

# Grant Agreement with non-German recipients

The

- hereinafter referred to as the 'Recipient'

and

**Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH**

*(Bonn / Eschborn) please choose:*

**Friedrich-Ebert-Allee 32 + 36  
53113 Bonn  
Dag-Hammarskjöld-Weg 1 - 5  
65760 Eschborn  
Federal Republic of Germany**

- hereinafter referred to as 'GIZ' –

herewith enter into the following Grant Agreement (hereinafter referred to as the 'Agreement') for the GIZ project:

**European Climate Initiative (EUKI) – Detail: (short project title)**

Country:

**Communication details (must be quoted in all correspondence)**

**Agreement number:**

**Project processing number:**

Unit responsible for the budget

Organisational unit:

Responsible officer:

Procurement and Contracting

Organisational unit:

Responsible officer: [Mailadresse]

Financial management of the contract

Organisational unit:

Responsible officer: [Mailadresse]

Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices  
Bonn and Eschborn, Germany

Friedrich-Ebert-Allee 32 + 36  
53113 Bonn, Germany  
T +49 228 4460-0  
F +49 228 4460-1766

Dag-Hammarskjöld-Weg 1-5  
65760 Eschborn, Germany  
T +49 6196 79-0  
F +49 6196 79-1115

E info@giz.de  
I www.giz.de

Registered at  
Local court (Amtsgericht)  
Bonn, Germany  
Registration no. HRB 18384  
Local court (Amtsgericht)  
Frankfurt am Main, Germany  
Registration no. HRB 12394  
VAT no. DE 113891176  
Tax no. 040 250 56973

Chairman of the Supervisory Board  
Jochen Flasbarth, State Secretary

Management Board  
Tanja Gönner (Chair)  
Ingrid-Gabriela Hoven  
Thorsten Schäfer-Gümbel

Commerzbank AG Frankfurt am Main  
BIC (SWIFT): COBADEFFXXX  
IBAN: DE45 5004 0000 0588 9555 00

The basis for the Grant provided to **[Recipient]** is the commission from the Federal Ministry for Economic Affairs and Climate Action (BMWK) (hereinafter referred to as 'Commissioning Party') dated 24.04.2017. GIZ shall provide the Grant pursuant to this Agreement exclusively on behalf of and for the account of the Commissioning Party.

## 1 Grant amount and term

1.1 GIZ shall provide the Recipient with a Grant amounting to

**up to EUR (amount)**

1.2 The Recipient shall use the Grant exclusively for the agreed purpose within the framework of the project specified under Section 2 and on the basis of the Recipient's Estimated Budget (**Annex 1**) submitted by cost category to meet the costs of the following budget lines:

- |  |       |     |
|--|-------|-----|
| 1. External experts / Consultants                | up to | EUR |
| 2. Staff   | up to | EUR |
| 3. Transportation / Travel costs                 | up to | EUR |
| 4. Training costs                                | up to | EUR |
| 5. Procurement of Goods                          | up to | EUR |
| 6. Other costs / Consumables                     | up to | EUR |
| 7. Administration costs (    %)                  | up to | EUR |
| 8. Forwarding of funds to third-party recipients | up to | EUR |

The Recipient must ensure the efficient and economical use of funds.

Double financing of the actual costs from other grants or long-term loans is not permitted. The amount referred to in Section 1.1 is the maximum amount of the Grant.

- 1.3 The Grant is made available for the period from \_\_\_\_\_ to \_\_\_\_\_ (Grant period). Costs that do not fall within the Grant period are not eligible.
- 1.4 Reallocations within the contractually agreed sub-budget lines and between budget lines (cf. **Annex 1** and Section 1.2) are generally permissible. Reallocations between budget lines may amount to 20% and any excess of one budget line must be offset by corresponding savings in other budget lines. Reallocation is not permitted for the budget lines 'administration costs', and 'forwarding of funds to third-party recipients' (if so agreed). The Recipient shall inform GIZ about reallocation between budget lines when submitting the financial report.
- 1.5 The Grant is provided as a partial financing.

The project is cofinanced by the following parties (Recipient and/or third parties) through grants / own contributions / loans with totals up to:

- |           |           |               |   |
|-----------|-----------|---------------|---|
| 1. [Name] | up to EUR | equivalent to | % |
| 2. [Name] | up to EUR | equivalent to | % |
| 3. [Name] | up to EUR | equivalent to | % |

The distribution to the estimated project costs can be found in the Estimated Budget (**Annex 1**).

The Grant provided by GIZ is subject to the provision of the above-mentioned contributions by the Recipient or third parties.

If the actual contributions of the above-mentioned parties are less than those estimated according to the Estimated Budget, GIZ shall be entitled to reduce its Grant in the same proportion.

## 2 Project

- 2.1 The objective of the project [project title of the Recipient] (hereinafter referred to as 'Project'), which is financed by this Grant, is: \_\_\_\_\_ . GIZ has no entitlement to performance by the Recipient as part of this Grant.

2.2 In order to achieve this objective, the Recipient intends to implement the measures listed in the Recipient's proposal for project implementation (hereinafter referred to as 'Project Proposal', see **Annex 2**) on its own responsibility.

### 3 Disbursement and settlement of the Grant

3.1 The Recipient shall observe the principles of proper accounting in the implementation of the Project and ensure project-specific account settlement and documentation. The Recipient shall comply with the guidelines on financial processing (**Annex 3a**).

3.2 At the time of the first request for disbursement (**Annex 3c**) at the latest, the Recipient shall submit a schedule of funding requirements for 12 months (**Annex 3b**) starting as soon as this Agreement has entered into force.

Within the framework of the schedule of funding requirements, the Recipient shall request disbursements for each **three-month period** equivalent to the expected funding requirements, taking into account any funds still available. In order to minimise repayment risk, the Recipient shall monitor the effective balance of funds before requesting any further disbursement.

The disbursement can only be made, if the funds are provided to GIZ by the commissioning party.

3.3 All funds made available under this Agreement shall be accounted separately from other funds of the Recipient.

The Recipient shall open a separate sub-account at its bank or a separate cost unit in its own accounting system to handle the financial transactions relating to this Agreement and shall confirm this with GIZ when submitting its first request for disbursement.

At the latest, by the time of the first request for disbursement and in case a different account is used, the Recipient must submit a confirmation from the bank to legitimise the account.

All disbursements under this Agreement shall be transferred by GIZ to the aforementioned account of the Recipient.

All contributions paid by GIZ shall remain as trust funds in the aforementioned account they are used as contractually agreed.

- 3.4 The amounts paid by GIZ into the aforementioned account will, as far as possible, accrue interest.

GIZ may at any time request that the Recipient immediately submits a copy of the interest agreement and/or interest calculation by the bank or a confirmation by the bank that no interest can be paid for the credit balance on the account.

Any income, interest or profits from the Grant received by the Recipient under this Agreement ('Earnings'), as well as any funds returned to the Recipient, including reimbursements or repayments ('Returned Funds'), shall be used by the Recipient for the Project and shall be identified as such when submitting the financial report, indicating the relevant budget line.

GIZ reserves the right to deduct all Earnings and Returned Funds from the agreed Grant amount, insofar as appropriate use cannot be proven.

- 3.5 In the Recipient's accounting records for this Grant, all vouchers, expenses, actual costs as well as all Earnings and Returned Funds relating to the Grant and the financing plan shall be recorded in chronological order and in compliance with the rules of proper accounting. These vouchers shall be divided into the categories of budget lines referred to in Section 1.2 and both the documents and record shall contain, as a minimum, the following items:

- a) Internal entry number
- b) Date
- c) Recipient/origin of voucher
- d) Amount
- e) Content of voucher

The Recipient shall ensure that lump sums budgeted economically for project implementation in Section 1.2 for administration costs, if agreed, are documented in the Recipient's accounting records and meet the requirements of proper accounting.

- 3.6 The Recipient shall complete and submit the financial overview (use of instalments already paid) (see template in **Annex 3c**) for each subsequent request for disbursement.

The Recipient shall submit the financial report (see template in **Annex 3d-f**) for every six months. Together with the financial report, the Recipient shall submit confirmation of the contributions to project implementation agreed in Section 1.5 (if applicable) for the same period as well as the inventory lists (**Annex 3g1**) pursuant to Section 6.4. The financial report shall be submitted to GIZ no later than two months after the respective accounting periods, even if no further payment is requested.

No later than two months after the end of the Grant period or in the event of early termination of this Agreement, the Recipient shall additionally submit to GIZ a final financial report (see template in **Annex 3d-f**). The final narrative report pursuant to Section 4.5 shall be submitted along with the final financial report. If the aforementioned documents are not submitted in time, GIZ may refuse to make further disbursements.

- 3.7 The financial report must show Earnings and costs in chronological order and separately from each other, in accordance with the structure of the Estimated Budget (pursuant to Section 1.2). The evidence shall include all Earnings (grants, third-party services, own funds) and costs relating to the purpose of the Grant.

Each financial report must be accompanied by a tabular overview of vouchers, listing costs separately by type and in chronological order (list of vouchers). The list of vouchers must show the date, recipient/payer and the reason for and individual amount of each payment.

In the financial report, the actual costs must be entered in the voucher currency, converted and shown in EUR.

Payments made to third parties shall be reported separately in the financial report and the schedule of funding requirements. Receipt of the counter performance must be documented

at the appropriate time – but at the latest in the final financial report – and the actual costs must be recorded.

Remaining funds, which are still available to the Recipient as shown in the financial overview (included in **Annex 3c**) or the financial report, will be offset against the next payment, considering the schedule of funding requirements.

At the request of GIZ and from the date of receipt of payment, the Recipient shall pay interest at the rate of 5 percentage points above the respective rate applied by the European Central Bank to its main refinancing transactions p.a. for any amount not spent in a timely manner in accordance with the schedule of funding requirements for the Project.

- 3.8 If the budget lines set out in Section 1.2 include administration costs, these shall be charged separately as a flat percentage-rate.

All other budget lines listed under Section 1.2 will be settled against evidence.

- 3.9 Voucher copies are not to be attached to the financial reports. However, GIZ is entitled to request voucher copies.

The Recipient shall submit all financial reports, voucher copies and other documents required for accounting purposes either in German, English, French or Spanish or attach a translation in one of these languages.

- 3.10 The amount of **EUR** *(min. 10% of the Agreement value)* shall be retained from the Grant as security.

The final payment shall be disbursed as soon as all contractual obligations by the Recipient arising from the Agreement have been met and to the extent that the respective amount has been used for the agreed purpose. GIZ reserves the right to retain 20% of the security retention amount until the external audit report has been handed over to GIZ.

- 3.11 The request for disbursement submitted by the Recipient will become due for payment after a verification period of 15 days. Disbursement shall be made by GIZ no later than 30 days after the due date of the disbursement request for the amount determined and, if necessary,

adjusted by GIZ. Disbursements by GIZ do not constitute an acknowledgement by GIZ of the validity of the financial reports.

- 3.12 If the Recipient transfers the Grant to an account in a foreign currency, proof of receipt on the account in local currency must be submitted with the next financial report. The exchange rate in each case is calculated from the underlying amount in EUR and the local currency received.

If it is not possible to determine the exchange rate via the bank voucher, the Recipient may, with the consent of GIZ, convert the national currency on the basis of the EU currency converter InforEuro or, alternatively, use its own conversion system, provided that the latter is auditable and meets standards comparable to those of InforEuro.

- 3.13 If the Recipient fails to submit a financial report (**Annex 3d-f**), a disbursement request (**Annex 3c**), a status report (pursuant to Sections 4.4 - 4.5) or an inventory list (**Annex 3g1**) by the contractually agreed due date or in the contractually agreed form, GIZ shall be entitled to suspend payments until the correct financial report, disbursement request, status report or inventory list has been submitted.

- 3.14 All funds, which are still remaining with the Recipient and are not used after the end of the Grant period or after a premature termination of the contract, including Earnings and Returned Funds, shall be repaid by the Recipient directly to GIZ in EUR without delay and without being prompted to do so.

- 3.15 A confirmation must be included in the final financial report at the latest, stating the total amount of contributions due and referred to in Section 1.5 that have been made available to other parties (recipients and/or third parties).

- 3.16 GIZ may have the Project audited at its own expense at any time by an independent chartered accountant commissioned by GIZ, by its own experts or by its own audit authority.

This audit will examine whether the measures have been implemented and administered properly and correctly in accordance with the relevant terms of this Agreement, in particular with respect of cash and invoice management, the use of grant funds and the award of contracts for supplies and services.



The Recipient must permit GIZ and/or the certified accountant commissioned by GIZ to inspect the accounts and any other documents related to the purpose of this Agreement at any time.

GIZ and/or the certified accountant commissioned by GIZ shall inform the Recipient in writing about the upcoming inspection.

Upon completion of the audit report, GIZ shall inform the Recipient of the main findings. The Recipient shall promptly implement the recommendations made by GIZ on the basis of the audit findings and provide evidence thereof if requested by GIZ.

- 3.17 The Recipient shall declare whether or not invoiced VAT amounts resulting from the purchase of goods and services in connection with the use of the Grant are generally deductible for the Recipient.

The Recipient shall establish the formal requirements for an input VAT deduction, as far as legally possible.

VAT amounts can only be reimbursed to the Recipient under the following conditions:

- a) the Recipient provides an invoice document with VAT amounts clearly shown;
- b) the invoice is addressed to the Recipient;
- c) the supply of goods or services underlying the invoice is subject to VAT in accordance with the legal regulations;
- d) the Recipient is not entitled to deduct the VAT amounts in connection with the use of the Grant.

However, VAT amounts are not reimbursed if the Recipient is generally entitled to deduct input VAT amounts in connection with the use of the Grant but the requirements for an input VAT deduction have not been established by the Recipient. In case of doubt, contacting a tax advisor is recommended.

#### **4 Project implementation, duty to supply information and reporting**

### 4.1 The Recipient undertakes to

- a) implement the Project with due diligence, efficiency and on the basis of sound administrative, technical, financial and development policy principles and in accordance with the provisions of this Agreement;
- b) ensure the full financing of the Project and provide GIZ, upon request, with evidence that all actual costs not financed by this Grant are covered;
- c) obtain all necessary licences, permits and consents to implement the Project and also ensure that other parties involved in implementation of the Project also obtain the necessary licences, permits and consents;
- d) include in its contracts with third parties involved in project implementation necessary and appropriate contractual sanctions for non-fulfilment or non-performance by the respective contracting partner;
- e) require its contracting partners to repay any funds that have been improperly or illegally used or are contrary to this Agreement or the laws of the country in which the Project is implemented;
- f) keep all books, records, award documentation, agreements and the originals of vouchers for ten years after submission of the final financial report and submit or hand them over to GIZ on request, clearly showing all actual costs for services and supplies financed by the Grant;
- g) enable GIZ or a third party commissioned by GIZ, as well as GIZ's Commissioning Party or the Bundesrechnungshof (Germany's supreme audit institution) or GIZ's third-party funder (if such exists) to inspect the books and all other records and documents relevant to implementation of the Project and the audit of the proper use of funds at any time and to visit the facilities required for this purpose.

### 4.2 Publications:

In all publications and brief references on the Project, the Recipient shall express in an appropriate manner that it is carrying out or has carried out its activities as part of a project

financed by GIZ commissioned by the Government of the Federal Republic of Germany and cofinanced by the third-party funder (if such exists).

Prior to publication of project-related press releases or public statements by the Recipient that go beyond brief references (e.g. on the Recipient's website), the Recipient shall in good time inform GIZ (represented by the unit responsible for the budget in accordance with the contract cover sheet and via [presse@giz.de](mailto:presse@giz.de)) of the content of the publication in German, English, French or Spanish and shall take into account any instructions from GIZ.

The Recipient shall ensure that all activities involving publications, communications and/or visibility comply with **Annex 6** of this Agreement.

The Recipient shall immediately inform GIZ of and make every effort to remedy without delay any deficiencies when implementing requirements for publications, communications and visibility set out in the document 'Corporate Design and Wording' (**Annex 6**).

The 'Corporate Design and Wording' (**Annex 6**) can be adapted during the Grant period. GIZ will inform the Recipient immediately of any changes.

- 4.3 The Recipient undertakes to inform GIZ immediately in text form of any circumstances which may seriously impair or jeopardise the achievement of the Project's objectives or which may significantly impede the performance of the Recipient's material obligations under this Agreement or the implementation of the Project as soon as the Recipient becomes aware of such circumstances.

This duty to supply information also exists, in particular, should there be significant changes to the Project's risk assessment, an imminent adverse impact on human rights, the environment, climate or gender equality, or other substantial temporal, financial, technical or development policy changes to the Project during the Grant period or risks to the safety or health of the staff deployed.

- 4.4 The Recipient shall prepare status reports on the progress of the Project (**progress report**) **every six months**. These progress reports are to be submitted as an electronic file to GIZ, represented by the unit responsible for the budget (in accordance with the contract cover sheet), no later than two months after the end of the respective reporting period. Each progress

report shall address the main items of the numerical evidence and explain the necessity and appropriateness of the activities undertaken.

- 4.5 The Recipient shall prepare a **final report** (according to **Annex 5**) describing the implementation and results of the Project with regards to the contractually agreed objectives and submit this report as an electronic file to GIZ, represented by the unit responsible for the budget (in line with the contract cover sheet), no later than two months after the end of the Grant period or following early termination of this Agreement.
- 4.6 The Recipient shall inform the GIZ early about any upcoming project conferences or workshops in regard to this project measures. A potential participation of the Federal Ministry for Economic Affairs and Climate Action (BMWK) can be facilitated.

### **5 Forwarding of funds to third-party recipients and funds for direct support of third-party beneficiaries**

- 5.1 If, in accordance with the Estimated Budget (Section 1.2 and **Annex 1**) and the Project Proposal (**Annex 2**), the Recipient is entitled to forward parts of the Grant to third parties involved in joint implementation with the Recipient (third-party recipients) the Recipient shall ensure when forwarding the funds that:
- a) the Grant awarded to the third-party recipient does not violate EU rules on state aid;
  - b) the essential terms of this Agreement, in particular provisions on use of the Grant and the rules on disbursement and reporting procedures, apply to the contractual relationship between the Recipient and third-party recipients;
  - c) GIZ, external auditors commissioned by GIZ and the Bundesrechnungshof (Germany's supreme audit institution) and GIZ's third-party funder (if such exists) may take random samples to verify the accuracy of information provided by third-party recipients;
  - d) third-party recipients do not forward the funds received or parts thereof to other recipients.

5.2 Prior to the first forwarding of funds to the respective third-party recipient, the Recipient shall conduct a one-time, appropriate due diligence assessment of the integrity and suitability of each third-party recipient, taking into consideration the public-benefit purpose of the Project. A positive assessment of the integrity and suitability of the respective third-party recipient to implement the corresponding project measures is a prerequisite for forwarding funds. The Recipient must document the assessment of third-party recipients in a transparent manner and make documentation available to GIZ upon request.

If third-party recipients have not yet been determined at the time of the Agreement being signed, the Recipient shall submit a written list of potential third-party recipients, including their financing plans, to GIZ for approval as part of an amendment to this Agreement before forwarding funds to them.

5.3 The Recipient shall demonstrate the proper use of the funds forwarded under this Section 5 by submitting appropriate financial reports and, upon request by GIZ, copies of vouchers.

Disbursements by the Recipient to third-party recipients are to be shown separately in the financial report. The Recipient shall request proof of costs for these disbursements from the third-party recipient, check and document them in the financial reports to be submitted by the Recipient to GIZ in accordance with Section 3.

In addition, the Recipient undertakes to verify the financial report submitted by the third-party recipient in accordance with the terms of this Agreement and to submit this financial report to GIZ together with the findings of its own assessments.

5.4 If the Estimated Budget (Section 1.2 and **Annex 1**) and Project Proposal (**Annex 2**) provide for payments by the Recipient to third parties as end recipients (third-party beneficiaries), the Recipient must ensure that:

- a) the cost effectiveness and appropriateness of the payment amount are verified and documented;
- b) the criteria for selection are established prior to the selection process and the criteria of equal opportunities, transparency and freedom from any form of discrimination are taken into account;

- c) selection of third-party beneficiaries is made in accordance with the criteria set out under Section 5.4 (a) and (b). The selection shall be justified and documented accordingly;
- d) for cash payments to third-party beneficiaries, the payment by the Recipient and receipt of payment by the third-party beneficiary must be documented in text form. If receipt of payment is subject to a condition, e.g. participation in an event, business trip, cash for work measure, further training or similar, the occurrence of the condition must also be appropriately documented in text form. Specific obligations of third-party beneficiaries to provide evidence can be found in the financing plan (**Annex 1**).

### **6 Procurement of materials and equipment, construction services and other services**

- 6.1 For the award and procurement of materials and equipment, construction services or other services ('Procurements') to be financed in whole or in part by the Grant, the Recipient shall comply with the provisions on procurement procedures in **Annex 4a** (Procurement guidelines). The Recipient shall document all Procurements in writing in compliance with the 'Award documentation' template in **Annex 4b**.
- 6.2 If the Recipient has violated any of the provisions referred to in Section 6.1, GIZ shall be entitled to deduct from the Grant an amount equal to 20% of the respective remuneration, including VAT. Unless the Recipient can prove that the actual additional costs are less than 20% above market price, only these costs are to be deducted from the Grant. Insofar as GIZ can prove that the actual additional costs are higher, it may deduct all additional costs from the Grant.

The rights of GIZ under Section 13 of this Agreement remain unaffected.

- 6.3 When concluding contracts for Procurements financed by the Grant, the Recipient must ensure that
  - a) the prices and terms of payment for these Procurements are within the normal market range;

- b) all Procurements made within the framework of this Agreement are used exclusively for the purposes of the Project, and all facilities relevant to the Project are properly operated and maintained at all times;
- c) relevant sustainability standards are considered appropriately;
- d) appropriate insurance policies are concluded which are customary for the sector;
- e) import duties are indicated separately in the invoices;
- f) reimbursement, insurance, security, guarantee or similar payments which may be claimed on the basis of these contracts are transferred to the account specified in Section 3.3 and submitted to the Project again. The Recipient must inform GIZ about the amount of the payments received as part of the financial report.

6.4 If items with a procurement or production value of more than EUR 800.00 (excluding VAT) are procured or produced from the Grant funds, these items must be inventoried ('Inventoried Items'). The Recipient undertakes to submit up-to-date inventory lists with each interim financial report as well as with the final financial report.

Any loss of Inventoried Items must be reported to GIZ without delay. In the event of theft, a report certified by the local police must be attached.

6.5 In respect of Inventoried Items, GIZ shall be entitled to determine and decide at its sole discretion, after completion of the measures or after termination of this Agreement, what steps are to be taken in respect of such items in the interest of the Project's purpose.

Any transfer of ownership resulting from such a decision shall be recorded on the corresponding handover record in accordance with the template contained in **Annex 3g2**, which shall be submitted together with the final financial report.

## 7 Rights of use

7.1 The Recipient hereby grants GIZ, free of charge, an irrevocable, simple, worldwide and transferable right of use to all work results which are created or procured in connection with

implementation of the Project and financed wholly or partially out of the Grant, with particular regard to the reports produced pursuant to Sections 3 and 4, studies, documents or visual material; GIZ is entitled to exercise this right of use without restrictions on time or content in fulfilment of its public-benefit purpose as stated in its articles of association. At the request of GIZ, the Recipient shall provide GIZ with a copy of the materials available. GIZ is entitled to grant third parties simple sub-rights of use free of charge in fulfilment of its public-benefit purpose as stated in its articles of association.

- 7.2 The Recipient shall ensure that the work results provided to GIZ during the course of implementing the Project are not subject to any copyrights or other rights of third parties which would impair their use within the scope set out in Section 7.1. The Recipient shall indemnify GIZ against all claims of third parties arising from the granting of rights under Section 7.1 and shall reimburse GIZ for all reasonable costs incurred by GIZ in a legal defence against such claims.

## 8 Data privacy policy

- 8.1 GIZ may process personal data in connection with this Agreement solely in accordance with the General Data Protection Regulation of the European Union (GDPR). Any processing of the data shall be carried out solely for the purpose of the performance, administration and supervision of this Agreement or for the protection of the financial interests of the principal and/or third-party funder (if such exists) of GIZ, including any checks, audits and investigations. Where permitted by law, the Recipient has the right to view, erase or correct its personal data and may contact GIZ ([datenschutzbeauftragter@giz.de](mailto:datenschutzbeauftragter@giz.de)) or the government bodies responsible for such matters in order to assert its rights.
- 8.2 The Recipient shall ensure adequate protection of personal data in accordance with the rules and procedures applicable to the Recipient. In all cases, personal data must be:
- a) processed lawfully, fairly and in a way that is comprehensible to the data subject;
  - b) collected for specified, explicit and legitimate purposes and must not be further processed in a way incompatible with these purposes;



- c) adequate and relevant to the purpose and limited to what is necessary for the purposes of the processing;
- d) factually accurate and, where necessary, up to date;
- e) kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the data is processed;
- f) processed in a manner that ensures appropriate security of the personal data.

### **9 Compliance with legal requirements and environmental and social standards; avoidance of unintended negative environmental and social impacts**

- 9.1 When implementing the Project, the Recipient must respect the local conditions in the relevant country as well as the legal provisions, ordinances and official regulations, comply with all relevant tax law requirements and take into account the related general, specific and social impacts of the Project.
- 9.2 The Recipient is obliged to use the funds in compliance with international standards and multilateral agreements, in particular international human rights agreements and the core labour standards of the International Labour Organization (ILO), and to ensure the protection of children; the prevention of violence, abuse and exploitation of any kind; non-discrimination, in particular with regard to origin, ethnicity, religion, age, gender identity, sexual orientation or disability; and the promotion of equal opportunities for all genders in the use of funds.

The Recipient uses the funds provided in compliance with applicable national and international environmental laws, minimises greenhouse gas emissions and avoids all actions that could increase the vulnerability of the population and/or ecosystems.

The Recipient is also required to use funds in a manner that seeks to avoid or minimise unintended negative impacts on the environment, climate change mitigation, climate change adaptation, human rights, fragile contexts and contexts affected by conflict and violence as well as gender equality by implementing attributable mitigation actions. With regard to gender equality, the Recipient also undertakes to use any potential for promoting gender equality.

9.3 The Recipient shall take reasonable measures to prevent sexual harassment in the professional context and shall refrain from inciting violence or hatred and from unjustifiable discrimination against any person or group of people.

### **10 Conflict of interest**

10.1 The Recipient shall avoid conflicts of interest in connection with this Agreement. The Recipient shall also take appropriate precautions regarding the handling of conflicts of interest. A conflict of interest may arise especially for reasons involving economic interests, political affinities or national ties, family or friend relationships or any other interests.

10.2 In connection with implementation of the Project, the Recipient shall not enter into any agreement where a conflict of interest is to be expected due to the nature of the agreement or due to personal or financial connections between the Recipient and a third party.

10.3 The Recipient shall undertake to disclose without delay to GIZ any circumstances that might represent a conflict of interest or which could lead to such. All further steps must then be agreed with GIZ.

### **11 Combating money laundering, funding of terrorism and bribery, and upholding embargoes**

11.1 The Recipient shall not support measures of any kind that are conducive to money laundering, the funding of terrorist activities or corruption.

11.2 The Recipient shall not make available, either directly or indirectly, any funds or other economic resources from the Grant provided by GIZ to third parties that are on a sanctions list of the United Nations and/or the EU. In the framework of this Project specified under Section 2, the Recipient may enter into contractual or business relations and maintain such relations only with third parties that are reliable and to whom no statutory ban on doing business or entering into contracts applies. Furthermore, the Recipient shall comply with any embargoes or any

other trade restrictions issued by the United Nations, the EU and the Federal Republic of Germany in the framework of implementation of this Project.

- 11.3 The Recipient shall notify GIZ without delay and on its own initiative if an event occurs that results in the inclusion of the Recipient, a member of its staff, its official managing body and/or other administrative bodies, its shareholders and/or a contracting partner of the Recipient on a sanctions list issued by the United Nations Security Council, the EU or the Federal Republic of Germany. The same shall apply if the Recipient becomes aware that they or one of the aforementioned persons is on such a sanctions list.
- 11.4 Corruption in any form is prohibited. The Recipient must not, either directly or via a third party, offer or grant any gifts or advantages, or accept or request such gifts or advantages for itself or a third party, in connection with implementation of the Agreement. The Recipient must also establish appropriate and reasonable measures to prevent and tackle corruption.
- 11.5 The Recipient shall require all parties it involves in implementing the Project to comply with the provisions referred to in this Section 11, both during project development and with regards to its implementation.
- 11.6 The Recipient shall notify GIZ without delay of the occurrence of a breach of any provision of this Section 11. The rights of GIZ under Section 13 remain unaffected.

## 12 Force majeure

- 12.1 Force majeure is an unavoidable event (e.g. natural disaster, outbreak of a disease or epidemic, serious unrest, war or terrorism) that no human foresight or experience could anticipate, that cannot be evaded or overcome applying economically reasonable efforts and utmost care and that constitutes an impediment to GIZ and/or the Recipient fulfilling their contractual obligations. If an event originates from the sphere of responsibility of one of the parties to the Agreement, this shall not constitute force majeure.
- 12.2 The Recipient shall inform GIZ without delay of a force majeure event in accordance with Section 12.1, stating the nature, expected duration and expected effects, and shall consult with GIZ on further course of action. If GIZ or the Recipient is of the opinion that implementation of

the Project or fulfilment of obligations assumed by the Recipient under this Agreement is jeopardised or precluded, they shall consult the respective other party regarding further course of action.

12.3 It shall not constitute a breach of obligations under this contract if GIZ or the Recipient are prevented from complying with them due to force majeure. As long as force majeure makes the implementation of measures impossible, the Recipient may suspend implementation. The Recipient shall endeavour to keep any adverse effects on the Project to a minimum.

### **13 Suspension of payments, termination of the Agreement, repayment**

13.1 GIZ is entitled to suspend payments in part or in full if an event occurs that is detrimental to the Agreement. In particular, it constitutes such an event when:

- a) the Recipient is unable to provide evidence of the use of the Grant for the purpose laid down in this Agreement;
- b) the Recipient fails to use or no longer uses items purchased for the Project and financed from the Grant for the purposes of this Agreement;
- c) the Recipient has breached any material provision of this Agreement;
- d) the Recipient has made false statements or withheld relevant information prior to conclusion of the Agreement or during implementation of the Project, if and to the extent that GIZ would not have awarded the Grant or would not have made one or more disbursements if the statements had been correct or the relevant information had been received;
- e) exceptional circumstances (e.g. force majeure as defined under Section 12.1) arise that seriously jeopardise or preclude the achievement of the purpose of the Grant, implementation of the Project or fulfilment of the obligations entered into in this Agreement by the Recipient; or

f) the Government of the Federal Republic of Germany and/or the third-party funder (if such exists) terminates, suspends or modifies the relevant agreement with GIZ that forms the basis for this Agreement.

13.2 GIZ is furthermore entitled to terminate this Agreement in part or in full and with immediate effect if any of the events set out in Section 13.1 a) to f) occur. If any of the events set out in Section 13.1 a) to d) occur, GIZ is entitled to terminate the Agreement with immediate effect if the situation is not corrected within a period to be defined by GIZ; this period may not be less than 30 days. If the events set out in Section 13.1 e) or 13.1 f) occur, there is no requirement for such a period to be set by GIZ.

13.3 Upon termination of this Agreement and at GIZ's first request, the Recipient must immediately repay to GIZ the remaining funds from the Grant for which there are no further liabilities of the Recipient within the meaning of this Agreement. This also includes all Earnings and Returned Funds.

The Recipient undertakes to demand repayment of funds that were paid or committed on a legally binding basis to third parties in good faith and within the meaning of this Agreement prior to the termination and to repay these to GIZ. Repayment is limited to the amount that the Recipient receives from the third party in question after carrying out all reasonable measures including legal action. The Recipient must give immediate notice to terminate existing obligations to third parties (e.g. employment contracts, rental contracts, loans).

If the event set out in Section 13.1 a) occurs, the Recipient must repay not only the unused funds from the Grant but also such funds as have not demonstrably been used correctly by it for the purpose set out in the Agreement.

If the event set out in Section 13.1 b) occurs, the Recipient must repay not only the unused funds from the Grant but also those funds that have been used for the items in question.

The Recipient shall pay interest in a timely manner after GIZ's first request at a rate of 5 percentage points above the respective rate applied by the European Central Bank to its main refinancing transactions p.a. on the repayment amount with respect to Section 13.1 a) to d).

### 14 Other provisions

- 14.1 Should individual provisions of this Agreement be or become invalid, this shall not affect the validity of all other provisions under the Agreement. In this event, GIZ and the Recipient shall replace any such invalid provision with a valid provision that best reflects the meaning and purpose of the invalid provision and that can be assumed to be what GIZ and the Recipient would have agreed upon when the Agreement was signed had they been aware of or foreseen that the provision could be or become ineffective or null and void. The same applies to any gaps in this Agreement.
- 14.2 The Recipient may not assign, transfer or encumber any rights under this Agreement.
- 14.3 This Agreement is governed by German law.
- 14.4 The place of performance for payments is Frankfurt am Main.
- 14.5 The place of jurisdiction is Frankfurt am Main if the Recipient is a merchant, a legal entity under public law or a special fund under public law or does not have a general place of jurisdiction in the Federal Republic of Germany. GIZ may also bring legal action against the Recipient before the competent court at the location of the Recipient's registered office.
- 14.6 Material amendments to this Agreement are valid only when made in writing, in the form of an amendment to the Agreement signed by both contracting parties. In particular, a change is considered to be 'material' if a change in scope, structure, concept, cost category or objective of the Project results in the purpose or benefit of the Project being fundamentally affected.
- 14.7 GIZ's whistleblower system can be accessed via the whistleblower portal ([bkms-system.com](https://bkms-system.com)), the GIZ Compliance and Integrity Advisory Service ([compliance-mailbox@giz.de](mailto:compliance-mailbox@giz.de)) or the external ombudsman, who can be reached at [www.giz.de](http://www.giz.de) • About GIZ • Compliance • Whistleblowing ([Whistleblowing \(giz.de\)](https://www.giz.de/Whistleblowing)).

## 15 Annexes to the Agreement

The following annexes to the Agreement shall constitute components of this Agreement.

**(Annexes 3. - 4. can be downloaded from [www.giz.de/financing](http://www.giz.de/financing) ; Annexes 5 - 6 can be downloaded from <https://www.euki.de/en/project-financing/>)**

Annex 1: Estimated Budget of

Annex 2: Project Proposal of

Annex 3a: Guidelines on financial processing (10/2022)

Annex 3b: Schedule of funding requirements

Annex 3c: Request for Disbursement

Annex 3d: Financial Report

Annex 3e: Financial Report-Breakdown of actual costs

Annex 3f: Financial Report-Totals per category

Annex 3g1: Financial report Inventory list

Annex 3g2: Record of surrender of equipment and material

Annex 3h: Confirmation of bank details

Annex 3i: Calculation of salary costs

Annex 3j: Time sheet

Annex 4a: Procurement guidelines (10/2022)

Annex 4b: Procurement documentation template

Annex 5: Reporting Template

Annex 6: Corporate Design and Wording

Bonn/Eschborn, date:

(location), date:

Deutsche Gesellschaft für  
Internationale Zusammenarbeit  
(GIZ) GmbH  
Contract Management/Financing

Recipient's name

.....  
Name  
Contract manager, E2B0

Name  
Head of Section, E2B0

Name  
Director of Division  
Procurement and Contracting, E200

.....  
Name  
Contract manager, E2B0

.....

