

GRANT AGREEMENT
BETWEEN
THE NORWEGIAN MINISTRY OF FOREIGN AFFAIRS
(MFA)
AND
THE NORWEGIAN REFUGEE COUNCIL (NRC)
REGARDING
GLOBAL PARTNERSHIP AGREEMENT II
2016-2018
Agreement number: QZA-16/0141

PART I: SPECIFIC CONDITIONS
PART II: GENERAL CONDITIONS
PART III: PROCUREMENT PROVISIONS

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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 Section for Humanitarian Affairs and
- (2) The Norwegian Refugee Council, a private foundation duly established in Norway under registration number 977 538 319,

jointly referred to as the Parties.

1 SCOPE AND BACKGROUND

- 1.1 The Grant Recipient has submitted an application to MFA dated 15 October 2015 (the Application) regarding financial support to the project titled *Global Partnership Agreement II 2016-2018* (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 1 January 2016 to 31 December 2018 (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 result (outcome) is that the target group has access to humanitarian assistance and protection contributing to durable solutions.

The planned main products and/or services of the Project (Outputs) are to be delivered within the following NRC Core Competency areas: Education, Food Security, Information, Counselling and Legal Assistance (ICLA), Shelter (including distribution of Non-Food Items) and Water, Sanitation and Hygiene (WASH). In some selected operations, assistance will also be provided to address Gender-Based Violence (GBV) and Camp Management (CM). In terms of projects administered by NRC's Head/Representation Offices, products and services are to be delivered within the areas of Monitoring and Evaluation (M+E), Technical Programme Development, Enhanced Global Emergency Response Capacity, Security Management and provision of Hostile Environment Awareness Training (HEAT), Communication and Media, Advocacy and through the Internal Displacement Monitoring Centre (IDMC).

The intended end target group is displacement affected populations.

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

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.
- 3.4 The Grant Recipient shall identify and seek to reinforce positive effects with respect to environment and climate, gender equality, human rights and the fight against corruption. A statement on how these elements have been implemented and followed up shall be included in the progress reports and final report of the Project.
- 3.5 The Grant Recipient shall be familiar with UN Security Council Resolution 1325 on women, peace and security (s/res/1325 (2000)), and implement the Project in a way that promotes the intentions of the resolution in the best possible way. A statement on how the intentions of this resolution have been addressed shall be included in the progress reports and final report of the Project.
- 3.6 The Grant Recipient shall ensure that the Project is implemented in respect of international humanitarian law and international human rights law and that the implementation of the Project is guided by and comply with the international humanitarian principles of humanity, neutrality, impartiality and independence.
- 3.7 The MFA shall be informed by the Grant Recipient, in regular dialogue, of security considerations and risk assessments in areas of operation. Such information should include the Grant Recipient's efforts to uphold the humanitarian principles in complex political and security situations in areas of operation. Significant changes in the security and/or political situation and risk assessments must be communicated to the MFA as soon as possible. Any major changes in geographical scope of the projects must be approved by the MFA.
- 3.8 The MFA underlines the necessity that all possible means are taken by the Grant Recipient to ensure the security of the projects, including the integrity of the humanitarian principles, compliance with international humanitarian law and the safety of staff.

4 THE GRANT

- 4.1 The Grant amount shall not exceed 1.113 million NOK (Norwegian Kroner one billion one hundred and thirteen million) of which 63 million NOK (Norwegian Kroner sixty three million) will originate from the budget line Civil Society. A minimum of NOK 14 million each year from the budget line Civil Society shall be earmarked education.



- 4.2 Disbursement after the current calendar year is subject to Norwegian Parliamentary appropriations and political priorities.
- 4.3 The Grant shall be used exclusively to finance the actual costs of the implementation of the Project during the Support Period.
- 4.4 For the allocation from Norad at least 10 % of the Project's total costs shall be covered by funds that do not originate, directly or indirectly, from grants from MFA or another Norwegian central government body. This condition only applies for the allocation from the budget line Civil Society, except grant for information services.
- 4.5 The Grant may be used to cover overheads/indirect costs up to a maximum of 7% of the actual costs of the Project.
- 4.6 The Grant Recipient is responsible for obtaining any additional resources which may be required to duly implement the Project.
- 4.7 This Agreement does not exclude additional financial support to the Grant Recipient. The Grant Recipient will seek funding from the MFA for unforeseen/escalating crisis/disasters separately. If additional funding is approved, an addendum to this Agreement will be signed.
- 4.8 The Grant Recipient is authorized to reallocate up to 30% of the annually agreed budget (per individual country or project) internally between the country's or project's budget lines.
- 4.9 The Grant Recipient is authorized to transfer up to 10% of the annually agreed budget (per individual country or project) to one of the other country specific programmes or projects. Transfers between projects approved as a part of the Annual Plan and projects approved in Addenda to this Agreement has to be approved by MFA.
- 4.10 The Grant Recipient is authorized to transfer up to 5% of the total annually agreed frame budget to/from the following year. Addenda should not be included in this calculation.

5 DISBURSEMENT

- 5.1 The first disbursement from the Grant in 2016 will be made upon signing of this Agreement, with 75% of the first annual budget. The remaining 25% will be disbursed by 15 September 2016, based on the financial need of the project.

Calendar years 2017-2018: Disbursements will be made three times per year in advance instalments based on the financial need of the Project for the upcoming period, which shall not exceed six months. The disbursements 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 The disbursements shall be due in January, after approval of the minutes from the Annual Meeting and in September, each year, with a tentative distribution of 25%, 50% and 25% respectively.
- 5.3 Financial need refers to the budgeted expenditure for the upcoming period, less any funds available to the Project Activities from all other sources during the same period.
- 5.4 The financial need shall be documented through an updated financial status of the Project and the latest approved implementation plan and budget.

- 5.5 The disbursement requests shall be signed by an authorised representative of the Grant Recipient. A confirmation that the Project is being implemented in accordance with the Agreement and without any major deviations from the Agreement shall be included in the disbursement request.
- 5.6 All disbursements are conditional upon the Grant Recipient's continued compliance with the requirements of the Agreement, including the timely fulfilment of reporting obligations. MFA may withhold disbursements in accordance with article 17 of the General Conditions if it finds that the requirements of the Agreement have not been met. Except for the Project's first year, the third disbursement each year is subject to the MFA's receipt of the progress report and financial report.
- 5.7 The Grant Recipient shall have a separate bank account for grants from MFA and Norad. All disbursements will be made to the following bank account:

Name of the account: Norwegian Refugee Council (NRC)
Account no.: 8200.01.74781
IBAN no.: NO 69 8200 0174 781
Name and address of the bank: DNB Bank PO Box 1600 Sentrum, 0021 Oslo, Norway
Swift/BIC code: DNBANOKKXXX
Currency of the account: NOK

6 REPORTING AND OTHER DOCUMENTATION

- 6.1 The following shall be submitted by the Grant Recipient to MFA:
- a) A **progress report** covering the period from 1 January to 31 December the previous year shall be submitted to MFA by May the following year. The progress report shall include the content specified in article 2 of the General Conditions.
 - b) A **preliminary progress report** covering the period 1 January to 31 December the previous year shall be submitted to MFA no later than two weeks before the Annual Meeting. The content of the preliminary progress report is specified in Annex C.
 - c) A **financial report** covering the period from 1 January to 31 December shall be submitted to MFA by 30 June the following year. The financial report shall include the content specified in article 3 of the General Conditions. The financial report shall be approved by MFA within 1 November.
 - d) An **audit report** covering the annual financial statements of the Project shall be submitted to MFA by 30 June the following. The audit report shall comply with the requirements set out in article 7 of the Specific Conditions and article 5 of the General Conditions.
 - e) An annual **plan and budget** covering the period from January to December shall be submitted to MFA no later than two weeks before the Annual Meeting. The budget and implementation plan shall include the content listed in article 1 of the General Conditions.
 - f) Concept notes for country programmes and projects administered by NRC Head Office with a proposed total budget covering the period from January to December shall be submitted to MFA by 01 December the preceding year.



g) A **final report** for the Support Period shall be submitted to MFA no later than 6 months after the end of the Support Period. The final report shall include the content listed in article 4 of the General Conditions, and in article 12 Special Provisions below.

- 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.
- 6.4 In addition to submitting the reports listed above to MFA, the Grant Recipient shall by 1 July each year make public a description of its efforts to combat financial irregularities in its operations and of any closed cases of financial irregularities that the Grant Recipient has been involved in during the previous year. The description may be publicised either by publication of a separate report or in the Grant Recipient's general annual report. The description shall also be available on the Grant Recipient's website until next year's description is made public. The information shall be made public in such a way that whistle blowers are not exposed and that individuals associated with cases of financial irregularities are ensured the necessary protection. The Grant Recipient shall, when making the description public, send the website link to MFA by e-mail to postmottak@norad.no.

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"). Additional requirements applicable to the auditor and the audit report are included in article 5 of the General Conditions.
- 7.2 The Grant Recipient is responsible for submitting the audit report to MFA within the deadline indicated in article 6 of the Specific Conditions.

8 FORMAL MEETINGS

- 8.1 The Parties shall hold formal meetings two times per year, tentatively in March and June in order to discuss i.a. the results achieved by the Project during the Support Period. The meetings shall be called and chaired by the Grant Recipient.

An **Annual Meeting** will be held by March, including the following agenda topics:

- 1) updates from MFA, Norad and the Grant Recipient on priorities for the present year;
- 2) the Grant Recipient's key achievements/results and lessons learned in the past year from a global perspective, including results and fulfilment of agreed obligations, and overall impact and issues of special concern;



- 3) risk management;
- 4) approval of the Annual Plan and budget.

- 8.2 A **Results Meeting** will be held in June, where the Grant Recipient presents an analysis of the organization's aggregated results for the previous year and results in selected countries, regions or thematic areas.
- 8.3 Any changes to the timing of the meetings will be agreed upon jointly by MFA and the Grant Recipient. The agenda for the above meetings will be prepared by the Grant Recipient after consultation with MFA. Norad shall be invited to attend the meetings.
- 8.4 The Grant Recipient shall record main issues discussed, points of view expressed and decisions made, in minutes from the meeting. The Grant Recipient shall submit the minutes to MFA and Norad no later than two weeks after the meeting for comments. MFA shall approve the minutes no later than two weeks after receipt from the Grant Recipient. The agreed minutes shall be signed by both Parties.

9 REVIEWS AND OTHER FOLLOW-UP MEASURES

- 9.1 A review focusing on mutually agreed components of this Project shall be carried out by the end of 2018. The Grant Recipient shall draft the terms of reference for the review and submit them to the other Party for approval. The costs of the review shall be covered by MFA over and above the Grant.

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 Interest accrued on the Grant during the course of a year shall be repaid to MFA by 31 January the following year. If the Grant Recipient receives several grants from MFA, the interest on these grants should be repaid in one instalment. The instalment shall be marked: "Interest for [year] from Norwegian Refugee Council", and shall be documented by a copy of the annual bank statement for the account.
- 11.2 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 and other financial gain accrued on the Grant during the Support Period and not previously repaid.
- 11.3 Repayments shall be made to the following bank account:
- Name of the account: Utenriksdepartementet/Norwegian Ministry of Foreign Affairs
Account no.: 7694 0512 618
IBAN no.: NO83 7694 0512 618
Name and address of the bank: DNB Bank ASA, 0021 Oslo, Norway
Swift code: DBNBANOKK

11.4 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

Changes related to the General Conditions, by Article:

Article 4 – Final Report

Article 4, clause 2, shall be replaced with the following:

The final report shall, as a minimum, include:

- a) the items listed for the progress reports described in article 2 of the General Conditions, covering the entire Support Period;
- b) an assessment of the Project’s effect on society (Impact), if relevant;
- c) a description of the main lessons learned from the Project;
- d) an assessment of the sustainability of the achieved results by the Project, if relevant.

Article 9 – Equipment, Consumables and Intellectual Property Rights

The following shall be added to Article 9, clause 1:

For this support equipment shall be defined as durable items that can be used multiple times over their estimated useful economic lifespan. They comprise both support equipment, intended to assist the implementation of the Project and operational equipment, intended for the direct benefit of the beneficiaries.

Consumables shall be defined as items intended for direct consumption or use by the beneficiaries.

Article 9, clause 6 shall be replaced with the following:

If the activities of the Project do not continue after the end of the Support Period or after termination of the Agreement, the Grant Recipient shall inform MFA about the remaining equipment and goods that have been purchased by use of the Grant. The MFA may require that such assets be sold, transferred to another MFA funded project or donated to national non-profit organisations or authorities. Such sale shall be completed in accordance with the procedures described above. Income from the sale shall be repaid to MFA unless otherwise agreed by the Parties.

Remaining equipment and consumables with a purchase value up to NOK 25,000 do not need to be transferred or sold. The Grant Recipient pledges to use these to the benefit of humanitarian/development action only.

Article 10 – Real Property

Article 10, clause 2 shall be replaced with the following:

If MFA has approved a purchase or construction of real property with MFA funds to ensure access to education and shelter, the ownership with responsibilities may after prior

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consultations with MFA, be transferred from the Grant Recipient to the beneficiary/cooperation partner and/or the relevant authorities responsible for education facilities without due delay and in accordance with national regulations.

If MFA has approved a purchase or construction of real property, other than to ensure access to education and shelter, the Grant Recipient and MFA shall agree on the details concerning the ownership and the status of the real property after the end of the Support Period and/or the end of the Project. The agreement may be formalised in a separate agreement document.

Article 10, clause 3 shall be replaced with the following:

MFA may require i.a. that the real property shall be sold after the end of the Support Period and that the proceeds from the sale shall be repaid to MFA. MFA may also reserve the right to establish security interests in any real property purchased by use of the Grant.

Article 12 – Changes to the Project or the Grant Recipient

Article 12, clause 2 shall be replaced with the following:

The following deviations/changes shall always be subject to MFA's prior written approval:

- a) changes to the Project's sources of income,
- b) changes to the results framework or scope of the Project,
- c) changes to the implementation plan which implies a delay of more than three months of any significant activity,
- d) changes to the project's budget that imply reallocation of more than 10% of a budget line.

13 NOTICES

13.1 All communication to MFA concerning the Agreement shall be directed to the Section for Humanitarian Affairs, at the following e-mail address:

Seksjon.for.humanitaere.sporsmal@mfa.no

13.2 All communication to the Grant Recipient concerning the Agreement shall be directed to Donor Support Section, Institutional Partnership Adviser, Eirin Hollup Broholm at the following e-mail address: eirin.broholm@nrc.no (with copy to nrc@nrc.no)

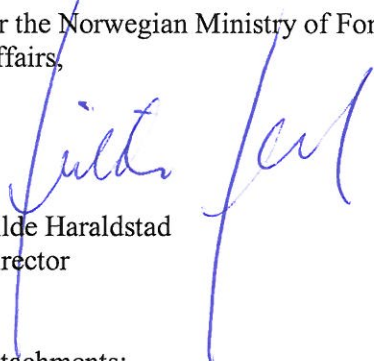
13.3 MFA's agreement number and agreement title, QZA-16/0141, shall be stated in all correspondence regarding this Agreement, including disbursement requests and repayment of unused funds.

14 SIGNATURES

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: Oslo, Norway
Date: 17 March 2016

for the Norwegian Ministry of Foreign
Affairs,


Hilde Haraldstad
Director

for the Norwegian Refugee Council,


Geir Olav Lisle
Deputy Secretary General

Attachments:

Annex A: Approved budget for the Project

Annex B: Results framework

Annex C: Template preliminary progress report

Annex D: Logistics Handbook (Grant Recipient's Procurement Regulations)

Annex A: Budget 2016

Country Programmes

Amounts in million NOK

Country Programmes	NMFA-HUM	Norad Sivsa	NMFA-GAP	Norad Sivsa (info support)	Addendum Syria NMFA-HUM***	Total (NOK)
Afghanistan	22	3				25
Central African Republic	11					11
Colombia and region	18	2				20
Democratic Republic of Congo	22	4				26
Eritrea	7					7
Ethiopia	12					12
Honduras		1				1
Iran	9					9
Iraq	10				30	40
Jordan	12				20	32
Kenya	12					12
Lebanon	30*				20*	50
Mali	12					12
Myanmar	17	2,5				19,5
Nigeria	12					12
Pakistan	3					3
Palestine	11	2,5				13,5
Somalia	22		21			43
South Sudan	15	2				17
Syria	18				60	78
Turkey	5**				5**	10
Uganda	2					2
Ukraine	20					20
Yemen	18					18
Sub-total	320	17	21	-	135	493

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Non-country components

Amounts in million NOK

Thematic Area	NMFA-HUM	Norad Sivsa	NMFA-GAP	Norad Sivsa (info support)	Addendum Syria NMFA-HUM	Total (NOK)
Core Competencies programme development	5,2	4				9,2
Emergency Response Capacity	1					1
HEAT security Training	1,45					1,45
Global Advocacy	12,5					12,5
Internal Displacement Monitoring Centre (IDMC)	5					5
Communications and media work	3,9			1,3		5,2
Management of the Global Partnership Agreement	0,95					0,95

Amounts in million NOK

Sub-total	30	4	-	1,3	-	35,3
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Grand total Country Programmes and Non-country components

Amounts in million NOK

	NMFA-HUM	Norad Sivsa	NMFA-GAP	Norad Sivsa (info support)	Addendum Syria NMFA-HUM	Total (NOK)
Grand total	350	21	21	1,3	135	528,3

* Med forbehold om avklaring av enkelte spørsmål knyttet til budsjett og program. Ytterligere planlagte aktiviteter i Libanon bør inkluderes i de 50 millioner kroner da det er usikkert om det blir ytterligere støtte.

** Med forbehold om mer informasjon om cash intervensjonen og tyrkiske myndigheters holdning.

*** Søknad om addendum for Syria (Irak, Jordan, Libanon, Syria og Tyrkia) er slått sammen med årlig plan for de respektive landene for å lettere vise totaliteten i innsatsen.

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Annexes to the agreement

Part II: General Conditions

Part III: Procurement Provisions

Annex A: Budget 2016

Annex B: Results Framework

Annex C: Template Preliminary Progress Report

Annex D: Logistics Handbook (Grant Recipient's Procurement Regulations)

The annexes have been shared electronically with the Parties to the Agreement.

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