

Project Agreement

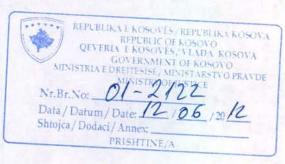
between the

Government of the Republic of Kosovo represented by the Ministry of Justice

and the

Government of Switzerland,
represented by the
Federal Department of Foreign Affairs
acting through the
Swiss Agency for Development and Cooperation
("the Parties")

Concerning the Project
Establishment of a Notary System, Phase III



In an endeavour to strengthen the friendly relations existing between the two Countries,

In pursuance and in application of the Framework Agreement concerning Technical and Financial Cooperation and Humanitarian Aid between the Swiss Federal Council and the Government of Kosovo, signed on October 6, 2010 and entered into force on December 16, 2010 (hereinafter referred to as Framework Agreement),

The respect for democratic principles, rule of law, human rights and fundamental freedoms – as set out in particular in the Universal Declaration of Human Rights – that inspire the internal and external policies of the two Parties and constitute an essential element on an equal footing with the objectives of the present Project Agreement

The Government of Republic of Kosovo, represented by the Ministry of Justice (hereinafter referred to as "MoJ"), and the Government of Switzerland, represented by the Federal Department of Foreign Affairs, acting through the Swiss Agency for Development and Cooperation (hereinafter referred to as "SDC"), have agreed on the terms and conditions as set forth below:

Article I General Definitions

Wherever used in this Project Agreement, unless the context otherwise requires, the subsequent terms have the following meaning:

 "SDC" means the Swiss Agency for Development and Cooperation of the Federal Department of Foreign Affairs of Switzerland. The SDC may act through the Swiss Cooperation Office Kosovo (hereinafter referred to as "SCO-K"), which may represent it in Kosovo.

Article II Goals and Objectives

The present Project Agreement provides the legal framework for the contribution of the SDC with respect to the project "Establishment of a Notary System in Kosovo", phase III from 01st March 2012 to 31st December 2014 (hereinafter referred to as "the Project"). Such contribution is provided in line with the priorities of the Government of the Republic of Kosovo and more specifically of the MoJ.

The Project goal is contribution to the development of Rule of Law in Kosovo and to the consolidation of the judicial system. The expected outcome of the Project is: a notary system is in place and functional.

Phase three of the Project will be divided into two main action lines, that are separated by the degree of responsibility the implementing organisation can take for achievements (considering the multi-stakeholder set up of this state-building endeavor and the related lessons learned from previous phases).

Action line I is related to the successful launch of the notary service in 2012, coaching of the chamber of notary as well as coaching of the first bunch of licensed and operational notaries in Kosovo. It represents a logic continuation of phase two and a consolidation of the Swiss achievements realized so far. The Swiss contribution to the notary system would then consist of the preparation of a first generation of Kosovo notaries and in the support of the establishment of their professional organization. The outputs and activities of action line I are fully within the scope of influence of IHN, which can guarantee its achievements (at least to a large extent).

Action line II is related to further enhancement of the notary system: harmonization of legal framework, training and examination of further notary candidates, development of capacities in the MoJ notary division, etc. The outputs and activities of action line II depend heavily on the MoJ, e.g. adequate staffing of the notary division, actions towards examination of new notary candidates, harmonization of legal framework etc. In mid 2013, a mid-term assessment of achievements and processes will be realized. Based on this assessment, a decision will be taken by SDC if and how the Project will pursue the implementation of action line II.

Article III Obligations of the SDC

- 2. The SDC makes available a grant of maximum CHF 1'000'000.—(one million Swiss Francs) which shall be used exclusively for the Project implementation as per goals and objectives defined above in Article II.
- 3. This grant cannot be allocated to any other purposes. Any unutilised portion of the grant remaining at the end of the Project is subject to repayment to the SDC.
- The SDC contracts the "Institut International des Hautes Etudes Notariales (hereinafter referred to as "IHN") for the implementation of the Project according to the project document (Annex 1).
- The grant will be disbursed and audited according to the provisions of the contracts between the SDC and its contractual partners.

Article IV Obligations of the MoJ

- The MoJ shall undertake all efforts to provide the necessary permissions and approvals to allow a timely and efficient implementation of this Project.
- The MoJ shall contribute to the creation of a favourable context for the development of notary system in Kosovo.
- In application of the Framework Agreement, all the goods and services to be financed by the SDC under this Project Agreement shall be tax exempted, in accordance to Articles 5.1 and 5.2 of the Framework Agreement.

Article V Communication, Supervision and Co-ordination

- 1. The SDC and the MoJ shall each identify a contact person who shall be the Communication Point Person for the other Party. The SDC shall consult with the MoJ on all matters of material consequence to the Project. Likewise, the MoJ shall inform the SDC about every decision or development of material consequence to the Project. The MoJ shall participate in the Project Steering Committee and the SDC shall be invited to partake in policy and other discussions of the MoJ which impact on the Project.
- 2. The Project Steering Committee surveys the Project on a regular basis and shall meet twice a year during this period to monitor the progress of the Project. It consists of representatives of MoJ, the Chamber of Notaries, USAID, KJC and the SCO-K". The Committee shall be co-chaired by the MoJ and SCO-K on rotation basis and shall operate according to the ToR for the Steering Platform (which is a constitutional document to the Annex 1 of this document)
- 3. The MoJ shall inform the SDC of any funding from other parties to the mentioned Project components.

Article VI Procurement of Goods and Services

- Goods and services to be financed out of the proceeds of the Swiss contribution shall be procured in accordance with Swiss Law on public procurement.
- For the duration of the Project, goods provided with funds of SDC for use in the Project shall remain at the unrestricted disposal of the Project and shall not be diverted from the Project without prior written approval of the SCO-K.

- If for any reason the Project should have to be discontinued, the use of the goods provided with the Swiss contribution shall be decided upon in writing by the Parties. In such a case, SDC shall assume no liability whatsoever in connection with the said goods.
- At the end of the Project, both Parties shall agree in written form on the property and use of the goods procured during the Project.

Article VII Anti-corruption

Within the framework of this Project Agreement, the parties shall neither directly nor indirectly propose benefits of any nature whatsoever. They shall not accept any such proposals. Any corrupt or illegal behaviour signifies a violation to the present Project Agreement and justifies its termination as well as/or the recourse to supplementary measures in accordance with applicable legislation.

Article VIII Modifications

Any modifications or amendments to the present Project Agreement shall be made in writing with the consent of both Parties. Each Party shall give full consideration to any proposal for amendment made by the other Party.

Article IX Termination

- Either Party may terminate this Project Agreement upon 90 days prior written notice to the other Party.
 In case of unforeseeable events that impede the performance of the services agreed upon, either Party may terminate this Project Agreement with immediate effect by written notice to the other Party.
- If events resulting from force majeure (natural disaster, etc.) prevent the execution of the Project Agreement, either Party may terminate the Project Agreement with effect from the moment when it becomes impossible to carry it out.
- In case of premature termination of the present Project Agreement or at the end of the program, any unspent funds provided within the frame of the Project shall be returned to SDC.

Article X Settlements of Disputes

Disputes as to the interpretation or application of the provisions of the present Project Agreement shall be settled by diplomatic negotiations between the Parties.

Article XI Annexes

The following document is annexed to the present Project Agreement and forms an integral part of it:

Annex 1: Program Document: "Establishment of a Notary System", Phase III.

Article XII Duration and Effectiveness

The present Project Agreement covers the period from 01st March 2012 to 31st December 2014. It shall enter into force upon signing by both of the Parties and end as soon as both Parties will have fulfilled all their contractual obligations.

This Project Agreement is written in 3 original copies each in the English and Albanian language. In case of differences of interpretation the English version shall prevail.

On behalf of the Government of Switzerland

On behalf of the Government of Kosovo

Markus Baechler

Director

Swiss Cooperation Office Kosovo

Hajredin Kuçi Minister

Ministry of Justice