

Template:	Norwegian and Non-Norwegian NGOs	Revision no.:	3
Specific Conditions (part I)	Grant Management Regime I	Date:	21.10.2019

GRANT AGREEMENT

BETWEEN

THE NORWEGIAN MINISTRY OF FOREIGN AFFAIRS

AND

CENTRE FOR CIVIL SOCIETY PROMOTION

REGARDING

RER-21/0005 REGIONAL PROGRAM FOR CIVIL SOCIETY IN THE
WESTERN BALKANS

PART I: SPECIFIC CONDITIONS

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PART III: PROCUREMENT PROVISIONS

ANNEX A: BUDGET

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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) / the Section for South East Europe, and
 - (2) Centre for Civil Society Promotion, a national non-governmental, non-partisan organization established in 1996 in Sarajevo, Bosnia and Herzegovina (BiH) under registration number R-I-128/96 (ID Number 4200535000003) (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 06.08.2021 (the Application) regarding financial support to the project/programme titled *SMART Balkans – Civil Society for shared society in the Western Balkans*, PTA agreement number RER-21/0005. 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 January 2022 to December 2025 (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 expected effect(s) on society is/are [specify] (Impact).

To contribute to strengthening participatory democracies and Euro Atlantic integrations in the Western Balkans by empowering civil society organizations and CSO networks for stronger and active role in creating peaceful and inclusive societies for sustainable development in Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia.

The expected effects for the target group of the Project are [specify] (Outcome).

1. Stronger, more sustainable, and vibrant CSOs in the six countries of the Western Balkans region
2. Developed strong regional partnerships between civil society organizations from the region of the Western Balkans themselves and with their EU counterparts and public authorities
3. Increased effectiveness of citizen influencing change through CSOs that advances Security and Stability and Governance in the Western Balkans region

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The planned main products and/or services of the Project are (Outputs):

- 1.1 Accredited education programs for CSOs (CSO Financial Academy)
- 1.2 Tailor made training program
- 1.3 CSO Capacity Assessment methodology
- 1.4 Mentoring support to less developed CSOs
- 1.5 Core grants
- 1.6 Technical support one- stop shop
- 1.7 Resource Box

- 2.1 Regional projects
- 2.2 Regional conferences
- 2.3 Study visits
- 2.4 Regional Talks

- 3.1 Grants
- 3.2 Grants management platform
- 3.3 National conferences

- 4.1 Media grants
- 4.2 Web site
- 4.3 Social networks
- 4.4 Newsletter
- 4.5 Media appearance

The intended target groups are:

1. CSOs
2. Informal citizen's groups
3. Citizens
4. Media outlets
5. Government

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 continuously identify, assess and mitigate any relevant risks associated with the implementation of the Project. The risk of potential negative effects of the Project in the following cases (Cross-Cutting Issues) shall always be included in the risk management of the Project:
 - anti-corruption
 - climate and environment,
 - women's rights and gender equality, and

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- human rights (with a particular focus on participation, accountability and non-discrimination)

3.4 The Grant Recipient shall immediately inform MFA of any circumstances likely to hamper or delay the successful implementation of the Project.

4 THE GRANT

4.1 The Grant shall amount to maximum NOK 180 000 000 (Norwegian Kroner one hundred and eighty million).

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 may be used to cover overheads/indirect costs up to a maximum of 5% of MFA's funding of the incurred direct project costs of the Project.

4.5 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 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 Financial need refers to the budgeted expenditure for the upcoming period, minus 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 an authorised 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. 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 second disbursement each year is subject to MFA's receipt and approval of the progress report and financial report.

5.6 The Grant Recipient shall have a separate bank account exclusively for grants from MFA. All disbursements will be made to the following bank account:

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Name of the account: Centar za promociju civilnog drustva
Account no.: 533712000-520000473-6
IBAN no.: BA391611000000201527
Name and address of the bank: Raiffeisen bank d.d. Bosna i Hercegovina
Zmaja od Bosne bb
71000 Sarajevo
Swift/BIC code: RZBABA2S
Currency of the account: Multicurrency (EUR, USD etc.)

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 **progress report** covering the period from January to December shall be submitted to MFA by 31 March each year. The progress report shall include the content specified in article 2 of the General Conditions.
- b) A **financial report** covering the period from January to December shall be submitted to MFA by 31 March each year. The financial report shall include the content specified in article 3 of the General Conditions. The final financial report shall cover the entire Support Period and shall be submitted along with the final report referred to in article 6.1 f) of the Specific Conditions.
- c) An **audit report** covering the annual financial statements of the Project shall be submitted to MFA by 31 April each year. 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.
- d) An updated **implementation plan and budget** covering the period from January to December shall be submitted to MFA by 1 December each year. The implementation plan and budget shall include the content listed in article 1 of the General Conditions.
- e) The **annual report and audit report** of the Grant Recipient shall be submitted to MFA by 31 March each year. If the auditor in addition submits a management letter (matters for governance attention) this shall be attached to the audit report.
- f) A **final report** for the Support Period shall be submitted to MFA no later than three months after the end of the Support Period. The final report shall include the content listed in article 4 of the General Conditions.

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.

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7 AUDIT

- 7.1 The annual financial statements of the Project shall be audited in accordance with International Standards of Auditing (ISA). The auditor shall comply with all ISAs relevant to the audit, ref. ISA 200 (Overall objectives of the independent auditor and the conduct of an audit in accordance with international standards on auditing), paragraphs 18 and 20. Of Particular relevance is ISA 240 (The Auditor's responsibility to Consider Fraud and Error in an Audit of Financial Statements), and ISA 800 ("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.

8 FORMAL MEETINGS

- 8.1 The Parties shall hold formal meetings once per year, tentatively between May 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. In 2022 the parties shall hold formal meetings twice, tentatively in May and October.
- 8.2 Unless otherwise agreed, the Parties shall discuss the latest progress report and financial report, as well as the implementation plan and budget for the upcoming period.
- 8.3 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 no later than two weeks after the meeting for comments. The agreed minutes shall be signed by both Parties.
- 8.4 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 A mid-term review focusing on progress and results to date shall be carried out by December 2024. MFA 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.
- 9.2 An audit focusing on accounts and management of the funds, including internal controls and compliance with MFA governance requirements, shall be carried out by June 2023. MFA shall draft the terms of reference for the audit and submit them to the other Party for approval. The costs of the review shall be covered by MFA over and above the Grant.
- 9.3 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.

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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 NOK 500 or more shall in its entirety 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.:	7694.05.12618
IBAN no.:	NO83 7694 0512 618
Name and address of the bank:	DNB, 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

12.1 Centre for Civil Society Promotion, as the lead partner of the consortium, is responsible for the compliance of the consortium partners (Center for Research and Policy Making and Institute for Democracy and Mediation) with NMFA requirements, including ensuring that consortium partners implement any required improvements relating to findings from reviews or audit procedures.

12.2 Commencement of sub-granting is subject to documentation of updated sub-grantee agreements with clear audit requirements, and confirmation that this template will be used by the consortium as a whole. The streamlined agreement template shall ensure that consortium partners have the required flow-down of NMFA aligned procurement requirements in these contracts.

12.3 The obligation in Article 5.6 to have a separate bank account exclusively for grants from MFA, applies to all three consortium partners.

12.4 Purchase of cars for the project shall be conducted in accordance with part III Procurement Provisions and shall be included in the focus of the audit regulated in article 9.2. The ownership of such assets is regulated by article 9 of part II General Conditions and shall be a matter of focus in the closing procedures of the agreement in accordance with article 9.6 of the General Conditions.

13 NOTICES

13.1 All communication to MFA concerning the Agreement shall be directed to the Section for South East Europe at the following e-mail address: Sorosteuropeisk.seksjon@mfa.no.

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- 13.2 All communication to the Grant Recipient concerning the Agreement shall be directed to Centre for civil society promotion director at the following address/e-mail address:
aida.daguda@cpcd.ba
- 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.

14 SIGNATURES

- 14.1 By signing part I of the Agreement, the Parties also 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 in the English language has been signed by both Parties. In the event of any discrepancies between this English language version and any later translations, the English language version shall prevail.

Place: Sarajevo

Date:

for the Norwegian Ministry of Foreign Affairs,

Olav Reinertsen

Ambassador

Norwegian Embassy in Sarajevo

for Centar za promociju civilnog drustva,

Aida Daguda

Director

Attachments:

- Annex A: Approved budget for the Project
Annex B: Results framework