

SPECIFIC AGREEMENT

BETWEEN

THE GOVERNMENT OF KINGDOM OF BELGIUM

AND

**THE GOVERNMENT OF THE REPUBLIC OF
MOZAMBIQUE**

ON

A STUDY AND EXPERTISE FUND

IN MOZAMBIQUE

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**SPECIFIC AGREEMENT
BETWEEN
THE GOVERNMENT OF KINGDOM OF BELGIUM
AND
THE GOVERNMENT OF THE REPUBLIC OF MOZAMBIQUE**

The Government of Kingdom of Belgium (hereinafter referred to as "Belgium"), and the Government of the Republic of Mozambique, (hereinafter referred to as "Mozambique"), hereinafter jointly referred to as the "Parties", and separately as a "Party";

Considering the General Agreement on Co-operation between the Parties signed on 11 May 2001, and the relations of friendship and solidarity between the two Parties;

Considering the conclusions of the Joint Commission between Belgium and Mozambique held in Maputo on 19 December 2012 and the Indicative Cooperation Program 2013-17;

Motivated by the intention to fund studies and consultancies, national and international expertise and seminars, related to the priority sectors of the Belgian Cooperation and to crosscutting issues (gender, environment and climate change, financial governance);

Taking into account the lessons learned from the previous Study Fund by having a clearer sectorial focus and providing assistance to the beneficiary institutions in developing capacity and strengthen their institutional organization sustainably within the context of the Mozambican Government Strategy for Poverty Reduction (PARP 2011-2014).

Have agreed as follows:

ARTICLE 1 – Object of the agreement

- 1.1. The parties agree to finance a "Study and Expertise Fund", hereafter referred to as "the Fund".
- 1.2. The general objective of the Fund is: *"Contributing to capacity building development of Mozambican institutions in the sectors of Agriculture/Food Security, Energy for Rural Development and Health"*.
- 1.3. The specific objective of the FUND is: *"Institutional and organizational capacity building efforts have been supported through short- and medium-term consultancies and technical assistance, specific studies and seminars in the priority sectors and geographical areas of concentration of the Belgian-Mozambican Cooperation"*.

- 1.4. A maximum of 25% of the Belgian contribution to the Fund can be used for activities in support of the implementation of the international declarations on aid effectiveness.

ARTICLE 2 – Responsibilities

- 2.1 Mozambique designates the Ministry of Planning and Development, hereinafter referred to as "MPD", as the agency responsible for the Mozambican contribution to the Fund and implementation of Fund activities.
- 2.2 Belgium designates the Directorate-General for Development Cooperation within the Federal Public Service Foreign Affairs, Foreign Trade and Development Cooperation hereinafter referred to as "DGD", as the entity responsible for the Belgian financial contribution to the Fund. DGD is represented in Mozambique by the Maputo based Development Cooperation Office of the Embassy of Belgium in Pretoria.
- 2.3 DGD entrusts the implementation and the follow-up of the project to the "Belgian Technical Cooperation", a public-law company with social purposes, hereinafter referred to as "BTC".
- 2.4 The Belgian Technical Cooperation is represented in Mozambique 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 Mozambican contribution to the FUND will be in Human Resources, material resources and payment of taxes and import duties.
- 3.2 Belgium undertakes to contribute an initial amount of 750.000 EUR to the Fund. Belgium may thereafter replenish the Fund up to the maximum total contribution foreseen in the TFF. Each replenishment will be the object of an exchange of letters between the Parties
- 3.3 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 Fund will be implemented according to the Technical and Financial File, attached to this Specific Agreement.

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4.2 With the exception of the specific objective of the FUND (art.1.3), of the duration of the Specific Agreement (art.12.1) and the global budget (art. 3), for which a modification needs an exchange of letters between the Parties in accordance with article 12.5 of the Specific Agreement, the Steering Committee may adapt the Technical and Financial File according to the evolution of the general context and/or the course of the FUND.

- 4.3 BTC shall inform the DGD on the following modifications made to the TFF:
- Results, including their respective budgets;
 - Responsibilities, attributions, composition and operating mode of the Steering Committee (SC);
 - Indicators for the specific objective and for the results;
 - Financial modalities for the implementation of the contribution of the Parties.
 - The way in which the Belgian and/or the Mozambican contribution is made available to the FUND
 - Approval mechanism for adapting the TFF.

An adapted indicative financial program 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)

The Parties entrust the Steering Committee with the follow-up, the monitoring and the strategic management of the Project.

The composition, the attributions, the responsibilities and the operating mode of the Steering Committee are specified in the Technical and Financial File (TFF).

The Steering Committee sets up its internal regulations with respect to the other articles of this specific agreement. Minutes of the meetings will be signed both by the Permanent Secretary of the Ministry of Planning and Development and the BTC-Resident Representative. A copy will be sent to the Maputo Development Cooperation Office of the Embassy of Belgium in Pretoria.

The Steering Committee shall meet on at least a six-monthly basis and at the latest three months after the Signature of the present Agreement.

Not later than six months before the end of the Project, the Steering Committee will meet to examine the final draft report of the FUND, prepared according to the regulations defined in the Technical and Financial File, and to clarify the modalities for ending the FUND as stipulated in article 12.2.

ARTICLE 7 – Human Resources

- 7.1 MPD will put one of its staff members half time at the disposal of the Fund to take up the role of National Coordinator.
- 7.2 The Project Manager (NTA) and support staff (Administrative & Financial Assistant) as mentioned in the TFF, will be contracted by the BTC to support the implementation of the Fund. BTC staff will be recruited in close consultation with MPD and according to BTC regulations. The selected candidates will be subject to agreement in writing by Mozambique.

ARTICLE 8 – Taxes, Charges and Import Duties

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.

If duties or taxes are due according to the national legislation, they will be covered by the Mozambican Party.

ARTICLE 9 - Mutual 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 Technical and Financial File.
- 10.2 Each of the Parties can, at any time, jointly or separately, control or evaluate the progress of the implementation of the Fund, provided the other Party is informed in advance. Each Party will communicate to the other Party the results of its controls and evaluations.

ARTICLE 11 – Sustainability of the results

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

ARTICLE 12 – Duration, extension, cancellation, modifications and litigation

- 12.1 This Specific Agreement shall enter into force on the date of signature by both Parties and is valid for a non-extendable period of 72 months. The implementation of the FUND has duration of 60 months
- 12.2 Funds available and engaged for ongoing activities before the expiration of this Specific Agreement will be automatically used beyond this duration if contracts relative to it were not fully executed at the conclusion of the aforementioned duration.
- 12.3 After the financial closure of the FUND, the funds not used will be re-allocated within the current Indicative Programme of Cooperation. The reallocation is to be discussed at a Partner Committee and will be confirmed by an Exchange of Letters."
- 12.4 This Specific Agreement may be ended by each of the Parties by a verbal note, subject to a six months' notice. In this case, all the contracts signed, according to the Technical and Financial File, before the cancellation of the Specific Agreement will however be executed and honored as foreseen.
- 12.5 This Specific Agreement may be modified by exchange of letters communicated through the diplomatic channels.
- 12.6 Any dispute arising from the application and interpretation of this Specific Agreement shall be settled by negotiation between the Parties.

ARTICLE 13 – Addresses

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 Belgium:
*Head of Development Cooperation
Embassy of Belgium
Av. Kenneth Kaunda 762
P.O.Box 1500
Maputo – Moçambique*

For Mozambique:
*Ministry of Planning and Development
Direcção Nacional de Investimento e
Cooperação
Avenida Ahmed Sekou Touré n°21 -
3e Andar
Maputo - Moçambique*

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


For Belgium:
*The BTC Resident Representative
Av. Kenneth Kaunda 762
Maputo - Moçambique*

For Mozambique:
*Ministry of Planning and
Development
Direcção Nacional de Investimento e
Cooperação
Avenida Ahmed Sekou Touré n° 21-
3e Andar
Maputo - Moçambique*

Done in Maputo on the 12th day of December 2014, in two originals, one in English, one in Portuguese, both copies being equally authentic.

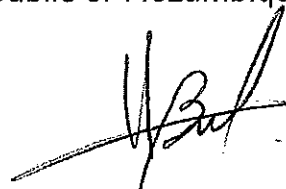
In witness whereof, the undersigned, being duly authorised thereto by their respective governments, have signed this Agreement.

For the Government of the
Kingdom of Belgium



Antoon Delie
Head of Development Cooperation

For the Government of the
Republic of Mozambique



Henrique Banze
Vice-Minister of Foreign Affairs and
Cooperation

