

Template:	Non-Norwegian NGOs	Revision no.:	1
Specific Conditions (part I)	Grant Management Regime I	Date:	01.03.2016

GRANT AGREEMENT

BETWEEN

THE NORWEGIAN MINISTRY OF FOREIGN AFFAIRS

AND

FOUNDATION FOR SUPPORT OF REFORMS IN UKRAINE

REGARDING

UKR-16/0014

HUMAN RESOURCE SUPPORT TO
CRITICAL REFORM INITIATIVES IN UKRAINE

PART I: SPECIFIC CONDITIONS

PART II: GENERAL CONDITIONS

PART III: PROCUREMENT PROVISIONS

ANNEX A: BUDGET

ANNEX B: RESULTS FRAMEWORK

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PART I: SPECIFIC CONDITIONS

This grant agreement (the Agreement) has been entered into between:

- (1) The Norwegian Ministry of Foreign Affairs (MFA), represented by the Royal Norwegian Embassy in Kyiv (the Embassy) and
 - (2) Foundation for Support of Reforms in Ukraine, a foundation duly established in Ukraine under registration number 39609567 (the Grant Recipient),
- jointly referred to as the Parties.

1 SCOPE AND BACKGROUND

- 1.1 The Grant Recipient has submitted an application to MFA dated 15.05.2016 (the Application) regarding financial support to the project titled Human Resource Support to Critical Reform Initiatives in Ukraine, UKR-16/0014 (the Project). The estimated costs of the Project are indicated in the budget attached as Annex A to this Agreement.
- 1.2 MFA has decided to award a grant to be used exclusively for the implementation of the Project (the Grant). The Parties expect the Project to be implemented during the period from July 2016 to December 2016 (the Support Period).
- 1.3 The Parties have agreed to enter into an Agreement, consisting of this part I; Specific Conditions, part II; General Conditions, and part III; Procurement Provisions, all of which form an integral part of this Agreement. In the event of discrepancies between the Specific Conditions and the General Conditions or Procurement Provisions, the Specific Conditions shall prevail.

2 OBJECTIVES OF THE PROJECT

- 2.1 The expected results of the Project are as follows:

The Project's planned effects on society are implemented critical reforms in Ukraine (Impact).

The planned effects for the target group of the Project are improved business climate, increased transparency, efficiency and effectiveness of government decisions (Outcome).

The planned main products and/or services of the Project are i) reform initiatives completed; ii) laws amended/adopted; iii) ministry orders prepared; iv) new governance models introduced (Outputs).

The intended target group are reform teams placed at the Ukrainian Ministries.

- 2.2 The full results framework is included as Annex B to this Agreement.

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3 IMPLEMENTATION OF THE PROJECT

- 3.1 The Project shall be implemented in accordance with the Agreement, including all annexes, and the latest approved Application, including implementation plan and budget.
- 3.2 During the implementation of the Project, the Grant Recipient shall exercise the necessary diligence, efficiency and transparency in line with sound financial management and best practise principles.
- 3.3 The Grant Recipient shall identify, assess and mitigate any relevant risks associated with the implementation of the Project, including the risk of corruption and other financial irregularities, and any potential negative effects that the Project may have on the environment and climate, gender equality and human rights.

4 THE GRANT

- 4.1 The Grant shall amount to maximum NOK 850 000 (Norwegian Kroner eight hundred fifty thousand)
- 4.2 Disbursement after the current calendar year is subject to Norwegian Parliamentary appropriations.
- 4.3 The Grant, including accrued interest, shall be used exclusively to finance the actual costs of the implementation of the Project during the Support Period.
- 4.4 The Grant Recipient is responsible for obtaining any additional resources which may be required to duly implement the Project.

5 DISBURSEMENT

- 5.1 The Grant shall be disbursed in one advance instalment based on the financial need of the Project for the upcoming period, which shall not exceed six months. The disbursement shall be made upon MFA's receipt of written disbursement requests from the Grant Recipient, describing the financial need for the period in question.
- 5.2 Financial need refers to the budgeted expenditure for the upcoming period, less any funds available to the Project from all other sources during the same period.
- 5.3 The financial need shall be documented through an updated financial statement for the Project and a reference to the latest approved implementation plan and budget.
- 5.4 The disbursement requests shall be signed by the chief financial officer/an authorized representative of the Grant Recipient. A confirmation that the Project is being implemented in accordance with the Agreement shall be included in the disbursement request.
- 5.5 All disbursements are conditional upon the Grant Recipient's continued compliance with the requirements of the Agreement, including the timely fulfilment of reporting obligations.

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5.6 All disbursements will be made to the following bank account:

Name of the account:	Non-Governmental Union “Foundation for Support of Reforms in Ukraine”
Account no.:	26003517178
IBAN no.:	N/A
Name and address of the bank:	Public Joint Stock Company “Raiffeisen Bank Aval” Address: 9 Leskova Street, Kyiv 01011, Ukraine
Swift/BIC code:	AVALUAUKXXX
Currency of the account:	USD

5.7 The Grant Recipient shall immediately acknowledge receipt of the funds in writing. The amount received shall be stated, as well as the date of receipt and the exchange rate applied.

6 REPORTING AND OTHER DOCUMENTATION

6.1 The following shall be submitted by the Grant Recipient to MFA:

- a) A **final report** covering the entire Support Period shall be submitted to MFA by March 2017. The final report shall include the content specified in article 4 of the General Conditions. MFA’s standard reporting format shall be used.
- b) A **financial report** covering the entire Support Period shall be submitted to MFA by March 2017. The financial report shall include the content specified in article 3 of the General Conditions.
- c) An **audit report** covering the financial statements of the Project shall be submitted to MFA by March 2017. The audit report shall comply with the requirements set out in article 7 of the Specific Conditions and article 5 of the General Conditions. The management letter (matters for governance attention) shall be attached to the audit report.

6.2 If the Grant Recipient is unable to meet the deadlines set out above, MFA shall be informed immediately.

6.3 All implementation plans, budgets and reports shall be approved in writing by MFA unless otherwise agreed by the Parties.

7 AUDIT

7.1 The annual financial statements of the Project shall be audited in accordance with International Standards of Auditing (ISA) 800 (“Special considerations audits of financial statements prepared in accordance with special purpose frameworks”) or ISA 805 (“Special considerations audits of single financial statements and specific elements, accounts or items of a financial statement”).

7.2 Additional requirements applicable to the auditor and the audit report are included in article 5 of the General Conditions.

7.3 The Grant Recipient is responsible for submitting the audit report to MFA within the deadline indicated in article 6 of the Specific Conditions.

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8 FORMAL MEETINGS

- 8.1 The Parties shall hold formal meetings if/when requested by MFA. Details regarding agenda and procedures will be agreed upon by the Parties.

9 REVIEWS AND OTHER FOLLOW-UP MEASURES

- 9.1 If the Grant Recipient or another interested party initiates a review or evaluation of activities wholly or partly funded by the Grant, MFA shall be informed. The Grant Recipient shall forward a copy of the report of any such review or evaluation to MFA without undue delay.

10 PROCUREMENT

- 10.1 All procurement under the Project shall be completed in accordance with the Procurement Provisions in Part III of this Agreement.

11 REPAYMENT OF INTEREST AND UNUSED FUNDS

- 11.1 Upon the end of the Support Period or upon termination of this Agreement, any unused funds that total more than NOK 500 shall be repaid to MFA as soon as possible and at the latest within 6 months. The repayment shall include any interest which have not been used for Project purposes, and other financial gain accrued on the Grant.

- 11.2 Repayments shall be made to the following bank account:

Name of the account:	Norwegian Ministry of Foreign Affairs
Account no.:	7694 05 12 618
IBAN no.:	NO83 7694 0512 618
Name and address of the bank:	DnB ASA, 0021 Oslo, Norway
Swift/BIC code:	DNBANOKK

- 11.3 The transaction shall be clearly marked: "Unused funds". The name of the Grant Recipient shall be stated, along with MFA's agreement number and agreement title.

12 SPECIAL PROVISIONS

No Special provisions shall apply.

13 NOTICES

- 13.1 All communication to MFA concerning the Agreement shall be directed to the Embassy at the following address/e-mail address: ProjectKyiv@mfa.no.

- 13.2 All communication to the Grant Recipient concerning the Agreement shall be directed to Yurii Shkil at the following address/e-mail address: yurii.shkil@fsr.org.ua.

- 13.3 MFA's agreement number and agreement title shall be stated in all correspondence regarding this Agreement, including disbursement requests and repayment of unused funds.

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14 SIGNATURES

- 14.1 By signing part I of the Agreement, the Parties confirm receipt and approval of part II; General Conditions, and part III; Procurement Provisions, which all form an integral part of the Agreement.
- 14.2 This Agreement has been signed in two -2- original copies in the English language. In the event of any discrepancies between this English language version and any later translations, the English language version shall prevail.

Place: Kyiv

Date:

19.07.2016

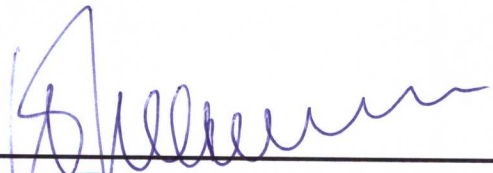


for the Norwegian Ministry of Foreign Affairs,

Jon Elvedal Fredriksen

Ambassador

Royal Norwegian Embassy in Kyiv



for Foundation for Support of Reforms in Ukraine,

Yurii Shkil

Director

Foundation for Support of Reforms in Ukraine



Attachments:

Annex A: Approved budget for the Project

Annex B: Results framework