

**Agreement N° 5897/REG**

**FINANCING AGREEMENT**

**between**

**THE EUROPEAN COMMISSION**

**and**

**THE 14 PACIFIC ACP STATES'**

**Technical Assistance support to the Regional Authorising  
Officer  
(Phase II)  
EDF VI and VII (REG/6707/002)**

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'COOK ISLANDS, FIJI, KIRIBATI, MARSHALL ISLANDS, MICRONESIA, NAURU, NIUE, PALAU, PAPUA NEW GUINEA  
SAMOA, SOLOMON ISLANDS, TONGA, TUVALU, and VANUATU

## **FINANCING AGREEMENT**

*The European Commission in its capacity as manager of the European Development Fund, hereinafter called "**the Commission**" and acting through the Member of the Commission responsible for Development Policy,*

*of the one part, and*

*The 14 Pacific ACP States, hereinafter called "**the ACP States**", and represented by the Secretary-General of the Forum Secretariat, Regional Authorising Officer, Suva, Fyi,*

*of the other part,*

*In accordance with the Convention signed at Lome on 15 December 1989, between the European Economic Community and the African, Caribbean and Pacific States (the ACP States), and hereinafter called "**the Fourth Lome Convention** ",*

*Whereas the Fourth Lome Convention seeks to establish, on the basis of absolute equality between the parties, close and continuous cooperation in the spirit of international solidarity and jointly to intensify efforts with a view to the economic, intellectual and social progress of the ACP States,*

*Whereas to this end the Member States of the European Economic Community have instituted the Seventh European Development Fund, hereinafter referred to as "**the Fund**",*

*Whereas the project which is the subject of this Agreement was approved on 12 December 2002.*

### **HAVE AGREED AS FOLLOWS:**

*The project described in Article 1 below will be carried out on the resources of the European Development Fund in accordance with the General Conditions annexed hereto which form an integral part of this Agreement, as amended by the Special Conditions set out below.*

## **SPECIAL CONDITIONS**

### **ARTICLE 1 NATURE AND SUBJECT OF THE OPERATION**

*The Commission shall contribute by way of grant from the resources of the European Development Fund towards the financing of the following project:*

<b>Project No:</b>	REG167071002	
<b>Title:</b>	<i>Technical Assistance Support to the Regional Authorising Officer (Phase II)</i>	
<b>Accounting No:</b>	6 ACP RPR 596	1,284,827.45 £
	7 ACP RPR 786	29,172.25£

*which is described in the Technical and Administrative Provisions annexed hereto.*

### **ARTICLE 2 FUND COMMITMENT**

*The commitment of the Fund is fixed at 1,314,000 euro as set out in Article 1 above.*

*The Fund commitment shall be subject to commencement of implementation of this Financing Agreement, as defined in the Technical and Administrative Provisions annexed hereto, before 1<sup>st</sup> July 2003. The start up event will be the publication of the recruitment notice.*

*If implementation has not commenced by that date, the Fund commitment shall be cancelled.*

*Implementation of this Agreement shall be completed by 31 December 2007 at the latest.*

*The continuation of the operation beyond the time limit must be properly justified by the recipient before that date and accepted by the Commission.*

### **ARTICLE 3 REGIONAL AUTHORIZING OFFICER**

*The authority responsible for carrying out the project which is the subject of this Financing Agreement is the Secretary-General of the Forum Secretariat, Suva, Fiji.*

*Specimens of the signature of the Regional Authorising Officer and his deputies shall be notified in triplicate to the Commission through the offices of the ACP States.*

*Any change in personnel will be subject to notification accompanied by deposit of specimen signatures in the same way.*

### **ARTICLE 4 HEAD OF THE DELEGATION OF THE EUROPEAN COMMISSION**

*The functions of the Head of the Delegation of the European Commission shall be exercised by the person authorised for that purpose by the Commission.*

### **ARTICLE 5 PAYING AGENT**

*In order to effect the payments resulting from this Agreement, the functions of Paying Agent shall be performed by the financial institution chosen by the Commission.*

### **ARTICLE 6 RECIPIENTS**

*The recipients of the aid which is the subject of this Agreement are the ACP States.*

### **ARTICLE 7 TEXTS**

*This Agreement shall be governed by the text of the Fourth Lome Convention, signed at Lome on 15 December 1989, its annexes and protocols and in particular articles 308, 309 and 310 on the tax and customs arrangements applicable in the ACP States to contracts financed by the European Development Fund.*

### **ARTICLE 8 GENERAL CONDITIONS OF CONTRACT**

*Works, services and supply contracts shall be drawn up, entered into and performed in accordance with the provisions set out in Annex N° 1 hereto.*

**ARTICLE 9 ADDRESSES**

*The notices provided for in this Agreement and correspondence relating to its performance shall be valid when addressed to the following:*

**a) for the Commission:**

*EuropeAid Cooperation Office  
B-1049 BRUSSELS*

**b) for the ACP States**

*The Regional Authorising Officer,  
the Secretary General of the Forum Secretariat  
Suva (Fiji)*

**ARTICLE 10 NUMBER OF COPIES**

*This Agreement is drawn up in two originals, each text being equally valid.*

**SIGNATURES**

*In witness whereof the parties to this Agreement, acting through their duly authorised representatives, have hereunto set their signatures.*

*Done at Brussels  
On 22 Jan. 2003.*

*Done at Suva  
On 19 March 2003*

**THE EUROPEAN COMMISSION**

**THE SECRETARY-GENERAL OF THE  
FORUM**

*P. Nielson*  
**Poul NIELSON,**  
*Member of the Commission*



*[Handwritten signature]*



**ANNEX N ° 1**

**General Conditions of Contract**

***Works, supplies and service contracts shall be drawn up, awarded and executed in accordance with the General Regulations and the General Conditions of Contract as adopted by the ACP/EEC Council of Ministers by Decision N°3/90 of 29 March 1990 (O.J.E.C. L 382 of 31 December 1990).***

***ANNEX N°2***

**TECHNICAL AND ADMINISTRATIVE PROVISIONS FOR  
IMPLEMENTATION**

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<b>Countries:</b>	The 14 Pacific ACP States
<b>Title of the Programme:</b>	Technical Assistance Support to the Regional Authorising Officer (Phase II)
<b>Accounting No:</b>	6 ACP RPR 596 7 ACP RPR 786

## **1. Background**

### *1.1 Main features of the sector*

Based in Suva, Fiji, the Pacific Islands Forum Secretariat (PIFS) is the Pacific's premier regional integration organisation. Its function is to service the annual Forum meeting of the heads of Government of independent and self-governing countries of the Pacific, and to foster regional co-operation, particularly on economic and trade matters, as directed by the Forum. In 1995 the Forum leaders redefined the PIFS mandate, strengthening its regional policy and economic advisory role and enhancing its regional co-ordination functions through the Council of Regional Organisations in the Pacific (CROP), for which it is Chair.

Under the Lome IV Convention the Secretary General of the Pacific Islands Forum Secretariat (PIFS) was tasked with the functions of Regional Authorizing Officer (RAO) for all Pacific ACP States. This mandate has been extended to cover the 20-year period of the Cotonou Agreement. In 2000, the number of Pacific ACP States increased from 8 to 14, thus all Forum Island Countries members are now Pacific ACP members. PIFS is not only the most appropriate but also the only partnership organization for EU cooperation with the Pacific ACP region. Against this background, there is a continuing need for technical assistance (TA), enabling the RAO to fulfill his responsibility to administer EDF cooperation activities, due to the added workload it entails for the PIFS.

### *1.2 Problems to be resolved*

EDF's regional co-operation programme is managed by PIFS' Development & Economic Policy Division. EDF activities form a significant part of the Division's work. Throughout Lome IV EDF, TA was provided to the PIFS to assist in programming and administration of EDF regional projects. Current support started in 1997 and is due to end on 31<sup>st</sup> December 2002. A new project is necessary after that date to ensure continuation of management of the EDF programme: all professional staff positions within PIFS are contract-based, normally on 3-year tenure, of which only a small number is funded by PIFS's core funds. Most positions are funded by donors, for activities directly related to their specific projects. Thus PIFS does not have the resources (number of staff) available to cope with the additional workload that the EDF programme represents.

## **2. Objectives and expected results**

### *2.1 Overall Objective*

The overall objective of the project is to reinforce the capacity of the RAO in order to fulfill smoothly and efficiently the management of EDF regional co-operation in the Pacific.

### *2.2 Project Purpose*

The project purpose is to assist the RAO, implementing CROP Agencies and NAOs to fulfill their responsibilities in accordance with the relevant terms of the Cotonou Agreement.



### 2.3 Results

The main results expected are: efficient administration by the RAO of on-going EDF regional projects; identification, appraisal, implementation, monitoring and evaluation of projects under the 9<sup>th</sup> EDF RIP, consistent with overall co-operation at the regional level; review of the 9<sup>th</sup> EDF Regional Strategy; programming of the 10<sup>th</sup> EDF RIP.

## **3. Factors ensuring feasibility and sustainability**

### 3.1 Lessons learnt from previous projects/evaluations

Past experience indicates that TA support for regional EDF development co-operation is best achieved through the institutional framework of PIFS. Earlier experiments to establish TA services separate and independent of PIFS were considered inappropriate by Pacific ACP States and by the European Commission. An independent evaluation of the 8<sup>th</sup> EDF "TA to the RAO" project, carried out in September 2001, reported that "In terms of effectiveness of EU aid, the project definitely has a positive impact. It supports the RAO in playing its role as interface between the Delegation/EU services in Brussels, and the region's decision-makers and implementers. The division of tasks between RAO and Delegation is greatly clarified since the RAO office prepares all the relevant documentation and checks that it complies with all procedures. It liberates the RAO and implementing organisations from the administrative delays that would derive from an improper application of procedures".

### 3.2 Environment, gender mainstreaming and other aspects

The project provides institutional support and has no impact on the environment. The planned TA positions are gender neutral.

### 3.3 Co-ordination with other donors

The project will help to ensure that the design and implementation of EDF co-operation projects is undertaken cognisant of other donor activities. PIFS unique role in the region encourages donor co-ordination and dialogue. The project will maintain and strengthen vital linkages between the PIFS, the EC, CROP agencies, other EDF implementing agencies, participating Non-State Actors and NAOs. Co-ordination with EU Members States' related activities will be carried out as a joint exercise by the PIFS and by the Delegation.

## **4. Implementation**

### 4.1 Activities

Project activities will support the extensive range of technical functions for which the RAO is responsible, including: co-ordination of programming, including periodic reviews; project preparation, appraisal, implementation, monitoring and evaluation; recruitment, contract management, financial administration; policy advice and training for project administrators/managers.

## 4.2 *Cost estimate and financing plan*

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	<b>EUR</b>
A. Technical Assistance	830,000
B. Equipment	44,000
C. Training	50,000
D. Operational Costs, Admin & Secretarial Support	350,000
E. Audit	20,000
F. Contingencies	20,000
<b>Total</b>	<b>1,314,000</b>

\* TA costs include approximately 108 person months of long-term specialist technical assistance. Operational costs include: official travel, office-operating costs, communications, audit, administration and secretarial support.

## 4.3 *Implementation procedures and timetable*

The Contracting Authority will be the RAO acting in accordance with PIFS conditions of employment and the project supervisor shall be the Director, Development & Economic Policy Division (DEPD). The project will be staffed by two technical officers, supported by two divisional assistants. The project shall be located within DEPDP/PIFS. The project shall be implemented by means of a "Decentralised Grant Agreement".

The project shall start no later than 1 July 2003 and shall end no later than 31 December 2007. The start-up event will be the publication of the recruitment notice. Recruitment shall follow PIFS' rules: advertisement in the regional press, following which all shortlisted applicants will be interviewed and submitted to a written exercise.

## 4.4 *Special conditions*

There are no special conditions.

## 5. **Economic and financial viability**

Cost benefit analysis undertaken on a 'with' and 'without' basis shows that the economic benefits of the project clearly outweigh costs. The costs of the project taken from the 6<sup>th</sup> EDF represent 3,29% of the RIP and the costs taken from the 7<sup>th</sup> EDF represent 0,08% of the RIP. Given the performance-based nature of EDF funding under the Cotonou Agreement, the project will enhance the region's ability to draw down additional resources.

## 6. **Monitoring, evaluation and audit**

The project shall be monitored on a day-to-day basis by the Director DDEPD/PIFS. TA will be subject to 6-monthly performance monitoring by PIFS. A provision for Audit is included in the Budget of this Financing Agreement. It is understood that the Chief Authorising Officer, in accordance with Art. 63.2 of the Financial Regulations, may use this provision to organise an independent Audit of expenditures made under this Agreement.

	<b>Intervention Logic</b>	<b>Objectively verifiable indicators</b>	<b>Sources of Verification</b>	<b>Assumptions</b>
<b>Overall Objective</b>	Improve EU development cooperation in the Pacific	<ul style="list-style-type: none"> <li>• Proportion of regional EDF maintained or improved relative to the other ACP regions</li> <li>• Increased involvement in the Pacific of EU sponsored development agencies</li> </ul>	<ul style="list-style-type: none"> <li>• Financial envelops</li> <li>• Programming documents</li> <li>• Post-Forum dialogue records</li> <li>• CDE, EIB, CDA country and regional reports</li> </ul>	
<b>Project Purpose</b>	Enhance effective coordination of EDF regional indicative programmes in the Pacific	<ul style="list-style-type: none"> <li>• 100% financial commitment on 6-9<sup>th</sup> EDF RIPs by end 2004</li> <li>• 10<sup>th</sup> EDF regional programming complete by mid 2007</li> <li>• RAO functions centralized and fully integrated into PIFS/DEPD organizational structure</li> </ul>	<ul style="list-style-type: none"> <li>• OLAS</li> <li>• Regional Strategy Paper</li> <li>• PIFS/SMM annual report</li> <li>• DEPD reports</li> <li>• RAO/HoD annual report</li> <li>• Financing Agreements</li> <li>• Project reports</li> <li>• External evaluations</li> </ul>	<p>EC remains committed to regional and national priorities identified in the PRIP and RSP.</p> <p>Timely processing of proposals through the EC to the EDF committee</p> <p>No delays experienced or significant changes made to the programming process</p> <p>9<sup>th</sup> EDF financing is available</p>
<b>RESULTS</b>	<ol style="list-style-type: none"> <li>1. Raised capacity of RAO.</li> <li>2. Improved coordination of CROP and implementing agencies in relation to EDF issues.</li> <li>3. Streamlined programme implementation procedures.</li> </ol>	<ul style="list-style-type: none"> <li>• Identification of 10<sup>th</sup> EDF projects commenced by mid 2005</li> <li>• Formulation and appraisal of 10<sup>th</sup> EDF projects completed by end of project</li> <li>• Adequate training provided to implementing agencies</li> <li>• Decentralised Grant Agreement system smoothly functioning.</li> </ul>	<ul style="list-style-type: none"> <li>• Regional Strategy Paper</li> <li>• PACP Leaders reports</li> <li>• Grant Agreement documents</li> <li>• Project records</li> <li>• PIFS Annual reports</li> </ul>	<p>Secretary General (PIFS) continues to hold RAO mandate</p> <p>No lengthy disruption to PIFS operations experienced</p> <p>Regional stakeholders continue to support programme development through CROP working Groups.</p>
<b>ACTIVITIES</b>	<ol style="list-style-type: none"> <li>1.1 Coordinate the design, appraisal, implementation of new EDF regional projects.</li> <li>1.2 Undertake proper handling of works, supply and service contracts, addendums, riders and variation orders to work programmes and Financing Agreements.</li> <li>1.3 Initiate project reviews and evaluations, preparing ToR and contracts and mobilizing consultants.</li> <li>1.4 Monitor projects through the logical framework, work programmes, audit and OLAS</li> </ol>	<p><b>Means</b></p> <p><u>EC</u> Human resources 108p/m (TA) means invested. Operational costs/ Indirect costs Equipment Meetings/workshops Training</p> <p><u>PIFS</u> Office space</p>	<p><b>Costs: (Euro)</b></p> <p><b>TOTAL 1,314,000</b></p>	<p>Project cycle management continues to be the main tool for project planning</p> <p>CROP Working Groups able to identify and reach consensus on regional priorities</p> <p>Implementation agency capacity to manage EDF projects does not deteriorate</p> <p>Efficient working procedures</p>

<p>1.5 Close work programmes, projects and commitments.</p> <p>1.6 Process payment orders and manage all financial matters.</p> <p>1.7 Draft 10<sup>th</sup> EDF RSP in conjunction with NAOs, CROP, NSAs and the EC Delegation.</p> <p>1.8 Coordinate, attend and service meetings as necessary.</p> <p>1.9 Create public awareness/promote the Regional Indicative Programme, including the preparation of publications and press statements.</p> <p>2.1 Prepare relevant briefings and meeting papers and commission and manage required studies.</p> <p>2.2 Disseminate information related to the RIP to NAOs and attend to ad hoc enquiries.</p> <p>2.3 Provide backstopping for other regional EDF related agencies</p> <p>3.1 Coordinate EDF training for Implementing agencies.</p> <p>3.2 Prepare Draft Financing Proposals, Grant Agreements and project dossiers.</p> <p>3.3 Provide day-to-day assistance to implementing agencies.</p> <p>3.4 Attend to information requirements of the EC Delegation.</p>			<p>established between the EC Delegation, RAO and implementing agency.</p>
			Preconditions:



**GENERAL CONDITIONS**

*applicable to the Seventh European Development Fund*

VIII/678/91-EN

**GENERAL CONDITIONS**

*These general conditions amplify and supplement, for the purposes of executing projects, the provisions of the Fourth Lome Convention.*

**SECTION I - PROJECT FINANCING**

**ARTICLE I FUND COMMITMENT**

*The Fund commitment, the amount of which is laid down for each project in Article 2 of the Special Conditions of the Agreement, determines the limit within which the national authorizing officer is empowered to commit the expenditure necessary for the execution of the project and to authorize the corresponding payments.*

**ARTICLE II EXCESS EXPENDITURE**

*Excess expenditure is incurred where, at the time that a contract is placed or an estimate drawn up, the amount of the contract or estimate exceeds the forecast cost of the corresponding part of the project.*

*Excess expenditure is also incurred where, in the course of execution of a contract or estimate, an increase in the volume of work or a variation in the project entails, by virtue of the known or foreseeable effect of the price revision clauses, a project cost which is higher than the contract amount, taking into account any provision made for additions to the contracts.*

**SECTION II - PLACING OF CONTRACTS**

**ARTICLE III METHOD OF PLACING CONTRACTS**

*The procedure to be followed prior to the placing of works or supply contracts or the conclusion of technical cooperation contracts shall be determined, within the framework of the principles set out below, by the technical and administrative implementing provisions annexed to the Agreement.*

**ARTICLE IV PARTICIPATION IN TENDERING PROCESS**

*As regards participation in tendering procedures, as defined in Article 294 of the Fourth Lome Convention, the General Conditions shall require tenderers to indicate the State of which they are nationals and to submit the customary proof thereof in accordance with their national law.*

**ARTICLE V PUBLICATION OF INVITATIONS TO TENDER**

*Invitations to tender must be the subject of prior publication in accordance with such rules as will ensure the widest distribution of information.*

*Provision shall be made for a sufficient interval between the publications of invitations to tender and the opening of tenders, in order to enable those taking part to submit their tenders in good time. This period shall be fixed by agreement with the Commission.*

*In addition to the publication measures which must be undertaken locally in accordance with local law and custom, the notices of invitation to tender and tender dossiers endorsed by the Delegate must be transmitted by the ACP State to the Commission which shall ensure that the said notices are published in the Official Journal of the European Communities and by any other appropriate means. At the time of their publication, the ACP State shall simultaneously communicate the notice of invitation to tender to the local consular representatives of the Member States and of the ACP States.*

**SECTION III - PERFORMANCE OF CONTRACTS****ARTICLE VI ESTABLISHMENT AND INSTALLATION**

*In the case of works, supply or service contracts, the natural persons, firms and companies eligible to participate in tendering procedures shall be entitled to temporary instalment and residence where the importance of the contract so warrants. This right arises only following the issue of the invitation to tender and applies to the technical staff needed to carry out studies preparatory to drawing up tenders; it shall elapse one month after the designation of the contractor.*

*Persons, firms and companies established for the purpose of performing works, supply or service contracts shall be entitled, if they so wish, to re-export any equipment imported by them into the ACP State for the purpose of performing the contract.*



**ARTICLE VII ORIGIN OF EQUIPMENT, MATERIALS AND SUPPLIES**

*The equipment, material and supplies necessary for the performance of the contracts must, unless otherwise decided by the Community body competent for such matters, originate in the Member States or the ACP States.*

**ARTICLE VIII IMPORTS AND EXCHANGE CONTROL RULES**

*The authorities responsible undertake to grant the import licences and permits for the acquisition of foreign currency necessary to execute the projects. They also undertake to apply local exchange control regulations without discrimination between the Member States and the ACP States.*

**ARTICLE IX USE OF STUDY DATA**

*Where the Agreement concerns the financing of a study, the Commission and the ACP State each reserve the right, save where the Special Conditions otherwise provide, to use for their own purposes the data or communicate them to third parties.*

**ARTICLE X CONTRACT DISPUTES**

*The ACP State undertakes to consult the Commission before taking a decision concerning a request for compensation made by a party to a contract and considered by the State to be justified in whole or in part. In the event of a dispute the financial consequences may be borne by the Fund only where the Commission has given its prior agreement.*

*Any dispute arising between the authorities of an ACP State and a contractor, supplier or provider of services during the performance of a contract financed by the Fund shall be settled in accordance with the provisions of Article 307 of the Fourth Lome Convention.*

**SECTION IV - FINANCIAL MANAGEMENT****ARTICLE XI CURRENCY TO BE USED FOR PAYMENT OF CONTRACTS**

- 1. Tenders shall be expressed in the national currency of the State of the Contracting Authority. The tenderer may in addition express the equivalent value of his tender in either Euro or in the currency of the country in which he has his registered place of business. The conversion rate shall be that in force 30 days prior to the latest date fixed for the submission of tenders.*

2. *A tenderer may request in his tender that a justified part, expressed as a percentage of the tender price, be paid directly to him in foreign currency. The justification required shall be assessed in the light of the verifiable facts as regards the real origin of the Works, Supplies or Service to be performed and the expenditure to which they give rise.*
3. *For Works and Supply contracts, payments shall be made in the national currency except as otherwise stipulated in the contract. For Service contracts, the currency or currencies of payments shall be as stated in the contract.*
4. *Where payment is made in the currency of an ACP State, it must be made through a bank established in that State. Where payment is made in foreign currency or in ECUs, it must be made through the intermediary of an approved bank or agency established in a Member State.*

#### **SECTION V - COLLABORATION BETWEEN THE COMMISSION AND THE AUTHORITIES OF THE ACP STATE**

##### **ARTICLE XIIFOLLOW UP OF PROJECTS**

*The Commission shall follow the progress of projects, may request any relevant information or explanation and, where appropriate, may define in agreement with the Government concerned any new project orientation considered to be better adapted to the objectives to be attained.*

*The chief authorizing officer of the European Development Fund shall take all the necessary measures to ensure that the national authorizing officers carry out the tasks allotted to them under Articles 284(3) and 313 of the Convention and in particular to ensure that they act in accordance with the provisions applicable in respect of the commitment, clearance and authorization of expenditure.*

*Where the chief authorizing officer of the EDF is aware of delays in the procedures relating to projects financed by the Fund, he shall, in conjunction with the national authorizing officer, make all contacts necessary to remedy the situation.*

*If, for any reason whatever, services have been rendered but further delay in the clearance, authorization or payment gives rise to difficulties likely to call into question the full performance of the contract, the chief authorizing officer may take all appropriate measures to resolve these difficulties, and to remedy, where necessary, the financial consequences of the resultant situation and, more generally, to enable the project or projects to be completed under the best economic conditions. He shall inform the national authorizing officer of such measures as soon as possible. If payments are thus made directly by the Commission to the beneficiary of the contract, the Community shall automatically acquire that beneficiary's right as creditor vis-à-vis the national authorities.*

*If remedial measures are not adopted in time in the event of failure to meet an obligation set out in this Agreement, the Commission may suspend financing of the project.*

#### **ARTICLE XIII      COLLABORATION ON THE SPOT**

*As regards the duties laid down in Articles 317 and 318 of the Fourth Lome Convention, collaboration with the authorities of the ACP State locally shall be the responsibility of the Commission delegate.*

*During the performance of operations financed by the Fund, the delegate shall verify on the spot and on the basis of records that work carried out or services rendered tally with their descriptions as given in the financing agreements, loan contracts or other contracts and estimates.*

#### **ARTICLE XIV      SUPPORT MISSIONS**

*Independently of the duties referred to in the preceding Article, the Commission shall have the right to send its own staff or duly authorized agents to carry out any technical, accounting or financial support missions it considers necessary.*

*The Government of the ACP State undertakes to supply all information and documentation requested of it and to take all appropriate measures to facilitate the work of persons undertaking support missions. The Government shall be informed of all such missions referred to above.*

### **SECTION VI - GENERAL AND FINAL PROVISIONS**

#### **ARTICLE XV EUROPEAN COURT OF AUDITORS**

*In implementation of the tasks allotted to it in respect of the Community Institutions, the audit carried out by the Court of Auditors shall be based on records and shall, if necessary, be performed on the spot. Its purpose shall be to establish vis-a-vis the Commission that all revenue has been received and all expenditure incurred in a lawful and regular manner with regard to the provisions applicable, and that the financial management has been sound.*

#### **ARTICLE XVI      ABANDONMENT OF A PROJECT BY THE ACP STATE**

*The ACP State may, with the agreement of the Commission, abandon a project wholly or in part.*

*An exchange of letters shall lay down the detailed rules for such abandonment.*

*Unexpended funds earmarked for the abandoned project may be allocated to other projects financed by the Fund in the ACP State concerned.*

**ARTICLE XVII AMENDMENT OF PROVISIONS**

*Any amendment to this Agreement must be decided by agreement between the parties signatory to the Agreement and may be adopted only after written acceptance by the parties.*

**ARTICLE XVIII DISPUTES**

*Any dispute between the European Community and the ACP State arising from the implementation of this Agreement which is not settled by agreement between the parties shall be resolved in accordance with the provisions laid down in Article 352 of the Fourth Lome Convention.*

**ARTICLE XIX NOTIFICATION AND ADDRESSES**

*Any notification or agreement between the parties required by this Agreement must be made in writing. Such notification or agreement shall be made by letter sent to the party authorized to receive the same, at the address notified by the party. In an emergency, telegrams and telex messages shall be admissible and shall be deemed to have been validly sent, provided that they are forthwith confirmed by letter.*

*The addresses are laid down in the Special Conditions.*