



Terms of Reference

Engaging an NGO/CSO as Responsible Party to provide technical support for the implementation of the small grants programme, focused on the support to local development in the selected communities of Donetsk and Luhansk oblasts

Project name: UN Recovery and Peacebuilding Programme, Local Governance and Decentralisation Reform Component

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

Type of Contract: Responsible Party Agreement

I. BACKGROUND

The United Nations Development Programme (UNDP) has been actively working in eastern Ukraine for the past decade, before the conflict, focusing on community and civil society development, and environmental protection. Since 2015, upon request from the Government of Ukraine, UNDP started its work on addressing conflict-related challenges by early engagement, establishing partnerships through the **United Nations Recovery and Peacebuilding Programme (UN RPP)**. The UN RPP is a multi-donor funded framework programme, jointly implemented by four UN partnering agencies: UNDP, UN Women, FAO, and UNFPA in cooperation with the government of Ukraine.

The UN RPP was designed to **respond to and mitigate the causes and effects of the conflict**. The UN RPP is an integral component of the UNDP Country Programme. It is fully aligned with the United Nations Partnership Framework (UNPF), closely interlinked with the Democratic Governance and Reform Programme, operating national wide and in all of Ukraine's regions.

The Programme's interventions are grouped under the following key Programme components, which reflect the region's priority needs:

Component 1: Economic Recovery and Restoration of Critical Infrastructure

Component 2: Local Governance and Decentralisation Reform

Component 3: Community Security and Social Cohesion.

The Programme is pooling funds employing a multi-sectoral program-based approach and is implementing using an area-based methodology and unifying interventions framework for 12 projects funded by 12 international partners.

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

This endeavor will be achieved through the pursuit of the following specific **objectives**

1. To enhance local capacity for gender-responsive decentralisation and administrative reforms to improve governance, local development and the delivery of services.
2. To stimulate employment and economic growth by assisting in Micro-, Small- and Medium Enterprise (MSME) development through demand-driven business development services and professional skills training.

3. To enhance social cohesion and reconciliation through the promotion of civic initiatives.
4. To support sector reforms and structural adjustments in health, education and critical public infrastructure to mitigate the direct impacts of the conflict.

To achieve these objectives, it is planned to provide support to local NGOs through the Small Grants Programme (hereafter – “SGP”). The main areas of this Programme are: **(AREA I)** supporting the establishment and implementation of the mechanisms for inter-municipal cooperation, **(AREA II)**, supporting of the creation of Good Governance platforms, **(AREA III)** providing consultancy services to the citizens of the communities, **(Area IV)** supporting and implementation of the initiatives focused on monitoring and protection of the environment. For this purpose, UNDP is seeking an NGO/CSO as responsible party that will be competitively selected to provide technical support for the implementation of the above described SGP, in the selected villages/settlements/communities, organize training to explain requirements and ensure a due implementation process for the provision of small grants to local NGOs-grantees.

II. MAIN OBJECTIVES OF THE ASSIGNMENT

The main objective of this assignment is to establish a mechanism and manage the process of allocation of small grants to local NGOs of two target oblasts – Donetsk and Luhansk. The SGP should be implemented in two target oblasts, namely the government-controlled territories of Donetsk and Luhansk oblasts.

Specifically, the Responsible Party shall implement the following measures:

- Develop and agree with UNDP (a) the detailed plan and schedule for implementation of the objectives, (b) methodology for the evaluation of applications, (c) methodology of monitoring and evaluation of the effective implementation of local initiatives, (d) the selection criteria of the applications;
- Develop for each direction of SGP (a) advertisements, (b) Call for Proposals, (c) application form and (d) full document package for application;
- Announce and manage a call for proposals under each SGP topic;
- Assist, in case potential applicants experience problems with applying via online module (weak internet connection, limited access to the internet, etc.);
- Arrange review and evaluation of applications by Grant Selection Committee;
- Prepare Low-value grant agreements (hereafter – LVGA) with beneficiaries and provide them to UNDP for signing and further financing. The template of the LVGA with annexes will be provided by UNDP. The Responsible Party should provide clarifications to grantees on filling all LVGA annexes and revise them before submitting them to UNDP;
- Monitor implementation of small grants projects by grantees;
- Ensure broad dissemination of information about small grants programme among key stakeholders and the public;
- Coordinate the activities with the UNDP offices in Donetsk and Luhansk oblasts.

III. SCOPE OF WORK AND EXPECTED OUTPUTS

During this assignment, the Responsible Party should perform the following tasks in agreement with UNDP.

GENERAL TERMS FOR THE SMALL GRANTS PROGRAMME

Initiatives funded under the SGP shall be focused on supporting NGO action on the following AREAs:

- establishing and implementation of the mechanisms for inter-municipal cooperation;
- creation of Good Governance platforms to encourage local citizens’ participation and promote openness and accountability of local authorities;
- provision of consulting services to the citizens of the communities and IDPs;
- implementation of the initiatives focused on monitoring and protection of the environment.

Small grants should

- (1) be implemented in target communities of two oblasts that will be identified by UNDP (list of communities will consist of 41 territories in the raions of Donetsk oblast (Bahmut, Volnovakha, Kramatorsk, Mariupol, Pokrovsk) and Luhansk oblast (Svatove, Sievierodonetsk, Starobilsk, Shchastia);
- (2) be provided to local NGOs that are registered on the territory of Donetsk and Luhansk oblasts;
- (3) be provided to local NGOs that must be selected through a competitive procedure.

Local small grant initiatives under SGP are aimed at supporting the results of the decentralisation reform and strengthening local capacity through the implementation of SGP in the areas mentioned above.

THE SMALL GRANTS PROGRAMME OBJECTIVES:

AREA I. Small grants will be offered to establish cooperation between communities to ensure the socio-economic and cultural development of the territories, as well as to improve the quality of services to the population-based on common interests and goals. In this area grants projects must be implemented for several communities (two or more).

Small grants within this area could be focused on the following directions: (i) municipal utilities (support for the creation of a unified system of electronic accounting and analysis of energy consumption in the communal property; support for the creation of municipal utilities; introduction of new communal services; creation of service cooperatives, etc.); (ii) social security (support for the establishment of public utilities to provide social services in several communities; launch of new social services; development of the social security facilities and services; ensuring free access of people with disabilities to social infrastructure, etc.), (iii) education (inter-municipal programs "Adult Education"; formation of knowledge networks through the creation of public-spaces, teams of tutors and experts; development of preschool and school education institutions; creation of institutions for professional advancement of teachers, etc.); (iv) environment (prevention and elimination of environmental pollution; protection of natural resources; work with homeless animals, etc.); (v) implementation of measures aimed at energy saving; (vi) telecommunications, communications and information technologies (automation of systems for providing services to inhabitants of several communities; interactive maps; mobile applications for local infrastructure, etc.); (vii) tourism (implementation of activities to attract tourists to communities; projects in the area of local tourism); (viii) health care (support for attracting investors to the communities to provide quality health care in primary care and to develop medical infrastructure; improvement of medical services and ensuring free access to them; organisation of measures for early diagnosis and prevention of diseases, etc.); (ix) culture (support for the establishment of centres for the provision of cultural services to the population; ensuring inclusiveness and accessibility to cultural institutions that provide services to several communities), (x) accountability and transparency of the local authorities and other projects that support and promote principles of inter-municipal cooperation.

AREA II. Small grants can support community networks for increased citizen participation, namely broader and faster access to public information and decision making, or improved operations of local governments by developing governments' cooperation with the community groups/watchdog/public councils and advocacy groups. Under this Area, SGP will contribute to enhancing the quality of services, transparency of local financial administration procedures, and sustainable development of target hromadas.

Also, small grants within this area should be focused on: (i) implementation of systematic innovative communication mechanisms for clear and transparent reporting to the community on activities, costs and results obtained; (ii) establishing effective relations between government and civil society through the informative awareness activities; (iii) increasing the level of responsibility of authorities and service providers to the community; (iv) improving access to information for community residents; (v) establishing dialogue and partnerships with the community, service providers and the private sector; (vi) implementation of public monitoring systems in local self-government bodies; (vii) implementation of innovative e-government tools for the use of data analysis, local governments reporting; (viii) implementation of the public oversight on the prevention of public procurement violations (using the ProZorro system and the DoZorro online public oversight platform); (ix) carrying out monitoring and timely warning of local self-government bodies on activation of changes in the results of tenders; (x) increasing the level of responsibility of the authorities to the community and establishing of effective "community – local authority" relationships; (xi) development of dialogue between the

authorities and the community through the use of public monitoring tools, (xii) creation of Good Governance Workshops in each oblast on the regional level (each one should provide its activities to all the raions of the respective oblast).

AREA III. Support and establishment of the institutions that will ensure providing of consultancy services in the Donetsk and Luhansk oblasts, on the territories under the control of the Government of Ukraine, especially on the territories where today military-civil administrations (MCAs) are created.

Under this area grant support will be focused on: (i) supporting the initiatives aimed at protecting human rights on the territories where MCAs created; (ii) support for the provision of local information and counseling in emergency situations, as well as provision of socio-psychological and legal assistance (where required); (iii) support for the establishment of public consultation and monitoring institutions on the territory of the MCAs.

AREA IV. Small grants under this area will address issues related to strengthening the implementation of environmental initiatives, providing practical support, as well as expanding and automating systems of environmental monitoring, control and environmental reporting in target communities.

The main activities within this Area are: (i) integrated control of solid waste management, including waste from electrical and electronic equipment; (ii) management of ecosystems by regional authorities and amalgamated territorial communities (degraded lands and forests, unexplored lands, elimination of water and soil pollution, flooding in mines, etc.); (iii) development of renewable energy sources; (iv) improvement of accessibility and quality of drinking water; (v) comprehensive study of the condition and restoration of small rivers, (vi) modern monitoring of ground- and subsoil waters; (vii) revitalisation and development of the territories in terms of decarbonisation; (viii) eco monitoring, including flooding of mines and restoration of territories; (ix) green tourism as the basis for the development and promotion of recreational areas; (x) restoration of ecosystems.

Local initiatives that will be implemented by local NGOs within the SGP may be dealing with the following types of activities, such as (the list is non-exhaustive and shall be agreed with the UNDP before the launch of Call for Proposals on each of the topics):

- Purchase of new equipment and/or tools that are necessary for the achievement of SGP's results;
- Payment for services that are necessary for the achievement of the SGP's result (such as surveys, analysis, development of online tools/applications, etc.);
- Conducting training/workshops/events.

All the expenditures must be made following UNDP rules and regulations. Information about demands and process of procurement will be provided by UNDP and must be published as part of the Call for Proposals.

Responsible Party must monitor that funds within grants' projects are delivered following UNDP rules and regulations.

Conditions and requirements to NGOs applicants:

- NGO should be officially registered in Donetsk and Luhansk oblasts (GCA) with the status of "non-profit" or "charitable";
- NGO should operate on the territory of the respective oblast;
- NGO should implement their project on the territory of the target community on the territory of Donetsk or Luhansk oblasts (GCA);
- NGO should have the capacity to implement small grants (management, staff, etc.)
- Each applicant may submit more than one application but may only receive financing for one small grant implementation.

THE SMALL GRANTS PROGRAMME IMPLEMENTATION

1. Initial stage. Development of an action plan and implementation schedule by Responsible Party.

Outputs:

- A detailed action plan and schedule of weekly activities for implementation of the small grants programme (including conduction of training and webinars) have been developed and approved;
- Criteria for NGO selection have been developed and agreed with UNDP;

- A schedule and templates of reports that the Responsible Party should provide to UNDP under the programme follow the pre-set template agreed with UN RPP that includes both substantial and financial parts and shall be shared with the respective official;
- The responsible persons from the Responsible Party and UNDP have been determined and the rules and format of written and oral communication on small grants programme implementation have been approved;
- The procedure of grant allocation, monitoring and evaluation have been developed and approved.

Indicative timeframe: two weeks upon signing of the agreement.

2. The announcements of the Call for small grant proposals (CfP) and collecting applications from the representatives of the target audience.

It is expected that Responsible Party will organise two CfPs to ensure the best quality of the projects and full grants pool funds delivery.

Outputs:

- 2 Calls for proposal covering multiple areas are developed by Responsible Party and approved by UNDP;
- The full package of documents is available on the Responsible Party's website and other websites agreed with UNDP (if necessary). All calls for proposals should be posted on the UNDP website as well;
- A system of communication with applicants has been developed and launched, including providing timely responses to questions received from potential applicants. The system can handle communication through various channels throughout the whole small grants programme lifespan;
- A system of collection and registration of application proposals from applicants has been introduced. The application registration system should be electronic and ensure prompt registration of proposals. The Responsible Party shall provide constant access to the application's database to UNDP staff members;
- At least 2 Calls for proposals have been announced within this SGP. Additional Call for proposals may be announced in case the available SGP grants pool fund was not fully used;
- Training and webinars on how to fill in the application form and general demands to applicants are conducted;
- The applications have been collected and registered according to the schedule and prepared for evaluation.

Indicative timeframe: 1st CfP – six weeks upon signing of the agreement, 2nd CfP – ten weeks upon signing of the agreement.

3. Evaluation of applications.

The evaluation of applications takes place in several stages:

- 1) At the stage of registration, the applications are evaluated formally (eligibility of the applicant and the proposed project, compliance with the requirements of competition). Applicants whose applications were rejected at this stage should be promptly notified of this decision to have a possibility to refine their proposals.
- 2) At the second stage, applications will be evaluated by The **Grant Selection Committee** that will consist of at least of representatives of the Responsible Party, UN RPP participating agencies' specialists, and other related counterparts. The final list of the members of the **Grant Selection Committee** will be finally defined and approved by UNDP.

After the evaluation process, it is planned that Responsible Party must fill in the LVGA template (that will be provided by UNDP) with respective information for every NGO grantee that is to receive a small grant. Agreements and all the annexes should be filled in two languages – English and Ukrainian.

Completed LVGAs should be provided to UNDP within five working days after the list of winners on each area is generated.

It is expected that Responsible Party should ensure the implementation of all the stages listed above and below mentioned outputs for at least 2 CfPs.

Outputs:

- All applications have been assessed using formal criteria. The lists of applications rejected at the first stage have been compiled, all the applicants on the list have been notified of the rejection of their proposals;
- Members of the **Grant Selection Committee** for each area are agreed and approved by UNDP;
- All applications that meet the formal criteria have been evaluated by Grant Selection Committee. Applications will be evaluated according to the defined criteria and assign the respective points to each application. Minutes with results of the Grant Selection Committee are prepared by Responsible Party and approved by UNDP;
- Based on the results of the evaluation, the reports have been prepared and a list of winners and a reserve list have been generated. List of winners and waiting list prepared by Responsible Party and approved by UNDP;
- All participants were informed of the results (via e-mail and telephone) within five working days after UNDP has approved the results;
- Information on the results of the competition has been released at the Responsible Party's website within five days after UNDP has approved the results;
- The LVGAs with each NGO grantee has been prepared and provided to UNDP for signing (the text of each filled in LVGA with all annexes should be approved by UNDP);

Indicative timeframe: 1st CFP – twelve weeks upon signing of the agreement, 2nd CFP – sixteen weeks upon signing of the agreement.

4. Providing technical and programme support for the implementation of the small grants programme. Monitoring of the projects implemented by the grantees.

Managing and monitoring performance of grantees should be implemented in accordance of the follows clauses:

- Responsible Party shall supervise and monitor the grantees' activities and its achievement of specified results pursuant to the grant proposal selected, including the schedules set forth therein;
- Responsible Party shall measure the grantees' performance based on results achieved against agreed performance targets in the grant agreement. Performance shall be monitored and assessed through the progress narrative and financial reports;
- Responsible Party shall ensure that each deliverable for which a grant recipient is responsible for achieving has an effective performance target against which the grant recipient must report periodically and which the IP will monitor through regular reporting;
- UNDP may, during the term of the Responsible Party Agreement, undertake various independent assurance measures (such as spot checks or audits) regarding the IP's activities that are the subject of this Agreement, including monitoring and oversight, as well as independent assurance measures of the Responsible Party (where applicable) and grant recipients' programmatic and financial activities.

Financing to the grantees will be provided by UNDP in several tranches. The number of tranches will be specified for each grant and will depend on the area of grant support. Financing requirements must be specified in the call for proposals separately on each area and type of grants ("soft"/"hard").

NGO-grantee shall provide reports as evidence of the proper use of the obtained financing. The number of reports will be specified under the number of tranches. NGOs must provide an intermediary report after implementing a stage of the project and spending each tranche received from UNDP. General requirements to reporting and audit are as follows:

- Responsible Party shall have in place systems to assess and monitor the grant recipient's activities and use of grant funds, including reporting and audit requirements;
- Responsible Party shall ensure the timeliness and accuracy of the grantee's reporting in relation to the grant;
- Responsible Party shall consolidate the reporting from grantees and submit annual financial and narrative progress reports to UNDP.

After the implementation of the small grant initiative NGO grantee must provide a final report (that will include Performance Targets Report, Narrative Report, Financial Report on the Use of Funds).

The Responsible Party must check intermediary and final reports and send them to UNDP for approval and further financing of the grantee. Forms of the reports will be provided by UNDP and formalized in LVGA. The Responsible Party must ensure permanent monitoring of the grant implementation process and timely inform UNDP about any possible issues and problems.

Responsible Party should timely identify and inform UN RPP about the possible economy of funds to timely react and implement projects.

Outputs:

- Reports (both financial and narrative) of the grantees have been received, verified and sent for approval to UNDP according to the schedule;
- Advice on operational reporting is promptly provided to NGO grantees through various channels (email, telephone hotline, etc.);
- Information on the possible economy of funds is provided to UNDP. If new small project implementation may be started to deliver all the grants pool budget;
- Implementation of local initiatives is monitored through inspection reports, personal and remote consultation and monitoring visits. The schedule of monitoring visits has been approved by UNDP;
- The reports of grantees and monitoring reports (both financial and narrative) have been checked and submitted to UNDP for signing;
- Responsible Party ensured small grants implementation monitoring process. UNDP should be timely informed if a grantee does not comply with the terms of a grant agreement.

Indicative timeframe: thirty-six weeks upon signing of the agreement.

5. Organization of the audit assessment of activities under RPA by an independent audit company upon closure of project activities. The audit company should be selected through the open competition.

As the result of audit the Audit report of Responsible Party Agreement be provided.

Output:

The audit work should include the review of work plans, project resources, project budgets, project expenses and disposal or transfer of assets (if any). To this effect, the scope of the audit shall cover the following areas as they are performed at the level of the project:

1) Finance

The audit work shall cover the adequacy of the accounting and financial operations and reporting systems. These include budget control, cash management, certification and approving authority, receipt of funds, disbursement of funds, recording of all financial transactions in expense reports, records maintenance and control.

2) Procurement

The audit work shall cover the competitiveness, transparency and effectiveness of the procurement activities of the project in order to ensure that the goods and services purchased meet the requirement of Ukrainian legislation and UNDP.

3) Asset Management

The audit work shall cover equipment purchased for use of the project. The procedures for receipt, storage, and disposal shall also be reviewed.

4) General Administration

The audit work shall cover travel activities and transport services, bank and post services and other activities related to general administration.

As part of the general review the audit should include assessment of corruption risks, which means detection of vulnerabilities within the organization that took place or may present opportunities for corruption or conflict of interest to occur.

Expected execution timeframe – up to 3 weeks upon closure of activities under RPA.

6. GENERAL ACTIVITIES

Coordination of activities with other UNDP partners and contractors to achieve effective synergies whenever possible. Coordination of activities with other RPs contracted for same type of services under other donor projects to avoid possible duplication of organizations / projects implemented.

Wide coverage of the fact that UN RPP provides funding to the small grants programme in the products created under the agreement. Ensuring visibility of UN RPP and project donors in strict accordance with approved guidelines.

Ensuring visibility and information reference to UN RPP and the governments supporting the programme on all products created under the contract implementation. Ensuring visibility of UN RPP 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 development of inter-municipal cooperation mechanisms, encouraging local citizens' participation and openness and accountability of local authorities promotion, provision of consulting services to the inhabitants of the communities and environmental projects implementation.

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.

The following expenses will be unacceptable within implementation of small grants programme:

- preparing a project proposal for participation in the competition;
- payment of debts;
- recovery of expenses related to exchange rate fluctuations;
- international business trips;
- office rental and utilities;
- VAT payments in the structure of payments made.

Conditions and requirements to Grant applicants under Calls for Proposals to be announced:

- NGO/CSO should be officially registered on the territory of Ukraine with the status of "non-profit" or "charitable" ((non-profit codes 0032, 0034, 0036, 0038, 0039 or 0048);
- NGO should operate on the territory of Donetsk and/or Luhansk, oblasts;
- NGO should implement their project on the territory of the target community on the territory of Donetsk or Luhansk oblasts (GCA);
- NGO should have a capacity to implement small grant (management, staff, etc.);
- Grant applicants may submit more than one application but may only receive one grant at time;
- Grant applicants having direct grant agreement with UNDP Component 2 Local Governance and Decentralisation Reform on the date of Call for Proposals posting may apply for small grant programme however will receive funding only in case if sufficient number of applicants has not been identified for the funding available.

7. BUDGET SIZE AND DURATION

The estimated total funds allocated for the provision of the small grants focused on the support to local development in the selected communities of Donetsk and Luhansk oblasts support amounts about 580,000.00 US dollars. The small grants programme must be implemented through at least two calls for proposals covering multiple thematic areas – 1st Call for proposals for small grants (up to 5,000 US dollars) and the 2nd one for medium grants (5,001-15,000 US dollars).

The amounts of grants will depend on the value of financial proposals. It is expected that the maximum amount of one small grant provided to NGO/CSO will not exceed 15,000.00 USD. The maximum amount for a grant can be revised upon prior written approval with UNDP.

The total number of grant recipients will be determined based on the requested amount of submitted proposals upon completion of an evaluation process for each Call for Proposals. It is expected to support about 80 projects in total during the period of Agreement:

AREA I. At least 25 small grants should be provided.

AREA II. At least 18 small grants should be provided.

AREA III. At least 23 small grants should be provided.

AREA IV. At least 14 small grants should be provided.

The final number of grant recipients will be determined based on the requested amount of submitted proposals upon completion of an evaluation process for each Call for Proposals.

The administrative costs related to the implementation of the small grants programme under this TOR must not exceed the total allocated amount of 80,000.00 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 December 14, 2021. The anticipated implementation period is April 2021 – December 14, 2021. The organizations are requested to submit a clear dynamic plan for each deliverable within the foreseen timeframe.

IV. MONITORING/REPORTING REQUIREMENTS

The Responsible Party shall submit the following reports according to UNDP format and guidelines: The format of reports shall be agreed upon at the first stage of the assignment, but UNDP reserves the right to make required changes and clarifications in the report template.

Types of reports:

- Interim reports, including reports on the work accomplished, results, monitoring, and financial indicators for each Call for Proposals.
- Weekly operational email reports on progress and the implementation of the small grants programme;
- Brief reports periodically submitted at the request of UNDP in cases where it is required to get information on the progress in-between reporting periods;
- Financial statements, that act as the basis for future transfers of the grant pool funds to the Responsible Party;
- 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 the 14th of December 2021;
- 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. Data should be disaggregated by thematic area, final beneficiaries' gender and age groups and other categories as required by UNDP;
- Audit report on activities under RPA.

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

The Interim, completion and final reports should follow the pre-determined template agreed with UN RPP that includes both narrative and financial parts and will be submitted to 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 performance. The Responsible Party should facilitate the process by providing UNDP with all necessary contacts of the grantees and should refrain from influencing the impartiality of the assessment procedures.

V. INSTITUTIONAL ARRANGEMENT

Roles and Responsibilities of the Engaged Responsible Party:

- a. Allocate the proper and needed skilled personnel to carry out the project's outputs;
- b. 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.;
- c. Ensure proper reach out to beneficiaries;
- d. Implement and constantly monitor the activities;
- e. Provide required and ad-hoc comprehensive reports on a timely manner (focusing as well on the outcome).

Role of UNDP

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

VI. EXPERIENCE AND QUALIFICATION REQUIREMENTS

The applicants for providing assistance for small grants programme implementation have to meet the following criteria:

- Be officially registered organisation in line with Ukrainian law (as an NGO, charity fund or other forms of civil society organisation (including non-profit and non-governmental organisations) that is legally constituted and duly registered);
- At least five years proven experience in supporting grants provision or effective grant administration (at least 3 programmes with a total number of supported grantees over 50);
- Experience in project implementation or performance of professional services contracts in the area of grant programmes management with a total budget from at least USD 200,000.00.

A project team should consist of at least three experts:

- **Team Lead/Manager:**
 - 1) Master's (or equivalent) degree in economics, law, management, entrepreneurship, public administration or related field;
 - 2) Minimum of 5 years of professional experience in project management (references should be provided)
 - 3) At least 5 years of experience in implementing projects/programmes/granting;
 - 4) Fluency in Ukrainian is required, working level of English.
- **Local capacity building expert (at least one person):**
 - 1) Bachelor's (or higher) degree in economics, law, management, public administration or related field
 - 2) Minimum of 3 years of experience in local capacity building projects implementation;

- 3) Experience in the evaluation of local initiative projects as part of the grant programmes (participation in at least two programmes) (references should be provided);
- 4) Fluency in Ukrainian, Russian is required, working knowledge of English will be considered as an advantage.

▪ **M&E and Communications Associate:**

1. Bachelor's (or higher) degree in economics, law, management, public administration or related field;
2. Minimum 1 year of experience in the development of M&E frameworks for projects;
3. Minimum 2 years of experience in communication about the project/programme (preparation of press releases, communication in the media);
4. Experience with international donors' programmes will be considered an advantage;
5. Fluency in Ukrainian and Russian is required.

▪ **Finance Associate:**

- 1) Bachelor's (or higher) degree in finance management, accounting or other related fields;
- 2) Minimum of 3 years of experience of financial management in implementing projects/programmes/provision of grants to NGOs/reporting;
- 3) Minimum of 3 years of experience in providing financial/accounting to international technical assistance organisations or other donors/customers.

VII. DOCUMENTS TO BE SUBMITTED IN PROPOSAL:

<input checked="" type="checkbox"/>	A letter of interest/offer, which outlines previous experience in implementing similar programmes and competitive advantages of the applicant company.
<input checked="" type="checkbox"/>	A work plan with the proposed work schedule indicating the approximate cost and the persons responsible for each area of activity.
<input checked="" type="checkbox"/>	<p>Description of the methodology of SGP implementation and monitoring.</p> <ul style="list-style-type: none"> - A strategy of communication and dissemination of information about the competition, including cooperation with the media and NGOs, production of informational videos featuring the terms of the programme, placement of information via online resources and social networks; - Description of receipt and registration of applications; - Description of organisation of all stages of the project proposals evaluation process by specifying criteria for evaluating of applications plans and evaluation procedures; - The procedure for monitoring and assessing the implementation of grant projects, including the admission procedures and inspection reports, quality control methods for implementing small grant initiatives; - Description of feedback and communication with applicants and grantees, which should include the description of hotline operation and other communication tools.
<input checked="" type="checkbox"/>	Copy of the Statute/Charter of applicant.
<input checked="" type="checkbox"/>	Copy of a certificate/excerpt from the Unified State Registry of Legal Entities and Private Entrepreneurs.
<input checked="" type="checkbox"/>	Copy of a certificate proving that the organisation is non-profit (if available).
<input checked="" type="checkbox"/>	CVs of the project team members, including information about the experience on implementing the similar projects/objectives (references should be provided).
<input checked="" type="checkbox"/>	Minimum 2 references on similar projects from previous clients.

VIII. PROPOSED PAYMENT SCHEDULE:

The schedule of payments for the grants' administration services will be agreed with the Responsible Party before the start of the assignment. Payments to the Responsible Party to cover Administrative (management and

operational) costs will be performed on a monthly 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 each of two (2) Calls for Proposals and acceptance of the Final Report for each competition the Responsible Party receives the payment envisaged in the proposal but not exceeding the maximum allocation provided by the donor.

Prepared by:

Dmytro Kurochka, Territorial Amalgamation Specialist
UN Recovery and Peacebuilding Programme

Dmytro Kurochka

Reviewed by:

Olena Ruditch, Programme Coordinator,
UN Recovery and Peacebuilding Programme

Olena Ruditch

Approved by:

Victor Munteanu, Technical Specialist
UN Recovery and Peacebuilding Programme

Victor Munteanu

Cleared by:

Artem Danylchenko, Procurement Analyst, CO

Artem Danylchenko

Minimum evaluation criteria

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

1. Officially registered organisation (non-governmental, public, charitable, non-profit, for-profit), at least 5 years;
2. Experience in the management of grant programmes (at least three programmes with a total number of supported grantees over 50);
3. 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 from USD 200,000.00;

Technical criteria:

Summary of Technical Proposal Evaluation Form	Score Weight	Max Points obtainable
Expertise of Firm/Organisation	24%	240
Proposed Methodology, Approach and Implementation Plan	36%	360
Personnel	40%	400
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 Form 1		Maximum score	Company / Other organisation		
			A	B	C
Experience of the company / organisation submitting the proposal					
1.1	Officially registered organisation (non-governmental, public, charitable, non-profit) (minimum 5 years – 15 points, 6-7 years – 30 points, 8-9 years- 45 points, 10 years or more – 60 points).	60			
1.2	Experience in providing of support for implementation of grant programmes: - (number of successfully implemented programmes: 3 programmes – 25 points, 4 programmes – 35 points, 5 programmes and more – 45 points); - total number of supported grantees under the implemented programmes: 50-75 grantees– 25 points, 75-100 grantees – 35 points, more than 100 grantees – 45 points	90			
1.3	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: - \$200,000.00–500,000.00 – 50 points; - \$500,000.00–1,000,000.00 – 70 points; - \$1,000,000.00 or more – 90 points.	90			
Overall score on Form 1		240			

Assessment of technical proposal Form 2		Maximum score	Company / Other organisation		
			A	B	C
Proposed work plan, methodology and approach					
2.1	How well-elaborated and robust is the information and awareness raising campaign strategy to promote the small grants programme implementation?	70			

	<ul style="list-style-type: none"> - The proposed regional communication channels include print media, online resources and social networks and embrace the audience in target hromadas – up to 20 points; - The information strategy envisages video production and preparation of press conferences and describes in detail their format and content – 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 30 points. 				
2.2	<p>How well developed is a system of feedback and communication with applicants and grantees?</p> <ul style="list-style-type: none"> - The approach provides for a telephone hotline and details its method, the schedule and features of its operation – up to 25 points; - The system for registration of applications provides online format and prompt registration, identification of repeated applications, granting the status of each application, the possibility of automatic responses to participants and creation of a database and mailing list – 25 points. 	50			
2.3	<p>How well-developed is a proposed approach to the process of evaluation of applications?</p> <ul style="list-style-type: none"> - The suggested evaluation system provides a detailed description of the methodology at each stage – up to 20 points; - The methodology for applications evaluation is reasonable and realistic, complies with the competition objectives and allows to assess the application potential – 30 points; - The process of evaluating applications is transparent and impartial, it envisages the involvement of the independent evaluation committee at a final stage (specified composition and ways of attracting committee members, spelled assessment methodology and operational procedure of the evaluation committee) – 30 points; - The proposed timeframe and logistics for arranging Grant Selection Committee is realistic and addressing TORs requirements – up to 20 points. 	100			
2.4	<p>How well-developed and robust is the methodology for monitoring and evaluation of implementation of projects having received grants?</p> <ul style="list-style-type: none"> - The proposed monitoring implementation plan has realistic timeframe and logistics arrangements – up to 15 points; - The monitoring and evaluation methodology suggested is realistic, unified for all grantees and is able to analyse progress of grants implementation based on clear evaluation method – up to 25 points; - The proposed monitoring and reporting mechanism shows sufficient capacity of the Responsible 	60			

	Party to provide counseling on reporting issues to grantees – up to 20 points.				
2.5	<p>How well developed and robust are the procedures of preparatory support of applicants?</p> <ul style="list-style-type: none"> - Contractor shows sufficient capacity to provide methodological support to applicants during the process of proposals preparation – up to 25 points; - Developed procedures are realistic, logical and fully describes the algorithm of providing consultancy on preparatory stage – up to 25 points. 	50			
2.6	<p>How well-elaborated is the proposed plan of work and suggested timeline?</p> <ul style="list-style-type: none"> - Weekly detailed elaboration of a work plan – 8 points - Daily detailed elaboration of a work plan – 8 points; - The schedule is realistic and meets the assignment timeframe – 14 points. 	30			
Overall score on Form 2		360			

Assessment of technical proposal Form 3		Maximum score	Company / Other organisation		
			A	B	C
Personnel					
	Team Lead/Manager				
3.1	Experience in project management (5 years – 30 points, 6-8 years – 40 points, 9 years and more – 50 points).	50			
3.2	Experience in the implementation of projects / programmes / provision of grants (5 years – 30 points, 6-8 years – 40 points, 9 years and more – 50 points).	50			
3.3	Higher education in economics, law, management, entrepreneurship, public administration or related field (Master's (or equivalent) – 15 points, PhD or higher – 30 points).	30			
3.4	Language command (Ukrainian, Russian and English (working level) – 15 points, Ukrainian, Russian and English (fluent) – 20 points).	20			
	Interim score according to criteria 3.1–3.4	150			
	Other Expert – Local capacity building expert				
3.5	Experience in local capacity building projects implementation (3 years – 15 points, 4–6 years – 20 points, 7 years or more – 25 points).	25			
3.6	Experience in the assessment of local initiative projects as part of the grant programmes (1 programme – 15 points, 2 programmes – 20 points, 3 programmes and more – 25 points).	25			
3.7	Education in economics, law, management, entrepreneurship, business administration or related field (Bachelor's degree or equivalent – 10 points, Master's – 15 points, PhD or higher – 20 points).	20			
3.8	Language command (Ukrainian, Russian) – 10 points, Ukrainian, Russian and English (working level) – 15 points.	15			
	Interim score according to criteria 3.5–3.8	85			
	M&E and Communications Associate				
3.9	Experience of development of M&E frameworks (1 year – 10 points, 2 years – 20 points, 3 years and more – 30 points).	30			
3.10	Experience of communication about the project / programme (1 year – 10 points, 2 years – 20 points, 3 years and more – 30 points).	30			
3.11	Higher education in economics, law, management, public administration or other related field (Bachelor's degree or equivalent – 5 points, Master's – 7 points, PhD or higher – 10 points).	10			
3.12	Language command (Ukrainian, Russian) – 10 points	10			
	Interim score according to criteria 3.9–3.12	80			
	Other Expert – Finance Associate				
3.13	Experience in financial management in the implementation of projects / programmes / provision of grants to NGOs (3 years – 10 points, 3–6 years – 20 points, 7 years and more – 30 points).	30			

3.14	Experience in the provision of financial / accounting reporting to international technical assistance organisations or to other donors / customers (3 years – 20 points, 3–5 years – 25 points, 6 years or more – 30 points).	30			
3.15	Higher education in financial management, accounting or related field (Bachelor's degree or equivalent – 10 points, Master's – 20 points, PhD or higher – 25 points).	25			
	Interim score according to criteria 3.13–3.15	85			
Overall score on Form 3		400			

Annex I Financial Proposal

Cost Breakdown by Cost Component:

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

Cost breakdown for base case scenario (amount of grants allocated and managed equals 80).

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	Personnel				
	Team Lead/Manager		month		
	Local capacity building expert		month		
	M&E and Communications Associate		month		
	Finance Associate		month		
	Other specialists (if any)				
	...				
	...				
2	Organization of application process				
	Design/update and launch of the online platform of SGP		Item		
	Maintenance of the online platform		month		
	Other costs (please indicate if any)				
	...				
3	Dissemination of information about the business grants contest				
	Organising press conferences at the regional level		event		
	Development of a web-page for each Call for Proposals		Item		
	Design and printing of info materials (if necessary)				
	Advertising campaign	3			
	Other (if applicable)				
	...				
4	Office costs				
	Rent (if applicable)		month		
	Communication charges (telephone)		month		
	Internet		month		
	Consumables for office				
	Printing (if applicable)				
	Postal charges		Item		

	...				
5	Business trips				
	Travel		one travel		
	Accommodation		Day		
	Daily allowance		Day		
6	Overhead costs (if any – outline activities / expenses)				
	...				
	Total				

The total amount of administrative costs related to the implementation of the SGP must not exceed 80,000.00 US dollars

ANNEX 2

Capacity Assessment Checklist (CACHE) for CSO\NGO

Capacity Assessment Checklist (CACHE) For CSO/NGO

Interested NGOs are requested to fill out the below questionnaires, 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	i. Please provide references who may be contacted for feedback on the CSO/NGO's performance regarding: <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 	
8. Public Transparency	a) What documents are publicly available?	
	b) How can these documents be accessed? (Pls provide links if web-based)	

Annex 3 – 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.

ANNEX C*a/ FINANCIAL REPORT (FACE form)*

Funding Authorization and Certificate of Expenditures		UN Agency: <u>UNDP</u>				Date: <u>13.08.2019</u>		
Country: <u>Ukraine</u> Programme Code & Title: Project Code & Title: Responsible Officer(s): Implementing Institution:						Type of Request: <input checked="" type="checkbox"/> Direct Cash Transfer (DCT) <input type="checkbox"/> Reimbursement <input type="checkbox"/> Direct Payment		
Currency: \$US		REPORTING				REQUESTS / AUTHORIZATIONS		
Activity Description from AWP with Duration	Coding for UNDP, UNICEF, UNFPA and WFP	Authorised Amount	Actual Project Expenditure	Expenditures accepted by Agency	Balance	New Request Period & Amount	Authorised Amount	Outstanding Authorised Amount
		MM-MM YYYY A	B	C	D = A - C	MM-MM YYYY E	F	G = D + F
Total		0	0	0	0	0,00	0	0

CERTIFICATION

The undersigned authorized officer of the above-mentioned implementing institution hereby certifies that:

☐ The funding request shown above represents estimated expenditures as per AWP and itemized cost estimates attached.

☐ The actual expenditures for the period stated herein has been disbursed in accordance with the AWP and request with itemized cost estimates. The detailed accounting documents for these expenditures can be made available for examination, when required, for the period of five years from the date of the provision of funds.

☐ The progress report for the activities stated herein has been submitted.

Date Submitted: _____ Signature: _____ Name: _____ Title: _____

NOTES: * Shaded areas to be completed by the UN Agency and non-shaded areas to be completed by the counterpart.

FOR AGENCY USE ONLY:

FOR ALL AGENCIES
Approved by: _____
Signature: _____
Name: _____
Title: _____
Date: _____

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.