

Template:	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

NORWEGIAN REFUGEE COUNCIL

REGARDING

QZA 20/0048, STRATEGIC PARTNERSHIP WITH NRC

PART I: SPECIFIC CONDITIONS

PART II: GENERAL CONDITIONS

PART III: PROCUREMENT PROVISIONS

ANNEX A: BUDGET

ANNEX B: RESULTS FRAMEWORK



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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 Department for Multilateral Cooperation, Section for Humanitarian Affairs and
- (2) The Norwegian Refugee Council (NRC), a private foundation duly established in Norway under registration number 977 538 319 (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 31 October 2019 (the Application) regarding financial support to the programme titled 'NRC Humanitarian assistance, protection and durable solutions' PTA QZA-20/0048 (the Project). The estimated costs of the Project are indicated in the budget attached as Annex A to this Agreement. This is a strategic partnership and the overall scope of the Project may be modified during the Support Period.
- 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, 2020 to 31 December, 2023 (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 to save lives, alleviate suffering and protect human dignity in humanitarian crises (Impact).

The expected effects for the target group of the Project are (Outcome):

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 are to be delivered within the thematic area(s):

Delivery of humanitarian aid through programme activities in the field (Camp Management, Education, Information, Counselling and Legal Assistance (ICLA), Livelihoods and Food

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Security, Shelter and Settlements, Water Sanitation and Hygiene (WASH)), evidence-based advocacy for the rights and protection of displaced and vulnerable people and strengthening humanitarian policy, programme quality and organisational capacity and systems.

The intended end target group is displacement affected populations.

2.2 A 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 the annual 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
- 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.

3.5 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 complies with the international humanitarian principles of humanity, neutrality, impartiality and independence.

3.6 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.

4 THE GRANT

4.1 The Grant shall amount to maximum NOK 2,700,000,000 (Norwegian Kroner two billion seven hundred million). The annual allocated Grant includes flexible funds that will be allocated to emerging needs within a budget year. The use of flexible funds has to be approved by MFA. Unreleased flexible funds cannot be transferred between budget years. The table below shows the tentative allocation to Projects and to flexible funds respectively:

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Year ¹	Tentative Project allocation	Tentative flexible funds
2020	562,500,000	112,500,000
2021	562,500,000	112,500,000
2022	562,500,000	112,500,000
2023	562,500,000	112,500,000

- 4.2 The Grant Recipient can apply for release of flexible funding (FF) throughout a budget year. FF can be released upon agreement by MFA for a crisis where the partner already has activities funded by MFA or in sudden onset-crisis such as natural disasters, for activities that are part of the Grant Recipients overall result framework. In exceptional cases it can include essential activities not directly linked to a specific country situation. FF projects shall normally not exceed 6 months, but for applications submitted before 1 July each year the project period may run to the end of the budget year. In case of a severe sudden onset crisis MFA can consider requests for 12 months. FF that is not requested for release by 15th November will be withheld by MFA.
- 4.3 Disbursement after the current calendar year is subject to Norwegian Parliamentary appropriations. Significant changes in the Parliament's annual allocation to the relevant budget line may lead to changes in annual Grant allocations and/or in the total Grant amount.
- 4.4 The Grant shall be used exclusively to finance the actual costs of the implementation of the Project during the Support Period. Annual allocations to countries and thematic areas shall be specified in the implementation plan and budget and be approved by MFA c.f. article 6.3.
- 4.5 The Grant may be used to cover overheads/indirect costs up to a maximum of 7 % of MFA's pro rata share of the incurred direct 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 The Grant Recipient may apply for additional humanitarian funding to the Project during the Support Period only upon invitation from MFA.

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

¹ All amounts stated in the table are including indirect cost/admin percentage/overheads

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upon MFA's receipt of written disbursement requests from the Grant Recipient, describing the financial need for the period in question. Flexible funds may not be disbursed prior to approval of applications of flexible funds use by MFA. The first disbursement shall include approved Project expenses incurred prior to the signing of this Agreement.

- 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 Project implementation plan and budget, and where relevant the latest approved application for use of flexible funds.
- 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 the MFA's receipt 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:

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 600 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 January to December shall be submitted to MFA by 30 June 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 30 June 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 30 June each year. The audit report shall comply with the requirements set out in article

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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) A **final report** for the Support Period shall be submitted to MFA no later than six 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.

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 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.

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 financial statements prepared in accordance with special purpose frameworks") Special Considerations audits of single financial statements and specific elements, accounts or items of a financial statement") 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 a formal meeting once per year, tentatively in March in order to discuss i.a. the results achieved by the Project during the Support Period. The meeting, which shall be held at a mutually agreed date and place, shall be called and chaired by the Grant Recipient.

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- 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, approval and countersigning.
- 8.4 The Parties shall hold other meetings if/when requested by either of the Parties. 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 the results of the strategic partnership arrangement shall tentatively be carried out by December 2022. The review may be conducted as a larger review of MFAs overall strategic partnership under the Grant Scheme, or as a single partnership review. MFA shall draft the terms of reference for the review and submit them to the other Party for input. The costs of the review may be included in the Project budget, this will be decided prior to the approval of the budget for 2022.
- 9.1 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 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 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 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 and other financial gain accrued on the Grant and not previously repaid.
- 11.3 Repayments shall be made to the following bank account:

Name of the account: Det Kgl. Utenriksdepartement
Account no.: 7694.05.12618
IBAN no.: NO83 7694 0512 618
Name and address of the bank: DNB,
0021 OSLO
Swift/BIC code: DNBANOKK

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11.4 The transaction shall be clearly marked: “Unused funds” or “Interest”. The name of the Grant Recipient shall be stated, along with MFA’s agreement number(s) and agreement title(s).

12 SPECIAL PROVISIONS

12.1 The following shall be added to article 2 of the General Conditions: Gender disaggregated data shall be provided where relevant.

12.2 General conditions article 4. 1. shall be replaced by the following: The final report to be submitted in accordance with the Specific Conditions shall describe the results achieved by the Project during the support period and be signed by an authorised representative of the Grant Recipient.

12.3 General conditions article 4.2 d) shall not apply for humanitarian funding.

12.4 General conditions article 12.2. d) shall be replaced by the following: changes to the approved annual budget that imply reallocation of more than 10 % of an annual Project budget line or country or thematic allocation. A budget line refers to the summarized budget lines Direct Project Cost (HQ), Direct Project Cost (Regional), Direct Project Cost (National), and the listed annual country and thematic project allocations. Due to the extraordinary circumstances related to Covid-19, reallocation up to 20 % without pre-approval will be allowed for the year 2020.

12.5 General Conditions article 14 .1. b) and c) shall not apply.

13 NOTICES

13.1 All communication to MFA concerning the Agreement shall be directed to the Department for Multilateral Cooperation, Section for Humanitarian Affairs at the following address/e-mail address: Seksjon.for.humanitaere.sporsmal@mfa.no

13.2 All communication to the Grant Recipient concerning the Agreement shall be directed to the Institutional Partnership Section, at the following address/e-mail address: no.ips@nrc.no (with copy to Institutional Partnership Adviser Hanne Fjeldstad: hanne.fjeldstad@nrc.no).

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.

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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: Oslo

24-2020

Date:

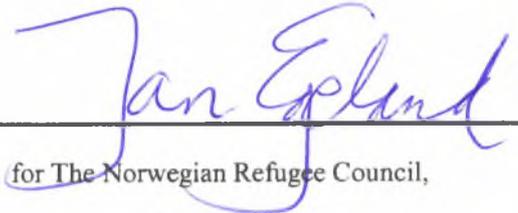


for the Norwegian Ministry of Foreign Affairs,

Thomas Lid Ball

Director

Department for Multilateral Cooperation,
Section for Humanitarian Affairs



for The Norwegian Refugee Council,

Jan Egeland

Secretary General

Attachments:

Annex A: Approved budget for the Project

Annex B: Results framework