

**Agreement on the
UNESCO/Flanders Trust Fund
for the Support of
UNESCO's Activities in the Field of Science**

Taking into account the Agreement between the United Nations Educational, Scientific and Cultural Organization (hereinafter called 'UNESCO') and the Government of Flanders, Kingdom of Belgium (hereinafter called 'the Government'), signed at UNESCO Headquarters on 6 March 1998 by the Director-General of UNESCO and the Minister-President of the Government of Flanders;

Whereas the Government is conscious of the mission of UNESCO to contribute to peace and security by promoting cooperation among the nations in the field of education, science, culture and communication;

Whereas the Government desires to strengthen cooperation with UNESCO and to make available funds for the implementation by UNESCO of mutually agreed activities;

Whereas the Director-General of UNESCO welcomes this strengthened cooperation with the Government and is authorized, in accordance with the financial regulations, to receive funds for the purpose of paying at the donor's request stipulated below, expenses for carrying out activities which are consistent with the aims, principles and policies of UNESCO;

Considering in particular Article 1 of the Agreement of 6 March 1998 between the Government and UNESCO;

Now, therefore, the Government and UNESCO hereby agree as follows:

ARTICLE 1

**CREATION OF THE UNESCO/FLANDERS TRUST FUND FOR THE SUPPORT OF UNESCO'S
ACTIVITIES IN THE FIELD OF SCIENCE**

UNESCO and the Government mutually agree on the desirability of consolidating their cooperation within the fields of competence of UNESCO in the domain of science. To this end, the UNESCO/Flanders Trust Fund for the Support of UNESCO's Activities in the Field of Science (hereinafter referred to as "the Trust Fund") will be established. In this context, the parties will exchange ideas, documentation and general information, and identify concrete activities for cooperation in the mutual interest of both parties. The Government may seek UNESCO's advice and expertise as appropriate.

ARTICLE 2

OPERATION OF THE TRUST FUND

1. The Government will make a contribution to the Trust Fund of BF 45 million for 1999 according to the Government's budgetary regulations. The annual contribution from the Government for the years 2000 to 2003 will be decided by the Government and formalized through addenda to the present Agreement.
2. The Government's initial commitment to the funding of the Trust Fund is valid for the five-year

period 1999 to 2003. Before the expiration of this period, the parties will undertake a thorough evaluation of the Trust Fund and its operations with a view to extending the Agreement for a further period of five years.

3. Each year, upon UNESCO's request to that effect, the Government shall transfer to UNESCO's account

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the annual contribution.

4. Upon receipt of the funds mentioned in para 1, UNESCO shall establish the UNESCO/Flanders Trust Fund for the Support of UNESCO's Activities in Science. The Trust Fund will consist of a General Fund, and of individual project accounts to be established as and when the activities to be implemented under the Trust Fund are approved. The General Fund will be credited with all contributions from the Government to the Trust Fund, as well as with accrued interest and savings from terminated activities under the Trust Fund. The funds will be managed in accordance with UNESCO's rules and regulations.
5. Whenever possible, UNESCO will invest temporary surplus funds in short-term interest-bearing deposits. Interest will be credited to the General Fund in accordance with UNESCO's financial rules and regulations. The interest may be utilized, by mutual agreement between the parties, for activities related to the purpose of the Trust Fund, notably for project identification, evaluation, and reporting.
6. The activities to be carried out under the Trust Fund must relate to the sub-programme on "Sciences, environment and socio-economic development" under Major Programme II in UNESCO's Regular Programme (C/5). At the initial stage, special focus will be given to activities within the International Hydrological Programme and the programme of the Intergovernmental Oceanographic Commission, including social aspects related to these activities. The parties may at any time agree to include other activities within UNESCO's science programmes in the cooperation under the Trust Fund.
7. The activities to be carried out under the Trust Fund will be determined between the parties in accordance with the procedures described in Articles 3 and 4.

ARTICLE 3

STEERING COMMITTEE

A Steering Committee shall be established for the Trust Fund, composed as follows:

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| UNESCO: | - | a representative of the Natural Sciences Sector |
| | - | a representative of the Bureau for Extrabudgetary Funding |

- The Government:
- a representative of the Science and Innovation Office;
 - a representative of the Foreign Policy Office.

The Steering Committee shall be convened by UNESCO at least twice a year. The Steering Committee may invite experts or other relevant persons to assist in its work.

The Steering Committee will advise in the preparation of the projects and programmes which may be funded by the Trust Fund, and will select the activities to be proposed by UNESCO to the Government for funding under the Trust Fund. The Committee will also evaluate the activities supported under the Trust Fund.

Activities that may be supported under the Trust Fund include:

- concrete projects in the field of science,
- secondment of experts,
- financing of consultants for project preparation or evaluation, and
- research projects as a follow-up to activities under the Trust Fund, and to be implemented by trainees at Flemish institutions returning to their home country.

Study grants will not be extended under the Trust Fund.

Within the overall programme identified in Article 2 above, the Steering Committee will be guided, in its selection of activities to be proposed for funding under the Trust Fund, by the following criteria:

- compliance of the activity with the priorities indicated by UNESCO and the Government in the respective fields of cooperation,
- the likely sustainability and continuity of the activity,
- the multiplication effect of the activity, and
- the relevance and availability of scientific support from an existing collaboration network within Flemish institutions.

Priority will be given to such activities that represent a true partnership between UNESCO, Flemish institutions, and the beneficiary countries.

Before finalization of the project document, the Steering Committee will undertake consultations with such Flemish institutions or research networks that are likely to collaborate in the implementation of the activity, if approved for funding under the Trust Fund. The institutions to be consulted should be identified through an open call for bidding.

ARTICLE 4

FINANCIAL AND ADMINISTRATIVE PROCEDURES

1. After approval by the Steering Committee, UNESCO will submit proposals for activities for the consideration and eventual approval by the Government for funding under the Trust Fund. Project proposals shall be submitted in accordance with UNESCO's standard format for funds-in-trust projects (annex 1). Proposals for other activities may be submitted in any appropriate format. All proposals shall include a work plan and a budget expressed in US dollars. The projects may have a maximum duration of four years.
2. If approved by the Government, the activities to be carried out under the Trust Fund will be formalized by an exchange of letters between the Government and UNESCO, referring to this agreement and specifying the content, costs and payment schedule of the activity to be implemented by UNESCO (annex 2). The project agreement shall specify the Flemish partners that will collaborate in the implementation of the activity and list the contribution, in cash or in kind, to be provided by the partners in question.
3. Upon approval of each activity, UNESCO will establish a separate account for the activity. The funds will be drawn from the General Fund. At the end of each calendar year, UNESCO will submit to the Government a financial statement on the individual project accounts, and on the General Fund, signed by the Financial Officer/Comptroller of the Organization. UNESCO will also provide the Government with annual progress reports on the individual activities.
4. Upon termination of an activity or project under the Trust Fund, UNESCO will submit to the Government a final financial statement. Any funds that remain unspent with respect to this terminated activity or project will be returned to the Trust Fund. UNESCO will also provide the Government with a final report on the activity, including an evaluation of its implementation and results.
5. Administrative support costs may be charged to the individual project account. These charges shall be calculated at the time of the conclusion of the special arrangement on a given activity or project and may not exceed 10%. The programme support costs shall be recorded separately in the financial report on the activity.
6. For the funds made available for a given project or activity, the Government authorizes UNESCO, as implementer on behalf of the Government, to enter into an agreement with the beneficiary in the form of a Plan of Operations, also reflecting the contributions from UNESCO and from the beneficiary.
7. UNESCO shall make available to the Government its biennial Financial Report and Audited Financial Statement and forward to the Government copy of an audit report by the external auditors of UNESCO to its governing bodies, if it contains observations relevant to activities under the Trust Fund.

ARTICLE 5

FINAL PROVISIONS

Effective date: This agreement shall become effective as of the date of signature by the authorized representatives of both parties. It shall remain in force for five years unless terminated earlier by either party in accordance with the provisions listed below. Following the evaluation mentioned in Article II,2 above the agreement may be extended for a further period of five years.

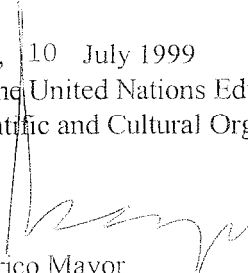
Amendments: Both parties may, by any exchanges of letters, amend any of the provisions under this agreement. The parties may enter into such supplementary arrangements for the implementation of the Trust Fund as may be found desirable.

Termination: Either party may terminate this agreement at any time by giving not less than three months' advance notice in writing to the other party. The agreement will, however, remain in force with respect to commitments for projects made by the Government at a time when this agreement was still in force and applicable. Upon termination of the agreement, unless the parties agree on another course of action, any agreement entered into by UNESCO, as administrator on behalf of the Government, will remain until termination. Upon full termination, any funds held hereunder by UNESCO shall be returned to the Government, and UNESCO's administration shall be considered terminated.

In the event that the Government wishes to terminate a project or activity carried out under the Trust Fund, the Government shall forthwith hold consultations with UNESCO with a view to determining the most appropriate measures and shall authorize UNESCO to meet any current legal obligations arising from the execution of this project or activity and related to personnel and other contractual services, supplies, equipment, travel, etc. Once the project or activity is terminated, any unspent balance in cash or uncommitted assets remaining shall be returned to the Trust Fund.

In witness whereof the duly authorized representatives for the parties have signed four copies of the present agreement, two in the English language and two in the Dutch language, the two versions being equally valid. In the event of a difference in interpretation, the English version will prevail.

Paris, 10 July 1999
For the United Nations Educational,
Scientific and Cultural Organization


Federico Mayor
Director-General

Brussels, July 1999
For the Government of Flanders,