

Grant Support Agreement

IN SUPPORT OF

20439-001 Rural Renewable Energy Project

GRANTEE NAME:

GRANT NUMBER: .../.../...../..../...

This Grant Support Agreement (hereinafter referred to as “Agreement”) made is between the United Nations Office for Project Services (hereinafter referred to as “UNOPS”) and [insert Grantee’s name and address] (hereinafter referred to as “Grantee”).

WHEREAS UNOPS desires to provide grant support to the Grantee in the context of the implementation of [insert short grant activity description] in [insert country], (hereinafter referred to as the “Activity”), as more specifically described in Annex A, on the terms and conditions hereinafter set forth, and

WHEREAS the Grantee is ready and willing to accept such funds from UNOPS for the above-mentioned activities on the terms and conditions as herein set forth.

NOW, THEREFORE, the Grantee and UNOPS agree as follows:

1. Agreement Documents

1.1. The following documents attached hereto shall be deemed to form an integral part of this Agreement in the following order of precedence:

- i. This agreement
- ii. Annex A: Terms of Reference
- iii. Annex B: Grant Budget
- iv. Annex C: Reporting Templates
- v. Annex D: UNOPS General Conditions for Grant Support Agreements
- vi. Annex E: Terms of Reference for Audit
- vii. Annex F: Schedule of mini-grid sites

1.2. This Agreement and the Annexes attached hereto shall form the entire Agreement between the Grantee and UNOPS, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Agreement.

2. Purpose of the Agreement

2.1. The purpose of this Agreement is to provide support for the Activity being [insert short grant activity description] in [insert country], as described in Annex A (the Terms of Reference). None of the funds provided pursuant to this Agreement may be used for any purposes other than those expressly set forth in Annex A.

2.2. Grant support is being provided to the Grantee on the condition that the action is implemented, and the funds are administered by the Grantee, in accordance with this Agreement.

3. Duration of this Agreement

3.1. This Agreement is effective and funds are granted by UNOPS as of [insert start date] or the date of the last signature below, whichever is the latter.

3.2. Funds granted hereunder are available for program expenditures for the estimated period from the effective date specified in Clause 3.1 above to **[insert end date]**.

4. Role of the Grantee

4.1 The Grantee shall:

- a. Have full responsibility for ensuring that the Activity is implemented in accordance with the Agreement
- b. Be responsible, in the event of financial review, audit or evaluation for providing the necessary accounting documents
- c. Be responsible for providing all documents and information to UNOPS which may be required under the relevant payment requests
- d. Make the arrangements for providing the financial status documentation and financial guarantee, when requested
- e. Ensure professional management of the Activity, including performance monitoring and reporting activities.

5. Grant Amount and Payments

5.1. UNOPS hereby grants to the Grantee the total amount of **[insert US Dollar amount in figures and words]** as shown in the Grant Budget in Annex B.

5.2. Payments to the Grantee shall be made in accordance with the following schedule upon the submission by the Grantee of appropriate reports (see Annex C – Reporting Templates) along with payment requests, subject to the Grantee's continued performance of its obligations under this Agreement:

Milestone 1: **[insert us dollar amount in figures and words]**, upon signature of this Agreement by both parties and certification by UNOPS that the Grantee has paid the co- contribution.

Milestone 2: **[insert us dollar amount in figures and words]**, upon certification by UNOPS of receipt and acceptance of the first milestone report and interim financial report on the use of Grant funds by **[insert date in month-year format]**.

Milestone 3: **[insert us dollar amount in figures and words]**, upon certification by UNOPS of receipt and acceptance of the second milestone report and interim financial report on the use of Grant funds by **[insert date in month-year format]**.

Milestone 4: **[insert us dollar amount in figures and words]**, upon certification by UNOPS of receipt and acceptance of the third milestone report and interim financial report on the use of Grant funds by **[insert date in month-year format]**.

Milestone ...: **[insert us dollar amount in figures and words]**, upon certification by UNOPS of receipt and acceptance of the final milestone summary report and final financial report on the use of Grant funds by the date specified in Clause 6.2.

5.3 The Agreement is in USD. If the payment is in Sierra Leone Leones (SLL), UNOPS will use the prevailing UN Operational rates of exchange (UNORE) (which can be accessed at <https://treasury.un.org/operationalrates/OperationalRates.php>) to pay the Grantee in local currency. All local payments to the Grantee shall be in local currency, and shall be deposited into the Grantee's bank accounts in accordance with the ATLASoU vendor profile form completed and submitted by the Grantee to UNOPS.

5.4 All payments to the Grantee shall be in Sierra Leone Leones, and shall be deposited into the Grantee's bank accounts in accordance with the oU vendor profile form completed and submitted by the Grantee to UNOPS.

5.5 The amount of payment of such Grant funds is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the Grantee in the performance of the activities under this Agreement.

5.6 UNOPS shall pay its portion of the co-financing directly to suppliers. The Grantee's payment to suppliers must be certified by UNOPS before UNOPS disburses further funding to the Grantee under this Agreement.

6. Reporting and Evaluation

6.1 The Grantee shall submit to the following milestone reports during the life of this Agreement in the formats provided in Annex C, and in line with the above Payment Schedule (as per Clause 5.2):

- (a) To UNOPS, financial reports on the use of Grant funds quarterly; and
- (b) To UNOPS, milestone narrative reports every quarter.

6.2 Within 90 (ninety) calendar days of the end date specified in Clause 3.2 above, the Grantee shall submit the following reports in the formats provided in Annex C:

- (a) To UNOPS, a final financial report on the use of Grant funds¹; and
- (b) To UNOPS, the final narrative milestone summary report.

6.3 Failure to submit the reports specified in clause 5.2 without due cause shall constitute a failure to fulfil a substantial obligation of this Agreement, in accordance with Article 16 of the General Conditions.

6.4 The Grantee shall be deemed discharged from its obligation under this Agreement only upon the receipt and acceptance of the reports referred to in clause 5.2 and the return of any unspent funds in accordance with this Agreement.

7. Special Conditions

7.1 To article 5, Accounting, Audit, and Records, of the General Conditions for Grant Support Agreements (Annex D) (hereinafter "General Conditions") shall be added an additional sub-article 5.7 which shall read: *"The activities under this Grant shall be audited by a third party. The audit shall be conducted according to the Terms of Reference attached at Annex E. The audit report shall be provided to UNOPS Sierra Leone within three (3) months after the end of the grant. The cost of the audit shall be borne by UNOPS. The audit shall be carried out by the auditors of a qualified audit firm shall be selected and contracted by UNOPS, and which shall produce an audit report."*

7.2 Article 7.3 of the General Conditions shall be replaced in its entirety by the following:

7.3 The Grantee is further restricted from transferring funds among cost categories. The Grantee is required to get the prior approval of UNOPS before making budget shifts which expect to exceed 30% of the total Grant budget.

7.3 Article 11.1 of the General Conditions shall be replaced in its entirety as follows:

11.1 Title to non-expendable equipment purchased with project funds supplied by UNOPS shall become the property of the Grantee.

7.4 The last sentence of Article 11.3 shall be deleted.

¹ For total grants above US\$ 50,000 a certified final financial report is required.

7.5 An additional Article 20 shall be included in the General Conditions as follows:

20 Sexual Exploitation

20.1 The Grantee shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by its Personnel or any other persons engaged and controlled by the Grantee to perform any activities under the Agreement. For these purposes, sexual activity with any person less than eighteen years of age, regardless of any laws relating to consent, shall constitute the sexual exploitation and abuse of such a person. UNOPS shall not apply the prohibition on sexual activity with any person less than 18 years of age to any case in which the Grantee's Personnel or any other person who may be engaged by the Grantee to perform any activities under the Agreement is legally married to a person who is under the age of 18 but over the age of majority or consent in his or her country of citizenship. In addition, the Grantee shall refrain from, and shall take all reasonable and appropriate measures to prohibit its Personnel or other persons engaged and controlled by it from exchanging any money, goods, services, or other things of value, for sexual favors or activities, or from engaging any sexual activities that are exploitative or degrading to any person.

8. Correspondence

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

For UNOPS:	For the Grantee:
[insert name, address, e-mail and phone]	[insert name, address, e-mail and phone]

8.2. Any notice given by UNOPS or the Grantee shall be sufficient only if in writing and delivered in person, mailed or delivered electronically to the respective addresses specified in article 8.1 above.

IN WITNESS WHEREOF, the undersigned, duly appointed representatives of UNOPS and of the Grantee, have on behalf of UNOPS and the Grantee, respectively, signed the present Agreement on the dates indicated below their respective signatures.

FOR UNOPS:	FOR THE GRANTEE:
<hr/>	<hr/>
[Insert name], [title], [office]	[Insert name], [title], [office]
Date (mandatory):	Date (mandatory):

ANNEX A

TERMS OF REFERENCE

Description and scope of grant activity/project

ANNEX B

GRANT BUDGET

[Note for draft: Please include simple cost breakdown of the selected proposal or simple concept note⁴ by the grantee]

ANNEX C

REPORTING TEMPLATES

ANNEX C.1 Mobilization report

ANNEX C.2 Milestone report / final milestone summary report (narrative/technical)

ANNEX C.3 Financial report (on the use of grant funds)

ANNEX C.4 Procurement/inventory report

ANNEX C.1 Mobilization Report

[Grant Reference: [Grant Reference Number]				Project ID:	
:Date report submitted				Subject: Confirmation on mobilization of resources report.	
Grantee Name: [Insert the name of the Grantee]				Report submitted to: UNOPS Sierra Leone	
Liaison details					
Meeting:	Participants:	When:	Where:	Subject:	Agreements/Actions:
I hereby confirm that [Insert name of the grantee] has completed the mobilization phase of the assets funded by [UNOPS] and under the project [Insert the project name as per the grant] and deployed [to [Insert project location] on the project sites as per the grant.					
Report prepared by: [insert name and position]			Report certified by: [insert name and position]		
Signature: _____			Signature: _____		
Date: _____			Date: _____		
Comments/certification from regional office:					
Signature: _____					
Date: _____					
Comments/certification from Operations:					
Signature: _____					
Date: _____					

ANNEX C.2 Milestone report / final milestone summary report (narrative/technical)

1. Introduction: Brief summary of report contents:

- a. Summary of the project background and the project reporting period.

2. Summary Target vs. Progress:

- a. Comparison of planned work vs. actual progress
- b. Explanation of any differences

3. Asset Productivity:

- a. List of assets used during the Reporting Period
- b. Comparison of target vs. actual productivity for each assets
- c. Explanation of any differences

TASK TYPE	PLANNED PRODUCTIVITY PER ASSET/MONTH	TOTAL MONTHS(During reporting period)	TOTAL PROJECTED OUTPUT(volume)	ACTUAL OUTPUT	% PERFORMANCE VS.PROJECTED OUTPUT
TOTAL					

QUALITY ASSURANCE VISITS (XXXX)							
Task No.	Region	Internal QA		Result of the QA Visit	External QA		Result of the QA Visit
		Month	No.QA		Month	No. QA	
Total							

4. Beneficiaries

- a. Describe the total number of project beneficiaries disaggregated by gender.

District	Beneficiary	Number of Families	Number of individuals	Male	Female	Boys	Girls
	Direct						
	Indirect						

	Direct						
	Indirect						
	Direct						
	Indirect						
Total Direct							
Total Indirect							

5. Training

- a. Describe any training that took place in the first quarter (Training Description, Results)

9. Challenges, lessons learned and ongoing risks:

- a. Describe key problems or challenges that occurred during the reporting period
- b. Describe any lessons learned during mobilization or implementation
- c. what are the ongoing, key risks that your company/organization is monitoring or mitigating

10. Conclusion and Recommendations

11. Next Quarter Plan

12. Annexes: (Insert as necessary)

ANNEX D

GENERAL CONDITIONS FOR GRANT SUPPORT AGREEMENTS

1. Liability and General Obligations of Grantee

- 1.1 The Grantee shall be responsible for complying with any legal obligations incumbent on them.
- 1.2 The Grantee shall carry out all activities for which it is responsible under this Agreement with due diligence and efficiency.
- 1.3 UNOPS shall not, under any circumstances or any grounds, be held liable in the event of a claim under the Agreement relating to any damage caused during the Activity's execution.
- 1.4 The Grantees shall make good any damage sustained by UNOPS as a result of the execution or faulty execution of the Activity.
- 1.5 Subject to the express terms of this Agreement, it is understood that the Grantee shall have exclusive control over the administration and implementation of this Agreement and that UNOPS shall not interfere in the exercise of such control. However, both the quality of the Grantee's work and the progress being made toward successfully achieving the goals of such activities shall be subject to review by UNOPS. If at any time UNOPS is not satisfied with the quality of work or the progress being made toward achieving such goals, UNOPS may in its discretion (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 Grantee; and/or (iii) seek any other remedy as may be necessary. UNOPS' 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 Grantee insofar as further payments by UNOPS are concerned.
- 1.6 UNOPS undertakes no responsibilities in respect of life, health, accident, travel or any other insurance coverage for any person who 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 Grantee.
- 1.7 The rights and obligations of the Grantee are limited to the terms and conditions of this Agreement. Accordingly, the Grantee 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.

2. Intellectual Property Rights

- 2.1 All intellectual property rights, including but not limited to maps, drawings, photographs, mosaics, plans, manuscripts, records, reports, recommendations, estimates, documents, images, sounds and other materials, except pre-existing materials, publicly or privately owned, collected, created, developed or prepared as a consequence of or in the course of the performance of this Activity, shall become the sole property of the Funding Source, unless otherwise stipulated in the Project Agreement.
- 2.2 The Grantee shall hold harmless and fully indemnify UNOPS from and against all claims and proceedings for infringement of any patent rights, design trademark or name or other protected rights resulting from Grantee's performance.

3. Confidentiality

- 3.1 UNOPS and the Grantee undertake to preserve the confidentiality of any document, information or other material directly related to the Activity that is deemed or classified as confidential, where disclosure could cause prejudice to the other party.

4. Allowable Costs

- 4.1 The Grantee shall be reimbursed for costs incurred in carrying out the purposes of this Agreement which are determined by UNOPS to be reasonable, allocable, and allowable in accordance with the

terms of this Agreement. The following definitions of what may be considered as reasonable, allocable, and allowable costs apply:

- (a) Reasonable: shall mean those costs which are generally recognized as ordinary and necessary and would be incurred by a prudent person in the conduct of normal business.
 - (b) Allocable costs: shall mean those costs which are incurred specifically in connection to the Agreement, and are provided in the estimated budget at Annex C.
 - (c) Allowable costs: shall mean those costs which conform to any limitations in the Agreement.
- 4.2 The eligible costs must be incurred during the period of the Activity, specified in Article 3 of the Agreement and recorded in the Grantee's accounts in accordance with accepted accounting procedures.
- 4.3 Prior to incurring a questionable or unique cost, the Grantee shall obtain UNOPS's written determination on whether the cost will be allowable.
- 4.4 It is UNOPS policy that no funds shall be paid as profit or fee to a Grantee under this Agreement or any sub-Grantee. This restriction does not apply to contractual relationships entered into by the Grantee under this Agreement.

5. Accounting, Audit and Records

- 5.1 The Grantee undertakes to provide any detailed information requested by UNOPS to verify that the Activity and the provisions of the Agreement are being properly implemented.
- 5.2 The Grantee shall maintain all financial records, supporting documents, statistical records and all other records pertinent to this Agreement in accordance with generally accepted accounting principles [or applicable national legislation] to sufficiently substantiate charges to this Agreement. Accounting records that are supported by documentation will as a minimum be adequate to verify all costs incurred under the Agreement, receipt, and use of goods and services acquired under the Agreement, the costs of the program supplied from other sources, and the overall progress of the program. Unless otherwise notified, the Grantee's records and sub-Grantee records which pertain to this Agreement shall be retained for a period of seven years from the date of submission of the final financial report and may be audited by UNOPS and/or its representatives.
- 5.3 The Grantee shall furnish, compile and make available at all times to UNOPS any records or information, oral or written, which UNOPS may reasonably request in respect of the funds received by the Grantee.
- 5.4 UNOPS shall retain the right to conduct a financial review, require an audit, or otherwise ensure adequate accountability of organizations expending UNOPS funds.
- 5.5 The Grantee shall allow UNOPS staff and outside personnel (including third party entities engaged by UNOPS) the appropriate right of access to sites and premises of the Activity, and to all records and information required in order to conduct a financial review or audit.
- 5.6 This provision in its entirety shall be incorporated into all sub-grants to eligible sub-Grantees which exceed USD 30,000. Sub-grants to eligible sub-Grantees which are for more than USD 2,500 but less than USD 30,000 shall at a minimum incorporate Article 5.2 of this provision.

6. Bank accounts, Payment Advances and Refunds

- 6.1 The Grantee shall maintain advances of UNOPS funds in dedicated and separate accounts to the Grantee's ordinary funds. Such accounts must be interest bearing, unless:
- (a) The Grantee receives less than \$100,000 in UNOPS awards per year;
 - (b) The best reasonably available interest bearing account would not be expected to earn interest in excess of \$250 per year on UNOPS cash balances; or
 - (c) The depository would require an average or minimum balance so high that it would not be practical to maintain the advance in an interest bearing account.
- 6.2 Interest earned on advances will be remitted to UNOPS. However, the Grantee may retain up to \$250 of interest earnings per account per year, for administrative expenses.
- 6.3 At the time the Agreement expires or is terminated, the following types of funds shall immediately revert to UNOPS:
- (a) Any balance of funds that has not been disbursed to the Grantee; or
 - (b) UNOPS has advanced funds to the Grantee, but the Grantee has not expended them.

- 6.4 Notwithstanding 6.3 (a) and (b) above, funds which the Grantee has obligated in legally binding transactions applicable to this Agreement will not revert to UNOPS.
- 6.5 UNOPS reserves the right to require refund by the Grantee of any amount which the Grantee did not spend in accordance with the terms and conditions of this Agreement. In the event that a final audit has not been performed prior to the closeout of this Agreement, UNOPS retains the right to a refund until all claims which may result from the final audit have been resolved between UNOPS and the Grantee.
- 6.6 The Grantee acknowledges that UNOPS and its representatives have made no actual or implied promise of funding except for the amounts specified by this Agreement. If any of the funds are returned to UNOPS or if this Agreement is rescinded, the Grantee acknowledges that UNOPS will have no further obligation to the Grantee as a result of such return or rescission.

7. Revision of Agreement Budget

- 7.1 The approved Agreement budget is the financial expression of the Grantee's programme as approved during the award of the Agreement process.
- 7.2 The Grantee is required to report, in writing, deviations from budget and programme plans, and request prior approvals from UNOPS for any of the following reasons:
- (a) To change the scope or the objectives of the programme and/or revise the funding allocated among project objectives.
 - (b) To change a key person where specified in the Agreement, or allow a 25% reduction in time devoted to the project.
 - (c) Additional funding is needed.
 - (d) Where indirect costs have been authorized, the Grantee plans to transfer funds budgeted for indirect costs to absorb increases in direct costs or vice versa.
 - (e) The Grantee intends to contract or sub-grant any of the work under this Agreement, and such contracts or sub-grants were not included in the approved Agreement budget.
- 7.3 The Grantee is further restricted from transferring funds among cost categories. The Grantee is required to get the prior approval of UNOPS before making budget shifts which expect to exceed 50 % of the total Grant budget.
- 7.4 UNOPS is under no obligation to reimburse the Grantee for costs incurred in excess of the total grant amount specified in this Agreement. An increase to the total grant amount shall require an amendment to the Agreement in writing.
- 7.5 The total grant amount under this Agreement is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the Grantee in the performance of the activities under this Agreement.

8. Procurement of Goods and Services

- 8.1 Where implementation of the Activity requires the award of procurement contracts, the Grantee shall maintain a written code or standards of conduct that shall govern the performance of its employees engaged in the awarding and administration of contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by UNOPS funds if a real or apparent conflict of interest would be involved. Such conflict would arise when the employee, officer or agent, or any member of the employee's immediate family, the employee's partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the Grantee shall neither solicit nor accept gratuities, favours, or anything of monetary value from contractors or parties to sub-agreements. However, the Grantee may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the Grantee.
- 8.2 The Grantee shall establish written procurement procedures if procurement of goods or services in excess of USD 2,500 is envisaged under this Agreement. All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, transparent, open and free competition and the use of resources in an ethical, efficient and effective manner. The Grantee shall be alert to organizational conflicts of interest as well as non-competitive practices among contractors

that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals shall be excluded from competing for such procurements. Contracts shall be made to the offeror whose offer is responsive to the solicitation and is most advantageous to the Grantee, price, quality, and other factors considered. Solicitations shall clearly establish all requirements that the bidder or offeror shall fulfil in order to be evaluated by the Grantee. Any and all offers may be rejected when it is in the Grantee's interest to do so.

- 8.3 Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources.
- 8.4 Grantees shall ensure that the conditions applicable under these General Conditions are also applicable to the contractor.

9. Sub-Grant Agreements

- 9.1 Sub-grant agreements shall be made only with responsible Grantees who possess the potential ability to perform successfully under the terms and conditions of a proposed agreement. Consideration shall be given to such matters as integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources.
- 9.2 All sub-grant agreements shall at a minimum contain provisions to define a sound and complete agreement in addition to those that are specifically required by any other provisions in this Agreement. Whenever a provision within this Agreement is required to be inserted in a sub-agreement, the Grantee shall insert a statement in the sub-agreement that in all instances where UNOPS is mentioned, the Grantee's name will be substituted.
- 9.3 Grantees shall ensure that the conditions applicable under these General Conditions are also applicable to the sub-grantees.

10. Third Party Claims

The Grantee shall be solely liable for claims by third parties arising from the Grantee's acts or omissions in the course of performing this Agreement and under no circumstances shall UNOPS be held liable for such claims by third parties. The Grantee shall indemnify, defend, save and hold UNOPS harmless in respect of such claims. This indemnity shall survive the termination or expiration of the Agreement.

11. Non-expendable equipment

- 11.1 Title to all non-expendable equipment purchased with project funds supplied by UNOPS shall be the property of the Funding source
- 11.2 The Grantee shall maintain records of non-expendable equipment with an acquisition value of USD 500 or more purchased with project funds supplied by UNOPS. The Grantee will submit an inventory of such equipment to UNOPS, indicating description, serial no., date of purchase, original cost, present condition, location of each item attached to each half yearly milestone report. Equipment purchased by the Grantee with funds supplied by UNOPS shall be used solely for the purposes indicated in Annex B throughout the duration of this Agreement.
- 11.3 Within 90 calendar days after the end of the Agreement, the Grantee will provide a list, for UNOPS' review and approval, of each item that has an acquisition value of USD 500 or more, with a corresponding detailed proposal relating to the future status of that item, namely whether it is intended for sale, transfer or donation, Where the Grantee sells the property, or item, it will transfer the proceeds of the sale to UNOPS within 30 calendar days.

12. Anti-corruption

- 12.1 The Grantee warrants that it has not and shall not offer any direct or indirect benefit arising from or related to the performance of this Agreement or the award thereof to any representative, official, employee, or other agent of UNOPS or any organization of the UN system.
- 12.2 The Parties declare their commitment to counteract corrupt practices in the execution of this Agreement. Further, the Parties commit themselves not to accept, either directly or indirectly, as an inducement or reward in relation to the execution of this Agreement, any kind of offer, gift, payments or benefits, which would or could be construed as a corrupt practice.

13. Anti-terrorism

- 13.1 The Grantee agrees to undertake all reasonable efforts to ensure that none of the UNOPS funds received pursuant to this Agreement are used to provide support to individuals or entities associated with terrorism and that the Grantee or any sub-grantees of any amounts provided by UNOPS hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list is established and maintained by the 1267/1989 Committee and can be accessed in the web page of the United Nations (<http://www.un.org>), or directly through the following link: https://www.un.org/sc/suborg/en/sanctions/1267/aq_sanctions_list. This provision must be included in all sub-contracts or sub-agreements entered into under this Agreement.

14. Child Protection

- 14.1 The Grantee will not engage in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child. The Grantee will undertake to protect children from abuse of all kinds in the implementation of the Activity. This provision in its entirety shall be incorporated into all sub-grants to eligible sub-Grantees.

15. Suspension

- 15.1 Whenever UNOPS considers that the Grantee is not performing to a satisfactory standard, UNOPS may suspend, in whole or in part, the Activity under the Agreement in order to renegotiate and/or propose necessary amendments to the Agreement to redress the situation. When UNOPS suspends the Activity, in whole or in part, it must give immediate written notice to the Grantee, detailing the problems and the conditions required to reinstate the Activity.
- 15.2 The suspension will take effect on the date the Grantee receives the notification.
- 15.3 Upon receipt of a suspension notice, the Grantee shall not incur any costs relating to the Activity, or part of the Activity, which has been suspended.
- 15.4 The Activity, in whole or in part, which has been suspended, can be resumed once UNOPS and the Grantee have agreed on the terms of the continuation (including any extension of duration of the Activity). Any such agreement shall be in the form of a written amendment to the Agreement, pursuant to Article 17 of the General Conditions.
- 15.5 Any portion of this Agreement not suspended shall remain in full effect.

16. Termination

- 16.1 UNOPS may terminate this Agreement at any time, in whole or in part, upon 14 calendar days' written notice to the Grantee, whenever it is determined that the Grantee has failed to fulfil a substantial obligation incumbent on it, under the terms and conditions of the Agreement, or where sufficient funds have not been made available to UNOPS by its funding sources.
- 16.2 This Agreement may be terminated at any time, in whole or in part, by UNOPS with the consent of the Grantee. Both parties shall agree upon termination conditions, including the effective date and, in the case of partial terminations, the portion of the Agreement to be terminated. The agreement to terminate shall be set forth in a letter from UNOPS to the Grantee.
- 16.3 UNOPS may terminate this Agreement or portion of this Agreement with immediate effect upon written notice to the Grantee if it determines that corrupt, fraudulent or misrepresentative practices were engaged in by representatives of the Grantee during award or during the execution of this

Agreement without the Grantee having taken timely and appropriate action satisfactory to UNOPS to remedy the situation.

16.4 Upon receipt of and in accordance with a termination notice as specified above, the Grantee shall take immediate action to minimize all expenditures and obligations financed by this Agreement and shall cancel such unliquidated obligations whenever possible. Except as provided below, the Grantee shall not incur costs after the effective date of termination.

16.5 The Grantee shall within 30 calendar days after the effective date of such termination repay to UNOPS all unexpended UNOPS funds which are not otherwise obligated by a legally binding transaction applicable to this Agreement. Should the funds paid by UNOPS to the Grantee prior to the effective date of the termination of this Agreement be insufficient to cover the Grantee's obligations in the legally binding transaction, the Grantee may submit to UNOPS within 90 calendar days after the effective date of such termination a written request for payment covering such obligations. UNOPS shall determine the amount(s) to be paid by UNOPS to the Grantee under such claim in accordance with this Agreement. This provision must be included in all sub-agreements.

16.6 Any portion of this Agreement not terminated shall remain in full effect.

17. Amendment

No modification of or change in 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.

18. Dispute Resolution

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.

19. Privileges and Immunities

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

ANNEX E

UNOPS TERM OF REFERENCE (TOR) FOR AUDIT

Objective of audit

The objective of the audit is to enable auditors to give an opinion on the Grantee's financial report. Thus the audit is:

- To review the systems and procedures surrounding the Grant
- To review the appropriateness of the accounting policies and procedures used in the preparation of financial statements and ensure compliance thereof,
- To assess the adequacy and effectiveness of internal controls,
- To review budgets and examine the allocation of funds as budgeted, including the grantee's allocation of expenditures as direct or indirect costs

The audit should thus provide reasonable assurance that the financial report gives a true and fair view and has been prepared in accordance with relevant accounting, reporting and other requirements, as outlined in the grant signed between the Grantee and UNOPS.

Responsibilities of Grantee

The management of the Grantee is responsible for ensuring that proper accounting records are maintained for preparing the financial report, and for making available to the auditors, as and when required, all accounting records and other relevant records and related information. The responsibility for safeguarding the assets of the Grant and for the prevention and detection of fraud, error and non-compliance with the Grant rests with the Grantee.

Responsibilities of Auditors

The auditors will endeavor to plan their audit so that they have a reasonable expectation of detecting material misstatement in the financial statements and accounting records (including those resulting from fraud, error or non-compliance with the Grant). The auditors are to provide the UNOPS with a general outline of his or her methodology. This may include the proposed analysis and review of internal controls and the extent to which these controls lead to reliance on the Grantee's administration and financial systems to produce accurate reports. Thus, the auditors will have the responsibility to report on whether, in their opinion, the financial report gives a true and fair view and whether the financial report has been properly prepared in accordance with the accounting policies and other requirements of the service the Grantee is contracted for. In arriving at the opinion the auditors are required to consider the following issues, and to report on any aspects with which they are not satisfied:

- Whether proper accounting records have been kept and adequate information has been received from field operations.
- Whether the financial report presented is in agreement with the accounting records and other relevant data.
- Whether all the information and explanations which the auditors consider necessary for the purpose of the audit have been obtained.

Scope of the Audit

The audit should be conducted in accordance with generally accepted auditing standards (GAAS) or International Standards on audit (ISA) and will include, as the auditors consider necessary, tests of transactions and of the existence, ownership and valuation of assets and liabilities.

Finance

- The auditor will provide an opinion as to the overall financial situation of the project for the period and will certify:

- The signed financial report for the period of the Grantee
- The cash position (under-spent or overspent) reported by the projects as at the end of the Grant; and
- The auditors will expect to obtain sufficient and appropriate evidence to enable them to draw reasonable conclusion there from. This would involve an assessment of:
 - The accounting records maintained, which normally includes: a general ledger accounting system; bank statements and reconciliations; cash book; and, petty cash book.
 - The budgetary control system: to ascertain the adequacy of the budgetary control system to monitor actual expenditure against budget on a regular basis; to determine that disbursements are in accordance with budgetary provisions, and that overspent of budget lines above 10% have been properly authorized.
 - The internal control system, including approval and control of documents in the expenditure cycle: adequate segregation of duties; maintaining and reviewing of control accounts and trial balances; the performance of reconciliations.
 - The cut-off procedures in Project periods to ensure that only actual disbursements are recorded in the financial report and that no advances were charged as expenditure, that any receivables and payables are disclosed.
 - The audit work shall cover all cash funds held by the project and review procedures for safeguarding of cash.

Human resources

The audit work shall cover the competitiveness, transparency and effectiveness of the recruitment and hiring of personnel and include performance appraisal, attendance control, calculation of salaries and entitlements, payroll preparation and payment, and management of personnel records.

Procurement

The audit work shall cover the competitiveness, transparency and effectiveness of the procurement activities of the project in order to ensure that the equipment and services purchased meet the requirement of UNOPS (as set out in the General Conditions of the Grant Support Agreement) and include assessment of the following:

- As applicable, delegations of authorities, procurement thresholds, call for bids and proposals, evaluation of bids and proposals and approval and purchase orders;
- Receiving and inspection procedures to determine the conformity of equipment with the agreed specifications,
- Management and control over the variation orders.

Asset Management

The audit work shall cover equipment purchased for use of the project. The procedures for receipt, storage, and disposal shall also be reviewed.

A review of the use of assets acquired under the Project is required in order to assess that their use is in compliance with the Grant Agreement. This would involve an assessment that:

- Controls are in place to safeguard assets, including: an inventory of the Project assets; assets are properly maintained; regular physical verification is carried out; assets are used for the intended purposes of the Project under which they have been acquired; and, logbooks are kept which record dates of travel, distance and purpose of the trip.
- Assets that are lost or damaged are reported to UNOPS within the stipulated period. Further disposal of assets only takes place after prior authorization by UNOPS.

If there are particular areas of concern which are not within the scope stated above, the auditors can be requested to carry out this additional service.

Fees

The auditor is to provide an estimate of the hours to be spent on the audit, and fees for completing the audit in accordance with this specification;

Other requirements

It is in the interest of both the Grantee and auditor that the auditor sends an engagement letter, preferably before the commencement of the engagement, to help in avoiding misunderstandings with respect to the engagement.

The auditors should document matters which are important in providing evidence to support the audit opinion and evidence that the audit was carried out in accordance with ISA/GAASs. Thus, the auditor should prepare working papers which are sufficiently complete and detailed to provide an overall understanding of the audit and shared the document with UNOPS Sierra Leone on behalf of UNOPS. The auditor is also expected to share audit observation, recommendation and management action plan with UNOPS Sierra Leone in order for UNOPS to carry out/supervise audit reconciliation and implementation.

At least the team leader of the auditors should be a licensed CA/ACCA/CPA to carry out the audit function.