



AFGHANISTAN PEACE AND REINTEGRATION PROGRAMME (APRP)

Standard Operating Procedures (SOPs) for Small Grants Scheme

(Final, 19 June 2011)
Not yet approved

Acronyms

AGEs	Anti-Government Elements
APRP	Afghanistan Peace and Reintegration Programme
CSOs	Civil Society Organisations
DDAs	District Development Assemblies
FOC	Financial Oversight Committee
IPs	Implementing Partners
M&E	Monitoring and Evaluation
MAIL	Ministry of Agriculture, Irrigation and Livestock
MOLSAMD	Ministry of Labour and Social Affairs, Martyred and Disabled
MRRD	Ministry of Rural Rehabilitation and Development
NGO	Non-Governmental Organisation
PDC	Provincial Development Committee
PG	Provincial Governor
PGC	Provincial Grants Committee
PJST	Provincial Joint Secretariat Team
PPC	Provincial Peace Council
PRT	Provincial Reconstruction Team
UNAMA	United Nations Assistance Mission for Afghanistan
UNDP	United Nations Development Programme

Table of Contents

Acronyms.....	2
I. Introduction.....	4
II. Objective.....	4
IV. Parameters.....	5
V. Provincial Grants Committee (PGC).....	5
VI. Provincial Accountability Chain Diagram.....	6
VII. A Six Phase Approach.....	8
IX. Monitoring & Evaluation (M&E).....	9
X. The Implementation and Release of Funds.....	9
Annex I.....	11
Provincial Grants Committee - Terms of Reference.....	11
Annex II.....	13
Proposal template for Small Grants projects.....	13
Annex III.....	15
Project Identification Criteria and Negative Menu.....	15
Annex IV.....	18
Provincial Small Grant Agreement.....	18
Appendix I: Work Plan.....	22
Appendix II: Budget.....	23
Appendix III: Reporting Format.....	24

I. Introduction

The Afghanistan Peace and Reintegration Programme (APRP) aims at offering reintegration and development assistance at the local level to the receiving communities and reintegrees, contributing to sustainable stability and security in Afghanistan. While broader development rewards will be offered through different national programmes, there is a need for short- and medium-term support for local communities, filling the gap between the immediate first assistance packages and longer term development projects. As agreed at APRP Support and Reintegration Review Conference, more support is to be provided to the provinces. Small grants are identified to be one of the potential mechanisms for immediate response to the needs of reintegrees and their communities under the lead of provincial authorities. This document provides standard operating procedures for such small grants.

II. Objective

The small grants will sponsor/fund a broad horizon of local initiatives in the communities of the reintegrees and will bridge the gap between the demobilization phase and reintegration and development projects that will be implemented through the line ministries. This gap is normally called the reinsertion phase. The small grants projects will be timely, addressing local needs and thereby immediately showing peace dividends to individuals and communities that are participating in APRP.

Under the small grants scheme there will be two funding pools. Tier 1 will consist of small grants for individual communities, delivered through CDCs. Communities can apply for as many grants as they need within an overall total of \$50,000 as long as no one grant exceeds \$25,000. Tier 2 will fund larger-scale activities proposed by District Development Assemblies (DDA), NGOs and Civil Society Organisations (CSOs). It will be capped at \$200,000 per grant with a total of two grants per organisation.

A total of \$3 million will be committed for Tier 1 and a total of \$7 million will be for Tier 2. Therefore, the FOC will approve an initial total funding envelope for the small grants scheme of \$10 million. This can be replenished as necessary by returning to the TC/FOC.

III. Eligibility

Those eligible for Tier 1 grants include:

- Communities through Community Development Councils (CDCs) [see note under “a six phase approach” on page 8 for approach where no CDC exists].

Those eligible to apply for Tier 2 grants include:

- District Shuras through their District Development Assemblies (DDAs);

- NGOs and Civil Society Organisations (in cooperation with a DDA, PDC or multiple CDCs);
- Note that individual communities and CDCs are not eligible to apply for Tier 2 grants.

IV. Parameters

To ensure that proposals fall within a certain range of activities that are (a) technically feasible, (b) support reintegration and that (c) support community-wide development, proposals may be submitted for the following type of activities but are not limited to:

- Infrastructure (e.g. construction and rehabilitation of roads, schools, bazaars, non-governments clinics, mosques, water catchments areas and water and sanitation facilities);
- Irrigation and agricultural activities that create employment opportunities;
- Vocational, civic, and religious education;
- Literacy education;
- Assistance to victims of conflict or vulnerable populations (e.g. prosthetic limbs, homeless or displaced).

Communities will be provided with this list of activities to choose from at the outset of the proposal process. See eligible and negative menu parameters list in Annex 3.

Tier 2 Grants will not be available for assistance to victims as this form of assistance must be decided by local communities. An additional parameter for Tier 2 grants will be:

- Relevant civil society activities including engagement in outreach, grievance resolution and development activities. These include small enterprise development.

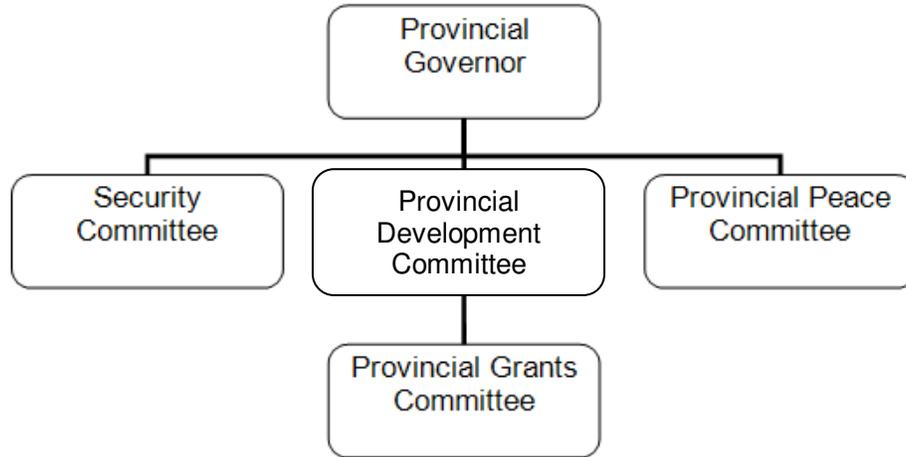
Activities should last no longer than one year. See negative menu in Annex 3 for other restrictions.

IPs as a whole may not use funds under Tier 2 for capital costs including travel expenses, hospitality or the payment of salaries of existing employees.

V. Provincial Grants Committee (PGC)

The Provincial Development Committee (PDC) is the Governor's pre-eminent body for the planning and coordination of development at the provincial level. It has an important role to play in ensuring that reintegration support is effectively coordinated with both existing activities and those that will ultimately be implemented under proposed Ministry annual work plans (see diagram below). The PGC will sit under the PDC and will decide on activities and financial approvals. For Tier 1 grants the PGC is composed of seven members including three observers.

VI. Provincial Accountability Chain Diagram



Those responsible for decision-making on Tier 1 grants include:

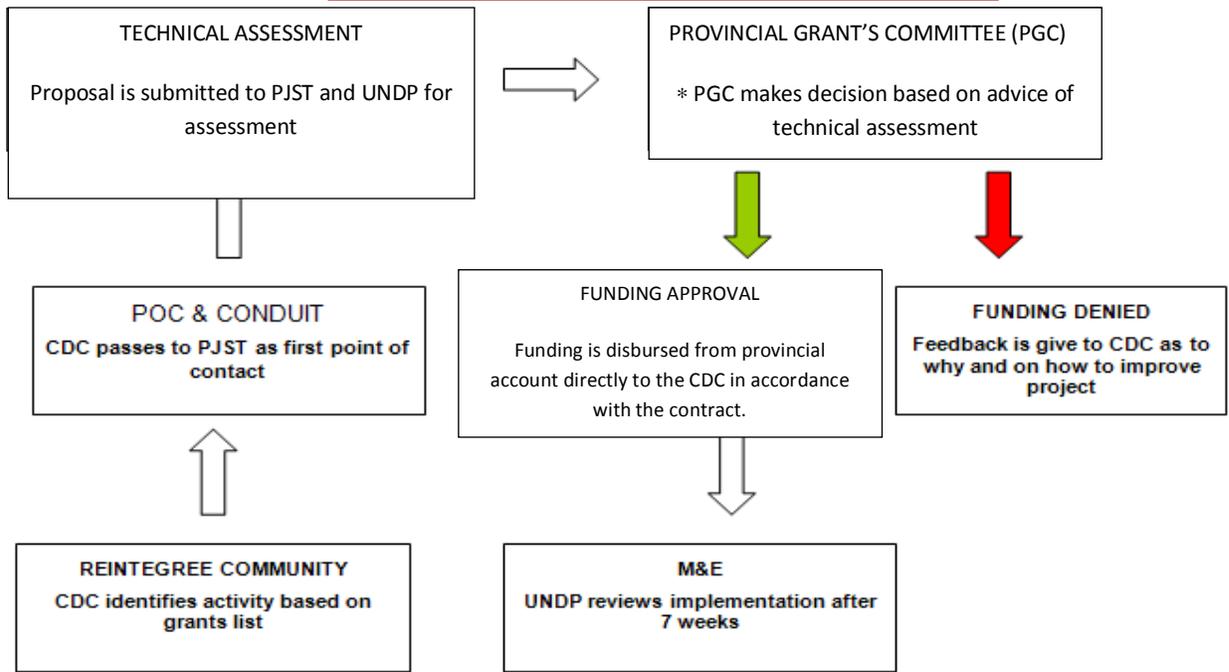
- Head of Provincial Development Committee (Chair);
- Head of Provincial Peace Committee (PPC);
- Representative of Line Department of the proposed sector
- UNDP;
- Head of PJST in the province will be the executive secretariat of the Provincial Grant Committee.

Tier 2 grants will be decided by the above members, and, where possible, the PRTs in the provinces.

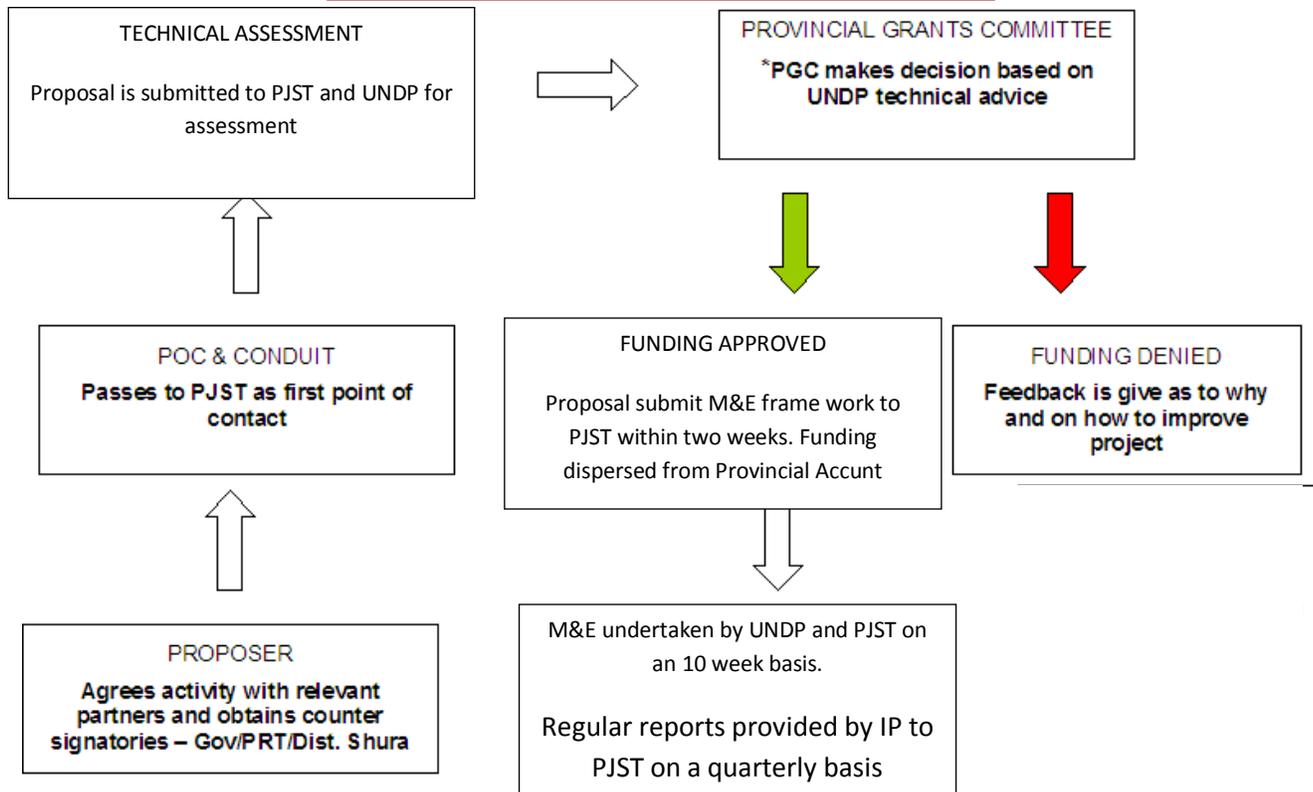
Observers include a representative from United Nations Assistance Mission for Afghanistan (UNAMA), the Provincial Reconstruction Teams (PRTs) (Tier 1 only) and PJST Development Officer. The committee will perform its duties in line with the Terms of Reference provided as Annex-I of this document.

During the outreach process, the Provincial Governor (PG) and PPC may identify activities that can support reintegration efforts. When this occurs the Governor can refer communities to the PJST to begin the proposal process. The Governor can respond to proposals from NGOs and district level bodies similarly. The diagrams below outline the proposal process. The Head of the PPC and the PDC represent the PG in the PGC decision-making process.

Tier 1 Small Grants up to \$25,000



Tier 2 Small Grants up to \$200,000



VII. A Six Phase Approach

1. Under Tier 1, the CDC identifies activities based on the grants list and identifies implementation mechanisms, including Implementing Partners (IPs), the community itself, line ministries, NGOs, Civil Society Organisations (CSOs), etc., and completes the project template. Under Tier 2, the proposing entity agrees activities with relevant partners (e.g. Governor, PRT, District Shuras) and obtains counter signatures and completes the template.
2. Under Tier 1 the CDC passes the proposal to PJST. Under Tier 2 the proposing organisation passes the proposal to PJST.
3. PJST provides proposal to UNDP for a joint technical assessment.
4. PGC makes a decision on proposals based on this technical assessment. Proposal approval must be unanimous. Where necessary the PJST supported by UNDP will help communities to undertake contracting.
5. Head of PJST simultaneously provides the outcome of the PGC decision to Joint Secretariat for information sharing and to UNDP to initiate funding release for approved projects. The PJST provides advice to CDC or proposing organisation where revisions are required.
6. Provincial Joint Secretariat Development Officer and District Development Assembly and UNDP conduct Monitoring and Evaluation (M&E).

Note (a): Where CDC intends to hire a new IP, the IP should register a work plan with the PJST within 10 days of approval and that the plan should be circulated to PGC members and observers for information.

Note (b): Where there is no CDC, or a CDC IP is inactive, the PJST will work through DDAs. Where there are no DDAs, the PJST will use the traditional village shuras with the support of an IP contract process.

Note (c): Communities may choose to partner with NGOs and other CSOs in the development of their proposal and submission of activities. Where NGOs have a pre-identified activity, they must work through local communities rather than submitting an independent proposal for funding.

Note (d); PDCs, CDCs, PJSTs, and the PGCs will take concerns of women, youth and other vulnerable groups into account as well as actively involve them in the process.

VIII. Requirements Specific to Tier 2 Grants

Tier 2 proposals must identify a specific IP. The proposed IP must indicate a willingness to be involved through co-signing the proposal. This signature does not, however, bind the IP to implementing this activity. Proposals must be countersigned by the Provincial Governor, the PRT and where a DDA is involved, the head of the DDA. Where the activity involves multiple communities the proposal must demonstrate their support. Proposals must also be consulted with the relevant local line directorate.

Activities that propose large scale construction works must provide in their proposals the costs for material and labour, and identify the communities that they will draw labour from. Proposals must demonstrate how the infrastructure works tie into the Provincial Development Plan and the line ministry activities.

For activities that require ongoing maintenance fees, the proposals must outline how these costs will be met in the future (e.g. agreement with a line directorate to fund, local community funds, etc). Such proposals must also include relevant trainings to undertake maintenance.

When assessing Tier 2 proposals the PGC must ensure that they do not duplicate existing activities funded under approved Tier 1 activities.

IX. Monitoring & Evaluation (M&E)

For Tier 1 grants, project monitoring will be carried out in two levels: (1) IP will conduct internal monitoring; and (2) UNDP and the PJST Development Officer will visit project activities on a regular basis and report their findings back to the PGC. The project M&E will focus not only on delivery of project outputs, but will assess and report on the quality, effectiveness and efficiency of project activities. Timely feedback is provided to IPs for projects that are found to be inadequate for adjustments and improvements. A completion report will be prepared for each project. M&E assessments should be copied to the Development Cell of the Kabul JS to inform it of progress within the provinces. In evaluating projects, the number of reintegrees and that of community members participating in each program will be used as indicators. Consideration will be given as to how the monitoring entity is to be retained under an RFP for broader APRP M&E and can be utilised to assist with monitoring the grants program.

Tier 2 grants will apply the same monitoring process as that of Tier 1 with the following additions:

- Implementing Partners must submit a monitoring framework for the duration of their activities to the PJST and PDC within two weeks of the approval of their activities, and include progress milestones in the framework.
- The IP must submit progress reports on a quarterly basis that are then passed to the PGC and JS. Receipts for expenditure should also be supplied at this time.

X. The Implementation and Release of Funds

The overall funding for the provincial small grant mechanism will be authorized through the Financial Oversight Committee (FOC) for all provinces where reintegration is taking place. This FOC proposal will be a lump sum amount that all provincial small grants will withdraw from until it is exhausted and/or replenished with an additional FOC approved proposal. The following rules apply to all small grants:

For Tier 1:

- Initial small grant proposals will be for \$3 million while supplemental proposals will be for \$1.5 million;
- Supplemental proposals for additional small grants funding will be submitted when only \$300,000 remains in uncommitted status for small grants.
- Maximum authority for each Tier 1 small grant proposal is \$25,000;
- Maximum authority for multiple small grant proposals from a single CDC cannot exceed \$50,000 during a 12 month time frame without an approval by the Joint Secretariat;

For Tier 2:

- Initial Tier 2 grant pool will be for \$7 million while supplemental replenishment proposals will be for \$1.5 million;
- Supplemental proposals for additional Tier 2 grant funding will be submitted when only \$600,000 remains in uncommitted status for Tier 2 proposals.
- Minimum authority for each Tier 2 grant is \$26,000;
- Maximum authority for each Tier 2 grant is \$200,000;

To access the Tier 1 and 2 funding, the Head of the PJST will submit all PGC approved small grants to the Joint Secretariat for informational sharing purposes and to UNDP for funds release. UNDP will release the funds to the PJST within three business days upon the receipt of proposal. The PJST will then transfer the funds to the CDC or Tier 2 Implementing Organization within five business days upon the receipt from UNDP.

Based on the grant agreement and proposal funding timelines, 60% of funds, as the first tranche, will be released to the IPs for conduct of activities in accordance with the funding schedule. The time frame between a funding request to UNDP and its release of funds should be a maximum of two weeks.

Tier 1 and 2 grants will be paid in instalments based on the progress against the proposal targets in no less than two instalments. Head of PJST will have to endorse the progress made against the planned target and request for a funding for supplemental tranche accordingly. For IPs to receive additional funding after the first tranche, they must provide proper expense documentation to the PJST.

Signed by:

Mohammad Masoom Stanekzai
 Chief Executive Officer
 Afghanistan Peace and Re-integration Program

Provincial Grants Committee - Terms of Reference

Introduction

The Provincial Grants Committee (PGC) will be responsible for approving Tier 1 proposals identified by communities through their CDCs and Tier 2 proposals prepared by Implementing Partners. The PGC will make their decision based on Technical Assessment. The PJST will provide secretariat support to the PGC.

Composition of the committee

The Committee will be comprised of:

- Head of Provincial Development Committee (Chair)
- Head of Provincial Peace Committee (PPC)
- Representative of Line Department of the proposed sector
- UNDP
- PRT (for Tier 2)

Executive Secretariat:

- Head of the Provincial Joint Secretariat Team (PJST)

Observer(s):

- UNAMA
- PRT (for Tier 1)

Purpose

The committee will ensure that the process is transparent and consistent with the grant award guidelines. It will also ensure that proposals support short- to medium-term peace building and reintegration efforts, bearing in mind that both communities and reintegrees need to benefit from the proposed activities. Various members should actively engage with one another and with other stakeholders they represent.

Overall Responsibilities

The key responsibilities of the committee are outlined below:

- Review and decide upon grant proposals
- Engage with stakeholders they represent
- Regularly monitor the implementation progress of the grant awards

PJST Responsibilities

- Act as secretariat to PGC
- Issue agenda, proposals and invite members and observers 7 days in advance of the meeting.

- Prepare minutes of the PGC meeting.
- Provide status updates on ongoing projects on a monthly basis.
- Where there is no CDC or a CDC IP is inactive, the PJST will work through DDAs; where there are no DDAs the PJST will form a representative group of villagers and support an IP contract process.
- Coordinate with partners including submitting proposals to the regional UNDP office for technical assessment and providing the outcomes of that assessment to PGC members and observers when the invites are sent.
- Provide updates to the Joint Secretariat (Kabul) on overall implementation in the province.
- Provide feedback to Communities/CDCs and IPs when programs are approved or if proposals require revision or improvement or are not suitable for funding.

Provincial Development Committee Representative

- Coordinate grant proposals with existing and planned development activities and the Provincial Development Plans.
- Coordinate small grant activities with larger programme being implemented under Ministry Annual Reintegration Plans (i.e. the ones that will be agreed by the FOC).
- Give a development presentation to the PGC briefing on how and if it fits into the Provincial Development Plan and other existing activities.
- Make sure members of the PGC have a copy of the Provincial Development Plan and relevant District Plans.
- Coordinate with DDAs.
- Coordinate with District Governors.

Head of the Provincial Peace Council

- Advise whether the proposal supports the peace and reintegration process while not creating or worsening local conflicts/grievances in the project area.

UNDP

- Explain outcomes of its technical assessment to PGC members.

Line Ministries

- Depending on the project, the relevant line ministry will be asked to join the PGC on an ad hoc basis to act as a decision maker. Their role will be to advise on risks, safeguards and compatibility with existing programs and proposed Ministry APRP programs. Line Ministries should seek to use their existing programs where these could meet the needs of the community rather than establishing a new programme.

Observers

- Provide their perspectives on the proposal and deliver feedback to their respective organisations on project details such as implementation, cost, duration and reintegration effects.

Proposal template for Small Grants projects

Project title:	
Project type:	
Location: (village, district, province)	
Proposed budget:	
No. of beneficiaries:	
Planned project start date:	
Planned project end date:	
Total budget requested (US dollars):	

I. Project Description: Describe the kind of project that is being proposed: xxx. **Include timeline** for project implementation.

Project Outputs:

No.	Project Expected Outputs	Planned Activities	Timeframe				Budget
			Q1	Q2	Q3	Q3	
1							
2							
3							
4							
Total							

II. Beneficiaries' details: describe the number of beneficiaries of the project from each category of (1) percentage of reintegrees (2) percentage of families/dependents of reintegrees (3) percentage of other community members, including vulnerable groups (disabled, people with disabilities, chronic illnesses, and vulnerable youth and women).

Also give **details on the location** (village, district, and province) where the project will be implemented.

This section should also explain the link that the beneficiaries have with reintegration/APRP [when the group reintegrated, where they are from, where their families are located, etc.]. **Explain the selection of target beneficiaries.**

III. Project Justification:

This is an important section that should stress on **why the selected project is most suitable for the target group in the particular location.** [Example: Small-scale irrigation system is required for agriculture, and there is a water source (river), but no method for using river water for irrigation, then such a project of developing a small irrigation system will be justified]. Besides economic benefits, please also explain the social reintegration benefits expected.

This section should include reasoning as to **how the project will complement and strengthen reintegration** of reintegrees [primarily by providing them, their families, and communities with a positive incentive in the form of a development project]. Explain **the selection of the location** of project.

The section should be heavily based on inputs received from partner agencies, especially the Provincial and District Governors offices, UNAMA, PRT. In addition, DDAs, CDCs, line ministries (Ministry of Rural Rehabilitation and Development (MRRD), Ministry of Agriculture, Irrigation and Livestock (MAIL), Ministry of Labor and Social Affairs, Martyred and Disabled (MOLSAMD) etc.) should be involved in discussions depending on the nature of the project that is being proposed. Also, preferences of reintegrating Anti-Government Elements (AGEs) themselves should be an important factor.

IV. Implementing Partners (IPs) Capacity: briefly list the NGOs/INGOs or other organisations that are available to implement, and may have the capacity to implement the project.

CDCs or other specific IP may be listed as preferred implementing partner due to imperative for speedy implementation. If this is the case, please give supporting justification endorsed **by PG, PRT, and UNAMA** on the matter.

V. Indicative Budget: detailed total estimated cost of project.

VI. Partners Consulted: The main actors involved in discussions about the project should be listed. Ex: PG, DG, UNAMA, PRT (specify which one), CDC, DDAs, line ministries (specify which ones), AGEs, communities.

Project Identification Criteria and Negative Menu

PJST – Community Engagement

The PJST is responsible for ensuring that the community understands:

- that activities must broadly benefit the community;
- what type of activities the community can apply for based on the five eligible sectors;
- the submission and decision-making process and timeframes for a decision;
- that their proposal must be technically sound and will NOT automatically be approved and that it may be referred back to the community for further development; and that
- the responsibility of the community to participate in reporting processes to ensure the quality and effectiveness of the activity and contribution to the peace process.

Eligible Sectors

The community must identify an activity that falls into one or more of the following categories:

- **Basic Community Infrastructure**
This type of infrastructure must have broad benefits for the community. Examples include, but are not limited to, road and bridge building and rehabilitation, schools, clinics, mosques and water and sanitation facilities. Where communities decided to build a new facility that will require staffing to support service delivery (e.g. teachers for a school) communities must identify in their plan how they propose to meet this need. Given the short-term nature of the grants salaries for teachers, doctors and nurses cannot be funded by the grants scheme.
- **Agricultural Infrastructure and Employment**
This category relates to irrigation and agricultural activities that create employment opportunities for the community. Examples may include, but are not limited to, the rehabilitation of karezes, irrigation channels, retaining walls or gabions to prevent subsidence and other shared/communal farming infrastructure and vocational education to improve farming productivity. Where proposals are made to support improved market access, value-adding activities or value chains, then communities must demonstrate a broad-based benefit to the community.
- **Vocational, Civic and Religious Education**
This category should enable communities to undertake vocational, civic and religious education. Proposals should demonstrate local demand for the skills that will result for training. Communities may choose to apply for funds to support forms of religious education but the nature and means must be described clearly in the proposal. CSOs may be used to undertake civics education.
- **Literacy education**
This category is focused purely on promoting numeracy and literacy. Activities should not duplicate activities already being delivered by the Ministry of Education and any other organisations involved in such activities. The curriculum should be consistent with other programmes implemented in that area.

- **Victims of conflict or vulnerable populations**

Should it be agreed by the representatives of the community as represented by the CDC, communities may elect to provide assistance to groups affected by conflict. For example, this may mean but is not limited to prosthetic limbs, livelihood activities for the disabled, measures to accommodate or rehabilitate structures for homeless or displaced persons. Such activities cannot be undertaken without the approval of CDC members.

Ineligible Activities -- “Negative Menu”

The Small Grants Scheme will NOT fund the following:

- Cash donations/payments to reintegrees or their families, except for cases of payment in the form of labour wage as part of an approved project;
- Goods for personal use (excluding assistance to those judged as victims of conflict);
- On-going salaries of skilled professionals engaged in service delivery, including but not limited to doctors, nurses, other health professionals and teachers;
- Livestock as a stand-alone gift without supporting industry infrastructure or mechanisms for training so that communities can derive broad-based benefits, or where the management of herds is not habitual to the local area;
- Equipment or materials funded by (or included in the budgets of) other organisations, such as government agencies, NGOs, or other donor-funded programmes;
- Political campaign materials or donations in any form;
- Weapons, including but not limited to mines, guns and ammunition;
- Land purchase or lease, under any conditions;
- Construction, rehabilitation, or maintenance of any government office building, with an exception to mosques and other religious structures/facilities that maybe government owned, but publicly used by communities;
- Payments of salaries to government servants or the salaries of the staff of government subsidized organisations;
- Payments of salaries to CDC or DDAs members;
- Any activity on land that has disputed ownership or tenure rights;
- Any activity using child labour;
- Any activity that supports drug crop production or processing of such crops directly or indirectly;
- Diesel generators and Diesel water pumps for irrigation;

- Dams over 3 meters;
- Vehicles (excluding agricultural equipment that can be demonstrated to be accessible and available to the broader community);
- Enterprise development activities unless combined with productive skills training; and
- Any procurement of mechanical items where maintenance cannot be ensured in the long term.

Provincial Small Grant Agreement

**GRANT AGREEMENT BETWEEN THE PROVINCIAL GOVERNOR AND GRANTEE
FOR THE PROVISION OF GRANT FUNDS**

This Grant Agreement (hereinafter referred to as the “Agreement”) is entered into by and between the Government of Afghanistan through Afghanistan Peace and Reintegration Programme (APRP), Provincial Joint Secretariat (PJST) of **[INSERT NAME OF province]** and the Recipient Institution **[INSERT NAME OF Recipient Institution]** on (day/month, 2011).

WHEREAS [insert name of the province] (hereinafter referred to as “PJST”) has been requested by the APRP Joint Secretariat (“JS”) to manage the project defined in the grant proposal (copy attached).

WHEREAS the Government of Afghanistan through **[NAME of the province]** PJST desire to provide funding to the **RECIPIENT INSTITUTION** in the context of a Project and on the terms and conditions hereinafter set forth, and

WHEREAS the **RECIPIENT INSTITUTION** is ready and willing to accept such funds from the Government of Afghanistan, through APRP PJST **[insert province name]** on the said terms and conditions.

NOW, therefore, the parties hereto agree as follows:

I. Responsibilities of the RECIPIENT INSTITUTION

1.1 The RECIPIENT INSTITUTION agrees to: 1) Undertake the activities described in its **Work plan** and **Budget provided in the proposal**, and updates related to the subsequent release of funds in **tranches**; 2) Provide quarterly reports to the provincial APRP secretariat; and 3) Provide Annual Audited Statements [Income Statement and Balance Sheets]. In projects where a technical contractor is providing assistance to the RECIPIENT INSTITUTION, the contractor shall be responsible for verifying the accuracy of these reports/statements. Funds provided pursuant to this Agreement shall be used for purposes related to producing results specified in its annual performance targets.

1.2 The RECIPIENT INSTITUTION agrees to reach the performance targets contained in Section grant proposal. If the RECIPIENT INSTITUTION fails to meet its responsibilities outlined in article 1.1, or [Optional] to attain at least 70% of any one performance target for any given year, then this will be considered grounds for the PGC to suspend any further grant support. The suspension shall remain in effect until the RECIPIENT INSTITUTION has achieved the target. In projects with a technical assistance contractor, the contractor may, at its discretion, continue to provide technical assistance to the RECIPIENT INSTITUTION during this suspension period.

1.3 The RECIPIENT INSTITUTION agrees to inform the provincial APRP secretariat about any problems it may face in attaining the objectives agreed upon.

II. Duration

2.1 This Agreement will come into effect on [INSERT DATE/MONTH/YEAR] and shall expire on [INSERT DATE/ MONTH/YEAR], covering the anticipated term of the project. It can be extended, if necessary, by exchange of letters noting the new expiration date.

III. Payments

1.1 The APRP JS through the provincial APRP account shall provide funds to the RECIPIENT INSTITUTION according to the schedule of the project budget set out in project proposal. Payments are subject to the RECIPIENT INSTITUTION meeting the outputs as specified in the Performance Targets.

3.2 All payments shall be deposited into the RECIPIENT INSTITUTION's bank account of which the details are as follows:

[NAME OF THE BANK]
[BANK ROUTING NUMBER]
[BENEFICIARY ACCOUNT NAME]
[BENEFICIARY ACCOUNT NUMBER]
[ADDRESS OF THE BANK]

3.3 The amount of payment of such funds is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the RECIPIENT INSTITUTION in the performance of the activities under this Agreement.

IV. Records, Information and Reports

1.1 The RECIPIENT INSTITUTION shall maintain clear, accurate and complete records in respect of the funds received under this Agreement.

4.2 The RECIPIENT INSTITUTION shall furnish, compile and make available at all times to the provincial secretariat any records or information, oral or written, which programme may reasonably request in respect of the funds received by RECIPIENT INSTITUTION.

4.3 Within sixty days after completion of project activities, the RECIPIENT INSTITUTION shall provide the APRP provincial secretariat with a final report with respect to all expenditures made from such funds (including salaries, travel and supplies) and indicating the progress made toward the goals of the activities undertaken, utilizing the reporting format contained in Annex I.

4.4 All further correspondence regarding the implementation of this Agreement should be addressed to:

APRP provincial secretariat
[INSERT NAME OF AUTHORIZED OFFICIAL AND ADDRESS]

For the **RECIPIENT INSTITUTION**:
[INSERT NAME OF AUTHORIZED OFFICIAL AND ADDRESS]

V. General Provisions

5.1 This Agreement and the Annexes attached hereto shall form the entire Agreement between [INSERT ACRONYM OF ENTITY] and the APRP provincial secretariat, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Agreement.

5.2 The **RECIPIENT INSTITUTION** shall carry out all activities described in its work plan with due diligence and efficiency. Subject to the express terms of this Agreement, it is understood that the **RECIPIENT INSTITUTION** shall have exclusive control over the administration and implementation of the activities referred to above in paragraph 1.1 and that the APRP shall not interfere in the exercise of such control. However, both the qualities of work and the progress being made toward successfully achieving the goals of such activities shall be subject to review by the Grants Committee. If at any time the Grants Committee is not satisfied with the quality of work or the progress being made toward achieving such goals, the Committee may advise the provincial secretariat to: (i) withhold payment of funds until in its opinion the situation has been corrected; or (ii) declare this Agreement terminated by written notice to the **RECIPIENT INSTITUTION** as described in paragraph 5.7 below; and/or seek any other remedy as may be necessary. The Committee's determination as to the quality of work being performed and the progress being made toward such goals shall be final and shall be binding and conclusive upon the **RECIPIENT INSTITUTION** insofar as further payments are concerned.

5.3 The APRP undertakes no responsibilities in respect of life, health, accident, travel or any other insurance coverage for any person which may be necessary or desirable for the purpose of this Agreement or for any personnel undertaking activities under this Agreement. Such responsibilities shall be borne by the **RECIPIENT INSTITUTION**

5.4 The rights and obligations of the **RECIPIENT INSTITUTION** are limited to the terms and conditions of this Agreement. Accordingly, the **RECIPIENT INSTITUTION** and personnel performing services on its behalf shall not be entitled to any benefit, payment, compensation or entitlement except as expressly provided in this Agreement.

5.5 The **RECIPIENT INSTITUTION** shall be solely liable for claims by third parties arising from the **RECIPIENT INSTITUTION**'s acts or omissions in the course of performing this Agreement and under no circumstances shall the Implementing Partner and APRP be held liable for such claims by third parties.

5.6 Assets (Equipment) supplied by grant funds to the **RECIPIENT INSTITUTION** shall be the property of APRP at which time APRP shall determine the best use of these assets. In cases where the **RECIPIENT INSTITUTION** has met its responsibilities under this agreement, and handover of the asset would contribute to the sustainability of activities, APRP

would normally handover these assets to the **RECIPIENT INSTITUTION**. The assets shall be used for the purpose indicated in the work plan throughout the period of this Agreement.

5.7 This Agreement may be terminated by either party before completion of the Agreement by giving thirty (30) days written notice to the other party, and the **RECIPIENT INSTITUTION** shall promptly return any unutilized funds to APRP as per paragraph 5.6 above.

5.8 The **RECIPIENT INSTITUTION** acknowledges that APRP has made no actual or implied promise of funding except for the amounts specified by this particular tranches Agreement. Although project-related documents may indicate a total amount of funds that could be available for this **RECIPIENT INSTITUTION**, actual disbursements will be based upon the **RECIPIENT INSTITUTION** meeting performance targets.

5.9 No modification of or change to this Agreement, waiver of any of its provisions or additional contractual provisions shall be valid or enforceable unless previously approved in writing by the parties to this Agreement or their duly authorized representatives in the form of an amendment to this Agreement duly signed by the parties hereto.

5.10 Any controversy or claim arising out of, or in accordance with this Agreement or any breach thereof, shall, unless it is settled by direct negotiation, be settled in accordance with the UNCITRAL Arbitration Rules as at present in force. Where, in the course of such direct negotiation referred to above, the parties wish to seek an amicable settlement of such dispute, controversy or claim by conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules as at present in force.

The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy or claim.

5.11 Nothing in or relating to this Agreement shall be deemed a waiver of any privileges and immunities of the Government of Afghanistan.

IN WITNESS WHEREOF, the undersigned, duly appointed representatives of the Implementing Partner, and the **RECIPIENT INSTITUTION**, respectively, have on behalf of the Implementing Partner and the **RECIPIENT INSTITUTION** signed the present Memorandum of Agreement on the dates indicated below their respective signatures.

On behalf of Provincial APRP Secretariat: On behalf of the RECIPIENT INSTITUTION:

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Appendix I: Work Plan

Outcome:							
EXPECTED OUTPUTS And baseline, indicators including annual targets	PLANNED ACTIVITIES List activity results	TIMEFRAME				INPUTS	Remarks
		Q or Month 1	Q or Month 2	Q or Month 3	Q or Month 4		
Output 1							
Baseline:							
Indicators:							
Targets:							
Output 2							
Baseline:							
Indicators:							
Targets:							
Output 3							
Baseline:							
Indicators:							
Targets:							

Appendix II: Budget

General Category of Expenditures	Quantity	Unit	Unit Cost	Duration (for)	Total
Personnel					
Travel					
Training supplies					
Other inputs					
Miscellaneous (Specify)					
Total					

Appendix III: Reporting Format

Year _____

Recipient Institution: _____

OVERALL TARGETS FOR ENTIRE GRANT	BASELINE	PROPOSED Project Target	BUDGET	ACTUAL RESULTS	ACTUAL EXPENDITURES	PROGRESS TOWARDS TARGETS