

MICRO-CAPITAL GRANT AGREEMENT FOR THE PROVISION OF GRANT FUNDS

BETWEEN

UNITED NATIONS DEVELOPMENT PROGRAMME

AND

NGO "ELVA COMMUNITY ENGAGEMENT"

Micro-Capital Agreement (hereinafter referred to as the "Agreement") made between the United Nations Development Programme (hereinafter referred to as "UNDP") and NGO "Elva Community Engagement" (hereinafter referred to as "Recipient Institution").

WHEREAS UNDP desires to provide funding to the Recipient Institution for implementation of the Project "**Micro-narratives on conflict, peace and tolerance in the Georgian-Abkhaz context**" on terms and conditions hereinafter set forth.

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 the Description of Assignment (Annex 1) and Budget (Annex 2), and updates related to the subsequent release of funds in tranches; 2) Provide financial and narrative reports to UNDP by completion of each stage of project implementation according to Installment Plan (Annex 1); 3) Provide end-of-project Audit Statement (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 the Description of Assignment (Annex 1).

1.2 The Recipient Institution agrees to reach the performance targets contained in the Description of Assignment (Annex 1). If the Recipient Institution fails to meet its responsibilities outlined in article 1.1, then this will be considered grounds for the UNDP 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 UNDP about any problems it may face in attaining the objectives agreed upon.

II. Duration

2.1 This Agreement will come into effect on **20 July 2016** and shall expire on **30 December 2016**, 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 UNDP shall provide funds to the Recipient Institution in an amount up to **USD 49,874.35** (GEL equivalent to the official UN exchange rate at the date of transfer) according to the schedule of payment

set out in Annex 3. Payments are subject to the Recipient Institution meeting the outputs as specified in Project Document.

3.2 All payments shall be deposited into the Recipient Institution's bank account of which the details are as follows:

Name of Bank: ProCredit Bank CJSC
Account Number: GE90PC0053600100020748
Beneficiary Customer: ELVA

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 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 thirty (30) 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. The Recipient Institution shall also prepare mid-term narrative and financial report to UNDP by completion of implementation stage by end of September 2016, as indicated in Annex 3 using reporting formats (financial and narrative) provided by UNDP. The subsequent payment will be transferred only after approval of submitted reports by UNDP.

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

For the Recipient Institution:

Jonne Catshoek
Director
4 Erekle Tatishvili Dead End, Tbilisi, Georgia

For UNDP:

Shombi Sharp
UNDP Georgia Deputy Resident Representative
9 Eristavi stret, UN House, Tbilisi, Georgia

V. General Provisions

5.1 This Agreement and the Annexes attached hereto shall form the entire Agreement between UNDP and the Recipient Institution, 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 the project documentation (Annex1) 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. 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 UNDP. If at any time UNDP is not satisfied with the quality of work or the progress being made toward achieving such goals, it may: (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. UNDP 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 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 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 Project Document at (Annex 1) 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 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 UNDP or if this Agreement is rescinded, the Recipient Institution acknowledges that the 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 UNDP, and Elva Community Engagement, respectively, have signed the present Memorandum of Agreement on the dates indicated below their respective signatures.

On behalf of UNDP:

Name: Shombi Sharp

Title: Deputy Resident Representative

Date: _____




 07.2016

On behalf of the RECIPIENT INSTITUTION:

Name: Jonne Catshoek

Title: Director

Date: _____

Description of Assignment

1/ Objectives

With the support of UNDP, and close collaboration with Narrate LTD, RECIPIENT INSTITUTION will deploy an innovative Sensemaking methodology to monitor, evaluate, and measure the impact of development and confidence building projects on Georgian and Abkhaz communities.

The main goal of the project is to contribute to confidence building and development measures by providing wider dialogue on peacebuilding issues between communities and civil society actors, and where possible with (de facto) authorities on both sides of the Georgian-Abkhaz conflict divide. To ensure a gender-balanced approach, the project will ensure strong participation of women and youth during the implementation of the project.

The objective of the project is to identify the issues of common concern for the people on both sides of the Georgian-Abkhaz conflict divide and apply this knowledge as a basis for a wider conversation in the public circles, developing targeted interventions on the ground and monitoring their impact. The project will be implemented in parallel on the Georgia and Abkhaz sides. Elva will implement the project on the Abkhaz side in cooperation with two local NGO partners, i.e. the Association of Women in Abkhazia in Sukhumi and Alert in Gali, who will be sub-contracted by Elva.

Output: (i) Innovative partnerships formed to facilitate dialogue and confidence building across the conflict divide. (ii) Perception of social cohesion and trust formed in post-conflict communities. (iii) Findings shared to enable better planning and implementation of confidence- building initiatives

2/ Activities

This action consists of two components - A) survey design and implementation, and B) data-driven advocacy to maximize the impact of research outcomes.

Elva will implement the project in close cooperation with the UNDP Peace and Development Programme Team and ensure a conflict-sensitive approach during implementation of activities.

Activity 1. Survey Design and Implementation

Elva will facilitate the collection of micro-narratives for Narrate LTD and play an active role in each aspect of survey development and implementation - from questionnaire design to the elaboration of data collection methodologies.

Elva will also track developments over time through two survey intervals, each involving up to 500 respondents. Tentatively, these surveys are foreseen for August and November 2016. The survey will take place in and adjacent areas of Sukhumi, Gali, Zugdidi and Tbilisi, among a representative sample of the population in each area.

To collect data in Georgian communities, Elva will recruit and train 4 local students as enumerators - one in each of the abovementioned target areas. Within each survey round, these students will collect the necessary micro-narratives (approximately 125 per region per survey).

Elva will also sub-contract, train and support the local NGO partners in Abkhazia, i.e. the Association of Women in Abkhazia in Sukhumi and Alert in Gali, in collecting data for survey. In doing so, Elva will provide

Narrate LTD with the necessary raw data immediately after the data collection effort, ensuring swift analysis of incoming results.

Activity 2. Data-driven Advocacy

In partnership with some of the foremost data visualization specialists and storytellers in Georgia, Elva will assist Narrate LTD in communicating the main findings in a way that makes it accessible and engaging to a wider public in Georgia and beyond. By doing so, relevant stakeholders and the general public will be engaged through both online and offline activities.

Sensemaker allows to combine the distinct qualities of both qualitative and quantitative analysis and visualize these data in an innovative way by telling the human stories behind the data.

Based on the outcomes of the collected data, Elva will organise a series of activities aimed at advocating the main findings in a data-driven yet accessible manner, and thus will ensure continuous engagement from relevant stakeholders, where possible with a wider audience, conflict-sensitivities permitting. These activities, which will be organized in consultation with the UNDP Peace and Development Programme Team, could consist of:

I. An **online platform** to showcase the project's research findings. Data content could where possible be shared with a wider audience provided related conflict-sensitivities can be taken into account.

II. **2 public events** to present and discuss the project's findings with local stakeholders, and where possible, a wider audience.

This will allow UNDP Georgia to communicate the project's findings in an effective manner to the widest possible audience manner.

3/ Installment Plan/Deliverables

Note: All Deliverables must be met and approved by the Project Manager prior to the disbursement of subsequent tranches.

1. Tranche 1

Installment Date: Upon signing the Project Cooperation Agreement

Installment Amount: **USD 21,273.38**

Deliverables:

- 1.1 The list of beneficiary cooperatives is developed and agreed with UNDP
- 1.2 The monitoring and assessment plan is developed and agreed with UNDP
- 1.3 Assets for 6 selected cooperatives are distributed
- 1.4 Questionnaire design (incl. visits to local partners)
- 1.5 Methodology development (data collection)
- 1.6 Training of enumerators and local partners
- 1.7 Data collection

Date of Deliverables: **30 September, 2016**

2. Tranche 2

Installment Date: Immediately upon completion of previous deliverable

Installment Amount: **USD 26,593.37**

Deliverables:

- 2.1 Web development (online platform to publish results)
- 2.2 Data analysis
- 2.3 Data visualization (at least 8 infographics)
- 2.4 Multimedia storytelling (4 stories)
- 2.5 Marketing of research findings
- 2.6 Public discussions

Date of Deliverables: **20 December, 2016**

3. Tranche 3

Instalment Date: Immediately upon completion of previous deliverables

Instalment Amount: **USD 2,007.60**

4/ Activity Work-plan

Activity		July	Aug	Sept	Oct	Nov	Dec
1	Survey Design and Implementation	X	X	X	X		
2	Data-driven Advocacy					X	X

Annex 1

BUDGET

PROJECT BUDGET OF RECIPIENT INSTITUTION

Project Number: 00084270, Activity 6

Date: 20-Jul-2016

Project Title: "Micro-narratives on conflict, peace and tolerance in the Georgian-Abkhaz context"

Name of the RECIPIENT INSTITUTION: Non-profit, non-commercial legal entity "Elva Community Engagement"

Total Amount of Funds under the Agreement: USD 49,874.35

Date of the Agreement: July 20, 2016

BUDGET (in USD)

Budget line	Unit type	Unit cost	# Units	Ratio	Total
1. Staff costs					
1.1 Project director (Mark van Embden Andres)	month	2,800.00	5	24%	3,360.00
1.2 Project manager (Nino Nanitashvili)	month	1,700.00	5	24%	2,040.00
1.3 Project assistant (Maiko Palashvili)	month	1,350.00	5	48%	3,240.00
Sub-total					\$ 8,640.00
2. Training manual development					
2.1 Framework development (incl. data collection manual) - 2 consultants	day	260.00	12	100%	3,120.00
2.3 Data analysis workshops Abkhazia - 1 consultants	day	260.00	8	100%	2,080.00
Sub-total					\$ 5,200.00
3. Data collection					
3.1 Selection and training of enumerators - 1 consultant (Jonne Catsho)	day	260.00	12	100%	3,120.00
3.2 Enumerator vacancy - advertising costs (jobs.ge)	ad	12.00	2	100%	24.00
3.3 Tbilisi - Enumerator fee	fixed fee	1,250.00	2	100%	2,500.00
3.4 Tbilisi - Travel and MI&E (2 enumerators, 10 days per survey round)	per diem	20.00	40	100%	800.00
3.5 Zugdidi - Enumerator fee	fixed fee	1,250.00	2	100%	2,500.00
3.6 Zugdidi - Travel and MI&E (2 enumerators, 10 days per survey round)	per diem	20.00	40	100%	800.00
3.7 Sukhumi - Sub-contract AWA	Contract	4,975.50	1	100%	4,975.50
3.8 Gali - Sub-contract Alert	Contract	4,467.25	1	100%	4,467.25
Sub-total					\$ 19,186.75
3. Data advocacy					
3.1 Online ad campaign (FB, AdWords)	month	150.00	4	100%	600.00
3.2 Public presentation and discussion of findings	events	650.00	2	100%	1,300.00
3.3 Public-facing platform to share outcomes	sub-contract	6,750.00	1	100%	6,750.00
3.4 Data visualizations / infographics	sub-contract	2,750.00	1	100%	2,750.00
3.5 Translation services	page	8.00	40	100%	320.00
Sub-total					\$ 11,720.00
4. Travel costs					
4.1 Train travel to Zugdidi (1 trips for 2 persons, 2 trips for 1 person)	two-way ticket	40.00	4	100%	160.00
4.2 Taxi costs (Abkhazia travel, 3 trips)	fare	80.00	3	100%	240.00
4.3 Accommodation, MI&E	per diem	170.00	16	100%	2,720.00
Sub-total					\$ 3,120.00
Overhead (7%)					2,007.60
Total					USD 49,874.35

Annex 2

**FINANCIAL INSTALMENTS FOR PROJECT PERIOD COVERING
20 July 2016 to 30 December 2016**

General Category of Expenditures	Tranche 1	Tranche 2	Tranche 3	Total
	20Jul-30Sept	1Oct-20Dec	20Dec-31Dec	
Management and coordination	4,320.00	4,320.00		8,640.00
Travel costs	1,560.00	1,560.00		3,120.00
Framework and Training manual development	5,200.00	-		5,200.00
Data collection	9,593.38	9,593.37		19,186.75
Data advocacy	600.00	11,120.00		11,720.00
Overhead (7%)			2,007.60	2,007.60
Total	21,273.38	26,593.37	2,007.60	49,874.35

NB – All eligible project expenses need to be paid by 30 December 2016.

Annex 3

REPORTING FORMAT

Recipient Institution: Non-profit, non-commercial legal entity "Elva Community Engagement"

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



Tbilisi, 20 July 2016

Note to the File

Project: Micro-Narratives on conflict, peace and tolerance in the Georgian-Abkhaz context (84270, Activity 6)

Subject: Signing Micro-Capital Grant Agreement (MCGA) with NGO ELVA to implement micro-narratives project

In autumn 2015, the Peace and Development Advisor (PDA) initiated the project on "Micro-narratives on conflict, peace and tolerance in the Georgian-Abkhaz context" with funding from the UNDP Istanbul Regional Hub. The objective of the project is to engage people in Georgian and Abkhaz societies, in particular women and youth, on conflict and peace issues as well as Georgian-Abkhaz relations and tolerance through an innovative method of surveying, storytelling and micro-narratives. The objective will be met through collection of micro-narratives in two surveys (tentatively planned in August and November) to be conducted in Sukhumi, Gali, Zugdidi and Tbilisi and their adjacent areas, each survey involving up to 500 respondents. As a second step, the main findings will be communicated in a way that makes it accessible and engaging to a wider public in Georgia and beyond, including both online and offline activities.

For the implementation of the mentioned assignment UNDP contracted Narrate LTD to use the Sensemaker software, which is licensed and championed by Narrate LTD. The Sensemaker is a unique methodology that allows to capture pictures, recordings and writing in various combinations to reflect how respondents are making sense of the world. Once the survey methodology and framework is developed and adjusted to a local context, data collection and interpretation starts.

Based in UK, it would be operationally difficult and financially costly to engage Narrate LTD in day-to-day management and implementation of the project. For these purposes PDA proposes to engage Tbilisi based NGO Elva. Elva is one of the few local NGOs that possesses extensive experience of running innovative projects and working with Sensemaker methodology as well developing innovative mobile and online solutions for conflict transformation efforts worldwide. It implements conflict transformation and democracy support projects in Africa, Western Europe and the Caucasus. Besides, UNDP has good record of cooperation with this NGO. Under PDA project, Elva successfully implemented an early warning and response network in Shida Kartli in 2010-2013. Within COBERM, Elva has implemented sub-project "Promoting Inter-ethnic Engagement amongst Youth through Online Gaming".

In order to collect balanced and accurate information, equally representing Georgian and Abkhaz communities, the assignment will be implemented through two parallel sub-projects either side of the Georgian-Abkhaz conflict divide. The conflict context requires a political savvy and conflict sensitive approach from the implementing partner during project design, implementation and interpretation of data. Having extensive experience of running projects in conflict sensitive environment, engagement of the NGO Elva in project management and implementation, including providing input on local context during the framework development, training of data enumerations in conflict and gender sensitive manner, data collection, visualization and presentation would provide for cost-effective and successful implementation of the project. Furthermore, Elva is the only organisation that combines both the technical skills and expertise required for this project with access of its international staff to Abkhazia, also taking into account that Elva has previous project experience in Abkhazia.

Given Elva's unique combined experience of technical skills and expertise, working in conflict-sensitive environment and good record of cooperation with UNDP, it is recommended to sign the MCGA with NGO Elva for the amount of USD 49,874.35 and duration of 20Jul2016 till 31Dec2016.

Capacity assessment of Elva has been conducted under project COBERM and is attached to this Note.

RECOMMENDED:

A handwritten signature in black ink, appearing to read 'M. Van Ruiten', written over a horizontal line.

Maria Van Ruiten
Peace & Development Advisor

APPROVED:

A handwritten signature in black ink, appearing to read 'Natia Natsvlisvili', written over a horizontal line. To the right of the signature is a circular official stamp of the United Nations Development Programme, Tbilisi Office, Georgia. The stamp contains the UNDP logo and the text 'United Nations Development Programme' and 'Tbilisi Georgia'.

Natia Natsvlisvili
ARR