

Call for Proposals for NGOs/CSOs

Engaging an NGO/CSO as Responsible Party for managing small grants programme for business start-up, renewal or expansion in Libya

I. BACKGROUND INFORMATION

UNDP partners with people at all levels of society to help build nations that can withstand crisis, and drive and sustain the kind of growth that improves the quality of life for everyone. On the ground in 177 countries and territories, we offer global perspective and local insight to help empower lives and build resilient nations.

This Call for Proposals (CFP) is specifically related to the UNDP Libya, *Stabilization to Recovery Transition in Libya* Project (START).

Despite the deepening political divisions in Libya, UNDP, in partnership with community, government representatives and organizations, has made progress at the local level in stabilizing conflict-affected areas and contributed to improving the lives of the people affected by the conflict. UNDP's project has been supporting local governments to improve basic services, security, and early economic recovery.

UNDP aims to initiate an approach which combines socio-economic development and prevention of violent extremism (PVE) by improving access to income generating opportunities as well as undertaking activities for prevention of extremism for vulnerable populations – displaced people, host communities and migrants living among host communities – focusing particularly on youth and women in the West, South and East of Libya (targeted municipalities will be identified by the assessment). The approach cross cuts areas of intervention as gender inclusion and empowerment of women, empowerment of youth, resilience of vulnerable host communities and migrants living with host communities.

UNDP Libya, together with FAO, conducted an agriculture value chain assessment in southern Libya to identify the existing capacity gaps and market opportunities. Based on this assessment, UNDP plans to launch a grant programme as a part of efforts to promote economic recovery of the conflict-affected regions, to enhance employment and to create income-generation opportunities for the local population and IDPs.

For this purpose, START project is seeking to engage an NGO/CSO as responsible party that will manage the Grants Programme for agri-business start-up, renewal or expansion in the target areas.

II. OBJECTIVES AND EXPECTED OUTPUTS/ DELIVERABLES

The overall objective of this Call for Proposal is to select an NGO/CSO as a Responsible Party for *establishing a mechanism and managing the process of allocation of small business grants for agri-business start-up, renewal or expansion, including existing agriculture associations in southern Libya.*

Detailed objectives, related outputs, deliverables and key considerations are provided in the Terms of Reference – **Annex I**

Final Beneficiaries:

Local population, particularly women, farmers, vulnerable population willing to start-up, renew or expand Micro, Small and Medium agrobusiness in the target area.

III. ELIGIBILITY & QUALIFICATION CRITERIA

Interested NGOs/CSOs must meet the following criteria to be eligible for the selection:

- Entities registered in Libya for at least 2 years (non-governmental, public, charitable, non-profit);
- Experience in the management of grant programmes (at least two programmes with a total number of recipients over 50);
- Experience in project implementation or execution of contracts for the provision of professional services in the area of grant programmes management/ providing credit loans with a total budget of projects/contracts from USD 100,000.00;
- Experience in the provision of business development training;
- Legal status of the organization should enable it to receive UNDP grant pool without incurring in tax liabilities.

NGOs/CSOs must have a team of at least three members satisfying the requirements that are provided in the Terms of Reference – **Annex I**.

The parameters that will determine whether an NGO/CSO is eligible to be considered by UNDP will be based on the Capacity Assessment Checklist (CACHE) for NGO/CSO that should be duly completed and submitted alongside supporting documents request.

Capacity Assessment Checklist (CACHE) For NGO/CSO template – **Annex II**.

IV. TECHNICAL AND FINANCIAL PROPOSAL

Proposed Methodology, Approach, quality assurance plan and Implementation Plan – this section should demonstrate the NGO's/CSO' response to the Terms of Reference by identifying the specific components proposed, how the outputs/ delivery shall be addressed, as specified; providing a detailed description of the essential performance characteristics proposed; identifying the works/portions of the work that will be subcontracted.

Moreover, the proposal should demonstrate how the proposed methodology meets or exceeds the TOR, while ensuring appropriateness of the approach to the local conditions and the rest of the project operating environment. This methodology must be laid out in an implementation timetable and a quality assurance.

Management Structure and Resource (Key Personnel) – This section should include the comprehensive description of the management structure and information regarding required resources including curriculum vitae (CVs) of key personnel that will be assigned to support the implementation of the proposed methodology, clearly defining the roles and responsibilities vis-à-vis the proposed methodology. CVs should establish competence and demonstrate qualifications in areas relevant to the TOR.

V. EVALUATION CRITERIA & METHODOLOGY

a) Proposals will be evaluated based on the following criteria and methodology:

Summary of Technical Proposal Evaluation Forms		Score Weight	Points Obtainable
1.	Expertise of Firm/Organization	40%	360

2.	Proposed Methodology, Approach and Implementation Plan	40%	360
3.	Personnel	20%	190
	Total		910

Please refer to Annex II for detailed sub criteria.

1) Evaluation methodology: Quality based under Fixed Budget Selection (QB-FBS)

QB-FBS methodology implies that all proposals have the same maximum overall price (which cannot exceed a known fixed budget amount), focusing the selection on the quality of the proposal and the NGO/CSO proposed approach and methodology.

NGO/CSO shall provide their best technical proposal and financial breakdown (within the budget) in one single envelope (clearly stating proposed overheads). Evaluation of all technical proposals shall be carried out, in accordance with below outlined evaluation criteria, and the entity that obtains the highest technical score shall be selected. NGOs/CSOs exceeding the established fixed budget in their financial proposals will be rejected.

Any NGO/CSO that is engaged to act as RP is subject to and must comply with the HACT policy (i.e., micro-assessment and assurance activities) that must be validated through performance measures and quality certified by an independent assessor engaged by UNDP.

2) Budget size and duration

The overall indicative grant pool amount made available under this call for proposal is USD 460,000.00. UNDP reserves the right not to award all available funds should the number and quality of applications not meet the criteria.

The administrative costs of managing the grant making scheme must not exceed the USD 70,000.00 USD. The amount requested in the proposal should be commensurate with the organization's administrative and financial management capabilities.

The duration of proposed activities should not exceed the period of six (6) months. The anticipated implementation period is September 2020 – February 2021. The organizations are requested to submit a clear dynamic plan for achievement of all outputs within the foreseen timeframe.

The schedule and amounts of payments will be linked to outputs and will be agreed with the Responsible Party before the start of the assignment.

VI. SELECTION PROCESS:

The UNDP will review proposals through a five-step process: (i) determination of eligibility; (ii) technical review of eligible proposals; (iii) scoring and ranking of the eligible proposals based on the assessment criteria outlined in the previous section to identify highest ranking proposal; (iv) round of clarification (if necessary) with the highest scored proposal; and (v) Responsible Party Agreement (RPA) signature.

VII. SUBMISSION PROCESS

Applicants shall bear all costs related to proposal preparation and submission.

Applicants must submit their Technical and Financial proposals in electronic format to

yuka.hey@undp.org . Please note that bids received through any other address will not be considered.

PLEASE make all efforts to provide your proposal not exceeding 10 MB size.

Applicants are solely responsible for ensuring that any and all files sent to UNDP are readable, that is, uncorrupted, in the indicated electronic format, and free from viruses and malware. Failure to provide readable files will result in the proposal being rejected.

The following documents must be submitted in order for the submission to be considered:

1. Applications (project proposals) in the form of the template attached (**Annex II – Capacity Assessment Checklist for NGO/CSO**), including organizational profile with the following details:
 - Proof of registration as a non-governmental/non-commercial organization including copies of registration certificate;
 - A clearly defined management structure of the organisation;
 - Proven track record of experience in the implementation of similar/related type of activities;
 - Experience in the management of grant programmes;
 - Experience in project implementation or execution of contracts for the provision of professional services in the area of grant programmes management;
 - Audited financial statements for the past two years.
 - A work plan with the proposed work schedule indicating the persons responsible for each area of activity;
2. Description of the management methodology and implementation of the small business grants programme, which should include the following:
 - Communication strategy and plan for dissemination of information about the contest, including cooperation with the media and NGOs, placement of information via online resources and social networks;
 - Description of organization of all stages of the project proposals evaluation process with proposed criteria for evaluating business plans and evaluation procedures;
 - Description of the mechanism of transferring funds to grantees, a prerequisite of which is that only minimal tax obligations of the grantees shall arise in connection with the grant funds receipt;
 - Procedure for monitoring and evaluation of the business projects, including the admission procedures and inspection reports description, quality control methods;
 - Description of communication tools available for interaction with applicants and grantees, which should include but not limited to a telephone hotline;
 - Description of the grant funds returning procedure and brief on raised lawsuits within the previous projects and their results;
 - Personal CVs of Project Team, including information about past experience in similar projects / assignments and clear definition of roles and responsibilities for this assignment;
 - Quality assurance plan;
3. At least 1 reference letter from previous customers/clients/partners reflecting the nature of projects implemented, their results and the role of the applicant;

4. Information regarding required resources including **curriculum vitae (CVs)** of key personnel that will be assigned to support the implementation of the proposed methodology (clear definition of roles and responsibilities).
5. The Financial Proposal with a detailed cost breakdown, **Annex III**.

Only one submission per organization is allowed. Organizations may not participate in more than one proposal. Once the application is complete and submitted, revised versions of proposal documents will not be accepted. Partial applications will not be accepted.

Interested NGOs/CSOs may obtain further information or clarification by contacting the UNDP office in Libya/Tunis through the following email address: yuka.heya@undp.org

Submission Deadline

Proposals, with supporting documents, should be submitted by **14 September 2020, at 24:00.**

Estimated Competition Timeline

For reference purposes only, please consider the following indicative timeline:

- 10 August 2020:* Call for Proposal opens, and relevant documents are posted online.
- 14 September 2020:* Deadline for organizations to submit proposals under this Call.
- 21 September 2020:* Assessment and selection processes will take place.
- 28 September 2020:* Selected applicants will be notified.

IMPORTANT ADDITIONAL INFORMATION

UNDP implements a policy of zero tolerance on proscribed practices, including fraud, corruption, collusion, unethical practices, and obstruction. UNDP is committed to preventing, identifying and addressing all acts of fraud and corrupt practices against UNDP as well as third parties involved in UNDP activities. (see

http://www.undp.org/content/dam/undp/library/corporate/Transparency/UNDP_Anti_Fraud_Policy_English_FINAL_june_2011.pdf and

<http://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions/> for full description of the policies).

In responding to this Call for Proposals, UNDP requires all Proposers to conduct themselves in a professional, objective and impartial manner, and they must at all times hold UNDP's interests paramount. Proposers must strictly avoid conflicts with other assignments or their own interests, and act without consideration for future work. All Proposers found to have a conflict of interest shall be disqualified. Without limitation on the generality of the above, Proposers, and any of their affiliates, shall be considered to have a conflict of interest with one or more parties in this solicitation process, if they:

- * Are or have been associated in the past, with a firm or any of its affiliates which have been engaged UNDP to provide services for the preparation of the design, Terms of Reference, cost analysis/estimation, and other documents to be used in this competitive selection process;
- * Were involved in the preparation and/or design of the programme/project related to the services requested under this Call for Proposals; or
- * Are found to be in conflict for any other reason, as may be established by, or at the discretion of, UNDP.

In the event of any uncertainty in the interpretation of what is potentially a conflict of interest, proposers must disclose the condition to UNDP and seek UNDP's confirmation on whether such conflict exists.

UNDP looks forward to receiving your proposals and thanks you in advance for your interest in UN RPP activities.

Yours sincerely,

Gözde AVCI-LEGRAND

Deputy Resident

Representative

UNDP Libya

Annex I

Terms of Reference

Engaging an NGO/CSO as a Responsible Party for managing small grants programme for business start-up, renewal or expansion in Libya

Project name: Stabilization to Recovery Transition (START) in Libya Project

Country/place of implementation: Southern Libya

Type of Contract: Responsible Party Agreement

I. BACKGROUND

UNDP Libya aims at supporting local authorities to respond to the many conflicts and human mobility induced challenges - by strengthening the local resilience and recovery mechanisms - that impact negatively citizens' access to essential services, sources of livelihoods, the social cohesion and security of communities.

With this intervention, UNDP Libya will support transformative change in pursuit of inclusive job creation and economic diversification for both sustainable socio-economic development and social peace and stability. Restoring and revitalizing the economy must be a primary concern because nothing will undermine democracy and prevent a return to the path of development in a crisis country more than economic inequality, especially in a region where youth represent the largest demographic group and account for the highest rates of unemployment in the world.

Since promoting employment growth in a post-conflict setting require a thorough understanding of the specific context. The project starts with comprehensive assessment on the labour market (private sector) and agriculture value chain in Libya. Through the assessment, the sectors with highest job creation potential will be identified, and analyzed the skills, needs and gaps for the labor markers, potential partners (private sectors, municipalities, chambers of commerce, business unions and line ministries), potential targeting and design of the program.

UNDP Libya, together with FAO, conduct agriculture value chain assessment in southern Libya to identify the existing capacity gaps and market opportunities. Based on this assessment, UNDP plans to launch a grant programme as a part of efforts to promote economic recovery of the conflict-affected regions, to enhance employment and to create income-generation opportunities for the local population and IDPs.

For this purpose, START project is seeking an NGO/CSO as responsible party that will manage the Grants Programme for agrobusiness start-up, renewal or expansion in the southern area.

II. MAIN OBJECTIVES OF THE ASSIGNMENT

The overall objective of this assignment is to establish a competitive mechanism and manage the process of allocation of small business grants for agrobusiness start-up, renewal or expansion, including existing agriculture associations in southern Libya.

Specifically, the Responsible Party shall implement the following:

- Develop and agree with UNDP the methodology for processing and evaluation of applications submitted for the business grants contests and the approach to ensure effective implementation of the supported agrobusiness projects;
- Develop the application documents package for the small business grants programme;
- Announce, advertise and process each Call for proposals under the small business grants programme;
- Ensure broad dissemination of information about the small business grants programme among key stakeholders and public;
- Arrange the review and evaluation of business proposals by independent professionals/experts and Evaluation Committees;
- Sign grant agreements with the beneficiaries and provide funding/grants;
- Monitor implementation of the grant projects by each grantee;
- Develop a procedure for return of the grant funds in case of non-compliance of the grantee's activities with the terms of a grant agreement;
- Coordinate actions with other UNDP activities, in particular, with the training programmes on business ideas origination, business planning, practical aspects of entrepreneurial activity and business development, and with the business consulting service provided to the grantees.

III. SCOPE OF WORK AND EXPECTED OUTPUTS

The Responsible Party shall perform the following tasks to UNDP's satisfaction:

SMALL BUSINESS GRANTS PROGRAMME IMPLEMENTATION

1. Initial stage

Output:

- The detailed narrative reporting forms the Responsible Party should provide to UNDP under the programme have been developed and agreed with UNDP;
- The designated personnel, responsible for implementation, from the Responsible Party's and UNDP sides have been determined, assigned and the rules and formats of written and oral

- communications between the parties have been approved;
- The procedure for grant funds return has been developed and approved for potential cases where a grantee violates or does not fully comply with the terms of the grant agreement;
 - The procedure of reallocation of returned equipment or funds to other applicants has been developed and approved by UNDP.

Expected execution timeframe 15 calendar days after the Agreement starting date.

2. Development of the application package and programme advertising package.

Output:

- A text of the Call for proposals has been developed and approved by UNDP;
- An application form has been developed for Call for proposals and approved by UNDP;
- Roadmaps and manuals for the candidates applying for Call for proposals have been developed. The manuals should include a detailed description of the business grants Contest, its goals and objectives, eligibility and selection criteria, priority areas of business activity, sample forms and templates, reporting, monitoring and evaluation requirements for the business projects, etc. The format and content of the documents have been agreed with UNDP before the announcements for Call for Proposals.

Expected execution timeframe – 10 working days prior the start of Call for proposals

3. The announcement of Call for proposals for the small business grants programme, accepting and managing applications from the target groups.

Output:

- The small business grants programme has been publicly announced;
- A system of communication with applicants to ensure timely responses to questions has been developed. The system can handle communication through various channels, including the mandatory telephone "hotline" that must work during working hours (from 9 to 18) for the duration of the small business grants programme;

Expected execution timeframe – Around the beginning of October 2020

4. Organization of the applications evaluation process.

The process of evaluation of applications should have following stages for each call for proposals:

1) At the first stage of registration, the applications shall be technically screened against the predetermined criteria (participation eligibility, compliance with the contest requirements). Applicants whose business plans were rejected at this stage should be promptly notified of the rejection of their

projects;

2) At the second stage the applications are evaluated by at least three independent professionals in the field of entrepreneurship with experience in the area of business planning and conducting business activities in the respective region and/or sector, involved by the Responsible Party. The candidates' CVs should be submitted to UNDP in advance and should be formally approved by UNDP prior to the start of evaluation. The experts independently assess each application according to the determined criteria, assign appropriate grades and draw up a preliminary report (to recommend or not to recommend the application for review by an independent evaluation committee at the next stage with clear justification of the decision taken). Applicants whose business plans were rejected at this stage must be notified of the rejection of their projects within 5 days of the decision;

3) At the third stage, the applicants present business plans to an independent evaluation committee, which are formed by the Responsible Party and approved by UNDP. Each Evaluation Committee should consist of at least 7 members, delegated by the business community and infrastructure, local authorities, UNDP, FAO, and other experts (possibly including donor) in the field, who will be able to evaluate the business plans from different points of view. At least one Responsible Party's business expert, who has previously evaluated the application must be present at every evaluation committee meeting. Applicants whose business plans were selected for evaluation at this stage, shall describe their business ideas in person, provide details of business plans and answer the questions of members of the evaluation committee. Evaluation committee should assess the business plans according to the defined criteria and assign the respective points to each application.

Output:

- All applications have been technically screened at the first stage. The lists of applications rejected at this stage have been formed, all the applicants on the list have been notified on rejection of their projects;
- All technically eligible applications have been assessed by the Responsible Party experts team (entrepreneurship/business experts) at the second stage. Each application has been assigned a relevant grade and conclusion (recommended or not recommended for review by an independent evaluation committee with comprehensive justification of the decision taken). Applicants whose business plans had been rejected at the second stage were notified within 10 days. Applicants whose business plans were selected for further evaluation, have been informed and instructed regarding the format and details of in-person presentation;
- Independent evaluation committees have been formed for Call for Proposal. The committee membership has been agreed and approved by UNDP. The guidelines for members of the Evaluation Committees, containing detailed information on the evaluation criteria, the procedure for assignment of points for each criterion, the in-person presentation procedure and other details have been developed. A list of standard questions that may be asked during the interview has been developed. Evaluation committee meetings have been organized for Call for Proposals;
- Based on the results of the meeting of the Evaluation Committees, a rating has been formed,

- the reports have been prepared;
- All participants were informed of the results of their application review within 5 days of the committee meeting via e-mail and over the telephone;
 - The results of Call for proposals have been published and disseminated through other online resources agreed with UNDP within 5 days after the formal finalization of the contest results;
 - The procedure for coordination of the training programmes on business ideas origination, business planning, practical aspects of entrepreneurial activity and business development, and with the business consulting service provided to the grantees by UNDP's contractors. Names and contacts of the winners have been submitted to respective companies and/or individuals upon UNDP permission and within the time agreed with UNDP;

Expected execution timeframe – By the end of October 2020

5. Signing grant agreements with beneficiaries and disbursement of grant funds.

Funds should be transferred from the Responsible Party to grantees under the schedule of payments specified in the grant agreement. The mechanism of receiving the grant shall not entail excessive tax liabilities in crediting of funds neither for the Responsible Party nor for the recipients. Each business grant should be disbursed in two tranches: 75% of the requested amount upon signing the grant agreement, 25% of the requested amount upon approval of the grantee's final report.

The amount of grants pool transferred from UNDP to the Responsible Party accounts shall correspond the total value of the grants agreements signed for the date of payment. Immediate (up to 2 banking days) transfer of grants from Responsible Party to recipients' bank accounts should be ensured upon receipt of funds from UNDP.

Output:

- The grant agreement text and form developed by Responsible Party and approved by UNDP. It should include a schedule of payments, requirements and reporting procedures, duration of the project, requirements for monitoring, communications, and other information necessary for the effective use of the grant);
- The agreements with each grantee have been prepared and signed;
- The grant funds have been transferred to beneficiaries in line with the signed agreements;
- The Responsible Party has submitted to UNDP the copies of contracts with grantees and the documents confirming the transfer of funds to the grantees' bank accounts.

Expected execution timeframe – Beginning of November 2020

6. Providing entrepreneurship training, business plan development, and access to finance and new markets.

The Contractor shall develop entrepreneurial training programme based on the outcome of the Value Chain Assessment.

Output:

- Development training courses on entrepreneurs, associations, organizations based on the outcome of the Value Chain Assessment, including outline, curriculum and agenda;
- Conduct a pre-training survey and post-training evaluation for 100% trainees. Originals of pre-training survey and end-of-training feedback forms should be provided to UNDP;
- Provide an opportunity for each trainee to present and defend her/his business project in front of the training group. Create conditions at each training session and facilitate discussion of each developed and presented business plan among the participants;
- Promote business projects led by women and disseminate success stories of businesses led by women during the training. Success stories shall be provided to UNDP;
- Prepare and submit a post-training report to reflect the outcome of the training and present recommendations for subsequent interventions. The report shall cover at least the following themes: (i) processed information on participants containing data disaggregated by gender, age and territory; (ii) pre-training and post-training evaluation addressing participants' initial knowledge and end-of-training satisfaction with the training content; (iii) participants insights on the training; (iv) recommendations for further actions aiming to strengthen the entrepreneurial capacities of IDPs and the local population of the target regions;
- Provide following up at least three times (total six hours) one-to-one sessions, mentoring sessions to the grantees.

Expected execution timeframe – November 2020 – January 2021

7. Providing technical and operational administration of the small business grants programme. Monitoring of the business projects implementation.

Output:

- The grantees' reports have been received, verified and approved by the Responsible Party according to the schedules stipulated by the grant agreements;
- Advice on operational reporting is promptly provided through various channels (email, telephone hotline);
- Implementation of business projects has been monitored through inspection reports based on the field visits to each grantee and remote communications. The schedule of monitoring visits has been coordinated with UNDP;
- The reports of grantees and Responsible Party's reports on results of monitoring of grantees performance have been submitted to and accepted by UNDP.

Expected execution timeframe – November 2020 - February 2021

OTHER DUTIES

Support of the grant funds returning procedure in case a grantee violates or does not fully comply with scope and the terms of the grant agreement.

Output:

- In case of the grantee's non-compliance with the grant agreement terms, the grant aid in the form of funds or equipment shall be returned to the Responsible Party and shall be re-distributed. For this purpose, a separate formal decision shall be proposed by the Responsible Party and approved by UNDP to assign a grant to one of the applicants previously included to the waiting list for the respective region;
- Initiating and conducting lawsuits against the grantees who do not comply with the grant agreements terms in order to return the grant funds in the form of cash and/or equipment purchased for the grant funds. Such liability, as well as the responsibility to re-distribute the grant funds among the other winners of the respective Call for Proposal or to return it to UNDP in case of impossibility of such re-distribution, shall not be limited by the timeframe of the Agreement.

Expected execution timeframe –full duration of the Agreement

In addition, the Responsible Party shall:

- Coordinate its activities with other UNDP partners and contractors to achieve effective cooperation whenever possible;
- Ensure visibility and information reference to UNDP and donors on all products created under the project implementation;
- Ensure visibility of UNDP and donors by placing visual marks on equipment purchased by the grantors.

GENERAL TERMS FOR THE SMALL BUSINESS GRANTS PROGRAMME

It is assumed that business projects funded under the small business grants program should:

- Demonstrate high profit potential and long-term sustainability and have feasible market indicators;
- Be within and/or envisage positive impact on the priority value chains in the target areas;
- Provide a minimum 20% co-financing of the total project budget, including non-cash contribution in the form of equipment, premises and works on premises arrangement, etc.

The small business grants programme objectives:

- Create income-generation opportunities for the population in Libya through supporting the development of MSMEs, cooperation and association;
- Support development of the priority value chains in the target regions.

Business projects funded under the small business grants programme may be dealing with the following types of business activities (the list is non-exhaustive and shall be agreed with the UNDP representatives upon its launch):

- procurement of equipment necessary to start production activities;
- procurement of tools to start providing services;
- hiring personnel and covering their wages;
- initial lease of office space, platforms for service provision or production sites;
- initial procurement of feedstock for production/services provision;
- franchising costs, etc.

Conditions and requirements to applicants for the small grant program:

- Applicants should officially reside and express their willingness to start-up, renew or expand businesses in the target areas;
- Applicants should be able to be officially registered as private entrepreneurs or register other type of business entity, cooperation, association in Libya;
- Grant applicants may submit only one application and receive only one grant;
- Only one grant can be received by immediate/close family members (namely father, mother, son, daughter, sister, brother, official spouse);
- The grant agreement on financial support between the beneficiary and the grants administrator shall oblige the grantee to return equipment or its full price (in case of damage or loss) if the enterprise is not launched according to the business plan within 30 days since the agreement signed;
- Co-financing of at least 20% of total expenses on the business establishment by the grantee, including non-cash payments in the form of equipment, premises or other type of property is an obligatory requirement for the financial support;
- Businesses solely aimed at trade and distribution that are not connected to any of the prioritized value chains will not be supported;
- Women and men are equally encouraged to apply for Call for Proposals.

IV. BUDGET SIZE AND DURATION

The estimated total funds allocated for the provision of the small business grants to MSME and/or association support amounts to 460,000.00 US dollars. The business grants programme must be implemented through one Calls for proposals.

The amounts of grants will depend on the value of business plans submitted for the Call for proposals and responsiveness in terms of supporting the expansion and strengthening of selected priority value chains and the maximum amount per grant shall not exceed the equivalent of 40,000.00 USD.

The total number of grant recipients will be determined based on the requested amount of submitted proposals upon completion of an evaluation process for each Call for proposals. It is expected to support at least 10 agrobusiness projects in total during the period of Agreement.

The administrative costs related to the implementation of the small business grants programme under this TOR must not exceed the total allocated amount of 122,000.00 US dollars. The amount requested in the proposal should be commensurate with the organization's administrative and financial management capabilities.

All activities are expected to be delivered within the 6 months period upon the signature of the Agreement. The anticipated implementation period is September 2020 – February 2021. The organizations are requested to submit a clear dynamic plan for achievement of each output within the foreseen timeframe.

V. MONITORING/REPORTING REQUIREMENTS

The Responsible Party shall report to UNDP on the implementation of the activities and achievement of the outputs, specifically the RP shall provide following narrative and financial reports:

- (i) monthly reports, due within five (5) calendar days after the end of each month;
- (ii) final narrative and financial report, due within thirty (30) days after the completion of all the activities including a summary of activities and results, lessons learned and conclusions reflecting the whole implementation period. Data should be disaggregated by gender, age groups and other categories as required by UNDP;
- (iii) weekly operational email reports on current results, implementation and issues of the small business grants programme;
- (iv) additional reports related to the activities as may be reasonably required by UNDP during the implementation period.

Reports must be written in English language.

Payments to cover administrative (management and operational) costs shall be linked to the outputs and shall be made in several installments as per the schedule stipulated by the Agreement.

The Responsible Party shall comply with the system of monitoring, evaluation and quality control introduced by UNDP, and also provide the necessary information, reports and statistical data according to the predetermined schedule *or* as soon as possible (within a reasonable time).

The reports shall follow the pre-set template agreed with UNDP that includes both substantial and financial parts and shall be shared with the respective official.

As a quality assurance measure, UNDP reserves the right to initiate spot-checks of grantees to conduct interviews and receive feedback on the quality of the Responsible Party's work. The Responsible Party shall facilitate the process by presenting UNDP with all necessary contacts of the grantees and shall refrain from influencing the impartiality of the assessment procedures.

VI. INSTITUTIONAL ARRANGEMENT

Roles and Responsibilities of the Engaged Responsible Party

- Allocate the proper and needed skilled personnel to carry out the project's outputs;
- Be responsible of all logistics related to the completion of this assignment including remuneration of staff /experts / administrative issues related to implementation of activities; all materials and tools required for activities completion; transportation; rental; communication; allowances; etc.;
- Ensure proper reach out to beneficiaries;
- Implement and constantly monitor the activities;
- Provide required and ad-hoc comprehensive reports on a timely manner (focusing as well on the outcome).

Role of UNDP

- Provide field supervision and quality assurance by UNDP's personnel;
- Follow up, monitor and evaluate the progress of implementation of activities and manage/mitigate potential risks;
- Approve progress/final reports;

VII. EXPERIENCE AND QUALIFICATION REQUIREMENTS

- Non-governmental, public, charitable, non-profit organization officially registered in Libya for at least 2 years;
- Experience in the management of grant programmes (at least two grant programmes with a total number of recipients over 50);
- Experience in project implementation or execution of contracts for the provision of professional services in the area of grant programmes management with a total budget of projects/contracts from USD 100,000.00;
- Experience in the provision of business development training;
- Legal status of the organization should enable it to receive UNDP grant pool without the Responsible Party's incurring in tax liabilities.

The Responsible Party must have a team of at least eight members with following roles and required qualifications:

Team Leader/Manager

- Master's (or equivalent) degree in Economy, Public Administration, Law, Management, Entrepreneurship or related field;
- Minimum 5 years of professional experience in project management,
- Minimum 3 years of experience in implementing projects/programmes/provision of grants or credit loans to fund business plans;
- Excellent knowledge of English. Preferably Arabic.

Finance Associate

- Bachelor's (or higher) degree in Finance, Accounting and Audit or other related fields relevant to the financial administration of the small grants scheme;
- Minimum 2 years of experience of financial management in implementing projects/programmes/provision of grants or credit loans;
- Minimum 2 years of experience in providing financial / accounting to international technical assistance organizations or other donors/customers;
- Excellent knowledge of Arabic and English.

Regional Coordinator

- Bachelor's (or higher) degree in Economy, Entrepreneurship, Management or related field;
- Sound knowledge of business conditions in each of the target regions;
- Minimum 2 years of experience in local economic development or business development;
- Permanent residence in one of the target regions;
- Excellent knowledge of Arabic and English.

VIII. DOCUMENTS TO BE SUBMITTED IN A TECHNICAL PROPOSAL AND A FINANCE PROPOSAL:

Technical Proposal should provide among others a contextual analysis/background information, proposed methodology and approach, including objectives and clear outputs that will be achieved within the lifecycle of each suggested activity.

- A letter of interest / letter of offer, which outlines previous experience in implementing similar programmes and competitive advantages of the applicant company;
- A work plan with the proposed work schedule indicating the persons responsible for each area of activity;
- Description of the management methodology and implementation of the small business grants programme, which should include the following:
 - Communication strategy and plan for dissemination of information about the contest, including cooperation with the media and NGOs, placement of information via online resources and social networks;

- Description of organization of all stages of the project proposals evaluation process with proposed criteria for evaluating business plans and evaluation procedures;
- Description of the mechanism of transferring funds to grantees, a prerequisite of which is that no or minimal tax obligations of the grantees shall arise in connection with the grant funds receipt;
- Procedure for monitoring and evaluation of the business projects, including the admission procedures and inspection reports description, quality control methods;
- Description of communication tools available for interaction with applicants and grantees, which should include but not limited to a telephone hotline;
- Description of the grant funds returning procedure and brief on raised lawsuits within the previous projects and their results;
- Personal CVs of Project Team, including information about past experience in similar projects / assignments;
- Quality assurance plan;
- At least 1 reference letter from the previous customers/clients/partners reflecting the nature of projects implemented, their results and the role of the applicant.

The financial proposal is expected to provide a clear budget, with itemized costs, for designing and implementing activities. The financial proposal should indicate the all-inclusive amount, supported by a breakdown of costs for each activity.

Budget allocation would include, for example, but to be limited to: Remuneration of Staff / Trainers / Experts; all materials and tools required for activities completion; all logistical fees for meetings and sessions; transportation; management fees; rental; communication; food and beverages; accommodation; allowances; etc.

IX. PROPOSED PAYMENT SCHEDULE:

The schedule of payments for the grants administration services will be agreed with the Responsible Party before the start of the Assignment. Payments to the Responsible Party to cover administrative (management and operational) costs will be linked to activities.

Evaluation criteria

(The CSOs/NGOs that are compliant with minimum evaluation criteria will be passed to technical evaluation)

1. Officially registered organization (public, non-governmental, charitable, non-profit) at least 2 years;
2. Experience in the management of grant programmes / provision of credit loans (at least two programmes with total number of recipients over 50);
3. Experience in project implementation or execution of contracts for provision of professional services in the area of grant programmes management / providing credit loans with a total budget of projects / contracts from USD 100,000.00.

Technical criteria:

Summary of Technical Proposal Evaluation Form	Score Weight	Max Points obtainable
Expertise of Firm/Organization	40%	360
Proposed Methodology, Approach and Implementation Plan	40%	360
Personnel	20%	190
Total	100%	910

Forms of assessment of technical proposals are given in the next two pages. The maximum score that may be received for each assessment criterion indicates the relative significance or part of such a criterion in the overall assessment process.

Assessment of technical proposal Form 1		Maximum score	NGO/ CSO		
			A	B	C
Experience of the company / organization submitting the proposal					
1.1	Officially registered organization (non-governmental, public, charitable, non-profit, for-profit) (minimum 3 years – 50 points, 4-5 years – 60 points, 6–7 years- 70 points, 8 years or more – 80 points).	80			
1.2	Experience in the management of grant programmes / provision of credit loans (references should be submitted): <ul style="list-style-type: none"> - number of successfully implemented programmes: 2 programmes – 50 points, 3 programmes – 60 points, 4 programmes and more – 70 points); - total number of recipients under the implemented programmes: 50-99 people/entities – 50 points, 100-199 people/entities – 60 points, 200 people/entities or more – 70 points. 	140			

1.3	Experience in project implementation or execution of contracts for provision of professional services in the area of grant programmes management / providing credit loans with a total budget of projects / contracts: <ul style="list-style-type: none"> - \$100,001.00–200,000.00 – 80 points; - \$200,001.00–300,000.00 – 100 points; - \$300,001.00–400,000.00 – 120 points; - \$400,001.00 or more – 140 points. 	140			
Overall score on Form 1		360			

Assessment of technical proposal Form 2		Maximum score	Company / Other organization		
			A	B	C
Proposed work plan, methodology and approach					
2.1	How well-elaborated is the communication strategy to promote the small business grants programme implementation? <ul style="list-style-type: none"> - The proposed communication channels include grants contest web page and at least three additional resources – up to 10 points; - The information strategy envisages at least three press-conferences for each Call for proposals in the designated locations – up to 10 points; - Proposed system for response to inquiries from potential applicants oriented to provide prompt feedback and processing of all inquiries – up to 10 points. 	30			
2.2	How well developed is a system of feedback and communication with applicants and grantees? <ul style="list-style-type: none"> - The approach provides for a telephone hotline and details its method, the schedule and features of its operation – up to 20 points; - The tool for registration of applications provides online format and prompt registration, identification of repeated applications, granting the status of each application, the possibility of automatic responses to 	40			

	participants and creation of a database and mailing list – 20 points.				
2.3	<p>How well-developed is a proposed approach to the process of evaluation of applications?</p> <ul style="list-style-type: none"> - The suggested evaluation system provides three steps described in the specifications and contains a detailed description of the methodology at each stage – up to 20 points; - The methodology for applications evaluation is reasonable and realistic, complies with the competition objectives and allows to assess the application potential – 20 points; - The process of evaluating applications is transparent and impartial, it envisages the involvement of the independent evaluation committee at a final stage (specified composition and ways of attracting committee members, spelled assessment methodology and operational procedure of the evaluation committee) – 20 points; - The proposed timeframe and logistics for arranging independent professionals/experts is realistic and addressing ToRs requirements – up to 20 points. 	80			
2.4	<p>How well-developed and robust is the methodology for monitoring and evaluation of implementation of projects having received grants?</p> <ul style="list-style-type: none"> - The proposed monitoring implementation plan has realistic timeframe and logistics arrangements – up to 20 points; - The monitoring and evaluation methodology suggested is realistic, unified for all grantees and is able to analyze progress of grants implementation based on clear evaluation method – up to 20 points; - The proposed monitoring and reporting mechanism shows sufficient 	60			

	capacity of the Responsible Party to provide counseling on reporting issues to grantees – up to 20 points.				
2.5	<p>How well developed and realistic is the mechanism of funds provision to grantors?</p> <ul style="list-style-type: none"> - The mechanism involves the development and signing of agreements with grantors – up to 20 points; - The mechanism includes a detailed list and description of the conditions under which funds are allocated to grantors (legal registration, existence of a bank account, etc.) – up to 20 points. - The mechanism of providing and receiving the grant does not entail tax liabilities in crediting of funds Responsible Party and entails only minimal tax liabilities for the recipients¹ – up to 20 points 	60			
2.6	<p>How well-developed and realistic is the proposed grant funds returning procedure in case where a grantee violates or does not implement in full scope the terms of the agreement?</p> <ul style="list-style-type: none"> - The proposed procedure ensures monitoring and timely identification of risks of grantees undue performance – up to 15 points; - The mechanism for withdrawal of funds is realistic, based on the legislation of Ukraine and contains references to specific laws, etc. – up to 15 points; - The proposed procedure includes mechanism of reallocation of withdrawn funds/assets to other applicants – up to 15 points. 	45			
2.7	<p>How well-elaborated is the proposed plan of work and suggested timeline?</p> <ul style="list-style-type: none"> - Monthly detailed elaboration of a work plan – 10 points 	45			

¹ The proposed mechanism should be in line with the applicable Ukrainian legislation

	<ul style="list-style-type: none"> - Weekly detailed elaboration of a work plan – 10 points; - The schedule is realistic and meets the assignment timeframe – 25 points. 				
Overall score on Form 2		360			

Assessment of technical proposal Form 3		Maximum score	Company / Other organization		
			A	B	C
Personnel					
Team Leader/Manager					
3.1	Experience in project management (5 years – 10 points, 6–7 years – 15 points, 8 years and more – 20 points).	20			
3.2	Experience in the implementation of projects / programmes / provision of grants or credit loans to finance business plans (3 years – 15 points, 4–6 years – 20 points, 7 years and more – 25 points).	25			
3.3	Higher education in Economy, Public Administration, Law, Management, Entrepreneurship or related field (Master's (or equivalent) – 10 points, PhD or higher – 15 points).	15			
3.4	Language command: English – 5 points, English and Arabic (working level) – 10 points).	10			
Interim score according to criteria 3.1–3.4		70			
Other Experts – Finance Associate					
3.5	Experience in financial management in implementing projects / programmes / provision of grants or credit loans (2 years – 5 points, 3–6 years – 10 points, 7 years and more – 15 points).	15			
3.6	Experience in providing financial / accounting to international technical assistance organizations or other donors / customers (3 years – 5 points, 4–5 years – 10 points, 6 years or more – 15 points).	15			
3.7	Higher education in Finance, Accounting and Audit or other related field relevant to financial administration of the small grants scheme (Bachelor's degree or equivalent – 5 points, Master's – 7 points, PhD or higher – 10 points).	10			
3.8	Language command: Arabic– 5 points, Arabic and English – 10 points	10			
Interim score according to criteria 3.5–3.8		50			
Other Experts – Regional Coordinator (South)					
3.9	Experience in local economic development or business development (3 years – 10 points, 4–6 years – 15 points, 7 years and more – 20 points).	20			
3.10	Sound knowledge of business conditions in the target areas (2 years of experience in the respective region – 10 points, 3–5 years – 15 points, 6 years or more – 20 points).	20			

3.11	Higher education in Economy, Entrepreneurship, Management or related field (Bachelor's degree or equivalent – 10 points, Master's – 15 points, PhD or higher – 20 points).	20			
3.12	Language command: Arabic – 5 points, Arabic and English – 10 points	10			
	Interim score according to criteria 3.9–3.12	70			
Overall score on Form 3		190			

Annex II – Capacity Assessment Checklist for CSO/NGO

Interested NGOs are requested to fill out the below questionnaire, attaching supporting documentation as much as possible.

If you are an international NGO, please provide information relating to your local presence in this country only.

Please note that attachments should be provided to support each answer. Extraneous information not directly responding to the questions will constrain the ability of UNDP to positively assess the NGOs alignment with UNDP requirements.

Topic	Areas of Inquiry Please Attach Supporting Documentation for Each Question	Response
1. Proscribed organizations	a. Is the NGO listed in the UN's list of proscribed organizations, UNDP Vendor Sanctions List, or indicted by the International Criminal Court?	
	b. Is the NGO banned by any other institution? If, yes, please provide information regarding the institution and reasons.	
2. Funding Sources	a. Who are the CSO/NGO's key donors?	
	b. How much percentage share was contributed by each donor during the last 2 years?	
	c. How many projects has each donor funded since the CSO/NGO's inception?	
	d. How much cumulative financial contribution was provided for each project by each donor?	
	e. How is the CSO/NGO's management cost funded?	
3. Audit	a. Did the CSO/NGO have an audit within the last two years?	
	b. Are the audits conducted by an officially accredited independent entity? If yes, provide name.	
4. Leadership and Governance Capacities	a. What is the structure of the CSO/NGO's governing body? Please provide Organigramme.	
	b. Does the CSO/NGO have a formal oversight mechanism in place?	
	c. Does the CSO/NGO have formally established internal procedures in the area of:	

	<ul style="list-style-type: none"> • Project Planning and Budgeting • Financial Management and Internal Control Framework • Procurement • Human Resources • Reporting • Monitoring and Evaluation 	
	d. Asset and Inventory Management	
	e. Other	
	f. What is the CSO/NGO's mechanism for handling legal affairs?	
	g. Ability to work (prepare proposals) and report in English	
5. Personnel Capacities	a. What are the positions in the CSO/NGO that are empowered to make key corporate decisions? Please provide CVs of these staff	
	b. Which positions in the CSO/NGO lead the areas of project management, finance, procurement, and human resources? Please provide CVs of these staff	
6. Infrastructure and Equipment Capacities	a. Where does the CSO/NGO have an official presence? Please provide details on duration and type of presence (e.g. field offices, laboratories, equipment, software, technical data bases, etc.)	
	b. What resources and mechanisms are available by the CSO/NGO for transporting people and materials?	
7. Quality Assurance	<p>a. Please provide references who may be contacted for feedback on the CSO/NGO's performance regarding:</p> <ul style="list-style-type: none"> • Delivery compared to original planning • Expenditure compared to budget • Timeliness of implementation • Timeliness and quality of reports • Quality of Results 	

Annex III Financial Proposal

Cost Breakdown by Cost Component:

The Proposers are requested to provide the cost breakdown based on the following format. UNDP shall use the cost breakdown for the price reasonability assessment purposes as well as the calculation of price in the event that both parties have agreed to add new deliverables to the scope of Services.

Cost breakdown for base case scenario (amount of grants allocated and managed equals 365).

The bidders are requested not to modify/alter line 1 (Grant Funds Pool) but keep it in their financial proposal.

Important! Payment of expenses in the organisation of Evaluation Committees associated with the lease of premises, organisation of coffee breaks and reimbursement for travel of the grant competition participants will be made by the UNDP contractor – organising company. These costs will NOT be included in the financial proposal.

NO.	Activity / expenses	Quantity / duration	Description of expenses	Cost per unit	Total
1	Grant funds pool				460,000.00
2	Personnel				
	Project manager		month		
	Financial Associate		month		
	Regional Coordinator		month		
	Other specialists (if any)				
	...				
3	Grant funds administration (transfer of funds, monitoring of projects, etc.)		USD		
	Other costs (please indicate if any)				
	...				
4	Organization of application process				
	Other costs (please indicate if any)				
	...				
5	Dissemination of information about the business grants contest				
	Design and printing of info materials (if necessary)				
	Advertising campaign				
	Other (if applicable)				
	...				

6	Office costs				
	Rent (if applicable)		Month		
	Communication charges (telephone)		Month		
	Internet		Month		
	Consumables for office				
	Printing (if applicable)				
	Postal charges		Item		
	...				
7	Business trips				
	Travel		one travel		
	Accommodation		Day		
	Daily allowance		Day		
8	Overhead costs (if any – outline activities / expenses)				
	...				
	Total				

The total amount of administrative costs related to the implementation of the small business grants programme must not exceed 70,000 US dollars

Annex IV – Responsible Party Agreement Template

RESPONSIBLE PARTY AGREEMENT

[Reference No. *insert reference number, if any; if none, delete bracketed text*]

1. Country: [Click here and enter Host Country name]	
2. Name of Civil Society Organization (CSO): "[Click here and enter full name of CSO]" incorporated under the laws of "[Click here and enter jurisdiction of incorporation]" with address at "[Click here and enter full address of CSO]"	
3. Project Number and Title: "[Click here and enter Project number (if any) and title]"	
4. Implementation Period: From [Click here and enter date] to [Click here and enter date]	
5. Budget: Up to the amount of US\$ [Click here and enter amount] ([Click here and amount in words] United States Dollars)	
6. Information for CSO Bank Account into Which Funds Will Be Disbursed: Account Name: [Click here and enter Owner of Bank Account] Account Title: [Click here and enter Account Title] Account Number: [Click here and enter Account Number] Bank Name: [Click here and enter Bank name] Bank Address: [Click here and enter Bank Address] Bank SWIFT Code: [Click here and enter Bank SWIFT Code] Bank Code: [Click here and enter Bank Code] Routing instructions for disbursements: [Click here and enter any additional instructions]	
7. Notices to CSO: Name: Address: Tel: Fax: Email:	8. Notices to UNDP: Name: Address: Tel: Fax: Email:
9. Signed for " [Click here and enter CSO name] " by its Authorized Representative Date: _____ Signature: _____	
10. Signed for the United Nations Development Programme by its Authorized Representative Date: _____ Signature: _____	

The following documents constitute the entire Agreement (the “Agreement”) between the Parties and supersedes all prior agreements, understandings, communications and representations concerning the subject matter:

this face sheet (“Face Sheet”)

[Special Conditions]*[delete if no Special Conditions are identified]*

Standard Terms and Conditions

Annex A – Project Document (including the Work Plan)

Annex B – CSO Technical and Financial Proposals

If there is inconsistency between any of the documents forming part of this Agreement, the Agreement will be interpreted in the above order of priority.

STANDARD TERMS AND CONDITIONS

WHEREAS the Government of the Host Country indicated in block 1 of the Face Sheet and the United Nations Development Programme, a subsidiary organ of the United Nations established by the General Assembly of the United Nations (hereinafter "UNDP") concluded a project document (hereinafter the "Project Document") for the project named in block 3 of the Face Sheet (hereinafter the "Project");

WHEREAS, pursuant to the Project Document, UNDP serves as an implementing partner under the Project;

WHEREAS in its capacity as an implementing partner, UNDP has selected the civil society organization named in block 2 of the Face Sheet (hereinafter the "CSO"), as a responsible party to implement activities (hereinafter the "Activities") and achieve deliverables (hereinafter the "Deliverables") within the time frames and pursuant to the budget set forth in the Work Plan which forms part of the Project Document (hereinafter the "Work Plan");

WHEREAS UNDP and the CSO (together referred to as the "Parties" or, individually, a "Party"), pursuant to their respective mandates and policies, share a common aim in the furtherance of sustainable development; and

WHEREAS the CSO understands and agrees that the overall goal of this Agreement is to contribute to producing the outputs and achieving the outcomes set forth in the Project Document.

NOW, THEREFORE, on the basis of mutual trust and in the spirit of cooperation, the Parties have entered into this Agreement under the terms and conditions set forth herein.

1.0 Objectives and General Responsibilities of the Parties

1.1 The Parties agree that the main objective of this Agreement is to further the goals of the Project through the successful implementation of the Activities and achievement of the Deliverables.

1.2 Consistent with this objective, the CSO shall commence and implement the Activities and achieve the Deliverables with due diligence and efficiency, pursuant to the schedule set forth in the Work Plan, and in accordance with the terms and conditions of this Agreement. The Activities must be consistent with the regulations, rules, policies and procedures of UNDP.

1.3 All deadlines and time limits contained in this Agreement shall be deemed to be of the essence in respect of the implementation of the Activities and achievement of the Deliverables under this Agreement.

1.4 Any information or data provided by the CSO to UNDP for the purpose of entering into this Agreement, as well as the quality of the Activities, Deliverables and reports foreseen under this Agreement, will conform to the highest professional standards.

1.5 The Parties shall on a regular basis keep each other informed of, and consult on matters pertaining to the implementation of the Activities and achievement of the Deliverables under this Agreement.

2.0 Financial Arrangements

2.1 Pursuant to the budget contained in the Work Plan, UNDP shall make available to the CSO funds up to the maximum amount indicated in block 5 of the Face Sheet upon timely achievement of the Deliverables and in accordance with the schedule set forth in the Work Plan.

2.2 The amounts stated above shall not be subject to any adjustment or revision because of price or currency fluctuations, or the actual costs incurred by the CSO in the implementation of the Activities.

2.3 All payments shall be made by UNDP to the CSO bank account indicated in block 6 of the Face Sheet.

2.4 Payments effected by UNDP to the CSO shall be deemed neither to relieve the CSO of its obligations under this Agreement nor as acceptance by UNDP of the CSO's performance of the Activities.

2.5 The CSO shall notify UNDP about any expected budget variations. The CSO shall be authorized to make variations not exceeding twenty (20) per cent on any one budget line item in the Work Plan, provided that the maximum amount allocated by UNDP pursuant to paragraph 2.1 above, is not exceeded. Any variations exceeding twenty (20) per cent on any one budget line item that may be necessary for the proper and successful implementation of the Activities under this Agreement shall be subject to prior consultations with, and written approval by, UNDP.

2.6 UNDP shall not be liable for the payment of any expenses, fees, tolls, or any other costs not expressly provided for in the Work Plan, not authorized by UNDP pursuant to the preceding paragraph, or exceeding the maximum amount referred to in paragraph 2.1 above.

2.7 Unless otherwise agreed in writing by UNDP, the CSO shall return all unspent funds and income (including interest) to UNDP within one (1) month of completion of the Activities or termination of this Agreement, whichever is earlier.

3.0 Refund

3.1 The CSO shall disburse the funds made available to it by UNDP and incur expenditures in connection with the Activities on the terms and conditions set forth in this Agreement and the Work Plan. In the event that the CSO disburses the funds or incurs expenditures in violation of this Agreement and/or the Work Plan, notwithstanding the availability or exercise of any other remedies under this Agreement, the CSO shall refund the amounts to UNDP not later than thirty (30) days after the CSO receives a written request for such refund from UNDP. Failing that, UNDP may deduct the amount of the requested refund from any payments due to the CSO under this Agreement.

4.0 The CSO Personnel

4.1 The CSO shall be fully responsible and liable for all persons engaged by it in connection with the Activities, including employees, consultants, agents, accountants, advisers, and contractors (hereinafter the "CSO Personnel"). The CSO shall ensure that the CSO Personnel meet the highest standards of professional qualifications and competence necessary for the implementation of the Activities and achievement of the Deliverables under this Agreement, are free from any conflicts of interest related to the Activities, respect the local laws and customs, and conform to the highest standards of moral and ethical conduct.

4.2 The CSO Personnel shall not be considered in any respect as being the officials, personnel, employees, staff or agents of UNDP or the United Nations.

4.3 The CSO agrees and shall ensure that the CSO Personnel performing the Activities under this Agreement:

- a) Shall not seek nor accept instructions regarding the Project from any Government or other authority external to the CSO or UNDP;
- b) Shall refrain from any conduct that would adversely reflect on UNDP or the United Nations, and shall not engage in any activity that is incompatible with the aims, objectives or mandate of UNDP or the United Nations; and
- c) Shall not use information that is considered confidential without the prior written authorization of UNDP, as required by Article 12.0 below.

4.4 The CSO's decisions related to the CSO Personnel, including employment or dismissal, shall be free of discrimination on the basis of race, religion or creed, ethnicity or national origin, gender, sexual orientation, handicapped status, or other similar factors.

5.0 Assignment

5.1 The CSO shall not assign, transfer, pledge or make other disposition of this Agreement or any part thereof, or any of the CSO's rights, claims or obligations under this Agreement except with the prior written consent of UNDP.

6.0 Contracting

6.1 In the event the CSO requires the services of contractors, the CSO shall remain responsible for their acts and omissions in relation to the Activities as if they were the acts and omissions of the CSO. The terms of any contract with any such contractor shall be subject to and conform to the provisions of this Agreement.

7.0 Procurement

7.1 Procurement of goods, services and technical assistance required under the Work Plan will be conducted by the CSO in accordance with the principles of highest quality, transparency, economy and efficiency. Such procurement will be based on the assessment of competitive quotations, bids, or other proposals, unless otherwise agreed in writing by UNDP.

8.0 Equipment

8.1 Any non-consumable supplies, equipment, vehicles and materials financed by UNDP or furnished by UNDP to the CSO under this Agreement (hereinafter the "Equipment") shall remain the property of UNDP.

8.2 The CSO shall be responsible for the proper custody, maintenance and care of the Equipment. It shall also maintain complete and accurate records of the Equipment, and shall regularly verify the inventory thereof. In addition, it shall purchase and maintain appropriate insurance for the Equipment in the amounts agreed upon between the Parties and incorporated in the budget contained in the Work Plan.

8.3 UNDP shall provide reasonable assistance to the CSO in connection with clearing the Equipment through customs at ports of entry into the country where the Activities are to be implemented.

8.4 In the event of damage, theft, loss or other forfeiture of the Equipment, the CSO shall provide UNDP with a complete written report supported, where appropriate, by a police report and

any other evidence, giving full particulars of the events leading to the loss of, or damage to the Equipment.

8.5 The CSO shall return the Equipment to UNDP within thirty (30) days upon completion of the Activities or termination of this Agreement, whichever is earlier, or when no longer needed by the CSO. When returned to UNDP, the Equipment shall be in the same condition as when furnished to the CSO, subject to normal wear and tear.

8.6 UNDP may request compensation for the damaged, stolen, lost or otherwise forfeited Equipment, or the Equipment determined by UNDP to be degraded beyond normal wear and tear. If the CSO fails to compensate UNDP within thirty (30) days of UNDP's request, UNDP may deduct the amount thereof from any payments due to the CSO under this Agreement.

9.0 Copyrights, Patents, and Other Proprietary Rights

9.1 Except as may be otherwise agreed by the Parties in this Agreement, UNDP shall be entitled to all intellectual property and other proprietary rights including, but not limited to, patents, copyrights, and trademarks, with regard to products, processes, inventions, ideas, know-how, or documents and other materials which the CSO has developed for UNDP under this Agreement and which bear a direct relation to, or are produced, prepared or collected in consequence of, or during the course of, the performance of this Agreement. The CSO acknowledges and agrees that such products, documents and other materials constitute works made for hire for UNDP.

9.2 The CSO shall be responsible for obtaining any licenses and permits required by national laws in connection with the Activities. UNDP shall cooperate as appropriate and necessary.

10.0 Reporting

10.1 The CSO shall report to UNDP on the implementation of the Activities and achievement of the Deliverables under this Agreement.

10.2 The CSO shall provide UNDP with (a) quarterly reports, due within thirty (30) days after the end of each quarter; (b) if the duration of this Agreement exceeds one (1) year, annual reports, due within sixty (60) days after the end of each year; and (c) a final report, due within sixty (60) days after the completion of the Activities or expiration or prior termination of this Agreement.

10.3 Each report must be written in the English language and must, *inter alia*, contain information on:

- a) Activities carried out under the Agreement during the reported period;
- b) Progress towards achieving the Deliverables during the reported period;
- c) Corresponding indicators, baselines, sources of data, and data collection methods;
- d) Any new issues, risks, challenges and opportunities that should be considered in implementing the Activities;
- e) Financial data, including cash receipts and disbursements incurred by the CSO, reconciliation of outstanding advances and foreign exchange loss or gain during the reported period, if applicable; and
- f) Cumulative financial data, showing satisfactory management and use of UNDP resources.

10.4 In addition, the annual report and final reports, referred to in paragraph 10.2 above, must contain audited financial statements and records related to the Activities.

10.5 The CSO shall provide such additional reports related to the Activities as may be reasonably required by UNDP under its regulations, rules, policies and procedures.

11.0 Maintenance of Records

11.1 The CSO shall keep accurate and up-to-date records and documents, including original invoices, bills, and receipts pertinent to each transaction related to the Activities under this Agreement.

11.2 The CSO shall promptly disclose to UNDP any income, including interest, arising from the Activities. Such income shall be reflected in a revised Work Plan and recorded as accrued income to UNDP, unless otherwise agreed by the Parties.

11.3 Upon completion of the Activities, or the termination of this Agreement, the CSO shall maintain the records for a period of at least five (5) years, unless otherwise agreed by the Parties.

12.0 Confidentiality

12.1 Information and data that is considered proprietary by either Party and that is delivered or disclosed by one Party to the other Party during the term of this Agreement shall be considered confidential and shall be handled pursuant to the UNDP Information Disclosure Policy, not attached hereto but known to and in the possession of the Parties.

12.2 The CSO may disclose information to the extent required by law, provided that and without any waiver of the privileges and immunities of the United Nations, the CSO will give UNDP sufficient prior notice of a request for the disclosure of information in order to allow UNDP to have a reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.

12.3 UNDP may disclose information to the extent required pursuant to the Charter of the United Nations, resolutions or regulations of the General Assembly, or rules promulgated by the Secretary-General of the United Nations.

12.4 These obligations shall not lapse upon completion of the Activities or termination of this Agreement, whichever is earlier.

13.0 Insurance and Liabilities to Third Parties

13.1 The CSO shall provide and thereafter maintain insurance against all risks in respect of its property and any equipment used in connection with the Activities under this Agreement.

13.2 The CSO shall provide and thereafter maintain all appropriate workmen's compensation insurance, or the equivalent, with respect to the CSO Personnel to cover claims for personal injury or death in connection with this Agreement.

13.3 The CSO shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the Activities, as well as the use of the Equipment owned or leased by the CSO or the CSO Personnel, or furnished or financed by UNDP pursuant to Article 8.0 above.

14.0 Indemnity

14.1 The CSO shall indemnify, hold and save harmless, and defend, at its own expense, UNDP, its officials and persons performing services for UNDP from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) or relating to acts or omissions of the CSO, including the CSO Personnel, under this Agreement. This provision shall extend, *inter alia*, to claims and liability in the nature of workmen's compensation, damage to property or other hazards that may be suffered by the CSO Personnel as a result of their services pertaining to the Activities, products liability and liability arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by the CSO or the CSO Personnel.

15.0 Tax Exemptions

15.1 Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, *inter alia*, that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for public utility services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize the United Nations' exemption from such taxes, duties or charges, the CSO shall immediately consult with UNDP to determine a mutually acceptable solution.

15.2 Accordingly, the CSO authorizes UNDP to deduct from the CSO's invoice any amount representing such taxes, duties or charges, unless the CSO has consulted with UNDP before the payment thereof and UNDP has, in each instance, specifically provided written authorization to the CSO to pay such taxes, duties or charges under protest. In that event, the CSO shall provide UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

16.0 Security and Anti-Terrorism

16.1 The responsibility for the safety and security of the CSO and the CSO Personnel and property, as well as of the Equipment and other UNDP property in the CSO's custody, shall rest with the CSO.

16.2 UNDP reserves the right to verify whether the necessary security arrangements are in place, and to suggest modifications thereto when necessary. 16.3 The CSO agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received under this Agreement are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/sc/committees/1267/1267.htm>. This provision must be included in all contracts entered into under this Agreement.

17.0 Audit and Investigations

17.1 All payments made by UNDP under this Agreement shall be subject to a post-payment audit by auditors, whether internal or external, of UNDP or by other authorized and qualified agents of UNDP at any time during the term of this Agreement and for a period of five (5) years following the completion of the Activities or the termination of this Agreement.

17.2 The CSO acknowledges and agrees that, from time to time, UNDP may conduct investigations relating to any aspect of this Agreement or the selection of the CSO as a responsible party, the obligations performed under this Agreement, and the operations of the CSO generally relating to the performance of this Agreement. The right of UNDP to conduct an investigation and the CSO's obligation to comply with such an investigation shall not lapse upon completion of the Activities or the termination of this Agreement, whichever is earlier.

17.3 The CSO shall provide its full and timely cooperation with any post-payment audits or investigations. Such cooperation shall include, but shall not be limited to, the CSO's obligation to make available the CSO Personnel and any relevant documentation for such purposes at reasonable times and on reasonable conditions, and to grant to UNDP access to the CSO's premises at reasonable times and on reasonable conditions. The CSO shall cause the CSO Personnel to reasonably cooperate with any post-payment audits or investigations carried out by UNDP hereunder.

17.4 UNDP shall be entitled to a refund from the CSO for any amounts shown by audits and investigations to have been paid by UNDP other than in accordance with the terms and conditions of this Agreement.

18.0 Force Majeure

18.1 In the event of, and as soon as possible after, the occurrence of any cause constituting *force majeure*, the Party affected by it shall give the other Party notice and full particulars in writing of such occurrence. If the affected Party is thereby rendered unable, in whole or in part, to perform its obligations or meet its responsibilities under this Agreement, the Parties shall consult on the appropriate action to be taken, which may include termination of this Agreement by UNDP pursuant to Article 28.0, or termination of this Agreement by the CSO with at least seven (7) days written notice of such termination.

18.2 In the event that this Agreement is terminated owing to causes constituting *force majeure*, the provisions of Article 28.0 below, shall apply.

18.3 *Force majeure* as used herein means any unforeseeable and irresistible act of nature, any act of war (whether declared or not), invasion, revolution, insurrection, terrorism, or any other acts of a similar nature or force, provided that such acts arise from causes beyond the control and without the fault or negligence of the Party invoking *force majeure*. The CSO acknowledges and agrees that, with respect to any obligations under this Agreement that the CSO must perform in areas in which the United Nations is engaged in, preparing to engage in, or disengaging from any peacekeeping, humanitarian or similar operations, any delays or failure to perform such obligations arising from or relating to harsh conditions within such areas, or to any incidents of civil unrest occurring in such areas, shall not, in and of itself, constitute *force majeure* under this Agreement.

19.0 Use of the Name, Emblem and Official Seal of UNDP

19.1 The CSO shall only use the name (including abbreviations), emblem or official seal of the United Nations or UNDP in direct connection with the Activities under this Agreement and upon receiving prior written consent of UNDP. Under no circumstances shall such consent be provided in connection with the use of the name (including abbreviations), emblem or official seal of the United Nations or UNDP for commercial purposes or goodwill.

19.2 The Parties shall cooperate in any public relations or publicity exercises when UNDP deems these appropriate or useful.

20.0 Privileges and Immunities

20.1 Nothing in or relating to this Agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations and UNDP.

21.0 Officials Not to Benefit

21.1 The CSO represents and warrants that it has not and shall not offer any direct or indirect benefit arising from or related to the performance of the Agreement or the award thereof, to any representative, official, employee, or other agent of UNDP.

22.0 Observance of the Law

22.1 The CSO shall comply with all laws, ordinances, rules, and regulations applicable to the performance of its obligations under this Agreement.

23.0 Child Labor

23.1 The CSO represents and warrants that neither it, its parent entities (if any), any of the CSO's subsidiary or affiliated entities (if any) nor the CSO Personnel are engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, *inter alia*, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical mental, spiritual, moral or social development.

24.0 Mines

24.1 The CSO represents and warrants that neither it, its parent entities (if any), any of the CSO's subsidiaries or affiliated entities (if any) nor any CSO Personnel is engaged in the sale or manufacture of anti-personnel mines or components utilized in the manufacture of anti-personnel mines.

25.0 Sexual Exploitation

25.1 In the performance of this Agreement, the CSO shall comply with the Standards of Conduct set forth in the Secretary-General's bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse." In particular, the CSO shall not engage in any conduct that would constitute sexual exploitation or sexual abuse, as defined in that bulletin.

25.2 The CSO shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by the CSO Personnel. For these purposes, sexual activity with any person less than eighteen years of age, regardless of any laws relating to consent, shall constitute the sexual exploitation and abuse of such person. In addition, the CSO shall refrain from, and shall take all reasonable and appropriate measures to prohibit the CSO Personnel or any other persons engaged and controlled by it from exchanging any money, goods, services, or other things of value, for sexual favors or activities, or from engaging in any sexual activities that are exploitive or degrading to any person. The CSO acknowledges and agrees that the provisions of this Article 25.0 constitute an essential term of the Agreement and that any breach of these provisions shall

entitle UNDP to terminate the Agreement immediately upon notice to the CSO, without any liability for termination charges or any other liability of any kind.

25.3 UNDP shall not apply the foregoing standard relating to age in any case in which the CSO Personnel is married to the person less than the age of eighteen years with whom sexual activity has occurred and in which such marriage is recognized as valid under the laws of the country of citizenship of such CSO Personnel.

26.0 Conflicts of Interest; Anti-Corruption

26.1 The Parties agree that it is important that all necessary precautions are taken to avoid conflicts of interest and corrupt practices. To this end, the CSO shall maintain standards of conflict that govern the performance of the CSO Personnel, including the prohibition of conflicts of interest and corrupt practices in connection with the award and administration of contracts, grants, or other benefits.

26.2 The CSO and persons affiliated with it, including the CSO Personnel, shall not engage in the following practices:

- a) participating in the selection, award, or administration of a contract, grant or other benefit or transaction funded by UNDP, in which the person, members of the person's immediate family or his or her business partners, or organizations controlled by or substantially involving such person, has or have a financial interest;
- b) participating in such transactions involving organizations or entities with which or whom that person is negotiating or has any arrangement concerning prospective employment;
- c) offering, giving, soliciting or receiving gratuities, favors, gifts or anything else of value to influence the action of any person involvement in a procurement process or contract execution;
- d) misrepresenting or omitting facts in order to influence the procurement process or the execution of a contract;
- e) engaging in a scheme or arrangement between two or more bidders, with or without the knowledge of the CSP, designed to establish bid prices at artificial, non-competitive levels; or
- f) participating in any other practice that is or could be construed as an illegal or corrupt practice under domestic law.

26.3 If the CSO has knowledge or becomes aware of any of the practices outlined in paragraph 2 of this Article 26 undertaken by anyone affiliated with the CSO, the CSO shall immediately disclose the existence of such practices to UNDP.

26.4 The CSO acknowledges and agrees that each of the provisions in Articles 21 to 26 hereof constitutes an essential term of the Agreement and that any breach of any of these provisions shall entitle UNDP to terminate the Agreement or any other contract with UNDP immediately upon notice to the CSO, without any liability for termination charges or any other liability of any

kind. In addition, nothing herein shall limit the right of UNDP to refer any alleged breach of the said essential terms to the relevant national authorities for appropriate legal action.

27.0 Dispute Settlement

27.1 The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of this Agreement, or the breach, termination or invalidity thereof. Where the Parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the Conciliation Rules then obtaining of the United Nations Commission on International Trade Law ("UNCITRAL"), or according to such other procedure as may be agreed between the Parties in writing.

27.2 If such dispute, controversy or claim between the Parties is not settled amicably under the preceding paragraph within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, it shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The decisions of the arbitral tribunal shall be based on general principles of international commercial law. The arbitral tribunal shall be empowered to order the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided under the Contract, order the termination of the Contract, or order that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided under the Contract, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 ("Interim measures") and Article 34 ("Form and effect of the award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the Contract, the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy, or claim.

28.0 Termination of this Agreement

28.1 The Parties recognize that successful implementation and completion of the Activities and achievement of the Deliverables are of paramount importance, and that UNDP may find it necessary to terminate or to modify the Activities, should circumstances arise that jeopardize successful completion of the Project. The provisions of the present Article shall apply to any such situation.

28.2 UNDP shall consult with the CSO if any circumstances arise that, in the judgment of UNDP, interfere or threaten to interfere with the successful implementation or completion of the Activities, or achievement of the Deliverables. For its part, the CSO shall promptly inform UNDP of any such circumstances that might come to its attention. The Parties shall cooperate towards the rectification or elimination of the circumstances in question and shall exert all reasonable efforts to that end, including prompt corrective steps by the CSO, where such circumstances are attributable to it or within its responsibility or control. The Parties shall also cooperate in assessing the consequences of possible termination of this Agreement on the beneficiaries of the Project.

28.3 UNDP may, at any time after occurrence of the circumstances in question, and after appropriate consultations with the CSO, suspend or terminate this Agreement by written notice to the CSO, without prejudice to the initiation or continuation of any of the measures envisaged in the preceding paragraph.

28.4 Upon receipt of a notice of termination by UNDP under the present Article, the CSO shall take immediate steps to terminate the Activities under this Agreement, in a prompt and orderly manner, so as to minimize losses and further expenditures. The CSO shall undertake no forward commitments and shall return to UNDP, within thirty (30) days, all unspent funds made available to it by UNDP under Article 2.0, and the Equipment financed by UNDP or furnished to it by UNDP pursuant to Article 8.0.

28.5 In the event of termination by UNDP under this Article 28.0, UNDP shall only reimburse the CSO the costs incurred in connection with the Activities carried out in accordance with the terms and conditions of this Agreement. Such reimbursement, when added to the amounts previously made available to the CSO by UNDP in accordance with Article 2.0 above, shall not exceed the maximum amount of funds referred to in paragraph 2.1 of that Article. 28.6 Following the termination, in the event UNDP decides to transfer the responsibilities of the CSO for the Activities to another entity, the CSO shall cooperate with UNDP and the other entity to ensure the orderly transfer of such responsibilities.

28.7 Notwithstanding anything in this Agreement to the contrary, UNDP may terminate this Agreement at any time without having to provide any justification therefor upon sixty (60) days' advance written notice to the CSO.

29.0 Notices

29.1 Any notice, request, document, report, or other communication submitted by either the CSO or UNDP shall be in writing and sent to the other party at the address information set forth in block 7 or block 8 of the Face Sheet, as appropriate.

30.0 Survival

30.1 The provisions of Article 3.0 (Refund), Article 4.0 (The CSO Personnel), Article 7.0 (Procurement), Article 8.0 (Equipment), Article 9.0 (Copyrights, Patents, and Other Proprietary Rights), Article 10.0 (Reporting), Article 11.0 (Maintenance of Records), Article 12.0 (Confidentiality), Article 14.0 (Indemnity), Article 17.0 (Audit and Investigations), Article 20.0 (Privileges and Immunities), and Article 27.0 (Dispute Settlement) shall survive and remain in full force and effect regardless of the expiry of the Project term or the termination of this Agreement.

31.0 Other CSO Representations and Warranties

31.1 The CSO represents and warrants that: (a) it is a legal entity validly existing under the laws of the jurisdiction in which it was formed and it has all the necessary powers, authority and legal capacity to: (i) own its assets, (ii) conduct Project activities, and (iii) enter into this Agreement; and (b) this Agreement has been duly executed and delivered by the CSO and is enforceable against it in accordance with its terms.

32. Entry into Force, Duration, Extension and Modification of this Agreement

32.1 This Agreement shall enter into force on the date of its signature by both the CSO and UNDP, acting through their duly Authorized Representatives identified in blocks 9 and 10 of the Face Sheet, and terminate on the Implementation Period end date indicated in block 4 of the Face Sheet.

32.2 Should it become evident to the CSO during the implementation of the Activities that an extension beyond the Implementation Period end date set forth in block 4 of the Face Sheet will be

necessary to achieve the Deliverables, the CSO shall, without delay, inform UNDP and give full particulars. UNDP shall take such action as, in its sole discretion, it considers appropriate or necessary under the circumstances, including the granting to the CSO of a reasonable extension of time in which to perform its obligations under this Agreement.

32.3 This Agreement, including its Annexes, may be modified or amended only by written agreement between the Parties.

32.4 Failure by either Party to exercise any rights available to it, whether under this Agreement or otherwise, shall not be deemed for any purposes to constitute a waiver by the other Party of any such right or any remedy associated therewith, and shall not relieve the Parties of any of their obligations under the Agreement.

ANNEX V:

On-Granting Provisions Applicable to the Responsible Party

Whereas [insert name] has been selected by UNDP to undertake grant-making activities under the Agreement in accordance with the Project Document (Annex A), [insert name] (hereinafter referred to as the “Responsible Party” or “RP”) agrees to be bound by the following additional provisions:

1. Grant Award Process

1.1 The RP shall be fully accountable for the completion of all grant making activities in accordance with its financial regulations, rules and policies, to the extent that they are consistent with UNDP’s grant policies and Financial Regulations and Rules. If they are not consistent, UNDP’s grant policies and Financial Regulations and Rules must be followed.

1.2 The RP shall conduct an assessment of the grant recipient proposal(s) against set selection criteria established in the Project Document or in the call for proposals, and shall submit eligible grant proposal(s) to the Project Board or designated grant selection committee for consideration and final selection and/or recommendation as agreed for each specific case.

1.3 The RP shall ensure that:

- a. the grant award process is organized in a fully transparent manner that guarantees impartiality and equal treatment to all applicants;
- b. all stages of the grant award process are formally documented through standardized checklists and forms;
- c. grants are awarded in accordance with formal rules of procedure, including adequate due diligence policies and processes;
- d. the evaluation process is based solely on the established criteria for eligibility, selection and exclusion as indicated in the call for proposals;
- e. the grant recipient is duly organized and in good standing in its state/country of organization, and the activities to be carried out with the grant award are eligible;

- f. all applicants are notified in writing of the grant award outcome;
- g. the grant award decision is made public within a reasonable timeframe following its issuance;
- h. grant funds are channeled transparently and effectively to grant recipients;
- i. no grant is awarded retroactively for activities already started or completed at the time of the application; and
- j. procedures are in place (and set forth in any agreements the RP enters into with the grant recipients pursuant to this Agreement) to:
 - i. recover grant funds unduly paid, and/or to prevent and address irregularities and fraud by the grant recipient; and
 - ii. suspend, reduce or terminate the grant if the grant recipient fails to comply with its obligations.

2. Managing and Monitoring Performance of Grant Recipient(s)

- 2.1 The RP shall supervise and monitor the grant recipient's activities and its achievement of specified results pursuant to the grant proposal selected by the Project Board or designated grant selection committee, including the schedules set forth therein.
- 2.2 The RP shall measure the grant recipient's performance based on results achieved against agreed performance targets in the grant agreement, with the agreed grant proposal attached. Performance shall be monitored and assessed through the progress narrative and financial reports specified in Section 3 below.
- 2.3 The RP shall ensure that each deliverable that a grant recipient is responsible for achieving has an effective performance target against which the grant recipient must report periodically and which the RP will monitor through regular reporting, at least on an annual basis.
- 2.4 UNDP may, during the term of the Agreement, undertake various independent assurance measures (such as spot checks or audits) regarding the RP's activities that are the subject of this Agreement, including monitoring and oversight, as well as independent assurance measures of the RP (where applicable) and grant recipients' programmatic and financial activities.

3. Reporting and Audit

- 3.1 The RP shall have in place its own systems to assess and monitor the grant recipient's activities and use of grant funds, including reporting and audit requirements.

- 3.2 The RP shall ensure the timeliness and accuracy of the grant recipient's reporting in relation to the grant and shall be responsible for the management of the grant recipient's audits. The RP shall determine the frequency of audits of grant recipient(s), evaluate audit quality, and monitor audit findings and any corrective measures to ensure resolution. Notwithstanding the above, UNDP shall have the right to audit or review the RP's and the grant recipient's related books and records as it may require.
- 3.3 The RP shall consolidate the reporting from grant recipient(s) and shall provide progress reports ("Performance Reports") including financial and narrative information, to UNDP at least 30 days before the expected release of the next tranche or at least annually within 30 days after the end of each year until the activities have been completed. The Performance Reports should include a dated certification by the RP's representative with institutional responsibility for financial reporting.
- 3.4 The RP shall ensure that the grant recipient(s) are audited in accordance with the terms of the relevant agreements. Upon request, the RP shall furnish or cause to be furnished to UNDP a copy of audit reports of the grant recipient(s).

4. Responsibility of the RP

- 4.1 The RP shall be solely liable for claims by third parties arising from the grant recipient's acts and/or omissions in the course of performing activities under the agreement entered into with the RP pursuant to this Agreement. UNDP shall assume no responsibility for the actions of grant recipients and shall in no way be held liable for third party claims arising therefrom.
- 4.2 The RP shall ensure that the grant agreement it enters into with grant recipient(s) under this Agreement shall be subject to, and construed in a manner that is fully in accordance with, all of the provisions of this Agreement.
- 4.3 Funding provided by the RP to any individual grant recipient shall not exceed \$60,000 per individual grant and \$120,000 on a cumulative basis within the same programme period.
- 4.4 Upon request, the RP shall furnish or cause to be furnished to UNDP a copy of audit reports of the RP.
- 4.5 Any attempted or purported assignment, delegation or other transfer of obligations of the RP set forth in the above on-granting provisions shall be void and have no effect, except with the prior written consent of UNDP.

