

No. 45210*

**Switzerland
and
Malta**

Framework Agreement between the Swiss Federal Council and the Republic of Malta concerning the implementation of the Swiss-Maltese cooperation programme to reduce economic and social disparities within the enlarged European Union (with annexes). Bern, 20 December 2007

Entry into force: 29 April 2008 by notification, in accordance with article 11

Authentic texts: *English*

Registration with the Secretariat of the United Nations: *Switzerland, 5 September 2008*

**The texts reproduced below are the original texts of the agreement as submitted. For ease of reference, they were sequentially paginated. The relevant Treaty Series volume will be published in due course.*

**Suisse
et
Malte**

Accord-cadre entre le Conseil fédéral suisse et la République de Malte concernant la mise en oeuvre du programme de coopération helvético-maltais visant à réduire les disparités économiques et sociales au sein de l'Union européenne élargie (avec annexes). Berne, 20 décembre 2007

Entrée en vigueur : 29 avril 2008 par notification, conformément à l'article 11

Textes authentiques : *anglais*

Enregistrement auprès du Secrétariat des Nations Unies : *Suisse, 5 septembre 2008*

**Les textes reproduit ci-dessous sont les textes authentiques de l'accord tel que soumises pour l'enregistrement. Pour référence, ils ont été présentés sous forme de la pagination consécutive. Le volume correspondant du Recueil des Traités sera disponible en temps utile.*

[ENGLISH TEXT – TEXTE ANGLAIS]

FRAMEWORK AGREEMENT

BETWEEN

THE SWISS FEDERAL COUNCIL

AND

THE REPUBLIC OF MALTA

CONCERNING

**THE IMPLEMENTATION OF THE SWISS-
MALTESE COOPERATION PROGRAMME
TO REDUCE ECONOMIC AND SOCIAL
DISPARITIES WITHIN THE ENLARGED
EUROPEAN UNION**

THE SWISS FEDERAL COUNCIL (hereinafter referred to as "Switzerland")

AND

THE REPUBLIC OF MALTA (hereinafter referred to as "Malta")

together hereinafter referred to as "the Parties",

- AWARE of the importance of the enlargement of the European Union (EU) for the stability and prosperity in Europe;
- NOTING the solidarity of Switzerland with the endeavours of the EU to reduce economic and social disparities within the EU;
- HAVING regard to the friendly relations between the two countries;
- DESIROUS of strengthening these relations and the fruitful cooperation between the two countries;
- INTENDING to promote further the social and economic development in Malta;
- IN VIEW of the fact that the Swiss Federal Council has expressed, in a Memorandum of Understanding with the Council of the European Union of 27 February 2006, the intention that Switzerland shall contribute up to 1'000'000'000 CHF (one billion CHF) to reduce economic and social disparities within the enlarged EU (hereinafter referred to as "Memorandum of Understanding");

have agreed as follows:

Article 1 – Definitions

For the purpose of this Agreement, unless the context otherwise requires:

- "Swiss-Maltese Cooperation Programme" means the framework under which the bilateral Framework Agreement between Switzerland and Malta shall be governed
- "Contribution" means the non-reimbursable financial contribution granted by Switzerland under this Agreement;
- "Project" means a specific project or programme or other joint activities in the framework of this Agreement.
- "Commitment" means the allocation of a certain amount of the Contribution to a Project agreed upon by the Parties;
- "Project Agreement" means an agreement between the Parties on the implementation of a Project agreed upon by the Parties;
- "National Coordination Unit" (NCU) means the Maltese unit in charge of the coordination of the Swiss-Maltese Cooperation Programme;

- "Intermediate Body" means any legal public or private entity which acts under the responsibility of the NCU or which carries out duties on behalf of the NCU with regard to Executing Agencies implementing Projects;
- "Line ministry" means the ministry responsible for the coordination of the implementation of approved projects falling under its portfolio;
- "Executing Agency" means any public authority, any public or private corporation as well as any organization recognized by the Parties and mandated to implement a specific Project financed under this Agreement;
- "Implementation Agreement" means an agreement between the NCU and/or the Intermediate Body and the Executing Agency for the implementation of the Project;
- "Technical Assistance Fund" means the Fund for the financing of tasks performed by the Maltese authorities additionally and exclusively for the implementation of the Contribution;

Article 2 - Objectives

1. The Parties shall promote the reduction of economic and social disparities within the enlarged EU through Projects mutually agreed upon between the Parties and in line with the Memorandum of Understanding and the Conceptual Framework for the Swiss-Maltese Cooperation Programme as outlined in Annex 1 of this Agreement.
2. The objective of this Agreement is to establish a framework of rules and procedures for the planning and implementation of the cooperation between the Parties.

Article 3 - Amount of the Contribution

1. Switzerland agrees to grant a non-reimbursable Contribution towards the reduction of economic and social disparities within the enlarged EU of up to CHF 2.994 million (two million and nine hundred ninety four thousand Swiss Francs) to Malta for a Commitment period of five years and a disbursement period of ten years, starting from the approval date of the Contribution by the Swiss Parliament, which is 14 June 2007.
2. Switzerland shall accept submissions of Final Project Proposals according to Annex 2, Chapter 2 for Commitment of funds until two months before the end of the Commitment period.
3. Funds not committed during the Commitment period shall not be available anymore for the Swiss-Maltese Cooperation Programme.
4. The financial situation will be reviewed 2 years and 4 years after the implementation of the Swiss contribution begins, in order to take into consideration the untapped balance of 2 million Swiss Francs as agreed in Article 3 of the Memorandum of Understanding between the European

Union and the Swiss Federal Council. If these reviews show a need for the realisation of high-priority projects and programmes, the Contribution shall be increased up to a maximum amount of CHF 4.994 million (four million and nine hundred ninety four thousand Swiss Francs).

Article 4 - Scope

The dispositions of this Agreement shall apply to national Projects financed by Switzerland or co-financed by Switzerland with multilateral institutions and other donors, executed by an Executing Agency, mutually agreed upon by the Parties.

Article 5 – Utilisation of the Contribution

1. The Contribution shall be used for the financing of Projects and can take any of the following forms:

- a) Financial assistance including grants, credit lines, guarantee schemes, equity participations, loans and technical assistance
- b) Technical Assistance Fund.

2. The Contribution shall be used in line with the objectives, principles, strategies and thematic focus as outlined in the Conceptual Framework in Annex 1.

3. 5% of the Contribution shall be used by Switzerland for its administration of this Agreement. This includes, inter alia, expenses for staff and consultants, administrative infrastructure, missions, monitoring and evaluation.

4. The Contribution, in the form of grants, may not exceed 60% of the total eligible costs of the Project, except in the case of Projects receiving additional financing in the form of budget allocations from national, regional or local authorities, in which case the Contribution may not exceed 85% of the total eligible costs. Institution-building and technical assistance Projects as well as Projects implemented by non-governmental organisations may be fully financed by the Contribution.

5. A part of the Contribution will be used by Malta for Technical Assistance for ensuring the efficient and effective implementation of the Swiss Contribution, as detailed in Annex 3 of this Agreement.

6. The following costs shall not be eligible for grant support: expenditures incurred before the signing of the respective Project Agreement by all parties, interests on debt, the purchase of real estate, staff costs of the Maltese Government and recoverable value added tax as specified in Article 7 of this Agreement.

Article 6 - Coordination and Procedures

1. To make sure that Projects have the greatest possible impact and in order to avoid duplication and overlapping with projects financed through means of structural and/or cohesion funding as well as by any other funding source, the