



Foreign, Commonwealth  
& Development Office

# Grant Agreement

(To be signed upon selection)

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The Parties to this Grant Agreement are:

The Secretary of State for Foreign, Commonwealth and Development Affairs  
represented by:

*Prosperity Fund US Programme  
British Embassy in Washington DC*

*for the Foreign, Commonwealth and Development Office (the Authority),*

*and*

*[Name of project implementing partner (if applicable)]  
[Registered address of project implementing partner]  
[Name and position of representative individual]*

(the Grantee), referred to collectively as the Parties and each individually as a Party.

## BACKGROUND

- (A) The Authority has agreed to pay the Grant to the Grantee to assist it in carrying out the Project.
- (B) This Grant Agreement sets out the terms and conditions on which the Grant is made by the Authority to the Grantee.

## 1. Introduction and Definitions

### 1.1 In this Grant Agreement:

- (a) “Basic Project Information” means the project title, the project scope, information about the budgeted and actual project spend, the project duration, the name of the UK central government department or agency which has lead responsibility for managing the project, the name of the Grantee and the amount of funding that is being provided under this Grant Agreement;
- (b) “Confidential Information” means the Authority’s data and all information which has either been reasonably designated as confidential by either Party in writing or which ought to be considered as confidential (however it is

- conveyed or on whichever medium it is stored) including information which relates to the business, affairs, properties, assets, trading practices, services, developments, trade secrets, intellectual property rights, know-how, personnel, customers and suppliers of either Party, all personal data and sensitive personal data within the meaning of the GDPR and any other UK data protection law which may be enacted from time to time. Confidential Information does not include Basic Project Information;
- (c) "Crown Body" means a UK central government department and any other organisation in the UK that is defined by law as a Crown Body;
  - (d) "Eligible Expenditure" means expenditure in relation to the Funded Activities that complies in all respects with the eligibility rules set out in Annex D of this Grant Agreement;
  - (e) "Equipment" means the tools and machinery which the Grantee may use in order to conduct research and any other activity that is necessary to deliver the Project for which grant funding is being provided under this Grant Agreement;
  - (f) "Evaluation" means an assessment of the Project by the Authority or one or more persons appointed by the Authority. The Evaluation will assess the Project on the basis of value for money, impact and delivery of outputs. Evidence will be collected through a review of paper documents and interviews with stakeholders;
  - (g) "Evaluation Visit" means a visit of up to 10 days made by one or more persons appointed or nominated by the Authority to the country where the Project is being delivered and will comprise of a series of interviews with stakeholders involved in the Project;
  - (h) "Financial Year" means the 12 month period 1 April to 31 March;
  - (i) "Funded Activities" means the Project-related activities set out in Annex A of this Grant Agreement;
  - (j) "Funding Period" means the period for which the Grant is awarded as specified in clause 4.1 of this Grant Agreement;
  - (k) "GDPR" means the General Data Protection Regulation (Regulation (EU) 2016/679);
  - (l) "Grant" means the sum or sums of money [in local currency] to be provided to the Grantee in accordance with this Grant Agreement;
  - (m) "IPR" means copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semi-conductor topography rights, trade marks, rights in Internet domain names and website, addresses and other rights in trade names, designs, know-how, trade secrets and other rights in Confidential Information, together with all applications for registration, and the right to apply for registration, for any such rights that are capable of being registered in any country or jurisdiction, and all other rights having equivalent or similar effect in any country or jurisdiction;
  - (n) "Net Profit" and "Net Losses" means the income, gain, loss, deductions and credits of the Grantee in the aggregate or separately stated, as appropriate, determined in accordance with the accounting principles employed under the acceptable method of accounting at the close of each fiscal year on the Grantee's accounts;
  - (o) "Programme Objective" means the wider programme of activity that this Project is part of as set out in Annex A;
  - (p) "Prohibited Act" means:

- i. offering, giving or agreeing to give any servant of the Authority or the Crown any gift or consideration of any kind as an inducement or reward for:
    - 1. doing or not doing (or for having done or not having done) any act in relation to the obtaining or performance of this Grant Agreement; or
    - 2. showing or not showing favour or disfavour to any person in relation to this Grant Agreement;
  - ii. committing any offence
    - 1. under the Bribery Act 2010;
    - 2. under legislation creating offences in respect of fraudulent acts; or
    - 3. at common law in respect of fraudulent acts in relation to this Grant Agreement; or
  - iii. defrauding or attempting to defraud or conspiring to defraud the Authority or the Crown;
- (q) “Project” has the meaning set out in clause 3.1;
- (r) “Project Implementation” means all the activity which the Grantee undertakes in order to deliver the Project which is being funded under this Grant Agreement;
- (s) “Staff” means all persons employed or otherwise used by the Grantee to perform its obligations under this Grant Agreement;
- (t) “State Aid” means any aid having the character set out in Article 107(1) of the Treaty on the Functioning of the European Union;
- (u) “Unspent Monies” means any monies paid to the Grantee in advance of expenditure which remains:
- (i) unspent and uncommitted at the end of a Funding Period; or
  - (ii) unspent and uncommitted at the end of the Financial Year in which the Funding Period occurs.

1.2 Any reference to UK primary legislation (Acts) or secondary legislation (Statutory Instruments) in this Grant Agreement includes reference to any changes to or replacement of those Acts or Statutory Instruments.

## 2. Grant Offer

2.1 The Authority offers to pay the Grantee the Grant (the amount of which is set out in clause 5.1 of this Grant Agreement) on condition that the Grantee complies fully with the terms of this Grant Agreement.

2.2 The Grantee acknowledges that the Authority agrees to provide funding only for the amount, period and purposes set out in this Grant Agreement.

## 3. Purpose of the Grant

3.1 The Authority is providing grant funding for Eligible Expenditure incurred by the Grantee to implement the project entitled: US State Green Economy Report (the “Project”). The Project outputs and activities are set out in Annex A.

3.2 The Grantee accepts responsibility for the proper use and administration of all funding provided under this Grant Agreement and undertakes to use such funding

only for the purpose of carrying out the Project in accordance with the Project outputs and activities set out in Annex A.

3.3 The Grant must not be used to support activity intended to:

- 3.3.1 influence or attempt to influence the UK Parliament, Government or political parties;
- 3.3.2 influence or attempt to influence the awarding or renewal of contracts and grants by the UK government; or
- 3.3.3 influence or attempt to influence legislative or regulatory action in the UK.

3.4 Where the Grantee intends to apply to a third party for other funding for the Funded Activities, it will notify the Authority in advance of its intention to do so and, where such co-funding is permitted and obtained, it will provide the Authority with details of the amount and purpose of that funding.

3.5 The Grantee agrees and accepts that it will not apply for duplicate funding in respect of any part of the Funded Activities or any related administration costs that the Authority is funding in full under this Grant Agreement and that it may be prosecuted for fraud should it dishonestly and intentionally make such an application.

#### 4. Funding Period

4.1 The Funding Period is from 2 November 2020 to 5 March 2020

4.2 Project Implementation will begin on the day after the last of the two Parties signs this Grant Agreement.

#### 5. Amount of the Grant

5.1 The Authority will provide up to a maximum of £130,000 towards the total costs of the Project, of which one-hundred and thirty thousand GBP will be paid in the Financial Year the Project begins FY2020/21.

5.2 The Authority does not guarantee grant funding for subsequent periods after the term of this Grant Agreement or in Financial Years following the Financial Year of signature of this Grant Agreement. Whether the Authority provides additional grant funding to the Grantee will depend on factors including:

- (a) the availability of funding to the Authority; and
- (b) full compliance with the terms of this Grant Agreement by the Grantee in the period covered by this Grant Agreement.

#### 6. Timing of Grant Payments

6.1 Subject to the remainder of this clause 6, payment of the Grant (for actual costs incurred and that are listed in the agreed activity based budget) will be made in arrears.

6.2 The Authority will not authorise payment unless the Grantee has:

- (a) signed and returned a copy of this Grant Agreement to the Authority;

- (b) provided appropriate bank details including a method for identifying the Authority's funding either in a separate bank account or by using project codes.

6.3 The Authority reserves the right to withhold all or any payments of the Grant if it has reasonably requested information and/or documentation from the Grantee and this has not been provided to the Authority within the timescales required.

## 7. Reduction And Recovery Of Grant

7.1 Without prejudice to the Authority's other rights and remedies (whether arising under this Grant Agreement or otherwise), the Authority may withhold or suspend payment of all or any part of the Grant and/or require the Grantee to repay any Unspent Monies if the Grantee fails to comply in any material respect with any of the terms of this Grant Agreement and/or if any of the events set out in clauses 7.5, 20.2, 20.3(a)-(g), 20.5 or 20.6 arise.

7.2 All Unspent Monies, as calculated by the Authority, must be repaid to the Authority within thirty (30) working days from the date on which the request for payment is sent.

7.3 The Grantee may not retain any Unspent Monies, or carry forward any Unspent Monies for use in the following Financial Year, without the Authority's written permission.

7.4 If the Grantee is wound up or goes into liquidation, administration, receivership or bankruptcy, or enters into any compromise or other arrangement of its debts with its creditors, the Authority will be entitled to recover any Unspent Monies and/or may withhold any further Grant payments. If any of the Unspent Monies is held by the Grantee's own contractors, the Grantee must recover those sums (and shall procure that it has an enforceable right to recover those sums) from its contractors.

7.5 If the Authority makes an overpayment to the Grantee, it will seek recovery of all sums overpaid. The Grantee will repay any overpayment to the Authority within thirty (30) calendar days of receiving a written request from the Authority to make a repayment.

## 8. Managing the Grant

### Reporting

8.1 The Grantee will provide a monthly monitoring report (a "Monthly Monitoring Report") and a financial report (a "Financial Report") every (1) month during the Funding Period starting from November 2020.

8.1.1 Each Monthly Monitoring Report will:

- (a) describe the Project activities completed and the results achieved;
- (b) contain an assessment of progress made against the proposals as set out in Annex A; and
- (c) refer to the indicators of success in Annex A.

8.1.2 Each Financial Report will state:

- (a) how much of the Grant was spent;
- (b) the purpose of the expenditure of the Grant in (a) above; and
- (c) whether any funding was used for consultant's fees or travel expenses.

8.2 When the Project has been completed the Grantee will prepare and send a final report (a "Project Completion Report") to the Authority within the period that the Authority requests. The Project Completion Report will contain a detailed breakdown of all expenditure for the Funding Period. The Authority will only make a final Grant payment when the Project Completion Report has been submitted to the relevant representative of the Authority, in the format requested and with all of the information that is required.

8.3 To the extent requested by the Authority, the Grantee will send originals or copies of invoices and receipts to the Authority within one (1) calendar month after sending a relevant Financial Report (that includes those invoices and receipts requested by the Authority) to the Authority.

8.4 Where a Project has an annual expenditure of over two hundred thousand pounds (£200,000) (or other currency equivalent) the Grantee will provide externally audited Financial Reports, unless the Parties agree otherwise.

8.5 The Grantee will be responsible for meeting all costs incurred in producing the reports required in accordance with clauses 8.1 to 8.4.

#### Monitoring and Evaluation

8.6 The Authority will monitor the progress of the Project throughout the Funding Period and reserves the right to:

- (a) carry out Evaluation Visits, after giving reasonable notice; and / or
- (b) appoint an external evaluator.

8.7 The method and timing of the Evaluation Visit, and the Evaluation of the Project, will be at the Authority's discretion.

8.8 The Grantee will make Staff available to meet with, answer questions and provide management information to the Authority or the evaluator appointed by the Authority.

8.9 The Authority and the Grantee will undertake a joint review of the Project if the Authority considers it necessary to refocus the Project outputs.

#### Additional governance

8.10 In order to ensure its accountability to Parliament or any other body authorised to scrutinise its use and management of public funds or in order to assess risks of fraud or guard against potentially fraudulent use of grant funding (including the Grant covered by this Grant Agreement), the Authority reserves the right to:

- (a) make grant funding subject to such arrangements (including terms of reference, steering committees and virtual boards) as it considers

reasonable, appropriate and proportionate to manage the relationship with the Grantee. This right may be exercised by reference to the budget, scope or complexity of a Project; and/or

- (b) commission an external audit of the Financial Reports provided by the Grantee at any point in the Funding Period. Where the Authority exercises this right, it will bear the cost of such audit; and/or
- (c) request additional information and documentation from the Grantee to further explain specific payment details made by the Grantee to any of the Grantee's delivery partners, suppliers, staff, consultants and/or contractors.

## Aid Diversion

- 8.11 For purposes of the remainder of this clause 8, "Aid Diversion" means any event, including fraud, corruption, bribery (including for purposes of the Bribery Act 2010), theft, terrorist financing, money laundering and other misuse of funds that prevents the Grant being directed to the outputs and activities of the Project, or funds being directed to the aid outcomes or recipients intended.
- 8.12 The Parties will immediately and without undue delay inform each other of any actual, suspected or alleged Aid Diversion in the case of the Grantee by immediately contacting the Authority's Fraud and Safeguarding Investigation Team at [reportingconcerns@fcdo.gov.uk](mailto:reportingconcerns@fcdo.gov.uk) or +44(0)1355 843747 (where all information will be treated confidentiality in accordance with the terms of this Grant Agreement) or by informing the Authority staff responsible for managing this Grant Agreement.
- 8.13 The Parties acknowledge and agree that they have a zero tolerance approach towards Aid Diversion, including any associated inappropriate behaviour. Both Parties will fully co-operate with investigations into actual, suspected or alleged Aid Diversion, whether led by the Authority or the Grantee.
- 8.14 Notwithstanding any other provisions in this Grant Agreement, the Authority may recover from the Grantee all or part of the Grant paid under this Grant Agreement in the event of actual or suspected Aid Diversion.
- 8.15 Without prejudice to the foregoing, and consistent with local and international legislation and applicable United Nations Security Council resolutions, the Parties acknowledge and agree their commitment to the international fight against terrorism and the Authority's policy to seek to ensure that none of its resources are used, directly or indirectly, to provide support to individuals or entities associated with terrorism or crime of any sort. In accordance with this policy, the Grantee will (and will procure that its downstream partner(s)) make itself aware of, and (without prejudice to the generality of clause 14.2) comply with its obligations under, applicable counter terrorist financing and other crime legislation.

## 9. Other uses of grant funding

### Procurement

- 9.1 The Grantee will follow its own procurement guidelines and procedures when buying goods and services using the Grant but will also adhere to the minimum

procurement standards and principles, as set out in Annex C of this Grant Agreement, expected of the Grantee by the Authority. In the event of any conflict between the two, the Grantee shall notify the Authority of that conflict and the Parties shall in good faith seek to agree on how to resolve that conflict.

9.2 If the Authority requests information from the Grantee about the use of the Grant for procurement, the Grantee will provide sufficient information to show that its procurement processes are transparent, fair, allow for competition and were cost-effective.

#### Equipment – Purchase and disposal

9.3 The Authority provides funding under this Grant Agreement on the basis that the Grantee will not use the Grant to purchase Equipment as the sole Project output. Neither will the Grantee use the Grant to purchase Equipment where it is reasonable to expect the Grantee to hold such Equipment as part of its normal business.

9.4 If the Grantee considers that it is or may be necessary to use the Grant to buy Equipment in order to deliver the Project it will inform the Authority of this at the earliest opportunity. All proposed Equipment purchases must be itemised and costed in the Project budget and subsequent purchases recorded (in the form set out in clause 9.6 of this Grant Agreement) by the Grantee. The Grantee will not purchase Equipment using the Grant unless the Authority has consented to such use in writing, such consent to be attached to this Grant Agreement as an additional Annex.

9.5 The Grantee acknowledges and agrees that any failure by the Grantee to seek the Authority's consent in accordance with clause 9.4 will be deemed to be a material breach for purposes of clause 20.3(g).

9.6 If the Grantee uses the Grant to buy Equipment to implement the Project it will maintain a record and notify the Authority of such purchases. Entries in the record must include the following information:

- (a) description of the item(s);
- (b) specific identification (e.g. serial number);
- (c) date of purchase;
- (d) where the item was purchased;
- (e) original value (including VAT, if paid); and
- (f) person responsible for the purchase.

9.7 If the Grantee buys Equipment with the Authority's consent, any such Equipment with an initial value of one thousand pounds (£1,000) (or other currency equivalent) or more and a useful life of more than one (1) year at the end of the Funding Period will be the property of the Authority and must not be disposed of except as the Authority directs in writing.

9.8 If the Grantee has an existing process or policy regarding the ownership and disposal of Equipment which is inconsistent with clause 9.7, it will make the Authority aware of this at the earliest possible opportunity when bidding for funding from the Authority. The Parties will then decide, as soon as reasonably practicable, on the ownership and disposal arrangements of Equipment for when the Project ends, to be recorded in writing and attached to this Grant Agreement as an additional Annex.

## 10. Records to be kept

10.1 The Grantee will ensure that all original documents are retained for the term of this Grant Agreement and for a period of six (6) years after the end of this Grant Agreement and will provide these to the Authority, if requested, within this period.

## 11. Due Diligence

11.1 In utilising the Grant the Grantee will exercise the same care in the discharge of its functions under this arrangement as it exercises with respect to the administration and management of its own resources and affairs.

11.2 The Grantee will co-operate fully with any due diligence assessment by the Authority or its agents, of the Grantee's own internal controls and systems. These assessments should be completed prior to Project Implementation and be reviewed during the Project, including if there is a significant change to the Grantee's procedures and controls or operating environment.

11.3 Additionally, the Grantee will take all necessary steps at the commencement of the Project and at regular intervals throughout Project Implementation to assess the internal controls and systems of any downstream delivery partners. These assessments will be shared with the Authority upon request, and should determine the:

- (a) reliability and integrity of the downstream delivery partners' financial controls, systems and processes;
- (b) effectiveness and efficiency of downstream delivery partners' project operations;
- (c) procedures for safeguarding Project assets; and
- (d) compliance with national legislation, regulation, rules, policies and procedures.

## 12. Safeguarding for the prevention of sexual exploitation, abuse and harassment

12.1 The Grantee will take all reasonable steps to prevent the sexual exploitation, abuse and harassment of any person linked to the delivery of this Grant Agreement by both its employees and any downstream delivery partners.

12.2 The Participants have a zero tolerance approach towards sexual exploitation, abuse and harassment. The Grantee will immediately contact the Authority's Fraud and Safeguarding Investigations Team at [reportingconcerns@fcdo.gov.uk](mailto:reportingconcerns@fcdo.gov.uk) or call +44(0)1355 843747 to report any credible suspicions of, or actual incidents of sexual exploitation, abuse or harassment related to this Grant Agreement. The Grantee should assess credibility based on the source of the allegation, the content, and the level of detail or evidence provided. All sexual activity with children (persons under the age of 18) is prohibited, regardless of the age of majority, or age of consent locally.

12.3 The Grantee should also report any credible suspicions of, or actual incidents that are not directly related to this Grant Agreement but would be of significant impact to their partnership with the Authority or the reputation of the Authority or UK

aid. For example, events that affect the governance or culture of the Grantee, such as those related to senior management, must be reported.

12.4 Both Participants will fully co-operate with investigations into such events, whether led by the Authority or any of its duly authorised representatives or agents, or the Grantee.

12.5 The Grantee will comply with the Supplier Code of Conduct as set out in this Annex E and any changes made to the Code thereafter from time to time by the Authority.

### 13. Audit and Inspection

13.1 The Authority may request reasonable access for its authorised representatives, after giving the Grantee notice, to:

- (a) Project sites which the Grantee owns or occupies and where any activity in support of the Project has been undertaken; and/or
- (b) records (however these are stored) which show how the Grant has been used.

### 14. Legislation and State Aid Law

14.1 The Grantee acknowledges that the Authority is (without limitation) subject to the Freedom of Information Act 2000, GDPR (and any other UK data protection law which may be enacted from time to time), and the Equality Act 2000.

14.2 The Grantee must ensure that it complies with any applicable law or organisational directions and regulations which are binding on it.

14.3 The Grantee will also cooperate with the Authority (to the fullest extent permissible and consistent with its obligations under any applicable law or regulation) to enable the Authority's compliance with its obligations under the legislation referred to in clause 14.1 or other applicable legislation which applies to the provision of the Grant under this Grant Agreement.

14.4 The Grantee acknowledges that, where the Authority is required to disclose information in line with its obligations under the Freedom of Information Act 2000, it will be responsible for determining whether any information relating to this Grant Agreement is exempt from disclosure. If the Grantee provides information to the Authority which is designated as commercially sensitive or confidential these markings will not determine conclusively whether or not disclosure by the Authority is necessary in order to comply with its legal obligations.

14.5 The Grantee will take all reasonable steps to ensure that, where any awards to third parties are made from the Funded Activities, those awards are compatible with State Aid law, if applicable, including requesting such documentation from the award recipients as is necessary to ensure compliance with State Aid law

### 15. Transparency

15.1 The Grantee acknowledges that the Authority will disclose payments made under this Grant Agreement with a value of twenty five thousand pounds (£25,000) or more in accordance with the UK Government's transparency agenda.

15.2 The Authority may request information about the implementation and operation of the Project. Where the Authority makes such a request, the Authority will provide the Grantee with the reason for its request.

15.3 The Grantee is committed to the principle of transparency and, subject to any applicable law, the Grantee will make available to the Authority such information, as may be requested, relating to the implementation and the operations of the Project.

## 16. Confidentiality

16.1 Each Party will treat the other's Confidential Information as confidential, keep it safe and not disclose it to a third person without the original owner's prior written consent, unless disclosure is expressly permitted by this Grant Agreement.

16.2 The Grantee may disclose the Authority's Confidential Information to its Staff who are directly involved in the implementation of the Project and who need to know the information. Where it makes such disclosure, the Grantee will ensure that such Staff are:

- (a) aware of and comply with the confidentiality obligations under this Grant Agreement; and
- (b) do not use any of the Authority's Confidential information that is received for purposes other than the implementation of the Project and in line with this Grant Agreement.

16.3 Clause 16.1 will not apply to the disclosure of information that:

- (a) is a requirement of law placed upon the Party making the disclosure by an order of a court of competent jurisdiction or in order to comply with legal requirements including but not limited to the Freedom of Information Act 2000 or the Environmental Information Regulations 2004;
- (b) occurs because information was in the possession of the Party making the disclosure without any obligation of confidentiality to the information owner and prior to any disclosure;
- (c) was obtained from a third party who was not subject to an obligation of confidentiality;
- (d) was already in the public domain at the time of disclosure and this was not due to a breach of this Grant Agreement; or
- (e) was developed independently without access to the other Party's Confidential Information.

16.4 Nothing in this Grant Agreement will prevent the Authority from disclosing the Grantee's Confidential Information:

- (a) to any Crown Body. All Crown Bodies receiving such Confidential Information will be entitled to further disclose the Confidential Information to other Crown

- Bodies on the basis that the information is confidential and is not to be disclosed to a third party which is not part of any Crown Body;
- (b) to any person engaged by the Authority or any person authorised to scrutinise the Authority's activities by conducting an assurance or other review of the Project (whether alone or as part of a wider programme of activity which the Project is supporting);
  - (c) for the purpose of the examination and certification of the Authority's accounts;
  - (d) for any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources;
  - (e) to UK Parliament and Parliamentary Committees or if required by any UK Parliamentary reporting requirement; or
  - (f) to the extent that the Authority (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions.

16.5 Nothing in this clause 16 will prevent either Party from using any techniques, ideas or know-how gained during the performance of this Grant Agreement in the course of its normal business so long as this use does not result in a disclosure of the other Party's Confidential Information or an infringement of the other Party's or a third party's intellectual property rights.

#### 17. Publicity – Acknowledgement of Funding

17.1 The Grantee may acknowledge the Grant provided by the Authority for the Project in materials produced during the Funding Period and at related public events unless the Authority directs otherwise. Where the Authority directs that its funding must not be acknowledged the Grantee will comply with this instruction.

17.2 The Grantee must notify the Authority of any proposed promotion or publicity regarding the Project, including where it proposes to use any of the Authority's branding or logos, and shall obtain the Authority's prior written consent.

#### 18. Conflict of Interest and Grantee commentary

18.1 The Grantee will ensure that it has adequate procedures in place to enable early identification and effective management of any conflicts of interest which it or its Staff may have in relation to this Grant Agreement. Where the Grantee identifies a conflict of interest it will notify the Authority of this and provide information about how this is being managed.

18.2 In addition to its obligations in clause 18.1, the Grantee will:

- (a) avoid expressing views which are inconsistent with the Programme Objective when speaking to third parties in order to deliver the Project;
- (b) make clear that it does not represent or speak for the Authority or the Government of the United Kingdom in any situation where it expresses views; and
- (c) seek the consent of the Authority first before making any statements which might be contrary to the requirements of clauses 18.2 (a) or (b).

## 19. Amendment of this Grant Agreement

19.1 This Grant Agreement may be amended only by written agreement of the Parties, signed by both Parties and attached to the signed original of this Grant Agreement.

## 20. Breach of Grant Conditions, Temporary Suspension and Termination

### Temporary Suspension of performance

20.1 Either Party may notify the other of any event or matter which was neither caused by the Parties nor is within the control of the Parties which prevents, delays or is likely to prevent or delay the performance of its obligations under this Grant Agreement. In this situation, the Parties may agree to suspend the performance of obligations under this Grant Agreement temporarily for a period of up to one (1) calendar month.

### Termination

20.2 Either Party may terminate this Grant Agreement at any time by giving at least three (3) months (or the remaining duration of the Funding Period where that is less than three (3) months) written notice to the other Party.

20.3 The Authority may by notice in writing to the Grantee terminate this Grant Agreement with immediate effect if any of the following events occur:

- (a) the Grantee intends to use, has used in the past, or uses, the Grant for purposes other than those for which it has been awarded;
- (b) the Grantee is, in the reasonable opinion of the Authority, delivering the Funded Activities in a negligent manner (and in this context, negligence may include (without limitation) failing to prevent or report fraud or corruption);
- (c) the Grantee obtains duplicate funding from a third party for the Funded Activities;
- (d) the Grantee commits or has committed a Prohibited Act or fails to report a Prohibited Act to the Authority, whether committed by the Grantee or a third party (where that third party is a supplier, sub-contractor or downstream delivery partner of the Grantee) as soon as they become aware of it;
- (e) the Authority determines (acting reasonably) that any director or employee of the Grantee has:
  - (i) acted dishonestly or negligently at any time during the term of this Grant Agreement and to the detriment of the Authority; or
  - (ii) through act or omission unfairly brought, or are likely to unfairly bring, the Authority's name or reputation and/or the Authority into disrepute;
- (f) the Grant is found to be unlawful State Aid;
- (g) (without prejudice to the foregoing) the Grantee commits a material breach of the Grant Agreement that is either incapable of remedy or, where it is capable of remedy, has not been remedied by the Grantee (to the reasonable satisfaction of the Authority) within thirty (30) days of receiving written notice from the Authority detailing the breach and requiring it to be remedied (and for purposes of this sub-clause 20.3(g), a material breach may be a single material breach or a number of breaches or repeated breaches (whether of

- the same or different obligations and regardless of whether such breaches are remedied) which taken together constitute a material breach);
- (h) the Grantee ceases to operate for any reason, or it passes a resolution (or any court of competent jurisdiction makes an order) that it be wound up or dissolved (other than for the purpose of a bona fide and solvent reconstruction or amalgamation); or
  - (i) the Grantee becomes insolvent, or it is declared bankrupt, or it is placed into receivership, administration or liquidation, or a petition has been presented for its winding up, or it enters into any arrangement or composition for the benefit of its creditors, or it is unable to pay its debts as they fall due.

20.4 On termination of this Grant Agreement the Grantee will provide financial and narrative reports (including invoices and receipts) within thirty (30) days of receiving written notification of termination up to the date of such termination.

20.5 In the event of a change of UK government or in policy direction, this Grant Agreement may be terminated by the Authority with immediate effect by notice in writing.

20.6 If, at any stage, the Project outputs are not achieving the agreed objectives, impact and delivery, the Authority may terminate the Project.

20.7 If the Authority terminates this Grant Agreement in accordance with clause 20.2, 20.3, 20.5 or 20.6 the Authority will pay the Grantee's reasonable costs in respect of the delivery of the Funded Activities performed up to the termination date. Reasonable costs will be identified by the Grantee and will be subject to the Grantee demonstrating that it has taken adequate steps to mitigate its costs. For the avoidance of doubt, the amount of reasonable costs payable will be determined solely by the Authority.

## 21. Insurance

21.1 The Grantee will ensure that it has such insurance in place as is necessary for the normal conduct of its activities. Where it is necessary for the Grantee to purchase additional insurance cover in order to perform its obligations under this Grant Agreement, the Grantee will ensure that it has all relevant insurance in place prior to the start of the Funding Period.

## 22. Liability, Indemnity and Accountability

22.1 Neither Party may limit its liability for personal injury or death caused by negligence, fraud or fraudulent representation.

22.2 The Authority accepts no liability for any consequences, whether direct or indirect, that may come about from the Grantee running the Project, the use of the Grant or from withdrawal of the Grant. The Grantee will indemnify and hold harmless the Authority, its employees, agents, officers or sub-contractors with respect to all claims, demands, actions, costs, expenses, losses, damages and all other liabilities arising from or incurred by reason of the actions and/or omissions of the Grantee in relation to the Project, the non-fulfilment of obligations of the Grantee under this Agreement or its obligations to third parties.

22.3 Subject to Clause 22.2, the Authority's liability under this Agreement is limited to the payment of the Grant

22.4 The Authority will not be responsible for the activities of any person, organisation or company engaged by the Grantee or its agencies as a result of this Grant Agreement, nor will the Authority be responsible for any costs incurred by the Grantee or its agencies in terminating the engagement of the aforementioned persons, organisations or companies.

22.5 Although accountable to the Authority for the appropriate use of funding and delivery of Project objectives, the Grantee will retain ultimate responsibility for the use of the Grant and will as such be solely responsible for any adverse effects of aid expenditure that have an undesired or unexpected result upon recipients

### 23. Grantee responsibility for Staff

23.1 The Grantee undertakes to provide adequate supervision of and care for its Staff, agents and representatives.

23.2 In the event that it is necessary for the Grantee or any of its representatives or associates involved in the Project to travel in order to perform the tasks specified in Annex A, the Grantee will be responsible for obtaining security advice from security providers that are established and reputable with appropriate experience, qualified personnel and insurance cover. The costs of any specialist security provision will be borne as part of the Project budget.

23.3 Subject to clause 23.4, where the Authority has publicly advised against all travel to a country or region where the Project is to be implemented or where the Authority has highlighted specific security or safety concerns, the Grantee must liaise closely and in good time with the Authority about the feasibility of travel to such country or region.

23.4 The Authority acknowledges that where the Grantee has access to its own source of advice and processes for ensuring the safety and security of its personnel (including other authorised agents) it may rely on such provisions and will bear the responsibility for all such personnel.

23.5 The Grantee acknowledges that in some circumstances the Authority may for security purposes require information regarding its Staff and subcontractors or other authorised representatives. Where the Authority makes such a request the Grantee will, subject to clause 23.6, provide the Authority with such information as the Authority may require in order to carry out any security checks it deems necessary.

23.6 When providing information to the Authority in line with clause 23.5, the Authority acknowledges, and the Grantee agrees, that such disclosure will be to the extent that this is permissible under any of the following:

- (a) GDPR and any other UK data protection law which may be enacted from time to time (if applicable);
- (b) the principles of transparency, legitimate purpose and proportionality;
- (c) any other legislation or personal data protections rules, policy or practice that applies to the Grantee.

## 24. Intellectual Property Rights

- 24.1 Any IPR which arises in the course of the implementation of the Project by the Grantee will belong to the Grantee, provided that the Grantee hereby grants to the Authority a worldwide, perpetual, royalty free licence to use such IPR for any purpose directly connected with the Project.
- 24.2 Except as provided for in clause 24.1, this Grant Agreement will not grant either Party any rights over the other Party's IPR. In particular, neither Party will own or assert any interest in the other Party's existing IPR.
- 24.3 The Grantee warrants that it will take all reasonable steps to ensure that its implementation of the Project under this Grant Agreement will not infringe any IPR of any third party. The Grantee agrees to indemnify and hold the Authority harmless against all liability, loss, damage, costs and expenses (including legal costs) which the Authority may incur or suffer as a result of any claim of alleged or actual infringement of a third party's IPR arising out of the Grantee's implementation of the Project.

## 25. Dispute Resolution

- 25.1 The Parties will attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with this Grant Agreement.
- 25.2 The Parties may settle any dispute using a dispute resolution process which they agree.
- 25.3 If the Parties are unable to resolve a dispute in line with clauses 25.1 or 25.2, the dispute may, by agreement between the Parties, be referred to mediation in accordance with the Model Mediation Procedure issued by the Centre for Effective Dispute Resolution ("CEDR"), or such other mediation procedure as is agreed by the Parties. Unless otherwise agreed between the Parties, the mediator will be nominated by CEDR. To initiate the mediation the Party will give notice of the intention to mediate in writing ("**the ADR Notice**") to the other Party, and that latter Party will choose whether or not to accede to mediation. A copy of the ADR Notice should be sent to CEDR, unless other mediation is agreed upon by both Parties. If the latter Party chooses to accede to mediation, the mediation will start no later than 14 days after the date on which the ADR Notice is sent.
- 25.4 The performance of the obligations which the Grantee has under this Grant Agreement will not cease or be delayed because a dispute has been referred to mediation under clause 25.3 of this Grant Agreement.

## 26. Entire Agreement

- 26.1 This Grant Agreement constitutes the entire agreement between the Parties and supersedes all negotiations, representations or agreements either written or oral preceding it.

## 27. Governing Law

27.1 This Grant Agreement will be governed by and construed in accordance with English law and (subject to clause 25) the Grantee hereby irrevocably submits to the non-exclusive jurisdiction of the English courts. The submission to such jurisdiction will not (and will not be construed so as to) limit the right of the Authority to take proceedings against the Grantee in any other court of competent jurisdiction, nor will the taking of proceedings by the Authority in any one or more jurisdictions preclude the taking of proceedings by the Authority in any other jurisdiction, whether concurrently or not.

Signed on behalf of the Authority:

Signed on behalf of the Grantee:

Signature: .....

Signature: .....

Name: .....

Name: .....

Position: .....

Position: .....

Date: .....

Date: .....

Attach As Annex A: The Project Final Bid Form



Attach As Annex B: The Project Activity Based Budget

## Annex C: Statement Of FCDO Procurement Good Practice Principles

1. Good procurement practice includes the key principles set out below:
  - Purchasing should be done with the aim of securing value for money.
  - Purchasing should be done by competition unless there is a robust justification (legal/operational) for not having a competition.
  - Buyers should have, develop and use their awareness of particular supply markets to improve the quality and competitiveness of goods/services etc that are offered (effective supplier management).
  - Buyers (in FCDO) should comply with applicable legal and international obligations.
  - *Wherever possible* anything purchased should have been produced in a sustainable manner.
  - Ethical conduct is extremely important.
  
2. Ethical conduct relates in particular to ensuring that:
  - Buyers' integrity must be beyond reproach (this ties in with issues around acceptance of gifts and hospitality from suppliers or equally offering gifts or hospitality to suppliers – this should not happen)
  - Staff involved in purchasing activity must declare any interest they have in a particular transaction whether this is because of personal gain to them or to a family member or close associate (effective management of potential and actual conflicts of interest)
  - The confidentiality of information is protected unless there is a lawful reason which justifies disclosure (e.g. compliance with the Freedom of Information Act 2000, agreemental agreement between the Grant Agreement Parties that certain types of information can be disclosed). There may also be reasons based on government policy which require disclosure of certain types of information.
  - Any information provided to suppliers is accurate and not intentionally misleading or misleading due to inattention on the buyer's part.
  - All suppliers are treated fairly (i.e. not favouring one supplier or acting to the disadvantage of another)
  - The competition process does not undermine ongoing relationships with suppliers. This is about conducting purchasing activity in a way that inspires confidence in the fairness of the process.

## Annex D: Further Guidance Regarding Eligible Expenditure

The following costs/payments will be classified as Eligible Expenditure if made for the purposes of the Funded Activity:

- I. fees charged or to be charged to the Grantee by the external auditors/accountants for reporting/certifying that the grant paid was applied for its intended purposes.
- II. giving evidence to Select Committees;
- III. attending meetings with Ministers or officials to discuss the progress of a taxpayer funded grant scheme;
- IV. responding to public consultations, where the topic is relevant to the objectives of the grant scheme. This does not include spending government grant funds on lobbying other people to respond to the consultation;
- V. providing independent, evidence based policy recommendations to local government, departments or Ministers, where that is the objective of a taxpayer funded grant scheme, for example, 'What Works Centres'; and
- VI. providing independent evidence based advice to local or national government as part of the general policy debate, where that is in line with the objectives of the grant scheme.

A payment is defined as taking place at the moment when money passes out of Grantee control. This may take place when:

- I. Legal tender is passed to a supplier (or, for wages, to an employee);
- II. A letter is posted to a supplier or employee containing a cheque; or
- III. An electronic instruction is sent to a bank/building society to make a payment to a supplier or employee by direct credit or bank transfer.

The Grantee must not deliberately incur liabilities for Eligible Expenditure in advance of need; nor pay for Eligible Expenditure sooner than the due date for payment.

## Ineligible Expenditure

The following costs must be excluded from Eligible Expenditure. The list below does not override activities that are deemed eligible in this Grant Agreement:

- I. Paid for lobbying, which means using grant funds to fund lobbying (via an external firm or in-house staff) in order to undertake activities intended to influence or attempt to influence Parliament, Government or political activity; or attempting to influence legislative or regulatory action;
- II. using grant funds to directly enable one part of government to challenge another on topics unrelated to the agreed purpose of the grant;
- III. using grant funding to petition for additional funding;
- IV. payments for activities of a political or exclusively religious nature.
- V. Goods or services that the Grantee has a statutory duty to provide;
- VI. Payments reimbursed or to be reimbursed by other public or private sector grants
- VII. Contributions in kind (i.e. a contribution in goods or services, as opposed to money);
- VIII. The acquisition or improvement of fixed assets by the Grantee (unless the grant is explicitly for capital use – this will be stipulated in the Grant Offer Letter);
- IX. Gifts to individuals other than promotional items with a value that does not exceed the Monetary Thresholds as stated in UK Cabinet Office guidance and Ministerial Code to any one individual within a one year period;<sup>1</sup>
- X. Entertaining (entertaining for this purpose means anything that would be a taxable benefit to the person being entertained, according to current UK tax regulations);
- XI. Statutory fines, criminal fines or penalties; or
- XII. Liabilities incurred before the issue of this funding agreement unless agreed in writing by the Funder;
- XIII. The Grantee's Net Profit

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<sup>1</sup> **Thresholds** vary depending on where the gift is received and who it came from. The thresholds follow Cabinet Office guidance and the Ministerial Code and are currently:

- a. £25 for a gift received in the UK from a UK source (eg a company)
- b. £75 for a gift received in the UK from a foreign source (eg an Embassy)
- c. £140 for gifts received from any source whilst serving or travelling overseas

## Annex E: Supplier Code Of Conduct

### 1) Value For Money And Governance

Value for Money is an essential requirement of all Authority commissioned work. All Suppliers must seek to maximise results, whilst driving cost efficiency, throughout the life of commissioned programmes. This includes budgeting and pricing realistically and appropriately to reflect delivery requirements and levels of risk over the life of the programme. It also includes managing uncertainty and change to protect value in the often-challenging environments that we work in.

Suppliers must demonstrate that they are pursuing continuous improvement to reduce waste and improve efficiency in their internal operations and within the delivery chain. The Authority expects suppliers to demonstrate openness and honesty and to be realistic about capacity and capability at all times, accepting accountability and responsibility for performance along the full delivery chain, in both every-day and exceptional circumstances.

### 2) Ethical Behaviour

Suppliers and their Sub-Contractors act on behalf of government and interact with citizens, public sector/third sector organisations and the private sector. These interactions must therefore meet the highest standards of ethical and professional behaviour that upholds the reputation of government.

Arrangements and relationships entered into, whether with or on behalf of the Authority, must be free from bias, conflict of interest or the undue influence of others. Particular care must be taken by staff who are directly involved in the management of a programme, procurement, contract or relationship with the Authority, where key stages may be susceptible to undue influence. In addition, Suppliers and their Sub-Contractors must not attempt to influence an Authority member of staff to manipulate programme monitoring and management to cover up poor performance.

Suppliers and their Sub-Contractors must declare to the Authority any instances where it is intended that any direct or delivery chain staff members will work on Authority funded business where those staff members have any known conflict of interest or where those staff members have been employed by the Crown in the preceding two years. Suppliers and their Sub-Contractors must provide proof of compliance with the HMG approval requirements under the Business Appointment Rules.

### 3) Transparency and Delivery Chain Management

The Authority requires full delivery chain transparency from all Suppliers. All delivery chain partners must adhere to wider HMG policy initiatives including the support of micro, small and medium sized enterprises (MSMEs), prompt payment, adherence to human rights and modern slavery policies and support for economic growth in developing countries.

Suppliers must engage their delivery chain supply partners in a manner that is consistent with the Authority's treatment of its Suppliers. This includes, but is not limited to: pricing; application of delivery chain risk management processes; and taking a zero tolerance approach to tax evasion, corruption, bribery and fraud in subsequent service delivery or in partnership agreements.

#### **4) Environmental Issues**

Suppliers must be committed to high environmental standards, recognising that the Authority's activities may change the way people use and rely on the environment, or may affect or be affected by environmental conditions. Suppliers must demonstrate they have taken sufficient steps to protect the local environment and community they work in, and to identify environmental risks that are imminent, significant or could cause harm or reputational damage to the Authority.

#### **5) Terrorism and Security**

Suppliers must implement due diligence processes to provide assurance that UK Government funding is not used in any way that contravenes the provisions of applicable terrorism legislation.

#### **6) Safeguarding, Social Responsibility and Human Rights**

Safeguarding, social responsibility and respect for human rights are central to the Authority's expectations of its Suppliers. Suppliers must ensure that robust procedures are adopted and maintained to eliminate the risk of poor human rights practices within their complex delivery chain environments funded by the Authority. These practices include sexual exploitation, abuse and harassment; all forms of child abuse and inequality or discrimination on the basis of race, gender, age, religion, sexuality, culture or disability. Suppliers must place an emphasis on the control of these and further unethical and illegal employment practices, such as modern day slavery, forced and child labour and other forms of exploitative and unethical treatment of workers and aid recipients. The Authority will expect a particular emphasis on management of these issues in high risk fragile and conflict affected states (FCAS), with a focus on ensuring remedy and redress if things go wrong.