

IMPLEMENTING AGREEMENT

BETWEEN

THE GOVERNMENT OF THE ITALIAN REPUBLIC

AND

THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN

Regarding the Project: "Sustainable cities: upgrading urban wastewater systems in Al-Soukhneh Camp" (hereinafter referred to as "the Project")

The Government of the Italian Republic and the Government of the Hashemite Kingdom of Jordan, represented by the Department of Palestinian Affairs (DPA), hereinafter singularly referred to as the "Party" and collectively the "Parties":

WHEREAS the Italian and the Jordanian Governments have signed the Development Cooperation Framework Agreement, done at Amman on May 13, 2018 and reached an understanding on the provision of funds in support of Job Creation and Technical and Vocational Training for the years 2023-2025, in alignment with the National Policies and Strategies;

WHEREAS the Italian and the Jordanian Governments have signed a Subsidiary Agreement between the two Countries, as well as the related Indicative Country Programme concerning the Italian Aid Programme for the years 2021 – 2023, done at Amman on May 26, 2021;

WHEREAS the Italian Agency for Development Cooperation (AICS) has been instituted by Law 11 August 2014, n. 125 as an autonomous agency, operative from January 1st 2016 and in charge of identifying, formulating, implementing, financing and monitoring of development cooperation Projects under the political guidance of the Italian Ministry of Foreign Affairs and International Cooperation;

WHEREAS the Statute of the Italian Agency for Development Cooperation has been approved by the Inter-ministerial Decree 22 July 2015, n. 113, which makes provisions for the financial means of the Agency (Art.13);

WHEREAS AICS established in July 2016 an Office in Amman, that operates as the full-fledged Cooperation Section of the Embassy of Italy in Amman.

WHEREAS on August 11, 2024, the Ministry of Planning and International Cooperation (MoPIC) of the Government of the Hashemite Kingdom of Jordan officially requested to the Italian Agency for Development Cooperation in Amman to secure the financing for the project "Sustainable cities: upgrading urban wastewater systems in Al-Soukhneh Camp", to be directly implemented by the Department of Palestinian Affairs (DPA);

WP

R.K

WHEREAS on August 29, 2024, the Department of Palestinian Affairs (DPA) submitted for the consideration to the Italian Agency for Development Cooperation, Amman Office, a formal financing request for the above-mentioned project;

WHEREAS on September 19, 2024 the Director of the Italian Agency for Development Cooperation has approved the initiative "Sustainable cities: upgrading urban wastewater systems in Al-Soukhneh Camp", and committed related funds through a grant worth Euro 1.750.000 (one million seven hundred fifty thousand);

HAVE AGREED AS FOLLOWS:

WR

R-K

ARTICLE 1

SCOPE AND CONTENTS OF THE AGREEMENT

- 1.1. In compliance with the “Development Cooperation Framework Agreement” done in Amman on May 13, 2018, the present Implementing Agreement (hereinafter referred to as “Agreement”) aims at:
 - a. Establishing the mutual obligations of the Parties concerning the implementation of the Project;
 - b. Defining crediting, disbursement, procurement, monitoring, evaluation, control and reporting procedures.
- 1.2. This Agreement consists of the present Text, the Project Implementation Document (PID), which constitutes Annex 1, and the Ethical clauses and general principles for procurement and execution of contracts document, which constitute Annex 2.
- 1.3. The acronyms mentioned in the text and indicated below have the following meaning:

AICS: Italian Agency for Development Cooperation

CSC: Camp Service Committee

DPA: Department of Palestinian Affairs of the Hashemite Kingdom of Jordan

FPR: Final Project Report

GoJ: Government of the Hashemite Kingdom of Jordan

GoI: Government of the Italian Republic

ICB: International Competitive Bidding

IRR: Interim Request Report

MAECI/DGCS: Directorate General for Development Cooperation of the Italian Ministry of Foreign Affairs and International Cooperation

MoPIC: The Ministry of Planning and Development Cooperation of the Hashemite Kingdom of Jordan

NCB: National Competitive Bidding

PiC: Person in Charge

PoA: Plan of Action

SAR: Semi Annual Report

SC: Steering Committee

TC: Technical Committee of the Project

ToRs: Terms of Reference

ARTICLE 2

PROJECT OBJECTIVES

The Project aims to assist the Government of the Hashemite Kingdom of Jordan (GoJ) in addressing fundamental needs related to sanitation, public health, environmental protection, and community empowerment, leading to tangible improvements in the lives of vulnerable populations and contributing to their overall well-being and resilience, particularly for groups such as women, children, the elderly, and people with disabilities, who are disproportionately affected by inadequate sanitation. Following the priorities identified by the Department of Palestinian Affairs (DPA) for the improvement of the lives of

wp

R.K

Palestinian refugees in the camps, it will contribute to the aims and purposes of the “National Water Strategy 2023-2040” as well as with those of the “Jordan 2025: A National Vision and Strategy” and in line with the “Jordan UN Sustainable Development Framework (UNSDF) 2018-2022”.

2.1. The **Overall objective** of the Project is to reduce the environmental and soil contamination from wastewater in urban camps and neighbouring areas and the risk of health-related issues and morbidity.

2.2. The **Specific Objective** of the Project is to ensure access to more equitable sanitation facilities and Water, Sanitation and Hygiene (WASH) practices in the target area for residents of Palestinian Al-Soukhneh camp

ARTICLE 3

FINANCIAL CONTRIBUTION OF THE PARTIES

3.1 Contribution of the GoI

The total financial contribution of the GoI consists in a grant up to a ceiling of **EURO 1.750.000** (one million seven hundred fifty thousand);

3.2 Contribution of the GoJ

GoJ shall ensure that DPA shares the costs of the Project. The GoJ shall cover VAT and other taxes, duties, clearing and storage charges and any other levies to be paid in Jordan for the execution of the Project activities. The GoJ shall also ensure contributions with human, financial and logistic resources necessary for the execution of the Project activities.

ARTICLE 4

INSTITUTIONS AND BODIES INVOLVED IN THE IMPLEMENTATION OF THE AGREEMENT

4.1 The main institutions and bodies involved in the implementation of this agreement are:

For the GoI

- The **MAECI/DGCS**;
- **AICS**: Italian Public Institution in charge of identifying, formulating, implementing, financing and monitoring of development cooperation Projects under the political guidance of the Italian Ministry of Foreign Affairs and International Cooperation;
- **AICS Amman Office** representing AICS in Jordan and responsible for the supervision of the bilateral cooperation activities between Italy and Jordan.

For the GoJ

- The **DPA**, representing the GoJ as counterpart of the GoI for this Agreement. DPA shall be the recipient institution for Italian funds and shall be responsible for their management. DPA shall operate in consultation and full cooperation with all stakeholders involved in the Project implementation. The Project shall comply with the framework described in the PID, and shall follow DPA procedures for the execution of funds.

4.2 The Parties shall provide the abovementioned bodies with a copy of the present Agreement. The Parties shall ensure that such Institutions and Bodies shall fulfil the obligations of the Agreement.

lp

R.K

ARTICLE 5

GOVERNANCE OF THE PROJECT

5.1 The Project shall be directed by a Steering Committee (SC).

5.2 The SC shall be in charge of the supervision of the Project and shall define strategic direction, approve the **Plan of Action** (PoA), approve technical and financial reports and manage and resolve claims. Moreover, it shall ensure the general coordination and harmonization of the Project with other initiatives implemented in the same area/sector of intervention. The SC shall be chaired by DPA and composed by at least one representative of the Embassy of Italy in Amman and at least one representative of AICS. The exact composition, observers and specific ToRs for the SC shall be prepared, and approved by DPA, the Embassy of Italy in Amman and AICS, during the Project startup phase. Whenever required, institutions and experts may be invited to participate the SC meetings.

5.2 **Recurrence and modality of the SCs.** The SC shall meet at least bi-annually, and under request of any of their members, when urgent decisions are required. All decisions of the SCs must be taken unanimously. All costs associated with the participation to the SCs meetings, if any, shall be borne by the respective institutions.

5.3 The **Person in Charge** (PIC) shall be designated by the DPA and shall be responsible for the management of the Italian Grant provided under the present Agreement. Staff of the DPA shall support the PIC daily management activity. He/she shall provide all relevant and required reports and shall have the responsibility to ensure the full implementation of this Agreement. The PIC, under the overall guidance of the SC, shall also coordinate the technical assistance provided to the Project.

5.4 The **Technical Committee** (TC) shall carry out, jointly with the DPA or assigned consultancy, monitoring and evaluation activities and propose any revisions of Project activities as described in Annex 1, with a view to greater impact and effectiveness. The TC shall also provide technical assistance to all stakeholders involved in the implementation of the Project. AICS Amman shall support the Project supervision through regular consultation with the DPA.

5.5 **Plan of Action** (PoA). The DPA, with the technical assistance of the TC, shall prepare/revise the PoA in line with the provisions of the PID and the available budget and submit it to the SC for endorsement. The whole process of elaboration of the PoA shall be completed within sixty (60) days from the signature of this Agreement. A revised PoA shall be approved, or the PoA shall be confirmed by the SC, as a condition to request the next funding instalment.

5.6 A Project implementation timetable is tentatively described in the PID, the timetable shall be revised and endorsed by the SC when relevant revisions of the PoA are considered.

ARTICLE 6

CREDITING MODALITIES OF THE ITALIAN FUNDS

6.1. The GoI commits itself to provide the financial resources provided for in Article 3.

6.2. Bank Accounts

The grant financial resources provided by GoI under the present Agreement shall be transferred to the Account opened by DPA for the purpose of the Project and operated by DPA.

6.3. Instalments

Upon the entry into force of the present Agreement, AICS shall transfer the funds, in two instalments:

W

R-K

	I Instalment	II Instalment	Total
Grant	EURO 1.062.876,00	EURO 687.124,00	EURO 1.750.000,00

The instalments shall be disbursed according to the crediting procedures detailed in the next paragraph.

6.4 Crediting procedures

The following pre-conditions shall be fulfilled prior to the start-up of the crediting procedure by AICS of the **first instalment**:

- a) the DPA shall have assigned the PIC;
- b) the DPA shall have informed AICS Amman regarding the detail of the EURO Bank Account mentioned above in art. 6.2;
- c) the DPA shall submit a specific request for the crediting of the instalment to AICS Amman;
- d) written evidence from DPA on its commitment on constructing the collection tank as a task out of the scope of work of this Project;
- e) the DPA has signed a pre-agreement with the land owner for purchasing the land where the collection tank shall be constructed, conditional to the approval of the Italian funding.

Pre-condition for the disbursement of the **second instalment** are:

- a) 70% of the amount of the first instalment has been committed by the DPA;
- b) at least 40% of the amount of the first instalment has been spent and justified;
- c) an updated PoA is endorsed. The document shall include an updated disbursement plan for the Grant;
- d) the audit report concerning the use of the first instalment, prepared in accordance with Article 8., is approved by AICS, upon compliance with the Ethical clauses and general principles for procurement and execution of contracts as per Annex 2;

6.4 Taxes

The Italian contribution, as per Article 3 of this Agreement, cannot cover taxes, VAT, duties, clearing and storage charges and any other levies are to be paid in Jordan. In case any of the above expenses are needed for the execution of the Project activities, they shall be covered by the GoJ contribution.

ARTICLE 7

ACTIVITIES AND FINANCIAL REPORTS

7.1 Within sixty (60) days from the receipt of the Grant, the DPA with the support of the TC, shall prepare the PoA referred to the entire amount of the funds. The PoA, and its further revisions, shall be submitted to the PIC and approved by the SC.

7.2 Activities and financial reports

WP

R.K

The DPA is responsible for maintaining an updated accounting system that contains records to ensure the accuracy and reliability of Project financial information and reporting. The accounting system shall also ensure that supporting documents (statements of expenditure, bidding documents, contract documents etc.) are properly identified and that approved/amended budgetary lines are not exceeded. The original documents must be kept in DPA offices. The accounting system and/or record keeping must track the advances received and the expenditure records of the Project. Financial reports, statements of the executed expenses and contracts shall be presented to the SCs whenever required.

7.3 The Project formal reports are the following:

- a) **SAR** (Semi Annual Report): DPA shall provide to AICS Amman semi-annual financial/administrative and technical reports. The reports shall analyse the utilization of the entire fund of the Project including procurement processes.

The SAR shall include two sections: i) the description of the activities carried out (first section) and ii) description of the relevant financial, administrative and procurement information (second section).

The first SAR shall cover the first six months of activity starting from the date on which funds have been credited. The last SAR produced shall also have the function of Final Project Report (FPR). The SAR can coincide with the Interim Request Report (IRR) that has to be attached to the tranche request (except the first) and must be supported by an Audit Report.

- b) **IRR** (Interim Request Report): precedent to the disbursement subsequent to the first one, DPA shall provide to AICS Amman an interim financial/administrative and technical reports. The IRR shall be audited by an independent auditing firm selected based on a call for tenders. The IRR shall have the same structure as for the SAR described in point 7.3a) above.
- c) **FPR** (Final Project Report): DPA shall provide to AICS Amman a final financial/administrative and technical report, which can coincide with the last SAR. The FPR shall be audited by an independent auditing firm selected based on a call for tenders. The report shall have the same structure as for the point 7.3a) above.

ARTICLE 8

EXTERNAL AUDITING AND MONITORING & EVALUATION ACTIVITIES

8.1 Auditing modalities

Audits shall be performed by an independent auditing firm selected based on a call for tenders. AICS Amman shall approve the ToRs, the selection process and the contract. The auditor shall audit per tranche. The audit shall certify the regularity of the expenses and of the procurement disbursement procedures.

Audit reports shall be made available no later than six (6) months after the last day of each fiscal year. The Auditor shall also produce the report related to the use of each instalment.

The external audit shall focus on both:

- administrative and financial aspects: compliance with DPA procedures (including procurement process, bidding document preparation, selection and awarding process);
- technical aspects: compliance with the technical clauses of the contracts, infrastructure quality check, compliance and follow up of the Project's impact indicators.

The final audit should justify the use of 100% of the instalments.

WP

R.K

8.2 Other activities

The Parties shall have the right to perform, at their own expenses, all the monitoring and evaluation, control and auditing activities that shall be deemed necessary. Joint (ongoing, final and ex-post) evaluation activities shall be organized by MAECI/DGCS and/or AICS through their Amman offices whenever deemed appropriate.

ARTICLE 9

USE OF THE ITALIAN FUNDS

9.1 The Grant shall be managed according to the budget allocations agreed upon in the PID, or subsequently modified, according to the procedures foreseen in this Agreement. In the event of the unsatisfactory progress of Project activities resulted from review missions performed by AICS and of a consequent decision of withdrawing from funding the Project, following the procedure provided for in Article 15.2 of this Agreement, the Italian funds already disbursed and not spent shall be returned to the GoI.

9.2 Reallocation of funds

Budget lines reallocations in respect to the Project Budget in Euro, detailed in the PID, are allowed during the preparation of the PoA. Requests for reallocations shall be submitted by the DPA to AICS Amman for approval and do not require the amendment of this Agreement.

9.3 Interests accrued and savings

Any interest generated in the accounts shall be used for the same purposes and with the same procedures outlined in this Agreement, prior approval of the SC.

9.4 Procurement activities

Procurement activities shall be performed by DPA, according to the budget allocations in the PoA and following the existing GoJ's guidelines and procedures.

9.4.1 AICS holds the right to review DPA Project procurement decisions and processes in order to ensure that activities have been conducted in an efficient and transparent manner, and in conformity with the established guidelines.

9.4.2 For all **NCB** processes, regarding the entire amount of the Project, AICS Amman shall perform an ex-post review of all procurement procedures on the basis of the latest semi-annual financial and technical reporting and an annual audit report, presented by the DPA precedent to every disbursement subsequent to the first one.

9.4.3 In case of **ICB**, AICS shall perform ex ante controls and shall grant the No Objection after their satisfactory outcome. For ICB processes, controls shall be made in advance (ex-ante) by AICS Head Quarter in Rome. Such ex ante control shall include the following steps: bidding document preparation, selection process, financial opening and awarding of the related contracts.

9.5 **Residual funds not utilized** after the validity period of this Agreement, including possible extensions, shall be utilized for additional activities upon written approval of the Parties.

W

R.K

ARTICLE 10

OBLIGATIONS OF THE JORDANIAN PARTY

- 10.1 The GoJ, via the DPA, shall ensure that the Italian funds are properly and timely accounted within the budget for the due fiscal year.
- 10.2 The GoJ, via the DPA, shall communicate to AICS Amman, upon the entry into force of the present Agreement, bank accounts details according to what described in Article 6 of this Agreement.
- 10.3 The GoJ, via the DPA, shall make sure that all the Jordanian bodies and institutions involved in the Project implementation will observe the provisions of this Agreement, in particular that financial and technical reports, necessary for funds disbursements, shall be timely submitted to AICS according to Articles 6, 7 and 8 of this Agreement.
- 10.4 In case there is a need for hard currency as per contracts for importation of goods for the Project, the GoJ, via the DPA, shall facilitate the provision of hard currency for the contractors in line with the provisions of Article 9 of this Agreement.

ARTICLE 11

OBLIGATIONS OF THE ITALIAN PARTY

- 11.1. The GoI shall provide the contribution provided for in Article 3 of this Agreement.
- 11.2 AICS shall disburse the total amount agreed according to the procedures described in Article 6 of this Agreement.
- 11.3 AICS shall be responsible for all the required activities for the supervision, monitoring and evaluation of the Project. It shall dedicate particular attention to the efficiency of funds utilization and to the effectiveness of the Project implementation.

ARTICLE 12

SETTLEMENT OF DISPUTES

Any dispute arising out of the interpretation and/or implementation of this Agreement shall be settled amicably by means of direct consultations and/or negotiations between the Parties.

ARTICLE 13

IMPEDIMENTS AND FORCE MAJEURE

In case of impediments to the implementation of this Agreement, due to case of force majeure such as war, flood, fire, typhoon, earthquake, labor conflicts and strikes, civil unrest, unexpected transportation difficulties or, in any case, of peril or unsafe conditions for the expatriate personnel, or in other cases which shall be recognized by both Parties as force majeure, the following provisions shall apply:

- a) In the event that the duration of the impediment to the implementation of the Project lasts less than six (6) months, the use of the funds shall be suspended until the Italian Party authorizes the resumption of activities.
- b) In case the duration of the impediment to the implementation of the Project lasts more than six (6) months, the Project shall be suspended and the residual funds shall be maintained until the end of the impediment and the Italian Party authorizes the resumption of the activities.

68

R.K

ARTICLE 14

PREVENTION OF ABUSE AND ILLEGAL USE OF FUNDS

14.1 The GoJ, via the DPA, shall ensure that the funds provided by the GoI shall be strictly used in adherence to the provisions of this Agreement. The GoJ commits itself to take all necessary measures to ensure an efficient administration of the aforementioned funds and prevent any abuse and illegal use thereof.

14.2. In the case of improper use of the Italian contribution for different purposes than those provided for in this Agreement and its Annexes, the funds improperly used shall be returned to the GoI.

ARTICLE 15

RESOLUTION OF THE AGREEMENT

15.1 The GoI reserves the right to resolve this Agreement in the following cases:

- a) Unmotivated and prolonged delays in the use of the Italian funds such to undermine the achievement of the Project objectives.
- b) The use of the Italian funds for reasons different from those provided for in this Agreement and its Annexes.
- c) Severe mismanagement of the Italian funds.
- d) In the event of failure to implement, or to report on, the Project in a manner consistent with the terms of this Agreement.
- e) In case of impediment or force majeure as per Article 13 of this Agreement.

15.2 In the above cases, the GoI, via MAECI/DGCS, shall notify the event in writing to the GoJ via DPA, inviting it to take the measures necessary to eradicate the situation mentioned in the Art. 15.1 above, sub paragraphs a)-d), within maximum sixty (60) days from the date of the notification. Expired this time limit, the GoI reserves the right to terminate immediately this Agreement. The provisions contained in Article 12 of this Agreement shall apply.

15.3 In the cases mentioned above, the GoI may decide unilaterally the termination of this Agreement notifying, through Note Verbale, the GoJ via the DPA of its intention with a three-month prior notice. In all cases, after such notification, the GoJ, via the DPA, shall stop all activities of the Project, unless otherwise agreed upon between the Parties.

ARTICLE 16

AMENDMENTS

The parties may amend this Agreement, at any time by means of exchanges of Notes Verbales. The amending Agreement shall enter into force on the date of reception of the Note Verbale of response.

ARTICLE 17

ENTRY INTO FORCE, DURATION AND TERMINATION

17.1 This Agreement enters into force on the date of signature, and shall remain in force until the completion of Project activities.

hp

R-X

17.2 This Agreement shall be implemented in accordance with the Italian and Jordanian legislations, as well as applicable international law and, as for the Italian party, the obligations arising from Italy's membership of the EU.

17.3. The final Project report, in line with Article 7.3, c), shall be submitted to the Italian Party no later than ninety (90) calendar days after the conclusion of the Project activities.

17.4 Either party may terminate this Agreement by notifying the other of its intention with a three-month notice, through diplomatic channels. Funds not credited at the date of termination of the present Agreement shall be returned to the GoI.

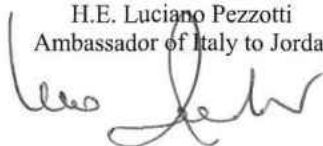
17.5 If, for any reason, the execution of this Agreement cannot be completed in conformity with its provisions, the Parties shall consult each other on the matter. The funds not yet credited and/or committed shall be utilized only upon a specific written agreement between the Parties, otherwise they shall be returned to the GoI.

In witness whereof the undersigned, being duly authorized thereto, have signed this Agreement.

Done at Amman on 20/01/2026 in two originals in the English language, both texts being equally authentic.

FOR THE GOVERNMENT
OF THE ITALIAN REPUBLIC

H.E. Luciano Pezzotti
Ambassador of Italy to Jordan



FOR THE GOVERNMENT OF THE HASHEMITE KINGDOM
OF JORDAN

H.E. Rafiq Khirfan
Director General at the Department
of Palestinian Affairs of Jordan



Attachments

Annex 1: Project Implementation Document

Annex 2: Ethical clauses and general principles for procurement and execution of contract

Department of Palestinian Affairs – DPA

PROJECT PROPOSAL

Sustainable cities: upgrading urban wastewater systems in Al-Soukhneh Camp

August 2024

Outcome	Ensure access to more equitable sanitation facilities and WASH practices in the target area for residents of Palestinian Al-Soukhneh camp
SDGs and Target	<ul style="list-style-type: none">• <i>SDG No.6: Ensure availability and sustainable management of water and sanitation for all</i><ul style="list-style-type: none">- <i>6.2: By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations</i> • <i>SDG No.11: Make cities and human settlements inclusive, safe, resilient, and sustainable.</i><ul style="list-style-type: none">- <i>11.5: By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations</i>- <i>11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management</i>
Duration	36 months, 12 of which DNP
Value	Euro 1.750.000

hp

R.K

1. BACKGROUND

The Department of Palestinian Affairs (DPA), whose mandate falls under the Minister of Foreign Affairs and Expatriates, is an institutional entity that serves Palestinian refugees in Jordan. Based on royal directives, it was established after the legal and administrative disengagement with the West Bank in 1988, when the Ministry of Affairs for the Occupied Territories was disbanded and DPA was established to supervise and address the affairs of refugees and the displaced in Jordan.

Registered Palestinian refugees living in Jordan amount to over 2.5 million, and thirteen Palestinian refugee camps located throughout the country accommodate nearly 460,000 people, which represent the 18% of the total. In the Hashemite Kingdom of Jordan, camps are distributed through six governorates as follows:

1. Balqa Governorate that includes Baqa'a Camp.
2. Madaba Governorate which includes Madaba camp
3. Zarqa Governorate that includes Zarqa and Al Soukhneh camps.
4. Irbid Governorate and it includes the Irbid and Martyr Azmi Mufti camps.
5. Jerash Governorate, including the Jerash and Souf camps.
6. The capital that includes Wehdat, Hussein, Prince Hasan and Talbiyyeh camps.

In order to provide the best services to the camps' residents throughout the kingdom, DPA works through its offices in various governorates in accordance with regulations that organize construction processes and distribution of permits and public services throughout the camps. DPA works hand in hand with the services committees in the camps. These committees are voluntary civilian bodies that are formed and whose tasks are determined according to instructions specific thereto. The latest set of such was the instructions relating to the formation of camp service committees in the kingdom was issued in 2019.

DPA also coordinates as necessary with the competent authorities to implement infrastructure projects in the camps, including the following:

- a) Sewage networks for camps as needed.
- b) Complete water networks as needed.
- c) Networks of rainwater drainage.
- d) Works for general lighting as needed and which require maintenance and other works in order to preserve public safety in coordination with the electricity companies in charge in every camp.
- e) Works on retaining walls as necessary in areas that pose a threat to public safety
- f) Works for maintaining asphalt roads and the paved entrances to the camp

Currently, infrastructures in the camps are completed with the exception of the Jerash and Al-Soukhneh Camps, the latter being the target of this project proposal.



In addition, the Camp Service Committee (CSC) annually implements maintenance projects for the infrastructure in the camps within the designated allocations, especially in regards to maintaining asphalt roads, concrete pavements and lines for rainwater drainage.

The initiative originates from the need to support the country towards greater resilience and a more inclusive access to basic needs for all. There are royal directives to the government to provide interest and care to the Palestinian refugee camps to improve their living conditions and sustain the infrastructure and services provided to them. Thus, DPA provides services and implements projects that alleviate the suffering of these refugees in the thirteen camps. These include infrastructure services with regard to roads and rainwater drainage. DPA works continuously, through the services committees, to maintain these services within the available resources and in coordination with other governmental entities such as the Ministry of Public Works and Housing, the Greater Amman Municipality and the municipalities adjacent to these camps. There are also projects implemented by international donors in all the camps.

In an official correspondence dated 15/12/2022, from the Ministry of Water and Irrigation to the Prime Ministry, the Ministry addresses the Prime Minister's inquiry concerning the requests presented by camp representatives during a meeting with His Majesty King Abdullah bin Al Hussein at Al Husseinia Palace on 4/8/2021. MoWI informs the Prime Minister that all necessary studies and designs have been completed for the implementation of a sewage network in Al Soukhneh camp, pending the required funding.

In this context, the target area has been identified based on the vulnerability and needs assessment conducted by the DPA. The project addresses indeed the needs of the residents of Al-Soukhneh Camp, located 23 km northeast of the city of Zarqa and is administratively subordinate to Zarqa Governorate, by extending service to households that are not connected to the sewer network to improve the living conditions of the population of Palestinians living in the camp and of the communities of the area.

General Information	
Date of establishment	1969
Area of camp in square meters	68650
Population per UNRWA records	7350
No. of housing units	500
Area of housing unit in square meters	96

2. NEEDS ANALYSIS AND BENEFICIARIES

The Al-Soukhneh camp, is located in the Hashimiya District in Al Zarqaa Governorate, spans across an area of approximately 70,000 m², accommodating around 7 thousand residents. With approximately 500 housing units, each covering an area of 100 square meters, the camp faces significant challenges. Lacking a sewage network, wastewater in

the camp is managed through outdated septic tanks located under the residential units, a method in place since the camp's establishment in 1969. For the disposal of waste, both liquid and solid, currently residents collect the waste in small septic tanks (manhole) within the units sometimes located under the rooms. Once such tanks are full, perfusion tanks pick them up. This outdated infrastructure results in soil saturation with sewage, therefore posing health risks to the inhabitants. In addition, the septic tanks could potentially result in the structural collapse of housing units causing a humanitarian catastrophe. Leakage of septic tanks and soil saturation could in fact lead to differential settlement and sliding of their foundations, and make the soil unable to support the weight of structure. In addition, because of the cost of the drainage of these manholes that the refugees can't afford, they pick up the waste rarely, and sometimes use manual ways (buckets) to pick the waste.

The Department of Palestinian Affairs (DPA) have a comprehensive strategic vision focused on improving the lives of Palestinian refugees in the camps. This vision emphasizes delivering efficient services to meet the refugees' needs, promote their resilience and dignity, and achieve a decent standard of living conditions. Moreover, this strategic vision is in line with "**Jordan 2025: National vision and strategy**" that emphasizes improving infrastructure, education, healthcare, water and energy security, economic growth, and employment opportunities, especially for youth and women. By aligning its objectives with the broader national development agenda, the DPA demonstrates a commitment to supporting Jordan's overall socio-economic development while addressing the specific needs of Palestinian refugees.

As it focuses on environmental sustainability and on sewage network infrastructure in response to the need to continue to expand the sewer network and increase wastewater treatment capacity, the project is in line with the priorities set by the Jordanian Government in the "**National Water Strategy 2023-2040**", and in accordance with its Objective 3.1: Ensure that all households, businesses, and government facilities within areas serviced with wastewater networks are connected. The indicator of this objective, based on the SDG target 6.2.1, is the % connected to a sanitation system that is compliant with all relevant standards and regulations. In the previous document for 206-2025, it was estimated that by 2025 the population is projected to be over 11 million and most of the towns and cities will be connected to a wastewater system.

"This project is also in line with the "**Jordan UN Sustainable Development Framework (UNSDF) 2018-2022**", and will contribute to the following outcome: 'Institutions in Jordan at the national and local levels are more responsive, inclusive, accountable, transparent and resilient'.

The DPA aims to strengthen partnerships with international organizations, recognizing the importance of collaboration in achieving its objectives. In addition, DPA has a history of collaboration with the Italian Cooperation, on the "Housing reconstruction in Hitteen Palestinian Refugee Camp" project, implemented by UNOPS and AICS in coordination

WP

with the DPA and aimed to rehabilitate 100 house units in the Palestinian Hitteen Camp, in Jordan.

2.1 Beneficiaries

Household surveys and administrative records were used to define potential beneficiaries based on their demographic, socio-economic, and geographic characteristics like vulnerability, employment, number of family members, families headed by women, families with disabled members and with university students. According to the records at the DPA, residents of Al-Soukhneh Camp are identified as beneficiaries of the intervention based on the required infrastructure works at the Camp listed below:

- A sewage network (intervention to be funded by AICS through this project).
- A lift (pumping) station.
- Works for maintaining asphalt roads and paved entrances to the camp.
- A network rainwater drainage.

The implementation of the new sewage network in the camp addresses fundamental needs related to sanitation, public health, environmental protection, and community empowerment, leading to tangible improvements in the lives of residents and contributing to their overall well-being and resilience, particularly for vulnerable groups such as women, children, the elderly, and people with disabilities, who are disproportionately affected by inadequate sanitation.

Based on what above, direct beneficiaries of the initiative are nearly 7,000 residents of the camp, 3,500 of which are women and 2,000 are youth (age up to 25) who belong to the 500 households, and indirect beneficiaries are estimated in members of the neighbouring communities that will benefit from improved sanitary conditions within the camp, positively impacting on the overall area. Among beneficiaries, the 50 PWDs living in the camp will also benefit from the intervention.

3. STRATEGY

Through the implementation of this project, the Department of Palestinian Affairs (DPA) intends to achieve the following **general objective (GO)/Impact**: reduce the environmental and soil contamination from wastewater in urban camps and neighbouring areas and the risk of health-related issues and morbidity.

Specific objective (SO)/Outcome: ensure access to more equitable sanitation facilities and WASH practices in the target area for residents of Palestinian Al-Soukhneh camp.

Results, Outputs and activities are as follows:

- R1**. Improved wastewater disposal for 500 households in Al-Soukhneh camp.
- O1**. Construction of a sewerage system within the camp.

W

R.K

Activities:

- 1.1 Construct a new sewerage network system to connect households of Al-Soukhneh camp, through public tender sub-contract
- 1.2 On-the-job training scheme for 50 persons for 2 months (10% of the 500 total households) to carry out minor construction works

R2. Improved households' awareness and knowledge regarding water and sanitation in Al-Soukhneh camp.

O2. Provision of awareness sessions on healthy cities and WASH practices for the community.

Activities:

- 2.1 Delivery of 4 community awareness sessions on healthy cities and WASH practices, including water saving and reuse, ensuring participation of women and youth.

Indicators:

GO

% decrease in soil contamination in the target area

Baseline: to be assessed through the environmental assessment that will be conducted in the inception phase, due to current lack of data

Target: 20% decrease

Verification: national documents, ex-post soil contamination surveys

% decrease of morbidity rate referring to the rate at which contaminated water related illness occurs in the target population

Baseline: to be assessed through DPA in the inception phase due to the lack of data.

Target: 15% decrease

Verification: national documents, data from Ministry of Health

SO

Proportion of camp population using safely managed sanitation services

Baseline: 0 %

Target: 100 %

Verification: structured interviews, observations and reviews of documents, national statistics and data from UN Water at www.sdg6data

% of the population considering that their basic WASH needs are met

Baseline: to be assessed in the inception phase, due to current lack of data

Target: 30% increase

Verification: structured interviews to groups (e.g. CSC, schools), *Likert* scale questionnaires

R1

of wastewater m³ disposal after the intervention per month

Baseline: 11,250 m³

Target: 12,375 m³

Verification: technical assessments, DPA and MoWI data

% of users considering the new WASH services have reduced wastewater discharge in the target facilities

Baseline: 0

Target: 30%

Verification: structured interviews to groups (e.g. CSC, schools), Likert scale questionnaires

O1.1

% of completion of the wastewater system inclusive of the collection tank and connecting pipes

Baseline: 0

Target: 100%

Verification: Final functional testing of the network

R2

of camp residents reporting increased awareness and knowledge of WASH services

Baseline: to be assessed in the inception phase, due to current lack of data

Target: 30%

Verification: structured interviews to groups (e.g. CSC, schools), Likert scale questionnaires

O2.1

of community awareness sessions delivered

Baseline: 0

Target: 4

Verification: registration, attendance sheets, final evaluation

4. IMPLEMENTATION

4.1 Project approach

The initiative seeks to create lasting improvements in sanitation, public health, and overall well-being for residents of the refugee camp, while empowering the community to take ownership of its development and future sustainability.

The project approach entails a collaborative and participatory process involving the DPA, AICS, Ministry of Water and Irrigation (MoWI), the Water Authority of Jordan (WAJ), local authorities, and residents of the selected camp, to identify priority needs and implement necessary works for the rehabilitation of the camp facilities. The construction of the sanitation infrastructure will be carried out in a coordinated effort to improve living conditions in the camp and provide additional benefit to urban areas hosting Palestinians and Jordanians, while adhering to environmental standards and sustainable development principles. DPA will also coordinate with the CSC and develop partnership with volunteer groups whereas needed.

The proposed intervention is part of a bigger programme that aims to design and construct an overall sewage system consisting of the following:

- 1- **Wastewater network:** construction of sewerage pipelines for a total length of approximately 3.2 km, to be implemented through the Italy-funded project here proposed.

The newly established sewerage network will gather household waste, which will then be transported via gravity to the collection tank. DPA will contract a company through a public tender to carry out the works and, in coordination with the MoWI, will supervise the implementation on the ground and the operationality of the overall wastewater system. The construction of the sewerage network will include a specific component for employment scheme through on-the-job training addressing 50 residents from Al-Soukhneh camp for at least 2 months (44 working days), along with 4 awareness sessions on sector-related topics delivered to the camp community. **Project designs are already available**, and adjustments will be made according to emerging needs during the implementation phase.

- 2- **Connection line:** construction of a pipeline to connect the new network to the collection tank, for a total length of approximately 900m.
- 3- **Decommission septic tanks** to remove any associated risks to public health and environment.
- 4- **Roads Surface reinstatement** after the installation of the pipes.
- 5- **Collection tank:** construction of a new tank outside the camp, of an approximate capacity of 7400m³.

At its own expense, DPA will procure a plot of land located 600 meters away from the camp to construct the collection tank. **A pre-agreement has been signed with the land owner for purchasing the land, conditional to the approval of the Italian funding.** Additionally, DPA will ensure the regular transportation of waste from the collection tank to the closest treatment plant utilizing large tankers.

W

In addition, the project has been discussed with WAJ, which will benefit from a collaboration with the French Agency AFD to conduct a needs assessment aimed to construct a new sewerage network system in the larger area surrounding the Al-Soukneh Camp. The assessment is expected to start in 2025.

4.2 Technical coordination

DPA will lead the implementation of this initiative, in full coordination with AICS, MoWI and WAJ. DPA will guarantee the coordination of the activities with all the relevant local authorities and will be responsible for the involvement of stakeholders and beneficiaries. DPA will also be responsible for ensuring that all infrastructure and supplies that will be built or purchased during the project, have all the **necessary approvals from the competent authorities** and that they are used for the purposes of the project activities and for the use of direct and indirect beneficiaries.

A **Steering Committee** (SC) that will meet twice a year or as deemed necessary will be established consisting of members from AICS, the Italian Embassy, DPA, MoWI, the Camp Service Committee (CSC), and other members as observers whereas needed. The SC will ensure the efficient the governance structure, also facilitating coordination and communication with central and local authorities, and guide the implementation of the activities. A kickoff meeting of the SC will be conducted upon receipt of funds to agree on the roadmap to implement this project, methodology, work plans and timelines, communication plan.

A **Technical Committee** consisting of representatives from DPA, the Italian Agency for Development Cooperation, the Camp Service Committee, local authorities, and community leaders, will be responsible for overseeing the implementation of the project at technical and administrative level, and will meet every two months or whereas needed.

Contracting and Procurement:

The initiative will be managed by a team to be set up within the DPA, including personnel not dedicated exclusively to this initiative. Local coordination and execution of activities will be carried out by contracted technical staff, under the supervision of the Team Manager.

DPA will ensure identifying and selecting qualified contractors and suppliers for the construction works, through a transparent and competitive procurement process, compliant with international standards and AICS requirements.

Contracts will be awarded based on technical expertise, experience, and adherence to ethical standards.

Stakeholder Engagement: DPA, as the implementing partner, will maintain and facilitate direct communication and engagement with AICS, MoWI and the other stakeholders throughout project implementation. Such coordination will ensure that the needs

assessment and project implementation take place in a consultative manner and that views and concerns of direct beneficiaries are given due consideration. DPA will also ensure engagement with residents of the camp, in particular women, through the CSC and community meetings, workshops, and consultations to inform them about the project, gather feedback, and address any concerns.

Supervision and Reporting: In addition to maintaining regular communication and coordination among project stakeholders, local authorities, contractors, and community representatives, DPA will provide regular progress reports and updates on project implementation, highlighting achievements, challenges, and lessons learned. Such reports will be shared with AICS **every 4 months** or upon request from the donor.

Regular monitoring and supervision of ongoing activities will be conducted by AICS and DPA to track progress, identify issues or delays, take corrective action as needed, and to ensure that construction activities meet specified standards and requirements.

4.3 Methodology

Upon the signature of the Agreement with Italian Government and receipt of funds, DPA will start the activities as follows:

Inception phase – 6 months

Within **two months** from receipt of funds, DPA will present to AICS a detailed Operational Plan drafted in accordance with the activities planned and the budget indicated in this project document and its attachments. In addition, the inception phase will include preparatory activities such as assigning the project team, preparing procurement documents, launching and awarding tenders, as well as obtaining any needed approval from relevant Authorities, AICS and, whereas deemed necessary, from the Steering Committee on the implementation of activities.

To ensure the correct management and implementation of the initiative, a meeting for the camp residents will be organized to introduce the project activities, consult with the communities of camp residents and surrounding areas where Jordanian residents live, and get their feedback and concerns. DPA and the CSC will ensure the participation of women and PWDs in this meeting.

An Environmental Impact Assessment will also be conducted by DPA prior to the commencement of the activities.

Implementation phase – 18 months

Construction of the new sewerage system:

Tender and awarding and implementation of construction works based on detailed engineering designs and plans for the construction of the sewerage network, including the layout of pipelines, collection tank, and drainage systems, in accordance with local regulations and standards, which will be provided out from the scope of work of this project.

WP

Constructing the collection tank will be parallelly handled by the DPA through its own funds and DPA's written commitment on constructing the tank will be a pre-condition for the disbursement of the first installment of the funds.

Decommissioning existing septic tanks and connecting the network to the tank will be implemented through the project.

Final functional hydraulic testing of the overall network system will be part of the requirements for the conclusion of the project.

Capacity Building: Provision of on-job training for 50 beneficiaries selected to be employed by the contractor on construction and maintenance of the sewerage infrastructure.

Public Awareness Sessions: Delivery of 4 awareness sessions addressing camp residents about the importance of proper sanitation practices, wastewater, the benefits of the new sewage network, and other WASH topics.

Defect Notification period (DNP) – 12 months

Monitoring and evaluation – throughout the project

Monitoring and evaluation mechanisms will be established to track the progress of the activities, assess their impact on the community, and identify areas for improvement.

4.4 Responsibilities

- DPA will sign an agreement with MoWI in which is agreed that MoWI will provide the engineering design including all required drawing and specifications of the project and supervision.
- Prior to the signature of the agreement with Italy, DPA will sign an agreement with the Camp Service Committee (CSC), in which the CSC will be responsible for selecting the beneficiaries that will participate to the construction works through the selected construction company
- DPA will design the tender with all necessary information, designs, specifications, BOQ and detailed drawings for the works of the construction of the sewage network, and launch it after receiving all required approvals from MoWI and AICS
- DPA will be responsible for supervising and following up on the works on site.
- DPA will assign to the project No. 2 supervisor Engineers, along with a **Project Management Unit**.
- DPA will ensure a final **functional hydraulic testing** of the overall network system is carried out as the full operationality of the sewerage system will be part of the requirements for the successful conclusion of the project.

Out from the scope of work of this project:

- DPA will be responsible for conducting an environmental impact assessment for the project prior to the commencement of work.

- DPA will be responsible for acquiring the land plot in which a new collection tank will be constructed, including all required permits and approvals. In this regard, DPA will provide AICS with a written commitment on constructing the tank that will be a pre-condition for the disbursement of the first installment of the funds.
-
- DPA will construct the new collection tank in this land plot.
- DPA will be responsible for providing suction tankers to dispose of the wastes from the main collection tank to the treatment plants, on regular basis.

Where possible, opportunities for collaboration will be explored with Italian entities active in the same area with activities in the same sector of intervention, while non-duplication of activities will be ensured with other projects financed by the Italian Cooperation. Coordination will also be ensured with the French cooperation partner, the Agence Française de Développement (AFD), which has already implemented water-related projects in the area in coordination with the WAJ and will carry out an assessment study on the overall area, to which the Camp belongs.

5. SUSTAINABILITY AND CROSS-CUTTING ISSUES

Institutional and financial sustainability:

The institutional sustainability of the projects is ensured by the ownership of the activities, implemented by the DPA, in coordination with MoWI, in addition to the fact that DPA will also financially and technically contribute to the project and further expand on the project results. The participatory governance mechanism will also support sustainability for the initiative.

The project will contribute to erasing the costs needed to construct and manage the septic tanks nowadays used in the camp. Materials used for the constructions will be selected according to international standards.

Training workshops for those beneficiaries who will be employed in the project through the contractor, both in construction and maintenance of the sewage infrastructure, will be organized and include occupational safety and health standards, plumbing, construction of sewage network, maintenance of sewerage network.

A procurement plan will be drafted to ensure increase effectiveness and transparency of the procurement process, by indicating how goods and services will be acquired and how contractors will be managed during the project, types of contracts, the execution plan, the supervision of vendor's performance, and an explanation of how the procurement process will be performed in compliance with DPA's procurement policy.

Socio-economic sustainability

Bottom-up approach ensuring involvement of the communities impacted by the project will help ensure sustainability of the project by leveraging their commitment to maintaining the results that benefit the community itself in the long term. Training and capacity building activities will empower beneficiaries that will benefit from the outputs in a mechanism of

self-reliance, while the increasing employment opportunities for vulnerable categories of the population will contribute to the future impact of the initiative. Building the capacity of the beneficiaries who will be employed in the project by the contractor will ensure social sustainability, as this will generate income for the households from the camp. The awareness sessions will ensure also the social sustainability of the project. Economic sustainability will be achieved by DPA financing of the expenses of draining the collection tank and the other mentioned works.

Such projects eventually improve the living conditions of the Palestinian refugees and enhance their dignity and resilience which in line with the overall objective of this project. In addition, DPA will ensure that this sewerage network will be connected to the main network of Al-Soukhneh area once the constructions works will be implemented. This will improve hygiene and reduce water-borne diseases associated with improper management of wastewater in the camp, as well as the more efficient sewage system that will be created will protect the environment and water resources, thus improving environmental quality.

Gender perspective:

DPA will ensure that women and people with disabilities are integrated into all interventions under the project, and that both women and men have equal opportunities through **participation to training** and/or **awareness sessions** or other related activities. A gender-sensitive approach will be included in the inception phase, ensuring that women beneficiaries are consulted also through CSCs and that the contractors and operational partners take into account the protocols for the **protection of women** and the needs of women at-risk.

Specifically in relation to gender mainstreaming in the Water Sector, the project will facilitate the engagement of women and girls in the WASH awareness sessions, and facilitate dialogue and debate about issues of **gender in WASH**, in the camp.

Environmental Impact:

In addition to conducting an Environmental Impact Assessment prior to the commencement of the activities to also evaluate **soil contamination**, the potential ecological consequences of the sewage network construction and implement mitigation measures to minimize adverse effects, DPA will prioritize the use of environmentally friendly and sustainable technologies and materials in conformity to national and international specifications and standards in the construction of the sewage network, to minimize ecological impact and promote long-term durability. Measures to mitigate the environmental impact of construction activities will also be implemented, such as erosion control, and waste disposal.

DPA will also ensure that facilities are accessible to all people with disabilities and will coordinate with the CSCs to ensure proper **maintenance** management of the newly installed sewage network.

WP

R-K

6. RISK MATRIX

Risk type	Risk Assessment	Risk level	Impact	Mitigation Measure
Programme-related	DPA is unable to acquire the land plot in which the collection tank will be constructed	High	High Delay of the start of activities	Look for a land away from the camp which will be cheaper and compensate the difference in cost of increasing the length/pendency of the main pipeline. DPA has already identified a land plot and has signed a pre-agreement with the land owner, conditional to receiving funds. Other alternatives were also identified for lands that are close to the chosen land plot.
Programme-related	DPA is unable to reach an agreement with MoWI in which MoWI is responsible for providing the engineering designs, BOQ, technical drawings and regular supervision	Medium	Low Extra cost on DPA	DPA to contract an engineering company to assign for the same tasks.
Context-related	Change in EUR/JOD exchange rate	Medium	Medium Extra cost on DPA	DPA to cover the difference/gap
Programme-related	Contractor limited delivery	Medium	Medium	Requirements of the tender will ensure

W

	or financial capacity to carry out the works		Delay of works	adequate level experienced contractors
Programme-related	Beneficiaries demand additional works beyond the project scope	Low	Low Extra cost for additional activities	Community engagement is one of the key aspects to clearly communicate the scope of work from the initial phase, DPA and the CSO will be in touch directly with the beneficiaries to manage such issues
Programme-related	Equipment and tools being stolen or lost in the camp	Low	Low Extra cost and delay	The storage of materials will be managed by the selected construction contractor who will ensure utilizing proper places for the storage
Programme-related	Low satisfaction of the community members	Medium	Medium Resistance to the change	Consultations and awareness sessions to be held since the beginning of the project to ensure dissemination of the information and respond to needs.

7. MONITORING PLAN

According to the M&E plan that will be drafted and approved by AICS, DPA staff on the ground will regularly supervise all activities on a daily basis during the implementation of the works, while the project team will monitor all processes and the progress in achieving the expected results and objectives against the approved workplan, based on both quantitative and qualitative data collected in the field. Weekly reports will be delivered by the staff on the ground and the DPA project team will hold regular meetings to update on the activities, plan for the tasks and take corrective actions whereas needed.

WP

R.K

Regular field missions, including documentation of activities through videos and/or photos, will be carried out and mission reports will be included in the reports submitted to AICS. Such reports will be sent to AICS every six months and discussed at the meetings of the Steering Committee and the Technical Committee. A technical and **financial report certified by an external auditor** will also be issued at the end of every year and drafted in accordance with AICS requirements, as established in the Agreement that will be signed between the Parties.

Data from beneficiaries will also be collected through surveys and attendance reports, while lessons learned and knowledge resulting from the monitoring exercise will be discussed with the stakeholders and disseminated to assist in the future related projects.

Financial expenditures will be tracked to ensure alignment with the approved budget and with the expected activities, and a final evaluation will be carried out at the completion of the project and shared with AICS. Evaluation will take into account the indicators identified in the project proposal.

8. COMMUNICATION STRATEGY

Communication activities will include launching awareness campaigns to inform camp residents about the benefits of the sewage network and proper sanitation practices, through various communication channels and products, including community meetings, posters, leaflets, and social media.

The communication team at DPA will be responsible of documentation the project phases and ensure visibility of progress and achievement of the project, along with the visibility of the donor. AICS/Embassy of Italy logo will be included in all of the visibility materials and communications activities will be carried out according to AICS guidelines. A disclaimer will be agreed upon with the Donor and added to all of the publications and visibility material, and a video of about 3 minutes will be produced for the project visibility.

Banners and posters with AICS' logos will be displayed at camp sites to inform beneficiaries and stakeholders on the assistance provided by AICS. Field visits with AICS/Embassy of Italy will be organized upon request or whenever needed.

DPA will ensure that advocacy and awareness campaign aimed at the target community and the visibility materials produced are accessible to people with disabilities.

9. WORKPLAN

Activity	Description	quarter											
		1	2	3	4	5	6	7	8	9	10	11	12
Preparatory activities before project implementation	Environmental impact assessment (out of the project's scope of work) prior to the starting of the project activities												
	Approval by MoWI of final engineering designs, BOQ, technical drawings will be achieved prior to the starting of the project activities												
Inception phase	Operational plan to be approved by AICS	x											
	Preparatory activities (assigning the project team, preparing procurement documents, launching and awarding tenders, as well as obtaining any needed approval from relevant Authorities)	x	x										
	Construction of collecting tank (out of the project's scope of work)	x	x										
A.1.1	Construction of a new sewerage network system to connect households of Al-Soukhneh camp, through public tender sub-contract	x	x	x	x	x	x	x	x				
A.1.2	On-the-job training scheme for 50 persons (10% of the 500 total households) for 44 total days each to carry out minor construction works			x	x	x	x	x	x				
A. 2.1	Delivery of 4 community awareness sessions on healthy cities and WASH practices					x	x	x	x				
DNP										x	x	x	x
Monitoring & Evaluation		x	x	x	x	x	x	x	x				x
Communication		x	x	x	x	x	x	x	x				x

LP

10. BUDGET

Activity	Description	Unit	Qty	Cost (EUR)	Year	Year	Total (EUR)
					1	2	
	R1. Improved wastewater disposal for 500 households in Al-Soukhneh camp.						1.649.784,00
	O1. Construction of a sewerage system within the camp						
1.1	Construct a new sewerage network system to connect households of Al-Soukhneh camp, through public tender sub-contract						1.585.500,00
1.1.1	Construction of sewerage network DIA 200 mm	m	3.200,00	270,00	864.000,00	-	864.000,00
1.1.2	Construction of house connections DIA 150 mm and decommissioning old septic tanks	m	2.200,00	120,00	132.000,00	132.000,00	264.000,00
1.1.3	Construction of main line from network to the new collection tank	m	600,00	200,00	-	120.000,00	120.000,00
1.1.4	Roads surface reinstatement	m2	21.800,00	15,48	-	337.500,00	337.500,00
1.2	On-the-job training scheme for 50 persons (10% of the 500 total households) for 44 total days each to carry out minor construction works	wage/day	2.200,00	29,22	23.376,00	40.908,00	64.284,00
	R2. Improved households' awareness and knowledge regarding water and sanitation in Al-Soukhneh camp.						9.882,67
	O2. Provision of awareness sessions on healthy cities and WASH practices for the community.						
2.1	Delivery of 4 community awareness sessions on healthy cities and WASH practices, including water saving and reuse, ensuring participation of women and youth	session	4,00	2.470,67	-	9882,67	9.882,67
							-
	Monitoring & Evaluation	lumpsum	1,00	3.000,00	1.500,00	1.500,00	3.000,00
							-
	Communication	lumpsum	1,00	4.000,00	2.000,00	2.000,00	4.000,00
							-
	Overhead (5%) including Audit, administration costs, DPA staff	lumpsum	1,00	83.333,33	40.000,00	43.333,33	83.333,33
							-
	TOTAL				1.062.876,00	687.124,00	1.750.000,00

UP

R.K

ANNEX 2

ETHICAL CLAUSES AND GENERAL PRINCIPLES FOR PROCUREMENT AND EXECUTION OF CONTRACTS

The present Annex contains the ethical clauses and fundamental principles on procurement, drafting and execution of works, supplies and service procurement contracts foreseen in the Intergovernmental Agreement. All matters not expressly mentioned in the present Annex shall be regulated by the applicable law established by the Agreement.

1. CONTRACTOR'S REQUIREMENTS

1.1 Unless differently stated in the Agreement, procurement procedures are open to EU economic operators, operators falling in the conditions set out by art. 25 of the EU/2014/24 Directive and operators fulfilling requirements and qualifications for contracts according to their National law.

1.2 The Contracting Authority may request all tenderers to fulfil one or more requirements to take part in public procurement, provided that such requirements are relevant and proportionate to perform the contract to an appropriate quality standard.

1.2.1 *Economic and financial capacity*: The Contracting Authority may impose conditions for participation to guarantee that economic operators possess economic and financial capacity to perform the contract. To that end, the Contracting Authority may request in particular that economic operators have a minimum yearly turnover. The Contracting Authority may not request a minimum yearly turnover exceeding the double of the estimated contract amount, except in cases duly justified by the special risks related to the nature of the works, services or supplies. Where a contract is divided into lots, this Article shall apply in relation to each individual lot. However, the contracting authority may set the minimum yearly turnover that economic operators are required to have by reference to groups of lots in the event that the successful tenderer is awarded several lots to be executed at the same time.

1.2.2 *Professional and technical capacity*: Contracting authorities may impose requirements ensuring that economic operators possess the necessary human and technical resources and experience to perform the contract to an appropriate quality standard. Contracting authorities may require, in particular, that economic operators have a sufficient level of experience demonstrated by suitable references from contracts performed in the past, including for the benefit of private parties. In procurement procedures for supplies requiring siting or installation work, services or works, the professional ability of economic operators to provide the service or to execute the installation or the work may be evaluated with regard to their skills, efficiency, experience and reliability.

1.2.3 *Qualifications for professional activities*: With regard to suitability to pursue the professional activity, contracting authorities may require economic operators to be enrolled in one of the professional or trade registers kept in their State of establishment.

1.3 Tender documents shall indicate the required conditions of participation which may be expressed as minimum levels of ability, together with the appropriate means of proof.

WP

R-K

1.4 Where an economic operator relies on the capacities of other entities with regard to criteria relating to economic and financial standing, the contracting authority may require that the economic operator and those entities be jointly liable for the execution of the contract.

1.5 In the case of works contracts, service contracts and siting or installation operations in the context of a supply contract, contracting authorities may require that certain critical tasks be performed directly by the tenderer itself or, where the tender is submitted by a group of economic operators, by a participant in that group.

1.6 Economic operators falling in one or more of the following conditions are excluded from participation in public procurement, and cannot be awarded a contract:

1.6.1 they have been the subject of a conviction by final judgment for one of the following reasons, as defined by art. 57 of the EU/2014/24 directive: participation in a criminal organization, corruption, fraud, terrorist offences or offences linked to terrorist activities, money laundering or terrorist financing, child labor and other forms of trafficking in human beings;

1.6.2 they have been the subject of a conviction by final judgment for any other crime having as a consequence the incapability of contracting with public Authorities, either in the country where they are established or in one of the country Parties of the Agreement;

1.6.3 they are in serious breach of their obligations relating to the payment of taxes or social security contributions because they have been the subject of a conviction by final judgment or a binding final administrative decision in the State of the Donor or of the contracting authority of in the country where they are established;

1.6.4 they are in serious breach, demonstrated by any appropriate means of their legal obligations on health and social security, environment, welfare and labor, in in the State of the Donor or of the contracting authority of in the country where they are established;

1.6.5 either they are subject of a proceeding to declare, or they are in one of the following conditions: bankrupt, or being wound up, insolvent, or are having their affairs administered by the liquidator or by the courts, or have entered in an arrangement with creditors, with or without suspending their business activities, or are in an analogous situation;

1.6.6 the contracting authority can demonstrate by appropriate means that the economic operator is guilty of grave professional misconduct, which renders its integrity questionable;

1.6.7 they, or the members of the group to which they belong, their partners in joint ventures or groups or their subcontractors, are in conflict of interest linked to their prior involvement in the procurement procedure, having provided consultancy to the contracting authority or having been involved in the preliminary phases of the procurement procedure;

1.6.8 they have been guilty of serious misrepresentation in supplying the information required for the verification of the absence of grounds for exclusion or the fulfilment of the selection criteria, they have withheld such information to one of the Parties of the Agreement or they are recorded in the register kept by the Observatory of the Italian Anticorruption Authority for submission of false documents or false information in order to obtain qualification for their professional activity;

1.6.9 they have been convicted by a judgement for terrorism, or participation to a criminal organization, having as a consequence loss, suspension or ban from participating in public procurement procedures;

hp

R.K

1.6.10 they have been banned from being awarded a public procurement contract by a binding final administrative decision (as a consequence of a final judgement on a crime), in the State of the Donor or of the contracting authority of in the country where they are established;

1.6.11 they are in breach of their obligations related to prohibition of fictitious transfer of ownership to trustees on a fiduciary basis, regarding control of fictitious transfer of ownership to third parties either in the State of the Donor or of the contracting authority or in the country where they are established;

1.6.12 they are not compliant with their obligations concerning working rights of people with disabilities in the State of the contracting authority;

1.6.13 they are in control of any other tenderer participating to the same procurement procedure, or they exert a decisive influence on the other tenderer implying that their tenders are attributable to one and only decision making management structure;

1.6.14 they have hired, as employees or consultants, former employees of the contracting authority whose contract is expired form less than three years, in case those former employees, within the last three years, had decision-making powers on behalf of the contracting authority in awarding contracts to themselves.

1.7 An economic operator shall also be excluded when the conditions for exclusion set out in par. 1.6 concern a member of the administrative, management or supervisory body of that economic operator or a person therein with powers of representation, decision or control.

2. CHOICE OF CONTRACTORS

2.1 Award and execution of works, supply and service contracts and concessions shall guarantee performance quality and shall comply with the principles of result, trust, access to the market, good faith and protection of confidence, contractual autonomy, preservation of contractual balance, exhaustiveness of conditions for exclusion and participation. When awarding contracts and concessions, contracting authorities shall also respect the principles of cost effectiveness, efficacy, promptness and fairness, free competition, non-discrimination, transparency, proportionality and publicity. The principle of cost effectiveness may be subordinated, whenever allowed by the applicable law, to criteria expressly mentioned in the tender documents, inspired by social needs, as well as the protection of health, environment, cultural heritage and the promotion of sustainable development, including in terms of energy.

2.2 The design of the procurement shall not be made with the intention of artificially narrowing competition with the intention of unduly favoring or disadvantaging certain economic operators or certain works, suppliers or services.

2.3 Criteria for choosing participants to public procurement procedures shall not discriminate micro, small and medium enterprises.

2.4 Bidding documents shall specify the financial resources available for the contract to be awarded, and the maximum amount of the auction. Any offer above that amount shall be automatically excluded.

60

R-X

2.5 Award procedures shall be cancelled if there are fewer than three eligible candidates/bidders. Whenever objective market conditions reasons render highly unlikely submission of three valid offers, tender documents may allow award in presence of one or two valid eligible offers.

2.6 Each bidder may submit only one offer. When submitting their tender, bidders declare not to have any conflict of interest and not to have any specific connection to other tenderers or to other parties involved in the procurement procedure.

2.7 In the absence of express authorisation in the tender documents, variants of the tender are not authorised. Variants shall be linked to the subject-matter of the contract.

2.8 Whenever the Agreement requires a no-objection on procurement procedures by AICS, contracting authorities requests a bid guarantee amounting to 2% of the maximum amount of the auction. Guarantees may be issued by a bank or a primary insurance company, shall be effective upon complying demand of the contracting authority simply stating that the contractor is in breach of his obligations and must contain an express waiver to the right to enforce the prior payment of the original debtor. The guarantee shall be requested if the contract is not stipulated due to the fault of the contractor. The contracting authority may justifiably reduce the amount by up to 1%, or increase it by up to 4% in order to make the amount of the guarantee proportionate and appropriate to the nature of the services to be rendered and the degree of risk involved.

3. CONTRACT EXECUTION

3.1 Contracts awarded after a no-objection by AICS shall be guaranteed by a performance bond, normally equal to 10% of the contract price. Guarantees may be issued by a bank or a primary insurance company, shall be effective at first demand of the contracting authority and must contain an express waiver to the right to enforce the prior payment of the original debtor. Guarantees shall also be payable upon fraud or grave misconduct of the contractor. Performance bonds are progressively reduced during contract execution, and in any case up to maximum 80% of the amount of the guarantee. The remaining 20% shall be released upon verification of regular execution of the contract.

3.2 Contracts can be modified during their term with the prior approval of AICS, pursuant to art. 72 of the EU/2014/24 directive. In any case, any increase in price shall not exceed the total amount budgeted in the Agreement. The approval of modifications can be denied if they make impossible or highly unlikely completion of other activities of the initiative regulated by the Agreement. Contractors shall not be entitled to any payment or reimbursement whatsoever for expenses deriving from activities carried out without prior approval by AICS. Upon request by AICS or the contracting authority, contractors may be asked to restore, at their own expense, the original state before the unauthorized modification.

3.3 The contracting authority may ask, if it becomes necessary during the contract term to increase or reduce the total contract amount up to 20%, fulfillment at the same conditions of the original contract. Contractors shall not be allowed to terminate the contract.

3.4 Contracts shall not be assigned to third parties. In case of assignment, the contract shall be automatically terminated.

W

R-X

3.4 bis Takeover can be allowed, upon prior approval by AICS, only if the original contractor is replaced due to death, corporate restructuring, including takeover, merger, division, acquisition or insolvency, by another economic operator that fulfils the criteria for qualitative selection initially established, provided that this does not entail other substantial modifications to the contract and is not aimed at circumventing application of the present Annex, with the exception of insolvency proceeding or impediment to the prosecution of the tenure with the appointed contractor;

3.5 The duration of the contract can only be extended during its term of execution, if an option to extend duration is expressly included in the original contract and in tender documents. In that case, contractors are bound to perform at the same prices and conditions of the original, or the most advantageous for the contracting authority.

3.6 Without prejudice to fulfilment of obligations regarding traceability of financial flows, as per the following par. 3.10, handover of credits deriving from a procurement, design contest or concession contract are considered effective by the Government of the Italian Republic only upon prior approval by AICS. In any case, the contracting authority reserves the right to object to the assignee all exceptions applicable to the original contractor pursuant to the works, supply, service, or design contract signed by the latter.

3.7 Contractors who have been awarded a design contract are responsible for damages caused to the contracting authorities for errors or omissions in their design. In case of design or works procurement contracts, contractors are responsible for delays and additional expenses caused by deficiencies in the original design.

3.8 Tender documents shall indicate conditions for subcontracting. Tenderers shall declare, in their bids, which supplies, services or works they intend to subcontract. Successful tenderers submit all subcontracts to the contracting authorities before the performance of the subcontract begins. Main contractors are fully responsible to the contracting authority for the entire contract. Subcontractors have to fulfill all requirements as per par. 1.2 in relation to the subcontract and must not fall under any grounds for exclusion under par. 1.6 and 1.7 above. Tenderers or main contractors shall replace all subcontractors incurring in any ground for exclusion.

3.9 Contract prices are expressed and paid in Euro, or in the currency otherwise expressly mentioned in the Agreement. Exchange risks and variations shall not be subject to any compensation whatsoever.

3.10 Payments shall be traceable, according to deadlines foreseen in the contract and taking into account the actual progress in performance. The Government of the Italian Republic makes payments to the other Party, as foreseen in the Agreement, exclusively on a dedicated bank account. In all contracts, a specific clause obliges the contracting authorities, main and subcontractors to use the dedicated account for all payments.

3.11 Contracts are automatically terminated if contractors are subject of proceedings for bankruptcy, for winding up, for having their affairs administered by the court, or are in an arrangement with creditors, or for any similar procedure provided for in their National law.

3.12 In case of willful misconduct or serious fault, contractors' liability may not be limited.

HP

R.K

3.13 Contract execution shall be governed by the law of the contracting authority, unless differently foreseen in the Agreement or in this Annex.

3.14 Disputes arising between the contractors and the contracting authority shall not be subject to the jurisdiction of the Italian courts.

3.15 Tender documents must contain the above-mentioned principles.

4. ELIGIBLE AND NON-ELIGIBLE COSTS

4.1 The costs included in the contract(s) shall be eligible if they are actual, economic, and necessary for carrying out the Project pursuant to Project document.

4.2 In any case, the following items shall not be considered eligible:

4.2.1 voluptuary or luxury goods (e.g. perfumes, cosmetics, art objects, spirits, sports goods, etc.);

4.2.2 goods, services and civil works directly or indirectly connected to military activities;

4.2.3 non-income / non-profit taxes (including VAT) and import duties eventually due in the country of the contracting authority;

4.2.4 provisions for outstanding debts and future losses of the beneficiary or the final users;

4.2.5 interests owed by the contracting authority or the final users to any third party.

5. ETHICAL CLAUSES

5.1 Any attempt by candidates or bidders to obtain confidential information, enter into unlawful agreements with competitors or influence the contracting authority during the process of examining, clarifying, evaluating, and comparing tenders will lead to the rejection of his candidacy or tender and may result in administrative penalties;

5.2 Contractors and their staff or any other company with which the contractor is associated or linked may not, even on an ancillary or subcontracting basis, supply other services, carry out works or supply equipment for the Project.

5.3 Contractors must at all times act impartially and as a faithful adviser in accordance with the code of conduct of their profession. They must refrain from making public statements about the Project or services without the contracting authority's prior approval. They may not commit the contracting authority in any way without its prior written consent.

5.4 For the duration of the contract, contractors and their staff must respect human rights and undertake not to offend the political, cultural and religious mores of the beneficiary state. In particular, tenderers who have been awarded contracts shall respect core labour standards as defined in the relevant International Labour Organisation conventions (such as the conventions on labour unions and the protection of labour unions' rights, and on freedom of association and collective bargaining; elimination of forced and compulsory labour, as integrated by the 2014 Protocol;

P

R-K

elimination of discrimination in respect of employment and occupation; convention on the protection of maternity, the convention on safety and health in agriculture, and the abolition of child labour).

5.5 The contractors may accept no payment connected with the contract other than that provided for therein. The contractors and their staff must not exercise any activity or receive any advantage inconsistent with their obligations to the contracting authority.

5.6 The contractor and their staff are obliged to maintain professional secrecy for the entire duration of the contract and after its completion. All reports and documents drawn up or received by the contractor are confidential.

5.7 The contractors shall refrain from any relationship likely to compromise their independence or that of their staff. If contractors cease to be independent, or in case a conflict of interest arises, they inform the contracting authority with no delay. The contracting authority may terminate the contract without further notice and without the supplier having any claim to compensation.

5.8 The Government of the Italian Republic reserves the right to suspend or cancel Project financing if corrupt practices of any kind are discovered at any stage of the award process and if the contracting authority fails to take all appropriate measures to remedy the situation. For the purposes of this provision, "corrupt practices" are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or implementation of a contract already concluded with the contracting authority.

5.9 All tender documents and contracts for works, supplies and services must include a clause stipulating that tenders will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a recipient who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

5.10 Contractors shall provide, upon request by AICS, supporting evidence regarding the conditions in which the contract is being executed. The competent Italian authorities may carry out whatever documentary or on-the-spot checks it deem necessary to find evidence in cases of suspected unusual commercial expenses or suspect corruptive practices.

5.11 Contractors found to have paid unusual commercial expenses on Projects funded by the Italian Republic are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from receiving funds from the Government of the Italian Republic.

5.12 Failure to comply with one or more of the ethics clauses may result in the exclusion of the candidate, bidder or contractor from other Italian-funded contracts, and in penalties foreseen in the contract. The individual or company in question must be informed of the fact in writing.

5.13 It is the duty of the contracting authority to make sure that procurement procedures are executed in a transparent manner, based on objective criteria and disregarding any possible external influences.

LP

R-K