No. 6750

UNITED NATIONS SPECIAL FUND and NETHERLANDS

Agreement (with exchange of notes) concerning assistance from the Special Fund to the Netherlands Antilles. Signed at New York, on 24 May 1963

Official text : English.

Registered ex officio on 24 May 1963.

FONDS SPÉCIAL DES NATIONS UNIES et PAYS-BAS

Accord (avec échange de notes) relatif à une assistance du Fonds spécial aux Antilles néerlandaises. Signé à New York, le 24 mai 1963

Texte officiel anglais. Enregistré d'office le 24 mai 1963. No. 6750. AGREEMENT¹ BETWEEN THE UNITED NATIONS SPECIAL FUND AND THE GOVERNMENT OF THE **KINGDOM** OF THE **NETHERLANDS** CONCERNING ASSISTANCE FROM THE SPECIAL FUND TO THE NETHERLANDS ANTILLES. SIGNED AT NEW YORK, ON 24 MAY 1963

WHEREAS the Government of the Kingdom of the Netherlands, on behalf of the Netherlands Antilles, a country within the Kingdom, has requested assistance from the United Nations Special Fund in accordance with resolution 1240 (XIII)² of the General Assembly of the United Nations;

WHEREAS the Special Fund is prepared to provide the Government of the Netherlands Antilles with such assistance for the purpose of promoting social progress and better standards of life and advancing the economic, social and technical development of the Netherlands Antilles;

Now THEREFORE the Government of the Kingdom of the Netherlands and the Special Fund have entered into this Agreement in a spirit of friendly co-operation.

Article I

Assistance to be provided by the Special Fund

1. This agreement embodies the conditions under which the Special Fund shall provide the Government of the Netherlands Antilles with assistance and also lays down the basic conditions under which projects will be executed.

A plan of Operation for each project shall be agreed to in writing by the Govern-2. ment of the Netherlands Antilles, the Special Fund and the Executing Agency. The terms of this Agreement shall apply to each Plan of Operation.

3. The Special Fund undertakes to make available such sums as may be specified in each Plan of Operation for the execution of projects described therein, in accordance with the relevant and applicable resolutions and decisions of the appropriate United Nations organs, in particular resolution 1240 (XIII) of the General Assembly, and subject to the availability of funds.

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¹ Applied provisionally as from 24 May 1963, the date of signature, in accordance with ar-

ticle X (1). ¹ United Nations, Official Records of the General Assembly, Thirteenth Session, Supplement

4. Compliance by the Government of the Netherlands Antilles with any prior obligations specified in each Plan of Operation as necessary for the execution of a project shall be a condition of performance by the Special Fund and by the Executing Agency of their responsibilities under this Agreement. In case execution of a project is commenced before compliance by the Government of the Netherlands Antilles with any related prior obligations, such execution may be terminated or suspended at the discretion of the Special Fund.

5. It is understood that the Government of the Kingdom of the Netherlands has international responsibility for the obligations imposed on the Government of the Netherlands Antilles by this Agreement and by any arrangements entered into in pursuance of this Agreement to the same extent as if such obligations had been undertaken by the Government of the Kingdom of the Netherlands.

Article II

EXECUTION OF PROJECT

1. The Parties hereby agree that each project shall be executed or administered on behalf of the Special Fund by an Executing Agency, to which the sums referred to in Article I above shall be disbursed by agreement between the Special Fund and such Executing Agency.

2. The Government of the Kingdom of the Netherlands agrees that an Executing Agency, in carrying out a project, shall have the status, vis-à-vis the Special Fund, of an independent contractor. Accordingly, the Special Fund shall not be liable for the acts or omissions of the Executing Agency or of persons performing services on its behalf. The Executing Agency shall not be liable for the acts or omissions of the Special Fund or of persons performing services on behalf of the Special Fund.

3. Any agreement between either the Government of the Kingdom or the Government of the Netherlands Antilles on the one hand and an Executing Agency on the other hand concerning the execution of a Special Fund project shall be subject to the provisions of this Agreement and shall require the prior concurrence of the Managing Director of the Special Fund.

4. Any equipment, materials, supplies and other property belonging to the Special Fund or an Executing Agency which may be utilized or provided by either or both in the execution of a project shall remain their property unless and until such time as title thereto may be transferred to the Government of the Netherlands Antilles on terms and conditions mutually agreed upon between the Government of the Netherlands Antilles and the Special Fund or the Executing Agency concerned.

Article III

INFORMATION CONCERNING PROJECT

1. The Government of the Netherlands Antilles shall furnish the Special Fund with such relevant documents, accounts, records, statements and other information

as the Special Fund may request concerning the execution of any project or its continued feasibility and soundness, or concerning the compliance by the Government of the Netherlands Antilles with any of its responsibilities under this Agreement.

2. The Special Fund undertakes that the Government of the Netherlands Antilles will be kept currently informed of the progress of operations on projects executed under this Agreement. Both the Special Fund and the Government of the Netherlands Antilles shall have the right, at any time, to observe the progress of any operations carried out under this Agreement.

3. The Government of the Netherlands Antilles shall, subsequent to the completion of a project, make available to the Special Fund at its request information as to benefits derived from and activities undertaken to further the purposes of that project, and will permit observation by the Special Fund for this purpose.

4. The Government of the Netherlands Antilles will also make available to the Executing Agency all information concerning a project necessary or appropriate to the execution of that project, and all information necessary or appropriate to an evaluation, after its completion, of the benefits derived from and activities undertaken to further the purpose of that project.

5. The Government of the Netherlands Antilles and the Special Fund shall consult each other regarding the publication as appropriate of any information relating to any project or to benefits derived therefrom.

Article IV

PARTICIPATION AND CONTRIBUTION OF THE GOVERNMENT OF THE NETHERLANDS ANTILLES IN EXECUTION OF PROJECT

1. The Government of the Netherlands Antilles shall participate and co-operate in the execution of the projects covered by this Agreement. It shall, in particular, perform all the acts required of it in each Plan of Operation, including the provision of materials, equipment, supplies, labour and professional services available within the country.

2. If so provided in the Plan of Operation, the Government of the Netherlands Antilles shall pay, or arrange to have paid, to the Special Fund the sums required, to the extent specified in the Plan of Operation, for the provision of labour, materials, equipment and supplies available within the country.

3. Moneys paid to the Special Fund in accordance with the preceding paragraph shall be paid to an account designated for this purpose by the Secretary-General of the United Nations and shall be administered in accordance with the applicable financial regulations of the Special Fund.

4. Any moneys remaining to the credit of the account designated in the preceding paragraph at the time of the completion of the project in accordance with the Plan of Operation shall be repaid to the Government of the Netherlands Antilles after provision has been made for any unliquidated obligations in existence at the time of the completion of the project.

5. The Government of the Netherlands Antilles shall as appropriate display suitable signs at each project identifying such project as one assisted by the Special Fund and the Executing Agency.

Article V

Local facilities to be provided by the Government of the Netherlands Antilles to the Special Fund and the Executing Agency

1. In addition to the payment referred to in Article IV, paragraph 2, above, the Government of the Netherlands Antilles shall assist the Special Fund and the Executing Agency in executing any project by paying or arranging to pay for the following local facilities required to fulfil the programme of work specified in the Plan of Operation.

(a) The local living costs of experts and other personnel assigned by the Special Fund or the Executing Agency to the Netherlands Antilles under this Agreement, as shall be specified in the Plan of Operation;

(b) Local administrative and clerical services, including the necessary local secretarial help, interpreter-translators, and related assistance;

(c) Transportation of personnel, supplies and equipment within the country;

(d) Postage and telecommunications for official purposes ;

(e) Any sums which the Government of the Netherlands Antilles is required to pay under Article VIII, paragraphe 5 below.

2. Moneys paid under the provisions of this Article shall be paid to the Special Fund and shall be administered in accordance with Article IV, paragraphs 3 and 4.

3. Any of the local services and facilities referred to in paragraph 1 above in respect of which payment is not made by the Government of the Netherlands Antilles to the Special Fund shall be furnised in kind by the Government of the Netherlands Antilles to the extent specified in the Plan of Operation.

4. The Government of the Netherlands Antilles also undertakes to furnish in kind the following local services and facilities :

(a) The necessary office space and other premises ;

(b) Appropriate medical facilities and services for international personnel engaged in the project.

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5. The Government of the Netherlands Antilles undertakes to provide such assistance as it may be in a position to provide for the purpose of finding suitable housing accommodation for international personnel assigned to the country under this Agreement.

Article VI

RELATION TO ASSISTANCE FROM OTHER SOURCES

In the event that assistance towards the execution of a project is obtained by either the Government of the Netherlands Antilles or the Special Fund from other sources, the Parties shall consult each other and the Executing Agency with a view to effective co-ordination and utilization of assistance received by the Government of the Netherlands Antilles from all sources. The obligations of the Government of the Netherlands Antilles hereunder shall not be modified by any arrangements with other entities co-operating with the Government of the Netherlands Antilles in the execution of a project.

Article VII

USE OF ASSISTANCE

The Government of the Netherlands Antilles shall exert its best efforts to make the most effective use of the assistance provided by the Special Fund and the Executing Agency and shall use such assistance for the purpose for which it is intended. The Government of the Netherlands Antilles shall take such steps to this end as are specified in the Plan of Operation.

Article VIII

FACILITIES, PRIVILEGES AND IMMUNITIES

1. The Government of the Kingdom and the Government of the Netherlands Antilles shall apply to the United Nations and its organs, including the Special Fund, its property, funds and assets, and to its officials, the provisions of the Convention on the Privileges and Immunities of the United Nations.¹

The Government of the Kingdom and the Government of the Netherlands 2. Antilles shall apply to each Specialized Agency acting as an Executing Agency, its property, funds and assets and to its officials, the provisions of the Convention on the Privileges and Immunities of the Specialized Agencies² including any Annex to the Convention applicable to such Specialized Agency. In case the International Atomic Energy Agency acts as an Executing Agency, the Government of the Kingdom and the Government of the Netherlands Antilles shall apply to its property, funds

¹ See footnote 1, p. 374 of this volume. ⁸ See footnote 1, p. 378 of this volume.

and assets and to its officials and experts, the Agreement on the Privileges and Immunities of the International Atomic Energy Agency. $^{\rm 1}$

3. In appropriate cases where required by the nature of the project, the Government of the Netherlands Antilles and the Special Fund may agree that immunities similar to those specified in the Convention on the Privileges and Immunities of the United Nations and the Convention on the Privileges and Immunities of the Specialized Agencies shall be granted for the territory of the Netherlands Antilles by the Government of the Netherlands Antilles to a firm or organization, and to the personnel of any firm or organization, which may be retained by either the Special Fund or an Executing Agency to execute or to assist in the execution of a project. Such immunities shall be specified in the Plan of Operation relating to the project concerned.

4. The Government of the Netherlands Antilles shall take any measures which may be necessary to exempt the Special Fund and any Executing Agency and their officials and other persons performing services on their behalf from regulations or other legal provisions which may interfere with operations under this Agreement, and shall grant them such other facilities as may be necessary for the speedy and efficient execution of projects. It shall, in particular, grant them the following rights and facilities:

(a) The prompt issuance without cost of necessary visas, licences or permits;

(b) Access to the site of work and all necessary rights of way;

(c) Free movement, whether within or to or from the Netherlands Antilles, to the extent necessary for proper execution of the project;

(d) The most favourable legal rate of exchange;

(e) Any permits necessary for the importation of equipment, materials and supplies in connexion with this Agreement and for their subsequent exportation; and

(f) Any permits necessary for importation of property belonging to and intended for the personal use or consumption of officials of the Special Fund or of an Executing Agency, or other persons performing services on their behalf, and for the subsequent exportation of such property.

5. In cases where a Plan of Operation so provides the Government of the Netherlands Antilles shall either exempt from or bear the cost of any taxes, duties, fees or levies which may be imposed on any firm or organization which may be retained by an Executing Agency or by the Special Fund and the personnel of any firm or organization in respect of :

¹ United Nations, Treaty Series, Vol. 374, p. 147; Vol. 396, p. 352; Vol. 399, p. 296; Vol. 412, p. 353; Vol. 456, p. 502, and Vol. 463.

(b) Any equipment, materials and supplies brought into the Netherlands Antilles in connexion with this Agreement or which, after having been brought into the country, may be subsequently withdrawn therefrom; and

(c) Any property brought by the firm or organization or its personnel for their personal use or consumption or which, after having been brought into the country, may subsequently be withdrawn therefrom upon departure of such personnel.

6. The Government of the Netherlands Antilles shall be responsible for dealing with any claims which may be brought by third parties against the Special Fund or an Executing Agency, against the personnel of either, or against other persons performing services on behalf of either under this Agreement, and shall hold the Special Fund, the Executing Agency concerned and the above-mentioned persons harmless in case of any claims or liabilities resulting from operations under this Agreement, except where it is agreed by the Parties hereto and the Executing Agency that such claims or liabilities arise from the gross negligence or wilful misconduct of such persons.

Article IX

SETTLEMENT OF DISPUTES

Any dispute between the Special Fund and the Government of the Kingdom of the Netherlands arising out of or relating to this Agreement which cannot be settled by negotiation or other agreed mode of settlement shall be submitted to arbitration at the request of either Party. Each Party shall appoint one arbitrator, and the two arbitrators so appointed shall appoint the third, who shall be the chairman. If within thirty days of the request for arbitration either Party has not appointed an arbitrator or if within fifteen days of the appointment of two arbitrators the third arbitrator has not been appointed, either Party may request the President of the International Court of Justice to appoint an arbitrator. The procedure of the arbitration shall be fixed by the arbitrators, and the expenses of the arbitration shall be borne by the Parties as assessed by the arbitrators. The arbitral award shall contain a statement of the reasons on which it is based and shall be accepted by the Parties as the final adjudication of the dispute.

Article X

GENERAL PROVISIONS

1. After the approval constitutionally required in the Kingdom of the Netherlands has been obtained, the present Agreement shall enter into force on the date of receipt by the Managing Director of the Special Fund of a relevant notification from the Government of the Kingdom, and shall continue in force until terminated under paragraph 3 below. Nevertheless, the present Agreement shall be provisionally applied as from the date of signature.

2. This Agreement may be modified by written agreement between the Parties hereto. Any relevant matter for which no provision is made in this Agreement shall be settled by the Parties in keeping with the relevant resolutions and decisions of the appropriate organs of the United Nations. Each Party shall give full and sympathetic consideration to any proposal advanced by the other Party under this paragraph.

3. This Agreement may be terminated by either Party by written notice to the other and shall terminate sixty days after receipt of such notice.

4. The obligations assumed by the Government of the Netherlands Antilles and the Special Fund under Articles III, IV and VII and the obligations assumed by the Parties under Article III, paragraph 2 shall survive the expiration or termination of this Agreement. The obligations assumed by the Government of the Kingdom and the Government of the Netherlands Antilles under Article VIII hereof shall survive the expiration or termination of this Agreement to the extent necessary to permit orderly withdrawal of personnel, funds and property of the Special Fund and of any Executing Agency, or of any firm or organization retained by either of them to assist in the execution of a project.

IN WITNESS WHEREOF the undersigned, duly appointed representatives of the Special Fund and of the Government of the Kingdom of the Netherlands respectively have on behalf of the Parties signed the present Agreement.

DONE at New York this 24th day of May, 1963 in two copies in the English language.

For the Special Fund :

(Signed) Paul G. HOFFMAN Managing Director United Nations Special Fund For the Government of the Kingdom of the Netherlands :

(Signed) C. W. A. SCHURMANN

Permanent Representative of the Netherlands to the United Nations

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EXCHANGE OF NOTES

I

PERMANENT MISSION OF THE NETHERLANDS TO THE UNITED NATIONS NEW YORK 17, N.Y.

New York, 24 May 1963

Sir,

In connection with the agreement signed to-day¹ between the Government of the Kingdom of the Netherlands and the United Nations Special Fund concerning assistance from the Special Fund I should like to put on record the following understanding concerning certain provisions of the agreement :

Article I, paragraph 2: It is understood, that the detailed elaboration of the relations between the Government of the Netherlands Antilles, the Special Fund and the Executing Agency and of the acts expected from each will be laid down in the Plan of Operation.

Article IV, paragraph 2: It is understood, that personnel of the Government of the Netherlands Antilles, engaged in work under a project assisted by the Special Fund, would continue to be paid by that Government, even if under the Plan of Operation the cost of the services of such personnel would be considered a contribution of the Government of the Netherlands Antilles to the execution of a project;

Article VI: It is understood that any funds received or to be received by the Netherlands Antilles, under the so called Ten Year Plan will be considered as the Government of the Netherlands Antilles' own funds and therefore not a assistance in the sense of Article VI.

I should be grateful if you could confirm the understanding of these articles is correct.

Please accept, Sir, the assurances of my highest consideration.

(Signed) C. W. A. SCHURMANN

Mr. Paul G. Hoffman Managing Director United Nations Special Fund New York

¹ See p. 290 of this volume.

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24 May 1963

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Sir,

I have the honour to acknowledge the receipt of your letter of today, which reads as follows :

[See note I]

It gives me pleasure to confirm the agreement of the Special Fund with the interpretations contained in your communication quoted above.

Accept, Sir, the assurances of my highest consideration.

(Signed) Paul G. HOFFMAN Managing Director

H. E. Mr. C. W. A. SchurmannPermanent Representative of the Netherlands to the United NationsNew York 17, N.Y.