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	CITTA' DI TORINO SERVIZIO RELAZIONI INTERNAZIONALI, PROGETTI EUROPEI COOPERAZIONE E PACE
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Memorandum of Understanding (MoU)

HITEC- Hebron Innovation Technopark

(HEB CB 077 14)



MEMORANDUM of UNDERSTANDING

Between

[I PARTY – The Applicant]

Municipality of Hebron, hereinafter referred to as the Applicant located in Hebron and represented by **Dr. Daoud zatari**, Mayor of Hebron,

[II PARTY – The Italian Partner]

Municipality of Turin hereinafter referred to as the Italian Leading Partner represented by **Dr. Piero Fassino** Mayor of Turin Municipality, located in Turin Italy

Whereas

- the Palestinian National Authority (PNA), represented by the Ministry of Local Government (MoLG), signed on July 29th 2009 an agreement with the Italian Ministry of Foreign Affairs (MAE) to support development projects in partnership with Italian public bodies, in the framework of the Palestinian Municipalities Support Program (hereinafter referred to as PMSP);

the PMSP Steering Committee carried out on March 10th 2014, approved the project entitled HITEC- Hebron Innovation Technopark HEB CB 077 14 submitted on January 22nd 2014;

- **Turin Municipality** is acting as **Leading Partner of the Consortium** composed by:
 - Municipality of Turin
 - Environment Park S.P.A
- the total cost of the above-mentioned project is equal to **€ 248,027.50 (Euro Two Hundred Forty Eight Thousand Twenty Seven and Fifty Cents)**;
- the total contribution from **PMSP** amounts to **€ 177,427.50 (Euro One Hundred Seventy Seven Thousand Four Hundred Twenty Seven and Fifty Cents)** as per approved budget equal to 71.54% of the total approved budget;
- the total contribution from the **Italian Partners** amounts to **€ 12,000.00 (Euro Twelve Thousand)** equal to 4.84 % of the total approved budget.
- the total contribution from the **Applicant** amounts to **€ 58,600.00 (Euro Fifty Eight Thousand Six Hundred)** as per approved budget equal to 23.63% of the total approved budget .

The parties hereby agree to the following conditions:

Art. 1 Objective and aim of the Agreement

The present agreement is related to the implementation of the project HITEC- Hebron Innovation Techno park HEB CB 077 14 hereinafter referred to as the "Project".





The aim of this agreement is to ensure the correct, efficient and responsible implementation of the above-mentioned project, according to the Project Application Form approved by the PMSP Steering Committee and to rules and regulations specified in the PMSP Official Guidelines.

The complete text approved by the PMSP must be kept as reference should any doubt arise.

Any modification to the Project Application Form must be approved in writing by the PMSP and both parties must officially acknowledge all changes and proceed accordingly.

Art. 2 Objectives, expected results and beneficiaries of the project

The Overall Objective is to contribute to the local economic development of the present industrial system in Hebron.

The specific objectives are:

- To enhance the capacities of Hebron Municipality on creation of business communities and the management of industrial and innovation support programmes
- To create a convergence on HITEC of present and future local actions and resources promoting innovation on economic sector and industry, so to increase their impact and effectiveness thanks to the availability of competence, skills and resources for their implementation
- To involve local economic and knowledge stakeholders and industrial community in the creation and management of HITEC
- To design the feasibility study for the creation of the Hebron Innovation Technology Park, defining its strategic positioning and mission, its operative and business plan, the governance model and the infrastructure plan;
- To provide training to future HITEC key people by Italian experts including the realisation of a study tour in Italy.
- To support the establishment of relationships between HITEC and other Regional, Italian and European innovation-to-business players, with the goal to support the creation of business opportunities among Palestinian companies and foreign ones.
- In order to achieve the objectives of establishing the TechnoPark a steering committee will be established consists of high level representation from the related ministries and institutions such as MOLG, MOIT, MONE, universities union and the PPU.

The Expected Results of the proposed project are the following:

- Enforcement of local institution capacities in supporting local economical and knowledge value chains through an innovative approach
- Design of the HITEC and its intervention strategy and action plan (feasibility study)
- Establishment of cooperation opportunities among HITEC and Italian and EU institutional, economical and knowledge players
- Strengthening of PMSP general aims and creation of a network linked with the other projects already implemented in Hebron by PMSP
- Creation of links with other tools of the Italian Cooperation in Palestine

Direct and Indirect Beneficiaries of the proposed project are the following:

Direct Beneficiaries:

- Residents of Hebron City.

Indirect Beneficiaries:

- Residents of Hebron City and the wider area





Art. 3 Role of the partners in the project

The Applicant and **The Leading Partner** intend to establish a **partnership** with respective roles and responsibilities, managing budget shares, costs and expenses, as stated below.

The **Applicant** will be responsible for the general (technical and financial) management and coordination of the project supported by ITAU, the Local partner and the Italian partners.

The Applicant is:

- (i) the contact point between the project staff and the PMSP and between the local public authorities and the stakeholders involved into the project;
- (ii) working together with the Italian Partners in making available their experience;
- (iii) responsible for the redaction of the financial and narrative reports, according to the PMSP requirements;

- **Turin Municipality** is acting as **Leading Partner of the Consortium** composed by:
 - Municipality of Turin
 - Environment Park S.P.A

A **Quarterly Interim Report (every three months)** on project activities will be submitted by the Applicant to the PMSP in coordination with the Italian Consortium;

A **Final Report** (including Narrative and Financial Report) at the end of the project will be submitted by the Applicant to the PMSP in coordination with the Italian Consortium.

Know-how transfer and exchange between the **Italian Consortium** and **The Applicant** will be made through the project planned missions of Italian partners to Palestine.

Art. 4. Duration

The present agreement is valid from the date of the signature until the official closing date of the project and however it is valid until the presentation of the final report to the PMSP.

The project will last **08 months** from the date of the first Financial Instalment made by PMSP to the Applicant.

The present agreement may be extended beyond the official closing date of the project, upon written agreement of both parties.

Art. 5 Financial contributions to the project

The Total Project value is equal to **€ 248,027.50 (Euro Two Hundred Forty Eight Thousand Twenty Seven and Fifty Cents)**; as per approved budget.

The total contribution from **PMSP** amounts to **€ 177,427.50 (Euro One Hundred Seventy Seven Thousand Four Hundred Twenty Seven and Fifty Cents)** as per approved budget equal to 71.54% of the total approved budget;

The total contribution from the **Italian Partners** amounts to **€ 12,000.00 (Euro Twelve Thousand)** equal to 4.84% of the total approved budget.

- Municipality of Turin, will contribute to the project the total amount of € 10,000.00 equal to 3.87% of the total approved budget
- Environment Park S.P.A will contribute to the project the total amount of € 2,000.00 equal to 0.97% of the total approved budget





The total contribution from the **Applicant** amounts to € 58,600.00 (Euro Fifty Eight Thousand Six Hundred) as per approved budget equal to 23.63% of the total approved budget in the Project Application Form

Art. 6 Bank Accounts

A **dedicated Bank Account** will be opened by **The Applicant** in one of the operating commercial Banks in Palestine in order to manage all contributions related to the project from all donors.

The Leading Partner commits itself to deposit the due amount related to the project in the specified Bank Account according to a transfer schedule agreed upon between the parties.

The Applicant will promptly inform in writing about any changes regarding the Bank Account to all concerned parties, including PMSP.

Art. 7 Direct management of project

In respect to the roles and responsibilities listed in Article 3 the **Applicant will** directly manage the total amount of € 236,027,50 (Euro Two Hundred Thirty Six Thousand Twenty Seven and Fifty Cents) as per approved budget in the Project Application Form (PMSP Contribution + Applicant Contribution)

In respect to the roles and responsibilities listed in Article 3 the **Leading Partner** will directly manage the total amount of € 12,000.00 (Euro Twelve Thousand) as per approved budget in the Project Application Form

Art. 8 Procurement procedures

The parties undertake to follow the procurement procedures approved by the PMSP, as stated in the Official Guidelines.

Any modifications or amendments to the above-mentioned procurement procedures must be approved in writing by the PMSP and all parties must be notified of the communication.

Art. 9 Activities reporting

The project financial administration is managed by the **Applicant**

The **Applicant** and the **Leading Partner** will **submit jointly on a Quarterly Basis** the narrative and financial reports to the PMSP as per PMSP report formats.

Both parties undertake to properly justify and adequately document all expenditures, through appropriate documentation i.e. with delivery notes, invoices, payment notes, contracts, etc.

Every document must carry a stamp with the project code and name, so that the amount in it, totally or partially - as in the specific case of administrative costs or salary costs- will be unmistakably related to the project object of this agreement.

In case of expenditure considered unacceptable due to incomplete or missing support documents, or because the expenses were held before or after the project duration, the parties will have the right to withhold the unacceptable amount from the funds payable to the concerned party, upon the reception of a written notice in advance.

The following documents shall be kept by **The Applicant**:

- contracts with suppliers
- staff contracts / project orders





- Invoices including the project stamp, along with the following data: project code, date, supplier's name and address, signed and stamped with the word PAID.
- receipts including the project stamp, along with the following data: project code, date, supplier's name and address, signed and stamped with the word PAID
- Evidences of payment: when payments to suppliers are made by bank cheque or by bank transfer, a copy of the evidence of payment, photocopy of cheque, photocopy of bank statement.
- material delivery bills if any, or documents of delivery to beneficiaries together with any other document that could be useful to proof the expenses held;
- Any other relevant document attaining to administration.

These documents will complete the financial report sent by the **Applicant to PMSP**.

The following documents shall be kept by the **Leading Partner**

- contracts with suppliers
- staff contracts / project orders
- Invoices including the project stamp, along with the following data: project code, date, supplier's name and address, signed and stamped with the word PAID.
- receipts including the project stamp, along with the following data: project code, date, supplier's name and address, signed and stamped with the word PAID
- Evidences of payment: when payments to suppliers are made by bank cheque or by bank transfer, a copy of the evidence of payment, photocopy of cheque, photocopy of bank statement.
- material delivery bills if any, or documents of delivery to beneficiaries together with any other document that could be useful to proof the expenses held;
- Any other relevant document attaining to administration.

The Applicant will provide The Leading Partner with a copy of the final narrative and financial report as presented to PMSP.

Art. 10 Monitoring and Supervision

The Applicant will and The Leading Partner commit themselves to provide all information regarding activities related to the project to the other party, authorising regular supervision and monitoring of the implementation of the Project activities.

Art. 11 Communication between/among the parties

The parties undertake to co-operate in implementing the activities as set in the Application Form. Moreover, the parties commit themselves to communicate in writing any issue arising during the activities or in any way referring to the project. Reports and communications between the parties will be drafted in the same language as the Application Form.

Art. 12 Audit and financial checks

The parties intend to manage any fund related to the project transparently, providing evidences of incoming and outgoing financial resources on quarterly basis to the other signatory of the present agreement. Moreover, all parties agree to provide all information regarding financial flows related to the project to PMSP, as stated in the PMSP Guidelines.

Art. 13 Visibilities

All parties agree to follow visibility rules established by PMSP.
The visibility plan for the Project will be prepared jointly by the parties.





Art. 14 Termination of the contract

Both parties can terminate this agreement, concluding their collaboration in the project implementation due to 'force majeure' reasons.

In these conditions the agreement can be terminated at any moment sending a written notice at least 3 (three) months before, stating the reasons for such a request. However the request will have to be accepted by both the partner and the donor.

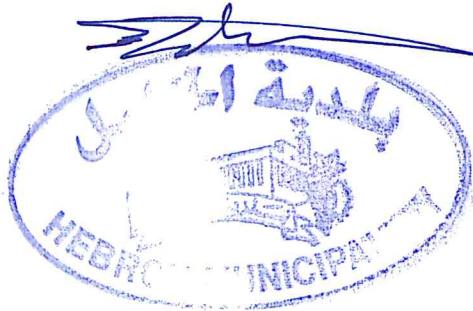
Art. 15 Resolutions of Disputes

Should any dispute arise concerning the interpretation of the present agreement, the parties will strive to find a mutual agreement on amicable terms amenable to both parties.

Once a dispute has arisen, the parties shall notify each other in writing of their positions on the dispute and of any solution which they consider possible.

Any dispute must be solved according to the local procedures implemented in the Palestinian Authority

Dr. Daoud zatari
Mayor of Hebron Municipality



Dr. Piero Fassino
Mayor of Turin Municipality

