**THE MOHAMED BIN ZAYED SPECIES CONSERVATION FUND**

**PROJECT FUNDING AGREEMENT**

In support of the GEF financed

**[PROJECT TITLE**

**Project ID [Budget Line]**

(hereinafter referred to as the “National Project”)

in

**[COUNTRY]**

As part of GEF Full Size Project **“Enhancing the Conservation Effectiveness of Seagrass Ecosystems Supporting Globally Significant Populations of Dugongs Across the Indian and Pacific Ocean Basins”**

(hereinafter referred to as the “Global Project”)

ThisPROJECT FUNDING AGREEMENT (hereinafter referred to as the “Agreement”) and its Appendices are made:

BETWEEN: **The** **Mohamed bin Zayed Species Conservation Fund**, a grant-giving endowment fund organised under the laws of Abu Dhabi, (hereinafter referred to as “**The** **Fund**”), represented by Dr Frédéric Launay, Board Member and Acting Director-General, and having its office at P.O.Box 131112, Abu Dhabi, United Arab Emirates.

AND: **[PROJECT PARTNER NAME]** (hereinafter referred toas the **“Partner”**), represented by[NAME, JOB TITLE] and having its office at [ADDRESS]

hereinafter collectively referred to as “the Parties”.

This Global Project is executed by The Mohamed bin Zayed Species Conservation Fund, with financing from the GEF and implementation support by UNEP. The present Agreement is in line with the Project Cooperation Agreement between The Fund and UNEP, where The Fund is accountable to UNEP for GEF-financed activities.

**Purpose**

1. This Agreement shall come into force upon the successful delivery of a comprehensive National Project Proposal as stipulated in the Interim Funding Agreement preliminary signed between the Parties, where available.
2. This Agreement sets forth the terms and conditions of the cooperation between the Parties for the execution of the National Project, as fully described in the Project Proposal (**Appendix 1**).
3. The main objective of the project is [‘TEXT’].

**Interpretation**

1. All Appendices to the present Agreement shall be considered as an integral part of this Agreement.
2. Definitions of Terms used in this Agreement are provided in **Appendix 2.**

**Duration**

1. The National Project completion date, when substantive/technical activities carried out under this Agreement are completed, is **30 September 2018**.
2. This Agreement shall come into force upon signature by the Parties, being effective from the date of the latest signature, and shall remain in force until **31 December 2018** unless terminated pursuant to termination clauses of this Agreement.

**Cooperation**

1. The Parties agree to cooperate with each other as well as with other partners to the Global Project at all times in order to achieve the objectives and outcomes of the Global Project.
2. The cooperation between the Parties should extend to timely and efficient communications and reporting.
3. The Parties shall determine and communicate to each other the persons appointed as having the authority and responsibility for the project execution on its behalf.
4. Contact details for correspondence on substantive and technical matters as well as on administrative and financial matters are as set out in **Appendix 3**. Any changes to these contact details shall be communicated in a timely manner.

##### National Project Budget

1. The total budget of the National Project is US $ **XXXX,** of which **US $ XXXX** is GEF financing and the balance is co-financing as described below:

GEF Funds Contributed: US$ XXXXX

Co-Finance Contribution (cash): US$ XXXXX

Co-Finance Contribution (In-kind): US$ XXXXX

**Total Budget of the National Project: US$ XXXXX**

1. Where an Interim Funding Agreement was signed (**Appendix A**) between the Parties and cash advances made:
2. Any unspent GEF funds under the Interim Funding Agreement shall be included under this Agreement (Interim Funding Agreement Final Cash Advance Report; **Appendix B**)
3. The total available GEF funding under this Agreement amounts to the balance between the total GEF Funds Contributed (as indicated under the article ‘National Project Budget’) and any cash advances made under the Interim Funding Agreement.
4. Detailed budget breakdown and co-finance are included in Annex A to the National Project Proposal (**Appendix 1**).

Terms and obligations of the Parties

The Fund

1. With regard to project execution, The Fund shall:
   * 1. Review and endorse all technical and financial reports and co-finance reports.
     2. Review and approve all manuscripts/communications materials prepared by the Partner within 40 days of receipt of all communications materials;
     3. Provide the Global Project Communications Strategy (including branding guidelines) to the Partner
     4. Prevent any conflicts of interest and take the necessary steps to prevent such situations.
2. With regard to cash advances, The Fund shall:
3. Provide all cash advances in US dollars up to the maximum amount of **US $ [Total available GEF funding for the National Project]** by way of periodic cash advances to the Partner bank account as detailed in the Cash Advance Request Form (**Appendix 4**) . The first instalment of US $ **xxxx** under this Agreement shall be advanced to the Partner within 2 weeks following signature of the present Agreement;
4. Advance the subsequent 6-monthly instalments to the Partner within 2 weeks of receipt and acceptance of a: progress report, a cash advance request and other agreed-upon documentation;
5. Make the final disbursement within 2 months after submission and acceptance of the final technical and financial report and co-finance report, and a final inventory of National Project equipment (if applicable; **Appendix 5**);
6. The Fund reserves the right to withhold cash advances in case of the Partner’s non-compliance of the abovementioned reporting obligations.

**The Partner**

1. With regard to project Implementation, the Partner shall:
2. Undertake to be bound by the terms and obligations specified below, and ensure that all personnel performing project-related activities under the present Agreement comply with these obligations;
3. Undertake activities without discrimination of any nature (gender, origin, race, religion, beliefs, social, economic and/or health status);
4. Report and seek the guidance of The Fund in case of any conflicts of interest;
5. Inform The Fund in writing whenever there is a potentially substantive co-financing change;
6. Notify The Fund, in writing, about any expected variations on the National Project budget on semi-annual basis together with the half yearly progress reports (**Appendix 6**). In the absence of such coordination with The Fund, any variations shall be the sole responsibility of the Partner.
7. With regard to personnel and contractor(s), the Partner shall:
   * 1. be solely and completely responsible and accountable for all services performed by its personnel, agents, employees, or contractors (hereinafter referred to as “Personnel”);
     2. Establish all Personnel contracts and subcontracts in writing;
     3. Maintain primary responsibility for ensuring successful completion of the project. This responsibility cannot be delegated or transferred to the Partner’s contractor(s);
     4. Personnel of the Partner, its contractors or anyone else working for the Partner in the implementation of the project or otherwise, are not employees of The Fund.
     5. The Fund shall not accept any liability for claims arising out of the activities performed under the Agreement, or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by the Partner’s Personnel as a result of their work pertaining to the project under this Agreement.
8. With regard to procurement, the Partner shall:
9. Ensure that, in its procedures for procurement of goods, services or other requirements it shall safeguard the principles of highest quality, economy and efficiency, protect against fraud, corruption and waste; and that the placing of such orders be based on an assessment of competitive quotations, bids, or proposals unless otherwise agreed to with The Fund.
10. Seek The Fund’s clearance for the procurement of goods, services or others, costing above US $ 5,000.
11. For procurement of items (goods, services or others) costing above US $ 5,000, three competitive quotations are required. For procurement of items (goods, services or others) costing above US $30,000, five competitive quotations are required.
12. The Fund may refuse to accept any additional expenditures being charged to the National Project budget without prior consultation with The Fund.
13. Report on all equipment purchased with National Project funds in the Quarterly Expenditure Report (**Appendix 7**).
14. In cases of damage, theft or other losses of property made available to the Partner, provide The Fund with a comprehensive report (including police report, where appropriate) giving full details of the events leading to the loss of the property.
15. With regard to cash advances, the Partner shall:
16. Provide their banking details to The Fund as shown below:

|  |  |
| --- | --- |
| Bank Name: |  |
| Bank Postal Address: |  |
| Name of Account/Beneficiary Name: |  |
| Bank Account Number: |  |
| Sort Code: |  |
| Currency of Account: |  |
| IBAN number: |  |
| SWIFT number: |  |
| ABA or BIC Number: |  |
| Signatories: |  |

1. Request cash advances using the Cash Advance Request Form (**Appendix 4)**;
2. Request the cash advance, every 6 months upon submission, and acceptance by The Fund, of a: progress report, a cash advance request and other agreed-upon documentation;
3. The Fund may withhold further disbursements or may suspend the National Project until such time the Partner meets its financial and operational obligations.
4. With regard to cost overruns, the Partner shall ensure that total expenditures incurred do not exceed the National Project budget as set out in this Agreement.
5. With regard to maintenance of records:
6. The Partner shall keep separate, accurate and up-to-date records and documents in respect of all expenditures incurred with the funds made available by The Fund. For each disbursement, proper supporting documentation shall be maintained, including original invoices, bills, and receipts pertinent to the transaction;
7. Upon operational completion of the project or termination of this Agreement, the Partner shall submit all records pertinent to the National Project to The Fund.
8. With regard to unspent balances:
9. Should there remain a balance from the total National Project budget after operational completion or termination of the National Project, the Partner shall return the unspent funds to The Fund within 1 month of the expiry or termination of this Agreement. In the event that there is any delay in such disbursement, the Partner will be financially responsible for any adverse movement in the exchange rates.
10. If any of the financial, substantive and evaluation reports indicate that the funds provided under this Agreement were not used for its intended purposes due to: a) Partner’s actions; and/ or b) action of a third party as a result of Partner’s gross negligence or willful misconduct, the Partner shall promptly return the amount indicated to The Fund.
11. With regard to reporting:
12. The Partner shall provide all National Project reports in English or translated to English as applicable and all financial reporting shall be in US dollars.
13. Quarterly financial statements on or before:

10 April (for period January-March)

10 July (for period April-June)

10 October (for period July-September)

10 January (for period October-December)

1. Project Progress Report on or before:
2. July (for period January-June)

10 January (for period July-December)

1. Co-Financing Report on or before:

10 July (for period January-June)

10 January (for period July-December)

1. Final report (technical and financial, **Appendix 8):**

Within 1 month of the completion date of the National Project, or termination of the present Agreement;

**Audit requirements**

1. The Partner shall facilitate an audit by an independent audit authority and duly authorised and approved by The Fund, should The Fund request so.

**Publications, acknowledgements, logos and emblems**

1. The Partner shall submit to The Fund for review and prior approval any materials for publication. In absence of such approval, The Fund
2. The Partner is obliged to respect the branding guidelines as provided by The Fund. This obligation shall not lapse upon termination of the present Agreement unless otherwise agreed between the Parties.
3. In no event will authorisation of the name or emblem, or any abbreviation thereof, of GEF, UNEP or The Fund be granted for commercial purposes.
4. The Fund shall receive free of charge copies of the published work (electronic material or film or other) in each of the languages.

**Intellectual property rights**

1. The Fund and the Partner shall agree upon the question of copyrights and all other related rights in any material produced under the provisions of this Agreement.

For the purpose of this Agreement, intellectual property rights are defined in **Appendix 2**.

**Confidentiality**

1. Any disclosure of internal Global Project information to third parties should be preliminary agreed, in writing, between the Parties to this Agreement. For the purpose of this Agreement, internal information is defined in **Appendix 2**.

**Suspension and termination**

1. The Parties recognise that the successful completion and accomplishment of the purposes of a technical cooperation activity are of paramount importance, and that The Fund may find it necessary to terminate the National Project, or to modify the arrangements for the management of the project, should circumstances arise that jeopardize successful completion or the accomplishment of the purposes of the National Project within the approved duration of the National Project.
2. The Parties shall promptly inform each other, in writing, of any circumstances, jeopardizing the successful completion of the National Project that might come to its attention. The Parties should cooperate towards the rectification or elimination of the circumstances in question and exert all reasonable efforts, including prompt corrective steps, where such circumstances are attributable to their or within their responsibility or control.
3. At any stage of the project cycle, The Fund may recommend preliminarily suspending or terminating the National Project for several reasons including force majeure, poor implementation performance, lack of compliance with financial or reporting obligations.
4. In the event of preliminary termination, a written notice shall be provided by The Fund at least 2 months prior to the date of this termination.
5. In the event of a suspension, The Fund shall provide a written notice to the Partner. The Fund shall indicate to the Partner the conditions under which The Fund is prepared to allow National Project activities to be continued. The Parties shall cooperate towards taking immediate corrective measures.
6. If no action is taken by the Partner in case of such suspension, The Fund may, by written notice at any time: (a) terminate the project or (b) entrust its management to another implementing partner. The effective date of termination under the provisions of the present clause shall be specified by written notice from The Fund.
7. The Partner may terminate the present Agreement in cases where a condition has arisen that impedes the Partner from successfully fulfilling its responsibilities under the present Agreement, by providing The Fund with written notice of its intention to terminate the present Agreement at least 2 months prior to such termination.
8. The Partner may terminate the present Agreement only after consultations have been held with The Fund, and shall give due consideration to proposals made by The Fund in this respect. The Parties shall also cooperate in assessing the consequences on the other partners and beneficiaries of the Global Project, and develop and agree upon an exit strategy to minimise negative consequences.
9. Upon receipt of a notice of termination by either party of this Agreement, The Parties shall take immediate steps to terminate activities under the present Agreement, in a prompt and orderly manner, so as to minimise losses and further expenditures. The Partner shall undertake no forward commitments and shall return to The Fund, within 2 months of the effective date of termination, all unspent funds, provided by The Fund unless agreed otherwise in writing.
10. In the event of any termination by either party, The Fund shall reimburse the Partner only for the costs incurred to manage the National Project in conformity with the present Agreement. Terminal reimbursements to the Partner including previously made cash advances by The Fund shall not exceed the total GEF available funding for the National Project.
11. In the event of entrusting the management of the National Project to another implementing partner, the Partner shall cooperate to duly transfer all responsibilities and equipment procured using the National Project funds to the identified implementing partner.

**Force majeure**

1. In the event of a force majeure, if either party is affected by the force majeure, it shall duly and timely notify the other party. The Parties shall cooperate to assess their respective capacities to further implement this Agreement.
2. The Parties may agree to suspend or terminate the National Project as specified under this Agreement.

**Dispute settlement**

1. The Parties shall settle amicably through direct negotiations, any dispute, controversy or claim arising out of or relating to the present Agreement, including breach and termination of the Agreement.
2. Should such negotiations fail, the matter shall be referred to arbitration in accordance with the United Nations Commission on International Trade Law Arbitration Rules (UNCITRAL), then prevailing. The Parties shall be bound by the arbitration award rendered in accordance with such arbitration, as the final decision on any such dispute, controversy or claim.

**Notification and amendments**

1. Any part of this Agreement may be modified or amended only by written agreement between the Parties.
2. Should it become evident during the implementation of the National Project that an extension beyond the agreed completion date under this Agreement is required to achieve the objectives of the National Project, the Parties shall consult with each other with a view to agree on a revised completion date.
3. In the event that the duration of the National Project is extended, The Partner shall complete the activities under the provision of this Agreement and borne any additional costs.
4. Upon reaching an agreement to extend the National Project duration, the Parties shall immediately conclude an amendment to the Agreement to this effect, prior to the expiry of this Agreement.
5. The terms and conditions stipulated in the amendment shall be appended to and be construed as an integral part of this Agreement.

**IN WITNESS WHEREOF,** the duly authorized representatives of the Parties affix their signatures below.

For: For:

The Mohamed bin Zayed Species PARTNER ORGANISATION

Conservation Fund (MbZSCF)

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dr Frédéric Launay

Board Member

Acting Director-General

The Mohamed Bin Zayed Species

Conservation Fund

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

##### LIST OF APPENDICES TO THE PROJECT FUNDING AGREEMENT

Appendix 1 Project Proposal

Appendix 2 Definition of Terms

Appendix 3 Contact Details

Appendix 4 Cash Advance Request Form

Appendix 5 Inventory of National Project Equipment Report Template

Appendix 6 Half Yearly Progress Report Template

Appendix 7 Quarterly Expenditure Report Template

Appendix 8 Final Report Template

Appendix 9 Co-finance Report Template

Appendix A Interim Funding Agreement

Appendix B Interim Funding Agreement Final Cash Advance Report