

GRANT AGREEMENT

The "Agreement"

The Swedish International Development Cooperation Agency, Sida, represented by the

Swedish Embassy in Kyiv, Ukraine

Organisation No.: 202100-4789
Address: 34/33 Ivana Franka St., 01901, Kyiv, Ukraine
Contact person: Olga Sandakova, Programme Officer
Telephone: +38 044 494 42 70
Email address: olga.sandakova@gov.se

of the one part,

and

the Cooperation Partner: International Renaissance Foundation

Legal status: Charitable Foundation registered in Ukraine
Registration No.: 03358819
Full official address: 46 Artema Street, Kyiv 04053, Ukraine
VAT No.: n/a for a charitable foundation
Contact Person: Yevhen Bystrytsky, IRF Executive Director
Telephone: +38 044 4861253
Email address: bystrytsky@irf.ua

of the other part,

The "Parties"

have agreed as follows:

Special conditions

ARTICLE 1 PURPOSE

1.1 The purpose of this Agreement is to finance the implementation through a grant of the Project **Think Tank Development Initiative (TTDI)** (the "Project") described in the Project Document in Annex I including budget and Results Framework/Performance Assessment Framework (PAF). The project includes forwarding of funds from IRF to other think-tanks in Ukraine as described in the Project Document and regulated further in Article 10 of the Special Conditions.

1.2 The Cooperation Partner agrees to implement the Project on the terms and conditions set out *In this* Agreement, which consists of these special conditions (the

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"Special Conditions") and the annexes including Annex II General Conditions, which the Cooperation Partner hereby declares it has noted and accepted.

1.3 The Cooperation Partner accepts the grant and undertakes to carry out the Project under its own responsibility.

ARTICLE 2 ACTIVITY PERIOD OF THE PROJECT

2.1 This Agreement shall enter into force on the date upon signature by both parties. The activity period of the Project, as laid down in Annex I, is **2014-01-01 - 2017-06-01**. **The validity period expires 2017-12-01.**

ARTICLE 3 FINANCING OF THE PROJECT AND PROVISIONAL DISBURSEMENT SCHEDULE

3.1 The total cost of the Project is 3 762 600 USD. Sida undertakes to finance a maximum of **SEK 25 000 000** (the Sida Contribution). The final amount of Sida's contribution shall be established in accordance with Article 16 as well as Article 17 of the General Conditions.

3.2 The Parties foresee the following provisional disbursement schedule:

YEAR 2014	SEK 5 556 000 upon signature of the Agreement
YEAR 2015	SEK 9 250 000 following approval of reports
YEAR 2016	SEK 8 980 000 following approval of reports
YEAR 2017	SEK 1 214 000 following approval of reports
Total maximum contribution	SEK 25 000 000

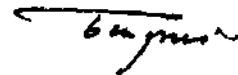
3.3 The first payment shall be deposited into the designated account upon signature of Agreement followed by a request in writing.

3.4 Subsequent payments shall be based upon the fulfillment of the reporting requirements in this Agreement as well as liquidity needs according to presented annual work plans and budgets.

3.5 A request shall be sent in writing, in one original, to Sida/the Embassy of Sweden in Kyiv with information on the title of the Project Think Tank Development Initiative, the Contribution ID and information on the period for which the requested amount shall be used. The contribution ID is 55070020. The request shall be signed by the responsible function of the Cooperation Partner- IRF Executive Director.

3.6 Payment shall be made in accordance with the requirements in Article 14 of the General Conditions.

3.7 The financing provided by Sida shall be deposited by the Cooperation Partner in a non-interest bearing account, as Ukraine does not have legal provisions for placing charitable funds on an interest-bearing account and send the income back to the sponsor.



ARTICLE 4 PROCUREMENT

4.1 The attached procurement guidelines "Procurement by Non-Governmental Organisations in the context of Sida-financed projects/programmes, Version of 2013", Annex V, shall apply to the procurement of goods, works and services financed by this Grant Agreement and carried out by the Cooperation Partner.

4.2. The Mid-Term Review undertaken by Sida in September 2015 will advise on a possibility to switch to the IRF Procurement Policy revised in accordance with the SDA audit recommendations dated 15 November 2013. If this is agreed to happen, it should be documented by a written amendment to this Agreement.

4.3. Tender documentation, including all published procurement notices, shall be prepared in the English language or Ukrainian as appropriate.

4.4. At the request of either of the parties, consultations shall be held on any matter relating to procurement.

Sida may carry out checks on procurements. The check may take the form of a procurement audit. The Cooperation Partner shall provide Sida with all the necessary documentation and information.

ARTICLE 5 REPORTING & RECOVERY

5.1 The Cooperation Partner shall submit copies of the Annual Reports of the Organisation compiled according to applicable law in the country of the Cooperation Partner as well as the annual audit reports for the organization.

The Cooperation Partner shall prepare and submit **annual audited financial reports** for the Project in accordance with the schedule agreed below:

Report Number	Dates for Submission	Period Covered
Annual Audited Fin Report 1	15 March 2015	1 Jan 2014-31 Dec 2014
Annual Audited Fin Report 2	15 March 2016	1 Jan 2015-31 Dec 2015
Annual Audited Fin Report 3	15 March 2017	1 Jan 2016 -31 Dec 2016
Annual Audited Fin Report 4	1 September 2017	1 Jan 2017 -1 June 2017

The Cooperation Partner shall submit to Sida non-audited financial reports upon request. The financial reports shall be signed by the IRF Financial Director and follow the stipulations in Article 2.2 of the General Conditions.

5.2 The Cooperation Partner shall prepare and submit in writing annual narrative reports in accordance to the schedule agreed below:

Report Number	Dates for Submission	Period Covered
Narrative Report 1	28 February 2015	1 Jan 2014-31 Dec 2014
Narrative Report 2	28 February 2016	1 Jan 2015-31 Dec 2015
Narrative Report 3	28 February 2017	1 Jan 2016-31 Dec 2016
Narrative Report 4	Before 1 September 2017	Final Narrative Report

The narrative report shall be signed by the IRF Deputy Executive Director and follow the stipulations in Article 2.3 of the General Conditions.

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5.3 The Cooperation Partner shall prepare and submit a Final Narrative Report no later than 1 September 2017 in accordance with Article 2.4 of the General Conditions.

5.4 Sida shall establish the final amount of the contribution upon receipt and approval of the final reports (narrative/and the last financial audited report) of the Project.

Funds which have been placed at the Cooperation Partner's disposal and which remain after completion of the Project shall be returned to Sida. Sida will inform the Cooperation Partner by issuing a debit note of the amount, based on these reports, to be repaid to Sida as well as the preferred currency and bank details. The repayment shall be transferred to Sida's account within 45 days of the date of the debit note.

ARTICLE 6 REVIEW

6.1 Annual and semi-annual review meetings will be carried out by the Cooperation Partner and Sida. The meetings shall be called and chaired by the Cooperation Partner; they should be coordinated with other development partners if appropriate. The Cooperation Partner shall call for the meeting no later than 10 days after submission of the annual reports as set out in Article 5.1 and 5.2*and/or according to the tentative schedule below.

Review meeting	Tentative date
Semi-annual project review meeting	15 July 2014
Annual Project Review Meeting	31 March 2015
Semi-Annual project Review meeting	15 July 2015
Annual Project Review Meeting	31 March 2016
Semi-Annual Project Review meeting	15 July 2016
Annual Project Review Meeting	31 March 2017
Final Review	15 September 2017

Annual project review meeting in March 2016 will factor in the findings of the Sida-organized **Mid-Term Review of the Project (September 2015)** and the **IRF Intermediary Evaluation Report** to be submitted **mid-January 2016**.

6.2 Prior to the disbursement of funds the following information in addition to those described in Article 5, shall be furnished and distributed to Sida and together with Annual Reports for the next implementation period:

- Annual and medium-term work plans;
- Budgets for the forthcoming year;
- Annual project monitoring and evaluation plans (for the 1st tranche submitted on 15 March 2014);
- Revised and updated risk matrix.

The schedule for submission:

Dates for Submission	Period covered by planning documents
28 February 2015	1 Jan 2015 - 31 December 2015
28 February 2016	1 Jan 2016 - 31 December 2016
28 February 2017	1 Jan 2017 - 30 June 2017

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6.3 The Parties shall cooperate and regularly communicate with each other on all matters relevant to the implementation of the Project Think Tank Development Initiative and this Agreement.

6.4 Additional consultation meetings may be requested by the Cooperation Partner and/or Sida on any subject relevant to the implementation of the Project.

ARTICLE 7 AUDIT

7.1 The Cooperation Partner is responsible for submitting annual audited financial reports of the project to Sida no later than 15 March of each year of the project cooperation and not later than 1 September 2017 for the period 01.01.2017-01.06.2017. The audit shall be carried out by an external, independent and qualified auditor. The audit shall be carried out in accordance with international standards issued by International Auditing and Assurance Standards Board (IAASB). Sida shall approve the selection of the auditor.

7.2 Sida's standard Terms of Reference for annual financial audit shall be used, Annex IV. Any deviations shall be approved by Sida. The cost for the audit shall be paid by the Cooperation Partner and shall be part of the Think Tank Development Initiative budget.

7.3 The Auditor's report shall **express an opinion** whether the submitted annual financial report is in accordance with the Cooperation Partner's accounting records and Article 2.1 -2.2, Article 13 and Article 16 of the General Conditions. The auditor shall also include other questions in the audit if requested in the terms of reference.

7.4 The auditor shall submit a **Management Letter/Audit Memorandum**, which shall contain the audit findings made during the audit process. It shall also state which measures have been taken as a result of previous audit and whether measures taken have been adequate to deal with reported shortcomings.

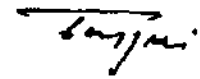
7.5 A Management Response including an Action Plan regarding any findings shall be produced by the Cooperation Partner and submitted to Sida together with the audited financial report and the management letter.

7.6 Sida reserves the right to require that the auditor shall be replaced if considerations which were unknown when the Agreement was signed cast doubt on the auditor's independence or professional standards.

7.7 If the Cooperation Partner's grant to a third party does not exceed SEK 284.000, IRF regular operational instructions on financial follow up apply. However, the Cooperation Partner shall in all agreements entered into with third parties, include the right for the Cooperation Partner to audit these grants.

7.8 Grants to third parties exceeding SEK 284.000 shall be subject to annual audits and the selection of auditor should be approved by IRF, the auditor shall express an audit opinion according to the Annex VI.

A Management Response including an Action Plan regarding any findings shall be produced by the Third Party and submitted to the Cooperation partner together with the audited financial report and the management letter. The Cooperation Partner is responsible for following-up on audit reports submitted by Third Parties.


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ARTICLE 8 CONTACT ADDRESSES

Any communication relating to this Agreement must be in writing, state Sida's Contribution Number (55070020) and be sent to the following addresses:

ForSida

Payment requests and attached reports, including requests for changes to bank account arrangements should be sent to:

Swedish Embassy in Kyiv, Ukraine

Address: 34/33 Ivana Franka St., 01901, Kyiv, Ukraine
Contact person: Olga Sandakova, Programme Officer
Telephone: +38 044 494 42 70
Email address: olga.sandakova@gov.se

For the Cooperation Partner

International Renaissance Foundation

Address: 46 Artema Street, Kyiv 04053, Ukraine
Contact Person: Inna Pidluska, Deputy Executive Director
Telephone: +38 044 4861253; cell: +38 050 3597210
Email address: pidluska@irf.ua

ARTICLE 9 ANNEXES

9.1 The following documents are annexed to these Special Conditions and form an integral part of the Agreement:

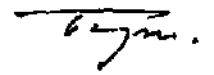
- Annex I: Project Document/Application including budget, Results Framework/Performance Assessment Framework (PAF)
- Annex II: General Conditions
- Annex 111: Standard Template for Transfer of Assets Ownership
- Annex IV: Sida's Standard Terms of Reference for Audit, version of 2013
- Annex V: Procurement by Non-Governmental Organisations in the context of Sida-financed projects/programmes, version of 2013
- Annex VI: Terms of Reference for Annual Audits for Core-Supported CSOs, version November 2013

9.2 In the event of conflict between the provisions of the present Special Conditions and any Annex thereto, the provisions of the Special Conditions shall take precedence. In the event of conflict between the provisions of Annex II and those of the other annexes, those of Annex II shall take precedence.

ARTICLE 10 OTHER SPECIFIC CONDITIONS APPLYING TO THE PROJECT

The General Conditions are supplemented by the following:

10.1 By derogation of Article 9 in the General Conditions, the Cooperation Partner is allowed to forward funds to organisations selected in accordance with the selection criteria


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developed. From Sida's perspective the selection criteria shall include: compliance with Sida's key areas of strategy; commitment to development policy research and policy alternatives based on the right-based approach; commitment to transform organization to meet the minimum organizational requirements to be eligible for receipt of Swedish funds. The final list of think tanks selected by IRF Selection Committee shall be presented to Sida for "no objection" by 15 March 2014.

The Cooperation Partner is allowed to forward funds in the form of unearmarked core support to selected organisations.

The Cooperation Partner is responsible for the monitoring of the funds being forwarded. The requirements in this Agreement shall be passed on to all subsequent agreements which shall be entered into by the Cooperation Partner in writing. Such agreements must be signed before any funds can be requested from the Cooperation Partner.

The Cooperation Partner's annual narrative as well as financial reports shall reflect the list of think tanks supported as well amounts being forwarded to each think tank.

10.2 IRF shall submit the report on implementation of the Action Plan to the Management Response to the SDA audit of IRF dated 15 November 2013 no later than 15 March 2014.

10.3 Project Monitoring and Evaluation Plan (PMEP) shall be submitted by Cooperation Partner to Sida for approval by 15 March 2014. Together with the PMEP, the revised RBM-oriented formats for TT reporting, including information on gender, environment, anti-corruption and HR shall be submitted as well. The Cooperation Partner shall undertake an interim and final evaluation of the project and submit them to Sida no later than 15 January 2016 for interim evaluation report and 30 September 2017 for final evaluation report.

Sida shall conduct the external Mid-Term evaluation of the project in September 2015. The cost of the external evaluation shall be borne by Sida. Sida may decide on the final external evaluation.

10.4 By derogation from Article 5.3 of the General Conditions the following shall apply: The Cooperation partner shall seek Sida's approval at the end of the activity period in order to agree on the procedures on how to dispose of the remaining equipment, vehicles or supplies paid for within the project.

ARTICLE U APPLICABLE LAW AND DISPUTE SETTLEMENT

Any dispute, controversy or claim arising out of or in connection with this Agreement that cannot be settled amicably shall be definitively resolved by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.

A single arbitrator shall be appointed. The place of arbitration shall be Stockholm and the language used in the proceedings shall be English,

This Agreement shall be governed by the substantive law of Sweden without regard to its conflict of law rules.

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ARTICLE 12 TERMINATION

This Agreement shall remain valid until **2017-12-01** unless terminated earlier by six months' written notice by either Party. In case of premature termination by the Cooperation Partner, no funds shall be made available for activities after six months of the written notice. All rights and obligations of the Parties pursuant to this Agreement shall continue unimpaired until the return of the remaining funds/fund balance to Sida and fulfillment of the reporting requirements of this Agreement, at which time this Agreement expires.

ARTICLE 13 ENTRY INTO FORCE

This Agreement shall enter into force on January 1, 2014.

This Agreement has been drawn up in English in two originals, one original being for Sida and one original being for the Cooperation Partner.

**For the Swedish International
Development Cooperation Agency,
Sida, represented by the Embassy of
Sweden in Kyiv, Ukraine**

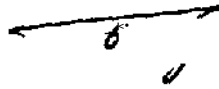
**For the International Renaissance
Foundation**

**Christina Danielsson
Counsellor**

Yevhen Bystrytsky

Head of
Reform
Cooperation

Executive Director



Signature

Signature

Date: *21 January 2014*

Date: *21 January 2014*

Annexes:

- Annex I: Project Document/Application including budget, Results Framework/Performance Assessment Framework (PAF)
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