

AGREEMENT

BETWEEN

THE NORWEGIAN MINISTRY OF FOREIGN AFFAIRS

AND

THE NATIONAL HIV/AIDS/STI/TB COUNCIL (NAC)

**ON SUPPORT TO THE IMPLEMENTATION OF THE NATIONAL
HIV/AIDS/STI/TB COUNCIL STRATEGIC PLAN 2007-2009**

WHEREAS the Government of the Kingdom of Norway (Norway) and the Government of the Republic of Zambia have entered into a Memorandum of Understanding dated 12 May 2004 regarding development cooperation.

WHEREAS the National HIV/AIDS/STI/TB Council (NAC) has requested support from Sweden; the Royal Netherlands Embassy; the Embassy of Ireland; the Department for International Development, United Kingdom; Ministry of Foreign Affairs, Norway; the Department of State, United States of America; the Royal Danish Embassy; the United Nations Agencies in Zambia; and the Government of the Republic of Zambia (GRZ) (the Donors), to Support the National HIV/AIDS/STI/TB Council Strategic Plan 2007 – 2009 (the Program),

WHEREAS the Norwegian Ministry of Foreign Affairs (MFA) has decided to comply with the request,

WHEREAS the Donors and NAC have entered into a Joint Financing Arrangement for the Program on the 11th of October 2007 (hereinafter referred to as the JFA).

NOW THEREFORE MFA and NAC have reached the following understanding which shall constitute an Agreement between MFA and NAC (the Parties):

Article I Scope and objectives

1. This Agreement sets forth terms and procedures for MFA's financial assistance to NAC to the Program. Moreover, the provisions of the JFA, including any amendments to the JFA adopted by the Parties, shall be complied with. In case of inconsistency between this Agreement and the JFA (as amended), this Agreement shall prevail.
2. As specified in the JFA the Goal of the Program is to eliminate the threat of HIV and AIDS and associated Opportunistic Infections for the benefit of society.
3. As specified in the JFA the Purpose of the Program is to co-ordinate and support the development, monitoring and evaluation of the multi-sectoral national response for the prevention and combating of the spread of HIV, AIDS, STI and TB in order to reduce the personal, social and economic impacts of HIV, AIDS, STI and TB as set out in the Strategic Plan.

Article II Cooperation – Representation

4. The Parties shall communicate and cooperate fully with the aim to ensure that the Goal and Purpose are successfully achieved. The Parties further agree to cooperate on preventing corruption within and through the Program, and undertake to take rapid legal action to stop, investigate and prosecute in accordance with applicable law any person suspected of misuse of resources or corruption. The Parties shall immediately inform each other of any indication of corruption or misuse of resources related to the Program.
5. In matters pertaining to the implementation of the Program the Norwegian Embassy in Lusaka (the Embassy) shall be competent to represent MFA. All communication to MFA in connection with the Agreement shall be directed to the Embassy.
6. NAC shall permit representatives of Norway to visit any part of NAC for purposes related to this Agreement and examine any relevant records, goods and documents.

Article III Contribution and disbursements

7. MFA shall, subject to Parliamentary appropriations and the terms and procedures of this Agreement and the JFA, make available to NAC a financial grant not exceeding NOK 12 000 000 (Norwegian kroner twelve million) (the Grant) to be used exclusively to finance the Program in the planned period 2008-2009.
8. Any accrued interests on the Grant may be used for the benefit of the Program.
9. Any unspent disbursed funds and accrued interests shall be returned to Norway upon completion of the Program.
10. The Grant will be disbursed upon semi-annual written requests from NAC based on the financial needs of the Program and, except the first request, on approved work plans and budgets. The first disbursement, amounting to NOK 3 million, will be made upon signing of this Agreement and approval by MFA of a disbursement request from NAC.
11. Funds will be transferred upon MFA's approval of the requests to the separate approved bank account held by NAC and shall be made available to the Program immediately.
12. NAC shall immediately in writing acknowledge the receipt of the funds. The date of reception shall be stated as well as the exchange rate.

Article IV Reservations

13. MFA reserves the right to carry out unilateral reviews of the Program at its own expense
14. MFA reserves the right to withhold and/or reclaim all or parts of the Grant and cancel this Agreement if Program funds are found not to have been used in accordance with the terms and conditions of this Agreement and the JFA or are found not to be satisfactorily accounted for.
15. MFA has the right to cancel the Agreement or portion of the Agreement with immediate effect if it determines that corrupt or fraudulent practices were engaged in by representatives of NAC or by a beneficiary of Program funds without NAC having taken timely and appropriate action satisfactory to MFA to remedy the situation.
16. Before MFA withholds disbursements, reclaims funds or cancels the Agreement, the Parties shall consult with a view to reaching a solution in the matter.

Article V Disputes – Entry into force - Termination

17. The Agreement shall enter into force on the date of its signature, and shall remain in force as long as the JFA remains in force or both Parties have fulfilled all obligations arising from the Agreement, whichever comes first. Whether the obligations are fulfilled, shall be determined in consultations by the Parties.
18. Notwithstanding the previous clause each Party may terminate the Agreement upon three months written notice.
19. If any dispute arises relating to the implementation or interpretation of the Agreement, the Parties shall consult with a view to reaching a solution.
20. IN WITNESS WHEREOF the undersigned, acting on behalf of the respective Parties, have signed the present Agreement in two originals in the English language.

Done in Lusaka the 31. of March 2008.

For the Norwegian Ministry of Foreign
Affairs

Tore Gjør
Ambassador

For the National
HIV/AIDS/STI/TB Council

Dr. Ben Chirwa
Director General

for