

GRANT AGREEMENT
BETWEEN
THE NORWEGIAN AGENCY FOR DEVELOPMENT COOPERATION
AND
ALLIANCE MICROFINANCE AS
REGARDING
RAF-3088 ETH-21/0003
FINANCIAL INCLUSION AND MARKET INTEGRATION
FOR INFORMAL PRODUCERS

PART I: SPECIFIC CONDITIONS
PART II: GENERAL CONDITIONS
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PART I: SPECIFIC CONDITIONS

This grant agreement (the Agreement) has been entered into between:

- (1) The Norwegian Agency for Development Cooperation (Norad), represented by the Section for Private Sector Development, and
 - (2) Alliance Microfinance AS, a nonprofit limited company duly established in Norway under registration number 894593202 (the Grant Recipient),
- jointly referred to as the Parties.

1 SCOPE AND BACKGROUND

- 1.1 The Grant Recipient has submitted an application to Norad dated August 13th 2020 (the Application) regarding financial support to the project titled Financial inclusion and market integration for informal producers RAF-3088 ETH-21/0003 (the Project). The estimated costs of the Project are indicated in the budget attached as Annex A to this Agreement.
- 1.2 Norad has decided to award a grant to be used exclusively for the implementation of the Project (the Grant). The Parties expect the Project to be implemented during the period from January, 2021 to June, 2025 (the Support Period).
- 1.3 The Parties have agreed to enter into an Agreement, consisting of this part I; Specific Conditions, part II; General Conditions, and part III; Procurement Provisions, all of which form an integral part of this Agreement. In the event of discrepancies between the Specific Conditions and the General Conditions or Procurement Provisions, the Specific Conditions shall prevail.

2 OBJECTIVES OF THE PROJECT

- 2.1 The expected results of the Project are as follows:

The Project's expected effect(s) on society are financial inclusion and market integration for informal producers (Impact).

The expected effects for the target group of the Project are; 1) Informal producer groups have increased productivity and quality of products; 2) Target groups have access to relevant financial services; 3) Private sector actors have facilitated informal producers / producer groups inclusion in commercial value chains (Outcome).

- 2.2 The full results framework is included as Annex B to this Agreement.

3 IMPLEMENTATION OF THE PROJECT

- 3.1 The Project shall be implemented in accordance with the Agreement, including all annexes, and the latest approved Application, including implementation plan and budget.

- 3.2 During the implementation of the Project, the Grant Recipient shall exercise the necessary diligence, efficiency and transparency in line with sound financial management and best practise principles.
- 3.3 The Grant Recipient shall continuously identify, assess and mitigate any relevant risks associated with the implementation of the Project. The risk of potential negative effects of the Project in the following cases (Cross-Cutting Issues) shall always be included in the risk management of the Project:
- anti-corruption
 - climate and environment,
 - women's rights and gender equality, and
 - human rights (with a particular focus on participation, accountability and non-discrimination)
- 3.4 The Grant Recipient shall immediately inform Norad of any circumstances likely to hamper or delay the successful implementation of the Project.

4 THE GRANT

- 4.1 The Grant shall amount to maximum NOK 33,111,000 (Norwegian Kroner thirtythreemilliononehundredandeleventhousand).
- 4.2 Disbursement after the current calendar year is subject to Norwegian Parliamentary appropriations. Significant reductions in the Parliament's annual allocation to the relevant budget line may lead to a reduction in annual Grant allocations and/or in the total Grant amount. The annual Grant allocations must be confirmed by Norad following the Parliament's approval of the state budget for the relevant budget year. If the Grant amount is reduced the Grant Recipient must revise the implementation plan, budget and results framework correspondingly.
- 4.3 The Grant shall be used exclusively to finance the actual costs of the implementation of the Project during the Support Period.
- 4.4 The Grant may be used to cover overheads/indirect costs up to a maximum of 7% of Norad's pro rata share of the incurred direct costs of the Project.
- 4.5 The Grant Recipient is responsible for obtaining any additional resources which may be required to duly implement the Project.

5 DISBURSEMENT

- 5.1 The Grant shall be disbursed in advance instalments based on the financial need of the Project for the upcoming period, which shall not exceed six months. The disbursements shall be made upon Norad's receipt of written disbursement requests from the Grant Recipient, describing the financial need for the period in question. 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 implementation plan and budget.



- 5.4 The disbursement requests shall be signed by an authorised representative of the Grant Recipient. A confirmation that the Project is being implemented in accordance with the Agreement shall be included in the disbursement request.
- 5.5 All disbursements are conditional upon the Grant Recipient's continued compliance with the requirements of the Agreement, including the timely fulfilment of reporting obligations. Norad 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 Norad's receipt and approval of the progress report and financial report.
- 5.6 The Grant Recipient shall have a separate bank account exclusively for grants from Norad. All disbursements will be made to the following bank account:

Account no.: 3000.28.28053
IBAN no.: NO2030002828053
Name and address of the bank:
Sparebanken Sør, Postboks 200, 4662
Kristiansand, Norway
Swift/BIC code: SPSONO22
Currency of the account: NOK

6 REPORTING AND OTHER DOCUMENTATION

- 6.1 The following shall be submitted by the Grant Recipient to Norad:
- a) A **progress report** covering the period from 1 January to 31 December shall be submitted to Norad by 1 May each year. The progress report shall include the content specified in article 2 of the General Conditions. A **short progress report** (approximately 2 pages) mainly focusing on potential deviations from the implementation plan January to June shall be submitted to Norad by 1 October each year.
 - b) A **financial report** covering the period from 1 January to 31 December shall be submitted to Norad by 1 May 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. A **financial report** covering the period January to June shall be submitted to Norad by 1 October each year, preferably together with the second disbursement request.
 - c) An **audit report** covering the annual financial statements of the Project shall be submitted to Norad by 30 June each year. The audit report shall comply with the requirements set out in article 7 of the Specific Conditions and article 5 of the General Conditions. The management letter (matters for governance attention) shall be attached to the audit report.
 - d) An updated **implementation plan and budget** covering the period from January to December shall be submitted to Norad by 30 October each year for the following year. The implementation plan and budget shall include the content listed in article 1 of the General Conditions.
 - e) The **annual report and audit report** of the Grant Recipient shall be submitted to Norad by 30 June each year. If the auditor in addition submits a management letter (matters for governance attention) this shall be attached to the audit report.

- f) A **final report** for the Support Period shall be submitted to Norad no later than 3 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, Norad shall be informed immediately.
- 6.3 All implementation plans, budgets and reports shall be approved in writing by Norad unless otherwise agreed by the Parties.

7 **AUDIT**

- 7.1 The annual financial statements of the Project shall be audited in accordance with International Standards of Auditing (ISA). The auditor shall comply with all ISAs relevant to the audit, ref. ISA 200 (Overall objectives of the independent auditor and the conduct of an audit in accordance with international standards on auditing), paragraphs 18 and 20. Of particular relevance is ISA 240, (the Auditor's responsibility to Consider Fraud and Error in an Audit of Financial Statements), and ISA 800 ("Special considerations audits of single financial statements and specific elements, accounts or items of a financial statement"). 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 Norad within the deadline indicated in article 6 of the Specific Conditions.

8 **FORMAL MEETINGS**

- 8.1 The Parties shall hold formal meetings once per year, tentatively in October, in order to discuss i.a. the results achieved by the Project during the Support Period. The meetings shall be called and chaired by the Grant Recipient.
- 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 Norad no later than two weeks after the meeting for comments. The agreed minutes shall be signed by both Parties.

9 **REVIEWS AND OTHER FOLLOW-UP MEASURES**

- 9.1 A mid-term review focusing on progress to date shall be carried out and submitted to Norad by 30 April 2023. The Grant Recipient shall draft the terms of reference for the review and submit them to the other Party for approval. The costs of the review shall be included in the Project budget.
- 9.2 An end-term review focusing on results achieved by the Project and a value for money analysis shall be carried out by 1 December 2025. The Grant Recipient shall draft the terms of reference for the review and submit them to the other Party for approval. The costs of the review shall be included in the Project budget.

- 9.3 Missing baseline indicators in the results framework shall be in place within 6 months from signing of the agreement.
- 9.4 If the Grant Recipient or another interested party initiates a review or evaluation of activities wholly or partly funded by the Grant, Norad shall be informed. The Grant Recipient shall forward a copy of the report of any such review or evaluation to Norad 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.
- 10.2 If the total value of a contract exceeds NOK 500,000 the procurement record and the signed contract shall be submitted to Norad for information. The Grant Recipient shall also confirm in writing that the requirements agreed on in article 10.1 have been fulfilled.

11 REPAYMENT OF INTEREST AND UNUSED FUNDS

- 11.1 Upon the end of the Support Period or upon termination of this Agreement, any unused funds that total NOK 500 or more shall in its entirety be repaid to Norad as soon as possible and at the latest within 6 months. The repayment shall include any interest which has not been used for Project purposes, and other financial gain accrued on the Grant.

- 11.2 Repayments shall be made to the following bank account:

Name of the account:	Norad
Account no.:	7694 05 14815
IBAN no.:	NO31 7694 05 14 815
Name and address of the bank:	DnB ASA, 0021 Oslo, Norway
Swift/BIC code:	DNBANOKK

- 11.3 The transaction shall be clearly marked: "Unused funds" or "Interest". The name of the Grant Recipient shall be stated, along with Norad's agreement number(s) and agreement title(s).

12 SPECIAL PROVISIONS

- a) The following shall be added to article 2 of the General Conditions: "Gender disaggregated data shall be provided where relevant."
- b) General Conditions article 14 shall be replaced with the following: "The Grant Recipient shall make project documentation available to anyone upon request unless disclosure is prohibited by confidentiality obligations and/or if it may be detrimental to the Grant Recipient's legitimate interests. "Project documentation" shall include this Agreement and any contracts, cooperation agreement or other sub-agreements financed by the Grant, the Application and all agreed reports."
- c) General Conditions article 12.2 d) shall be replaced with the following: "changes to the Project's annual budget that imply reallocation of more than 10% of a budget line. The relevant budget lines for such preapproval are the totals for: Outcome 1, Outcome 2, Outcome 3, Project Management Cost, Coordination of Implementing Partners, Indirect Operating Cost."

13 NOTICES



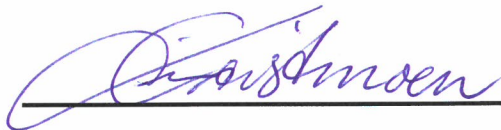
- 13.1 All communication to Norad concerning the Agreement shall be directed to the Section for Private Sector Development at the following address/e-mail address: post-naering@norad.no.
- 13.2 All communication to the Grant Recipient concerning the Agreement shall be directed to the CEO of AMAS at the following address/e-mail address: svein.arne.lende@amas.as.
- 13.3 Norad's agreement number and agreement title shall be stated in all correspondence regarding this Agreement, including disbursement requests and repayment of unused funds.
- 13.4

14 SIGNATURES

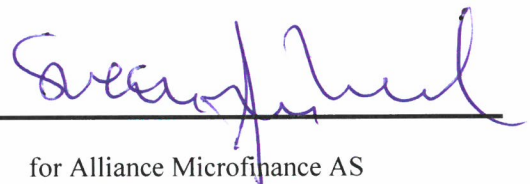
- 14.1 By signing part I of the Agreement, the Parties also confirm receipt and approval of part II; General Conditions, and part III; Procurement Provisions, which all form an integral part of the Agreement.
- 14.2 This Agreement has been signed in two -2- original copies in the English language. In the event of any discrepancies between this English language version and any later translations, the English language version shall prevail.

Place: Oslo

Date: 01.07.2021



for the Norwegian Agency for Development
Cooperation,
Kim Daugaard Jørgensen Kristmoen
Assistant Director
Section for Private Sector Development



for Alliance Microfinance AS
Svein Arne Lende
CEO

Misjonsalliansen hereby confirms to fulfill Alliance Microfinance AS' obligations in the project if Alliance Microfinance AS should become financially unable.



for Misjonsalliansen
Andreas Andersen
Secretary-General

Attachments:

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




Standard:	Norwegian and Non-Norwegian NGOs	Revision no.:	3
General Conditions	Grant Management Regime I and II	Date:	21.10.2019

**PART II: GENERAL CONDITIONS
APPLICABLE TO GRANTS FROM
THE NORWEGIAN AGENCY FOR DEVELOPMENT COOPERATION**

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1 IMPLEMENTATION PLAN AND BUDGET

- 1.1 Any updated implementation plan to be submitted in accordance with the Specific Conditions shall be directly related to the results framework and shall specify planned activities and outputs and time schedules for the upcoming reporting period.
- 1.2 Any updated budget to be submitted in accordance with the Specific Conditions shall be based on the approved budget in Annex A and include estimated income to the Project from all sources as well as planned expenditures for the upcoming reporting period. The estimated financial need of the Project in the upcoming reporting period shall be clearly stated.
- 1.3 Significant deviations from or changes to the implementation plan and budget is subject to Norad's prior, written approval as outlined in article 12 of the General Conditions.

2 PROGRESS REPORT

- 2.1 Any progress reports to be submitted in accordance with the Specific Conditions shall describe the results achieved by the Project during the reporting period. The report shall be set up in a way that allows direct comparison with the latest approved Application, implementation plan and budget, and shall be signed by an authorised representative of the Grant Recipient.
- 2.2 The progress reports shall, as a minimum, include:
 - a) an account of the results achieved so far by the Project, using the format, indicators and targets of the approved results framework. The overview must:
 - show delivered main outputs compared to planned outputs;
 - show the Project's progress towards achieving the Outcome;
 - if possible, describe the likelihood of the Impact being achieved.
 - b) an account and assessment of deviations from the latest approved implementation plan and Application;
 - c) an assessment of how efficiently Project resources have been turned into Outputs;
 - d) a brief update on the risk management of the Project, including:
 - any new risk factors;
 - how materialized risks have been handled in the reporting period;
 - the effectiveness of mitigating measures;
 - how risks will be handled going forward.

The update shall include both risks affecting Project achievements and the risks for negative consequences from the Project on its surroundings. Potential negative effects on the cross-cutting issues as referred to in the Specific Conditions article 3 shall always be accounted for.

3 FINANCIAL REPORT

- 3.1 Any financial report to be submitted in accordance with the Specific Conditions shall comprise financial statements with a comparison to the latest approved budget for the reporting period, as well as an identification of any deviations from the budget as per clause 3.3 below. The financial report shall be certified by the financial controller (or equivalent) as well as an authorised representative of the Grant Recipient.
- 3.2 The financial statements shall be set up in a way that allows for direct comparison with the latest approved budget, using the same currency and budget line items. They shall, as a minimum, include:
 - a) the accounting principles applied;



- b) income from all sources, including bank interest. Norad's contribution shall be specified;
 - c) expenses charged/capitalised in the relevant reporting period;
 - d) expenses charged/capitalised from start-up of the Project to the end of the reporting period;
 - e) unused funds as per the reporting date;
 - f) overhead/indirect costs to be covered by the Grant in accordance with article 4 of the Specific Conditions;
 - g) balance sheet, when required in accordance with the accounting principles applied;
 - h) explanatory notes including a description of the accounting policies used and any other explanatory material necessary for transparent financial reporting of the Project.
- 3.3 Deviations from the approved budget shall be highlighted with information about both nominal amounts and percentage of each deviation. The Grant Recipient shall include a written explanation of any deviations amounting to more than 10% from a budget line.

4 FINAL REPORT

- 4.1 The final report to be submitted in accordance with the Specific Conditions shall describe the results achieved by the Project during the Support Period. The report shall be set up in a way that allows for a direct comparison with the Application, and shall be signed by an authorised representative of the Grant Recipient.
- 4.2 The final report shall, as a minimum, include:
- a) the items listed for the progress reports described in article 2 of the General Conditions, covering the entire Support Period;
 - b) an assessment of the Project's effect on society (Impact);
 - c) a description of the main lessons learned from the Project;
 - d) an assessment of the sustainability of the achieved results by the Project.

5 AUDIT

- 5.1 If an audit of the Project's financial statements is required pursuant to the Specific Conditions, the audit shall be carried out by an independent chartered/certified or state-authorised public accountant (auditor).
- 5.2 Norad reserves the right to approve the auditor, and may require that the auditor shall be replaced if Norad finds that the auditor has not performed satisfactorily or if there is any doubt as to the auditor's independence or professional standards.
- 5.3 The auditor shall form an opinion on whether the Project's financial statements fairly reflect the financial position of the Project and whether they are prepared, in all material respects, in accordance with the applicable financial reporting framework, namely:
- a) the accounting principles followed by the Grant Recipient and;
 - b) the requirements of article 3 clause 2 of the General Conditions.
- 5.4 The auditor shall report in accordance with the applicable audit standards, as agreed in the Specific Conditions.
- 5.5 The audit report shall include:
- a) the Project name and agreement number;
 - b) identification of the Project's total expenses and total income;
 - c) the subject of the audit;

- d) the financial reporting framework applied;
 - e) the auditing standards applied;
 - f) a statement that the auditor has obtained reasonable assurance about whether the financial statements as a whole are free from material misstatement;
 - g) the auditor's opinion.
- 5.6 In addition to the Project's audit report, the auditor shall submit a management letter (matters for governance attention), which shall contain any findings made during the audit of the Project. It shall also list any measures that have been taken as a result of previous audits and whether such measures have been adequate to deal with reported shortcomings.
- 5.7 If any findings have been reported in the Project's management letter, the Grant Recipient shall prepare a response including an action plan to be submitted to Norad together with the management letter.
- 5.8 The costs of the audit of the Project's financial statements shall be included in the Project's budget.
- 5.9 The audit requirements stated in this Agreement are applicable for the total Grant, including any part of the Grant that has been transferred to a cooperating partner.
- 5.10 The auditor of the Project's consolidated financial statement is responsible for the direction, supervision and performance of the audit of any part of the Grant that has been transferred to a cooperating partner. The auditor shall assure itself that those performing the audit for cooperating partners have the appropriate qualifications, that the audit is in compliance with professional standards, and that the audit report is appropriate under the circumstances.
- 5.11 The auditor of the Project's consolidated financial statement shall express an opinion on whether the statement is prepared, in all material respects, in accordance with the requirements of this Agreement. To this end, the auditor shall obtain sufficient appropriate audit evidence regarding the financial statements of the cooperating partner and the consolidation process.

6 CONTROL MEASURES

- 6.1 Representatives of Norad and the Norwegian Auditor General may at all times carry out independent reviews, audits, field visits or evaluations or other control measures related to the Project. The objective of such control measures may be i.a to verify that the Grant has been used in accordance with the Agreement or to evaluate the achievement of results.
- 6.2 The Grant Recipient shall facilitate such control measures by providing all information and documentation necessary to carry out the relevant initiative, as well as ensuring unrestricted access to any premises, records, goods and documents requested.
- 6.3 The representatives of Norad and the Norwegian Auditor General shall also have access to the Grant Recipient's auditor and the auditor's assessments of all information pertaining to the Grant Recipient and the Project. The Grant Recipient shall release the auditor from any confidentiality obligations in order to facilitate such access.
- 6.4 The rights and obligations of this article 6 shall remain in force for 5 years following expiry or termination of the Agreement, whichever occurs later.

7 FINANCIAL MANAGEMENT

- 7.1 The Grant Recipient shall keep accurate accounts of the Project's income and expenditure using an appropriate accounting- and double-entry book-keeping system¹ in accordance with the applicable accounting- and bookkeeping policies in the jurisdiction of the Grant Recipient.
- 7.2 The accounts shall be kept up to date at least on a monthly basis. Bank reconciliations² and cash reconciliations³ shall be completed at least every month, and shall be documented by the Grant Recipient.
- 7.3 Accounts and expenditures relating to the Project must be easily identifiable and verifiable, either by using separate accounts for the Project or by ensuring that Project expenditure can be easily identified and traced within the general accounting- and bookkeeping systems. The accounts must provide details of bank interest accrued on the Grant.
- 7.4 The Grant Recipient shall keep the Project's accounting records for at least 5 years from the time of Norad's approval of the final report for the Project. This shall include i.a. vouchers, receipts, contracts and bank statements.

8 EXCHANGE RATE FLUCTUATIONS

- 8.1 If the Grant is converted into another currency, the exchange shall be made through a national or commercial bank unless otherwise approved by Norad. Exchange rates must be stated to four decimal places.
- 8.2 If exchange rate fluctuations decrease the value of the Grant to such an extent that this will have consequences for the implementation of the Project, the Grant Recipient shall inform Norad as soon as possible.
- 8.3 If exchange rate fluctuations increase the value of the Grant, the gain shall be treated as disbursed Grant funds and used for Project purposes. Net surplus from conversion into foreign currency shall be subtracted from future disbursements or repaid as unused funds at the end of the Support Period, unless otherwise agreed between the Parties.

9 EQUIPMENT, CONSUMABLES AND INTELLECTUAL PROPERTY RIGHTS

- 9.1 The right of ownership to equipment, consumables and intellectual property rights procured or developed by use of the Grant shall vest in the Grant Recipient or its cooperating partner, unless otherwise stated in the Application. All matters associated with such equipment, consumables and intellectual property rights are the exclusive responsibility of the Grant Recipient. However, significant use of such equipment, consumables and intellectual property rights for purposes

1 A double-entry bookkeeping a system is system of bookkeeping where every entry to an account requires a corresponding and opposite entry to a different account.

2 Bank reconciliation is a process of verifying whether the sum found in the bank statements at the end of the period correspond with transactions recorded in the accounting system. This is usually done in conjunction with closure of the accounting records.

3 Cash reconciliation is a process of verifying whether the cash at hand at the end of the period corresponds with the amount of cash in the beginning of the period and the registrations of withdrawals and deposits in the period. This is usually done in conjunction with closure of the accounting records.

outside the Project shall be subject to the Norad's prior approval, as outlined in Article 12 of the General Conditions.

- 9.2 Norad shall have a non-exclusive and royalty-free license to use all intellectual property rights procured or developed by the use of the Grant. Norad may assign this right to any individual or organisation at its own discretion.
- 9.3 Transfer of ownership of such equipment, consumables or intellectual property rights during the Support Period shall be made at market terms. Ownership may not be transferred to an employee of the Grant Recipient or its cooperating partner, or to anyone related or connected to an employee, if such relation could lead to a conflict of interest as described in article 16 of the General Conditions.
- 9.4 Before a transfer is decided, the Grant Recipient shall assess whether it may have an impact on the Project and, where appropriate, consult with Norad. Any income from a transfer shall accrue to the Project, and shall be reported in the financial statement of the Project.
- 9.5 The Grant Recipient shall prepare a record of transfer of ownership for any equipment, consumables and intellectual property rights. The record shall comprise information about the object of transfer, the original purchase price paid by the Grant Recipient, price offers received, the final sales price and the name of the purchaser. The record shall be submitted to Norad along with the first progress report due after the sale.
- 9.6 If the activities of the Project do not continue after the end of the Support Period or after termination of the Agreement, the Grant Recipient shall inform Norad about the remaining equipment and goods that have been purchased by use of the Grant. The Norad may require that such assets be sold. Such sale shall be completed in accordance with the procedures described above. Income from the sale shall be repaid to Norad.

10 REAL PROPERTY

- 10.1 The Grant may not be used to purchase or construct real property (land or buildings) unless explicitly approved by Norad.
- 10.2 If Norad has approved a purchase or construction of real property, the Grant Recipient and Norad shall agree on the details concerning the ownership and the status of the real property after the end of the Support Period and/or the end of the Project. The agreement may be formalised in the Specific Conditions or in a separate agreement document.
- 10.3 Norad may in such an agreement require i.a. that the real property shall be sold after the end of the Support Period and that the proceeds from the sale shall be repaid to Norad. Norad may also reserve the right to establish security interests in any real property purchased by use of the Grant.

11 TRANSFER OF THE GRANT TO A COOPERATING PARTNER

- 11.1 Transfer of all or part of the Grant including assets to a cooperating partner shall be documented through a written agreement. The agreement shall specify that the cooperating partner is required to comply with the provisions of this Agreement and to cooperate with the Grant Recipient to ensure that the Grant Recipient is able to fulfil its obligations hereunder.



11.2 The agreement between the Grant Recipient and the cooperating partner shall have provisions related to i.a. reporting, audit, procurement and measures to prevent financial irregularities. Furthermore, the agreement shall explicitly state that:

- a) both the Grant Recipient, Norad and the Norwegian Auditor General shall have the same access to undertake the control measures related to the cooperating partner's use of the Grant as described in article 6 of the General Conditions,
- b) the Grant Recipient shall be entitled to claim repayment of the Grant from the cooperating partner in the same instances and to the same extent that Norad is entitled to claim repayment from the Grant Recipient, and the cooperating partner shall accept that Norad has the right to claim repayment directly from the cooperating partner to the same extent as the Grant Recipient,
- c) the cooperating partner shall accept the choice of law and settlement of disputes provisions in article 24 of the General Conditions in relation to any disputes arising between the cooperating partner and Norad.

11.3 The Grant Recipient shall assure itself that the cooperating partner has the necessary competence and internal procedures to meet the requirements of the Agreement and shall follow-up the cooperating partner's compliance with the Agreement throughout the Support Period.

11.4 The Grant may not be transferred to a cooperating partner who has previously been charged or sentenced for any criminal activity unless explicitly approved by Norad.

11.5 The Grant Recipient shall remain fully responsible towards Norad for any part of the Grant including assets that has been transferred to a cooperating partner.

12 CHANGES TO THE PROJECT OR THE GRANT RECIPIENT

12.1 Any significant deviations from or changes to the Application or approved implementation plans or budgets are subject to Norad's prior, written approval. The same applies to significant changes to, or circumstances materially affecting, the Grant Recipient's organisation.

12.2 The following deviations/changes shall always be subject to Norad's prior written approval:

- a) any changes to the Project's sources of income,
- b) any changes to the results framework or scope of the Project,
- c) changes to the implementation plan which implies a delay of more than three months of any activity,
- d) changes to the Project's annual budget that imply reallocation of more than 10% of a budget line.

12.3 Norad may suspend disbursements of the Grant until such changes have been approved.

13 EXTENSION OF THE SUPPORT PERIOD

13.1 The Support Period of the Project is set out in the Specific Conditions. The Grant Recipient must, without delay, inform Norad of any circumstances likely to hamper or delay the implementation of the Project.

13.2 The Grant Recipient may request an extension of the Support Period if this is necessary to complete all planned activities. The request must state the reasons for the delay and supporting documentation must be enclosed. Norad shall approve or decline the request in writing.

14 TRANSPARENCY

14.1 The Grant Recipient shall publish the following in a dedicated and easily accessible place of its internet site:

- a) a copy of this Agreement and any addendum;
- b) the title and value of any contracts, cooperation agreements and/or other sub-agreements of more than NOK 500 000 (or the equivalent in local currency) which are financed by the Grant;
- c) the names and nationalities of the respective agreement parties and, if relevant, any sub-grantees or contractors in receipt of Project funds;

Any deviations from article 14 shall be agreed by the Parties in writing, i.a. in the Specific Conditions.

14.2 Publication shall take place as soon as possible, and at the latest within six months after the contracts, cooperation agreements and/or other sub-agreements were entered into.

14.3 The Grant Recipient shall make other project documentation, including the Application and all agreed reports, available to anyone upon request. Requests for disclosure may be denied if such disclosure is prohibited by confidentiality obligations and/or if it may be detrimental to the Grant Recipient's legitimate interests.

15 FINANCIAL IRREGULARITIES

15.1 The Grant Recipient is required to practise zero tolerance against corruption and other financial irregularities within and related to the Project. The zero tolerance policy applies to all staff members, consultants and other non-staff personnel and to cooperating partners and beneficiaries of the Grant.

15.2 "Financial irregularities" refers to all kinds of:

- a) corruption, including bribery, nepotism and illegal gratuities;
- b) misappropriation of cash, inventory and all other kinds of assets;
- c) financial and non-financial fraudulent statements;
- d) all other use of Project funds which is not in accordance with the implementation plan and budget.

15.3 In order to fulfil the zero tolerance requirement, the Grant Recipient shall:

- a) organise its operations and internal control systems in a way that financial irregularities are prevented and detected;
- b) do its utmost to prevent and stop financial irregularities within and related to the Project;
- c) require that all staff involved in, and any consultants, suppliers and contractors financed under the Project refrain from financial irregularities.

15.4 The Grant Recipient shall inform Norad immediately of any indication of financial irregularities in or related to the Project. The Grant Recipient shall provide Norad with an account of all the known facts and an assessment of how the matter should be followed up, including whether criminal prosecution or other sanctions are considered appropriate.

15.5 The matter will be handled by Norad in accordance with Norad's guidelines for handling suspicion of financial irregularities. The Grant Recipient shall cooperate fully with Norad's investigation and follow-up. If requested by Norad, the Grant Recipient shall initiate prosecution and/or apply other sanctions against persons or entities suspected of financial irregularities.

15.6 Norad may claim repayment of all or parts of the Grant in accordance with article 17 of the General Conditions if it finds that any financial irregularities have taken place in or related to the Project. The repayment claim may also include any interest, investment income or any other financial gain obtained as a result of the financial irregularity.

16 CONFLICT OF INTEREST

16.1 The Grant Recipient shall take all necessary precautions to avoid any conflicts of interest in all matters related to the Project.

16.2 Conflict of interest refers to any situation where the impartial and objective exercise of the functions of anyone acting on behalf of the Grant Recipient is, or may be, compromised for reasons involving family, personal life, political or national affinity, economic interest or any other connection or shared interest with another person.

16.3 If a conflict of interest occurs, the Grant Recipient shall, without delay, take all necessary measures to resolve the conflict, e.g. by replacing the person in question or by obtaining independent verification of the terms of the proposed decision or transaction.

16.4 If the conflict of interest cannot be resolved and/or if it relates to a decision or transaction of special significance to the Project, the decision or transaction may not be concluded without the prior, written approval of Norad.

17 BREACH OF THE AGREEMENT

17.1 If the Grant Recipient fails to fulfil its obligations under this Agreement and/or if there is suspicion of financial irregularities, Norad may suspend disbursement of all or part of the Grant.

17.2 In the event of material breach of the Agreement, Norad may terminate the Agreement with immediate effect, and/or claim repayment of all or parts of the Grant.

17.3 Material breach of the Agreement shall include, without limitation, the following situations:

- a) all or part of the Grant has not been used in accordance with the Agreement and/or approved implementation plans and budget,
- b) the Grant Recipient has made false or incomplete statements to obtain the Grant,
- c) the use of the Grant has not been satisfactorily accounted for,
- d) the Grant Recipient has, after having been granted an extended deadline, failed to provide the agreed reports, or has knowingly provided reports that do not reflect reality,
- e) financial irregularities, grave professional misconduct or illegal activity of any form have taken place within the Grant Recipient or its cooperating partners,
- f) the Grant Recipient has failed to inform Norad of indication of financial irregularities within the Project in accordance with article 15 of the General Conditions,
- g) the Grant Recipient has changed legal personality without prior notification to Norad,
- h) the Grant Recipient is bankrupt, being wound up or is having its affairs administered by the courts, or is subject to any analogous or corresponding procedure provided for under national legislation.

17.4 The Grant Recipient shall inform Norad immediately of any circumstances that may indicate or lead to a breach of Agreement, and shall provide Norad with any information or documentation it may reasonably require in order to determine if a breach of the Agreement has occurred.

17.5 Norad may also suspend disbursements or terminate the Agreement with immediate effect if a material breach of another agreement between Norad and the Grant Recipient has been established.

18 TERMINATION OF THE AGREEMENT

18.1 Each of the Parties may terminate the Agreement upon a written notice.

18.2 The Support Period shall end three months after the date of the notice of termination. During these three months, the Grant Recipient may only use the Grant to cover commitments that have been established before the date of the notice of termination.

18.3 If the Project cannot continue without the Grant, the Grant Recipient shall use these three months to discontinue or scale down the Project promptly and in an orderly and financially sound manner. Any funds that remain unused at the end of the Support Period shall be repaid to Norad.

18.4 The Grant Recipient shall submit a final report to Norad within three months of the end of the Support Period. The final report shall meet the requirements set out in article 4 of the General Conditions and shall also include a financial report and audit report covering the period from the previous financial report until the end of the Support Period.

18.5 The Agreement will be considered terminated when the final report has been approved by Norad and any remaining funds have been repaid.

19 WAIVER AND IMMUNITIES

19.1 Nothing in the Agreement or any document related to the Agreement shall imply a waiver, express or implied, by Norad, the Government of Norway or any of its officials of any privileges or immunity enjoyed by them or their acceptance of the jurisdiction of the courts of any country over disputes arising thereof. This article 19 will not prevent arbitration or court proceedings in the legal venue of the Grant Recipient pursuant to article 24 of the General Conditions.

20 LIABILITY

20.1 Norad shall not under any circumstances or for any reason be held liable for damage, injury or loss of income sustained by the Grant Recipient or its agencies, staff or property as a direct or indirect consequence of the Project or services provided thereunder. Norad will not accept any claim for compensation or increases in payment in connection with such damage, injury or loss of income.

20.2 The Grant Recipient shall assume sole liability towards third parties, including liability for damage, injury or loss of income of any kind sustained by them as a direct or indirect consequence of the Project. The Grant Recipient shall indemnify Norad against any claim or action from the Grant Recipient's staff or third parties in relation to the Project.

21 ASSIGNMENT

21.1 The Agreement and/or the Grant may not be assigned to a third party without the prior written consent of Norad. This shall not, however, prevent transfer of parts of the Grant to a cooperating partner in accordance with article 11 of the General Conditions.

22 RECOGNITION AND PUBLICATION

- 22.1 The Grant Recipient shall acknowledge Norad's support to the Project in all publications and other materials issued in relation to the Project. Norad's logotype will be provided by Norad upon request. All use of Norad's logotype must be approved by Norad.

23 ENTRY INTO FORCE, DURATION AND AMENDMENT

- 23.1 The Agreement shall enter into force at the date of the last signature and shall remain in force until all obligations arising from it have been fulfilled, or until it is terminated in accordance with the provisions of the General Conditions. Whether the obligations of the Agreement shall be considered fulfilled, will be determined through consultations between the Parties and confirmed by Norad in a completion letter.
- 23.2 The Agreement may be amended. Any such amendment must be agreed upon in writing between the Parties and shall become an integral part of the Agreement.
- 23.3 Termination or expiry of the Agreement shall not release the Parties from any liability arising from any act or omission that has taken place prior to such termination or expiry.

24 CHOICE OF LAW AND SETTLEMENT OF DISPUTES

- 24.1 The Agreement shall be governed and construed in accordance with Norwegian law.
- 24.2 If any dispute arises relating to the implementation or interpretation of the Agreement, the Parties shall seek to reach an amicable solution.
- 24.3 Any dispute arising out of or in connection with the Agreement that cannot be solved amicably, shall exclusively be settled before the Norwegian courts of law with Oslo District Court as legal venue.
- 24.4 The Grant Recipient accepts that Norad can, at its own sole discretion and as an alternative to the legal venue mentioned above, choose to settle the dispute by
- a) the courts in the legal venue of the Grant Recipient, or
 - b) arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of three arbitrators. If the disputed amount is below an amount corresponding to NOK 10 000 000 the arbitral tribunal shall, however, be composed of a sole arbitrator. The seat of arbitration shall be Stockholm, Sweden, and the language to be used in the arbitral proceedings shall be English. The Parties agree that neither the arbitral proceedings nor the award shall be subject to any confidentiality.
- 24.5 The Parties agree that no other courts of law, than as set out in this article 24, shall have jurisdiction over disputes arising out of or in connection with this Agreement.



Standard:	Norwegian and Non-Norwegian NGOs	Revision no.:	3
Procurement Provisions	Grant Management Regime I and II	Date:	21.10.2019

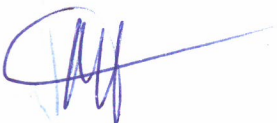
PART III: PROCUREMENT IN THE CONTEXT OF PROJECTS FINANCED BY THE NORWEGIAN AGENCY FOR DEVELOPMENT COOPERATION

1 INTRODUCTION

- 1.1 This Part III sets out procurement rules and principles which shall be applied by the Grant Recipient when procuring goods, services or works to Projects financed by the Norwegian Agency for Development Cooperation (Norad). Stricter rules may supplement the compulsory minimum rules set forth in this Part III.
- 1.2 Norad may carry out ex post checks on the Grant Recipient's compliance with the rules set forth in this Part III.
- 1.3 Failure to comply with the rules set forth in this Part III shall render the Project expenditure ineligible for Norad funding and may lead to withholding funds or claim for repayment in accordance with article 17 of the General Conditions (Part II) of this Agreement.
- 1.4 Contracts shall not be split artificially to circumvent the procurement thresholds. All monetary amounts referred to in this Part III are amounts excluding value-added tax (VAT).
- 1.5 The procurement provisions shall also apply to any procurements to be carried out by the Grant Recipient's cooperation partners or others. The Grant Recipient shall be responsible for compliance as per article 11 of the General Conditions (Part II) of this Agreement regardless of whether the procurement is carried out by the Grant Recipient itself or its cooperation partners or others.
- 1.6 Sections 1 to 4 set out rules, which shall apply to all contracts. Sections 5 to 6 contain specific rules for service, supply and works contracts. Section 7 lists the situations where a negotiated procedure without prior publication is permitted.

2 BASIC PRINCIPLES

- 2.1 If a Project requires procurement by the Grant Recipient, the contract must be awarded following a tender procedure to the most economically advantageous tender (i.e. to the tenderer obtaining the best score based on price and quality), or, as appropriate, to the tenderer offering the lowest price. In doing so, the Grant Recipient shall avoid any conflict of interests and respect the following basic principles:





- a) **Competition:** The procedures applied and the award of contracts shall be based on fair competition.
- b) **Equal treatment and non-discrimination:** Participation in tender procedures shall be open on equal terms to all natural and legal persons. During the entire procurement and the award of contracts, the Grant Recipient shall not discriminate against candidates/tenderers or groups of candidates/tenderers.
- c) **Transparency and ex-ante publicity:** As a general rule, tender procedures shall be based on prior publication. Where the Grant Recipient does not launch an open tender procedure, it shall justify the choice of tenderers that are invited to submit an offer.
- d) **Objective criteria:** The Grant Recipient shall evaluate the offers received against objective criteria, which enable the Grant Recipient to measure the quality of the offers and shall take into account the price (the offer with the lowest price shall be awarded the highest score for the price criterion). The criteria shall be set out beforehand and shall be relevant to the contract in question.
- e) **Notoriety:** The Grant Recipient shall keep sufficient and appropriate records and documentation with regard to the procedure, its evaluation and award.

3 ELIGIBLE TENDERERS

3.1 Tenderers must provide information on their legal form and ownership structure.

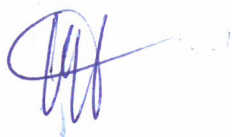
3.2 Tenderers shall be excluded from participation in a procurement procedure if:

- a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations. However, tenderers in this situation may be eligible to participate insofar as the Grant Recipient is able to purchase supplies on particularly advantageous terms from either a supplier which is definitively winding up its business activities, or the receivers or liquidators of a bankruptcy, through an arrangement with creditors, or through a similar procedure under national law;
- b) they or persons having powers of representation, decision-making or control over them have been convicted of an offence concerning their professional conduct by a final judgment;
- c) they have been guilty of grave professional misconduct; proven by any means which the Grant Recipient can justify;
- d) they have not fulfilled obligations relating to the payment of social security contributions or taxes in accordance with the legal provisions of the country in which they are established, or with those of the country of the Grant Recipient or those of the country where the contract is to be performed;

- e) they or persons having powers of representation, decision-making or control over them have been convicted for fraud, corruption, involvement in a criminal organisation or money laundering by a final judgment;
 - f) they make use of child labour or forced labour and/or practise discrimination, and/or do not respect the right to freedom of association and the right to organise and engage in collective bargaining pursuant to the core conventions of the International Labour Organization (ILO).
- 3.3 Tenderers shall confirm in writing that they are not in any of the situations listed above. Even if such confirmation is given by a tenderer, the Grant Recipient shall investigate any of the situations listed above if it has reasonable grounds to doubt the contents of such confirmation.
- 3.4 Contracts shall not be awarded to tenderers which, during the procurement procedure:
- a) are subject to a conflict of interests;
 - b) are guilty of misrepresentation in supplying the information required by the Grant Recipient as a condition of participation in the tender procedure, or fail to supply this information.

4 GENERAL PROCUREMENT RULES

- 4.1 The tender documents shall be drafted in accordance with best international practice. The Grant Recipient may voluntarily use the models published in the Practical Guide on the EuropeAid (EU) website.
- 4.2 The Grant Recipient shall take into account universal design and the potential environmental impact of any planned procurements.
- 4.3 All invitations to submit tenders shall state that offers will be rejected if any illegal or corrupt practises have taken place in connection with the award. All contracts concluded under the Project shall state that the Grant Recipient may terminate the contract if it finds that illegal or corrupt practises have taken place in connection with the contract award or execution.
- 4.4 The time-limits for receipt of tenders and requests to participate must be sufficient to allow interested parties a reasonable and appropriate period to prepare and submit their tenders.
- 4.5 An evaluation committee must be set up to evaluate applications and/or tenders of a value of NOK 500 000 or more on the basis of the exclusion, selection and award criteria. This committee must have an odd number of members, at least three, with all the technical and administrative capacities necessary to give an informed opinion on the tenders.



4.6 For contracts with a value exceeding NOK 100 000, the Grant Recipient shall compile a written record with documentation of all assessments and decisions during all steps of the procurement process from the planning stage until the signing of the contract. Upon request by Norad, the Grant Recipient shall deliver its written record to Norad and grant Norad access to all relevant information and documentation related to the procurement procedure and practices applied.

5 AWARD OF CONTRACTS

5.1 Contracts with a value of less than NOK 500 000 may be awarded by using any procurement procedure established by the Grant Recipient, while respecting the rules and principles laid down in Sections 1 to 4 of this Part III.

5.2 Contracts with a value exceeding NOK 500 000 shall be awarded by means of one of the following procurement procedures:

- a) **Open tender procedure:** In open procedures, any interested tenderer may submit a tender in response to a call for competition. The tender shall be accompanied by the information for qualitative selection as requested by the Grant Recipient.
- b) **Restricted procedure:** In restricted procedures, any tenderer may submit a request to participate in response to a call for competition by providing the information for qualitative selection as requested by the Grant Recipient. Only those tenderers invited to do so by the Grant Recipient following its assessment of the information provided may submit a tender. The Grant Recipient may limit the number of suitable candidates to be invited to participate in the procedure.
- c) **Competitive procedure with negotiation:** In competitive procedures with negotiation, any tenderer may submit a request to participate or a tender in response to a call for competition by providing the information for qualitative selection as requested by the Grant Recipient. Tenderers may submit an initial tender, which shall be the basis for subsequent negotiations. The minimum requirements and the award criteria shall not be subject to negotiations.

5.3 Where the Grant Recipient does not launch an open tender procedure, it shall justify and document in writing the choice of tenderers that are invited to submit an offer.

5.4 Deviations from the procedures listed in Section 5.2 are limited to the situations listed in Section 7 of this Part III.

6 PUBLICATION OF PROCUREMENT NOTICE

6.1 The following shall apply with respect to publication of the procurement notice:¹

¹ Definitions of different types of contracts and procedures can be found in Directive 2014/24/EU.

- a) **Service and supply contracts from NOK 500 000 to less than NOK 2 500 000 and works contracts from NOK 500 000 to less than NOK 40 000 000**

The prior procurement notice shall be published in all appropriate media, at least in the country in which the Project will be carried out as well as on the Grant Recipient's website.

- b) **Service and supply contracts with a value of NOK 2 500 000 and above and works contracts with a value of NOK 40 000 000 and above**

The prior procurement notice shall be published in all appropriate media, in particular on the Grant Recipient's website, in the international press and the national press of the country in which the Project will be carried out, and in any other relevant specialist periodicals.

7 USE OF NEGOTIATED PROCEDURE WITHOUT PRIOR PUBLICATION

7.1 The Grant Recipient may use a negotiated procedure without prior publication in the following cases:

- a) if any of the circumstances set out in Article 32 of Directive 2014/24/EU are present;
- b) for purposes of humanitarian aid and civil protection operations or for crisis management aid in a crisis that has been formally recognised by and for the time period declared by Norad;
- c) where the services are entrusted to public-sector or non-profit bodies and relate to activities of an institutional nature or are designed to provide assistance to people in the social field;
- d) for contracts declared to be secret, or whose performance must be accompanied by special security measures, or when the protection of the essential interests of Norad so requires.



Total budget (income and costs - Norad format)

01.01.2021 - 30.06.2025

	2021	2022	2023	2024	2025	TOTAL
INCOME (NOK)						
Support from the Ministry/ Norad	3 896 112	8 990 101	9 401 102	7 565 400	3 258 286	33 111 000
Funding provided by grant recipient	200 000	400 000	400 000	400 000	200 000	1 600 000
Support from other donors						-
Other income						-
Subtotal	4 096 112	9 390 101	9 801 102	7 965 400	3 458 286	34 711 000
COSTS (NOK)						
	2 021	2 022	2 023	2 024	2 025	TOTAL
Salary and personnel costs	1 655 328	4 622 722	5 528 608	4 624 231	2 063 017	18 493 905
External consultants	710 606	1 357 642	829 179	306 214	124 071	3 327 713
Travel costs	292 089	669 746	625 488	438 383	190 552	2 216 259
Investments	683 375	1 178 253	1 320 253	1 275 610	450 234	4 907 725
Other costs	754 713	1 561 738	1 497 575	1 320 962	630 412	5 765 399
Subtotal	4 096 112	9 390 101	9 801 102	7 965 400	3 458 286	34 711 000
BALANCE	-	-	-	-	-	-

GRANT APPLICATION/AGREED AMOUNT	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
	NOK	NOK	NOK	NOK	NOK	NOK
Norad contribution direct project cost	3 625 345	8 448 566	8 859 567	7 023 864	2 987 518	30 944 860
Norad indirect cost contribution	270 768	541 535	541 535	541 535	270 768	2 166 140
TOTAL NORAD GRANT AMOUNT	3 896 112	8 990 101	9 401 102	7 565 400	3 258 286	33 111 000

Budget output sheet
01.01.2021 - 30.06.2025

COST (NOK)	Total	2021	2022	2023	2024	2025	% of total
Total Project Cost	34 711 000	4 096 112	9 390 101	9 801 102	7 965 400	3 458 286	100 %
Total Direct Cost	32 544 860	3 825 345	8 848 566	9 259 567	7 423 864	3 187 518	94 %
Travel and accommodation	1 816 259	242 089	569 746	525 488	338 383	140 552	5 %
Meeting costs	1 738 689	225 029	479 328	458 638	390 016	185 678	5 %
Infrastructure and equipment	4 707 725	658 375	1 128 253	1 270 253	1 225 610	425 234	14 %
Legal cost	1 224 286	280 000	558 571	307 143	53 571	25 000	4 %
Consultancy costs	1 703 427	380 606	699 071	422 036	152 643	49 071	5 %
Salary	14 650 038	1 179 220	3 684 505	4 574 641	3 640 514	1 571 158	42 %
Other	1 860 570	258 916	540 874	497 402	389 411	173 967	5 %
Total Project Management cost (PRM)	4 843 867	601 108	1 188 217	1 203 967	1 233 717	616 858	14 %
Total indirect operating cost (IOC)	2 166 140	270 768	541 535	541 535	541 535	270 768	7 %
Alliance Microfinance	14 509 254	1 664 615	3 764 222	4 015 385	3 490 405	1 574 628	42 %
Direct Cost	12 343 114	1 393 848	3 222 687	3 473 850	2 948 870	1 303 860	36 %
Travel and accommodation	545 550	36 285	147 030	197 943	125 745	38 548	2 %
Meeting costs	84 064	5 000	27 532	36 032	14 500	1 000	0 %
Infrastructure and equipment	1 550 000	-	125 000	575 000	650 000	200 000	4 %
Legal cost	910 000	230 000	455 000	225 000	-	-	3 %
Consultancy costs	805 000	201 250	402 500	201 250	-	-	2 %
Salary	3 745 000	346 500	875 000	1 027 250	997 500	498 750	11 %
Other	270 000	25 000	105 000	110 000	30 000	-	1 %
Project Management cost	4 433 500	549 813	1 085 625	1 101 375	1 131 125	565 563	13 %
Indirect operating cost	2 166 140	270 768	541 535	541 535	541 535	270 768	7 %
Norwegian Church Aid	7 149 486	1 040 432	1 967 249	1 787 778	1 607 494	746 533	21 %
Travel and accommodation	813 949	111 614	234 336	213 355	172 638	82 004	2 %
Meeting costs	934 625	130 029	271 796	242 606	195 516	94 678	3 %
Infrastructure and equipment	1 277 725	223 375	383 253	325 253	255 610	90 234	4 %
Legal cost	14 286	-	3 571	7 143	3 571	-	0 %
Consultancy costs	267 427	79 356	96 571	45 786	37 143	8 571	1 %
Salary	2 757 538	325 470	668 505	692 891	710 264	360 408	8 %
Other	1 030 570	163 916	295 874	247 402	219 411	103 967	3 %
Project Management cost	53 367	6 671	13 342	13 342	13 342	6 671	0 %
Bakken & Bæk	5 262 760	339 940	1 599 880	2 025 690	1 031 500	265 750	15 %
Travel and accommodation	296 760	74 190	148 380	74 190	-	-	1 %
Meeting costs	-	-	-	-	-	-	0 %
Infrastructure and equipment	-	-	-	-	-	-	0 %
Legal cost	-	-	-	-	-	-	0 %
Consultancy costs	-	-	-	-	-	-	0 %
Salary	4 840 000	250 000	1 420 000	1 920 000	1 000 000	250 000	14 %
Other	-	-	-	-	-	-	0 %
Project Management cost	126 000	15 750	31 500	31 500	31 500	15 750	0 %
East African Holding	7 789 500	1 051 125	2 058 750	1 972 250	1 836 000	871 375	22 %
Travel and accommodation	160 000	20 000	40 000	40 000	40 000	20 000	0 %
Meeting costs	720 000	90 000	180 000	180 000	180 000	90 000	2 %
Infrastructure and equipment	1 880 000	435 000	620 000	370 000	320 000	135 000	5 %
Legal cost	300 000	50 000	100 000	75 000	50 000	25 000	1 %
Consultancy costs	631 000	100 000	200 000	175 000	115 500	40 500	2 %
Salary	3 307 500	257 250	721 000	934 500	932 750	462 000	10 %
Other	560 000	70 000	140 000	140 000	140 000	70 000	2 %
Project Management cost	231 000	28 875	57 750	57 750	57 750	28 875	1 %

Level	Budget Output & Outcome per cost type (NOK) 01.01.2021 - 30.06.2025	TOTAL	2021		2022		2023		2024		2025	
			TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL		
	Total Project Cost	34 711 000	4 096 112	9 390 101	9 801 102	7 965 400	7 965 400	3 458 286				
	Total Activity Cost	25 200 993	2 911 736	7 035 349	7 430 600	5 565 148	5 565 148	2 258 160				
Outcome 1	Informal producer groups have increased productivity and quality of products	6 530 119	715 761	1 818 907	2 133 436	1 446 153	1 446 153	415 862				
Output 1.1	Youth, women, men are trained in urban agriculture production	1 178 215	165 365	327 273	304 028	261 834	261 834	119 714				
Output 1.2	Local communities adjacent to church forests trained in "climate smart" value chains	323 354	50 274	103 347	92 576	58 329	58 329	18 827				
Output 1.3	Informal producers organized and producer groups access key services and inputs	2 243 392	382 323	680 955	539 131	440 741	440 741	200 242				
Output 1.4	Informal producers use digital applications to improve productivity and quality	2 785 158	117 799	707 331	1 197 701	685 248	685 248	77 080				
Outcome 2	Target group has access to relevant financial services	11 046 374	1 168 225	3 205 442	3 366 665	2 317 745	2 317 745	988 298				
Output 2.1	A sustainable financial institution is established and in operation	8 967 994	967 725	2 711 847	2 780 907	1 772 150	1 772 150	735 365				
Output 2.2	Initial marketing and customer training completed	1 140 420	59 500	248 980	369 960	321 230	321 230	140 750				
Output 2.3	Financial regulatory framework obstacles addressed	937 960	141 000	244 615	215 798	224 365	224 365	112 183				
Outcome 3	Private sector actors have facilitated informal producers / producer groups inclusion in commercial value chains	7 624 500	1 027 750	2 011 000	1 930 500	1 801 250	1 801 250	854 000				
Output 3.1	Informal producers access to digit-market training and mentoring	3 045 500	606 875	895 750	636 500	627 000	627 000	279 375				
Output 3.2	Improved route-to-market access for informal producers through e-commerce platform	2 278 500	166 125	513 750	677 250	625 500	625 500	295 875				
Output 3.3	Off-taker agreements secured for informal producers	1 246 250	153 625	327 375	317 250	295 750	295 750	152 250				
Output 3.4	Accelerate SME / job development for informal producers and enabling services providers	1 054 250	101 125	274 125	299 500	253 000	253 000	126 500				
PRM	Project Management cost	4 843 867	601 108	1 188 217	1 203 967	1 233 717	1 233 717	616 858				
CIP	Coordination of Implementing Partners	2 500 000	312 500	625 000	625 000	625 000	625 000	312 500				
IOC	Indirect operating cost	2 166 140	270 768	541 535	541 535	541 535	541 535	270 768				

LFA

Strategic partnerships Ethiopia

LFA	Description
Impact	Financial inclusion and market integration for informal producers
Ind 1	Average annual income of the informal producers doubles by end of the program period.
Ind 2	# Men/women with new livelihood opportunities (jobs)
Outcome 1	Informal producer groups have increased productivity and quality of products
Ind 1.1	Hectares of land planted with major vegetable crops (Carrots, Tomatoes, Swiss Chard, Lettuce, Cabbage, Green Pepper, Cauliflower, beetroot) doubles by end of the program period
Ind 1.2	Volume/Production (in tonnes) of major vegetable crops from informal producers increases.
Output 1.1	Youth, women, men are trained in urban agriculture production
Ind 1.1.1	# Youth, women and men trained and started to practice urban agriculture as source of livelihood
Output 1.2	Local communities adjacent to church forests trained in "climate smart" value chains
Ind 1.2.1	# Men, women and youth trained in gender sensitive business models and honey/horticulture value chains
Ind 1.2.2	# Men, women and youth applying climate smart agriculture methods (ref NCA NICFI application)
Output 1.3	Informal producers organized and producer groups access key services and inputs
Ind 1.3.1	# Producer groups established
Ind 1.3.2	# Producer groups who have secured access to land
Ind 1.3.3	# Informal producers accessing new farming methods, services and inputs
Output 1.4	Informal producers use digital applications to improve productivity and quality
Ind 1.4.1	# Producer groups accessing e-extension training modules
Ind 1.4.2	# Informal producers/groups access relevant information from digital communication platform
Outcome 2	Target groups have access to relevant financial services
Ind 2.1	# of loans to SMEs, micro Enterprises and individuals
Ind 2.2	# of deposit accounts
Ind 2.3	# of jobs created within the financial institution (disaggregated by women, men, youth)
Output 2.1	A sustainable financial institution is established and in operation
Ind 2.1.1	% Sufficient investment capital secured for 3 years of bank operations
Ind 2.1.2	% Competent staff in place
Ind 2.1.3	% customers not fulfilling obligations of repayment 30 days after deadline (PAR 30 < 3 %)
Ind 2.1.4	% customers not fulfilling obligations of repayment 1 day after deadline (PAR 1 < 6 %) (PAR-Portfolio At Risk)
Output 2.2	Initial marketing and customer training completed
Ind 2.2.1	# potential customers reached out to
Output 2.3	Financial regulatory framework obstacles addressed
Ind 2.3.1	#Multi-stakeholder dialogue meetings (local/federal level)
Outcome 3	Private sector actors have facilitated informal producers / producer groups inclusion in commercial value chains
Ind 3.1	# Informal producers (men, women, youth) selling in the commercial market
Output 3.1	Informal producers access to digital-market training and mentoring
Ind 3.1.1	# Men, women, youth trained to be engaged in e-commerce
Output 3.2	Improved route-to-market access for informal producers through e-commerce platform
Ind 3.2.1	# Men, women, youth selling on e-commerce platform
Ind 3.2.2	# Informal producers equipped to enter the digital market economy
Ind 3.2.3	# Transactions on e-commerce platform
Ind 3.2.4	Gross merchandise volume (GMV) per annum
Ind 3.2.5	# Jobs created in the e-commerce platform
Output 3.3	Off-taker agreements secured for informal producers
Ind 3.3.1	# Agreements entered into
Ind 3.3.2	# Informal producers directly benefitting from off-taker agreements
Output 3.4	Accelerate SME / Job development for informal producers and enabling services providers
Ind 3.4.1	# Producers / Enabling services providers mentored for business development
Ind 3.4.2	# SMEs established

Progress Planning & Monitoring 1.1.2021 - 30.6.2025

Baseline Value	Means of Verification	2021		2022		2023		2024		2025	
		Target	Result	Target	Result	Target	Result	Target	Result	Target	Result
28000	Detailed assessment	30 100		35 700		44 100		52 500		56 000	
0	Annual Report	233		708		1 345		2 195		2 650	
4192	Annual Report	4 396		5 475		7 075		8 100		8 400	
4722		7 504		12 518		16 625		19 250		20 000	
0	Annual Report	400		1 000		1 800		3 000		3 600	
0	Document list	200		600		1 000		1 850		2 500	
0	Annual report	-		200		500		1 050		1 500	
0	Annual report	100		310		700		1 090		1 200	
0	Annual report	100		310		700		1 090		1 200	
0	Equipment list	1 000		3 100		7 000		10 900		12 000	
0	Annual report	-		80		472		1 292		1 800	
0	Annual report	-		600		1 800		3 000		3 600	
0	Annual Report	-		100		850		2 250		3 000	
0	Annual Report	-		100		1 100		3 500		5 000	
0	Annual Report	-		5		15		25		30	
0	Annual Report	5		30		63		88		100	
0	Annual Report	-		13		50		88		100	
0	Annual Report	-		-		3		3		3	
0	Annual Report	-		-		6		6		6	
0	Annual report	-		2 100		7 000		12 400		15 000	
0	Annual Report	1		3		5		7		8	
0	Annual Report	113		338		625		1 100		1 400	
0	Annual Report	200		600		1 000		1 400		1 600	
0	Annual Report	50		150		250		350		400	
0	Annual Report	200		600		1 000		1 400		1 600	
0	Annual Report	26 667		80 000		133 334		186 667		213 333	
0	Annual Report	400 000		1 200 000		2 000 000		2 800 000		3 200 000	
0	Annual Report	10		30		45		55		60	
0	Annual Report	13		38		75		150		200	
0	Annual Report	63		188		375		750		1 000	
0	Annual Report	60		180		310		470		560	
0	Annual Report	3		8		15		30		40	

