Agreement between the Palestine Liberation Organization (PLO) and the United Nations Development Programme (UNDP)

1. In response to General Assembly resolution 33/147 of December 1978, the UNDP initiated its Programme of Assistance to the Palestinian People (PAPP), through which it has, since 1980, been implementing both capital and technical assistance projects throughout the occupied Palestinian territory (OPT). Since that time, consultations between the UNDP and the PLO have taken place regularly regarding the work of the UNDP in the OPT. In 1981, the UNDP established its office in East Jerusalem to oversee project implementation. The operation of the UNDP in the OPT is headed by Special Representative of the UNDP Administrator, who carries out responsibilities from that office. Recently, the UNDP established a post in Gaza to follow-up its activities in that area.

2. The signing of the Declaration of Principles on Interim Self-Government Arrangements, in Washington, D.C. on 13 September 1993, between the Palestine Liberation Organization and the Government of Israel has created a new situation which should be reflected in the future activities of the UNDP in the OPT. The UNDP has actively participated in various meetings and missions emanating from the peace process, which have involved the United Nations, the World Bank, and donor countries, to follow-up the issue of assistance to the Palestinian people during the transitional period.

3. In its 48th session, the General Assembly adopted, by consensus, resolution 48/213 of December 1993 on “Assistance to the Palestinian People”, which provides an additional foundation for the international community and the United Nations system with regard to the issue of assistance to the Palestinian people.

4. Consultations between the PLO and the UNDP have taken place taking the above into
consideration, during which an evaluation of the work done by PAPP has also been conducted. It was agreed that all projects which have been initiated should be completed and that all future projects will be subject to the provisions of this agreement. Such projects will involve, inter alia, work in the fields of public sector-institution building, economic development, human development, and environmental management. In addition to the continuing support from the central resources of the UNDP, the UNDP is seeking external funding to carry out capital and technical assistance activities of approximately $80 million.

5. In carrying out its activities, the UNDP will seek to ensure the association, whenever relevant, of the specialized agencies and other organizations of the United Nations system, within the framework of the United Nations coordinating mechanism. The UNDP will also work with other members of the international donor community towards the fullest coordination of external assistance.

6. During consultations, the PLO informed the UNDP that the Palestinian Council for Development and Reconstruction (PEC DAR) will be the Palestinian agency responsible for coordinating external assistance, and as such will be cooperating with the UNDP.

7. In light of the foregoing, the PLO and the UNDP have entered into this agreement.

**Article I**

**Scope of the Agreement**

This agreement will govern the future operations of the UNDP in the occupied Palestinian territory, including the basic conditions under which the UNDP and its executing agencies shall assist the Palestinian Authority in carrying out its development projects, and under which such UNDP-assisted projects shall be executed.
Article II
Forms of Assistance

1. UNDP assistance under this Agreement may consist of:

   (a) the services of advisory experts and consultants, including consulting firms or organizations, selected by and responsible to, the UNDP or the Executing Agency concerned;

   (b) the services of operational experts selected by the Executing Agency, to perform functions of an operational, executive or administrative character as civil servants or as employees of such entities as may be designated by the Palestinian Authority;

   (c) the services of members of the United Nations Volunteers (hereinafter called volunteers);

   (d) the services of expatriate Palestinians through the Programme entitled the Transfer of Knowledge through Expatriate Nationals (TOKTEN);

   (e) equipment and supplies not readily available in the occupied Palestinian territory;

   (f) seminars, training programmes, demonstration projects, expert working groups and related activities;

   (g) scholarships and fellowships, or similar arrangements under which candidates nominated by the Palestinian Authority and approved by the Executing Agency concerned may study or receive training; and

   (h) any other form of co-operation which may be agreed upon by the Palestinian Authority and the UNDP.
2. Requests for assistance shall be presented by the Palestinian Authority to the UNDP through the Special Representative of the Administrator in the OPT, in the form and in accordance with the procedures established by the UNDP for such requests. The Palestinian Authority shall provide the UNDP with all appropriate facilities and relevant information to appraise the request, including an expression of intent with respect to the follow-up of investment-oriented projects.

3. Assistance may be provided by the UNDP through the Palestinian Authority either directly, with such external assistance as is deemed appropriate, or through an Executing Agency, which shall have primary responsibility for carrying out UNDP assistance which shall have the status of an independent contractor for this purpose.

4. The UNDP will continue to maintain a mission in the OPT headed by the Special Representative of the Administrator, who will continue to operate from the present UNDP office in East Jerusalem. The UNDP mission shall have such other staff as it may deem appropriate to its proper functioning.

5. Upon completion of the appraisal of the request, the UNDP will co-operate with the Palestinian agency(s) or department(s) concerned and the Executing Agency, if any, in formulating a Project Document to govern all aspects of project execution, for signature by all parties.

Article III
Execution of Projects

1. The Palestinian Authority shall remain responsible for its UNDP-assisted development projects and the realization of their objectives as described in the relevant project documents, and shall carry out such parts of such projects as may be stipulated in the provisions of this Agreement and such Project Document. The UNDP undertakes to complement and supplement the participation of the Palestinian Authority in such projects through assistance to it in
pursuance of this Agreement and the Work Plan forming part of such Project Documents, and through assistance to the Authority in fulfilling the stated intent with respect to investment follow-up. The Palestinian Authority shall keep the UNDP currently informed of the agency(s) directly responsible for participation in each UNDP-assisted project.

2. Compliance by the Palestinian Authority with any prior obligations agreed to be necessary or appropriate for UNDP assistance to a particular project shall be a condition of performance by the UNDP and the Executing Agency of their responsibilities with respect to that project. Should provision of such assistance be commenced before such prior obligations have been met, the project may be terminated or suspended without notice and at the discretion of the UNDP.

3. In the performance of their duties, advisory experts, consultants and volunteers shall act in close consultation with the Palestinian Authority and with persons or bodies designated by it, and shall comply with such instructions as may be appropriate to the nature of their duties. Operational experts shall be solely responsible to, and be under the exclusive direction of, the Palestinian Authority or the designated concerned agency, but shall not be required to perform any functions incompatible with their international status or with the purposes of the UNDP or the Executing Agency.

**Article IV**

**Information Concerning Projects**

1. The Palestinian Authority shall furnish the UNDP with such relevant reports, maps, accounts, records, statements, documents and other information as may be requested concerning any UNDP-assisted project, its execution or its continued feasibility and soundness.

2. The UNDP undertakes that the Palestinian Authority shall be kept currently informed of the progress of its assistance activities under this Agreement. Either party shall have the right, at any time, to observe the progress of operation on UNDP-assisted projects.
3. The Palestinian Authority shall, subsequent to the completion of a UNDP-assisted project, make available to the UNDP at its request information as to benefits derived from and activities undertaken to further the purposes of that project, including information necessary or appropriate to its evaluation or to evaluation of UNDP assistance, and shall consult with and permit observation by UNDP for this purpose.

4. Any information or material which the Palestinian Authority is required to provide to the UNDP under this Article shall be made available by the Authority to an Executing Agency at the request of the Executing Agency concerned.

5. The Parties shall consult each other regarding the publication, as appropriate, of any information relating to any UNDP-assisted project or to benefits derived therefrom. However, any information related to any investment-oriented project may be released by the UNDP to potential investors, unless and until the UNDP has been requested by the Palestinian Authority in writing to restrict the release of information relating to such projects.

Article V
Participation and Contribution of Palestinian Institutions in Execution of Projects

1. In fulfillment of the responsibility of the Palestinian Authority to participate and cooperate in the execution of a project assisted by the UNDP under this Agreement, the Authority shall contribute the following in kind to the extent detailed in relevant Project Documents:

   (a) Local counterpart professional and other services, including counterparts to operational experts;
   (b) Land, building, and training and other facilities available locally; and
   (c) Equipment, materials and supplies available or produced locally.

2. Whenever the provision of equipment forms part of UNDP assistance to the OPT, the
Palestinian Authority will try, to the extent possible, to meet charges relating to customs clearance of such equipment and its transportation.

3. The Palestinian Authority shall also meet the salaries of trainees and recipients of fellowships during the period of their fellowships.

4. The cost of items constituting the contribution of the Palestinian Authority to the project and any sums payable by the Authority in pursuance of this Article, as detailed in Project Budgets, shall be considered as estimates based on the best information available at the time of preparation of such Project Budgets. Such sums shall be subject to adjustment whenever necessary to reflect the actual cost of any such items purchased thereafter.

5. Suitable signs at each project identifying it as one assisted by the UNDP and the Executing Agency shall, as appropriate, be displayed by the Palestinian Authority.

**Article VI**

*Relation to Assistance from Other Sources*

1. In the event that assistance towards the execution of a project is obtained by either Party to this Agreement from other sources, the Parties shall consult each other and the Executing Agency with a view to effective coordination and utilization of such assistance. The obligations of the Parties hereunder shall not be modified by any arrangements they may enter separately into with other entities co-operating with them in the execution of a project.

**Article VII**

*Use of Assistance*

1. The Palestinian Authority shall exert its best efforts to make the most effective use of the assistance provided by the UNDP and shall use such assistance only for the purpose for which it is intended, as stated in the relevant Project Document.
Article VIII
Facilities for Execution of UNDP Assistance

1. The Palestinian Authority shall take those appropriate measures which may be necessary to exempt the UNDP, its Executing Agencies, their experts and other persons performing services on their behalf from regulations or other legal provisions which may interfere with operations under this Agreement, and shall secure them such other facilities as may be necessary for the speedy and efficient execution of UNDP assistance, including all necessary licenses and permits.

2. Assistance under this Agreement being provided for the benefit of the Palestinian people, the Palestinian Authority shall bear all risks of operations arising under this Agreement. It shall be responsible for dealing with claims which may be brought by other parties against the UNDP or an Executing Agency, their officials or other persons performing services on their behalf, and shall hold them harmless in respect of claims or liabilities arising from operations under this Agreement. The foregoing provisions shall not apply where the Parties and the Executing Agency have agreed that a claim or liability arises from the gross negligence or willful misconduct of the above-mentioned individuals.

Article IX
General Provisions

1. This Agreement shall enter into force upon signature. It shall continue in force until termination under paragraph 3, below.

2. This Agreement may be modified by written agreement between the Parties hereto. Any relevant matter for which no provision is made in this Agreement shall be settled by the Parties in keeping with the relevant resolutions and decisions of the appropriate organs of the United Nations. Each Party shall give full sympathetic consideration to any proposal advanced by the other Party under this paragraph.
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3. This Agreement may be terminated by either Party by written notice to the other and shall terminate sixty days after receipt of such notice.

4. The obligations assumed by the Parties under Articles IV (concerning project information) and VII (concerning the use of assistance) hereof shall survive the expiration or termination of this Agreement. The obligations assumed by the Palestinian Authority under Article VIII (concerning facilities for project execution) shall also survive the expiration or termination of this Agreement to the extent necessary to permit orderly withdrawal of personnel, funds and property of UNDP and of anyExecuting Agency, or of any persons performing services on their behalf under this Agreement.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, signed the present Agreement in English in two copies at New York on this 9th day of May 1994 and at Tunis on this 9th day of May 1994.

On behalf of the Palestine Liberation Organization:

[Signature]

Mr. Farouk Qaddoumi
Foreign Minister of Palestine,
Head of the Political Department
of the Palestine Liberation Organization

On behalf of the United Nations Development Programme:

[Signature]

Mr. James Gusave Speth
Administrator of the UNDP