CONVENTION

between the European Community and the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) concerning aid to refugees in the countries of the Near East (2002 to 2005)

Article 1

Purpose

The European Community (hereinafter referred to as 'the Community') hereby concludes this Convention with the United Nations Relief and Works Agency for Palestine Refugees in the Near East (hereinafter referred to as 'UNRWA') in order to confirm its commitment to financial support to UNRWA. This funding, extending over a four-year period (2002 to 2005), shall take the form of cash contributions for use under the UNRWA General Fund.

The financial commitment shall be made subject to budgetary availability and with respect to the financial perspectives of the Community until the year 2006.

Article 2

Community contribution

1. The Community shall pay to UNRWA annually a cash contribution towards the General Fund.

Notwithstanding Article 3 of this Convention, the size of this contribution shall not exceed EUR 55 million in 2002, EUR 57,75 million in 2003, EUR 60 637 500 in 2004, and EUR 63 669 375 in 2005.

- 2. The contribution to the General Fund shall be made by means of grant agreements to be concluded between the Commission of the European Communities and UNRWA covering the years 2002 to 2005. The grant agreements shall be concluded fully in accordance with the provisions of the Agreement between the United Nations and the European Community on the principles applying to the financing or cofinancing by the Community of programmes and projects administered by the United Nations of 9 August 1999.
- 3. The contribution shall be subject to the internal and external auditing procedures laid down in the Financial Regulations, Rules and directives of UNRWA, the result of which will be duly communicated to the Commission.

Article 3

Food aid

Taking into account the annual evaluation of the needs of the refugee population, other Community resources may also be mobilised for UNRWA's food aid programme to meet the specific needs of vulnerable groups. The amounts, quantities

and characteristics of the commodities, cash and services provided and all other conditions related to support to the food aid programme will be subject to separately agreed conditions, based on annual requests from UNRWA.

Article 4

Adjustments

If necessary, during the life of this Convention, the parties may by mutual agreement increase or decrease those parts of the contributions otherwise fixed under this Convention, on the basis of an Exchange of Letters between the Community and UNRWA.

By the end of 2003, political developments regarding the refugees will be reviewed by the parties, and an evaluation made of any plans UNRWA has formulated, and, if this is the case, put into effect, for the hand-over of its functions to the Palestinian Authority and/or any other body.

If, during the life of this Convention, any or all of the functions of UNRWA are transferred to the Palestinian Authority or to any other body, necessary adjustments will be made to those parts of the Community contribution to UNRWA under this Convention, on the basis of an Exchange of Letters between the Community and UNRWA.

Article 5

Arbitration clause

- 1. Any dispute, controversy or claim arising out of, or relating to, the interpretation, application or fulfilment of this Convention, including its existence, validity or termination, which cannot be settled amicably between the Parties shall be referred to arbitration in accordance with the Permanent Court of Arbitration optional rules for arbitration for international organisations and States in force at the date of signature of this Convention.
- 2. There shall be one arbitrator.
- 3. The language to be employed during arbitration shall be English.
- 4. In the absence of agreement between the two Parties, the arbitrator shall be designated by the President of the International Court of Justice following written request submitted by either Party.

5. The arbitrator shall reach his/her decision in accordance with the terms and conditions of this Convention in the light of the general principles of law recognised by States.

Article 6

Agreement on global arrangements

Following agreement in the discussions being held between the United Nations and the Commission on global arrangements covering the donation of voluntary contributions, the relevant provisions of such agreement and this Convention shall be promptly reviewed, and any necessary amendments agreed to by UNRWA and the Commission shall be made to the applicable provisions of this Convention.

Article 7

Duration of the Convention

This Convention shall cover a period of four calendar years (2002, 2003, 2004 and 2005).

Article 8

Approval and entry into force

This Convention shall be approved by the Parties in accordance with their own procedures.

This Convention shall enter into force on the first day of the month following the date on which the Parties notify each other that the procedures referred to in the first subparagraph have been completed.

Article 9

Languages

This Convention shall be drawn up in duplicate in the Danish, Dutch, English, Finnish, French, German, Greek, Italian, Portuguese, Spanish and Swedish languages, each version being equally authentic.

Por la Comunidad Europea

For Det Europæiske Fællesskab

Für die Europäische Gemeinschaft

Για την Ευρωπαϊκή Κοινότητα

For the European Community

Pour la Communauté européenne

Per la Comunità europea

Voor de Europese Gemeenschap

Pela Comunidade Europeia

Euroopan yhteisön puolesta

Manson

På Europeiska gemenskapens vägnar

Por el Organismo de Obras Públicas y Socorro de las Naciones Unidas para los Refugiados de Palestina (UNRWA)

For De Forenede Nationers Hjælpeorganisation for Palæstinaflygtninge (UNRWA)

Für das Hilfswerk der Vereinten Nationen für Palästina-Flüchtlinge (UNRWA)

Για την Υπηρεσία Αρωγής και Έργων των Ηνωμένων Εθνών για τους Πρόσφυγες της Παλαιστίνης (UNRWA)

For the United Nations Relief and Works Agency for Palestine Refugees (UNRWA)

Pour l'Office de secours et de travaux des Nations unies pour les réfugiés de Palestine (UNRWA)

Per l'Ente soccorso e lavori delle Nazioni Unite per i profughi della Palestina (UNRWA)

Voor de Organisatie van de Verenigde Naties voor hulpverlening aan Palestijnse vluchtelingen (UNRWA)

Pela Agência das Nações Unidas de Assistência aos Refugiados da Palestina (UNRWA)

Yhdistyneiden Kansakuntien palestiinalaispakolaisten avustus- ja työelimen (UNRWA) puolesta

På Förenta nationernas hjälporganisation för palestinska flyktingars (UNRWA) vägnar