notably, depending on the means of co-operation decided:
 - the objectives;
 - the mechanisms and timetable for its implementation;
 - if applicable, the rules concerning the use and transfer of funds;
 - if applicable, the rules concerning the acquisition and transfer of equipment;
 - the rights, responsibilities and obligations of all the parties involved;
 - the modalities for reporting, monitoring and controlling (financial and administrative);
 - the characteristics and terms of reference of the joint steering committee for this co-operation activity.

Art. 7. Bodies responsible for the implementation of this general Agreement.

1. For the implementation of this Agreement, the Palestinian Party is represented by the Ministry of Planning and International Co-operation (MoPIC).
The MoPIC is responsible for co-ordinating the development co-operation projects with Belgium, for negotiating and finalising the individual agreements as well as for monitoring the implementation of projects and reporting on aid flows.
The technical ministries are responsible for implementing the projects in their respective fields.

2. For the implementation of this Agreement, the Belgian Party is represented by the Belgian Consulate General in Jerusalem.
Within this Consulate General, the Attaché for International Co-operation is the focal point in charge of all matters relative to development co-operation.
3. In principle, the Belgian Party shall entrust the implementation of its obligations during the formulation phases referred to in article 6, §2, exclusively to the "Belgian Technical Co-operation" (BTC), a Belgian public law company with social purposes.
The Belgian Party shall conclude with the BTC agreements by which the BTC undertakes to respect the specific agreements referred to in article 6 §5.
4. If the nature of the co-operation activities requires such, their implementation may be entrusted, either by the Minister responsible for co-operation, or by the BTC, to specialised organisations, in close consultation with the technical ministry and MoPIC as the co-ordinating authority.

Art. 8. Privileges and Immunities

For the implementation of this Agreement, the Resident Representative of BTC and his Deputies recruited in Belgium, provided that they are not nationals of the Palestinian Territories, shall enjoy the privileges and immunities applicable to equivalent staff working in diplomatic or consular missions.

Similarly, all experts working within the framework of this Agreement, who are not nationals of the Palestinian Territories, shall enjoy the same privileges and immunities as those granted to experts of the United Nations and its specialised agencies. They will be entitled notably to import or buy, free of duty, a vehicle, furniture and goods for their personal use as well as for the use of members of their family living with them.

The Palestinian Authority shall ensure their personal safety, protection for their personal property and provide them with the necessary permits and identification free of fees or excises.

Their salaries, remuneration and allowances shall be exempted from taxation by the Palestinian Authority. When required, they shall however be subject to social security in compliance with Belgian legislation or the legislation of the Palestinian Territories.

Personal property and real estate of the Representation of BTC as well as equipment imported or goods and services procured locally in the framework of this Agreement or a specific project Agreement pursuant to it, shall be exempted from all taxes or levies.

Art. 9. Control and evaluation.

The Parties shall take all the administrative and budgetary measures necessary to achieve the objectives of the specific Agreements pursuant to this general Agreement.



To that end, the Parties shall carry out, together or separately, any controls and evaluations, whether internal or external, which they may consider useful. However, each Party shall inform the other of any controls and evaluations that it intends to carry out separately.

Art. 10. Disputes.

Any disputes arising in connection with the implementation of this general Agreement and its measures of application shall be settled by way of bilateral negotiation. In the event that it proves impossible to resolve disputes in that way, such disputes shall be subject to the procedures laid down in the United Nations Charter.

Art. 11. Duration and termination.

This Agreement is concluded for an indeterminate period. Modification, alteration, addition or omission in the terms of this agreement are subject to mutual consensus by both Parties and be confirmed in writing through diplomatic channels of communication.

Each of the Parties may terminate it at any time by giving notice to the other Party. In that case, such termination shall become effective six months later.

Any such termination shall not, however, result in the specific Agreements or other bilateral acts governed by the general Agreement being terminated. For that, specific termination notice must be given.

Art. 12. Entry into force and transitional measures.

This general Agreement shall enter into force on the first day of the month following the date on which the last Party notifies the other Party that it has completed the necessary internal procedures required for the Agreement to enter into force.

However, any co-operation action underway on the date on which this general Agreement enters into force shall continue in accordance with the provisions laid down in the agreements governing them.

Art. 13. Notifications.

Any notification relative to the performance of this general Agreement and the specific Agreements pursuant to it shall, unless specifically agreed otherwise, be communicated to the addresses shown below. Any change in this connection shall be communicated by diplomatic channels of communication.



For the Palestinian Liberation Organisation for the benefit of the Palestinian Authority:

Ministry of Planning and International Co-operation
PO Box 1336 Ramallah
West Bank – Palestine

For the Kingdom of Belgium :

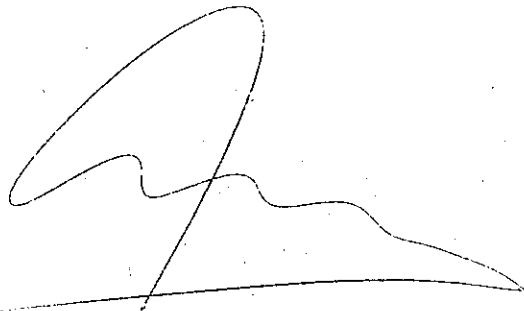
Consulate General of Belgium
Biber Street 5, Sheik Jarrah
97200 Jerusalem

IN WITNESS WHEREOF, the two Parties have signed this general Agreement.

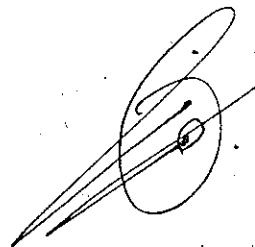
Signed in Ramallah, on November 12th, 2001, in two originals, each in the English language, each text being considered as authentic.

For the Kingdom of Belgium,

For the Palestinian Liberation Organisation
For the benefit of the Palestinian Authority



Eddy Boutmans,
Secretary of State for Development
Co-operation



Hicham Mustapha
Assistant to the Minister of International
Cooperation
Director General of the Western Europe Department