

**BALEVUTO COOPERATIVE LTD,
BALEVUTO VILLAGE, BA**

GRANT AGREEMENT

(Micro-Capital Grant Agreement)

For Non-Credit Related
Activities

**MICRO-CAPITAL GRANT AGREEMENT BETWEEN THE United Nations Development Programme
(UNDP) AND THE RECIPIENT INSTITUTION
FOR THE PROVISION OF GRANT FUNDS**

Micro-Capital Agreement (hereinafter referred to as the "Agreement") made between the Implementing Partner [UNDP] and the Recipient Institution [Balevuto Cooperative Ltd].

WHEREAS [UNDP] (hereinafter referred to as "the Implementing Partner") has been entrusted with responsibilities to manage the project defined in project document [00086789 – Enhancing Livelihood Recovery through Food Security in Fiji] (hereinafter referred to as "the Project"), implemented at the request of the Government of [Fiji]

WHEREAS the UNDP desires 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 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 Project Board; and 3) Provide Bi-Annual Certified Financial Statements [Income Statement and Balance Sheets]. 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 1.1 above, then this will be considered grounds for the Project Board to suspend any further micro-capital grant support. The suspension shall remain in effect until the RECIPIENT INSTITUTION has achieved the target.

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

II. Duration

2.1 This Agreement will come into effect on **11 December, 2013** and shall expire on **30 June 2015**, 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 shall provide funds to the **RECIPIENT INSTITUTION** in an amount up to [**Fijian Dollars Eleven Thousand Dollars**] according to the schedule of the project budget set out below. Payments are subject to the **RECIPIENT INSTITUTION** meeting the outputs as specified in Article 1.1.

[**Fiji Dollars Three Thousand (FJD3,000)**], upon signature of this Agreement.

[**Fiji Dollars Four Thousand (FJD4,000)**], upon provision of full acquittal (receipts/invoices) for the initial payment and provision of assets/equipment list.

[**Fiji Dollars Two Thousand (FJD2,000)**], to be paid upon submission of the Bi-Annual Financial and Activities Report by 30 June 2014.

[Fiji Dollars Two Thousand (FJD2,000)], upon submission of the Annual Financial Report by 1 December 2014.

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

**Bank of Baroda
Ba Branch
Balevuto Cooperative Ltd
Account Number 91030100011901
Ba**

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 All further correspondence regarding the implementation of this Agreement should be addressed to:

For UNDP:

**Ms. Osnat Lubrani
Resident Representative
Level 8 Kadavu House
Suva, Fiji**

For the **RECIPIENT INSTITUTION**:

**Iliseva Narau
President
Balevuto Cooperative Ltd
Balevuto, Ba**

V. General Provisions

5.1 This Agreement and the Annexes attached hereto shall form the entire Agreement between **[LTC]** 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 Project Board. If at any time the Project Board is not satisfied with the quality of work or the progress being made toward achieving such goals, the Project Board 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 Project Board'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 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.

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

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

On behalf of Implementing Partner:

Signature: Wanua for ARR-P
Name: Ms. Asenaca Ravuvu
Title: Officer in Charge
Date: December 12, 2013

On behalf of the RECIPIENT INSTITUTION:

Signature: Iliseva Narau
Name: Ms. Iliseva Narau
Title: President
Date: December 12, 2013

B. BUDGET

TO BE PREPARED BY THE RECIPIENT INSTITUTION. THIS BUDGET WILL BE SUBMITTED TO THE PROJECT BOARD FOR APPROVAL

PROJECT BUDGET OF RECIPIENT INSTITUTION

Project Number and Title: **00086789 – Enhancing Livelihood Recovery through Food Security**

Date: **December 12, 2013**

Name of the RECIPIENT INSTITUTION: **Balevuto Cooperative Ltd**

Total Amount of Funds under the Agreement: **FJD11,000**

Date of the Agreement: **December 12, 2013**

PROJECT BUDGET (in Local Currency)

PERIOD COVERING FROM **December 2013** TO **June 2015**

General Category of Expenditures	Tranche 1	Tranche 2	Tranche 3	Tranche 4	TOTAL
Personnel					
Transportation					
Premises					
Training/Seminar/ Workshops, etc.					
Contracts (Audit)					
Equipment	FJD3,000				FJD3,000
Capital Grant		FJD4,000	FJD2,000	FJD2,000	FJD8,000
Miscellaneous					
TOTAL	FJD4,000	FJD2,000	FJD2,000	FJD2,000	FJD11,000

* 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. Workplan – 2013 - 2014

Activity	Time												
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
1. Clear the Land	✓	✓				✓	✓			✓	✓		
2. Planting		✓		✓	✓		✓		✓		✓		✓
3. Harvesting				✓					✓				
4.. Marketing (2014)													

Recipient Institution: Balevuto Cooperative Ltd

OVERALL TARGETS FOR ENTIRE GRANT	BASELINE	PROPOSED ANNUAL TARGETS	ANNUAL BUDGET	ACTUAL ANNUAL RESULTS	ACTUAL ANNUAL EXPENDITURES	PROGRESS TOWARDS TARGETS
Self-sustaining community farming venture started up and supported through its initial phase. Increase in locally grown food.	Limited varieties of vegetable produced in local Communities	Increase in Variety (at least 5 new vegetables grown in significant quantities)	FJD11,000			
	Lack of specialized knowledge and skills.	50% of all participants reflect increased knowledge and skills.				
	Lack of income earning opportunities in communities	Expansion of income earning opportunities through sale of products and diversification.				
	Communities adversely impacted during disasters.	Food shortage issues adequately managed during times of disaster.				