



Foreign &
Commonwealth
Office

Terms of Accountable Grant Agreement

The Secretary of State for Foreign and Commonwealth Affairs as represented by:

Mark Gooding
Deputy High Commissioner
British High Commission, Colombo, Sri Lanka

for the Foreign and Commonwealth Office (the Authority) of the one part, has agreed to make a grant of funds to:

UNDP Maldives,
UN Building,
Buruzu Magu, Male, Maldives,
Andrew Cox, Resident Coordinator

(the Implementer) of the other part, upon the following terms:

Article 1 – Purpose of the Grant

- 1(1) The grant is made for the implementation of the project entitled: **Consolidating Democracy through Judicial Reform**. The title, purpose, outputs and activities of the project are set out in the Project Terms of Reference (Bidding Form).
- 1(2) The Implementer will be awarded the grant on the terms and conditions set out in this document and its Annexes (which form an integral part of the contract), and which the Implementer hereby declares it has taken note of and accepts.
- 1(3) The Implementer accepts responsibility for the grant and undertakes that it will be used only for the purposes of carrying out the Project in accordance with the Project Terms of Reference (Bidding Form), Annex A.

Article 2 – Duration of Project

- 2(1) Implementation of the project will begin on the day following that on which the last of the two parties signs these terms of grant.
 - 2(2) The project's duration is from 7th November 2010 to 31st March 2011. Any amendments to this period must be agreed by both parties in writing.
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Article 3 - Financing the Operation

- 3(1) Subject to Article 7 below, the Authority will provide up to a maximum of **£29,425** (Sterling Pounds Twenty Nine Thousand Four Hundred and Twenty Five Only) towards the total costs of the project for the period 7th November 2010 to 31st March 2011.
- 3(2) Payment will be one-off at the outset of the project, after both parties have signed the grant agreement, based on the forecast in the Project Activity Based Budget (Annex B).
- 3(3) Procurement of goods or services by the Implementer using grant funds must comply with the good practice of the Authority, using transparent processes and fair and open competition.
- 3(4) Any non-consumable items of equipment purchased under the grant with an initial value of more than £1,000 and a useful life of more than one year will (in the absence of specific agreement in writing by the Authority to the contrary) be the property of the Authority and must not be disposed of except as the Authority directs. The Implementer will maintain an inventory and notify the Authority of all purchases. Entries must include the following:
- description
 - specific identification (e.g. serial number)
 - date of purchase
 - original value (including VAT if paid)
 - location and/or use
 - person responsible for it
- 3(5) The project funds should be spent in the appropriate financial year for which they were intended – as set out in the Project Activity Based Budget, Annex B. Any funds carried forward to subsequent years can only be done so with the prior agreement of the Authority's representative.

Article 4 – Reports and Payments

- 4(1) The project's costing is set out in the Annex A of the Bidding Form.
- 4(2) The Implementer will provide a narrative report of the activities undertaken in the project period by 31st March 2011 with the assessment of the progress made against original bid documents. This assessment should also compare progress against the indicators of success recorded in the original project bid form.
- 4(3) The Implementer will provide a financial report of how the project funds were spent in the preceding reporting period, including details of any consultants' fees and travel expenses by 15th March 2011.
- 4(5) Items spent against the grant must be clearly identifiable within the Implementer's accounts.
- 4(6) Unless otherwise agreed, funds shall be transferred to a separate bank account nominated for this project.
- 4(7) The Authority reserves the right to commission an external audit of the financial report covering the implementation of the project at any time.
- 4(8) It will be also be necessary for the Implementer to submit annual audited accounts for each of the financial years covered by the grant. These must be signed by the Finance Officer of the Implementer and be certified by an independent firm of professional

auditors as being a true reflection of the organisation's finances at the relevant time. These accounts must show the British High Commission Colombo's grant as a separate item of income. One copy bearing original signatures must be submitted to the Authority by the 30th of June 2011.

- 4(9) The Authority reserves the right to reclaim at any time within a period of 5 years after the date of these terms of grant any grant money, which remains unspent at the termination of this project, or money spent on purposes which do not fall within the Project Terms of Reference in Annex A or the Project Activity Based Budget in Annex B or which is unaccounted for.
- 4(10) The Implementer will allow access for the Authority or its representatives to project sites and to relevant records for the purposes of monitoring, evaluation and audit.
- 4(11) Payments shall be made into the UNDP Maldives Bank Account. The Implementer will need to provide its bank account details to the Authority with the letter of request for the first tranche.
- 4(12) Grant reference number PSA SLC 100032 shall be quoted on all correspondences.

Article 5 – Monitoring and Evaluation

- 5(1) The Authority will supervise the progress of the project throughout and reserves the rights to carry out monitoring visits at a time agreed with the Implementer upon reasonable notice being given. In addition to the periodic narrative report (details in the Covering Letter), the Implementer will be requested for up to date good news stories and examples of impact from time to time.

Article 6 – Amendment of the Terms of Grant

- 6(1) These terms of grant may be amended only by written agreement of the parties.

Article 7 – Termination of the Terms of Grant

- 7(1) Either party may terminate this contract, upon one month's written notice to the other, in the following circumstances:
- For failure to implement the project according to this contract;
 - For material breach of any terms of this contract;
 - By reason of force majeure.
- 7(2) The Authority may terminate this contract, upon one month's notice to the Implementer, if any changes occur which, in the opinion of the Authority, impair significantly the value of the contribution of the project towards the programme objective, or if the funding available to the Authority should become, in its sole opinion, insufficient for it to continue to finance the project during or after the current financial year. In addition, the Authority may terminate the contract in the event of unsatisfactory progress of the project after scheduled reviews.
- 7(3) Upon termination of the terms of grant the Implementer shall provide financial and narrative reports (including invoices and receipts) up to the date of such termination.
- 7(4) Upon termination of the terms of grant the Authority retains the right to recover any funds given to the Implementer under these terms of grant which have not been used for the purposes of implementing the project or cannot be accounted for.

Article 8 – Acknowledgement of Funding

- 8(1) Unless there are exceptional reasons for funding not to be acknowledged, the Implementer undertakes to acknowledge the contribution of the Authority (and any particular funding source) on materials produced in the course of the project (including information available in electronic format) and at all public events.
- 8(2) The Implementer should consult the Authority on all promotion or publicity of the project, and seek approval of the Authority before using any branding or acknowledgement of the Authority in publicity material, materials produced during the project and/or at public events.

Article 9 - Liability

- 9(1) The Implementer undertakes to provide adequate supervision of and care for its staff, agents and visitors, and accepts that in no circumstances will the Authority be responsible for the acts or omissions of the Implementer's staff, agents or visitors or for any loss or liability arising as a result of the project, which remains the entire responsibility of the Implementer.
- 9(2) The person signing off reports and invoices (as outlined in Article 4) should certify that all amounts detailed on the invoice have actually and necessarily been expended under the grant and are therefore legitimate expenditure.

Article 10 - Representatives

- 10(1) All issues arising out of these terms of grant shall in the first instance be dealt with by the following representatives of the parties:-

For the Authority:

Signature: M. COOYING

Name: M. COOYING

Date: 10/12/2010

For the Implementer:

Signature: Andrew Cox

Name: Andrew Cox

Date: 24-11-2010

Annex A

The Project Terms of Reference (Bidding Form)