



*Empowered lives.  
Resilient nations.*

**GRANT AGREEMENT**  
(Micro-Capital Grant Agreement)  
  
For Non-Credit Related  
Activities

Support to the development of Growth and  
Poverty Reduction Strategy (GPRS 2014-2017)

## A. MICRO-CAPITAL GRANT AGREEMENT

### MICRO-CAPITAL GRANT AGREEMENT BETWEEN THE UNITED NATIONS DEVELOPMENT PROGRAMME AND THE MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT FOR THE PROVISION OF GRANT FUNDS

Micro-Capital Agreement (hereinafter referred to as the "Agreement") made between the Implementing Partner [**Ministry of Finance and Economic Development**] and the Recipient Institution [**Ministry of Economic Development**].

WHEREAS [Ministry of Finance and Economic Development] (hereinafter referred to as "the Implementing Partner") has been requested by the United Nations Development Programme ("UNDP") to manage the project defined in project document [00087491 and Support for the Development of the National Growth and Poverty Reduction Strategy] (hereinafter referred to as "the Project"), implemented at the request of the Government of Belize

WHEREAS the Implementing Partner [**Ministry of Finance and Economic Development**] and UNDP desire to provide funding to the **RECIPIENT INSTITUTION** in the context of a Project and on the terms and conditions hereinafter set forth, and

WHEREAS the **RECIPIENT INSTITUTION** is ready and willing to accept such funds from the Implementing Partner [**Ministry of Finance and Economic Development**] and UNDP through the administration of UNDP for the above mentioned activities on the said terms and conditions.

NOW, therefore, the parties hereto agree as follows:

#### I. Responsibilities of the RECIPIENT INSTITUTION

1.1 The RECIPIENT INSTITUTION agrees to: 1) Undertake the activities described in its **Workplan and Budget** (attached), and updates related to the subsequent release of funds in **tranches**; 2) Provide quarterly reports to the Steering Committee; and 3) Provide Annual Audited Statements [Income Statement and Balance Sheets]. In projects where a technical contractor is providing assistance to the RECIPIENT INSTITUTION, the contractor shall be responsible for verifying the accuracy of these reports/statements. Funds provided pursuant to this Agreement shall be used for purposes related to producing results specified in its annual performance targets [Section C].

1.2 The RECIPIENT INSTITUTION agrees to reach the performance targets contained in Section C. If the RECIPIENT INSTITUTION fails to meet its responsibilities outlined in article 1.1, or [Optional] to attain at least 70% of any one performance target for any given year, then this will be considered grounds for the Steering Committee to suspend any further micro-capital grant support. The suspension shall remain in effect until the RECIPIENT INSTITUTION has achieved the target. In projects with a technical assistance contractor, the contractor may, at its discretion, continue to provide technical assistance to the RECIPIENT INSTITUTION during this suspension period.

1.3 The RECIPIENT INSTITUTION agrees to inform the Steering Committee about any problems it may face in attaining the objectives agreed upon.

#### II. Duration

2.1 This Agreement will come into effect on **[23/09/2013]** and shall expire on **[31/12/2014]**, covering the anticipated term of the project. It can be extended, if necessary by exchange of letters, noting the new expiration date.

### III. Payments

3.1 The Implementing Partner [In cases of UNDP Support to NIM/Direct Payments: UNDP] shall provide funds to the **RECIPIENT INSTITUTION** in an amount up to **[US Dollars (USD \$60,000.00) SIXTY THOUSAND DOLLAR]** according to the schedule of the project budget set out below. Payments are subject to the **RECIPIENT INSTITUTION** meeting the outputs as specified in the Performance Targets [Section C].

**[US DOLLARS (USD \$60,000.00) SIXTY THOUSAND DOLLARS]**, upon signature of this Agreement.

3.2 All payments shall be deposited into the **RECIPIENT INSTITUTION's** bank account of which the details are as follows:

**[CENTRAL BANK OF BELIZE]  
[21083271]  
[BELIZE CITY, BELIZE]**

3.3 The amount of payment of such funds is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the **RECIPIENT INSTITUTION** in the performance of the activities under this Agreement.

### IV. Records, Information and Reports

- 4.1 The **RECIPIENT INSTITUTION** shall maintain clear, accurate and complete records in respect of the funds received under this Agreement.
- 4.2 The **RECIPIENT INSTITUTION** shall furnish, compile and make available at all times to the Implementing Partner, UNDP any records or information, oral or written, which UNDP may reasonably request in respect of the funds received by the **RECIPIENT INSTITUTION**.
- 4.3 Within sixty days after completion of project activities, the **RECIPIENT INSTITUTION** shall provide the Implementing Partner and UNDP with a final report with respect to all expenditures made from such funds (including salaries, travel and supplies) and indicating the progress made toward the goals of the activities undertaken, utilizing the reporting format contained in Annex I.
- 4.4 The **RECIPIENT INSTITUTION** agrees to submit required Performance Reports to the **CONTRACTOR** within 21 days of the close of each quarter using the attached reporting format (Annex 1) reporting on project progress. At the beginning of the project, the **RECIPIENT INSTITUTION** can request **CONTRACTOR** assistance for the preparation of the forms. The **RECIPIENT INSTITUTION**, however, should develop its own capacity to generate these reports, as they are critical to manage its activities.
- 4.5 All further correspondence regarding the implementation of this Agreement should be addressed to:

For the **Implementing Partner**

**[JOSEPH WAIGHT, FINANCIAL SECRETARY, SIR EDNEY CAIN BUILDING, BELMOPAN, BELIZE]**

For UNDP:

**[ROBERTO VALENT, UNDP RESIDENT REPRESENTATIVE, LAWRENCE NICHOLAS BUILDING, SOUTH RING ROAD, BELMOPAN, BELIZE]**

For the **RECIPIENT INSTITUTION:**

**[YVONNE HYDE, CHIEF EXECUTIVE OFFICER, SIR EDNEY CAIN BUILDING, BELMOPAN]**

## V. General Provisions

5.1 This Agreement and the Annexes attached hereto shall form the entire Agreement between [UNDP] and the Implementing Partner, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Agreement.

5.2 The **RECIPIENT INSTITUTION** shall carry out all activities described in its Workplan with due diligence and efficiency. Subject to the express terms of this Agreement, it is understood that the **RECIPIENT INSTITUTION** shall have exclusive control over the administration and implementation of the activities referred to above in paragraph 1.1 and that the Implementing Partner and UNDP shall not interfere in the exercise of such control. However, both the qualities of work and the progress being made toward successfully achieving the goals of such activities shall be subject to review by the Steering Committee. If at any time the Steering Committee is not satisfied with the quality of work or the progress being made toward achieving such goals, the Steering Committee may advise the Implementing Partner to: (i) withhold payment of funds until in its opinion the situation has been corrected; or (ii) declare this Agreement terminated by written notice to the **RECIPIENT INSTITUTION** as described in paragraph 5.7 below; and/or seek any other remedy as may be necessary. The Steering Committee's determination as to the quality of work being performed and the progress being made toward such goals shall be final and shall be binding and conclusive upon the **RECIPIENT INSTITUTION** insofar as further payments are concerned.

5.3 The Implementing Partner and UNDP undertakes no responsibilities in respect of life, health, accident, travel or any other insurance coverage for any person which may be necessary or desirable for the purpose of this Agreement or for any personnel undertaking activities under this Agreement. Such responsibilities shall be borne by the **RECIPIENT INSTITUTION**.

5.4 The rights and obligations of the **RECIPIENT INSTITUTION** are limited to the terms and conditions of this Agreement. Accordingly, the **RECIPIENT INSTITUTION** and personnel performing services on its behalf shall not be entitled to any benefit, payment, compensation or entitlement except as expressly provided in this Agreement.

5.5 The **RECIPIENT INSTITUTION** shall be solely liable for claims by third parties arising from the **RECIPIENT INSTITUTION's** acts or omissions in the course of performing this Agreement and under no circumstances shall The Implementing Partner and UNDP be held liable for such claims by third parties.

5.6 Assets ( Equipment) supplied by UNDP funds to the **RECIPIENT INSTITUTION** shall be the property of UNDP until the end of the project, at which time UNDP shall determine the best use of these assets. In cases where the **RECIPIENT INSTITUTION** has met its responsibilities under this agreement, and handover of the asset would contribute to the sustainability of activities, UNDP would normally handover these assets to the **RECIPIENT INSTITUTION**. The assets shall be used for the purpose indicated in the Workplan throughout the period of this Agreement.

5.7 This Agreement may be terminated by either party before completion of the Agreement by giving thirty (30) days written notice to the other party, and the **RECIPIENT INSTITUTION** shall promptly return any unutilized funds to UNDP as per paragraph 5.6 above.

5.8 The **RECIPIENT INSTITUTION** acknowledges that the Implementing Partner and UNDP and its representatives have made no actual or implied promise of funding except for the amounts specified by this particular tranches Agreement. Although project related documents may indicate a total amount of funds that could be available for this **RECIPIENT INSTITUTION**, actual disbursements will be based upon the **RECIPIENT INSTITUTION** meeting performance targets. If any of the funds are returned to the Implementing Partner and UNDP or if this Agreement is rescinded, the **RECIPIENT INSTITUTION** acknowledges that the Implementing Partner and UNDP will have no further obligation to the **RECIPIENT INSTITUTION** as a result of such return or rescission.


5.9 No modification of or change to this Agreement, waiver of any of its provisions or additional contractual provisions shall be valid or enforceable unless previously approved in writing by the parties to this Agreement or their duly authorized representatives in the form of an amendment to this Agreement duly signed by the parties hereto.


5.10 Any controversy or claim arising out of, or in accordance with this Agreement or any breach thereof, shall unless it is settled by direct negotiation, be settled in accordance with the UNCITRAL Arbitration Rules as at present in force. Where, in the course of such direct negotiation referred to above, the parties wish to seek an amicable settlement of such dispute, controversy or claim by conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules as at present in force.

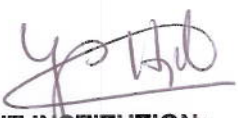
The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy or claim.

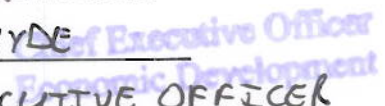
5.11 Nothing in or relating to this Agreement shall be deemed a waiver of any privileges and immunities of the United Nations, or UNDP.

IN WITNESS WHEREOF, the undersigned, duly appointed representatives of the Implementing Partner, and the **RECIPIENT INSTITUTION**, respectively, have on behalf of the Implementing Partner and the **RECIPIENT INSTITUTION** signed the present Memorandum of Agreement on the dates indicated below their respective signatures.

  
On behalf of Implementing Partner:  
Name: JOSEPH WAIGHT  
Title: FINANCIAL SECRETARY  
Date: 26/9/13



  
On behalf of the RECIPIENT INSTITUTION:  
Name: YVONNE HYDE  
Title: CHIEF EXECUTIVE OFFICER  
Date: 26/9/13



**B. BUDGET**

**TO BE PREPARED BY THE RECIPIENT INSTITUTION. THIS BUDGET WILL BE SUBMITTED TO THE STEERING COMMITTEE FOR APPROVAL**

**PROJECT BUDGET OF RECIPIENT INSTITUTION**

Project Number: 00087491

Date: 23/9/13

Project Title: Support for the development of the National Growth and poverty Reduction Strategy

Name of the RECIPIENT INSTITUTION: Ministry of Economic Development

Total Amount of Funds under the Agreement: USD \$60,000.00

Date of the Agreement: 23/9/13

**PROJECT BUDGET (in USD)**

**PERIOD COVERING FROM 9/13 TO 12/14**

General Category of Expenditures	Tranche 1	TOTAL
Technical Consultant	\$ 54,240.00	\$ 54,240.00
Training Logistics	\$ 5,760.00	\$ 5,760.00
<b>TOTAL</b>		<b>\$60,000.00</b>

\* Please note that all budget Lines are for costs related only to project activities.

\*\* These budget categories and number of tranches are suggested guidelines. The Recipient may choose alternates which more accurately reflect their expense items and needs.

**C. RECIPIENT INSTITUTION Performance Targets**

NAME OF RECIPIENT INSTITUTION: Ministry of Economic Development

PERFORMANCE TARGETS	BASELINE	YEAR 1	
		Proposed	Actual
A Growth and Poverty Reduction Strategy nationally endorsed	The country currently has a Medium Term Development Strategy	By the end of year 1, A Growth and Poverty Reduction Strategy nationally endorsed	

<p>MFED is effectively monitoring, evaluating and reporting on medium term indicators of GPRS and coordination and key performance indicators of Horizon 2030</p>	<p>PSIP Template</p>	<p>By the end of Year 1, MFED is effectively monitoring, evaluating and reporting on medium term indicators of GPRS and coordination and key performance indicators of Horizon 2030</p>	
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ANNEX 1

Annual Reporting Format

Year \_\_\_\_\_

Recipient Institution: \_\_\_\_\_

OVERALL TARGETS FOR ENTIRE GRANT	BASELINE	PROPOSED ANNUAL TARGETS	ANNUAL BUDGET	ACTUAL ANNUAL RESULTS	ACTUAL ANNUAL EXPENDITURES	PROGRESS TOWARDS TARGETS