

Template:	<b>Norwegian and Non-Norwegian NGOs</b>	Revision no.:	1
Specific Conditions (part I)	<b>Grant Management Regime II</b>	Date:	01.03.2016

## GRANT AGREEMENT

BETWEEN

THE NORWEGIAN MINISTRY OF FOREIGN AFFAIRS

AND

Sagcot Centre Limited

REGARDING

TAN-18/0001 SAGCOT Centre Ltd

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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 Royal Norwegian Embassy in Dar es Salaam (the Embassy) and
  - (2) Sagcot Centre Limited by guarantee, duly established in May 2011 under the Companies Act, Cap 212, RE of 2002. (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 06.02.2019 regarding financial support to its operations (Core Activities). The Core Activities for 2019 are described in the Annual work plan for 2019 dated November 2018, annex A. The budget is outlined in annex B. The Core Activities for the period 2020-2021 will be described in the new strategy document and subsequent workplans.
- 1.2 MFA has decided to award a grant to be used exclusively for the implementation of the Core Activities (the Grant) during the period from January 2019 to December 2021 (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.
- 1.4 Any reference to "Project" in the General Conditions shall be understood as a reference to the Core Activities. Any reference to the "Project Document" shall be understood as a reference to the Strategy Document.

### 2 OBJECTIVES

- 2.1 The planned effect of the Core Activities on society is: Responsible commercialization of agriculture that benefits poor farmers (Impact).
- 2.2 The planned effects for the target group of the Core Activities are: Increase in sustainable agricultural production in the priority cluster (Outcome).
- 2.3 The Strategy Document and the Results Framework, annex C includes more information on expected results.

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### 3 IMPLEMENTATION

- 3.1 The Core Activities shall be implemented in accordance with the Agreement, including all annexes and the Strategy Document, including annual work plans and budgets.
- 3.2 During the implementation of the Core Activities, 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 Core Activities, including the risk of corruption and other financial irregularities, any potential negative effects on the environment, climate, gender equality or human rights.
- 3.4 The Grant Recipient shall identify and seek to reinforce positive effects of the Core Activities with respect to environment, climate, gender equality, human rights and the fight against corruption.

### 4 THE GRANT

- 4.1 The Grant shall amount to maximum NOK 20 million (Norwegian Kroner twenty million). The Grant is to be given as a lump sum based on the budget in the Strategy Document. A maximum of NOK 6 000 000 of the Grant (Norwegian kroner six million) is allocated for 2019 based on the budget in annex B. Up to NOK 500.000 of the 2019 grant is earmarked for consultancy services in agreement with the Grant Recipient, to be managed by MFA. Future allocations of the Grant will be contingent of the finalisation of the new strategy and adherent work plans and be included in an addendum to the agreement.
- 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 Core Activities during the Support Period.
- 4.4 The Grant Recipient is responsible for obtaining any additional resources that may be required to duly implement the Core Activities.

### 5 DISBURSEMENT

- 5.1 The Grant shall be disbursed in advance instalments based on the financial need of the Grant Recipient 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. The second disbursement in 2019 shall be contingent on MFAs receipt of the new Strategy Document.
- 5.2 The disbursement requests shall be signed by an authorised representative of the Grant Recipient, currently the COO. The disbursement request shall include a confirmation that the Core Activities are being implemented in accordance with the Agreement and without any

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major deviations from the Strategy Document. The financial need shall be documented through updated financial statements for the Core Activities.

5.3 All disbursements are conditional upon the Grant Recipient's continued compliance with the requirements in 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.

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

Name of the account: SAGCOT Centre Limited

Account no.: 0250210572500

IBAN no.:

Name and address of the bank: CRDB Bank - Azikiwe Premier Branch

Swift/BIC code: CORUTZTZ

Currency of the account: USD

5.5 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) An **annual report** covering the period from January to December shall be submitted to MFA by 15<sup>th</sup> March] each year. The Grant Recipient's annual report and other general reporting to donors is sufficient given that the content requirements set out below are met.

The report shall include both a narrative part and financial statements covering the Core Activities. The narrative part shall include the content specified in article 2 clause 2 of the General Conditions, whereas the financial statements shall include the content specified in article 3 clause 2 of the General Conditions.

- b) The **audit report** covering the annual financial statements of the Grant Recipient shall be submitted to MFA by May 15<sup>th</sup> each year. If the auditor submits a management letter, this shall be submitted along with the audit report. The audit report shall comply with the requirements set out in article 7 of the Specific Conditions and article 5 of the General Conditions, except clause 6.
- c) An updated **work plan and budget** covering the calendar year shall be submitted to MFA by February 1<sup>st</sup> each year. The work plan and budget shall include the content listed in article 1 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 work 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 Grant Recipient shall be audited in accordance with International Standards of Auditing (ISA).
- 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 end April in order to discuss i.a. the results achieved during the Support Period. The meetings may be held jointly with other donors. The meetings shall be called and chaired by the Grant Recipient.
- 8.2 Unless otherwise agreed, the Parties shall discuss the latest progress report and financial statement, as well as the work plan and budget for the upcoming period. In the event that such reports have not been received at least 15 working days before the meeting, the Parties shall agree upon a new date to hold the meeting.
- 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 all participants to the meeting.
- 8.4 The Parties shall hold additional formal meetings if 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 external review focusing on progress to date shall be carried out by early 2020, and may be done in coordination with other donors. The costs of the review shall be covered by MFA over and above the Grant.
- 9.2 If the Grant Recipient or another interested party initiates a review or evaluation of activities wholly or partly funded by the Grant, MFA shall be informed. The Grant Recipient shall forward a copy of the report of any such review or evaluation to MFA without undue delay.

## 10 PROCUREMENT

- 10.1 All procurement made in connection with the Core Activities shall be completed in accordance with the Procurement Provisions in Part III of this Agreement.
- 10.2 If the total value of a contract exceeds NOK 100 000, the procurement record and the draft contract shall be submitted to MFA for information.

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10.3 Along with the documentation mentioned above, the Grant Recipient shall confirm in writing that the requirements agreed on in this article 6 have been fulfilled.

## 11 REPAYMENT OF UNUSED FUNDS

11.1 If the Grant Recipient does not complete the Core Activities as planned, or if the Core Activities are significantly scaled down compared to the initial budget, MFA may claim repayment of all or parts of the Grant.

11.2 Repayments shall be made to the following bank account:

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

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

## 12 SPECIAL PROVISIONS

12.1 The following provisions of the General Conditions are not applicable under this Agreement:

- a) Article 5 clause 4, 6 and 8
- b) Article 7 clause 2
- c) Article 9 clause 5
- d) Article 10 in its entirety
- e) Article 12 clause 2
- f) Article 13 in its entirety.

12.2 General Conditions article 14 shall be replaced with the following: "The Grant Recipient shall make project documentation available to anyone upon request unless disclosure is prohibited by confidentiality obligations and/or if it may be detrimental to the Grant Recipient's legitimate interests. "Project documentation" shall include this Agreement and any contracts, cooperation agreement or other sub-agreements financed by the Grant, the Application and all agreed reports."

12.3 The following shall be added to article 2.2 of the General Conditions:

Added to article 2.2. a) Gender disaggregated data shall be provided where relevant.  
 Added to article 2.2 d) Risks should be reported on with reference to the risk registry

## 13 NOTICES

13.1 All communication to MFA concerning the Agreement shall be directed to the Norwegian Embassy at the following e-mail address: [emb.daressalaam@mfa.no](mailto:emb.daressalaam@mfa.no).

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- 13.2 All communication to the Grant Recipient concerning the Agreement shall be directed to The Chief Executive Officer, at the following address/e-mail address:  
Geoffrey.Kirenga@sagcot.co.tz
- 13.1 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 confirm receipt and approval of part II; General Conditions, and part III; Procurement Provisions, which all form an integral part of the Agreement.
- 14.2 This Agreement has been signed in two -2- original copies in the English language. In the event of any discrepancies between this English language version and any later translations, the English language version shall prevail.

Place: Dar Es Salaam

Date: 28/5-2019



For the Norwegian Ministry of Foreign Affairs,

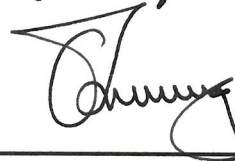
Elisabeth Jacobsen

Ambassador

Royal Norwegian Embassy Dar es Salaam

Dar es Salaam

28 may 2019



For Sagcot Centre Limited ,

Geoffrey Kirenga

Chief executive Officer

Sagcot Centre Limited

### Annexes:

- A. Workplan 201
- B. Budget 201
- C. Results framework
- D. Risk register