

FINANCING AGREEMENT: GRANT

Between

**THE UNITED NATIONS CAPITAL DEVELOPMENT
FUND
(UNCDF)**

And

<Name>

Recipient Institution

COUNTRY

...

A. GRANT AGREEMENT

GRANT AGREEMENT BETWEEN UNCDF and **Recipient Institution** FOR THE PROVISION OF GRANT FUNDS

Grant Agreement (hereinafter referred to as the "Agreement") made between **the United Nations Capital Development Fund ("UNCDF" or "Grantor")**, and **Recipient Institution** (the Recipient Institution, hereinafter referred to as the financial service provider or "**Recipient Institution**").

WHEREAS the **Grantor** desires to provide funding to the **Recipient Institution** in the context of a Programme and on the terms and conditions hereinafter set forth,

WHEREAS, the funds provided by the **Grantor**, will be earmarked to support the **Recipient Institution** to [describe the objective of the project]

WHEREAS the **Recipient Institution** is ready and willing to accept such funds from the **Grantor** 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: complete the key results/milestones specified in the Section III below, including providing reports and statements to the grantor in accordance with the Monitoring Schedule. The **Recipient Institution** shall be responsible for verifying the accuracy of all reports. Funds provided pursuant to this Agreement shall be used to achieve these results/milestones. The **Recipient Institution** shall be free to reallocate resources as needed in order to produce the expected results.

1.2 If the **Recipient Institution** fails to meet the minimum performance indicators in Section III within ninety (90) days of the timeframe specified, the **Grantor** may suspend or terminate this agreement at its discretion. The suspension will remain in effect until the **Recipient Institution** has met the targets or until the **Grantor** has agreed in writing to modify the performance targets.

1.3 The **Recipient Institution** agrees to inform the **Grantor** about any problems it may face in a timely fashion or any anticipated failure to complete the activities or achieve the expected results. The **Recipient Institution** also agrees to immediately report any incidence of fraud, theft, or significant operational loss that negatively impact its ability to fulfill the terms of this Agreement or threaten or have a relevant impact on its ability to continue as a going concern.

1.4 The **Recipient Institution** agrees to notify the Grantor of any grant funds for the purpose of completing the Project Description it may receive prior to signature of those funding agreements. The Grantor reserves the right to adjust the amount of funding in this Agreement if it determines that its funds are no longer necessary as the result of other funding agreements.

II. Duration

2.1 This Agreement will come into effect on **the signature date** and shall expire on **(Date and Year)** covering the anticipated term of the project. It can be extended, if necessary by exchange of letters, noting the new expiration date.

III. Key Results/Milestone and Payments

3.1 The **Grantor** shall provide funds to the **Recipient Institution** of an amount of **<US\$XX>** according the schedule set out below. Payments are subject to the **Recipient Institution** achieving the Expected Results as well as the disbursement conditions set forth in this article, if any.

Upon signature of this Agreement:

Tranche #	Payment Date	Amount in USD	% of total grant	Disbursement Conditions
				•
				•

3.2 Detailed Results (outreach and performance) targets are as follows:

Recipient Institution	BASELINE	End of Year		End of Year		End of Year	
		Proposed	Minimum Target	Proposed	Minimum Target	Proposed	Minimum Target

3.3 Disbursement conditions shall include that the RECIPIENT INSTITUTION must be current on all payments due under any existing loan agreement with UNCDF and meeting reporting requirements.

Mechanism	Timing/Due Date	Scope	Responsibility
Quarterly and Annual Reports	30 days after end of fiscal quarter	Annex 1 Report Format	Recipient Institution
Mid-term and Final evaluation			UNCDF (primary), Recipient Institution to be available to evaluators
Audited Financial Statements	120 days after the end of the fiscal year		Recipient Institution
Final Report	45 days after end date		Recipient Institution

3.4 The **Recipient Institution** shall request disbursements with the supporting information to show that disbursement conditions have been met. All payments shall be deposited into the **Recipient Institution's** bank account of which the details are as follows:

Name of the Bank:

Bank Routing Number:

SWIFT Code:

Beneficiary Account Name:

Beneficiary Account Number:

Address of Bank:

3.5 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** agrees to provide reports and fulfill its obligations accordance with the Monitoring and Evaluation schedule (section III). It agrees to reasonable requests to make its personnel available to participate in on-site monitoring visits.

4.3 Within sixty (60) days after completion of project activities, the **Recipient Institution** shall provide the **Grantor** with a final financial report describing how the expenditures were utilized.

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

For **UNCDF**:

Francois Coupienne
Global Digital Lead
UNCDF
Boulevard du Régent 37 -40
1000 Brussels
Belgium
Tel: +32 2 274 10 22
Fax: +32 2 274 10 39
E-mail: digital.info@UNCDF.org

For the **Recipient Institution**:

V. General Provisions

5.1 This Agreement and the Annexes attached hereto shall form the entire Agreement between the Recipient Institution, and the Grantor, 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 paragraph 1.1 with due diligence and efficiency and shall have exclusive control over the administration and implementation of those activities. The Grantor shall not interfere in the exercise of such control. If in the Grantor's determination the Recipient Institution is not carrying out the activities described in paragraph 1.1, the Grantor 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. The Grantor's determination shall be binding and conclusive upon the Recipient Institution insofar as payments are concerned.

5.3 The **Grantor** 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 **Grantor** be held liable for such claims by third parties.

5.6 Grant funds disbursed to the **Recipient Institution** shall be considered to be the property of the **Grantor** and shall not become the property of the **Recipient Institution** until one or more of the following conditions have been met: (i) the **Recipient Institution** has verifiably complied with all conditions in this grant agreement; (ii) the **Grantor** advises the **Recipient Institution** in writing that it has fulfilled the conditions to the **Grantors'** satisfaction; (iii) the **Grantor** otherwise notifies the **Recipient Institution** in writing that it

releases the **Recipient Institution** from any obligation to repay funds. In the case of multiple payments in paragraph 3.1, the Grantor's approval of a payment shall be considered a notification of fulfillment of conditions for all previous payments. If within ninety (90) days after the end date of the Agreement there has been no written communication from the **Grantor** in regard to the disposition of the funds, the funds shall be considered the property of the **Recipient Institution**. In cases where the above conditions have not been met, the **Grantor** may at its discretion require the **Recipient Institution** to return of some or all of the funds and the **Recipient Institution** has thirty (30) days to comply with this request.

5.7 This Agreement may be terminated by either party before completion of the Agreement by giving thirty-day (30) written notice to the other party. In the case of termination by the **Grantor**, the disposition of funds shall be governed by paragraph 5.6. In case of termination by the **Recipient Institution**, the **Grantor** may at its discretion require the **Recipient Institution** to return all or part of the funds. The **Recipient Institution** has thirty (30) days to comply with this request. If the **Grantor** fails to request the return of funds within ninety (90) days of the termination notice, the funds shall be considered the property of the **Recipient Institution**.

5.8 The **Recipient Institution** acknowledges that the **Grantor** has made no actual or implied promise of funding except for the amounts specified by this Agreement.

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.

IN WITNESS WHEREOF, the undersigned, duly appointed representatives of the **Grantor**, and the **Recipient Institution**, respectively, have on behalf of the **Grantor** and the **Recipient Institution** signed the present Memorandum of Agreement on the dates indicated below their respective signatures.

On behalf of UNCDF:

On behalf of the **Recipient Institution:**

Name: Judith Karl

Name: _____

Title: Executive Secretary

Title: _____

Date: _____

Date: _____