



Terms of Reference

Engaging an NGO/CSO as Responsible Party for managing small grants programme to support participatory budgeting mechanism setting up in the 8 target communities of Donetsk and Luhansk oblasts (government-controlled areas - GCAs)

Project name: UN Recovery and Peacebuilding Programme, Community Security and Social Cohesion Component

Country/place of implementation: Ukraine / Donetsk and Luhansk (government-controlled areas - GCAs) oblasts

Type of Contract: Responsible Party Agreement

I. BACKGROUND

The United Nations Development Programme (UNDP) has been active and present in eastern Ukraine for the past decade, prior to the conflict, with a focus on community development, civil society development, and environmental protection. Work on addressing the specific conflict-related development challenges built on this earlier engagement, established partnerships, and started in 2015 through the United Nations Recovery and Peacebuilding Programme (UN RPP). The UN RPP is a multi-donor funded framework programme formulated and led by the UNDP in collaboration with the Government of Ukraine and in cooperation with a number of partnering UN agencies (UN Women, FAO, UNFPA). The RPP was designed to respond to, and mitigate, the causes and effects of the conflict in the east of Ukraine. It is an integral component of the UNDP Country Programme and is therefore fully aligned with the United Nations Partnership Framework (UNPF).

In October 2018, four UN agencies (UNDP, UN Women, FAO and the UNFPA) have countersigned a new joint project document, funded by the EU. The overall objective of the project is to restore effective governance, support economic recovery and promote reconciliation in the crisis-affected communities of Donetsk, Luhansk and Zaporizhzhya oblasts in Ukraine, thereby enhancing the credibility and legitimacy of local governments in the government-controlled areas of the regions. It will contribute to peacebuilding and prevent further escalation of the conflict in Ukraine through effective and accountable decentralization, gender-responsive recovery planning and equal access to services, as well as enhanced economic recovery and development.

Component III of the UN RPP “Community Security and Social Cohesion” aims to reach some of its goals through small grants fund establishment. This includes implementation support of the projects strengthening community security and social cohesion through testing innovative legal aid, access to justice, conflict resolution and peacebuilding mechanisms at the local level.

The UN RPP recognizes the importance of increasing the capacities of citizens' groups, CSOs and Community Security Working Groups (CSWG) and engaging active citizens to effectively initiate, plan and implement Human Rights-Based community development and community security strategies and projects.

In this respect participatory budgeting (PB) is a decision-making process through which citizens deliberate and negotiate over the distribution of public resources. PB involves citizens, councillors and local authorities working together for the sake of the community. Therefore, it creates opportunities for greater efficiency in the allocation of public funds and increased community cohesion.

Despite participatory budgeting as citizens' engagement mechanism becomes an often-used practice all over Ukraine, still local communities require professional support in setting it up for the successful implementation. As a result of community mobilization activities in 2019, local authorities in 8 target communities in Donetsk and Luhansk oblasts made the decision to pilot participatory budgeting mechanism (PBM) and officially requested for the support in setting it up in 2020.

The UN RPP is seeking for an NGO/CSO as responsible party that will manage the Small Grants Programme to build capacities of the selected grantees (both NGOs and initiative groups) and provide administration, support and monitor grants implementation.

The funding for this Small Grants Programme will be provided with support from the European Union (grant support) and governments of Denmark, Sweden and Switzerland (costs for administration and capacity building). The Responsible Party will administer Small Grants Programme (SGP) in the target hromadas, provide support and ensure implementation process for provision of small grants to local NGO-grantees and initiative groups selected on a competitive basis in 8 target hromadas of Donetsk and Luhansk (government-controlled areas - GCAs) oblasts, which are piloting participatory budgeting mechanisms with the UN RPP support.

II. MAIN OBJECTIVES OF THE ASSIGNMENT

The overall objective of this assignment is to manage the process of allocation of small grants to NGOs/CSOs and initiatives groups (with organizational support of partner NGOs/CSOs where necessary) and to ensure its effective implementation in 8 target communities of Donetsk and Luhansk (government-controlled areas - GCAs) oblasts, which are piloting participatory budgeting mechanisms with the UN RPP, namely:

Donetsk oblast: Soledar ATH, Siversk ATH, Volnovaha, Berdianske;

Luhansk oblast: Troitsk ATH, Pryvillia ATH, Stanytsia Luhanska, Nyzhnia Duvanka ATH.

Specifically, the Responsible Party shall implement the following:

- Develop and agree with UNDP the detailed plan and schedule for implementation of the objectives, allocate small grants to NGOs/CSOs and initiative groups (with organizational support of partner NGOs/CSOs where necessary) selected by communities on a participatory basis, develop monitoring and evaluation methodology for effective implementation of the supported projects;
- Develop the clear mechanism of allocation grants to initiative groups through partner NGOs/CSOs where necessary;

- Build capacities of the NGOs, CSOs and initiative groups selected by communities on a participatory competitive basis to effectively plan, implement and report on their projects supported.
- Sign grant agreements with beneficiaries and provide funding/grant (template of grant agreement should be agreed with UNDP);
- Monitor implementation of 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 activities with other UNDP activities on participatory budgeting mechanism setting up in 8 target communities of Donetsk and Luhansk oblasts.

III. SCOPE OF WORK AND EXPECTED OUTPUTS

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

SMALL GRANTS PROGRAMME IMPLEMENTATION

1. Initial stage. Development of an action plan to implement the small grants programme and its implementation schedule.

Output:

- A detailed action plan and a weekly schedule of activities for implementation of the small grants programme have been developed and approved by UNDP;
- The schedule and 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 clear mechanism of allocation grants to initiative groups through partner NGOs/CSOs where necessary is developed together with all the templates of supporting documents (incl. approving narrative and financial reporting provided by the beneficiaries);
- training programme for the selected on participatory basis grantees to effectively implement and report on the projects selected has been developed and approved by UNDP. The programme should include (but not be limited to) topics on project management, and both narrative and financial reporting;
- clear system of ad hoc support to grantees within the process of projects implementation (both online and offline format) is developed and approved by UNDP;
- the monitoring and evaluation methodology for the effective implementation of the supported projects has been developed and approved by UNDP;
- 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 10 calendar days after the Agreement starting date.

2. Building capacities of the NGOs, CSOs and initiative groups selected by communities on a participatory competitive basis to effectively plan, implement and report on their projects supported.

- based on the Minutes of the grants' selection committees in each of target communities, the list of grantees selected is formed and provided to the Responsible Party. UNDP is also responsible for the provision of the Responsible Party with the certified copies of the grants' selection committees' minutes (including documented results of community members voting);
- the training programme to build capacities of the selected NGOs/CSOs and initiative groups to effectively plan, implement and report on their projects supported have been adjusted according to the needs and capacities assessed (the programme has been approved by UNDP);
- the trainings on building capacities of the selected NGOs/CSOs and initiative groups to effectively plan, implement and report on their projects (at least one training for 2 groups of 30 participants each – 2 trainings for 60 participants in total - on project management at the beginning of the assignment; and at least one training for 2 groups of 30 participants each – 2 trainings for 60 participants in total – on reporting, including financial aspects at the stage of reporting on the projects implemented) have been delivered and reported to UNDP. The RP selected will cover all costs related to these trainings – logistics, hotel, meals for participants and trainers, trainers' fee, materials print, rent of conference room, etc.. The venue for these trainings conduction should be suggested by the RP selected and should be either Donetsk or Luhansk oblast location (possibly, Sviatohirsk for Donetsk oblast and Sievierodonetsk for Luhansk oblast or other option suggested by the applicant).

Expected execution timeframe – 35 calendar days after the Agreement starting date for the trainings on project management and 100 calendar days after the Agreement starting date for the trainings on reporting.

3. 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 grant should be disbursed in two tranches – first tranche upon signing the grant agreement, second tranche - upon approval of the grantee's interim financial and narrative reports. The preliminary schedule of transferring grants pool from UNDP to the Responsible Party shall be agreed upon signing of the Responsible Party Agreement. The amount of grants pool transferred from UNDP to the Responsible Party accounts shall correspond to the total value of the grant agreements signed by the Responsible Party.

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 – 40 calendar days after the Agreement starting date.

4. Providing technical and operational administration of the small grants programme. Monitoring of the projects' implementation.

Output:

- The grantees' reports have been received, verified and approved by the Responsible Party according to the schedule;
- Advice on operational reporting is promptly provided through various channels (email, telephone hotline);
- Implementation of 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 – during the whole period of assignment after the agreements are signed.

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 area;
- 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 Contract.

Expected execution timeframe – within the full duration of the Agreement

- Providing ad hoc support to grantees (both online and offline formats) within the process of their projects' implementation;
- Coordination of activities with other UNDP partners and contractors to achieve effective cooperation whenever possible;

- Ensuring visibility and information reference to UNDP and the governments supporting the programme on all products created under the contract implementation. Ensuring visibility of UNDP and Governments of the countries that finance the Small grants programme by placing visual materials on equipment purchased by the grantees;

GENERAL TERMS FOR THE SMALL GRANTS PROGRAMME

It is assumed that small grants funded under the SGP should be focused on addressing the issues of community security, access to justice, social cohesion, community policing, advocacy and gender equality on the following areas:

- Grant support (on community development and security initiatives, social cohesion, social integration, conflict prevention and peacebuilding, gender equality and GBV) with particular focus on joint initiatives of local authorities and vulnerable groups such as: persons with disabilities (PWDs), women and girls facing multiple forms of discrimination, such as displaced women, women with disabilities, youth, older people, IDPs, ex-combatants) to be guided by local working groups at hromada level;

Projects within the small grants programme may be dealing with the following types of expenses to cover (the list is non-exhaustive and shall be agreed with the UNDP representatives upon its launch):

- the work of the staff of the organization and the experts involved;
- goods and services necessary for the implementation of project activities;
- communication and information services;
- consulting services necessary to achieve the project objectives;
- lease of premises (for training, group work, etc.), maintenance of events, and other services provided by project activity;
- printing and copying services;
- supplies and stationery;
- transportation and other costs associated with project activities.

IV. BUDGET SIZE AND DURATION

The estimated total funds allocated for the provision of the small grants to support participatory budgeting mechanism setting up in 8 target communities of Donetsk and Luhansk oblasts (government-controlled areas - GCAs) amounts to 55,000 US dollars funded by the European Union.

The amounts of grants will depend on the value of financial proposals. As agreed with partner communities' local authorities and approved by the mutual letters of support the participatory budget launched is co-financed from the local budgets with the share of no less than 50%. The Responsible Party will need to collect the information on the exact amount of co-funding provided by each target community and report these amounts in its final report upon project completion.

The total number of grant recipients will be determined based on the Minutes of the Selection committees (including the voting results of the community members) for 8 target locations. It is expected to support up to 40 projects in total during the period of Agreement.

The costs for administration and capacity building will be funded by the government of Denmark, Sweden and Switzerland. Costs for administration of grants of selected NGOs/CSOs and initiative groups related to the implementation of the small grants programme under this TOR must not exceed the total allocated amount of 8,250 USD, while costs for capacity building of selected NGOs/CSOs must not exceed the total allocated amount of – 16,750 USD. 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 till November 30, 2020. The anticipated implementation period is July 2020 – November 2020. The organizations are requested to submit a clear dynamic plan for each deliverable within the foreseen timeframe.

V. MONITORING/REPORTING REQUIREMENTS

The Responsible Party shall submit the following reports according to UNDP's format and guidelines. The format of reports shall be agreed at the first stage of the contract implementation programme, but UNDP reserves the right to make further changes and clarifications in the report form.

Types of reports:

- 1) Interim reports, including reports on the work accomplished, results, monitoring, and financial indicators;
- 2) Weekly operational email reports on current results, implementation and issues of the small grants programme;
- 3) Brief reports periodically submitted upon request of UNDP in cases where it is required to get information on the progress of the programme in between reporting periods;
- 4) Financial statements, that act as the basis for future transfers of the grant pool funds to the Responsible Party;
- 5) Completion report at the end of the project implementation including a summary of activities and results, lessons learned and conclusions, end-of-project financial report– till 30 November 2020;
- 6) Final narrative report including a summary of activities and results, lessons learned and conclusions, as well as the final financial report reflecting the whole period for each Call for Proposals and report on co-funding on level of each target hromada in which participatory budgeting mechanism setting up was piloted. Data should be disaggregated by hromada, thematic area, final beneficiaries' gender and age groups and other categories as required by UNDP;

Payments to cover Capacity Building and Administrative (management and operational) costs shall be made in several installments as per the schedule agreed with UNDP upon the Agreement signing.

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

The Interim reports, completion reports, and the final report 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 Ukraine for at least 2 years;
- Experience in the management of grant programmes (at least two grant programmes with a total number of recipients over 20);
- Experience in the management of participatory budget mechanism setting up in local communities (at least one project and experience of work with initiative groups)
- 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 40,000.00;
- Legal status of the organization should enable it to receive grants pool from UNDP without the Responsible Party's incurring in tax liabilities;

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

Team Leader/Manager:

- Master's (or equivalent) degree in Economy, Public Administration, Law, Management or related field;
- Minimum 3 years of professional experience in project management,
- Minimum 2 years of experience in implementing projects/programmes/provision of grants to NGOs/CSOs and initiative groups through partnership with NGOs;

- Experience of work in the field of participatory budgeting mechanisms will be considered as advantage;
- Excellent knowledge of Ukrainian and Russian. Working knowledge of English would be considered as an asset.

Grants Administrator:

- Bachelor's (or higher) degree in economics, law, management, public administration or related field;
- Minimum 2 years of experience in management/implementation of small grants;
- Experience in the evaluation of local initiative projects as part of the grant programmes (participation in at least two programmes) (references should be provided);
- Fluency in Ukrainian and Russian is required.

M&E and Communications Associate (two separate positions with partial employment will be also considered):

- Bachelor's (or higher) degree in economics, law, management, public administration or related field;
- Minimum 1 year of experience in development of M&E frameworks for projects;
- Minimum 1 year of experience of communication about the project / programme (preparation of press releases, communication in the media);
- Experience with international donors programmes will be considered an advantage;
- Fluency in Ukrainian and Russian is required.

Expert on Project Management (Trainer)

- Specialist's (or higher) degree in managements, psychology, sociology, social work, public administration or related field
- Minimum 3 years of experience in project management in non-governmental sector;
- Minimum 3 years of the trainings' programmes development and implementation (at least 5 trainings on grant writing and/or project management delivered);
- Fluency in Ukrainian and Russian is required;
- Experience of work in the field of participatory budgeting mechanisms will be considered as advantage;

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;
- Minimum 1 year of experience in providing financial / accounting to international technical assistance organizations or other donors/customers;
- Excellent knowledge of Ukrainian and Russian.

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 grants programme, which should include the following:
 - Communication strategy and plan for dissemination of information about the contest, placement of information via online resources and social networks;
 - 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 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;
 - Copy of the Statute/Charter of applicant.
 - Copy of a certificate/excerpt from the Unified State Registry of Legal Entities and Private Entrepreneurs.
 - Copy of a certificate proving that the organisation is non-profit (if available).
 - Personal CVs of Project Team, including information about experience in similar projects / assignments;
 - Quality assurance plan;
 - At least 2 reference letters 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 fixed total contract price, supported by a breakdown of costs for each activity.

Budget allocation would include, for example, but to be limited to: Remuneration of Staff / Experts; all materials and tools required for activities completion; all logistical fees; transportation; management fees; rental; communication; 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 Capacity Building and Administrative (management and operational) costs will be performed on a bimonthly basis and will be linked to deliverables and executed upon submission and acceptance of the Final Report (including Final Financial Report and final list of beneficiaries).

Upon completion of all the deliverables and acceptance of the Final Report the Responsible Party receives the payment envisaged in the proposal but not exceeding the maximum allocation provided by the donor (EU, Governments of Denmark, Sweden and Switzerland).

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Evaluation criteria

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

1. Officially registered organization (non-governmental, public, 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 20);
3. Experience in the management of participatory budget mechanism setting up in local communities (at least one project)
4. Experience in project implementation or execution of contracts for provision of professional services in the area of grant programmes management with a total budget of projects / contracts from USD 40,000.00;

Technical criteria:

Summary of Technical Proposal Evaluation Form	Score Weight	Max Points obtainable
Expertise of Firm/Organization	36%	360
Proposed Methodology, Approach and Implementation Plan	36%	360
Personnel	28%	280
Total	100%	1000

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		Maximum score	NGO/ CSO		
Form 1			A	B	C
Experience of the company / organization submitting the proposal					
1.1	Officially registered organization (non-governmental, public, charitable, non-profit) (minimum 2 years – 50 points, 3-4 years – 60 points, 5–6 years- 70 points, 8 years or more – 80 points).	80			
1.2	Experience in the management of grant programmes: <ul style="list-style-type: none">- number of successfully implemented programmes: 2 programmes – 300 points, 3 programmes – 40 points, 4 programmes and more – 50 points);- total number of recipients under the implemented programmes: 20-30 people/entities – 30 points, 31-40 people/entities – 40 points, 41people/entities or more – 50 points.	100			
1.3	Experience in the management of participatory budget mechanism setting up in local communities (minimum 1	80			

	project – 50 points, 2-3 projects – 65 points, 4 and more projects - 80 points).				
1.4	<p>Experience in project implementation or execution of contracts for provision of professional services in the area of grant programmes management with a total budget of projects / contracts:</p> <ul style="list-style-type: none"> - \$40,001.00–50,000.00 – 60 points; - \$50,001.00–70,000.00 – 70 points; - \$70,001.00–100,000.00 – 80 points; - \$100,001.00 or more – 100 points. 	100			
Overall score on Form 1		360			

Assessment of technical proposal		Maximum score	Company / Other organization		
Form 2			A	B	C
Proposed work plan, methodology and approach					
2.1	<p>How well elaborated is the communication strategy to promote the small grants programme implementation (including a system of feedback and communication with applicants and grantees)?</p> <ul style="list-style-type: none">- The proposed communication channels include at least three resources – up to 20 points;- Proposed system for response to inquiries from potential applicants oriented to provide prompt feedback and processing of all inquiries – up to 20 points.- The approach provides a telephone hotline and details its method, the schedule and features of its operation – up to 20 points;	60			
2.2	<p>How well developed is a proposed approach to the process of capacity building (trainings and ad hoc support) of the selected grantees to effectively plan, implement and report on the projects.</p> <ul style="list-style-type: none">- It is proposed that training programme is developed based on the assessment of needs and capacities of selected grantees – up to 20 points;- The training programme includes the topics on project management, narrative and financial reporting – up to 20 points;- The clear system of ad hoc support to grantees (both online and offline format) is proposed – up to 20 points	60			

2.3	<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 can analyze progress of grants implementation based on clear evaluation method – up to 20 points; - The proposed monitoring and reporting mechanisms show sufficient capacity of the Responsible Party to provide counseling on reporting issues to grantees – up to 20 points. 	60			
2.4	<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 no or minimal tax liabilities for the recipients¹ – up to 20 points 	60			
2.5	<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 20 points; - The mechanism for withdrawal of funds is realistic, based on the legislation of Ukraine and contains references to specific laws, etc. – up to 20 points; - The proposed procedure includes mechanism of reallocation of withdrawn funds/assets to other applicants – up to 20 points. 	60			
2.6	<p>How well-elaborated is the proposed plan of work and suggested timeline?</p>	60			

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 – 20 points- Daily detailed elaboration of a work plan – 20 points;- The schedule is realistic and meets the assignment timeframe – 20 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 (3 years – 10 points, 4–5 years – 15 points, 6 years and more – 20 points).	20			
3.2	Experience in the implementation of projects / programmes / provision of grants to NGOs/CSOs (2 years – 10 points, 3–4 years – 15 points, 5 years and more – 20 points).	20			
3.3	Higher education in Economy, Public Administration, Law, Management or related field (Master's (or equivalent) – 5 points, PhD or higher – 10 points).	10			
3.4	Language command (Ukrainian, Russian) – 5 points, Ukrainian, Russian and English (working level) – 10 points).	10			
Interim score according to criteria 3.1–3.4		60			
	Grants Administrator				
3.5	Experience in management / implementation of small grants (2 years – 15 points, 3–4 years – 20 points, 5 years or more – 25 points).	25			
3.6	Experience in the evaluation of local initiative projects as a part of the grant programmes (1 programme – 7 points, 2 programmes – 12 points, 3 programmes and more – 15 points).	15			
3.7	Education in Economy, Law, Management, Public Administration or related field (Bachelor's degree or equivalent – 5 points, Master's or higher – 10 points).	10			
3.8	Language command (Ukrainian, Russian) – 5 points.	5			
Interim score according to criteria 3.5–3.8		55			
	M&E and Communications Associate				
3.9	Experience of development of M&E frameworks (1 year – 10 points, 2–3 years – 15 points, 4 years and more – 20 points).	20			
3.10	Experience of communication about the project / programme (2 years – 10 points, 3–4 years – 15 points, 5 years or more – 20 points).	20			

3.11	Higher education in economics, law, management, public administration or other related field (Bachelor's degree or equivalent – 5 points, Master's or higher – 10 points).	10			
3.12	Language command (Ukrainian, Russian) – 5 points	5			
	Interim score according to criteria 3.9–3.12	55			
	Expert on Project Management (Trainer)	55			
3.13	Experience in project management in non-governmental sector (3 years – 10 points, 4-5 years – 15 points, 6 years or more – 20 points)	20			
3.14	Experience in trainings' programmes on project management and/or grant-writing development and implementation (5 trainings – 10 points, 6-7 trainings – 15 points, 8 trainings or more – 20 points)	20			
3.15	Higher education in management, psychology, sociology, social work, public administration or related field (Specialist's or Master's degree – 5 points)	5			
3.16	Experience of work in the field of participatory budgeting mechanisms	5			
3.17	Language command (Ukrainian and Russian)	5			
	Interim score according to criteria 3.13–3.17	55			
	Finance Associate				
3.18	Experience in financial management in implementing projects / programmes / provision of grants or credit loans (2 years – 10 points, 3–4 years – 15 points, 5 years and more – 20 points).	20			
3.19	Experience in providing financial / accounting to international technical assistance organizations or other donors / customers (1 years – 10 points, 2–4 years – 15 points, 5 years or more – 20 points).	20			
3.20	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 or higher – 10 points).	10			
3.21	Language command (Ukrainian, Russian) – 5 points	5			
	Interim score according to criteria 3.18–3.21	55			
Overall score on Form 3		280			

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.

Cost breakdown for base case scenario (number of grants allocated and managed equals up to 40 grants).

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				55,000.00
2	Personnel				
	Team Leader/Manager		Month		
	Grants Administrator		Month		
	M&E and Communications Associate		Month		
	Expert on Project Management (Trainer)		Hours		
	Finance Associate		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 capacity building process				
	Development of the training programme		Item		
	Delivery of the training programme				
	Organization of ad-hoc support to grantees (on-line and/or offline format)				
	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 capacity building and administrative costs related to the implementation of the small grants programme must not exceed 25,000 USD (of them 8,250 USD are costs for administration and 16,750 USD - costs for capacity building of selected NGOs/CSOs).

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

Annex C – Financial Reporting format

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.

INSTRUCTION FOR FILLING FACE FORM

Funding Authorization and Certificate of Expenditures (FACE) form is designed to request Direct Cash Transfers (DCT) and reflect expenditures accumulated by quarter.

Requests for the Direct Cash Transfer (DCT) should be prepared in line with the project or annual work plan, and must be signed by the implementing partner. The Cash transferred to the project are under the total responsibility of the implementing partner and must only be used for the activities and inputs stated in the annual work plan, and following UNDP's policies and procedures as referred to in the project document. The implementing partner/project must have a good system of accounting recording and appropriate filing of financial documentation on the project (in order to maintain records of all payments made with advances and original expenditure backup documentation). All these requirements and information will be reviewed at the project site during the project audit.

In order to receive the funds transferred by UNDP, the implementing partner for the project may open a bank account to be used only for receiving UNDP cash transfers and to make payments of the project. The bank account should be opened under the name of the project. This bank account should not be used for purposes other than receiving UNDP advances and making payments with these advances. This account must not have access to any credit nor be used for investments. If the project needs advances to make payments in local currency and non-local currency, then two bank accounts should be opened, or one bank account with two separate controls of currency.

At the finalization of the project, it is the responsibility of the implementing partner to close this/these account(s) and reimburse any remaining balances to UNDP.

The implementing partner must maintain strict control of such bank accounts, making bank reconciliations at least quarterly (monthly is advisable), and must keep on file all documentation related to account transactions. Any interest earned on the project bank account from the advances must be included by the implementing partner in the Funding Authorization and Certificate of Expenditures (FACE) and credited to the project, recording it as miscellaneous income. Bank statements must be filed by the project and a copy should be submitted to the country office with the FACES.

Together with the signed FACE form, the project has to send a copy of the bank statement as up to the date of the end of the period reported, to enable the country office to compare bank balances with FACE balances (UNDP will not make reconciliation between bank statements and expenditures reported in the Financial Report or FACE. This is the responsibility of the implementing partner and correctness of this reconciliation will be determined by the audit exercise.). The following main instructions apply:

- The normal disbursement cycle for the FACE is quarterly. More frequent reporting is encouraged if agreed to by the UNDP country office and the implementing partner
- Advances shall only be made in non-local currency in those instances where all payments arising out of such will also be in the same non-local currency. If the project has received advances in more than one currency, a separate financial report or FACE must be submitted for each currency received;
- The approval of a request for cash transfer for a particular project is subject to the verification by the CO that at least 80% of the previous advance given and 100% of all earlier advances have been liquidated.
- The implementing partner must submit the corresponding FACES every time the project needs more funds **and** at the end of each quarter, within the period of up to **30 days** of the following quarter. The FACE must

include detailed information on payment instructions (bank account where advances should be deposited).

The FACE supports several important functions:

- Request for funding authorization: The section “Requests / Authorizations” will be used by the implementing partner to enter the amount of funds to be disbursed for use in the new reporting period. The country office can accept, reject or modify the amount approved;
- Reporting of expenditures: The section “Reporting” will be used by the implementing partner to report to the country office the expenditures incurred in the reporting period. The country office can accept, reject or request an amendment to the expenditures reported;
- Certification of expenditures: The section “Certification” will be used by the designated official from the implementing partner to certify the accuracy of the data and information provided.

In the process of certification, the designated official attests to one or both of the following statements:

- That the funding request shown represents estimated planned expenditures as per the Annual Work Plan (AWP)/Budget and that itemized cost estimates have been attached and/or;
- That the actual expenditures for the reported period have been disbursed in accordance with the annual work plan and previously approved itemized cost estimates. Further, the designated official attests that the supporting accounting documentation will be made available, upon request, for a period of five years.

FACE: Overall Approach and Guiding Principles

The FACE is intended to use by partners for requesting funds and reporting expenditure. Not all sections of the form will be used at all times. For instance, for an initial disbursement, only the request section of the form will be completed. For a final payment upon AWP completion, only the reporting section will be used. The following guiding principles apply:

- No FACE will be processed without the appropriate signature from the designated implementing partner official;
- The FACE is aligned with the annual work plan/budget. The activities for which funds authorization is requested, or for which expenditure is reported, will be the activities specified in the annual work plan;
- The FACE is normally certified by the designated official who signs the annual work plan. In all other circumstances, the annual work plan will specify any other official authorized to certify the FACE. For instance, the designated official signing the annual work plan may be from the central Ministry of Health while the actual expenditures may be incurred by a regional health office. In such cases, the annual work plan should specify whether the central authority will process and sign a consolidated FACE or whether individual FACE forms will be processed by other authorized officials from the subordinate offices and implementing partners. The respective reporting relationship must be specified in the annual work plan;
- A request for funding included in the FACE must be accompanied with an itemized cost estimate of the activities to be funded according to UNDP guidelines.

FACE: Header Area

The header area of the FACE allows the implementing partner to report on the reason and purpose of the funding/ reporting request. This data is usually needed for correct coding in financial and management accounting systems. The specific data elements include:

- Name of the agency (UNDP);
- Date of the request;
- Type of request (direct cash transfer, direct payment, reimbursement);
- Country where the program takes place;
- project title and code;
- Responsible officer(s);
- Implementing partner;
- Currency of the request and disbursement.

FACE: Body of the Form

Activity Description: activity ID and Budget Items description as it appears in the annual work plan/budget.

Coding Column: The second column is ATLAS chart of accounts: Account, Fund, Donor. This data is required for UNDP's financial accounting system.

Reporting Area

The FACE is a dynamic form that must balance and reconcile from one reporting period to the next. The first column, column A, on the form repeats the last one, column G, from the previously submitted and authorized FACE form. Note that columns C, D, F and G are shaded. They are blank when the FACE is submitted to the country office. They are filled out by the country office prior to the financial processing of the form. All non-shaded columns are to be completed by the implementing partner.

Column A – Authorized Amount: Column A will be blank for the first request from an implementing partner. It should include the date of the most recent previous authorization.

Column B – Actual Expenditure: Column B reports the actual expenditures by the implementing partner for the period. The expenditures reported by the implementing partner are, at this point, still subject to review and approval by the country office. The designated official of the implementing partner is certifying that these expenditures are reported in accordance with the provisions of the annual work plan, country programme action plan and/or other related agreements with UNDP.

Column C – Expenditures Accepted by Agency: Column C is used by the country office to review and approve, reject or amend to expenditures reported by the implementing partner. If the amounts are accepted as reported, no further adjustments to this part of the FACE or communication with the implementing partner about these expenditure is required. However, if changes are made (e.g., to query or reject a reported expenditure), then the amount recorded by the country office in column C will differ from that reported in column B. In this case, the change needs to be communicated with the implementing partner.

Column D – Balance: Column D records the balance of funds authorized for use in the reporting period that remained unspent as of the date of the form. The term 'unspent' can also reflect expenditures which are either known or ongoing as of the date of the FACE, but which cannot be certified by the implementing partner due to timing or internal reporting delays. The outstanding balance of funds authorized by activity can be carried forward, reprogrammed or refunded, depending on the particular circumstances of the signed agreement.

Requests and Authorizations Area

Column E – New Request Period and Amount: Column E determines the period of the new request, which is normally contiguous to the last reporting period. The column contains the requests for the authorization to spend

or receive funds, by activity and for that period. Each time a request for new or additional funds is submitted, it will be accompanied by an itemized list of expenditures in line with the annual work plan. This column can also reflect any balance for an activity in column D, which is requested for reprogramming. This will reduce the total amount of the new disbursement request accordingly.

Column F – Authorized Amount: Column F is used by the country office to establish the amount of new funds, by activity, to be disbursed for the new reporting period. This column is filled in by the country office. It can be used to accept, reject or modify the amounts requested in column E. Any credits for reprogramming will be reflected in this column for reconciliation of the amounts.

Column G – Outstanding Authorized Amount: Column G is the sum of columns D and F, and indicates the total outstanding authorized amount. For subsequent period reporting, the amount of this column will be carried forward to the column A of the new FACE form

Certification Area

The Certification Area is used by the designated official of the implementing partner to request funds and/or to certify expenditures. This area requires a date, the signature of the official and his/her title.

For Agency Use Only Area Approvals Box: The “For All Agencies” box in the lower left hand corner of the FACE form should be signed by the appropriate UNDP official. This indicates the review and approval of the request for funds and authorizes the recording of the reported expenditures. The official should sign, date and provide his/her title.

Bank accounts

In order to receive the funds advanced by UNDP, the IP/project may open a bank account to be used only for receiving UNDP advances and to make payments of the project. If local conditions permit, the bank account should be opened under the name of the project. Opening a separate bank account for the project will usually lower risk but may also place an additional administrative burden on the IP.

Alternatively, the IP may use an existing bank account under the IP’s name, but this option may only be used with the agreement of UNDP’s Project Manager. In making this decision, the Project Manager will consider the inherent risk involved, using the assurance mechanisms described in [HACT](#).