

**AGREEMENT
BETWEEN
THE MINISTRY OF COMMERCE OF THE PEOPLE'S REPUBLIC OF CHINA
THE MINISTRY OF FOREIGN AFFAIRS OF THE PALESTINIAN AUTHORITY AND
THE UNITED NATIONS DEVELOPMENT PROGRAMME/
PROGRAMME OF ASSISTANCE OF THE PALESTINIAN PEOPLE
REGARDING
The Implementation of the Office Building of the Palestinian Ministry of Foreign
Affairs Aided by the Chinese Government**

The Ministry of Commerce of the People's Republic of China (hereinafter referred as the Chinese Party), the Ministry of Foreign Affairs of the Palestinian Authority (hereinafter referred as the Palestinian Party), and the United Nations Development Programme / Programme of Assistance of the Palestinian People (hereinafter referred as the UNDP/PAPP), through consultation, have entered into this Agreement on entrusting UNDP/PAPP with implementing the project of the Office Building of the Palestinian Ministry of Foreign Affairs aided by the Chinese Government. The specific matters are as follows.

Article One: Basis of Project

1. Grant to be provided by the Chinese Government to the Palestinian Authority stipulated in the Agreement on Economic and Technical Cooperation between the Chinese Government and the Palestinian Authority signed on December 27th, 2004.
2. Letters of Exchange between the Chinese Government and the Palestinian Authority signed on June 20th, 2005 on the Office Building of the Palestinian Ministry of Foreign Affairs to be constructed by Chinese grant.

Article Two: Project Scale

The Office Building of the Palestinian Ministry of Foreign Affairs with a total area not exceeding 6,090 square meters will be constructed in Ramallah. The total investment for the project shall be controlled within USD 4,160,000. The investment for the construction works, including design costs, shall be controlled within USD 3,550,716, and only after completion of designs and determination of the accurate amount of resources needed, the parties can review the amount of Square Meters and Market Prices, accordingly. It is understood that some variations of the project costs may take place at the time of implementation depending on the market prices. Best efforts should be made to ensure the completion of construction and functionality of applicable square meters, as per the approved design of the construction works, of the whole of 6,090 square meters.


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Article Three: Roles and Responsibilities of the Parties

3.1 The Chinese Party

3.1.1 To provide construction funds within the total investment amount of USD 4,160,000. The funds for construction works should be controlled within USD 3,550,716 and USD 449,284 for furnishing and supply of office equipment and furniture. The rest amount of USD 160,000 should be the charged for the Administrative Fee by the Chinese Party.

3.1.2 To review and approve the project proposal submitted by the Palestinian Party and deliver the approved proposal to UNDP/PAPP.

3.1.3 To approve, together with the Palestinian Party, the project design scheme, engineering design and the scope of work. The Chinese Party holds the rights to assign its technical team, together with the UNDP Party, to conduct the technical evaluation and follow up of the project design.

3.1.4 In accordance with the requirements and specification for the equipment and furniture provided by UNDP, as well as the UNDP's Procurement rules and regulations, the Chinese Party will recommend companies to be involved in the bidding.

3.1.5 To dispatch expert team at any time during the project implementation to inspect the operational and financial progress.

3.1.6 To conduct the as-built acceptance, together with the Palestine Party, upon the completion of the project.

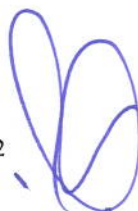
3.1.7 To review and approve the final financial and auditing reports submitted by UNDP/PAPP.

3.2 The Palestinian Party

3.2.1 To provide the project proposal to the Chinese Party upon the signature of the agreement, including project scale, functions of the building, site information and price information of major construction materials for reference, etc.

3.2.2 To allocate land for the project, carry out site removing works including removing ground and underground structures and other obstacles from the land and level the site; to provide water supply and drainage, electricity and road up to the site at its own expense.

3.2.3 To review and approve, together with the Chinese Party, the project design scheme, engineering design and the scope of work.



3.2.4 To provide UNDP/PAPP with all indispensable documents and licenses (such as land use license, permit of construction and etc.) required for the implementation of the project at its own expenses.

3.2.5 To provide UNDP/PAPP with the lists and requirements of equipments and furniture of the offices.

3.2.6 To assist handling in taxes and duties exemption on imported equipment and goods for the project and to assist in facilitating the entry, residence and departure permits for technical personnel involved in the implementation of the project.

3.2.7 To provide security guarantee and other essential legal and administrative assistance.

3.2.8 To conduct the as-built acceptance, together with the Chinese Party, upon the completion of the project.

3.3 UNDP/PAPP

3.3.1 To implement and manage the project, upon entrustment jointly by the Chinese and Palestinian Party.

3.3.2 In accordance with the project proposal approved by the Chinese and Palestinian Party, UNDP/PAPP will organize the bidding according to UNDP procurement rules and regulations, and in conformity to this agreement, sign the contract with contractor on behalf of the Chinese and Palestinian Party. The bidding documents, contract documents and the bidding results shall be submitted to the Chinese and Palestinian Party for their confirmation.

3.3.3 To review and approve the project design scheme prepared by EPC contractor and submit it to the Chinese and Palestinian Party for approval.

3.3.4 Once bids and tenders are floated, as per UNDP Rules and Regulations, the bidding process and bid evaluation are the sole responsibility of UNDP/PAPP.

3.3.5 The UNDP/PAPP will convert the lists and requirements of equipments and furniture provided by the Palestinian Party into a generic form, and shared with the Chinese Party. To organize with the EPC contractor to conduct procurement works of the aforesaid lists in line with UNDP Procurement Regulations and Procedures.

3.3.6 To submit the request for fund disbursement to the Chinese Party in line with the progress of the work and disbursements, and assure the funds are utilized as per the Project Document. The owner of this project is the Palestinian National Authority (PNA), represented by the Palestinian Ministry of Foreign Affairs,



3.3.7 To monitor and manage the implementation activities and use of fund in accordance with the regulations, rules procedures and directives of UNDP, and maintain separate financial records, and submit the operational and financial progress to the Chinese Party on a quarterly basis, and to the PNA for information purposes.

3.3.8 Upon the completion and internal check and acceptance of the project, to submit the related report for final as-built acceptance by the Chinese and Palestinian Party.

3.3.9 To submit its narrative and final financial reports to Chinese Party as per the provision of the Third-Party Cost Sharing Agreement, within one month after the final as-built acceptance of the project.

Article Four: Use of Aid Fund and Payment

4.1 The total investment for the project shall not exceed USD 4,160,000, which is to be disbursed pursuant to this agreement and the UNDP/PAPP Third Party Cost Sharing Agreement, and out of the grant as stipulated in the Agreement on Economic and Technical Cooperation between the Chinese Government and the Palestinian Authority signed on December 27th, 2004. Upon each payment, the Chinese Party shall issue bill of settlement in quadruplicate and make settlement through China Development Bank and the Ramallah branch of the Arabian Bank designated respectively by the Chinese Government and Palestine Authority through Aid Account No.8. For the USD amount disbursed to UNDP account, the Chinese Party shall determine particular RMB amount for each settlement by converting the selling price of USD-to-RMB of the day announced by the Bank of China, and adding cable fee.

4.2 The above-mentioned USD 4,160,000 grant shall be earmarked for the following activities:

4.2.1 The organization of the tendering and bidding for the project.

4.2.2 The survey, design and consultancy for the project.

4.2.3 The engineering construction for the project.

4.2.4 General Management Services Fees (GMS) of 7% to the UNDP/PAPP for implementing the project.

4.2.5 The procurement of equipments and furniture valued USD 427,889 to be delivered to the Palestinian Party, where UNDP will charge a GMS of 7%. After the completion of the project, ownership of equipment, supplies and other properties under the grant vest in Palestinian Party.

4.2.6 AOS of the Chinese Party for monitoring the project implementation and fund utilizations USD \$160,000.

Any changes to the use of fund outside of listed-above shall be subject to prior approval of the

parties concerned.

4.3. The GMS of UNDP/PAPP shall be charged at a fixed rate of 7% of the direct fees of the total amount of award of the EPC contractor, and at 7% for the procurement of furniture and equipment for the offices. The above mentioned GMS shall be disbursed directly by the Chinese Party to the bank account designated by UNDP.

4.4. The AOS of the Chinese Party for monitoring the project implementation and fund utilization, a total amount of USD 160,000 shall be deducted from the total grant fund, and be directly disbursed to the entrusted consultancy at the same time of disbursing the first payment to UNDP as per Clause 5 of this article.

4.5. The Chinese Party will directly disburse payments of outstanding amount of four million US dollars under this trust fund agreement for the expenses of 2.1, 2.2, 2.3, 2.4, 2.5 stipulated under Clause 2 of this article to the bank account designated by UNDP/PAPP as follows:

4.5.1 A total amount of USD 2,000,000 (50%) will be paid within one month after the agreement takes effect to facilitate UNDP/PAPP in organizing bidding, survey, design sign and other preparatory work for construction.

4.5.2 A total amount of USD 1,600,000 (40%) will be paid 10 months after the official construction works are launched and the submission of a progress and financial report.

4.5.3 A total amount of USD 400,000 (10%) shall be paid within one month after the Chinese and Palestinian Party complete the as-built acceptance of the project.

4.6 The Palestinian Party shall exempt all taxes related to the use of the above grant funds.

Article Five: Construction Duration

5.1 After receiving the first advance payment of the project, provided that all remaining payments are received in a timely manner, UNDP/PAPP shall assure that the project will be ready for the final as-built acceptance by the Chinese and Palestinian Party within 18 months. All the construction and procurement works will be done in line with the UNDP Rules and Procedures.

5.2 In case of any changes to the construction duration mentioned above due to force majeure, UNDP/PAPP shall get the approval from the Chinese and Palestinian Party and assure that the project shall be ready for the final as-built acceptance by the Chinese and Palestinian Party within the approved extended period.

5.3 When there is a delay caused by factors other than force majeure, UNDP/PAPP shall be required by the Chinese and Palestinian Party to investigate the contractor's responsibilities and, one thousandth of the total amount of award shall be fined for every one day delay. The fine shall be deducted from the remaining unpaid construction fund, while the total fine amount shall not

exceed 10% of the total amount of award.

Article Six: Acceptance, Hand-over and Maintenance

6.1 The Chinese & Palestinian Party and UNDP/PAPP shall define the technical and standards or applicable technical codes for acceptance when reviewing and approving the engineering design document of the project. Upon the completion of the project, an Acceptance Team shall be formed with its members to be designated by the Chinese and Palestinian Party to conduct the acceptance in accordance with the defined technical standards or applicable technical criterion. UNDP shall send delegates to participate in the acceptance and provide with necessary assistance.

6.2 The qualification certificate of the project shall be signed by the three Parties when the acceptance is satisfied, The Chinese Government and Palestine Authority shall sign the letter of Hand-over. Should there be any defect found during the acceptance which is in conformity with the technical standards or applicable technical codes, UNDP/PAPP shall take all necessary measures (including re-do it) to make it satisfy the requirements and bear all the expenditures thereof.

6.3 The warranty period for this project shall be one year from the date of signing the qualification certificate. During the duty maintenance period, should any quality defects arises due to improper engineering construction, UNDP/PAPP shall make the EPC contractor remedy the problem to satisfy the design standards at the contractor's own cost.

Article Seven: Termination of the Agreement

7.1 This Agreement shall be suspended by the Parties through a written notice if any circumstances should arise which may interfere with the successful completion of the project.

7.2 Upon consensus reached through consultations, the Agreement may be terminated 30 days after one Party has given a written notice to the other two Parties.

7.3 Notwithstanding termination of the Agreement. UNDP/PAPP shall continue to hold unutilized contribution-payments until all commitments incurred in the Project implementation before the date of the notice of termination have been satisfied and Project activities brought to an orderly conclusion and the balance shall be returned to the Chinese Party. The Chinese Party shall pay the remaining GMS to UNDP/PAPP at the time of termination.

Article Eight: Amendment of the Agreement

8.1 The Agreement may be amended by consensus of the three Parties through a supplementary agreement in written form between the Chinese Party, the Palestinian Party and UNDP/PAPP. After signing the supplementary agreement, the three Parties shall undertake their own necessary approval procedures. The supplementary agreement shall be effective starting from the date of receiving mutual notices and approved document.



8.2 The supplementary agreement shall become an integral part of this Agreement.

Article Nine: Entry Into Force and Other Matters

9.1 Upon the signature of the Agreement, the three Parties shall carry out their own internal approval procedures. The Agreement shall enter into force when the Parties have all noticed and received the approval documents from each other. The Agreement shall expire when all the obligations and responsibilities of the three Parties are fully accomplished.

9.2 If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), and have not exceed 15% of the total project investment, in principle additional fund should not be arranged.

9.3 Should there arise any acts or delays from either or both the Chinese and/or Palestinian Parties, UNDP will not be held liable. The results of such delays are the responsibilities of the delaying party who shall bear any costs arising out of it.

9.4 Any matter not covered in this Agreement shall be solved amicably by the three Parties through friendly consultation.

In case of any contradiction between the Third Party Cost Sharing Agreement and this agreement, relevant UNDP rules shall prevail.

This Agreement is signed on 4. Oct. 2008 in Ramallah. Three copies shall be made, one for each party. Each copy shall be made in both English and Chinese, and the English version shall prevail.

For



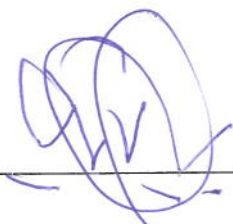
The Ministry of Commerce of
the People's Republic of China

Ambassador

H.E. Yang Weiguo

Date: 04. October. 2008

For



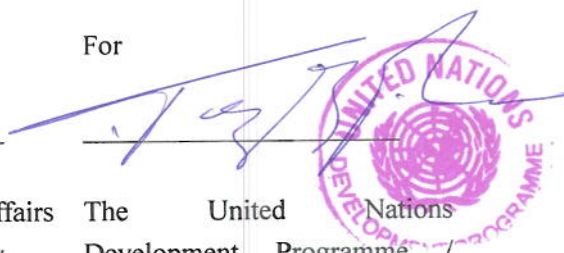
The Ministry of Foreign Affairs
of the Palestinian Authority

Minister of Foreign Affairs

H.E. Riad Al-Malki

Date: 04. October. 2008

For



The United Nations
Development Programme /
Programme of Assistance to the
Palestinian People

Special Representative of the
Administrator

H.E. Jens Toyberg-Frandzen

Date: 04. October. 2008

中华人民共和国商务部、巴勒斯坦民族权力机构外交部
和联合国开发计划署驻巴勒斯坦代表处
关于中国政府援建巴勒斯坦外交部大楼项目
的委托实施协议

中华人民共和国商务部(以下简称中方)、巴勒斯坦民族权力机构外交部(以下简称巴方)和联合国开发计划署驻巴勒斯坦代表处(以下简称 UNDP/PAPP) 经过友好协商, 就委托 UNDP/PAPP 实施中国政府援助巴勒斯坦外交部大楼项目签订本协议, 具体条文如下:

第一条 项目依据

一、中国政府和巴勒斯坦民族权力机构于 2004 年 12 月 27 日签署的经济技术合作协定项下规定的中国政府向巴勒斯坦民族权力机构提供的无偿援助。

二、中国政府和巴勒斯坦民族权力机构于 2005 年 6 月 20 日签署的中国政府援建巴勒斯坦外交部大楼项目的立项换文。

第二条 项目规模

在拉马拉建设巴民族权力机构外交部大楼, 总建筑面积不超过 6090 平方米, 项目总投资控制在 416 万美元以内。其中: 工程建设总投资, 包括设计费应控制在 3, 550, 716 美元之内。在设计完成并确定所需材料数量后, 三方重新确定相应的建筑面积和价格。各方理解在项目实施过程中, 项目某些成本会随市场价格波动。届时, 按已同意的建筑工程设计, 尽可能保证 6, 090 平方米的工程建设及功能要求。

第三条 各方责任和义务

一、中方责任

1、在总投资限额 416 万美元以内提供本项目建设资金, 其中: 提供用于大楼建设的资金不超过 3, 550, 716 美元; 用于采购



相应的办公设备和家具的资金为 449,284 美元；另 16 万美元为中方管理费。

2、审核并批准巴方提交的本项目建议书，并将批准后的本项目建议书转交 UNDP/PAPP。

3、与巴方共同批准本项目设计方案、施工图设计和工程范围，有权派出技术组与 UNDP 共同进行技术评估并跟踪项目设计。

4、根据 UNDP 提供的设备和家具规格，以及 UNDP 采购规定，推荐公司参与竞标。

5、在本项目实施期间随时派遣专家组检查项目实施情况和资金使用情况。

6、会同巴方组织竣工验收。

7、审核批准 UNDP/PAPP 提交的最终财务和审计报告。

二、巴方责任

1、在本协议签字后，向中方提供本项目建议书，包括项目规模、使用功能、场址资料，并提供主要建筑材料市场价格资料供中方参考等。

2、负责无偿提供本项目建设用地，负责建设场址拆迁；地上、地下建筑物、构筑物 and 障碍物清除；平整场地；通水、通电、通路，并自行承担所需费用。

3、与中方共同批准本项目设计方案、施工图设计文件和工程范围。

4、向 UNDP/PAPP 提供执行本项目所需的各种重要文件和许可证(如用地许可证、施工许可证等)，并承担所需费用。

5、向 UNDP/PAPP 提供所需办公设备和家具需求清单。

6、协助办理本项目所需设备物资进口的免税手续，协助办理实施本项目的技术人员的出入境及居留手续。

7、为本项目实施提供安全保障和其他一切必要的法律和行政协助。

8、会同中方组织竣工验收。

三、UNDP/PAPP 责任



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1、受中、巴双方共同委托，负责组织本项目实施和管理工作。

2、根据中、巴双方最终批准的本项目建议书，UNDP/PAPP将根据 UNDP 的采购规定和制度以及本协议，组织招标工作，代表中、巴双方与承包商签订承包合同。招投标文件、合同和评标结果均应报中、巴双方确认。

3、审查 EPC 承包商编制的设计方案，并提交中、巴双方审核批准。

4、招标投标工作按照 UNDP 相关规定开始后，全权负责招标和评标工作。

5、对巴方所提供所需办公设备和家具需求清单进行分类，并通知中方。根据 UNDP 采购规定，组织 EPC 承包商按照上述清单进行相关采购事宜。

6、根据工程进度和支付情况，向中方提交拨款申请，并按项目文件保证专款专用。巴勒斯坦外交部代表巴勒斯坦民族权力机构作为该项目的所有人。

7、根据 UNDP 的规章、规则、程序及指示，监督管理本项目实施过程和资金使用，开设独立财务账目，按季度将项目实施情况和财务进度报告递交中方，并通报巴方。

8、本项目竣工并内部验收后，提请中、巴双方进行最终竣工验收。

9、本项目最终竣工验收后 1 个月内，根据《第三方成本分摊协议》规定，向中方提交项目总结和最终财务审计报告。

第四条 援款使用及支付

一、本项目总投资不超过 416 万美元，在中、巴两国政府 2004 年 12 月 27 日签订的经济技术合作协定规定的无偿援助项下，并依照本委托实施协议和与 UNDP/PAPP 第三方成本分摊协议的规定支付。每次付款后都将由中方开出账单一式四份由中、巴两国政府分别指定的中国国家开发银行和阿拉伯银行拉马拉分



行通过“第 8 号援助账户”办理记账事宜。中方将拨付给 UNDP 的美元金额，按汇款当日中国银行公布的美元对人民币的卖出价折成人民币后连同汇款手续费一并确定每次具体结算的人民币金额。

二、上述 416 万美元援款专项用于实施本项目的以下活动：

1、组织本项目招投标。

2、本项目考察、设计和咨询。

3、本项目工程建设。

4、UNDP/PAPP 组织实施本项目的 7% 管理费。

5、对于向巴方提供并运抵巴方的价值 427,889 美元采购办公设备和家具，UNDP 另收取 7% 的管理费。在项目完成后，援款项下设备所有权、所供物资及其他财产均归巴方所有。

6、中方监督本项目执行和资金使用的 16 万美元管理费。

援款如用于超出上述规定的其他活动必须事先征得有关各方的同意。

三、UNDP/PAPP 设计施工部分的管理费按照本项目 EPC 承包商中标总价中直接费的 7% 计算，采购家具及办公设备部分按照 7% 计算，由中方直接拨付至 UNDP 指定银行账户。

四、中方监督本项目执行和资金使用所需的管理费计 16 万美元，在向 UNDP 拨付本条第五款第 1 项款项的同时，从委托实施协议总额中直接扣除，并直接拨付给委托的咨询单位。

五、本条第二款规定的 1、2、3、4、5 项开支，由中方按以下规定，将委托实施协议总额中剩余的 400 万美元直接拨付至 UNDP/PAPP 指定账户：

1、本协议生效后 1 个月内，拨付 2,000,000 美元（50%），用于 UNDP/PAPP 组织本项目招投标、进行考察、设计及其他施工前期准备工作。

2、在项目正式施工并提交进度和财务报告 10 个月后，拨付 1,600,000 美元（40%）。



3、中、巴双方完成本项目竣工验收后一个月内，拨付 400,000 美元（10%）。

六、巴方免除上述援款使用需交纳的所有税收。

第五条 建设期限

一、自收到本项目第一笔预付款后，并保障所有剩余款项能及时到位的情况下，UNDP/PAPP 应保证本项目在 18 个月内提交中、巴双方竣工验收。该项目全部施工及采购工作均应依据 UNDP 规定和程序进行。

二、因人力不可抗拒因素导致上述规定期限变更，UNDP/PAPP 应提前征得中、巴双方批准，并保证在批准的延长期限内提交中、巴双方竣工验收。

三、非因人力不可抗拒因素导致工程拖期，中、巴双方将要求 UNDP/PAPP 追究承包商的责任，每延误 1 天收取中标总价千分之一的罚金，罚金从尚未拨付的工程应付款中扣除，但罚款总额不超过中标总价的 10%。

第六条 验收、移交和保修

一、中、巴和 UNDP/PAPP 三方应当在审批本项目工程设计文件时明确本项目的验收技术标准或适用的验收技术规范。本项目竣工后，由中、巴双方指定人员组成验收组，按照验收技术标准或适用的验收技术规范进行验收。UNDP 须派代表参加并提供必要协助。

二、验收合格后，即由中、巴、UNDP/PAPP 三方签署工程合格证书；中、巴两国政府签署两国政府间交接证书。验收过程中，如发现不符合验收技术标准或适用的验收技术规范要求的，由 UNDP/PAPP 采取一切必要的积极措施（包括返工重修）使之达到验收标准要求，所产生费用由 UNDP/PAPP 方自行解决。

三、本项目质量保修期为工程合格证书签字之日起一年，在此期间如发生因施工原因造成的质量问题，由 UNDP/PAPP 责



成承包商无偿修复并达到设计标准。

第七条 协议的终止

一、如果出现任何干扰本项目完成的情况，各方将通过书面通知暂时延缓执行本协议。

二、各方在相互磋商一致、并在其中一方向其他各方提交书面通知 30 天后终止本协议实施。

三、如出现协议终止的情况，为使项目有序终止，UNDP/PAPP 可以继续持有尚未使用的援款，直到协议终止通知之日以前所有承诺的项目内容均得以完成之后，余款归还中方。中方将向 UNDP/PAPP 支付协议终止时尚未支付的管理费。

第八条 协议的修订

一、对本协议的任何修订，须经中、巴和 UNDP/PAPP 三方协商一致后以书面形式订立补充协议规定。补充协议签署后，三方应各自履行必要的批准程序，自三方相互通知并送达批准文件之日起生效。

二、修订本协议的补充协议为本协议不可分割的组成部分。

第九条 生效和其他

一、本协议签署后，三方应各自履行必要的批准程序。自三方相互通知并送达批准文件之日起生效，有效期限至三方履行完毕本协议规定的各项义务之日止。

二、对于预计或实际发生了不可预见的增加费用和工程内容变更，凡不超过 15%（不管是通货膨胀、汇率变动或其他不确定因素引起的），均不予以追加资金。

三、任何由于中方或巴方或是双方造成的疏忽行为或延误，UNDP 将不承担责任。延误造成的后果将由延误责任方负责，并承担由此发生的费用。

四、本协议未尽事宜将通过三方友好协商解决。如在第三方



分摊成本协议和本协议条款发生矛盾时，UNDP 相关法规优先。

本协议于 2008 年 10 月 4 日在拉马拉签订，一式三份，三方各执一份，每份均用中文、英文书就，英文作准。

中华人民共和国
商务部代表



杨伟国大使

巴勒斯坦民族权力
机构外交部代表



马立基外长

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巴勒斯坦代表处代表




詹斯特别代表