

## **CEPF Grant Agreement Policies**

### **USE OF FUNDS AND RESOURCES**

- a. **All funds (including any interest thereon), equipment, property and/or any other thing of value** provided under this Grant shall be used only for approved purposes, and for expenses authorized in Attachment 1, Project Proposal and Project Budget. Grantee hereby expressly binds itself to include this provision in all sub-contracts and sub-awards issued under this Agreement.
- b. The Grantee is responsible for the implementation and monitoring of any required safeguard instrument or other required measures to address Safeguard Policies, as described at <http://go.worldbank.org/WTA1ODE7T0>.
- c. Grantee may allocate up to 15% of the total Grant between direct cost line items, not to exceed the approved total. Grantee shall request and receive written approval from CI prior to making any changes to the indirect costs line item, other changes to the budget or to the objectives, target areas, methodology, or timeline of the Project. Grantee hereby expressly binds itself to include language substantially reflecting the terms of this provision in all sub-contracts and sub-awards issued under this Agreement.
- d. Any funds (including any interest thereon) remaining with Grantee at the termination or expiration of the Grant term shall be returned to CI and Grantee shall reimburse CI for any disallowed expenditures. Grantee hereby expressly binds itself to include language substantially reflecting the terms of this provision in all sub-contracts and sub-awards issued under this Agreement.
- e. All funds provided under this Grant in U.S. Dollars that are exchanged to local currency must be exchanged at the best available rate through the channels authorized by applicable laws and regulations. Transactions must be verified through bank receipts or other documents or publications sufficient to demonstrate the legality of such transactions. Grantee hereby expressly binds itself to include language substantially reflecting the terms of this provision in all sub-contracts and sub-awards issued under this Agreement.
- f. Grant funds (including any interest thereon) shall not be expended to carry on propaganda or otherwise attempt to influence legislation or any public election. Funds may only be used to engage in activities that are for charitable, scientific, literary or educational purposes. Grantee hereby expressly binds itself to include this provision in all sub-contracts and sub-awards issued under this Agreement.
- g. Grant funds shall not be expended for land acquisition, and no expenditures shall be made for activities resulting in the physical relocation of people.
- h. Grant funds shall not be expended (i) in the territories of any country which is not a member of IBRD or for goods procured in, or services supplied from such territories, or (ii) on account of any payment to persons or entities, or any import of goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, or (iii) for penalties on late payments imposed by suppliers except if such penalties were incurred in connection with a disputed payment which was under arbitration or (iv) self insurance and premium.
- i. Grant funds (including any interest thereon) shall not be expended for payments that are, or give the appearance of, a conflict of interest. A conflict of interest is defined as a transaction in which an employee's personal or financial interests conflict or appear to conflict with his official responsibility. Examples include, but are not limited to, such transactions as payments to the business partner(s) of the project director, co-project director, or members of their immediate families for salaries, expense reimbursement, or

any other type of compensation, or payments to organizations in which the project director, co-project director, or member(s) of their immediate families have a financial interest. Grantee hereby expressly binds itself to include this provision in all sub-contracts and sub-awards issued under this Agreement.

- j. Grantee hereby certifies that no assistance, payments, or anything of value (monetary or non-monetary), shall be made, promised, offered to or accepted by any government employee or official (1) in contravention of any U.S. or other applicable law (including, but not limited to, the U.K. Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act) or regulation; (2) without the express consent of the government for which the employee or official works; and (3) that is not reasonable, *bona fide*, and directly related to the activities funded under this Grant. It is Grantee's responsibility to ensure compliance with this clause, and to maintain, and provide at CI's request, documentation demonstrating such compliance. Grantee hereby certifies that no payments or other form of assistance shall be accepted by or made to any government employee or official, including Grantee, (a) to influence any official government act or decision, (b) to induce any government employee or official to do or omit to do any act in violation of his or her lawful duty, or (c) to obtain or retain business for, or direct business to any individual or entity. If Grantee is a government official or employee, Grantee shall recuse himself or herself from any governmental act or decision affecting CI, and shall not influence any governmental act or decision affecting CI. Under no circumstances shall any payments or anything of value be made, promised, or offered to any U.S. Federal, State or local employee or official. Grantee hereby expressly binds itself to include language substantially reflecting the terms of this provision in all sub-contracts and sub-awards issued under this Agreement.
- k. Grantee shall reject a proposal for award if it determines that (i) the bidder recommended for award has engaged in offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution ("Corrupt Practices") or (ii) the bidder has given a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Grantee or CI, and includes collusive practices among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Grantee or CI of the benefits of free and open competition fraudulent practices in competing for the contract in question ("Fraudulent Practices").
- l. Grantee shall use its best efforts to minimize the financing of any taxes on goods and services, or the importation, manufacture, procurement or supply thereof. If Grantee is eligible to apply for refunds on taxes paid, Grantee shall do so. All such reimbursements received by Grantee for taxes paid under this Grant shall be used for Project purposes.

## 1. PROJECT MONITORING

- a. Record Keeping. Grantee shall segregate funds received and expenses incurred under this Grant from other sources of funding, including other CI grants. Grantee shall keep all pertinent records, both financial and technical, relating to this Grant for a period of three years following the termination or expiration of this Grant. CI, its representatives, and assignees, reserve the right to inspect, review or audit any and all records relating to this Grant.
- b. Desk Reviews and Site Visits. CI regards monitoring of project activities as essential to effective grant making. CI, its representatives and assignees, and representatives from each of the Funding Sources, may conduct desk reviews and/or site visits to review project progress and results. To the extent possible, CI shall advise Grantee of any site visit in reasonable advance.
- c. Grantee hereby expressly binds itself to include language substantially reflecting the terms of this provision in all sub-contracts and sub-awards issued under this Agreement.

## 9. PROCUREMENT OF GOODS AND SERVICES

- a. Grantee shall comply with the **CEPF Procurement Policies and Procedures**, attached as Attachment 2 (the "**Procurement Guidelines**"). Procurement records shall be made available to CI, its representatives and assignees, upon request. Grantee is authorized to purchase goods and services with a total cost equal to or in excess of US\$5000 only with the specific, prior, written approval of CI. This approval shall be deemed to be given if the goods or services are clearly identified in Attachment 1. For all purchases of goods and services in excess of US\$5000 not set forth in Attachment 1 Grantee must submit a written request to the CEPF Director, describing the proposed item, its cost, and the programmatic justification for such purchase. No purchases with total cost in excess of US\$5000 are authorized without written approval from the CEPF Director.
- b. Title to any equipment and other property purchased with Grant funds (including any interest thereon) shall be in the name of Grantee until CI provides permanent disposition instructions at the expiration or other termination of this Grant. Grantee agrees to provide adequate insurance for motorized vehicles and for all equipment with a unit cost equal to or greater than five thousand U.S. Dollars (US\$5,000) purchased with Grant funds. Grantee shall notify CI prior to purchasing any such vehicles or equipment if adequate insurance cannot be procured. In addition, Grantee agrees to properly maintain all equipment and other property purchased with Grant funds.
- c. Unless otherwise agreed in writing by CI, goods and services shall be dedicated solely to achieve the objectives contemplated by the parties hereunder.
- d. Grantee hereby expressly binds itself to include language substantially reflecting the terms of this provision in all sub-contracts and sub-awards issued under this Agreement.

**10. USE OF GRANT FUNDS AND OTHER VALUABLES BY THIRD PARTY GRANT FUNDS RECIPIENTS; SUB-AWARDS AND SUB-CONTRACTS.**

- a. The Grantee is responsible for ensuring that the Project is administered in accordance with the terms of this Agreement and that no Grant funds, interest, equipment, property and/or any other thing of value are disbursed or transferred to any organization or entity ('Third Party Grant Funds Recipients'), whether or not formed by the Grantee, other than as specifically set forth in this Grant or unless specific, prior, written approval has been provided to Grantee by CI.
- b. The Grantee shall enter into legally binding, written agreements ('sub-awards' or 'sub-contracts') with Third Party Grant Funds Recipients, reflecting all terms and conditions of this Grant Agreement that Grantee is obliged to include in sub-contracts and sub-awards, including, but not limited to Sections 7, 8, 9, and 12.
- c. Records related to sub-contracts and sub-awards shall be made available to CI, its representatives and assignees, and representatives from each of the Funding Sources upon request.

**11. OWNERSHIP OF INTELLECTUAL PROPERTY.**

- a. The Parties agree that any non-proprietary information developed under this Grant will be made publicly available by each of the Funding Sources.
- b. Any information gathered by Grantee, and creative work developed by Grantee under this Grant, including without limitation any data, datasets, research, knowledge and all written, graphic, audio, visual and any other materials, contributions, applicable work product and production elements contained therein, whether on paper, disk, tape, digital file or any other media (the 'Work'), shall remain the intellectual property of Grantee, provided however that Grantee hereby irrevocably grants to CI, and each of the Funding Sources and all members of the World Bank Group, if applicable, a perpetual, royalty free, non-exclusive right to copy, distribute, publish, use, and prepare derivative works from the Work for any purpose, in any media, and in any territory for non-commercial use.

12. COMPLIANCE.

- a. Grantee represents and warrants compliance today and throughout the Grant Term, with all U.S. economic sanctions, anti-terrorism laws, and anti-money laundering laws, including but not limited to the USA PATRIOT Act, the laws administered by the United States Treasury Department's Office of Foreign Asset Control, Executive Order 13224.
- b. Grantee represents and warrants compliance today and throughout the Grant Term with any local laws that apply in the jurisdiction in which Grantee is operating, including, but not limited to, anti-bribery laws, employment laws and tax laws.
- c. Grantee represents and warrants that it is legally registered, authorized to do business and to carry out the Project activities in the country where the Project is being implemented.
- d. Grantee hereby expressly binds itself to include this provision in all sub-contracts and sub-awards issued under this Agreement.

13. ACKNOWLEDGEMENTS/PUBLICATIONS AND LOGO.

- a. Publications. Grantee agrees to provide CI with at least 5 copies of any article, report, media interview or other publication or broadcast relating to activities covered under this Grant. An electronic copy shall be provided, where available, and can be substituted for the 5 hard copies.
- b. Acknowledgements and Logos. Grantee agrees to acknowledge CEPF as detailed in the full Credit and Logo Policy incorporated herein as Attachment 3, in all publications, reports and publicity arising from activities carried out under a CEPF grant. In text credits the full name Critical Ecosystem Partnership Fund shall be used. Use of the CEPF logo must be approved in advance in writing by CEPF. Any use of CEPF donor logos is expressly prohibited.

14. TERMINATION AND SUSPENSION.

- a. Termination for Cause. In the event of CI's determination of (i) Grantee's failure to comply with any terms of this Grant, or (ii) Grantee's involvement in illegal acts including, without limitation, fraud, abuse, embezzlement and/or theft, CI may terminate the Grant, in whole or in part, by giving written notice to Grantee. Such notice shall become effective upon receipt.
- b. Termination for Convenience. Either party may terminate this Grant for convenience, by providing written notice to the other party. Such notice shall become effective thirty (30) days after its receipt.
- c. Upon the effective date of termination, Grantee shall stop work, immediately terminate any sub-grants or other obligations that it may have entered into involving Grant funds provided under this Grant, and shall settle all outstanding liabilities and all claims resulting from such termination.
- d. Expenses after Termination. Following termination, Grant funds may be used only for payment of non-cancelable obligations for expenditures identified in Attachment 1 or for which CI's written approval has been obtained by Grantee prior to incurrence. In such event, Grantee shall submit written proof to CI that such obligations could not be canceled. All other expenditures incurred subsequent to the effective date of termination are unallowable.
- e. Within thirty (30) days of any termination under this Section, the Grantee shall (i) return to CI the Final Project Report and the Final Financial Report, as defined in Section 6 of this Agreement, as well as any unexpended Grant funds that are not obligated by a legally binding transaction, and (ii) reimburse CI for any disallowed expenditures. CI may take all actions necessary to recover such Grant funds and disallowed expenditures, at Grantee's expense.

- f. Suspension. In the event of CI's determination of (i) Grantee's failure to comply with any terms of this Grant, or (ii) Grantee's involvement in illegal acts including, without limitation, fraud, abuse, embezzlement and/or theft, CI may suspend payments to the Grantee in whole or in part.
15. AMENDMENTS AND MODIFICATIONS. This Agreement may not be amended, supplemented, or modified in any respect except by written agreement of each of CI and the Grantee, duly signed by their respective authorized representatives.
16. INDEMNIFICATION. To the extent permitted by law, Grantee agrees to indemnify CI and its officers and directors, including the cost of defense, for any claim made against them arising out of Grantee's performance under this Grant.
17. NO LIABILITY. CI shall not be liable for losses, damages, claims, or other liabilities arising out of Grantee's activities. It is expressly understood that CI, by making this Grant, has no obligation to provide other or additional support to Grantee for the purposes of this project or any other purposes.
18. RELATIONSHIP OF THE PARTIES. Nothing in this Grant shall be construed to create a relationship between the parties of agency, partnership, or joint ventures, or to render either party liable for any debts or obligations incurred by the other. Neither party is authorized to make representations on behalf of the other, or to bind the other in any manner whatsoever.
19. GOVERNING LAW. This Grant shall be governed by and interpreted in accordance with the laws of the District of Columbia, United States of America
20. COUNTERPARTS AND FACSIMILE SIGNATURES.
- a. It is the intention of each of the parties that the other party may rely on a facsimile copy of the signature of a duly authorized signatory and that upon the exchange of such facsimile signatures, electronically or otherwise, this Grant shall be binding between the Parties whether or not hard copies of this Grant are ever exchanged between them.
- b. This document may be signed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument even though all the parties are not signatories to the original or the same counterpart
21. SEVERABILITY. In the event that any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Grant, but this Grant shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein, unless the deletion of such provision or provisions would result in such a material change so as to cause completion of the transactions contemplated herein to be unreasonable.
22. NO THIRD-PARTY BENEFICIARIES. Except as expressly set forth herein, neither party intends that this Grant shall benefit or create any right or cause of action in or on behalf of any person or entity other than the Grantee and CI.
23. NON-ASSIGNMENT. This Grant shall not be transferred or assigned by Grantee without CI's prior written consent.
24. ARBITRATION. It is the Grantor's policy to make every reasonable effort to resolve all issues or disputes that may arise under this Grant fairly by negotiation, if practicable. Any dispute arising out of or relating to this Grant, which is not settled by agreement of the parties, shall be settled by binding arbitration, in accordance with the UNCITRAL Arbitration Rules in force at the time of commencement of the arbitration, before a sole arbitrator. The arbitration shall take place in Washington, DC, and the results thereof shall be final, non-appealable and binding on each party, and enforceable in any court of competent jurisdiction.
25. WAIVER. Either party may specifically waive any breach of this Grant by the other party, but no such waiver shall be deemed effective unless in writing, signed by the waiving party, and specifically designating the breach waived. No waiver shall constitute a continuing waiver of

similar or other breaches. One party's consent or approval of any act by the other shall not be deemed to render unnecessary the consent to or approval of any subsequent act by the other party.

26. **ENTIRE AGREEMENT.** This Grant, including Attachments 1, 2, 3, (and 4) constitutes the entire understanding between the parties with respect to its subject matter hereunder, is intended as a complete and exclusive statement of the terms of their agreement, and supersedes any prior or contemporaneous agreements or understandings relating to the subject matter hereunder.

## **CEPF PROCUREMENT POLICIES AND PROCEDURES**

Prior to undertaking any purchases of goods or services with CEPF funds, Recipient is required to have institutional procurement policies in effect that are substantially the same as those listed below.

The specific procurement procedures listed in section II are applicable to all purchases of goods/services with Grant funds, and must be followed in all cases.

### **I. POLICIES**

- A. All purchases of goods and services must be made with complete impartiality based solely on the merits of supplier proposals, including criteria such as efficiency, quality, reliability, reputation, cost, delivery and payment terms. **No employee, officer, or agent of Recipient may participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved.** Such a conflict exists when an employee, any member of his immediate family, his or her partner, or an organization which employs or is about to employ any of the aforementioned parties, has a financial or other interest in the firm selected for the award. Employees shall neither solicit nor accept gratuities, favors, or anything of monetary value from providers of goods/services or parties to sub-agreements.
- B. Recipient is responsible for ensuring that all equipment is received in good condition. Recipient must examine and test goods upon receipt to ensure that the vendor has met all terms and conditions of the purchase agreement.
- C. All purchases of services, from individuals or organizations, must be made via a written contract. This contract must describe the proposed scope of work and relevant terms with specificity, including contractual provisions that allow for contractual or legal remedies, in the event of a breach of contract terms.
- D. Procurement contracts may be made only with responsible suppliers who are reputable, well established and are suppliers of the goods and services being purchased in the normal course of business. No award shall be made to a supplier who has engaged in corrupt or fraudulent practices in competing for or executing the contract in question.

### **II. PROCUREMENT PROCEDURES**

- A. Purchases of goods and services with a total cost of less than US\$5,000 may be made 'off the shelf.' No specific number of bids is required.
  - Procurement records must reflect at a minimum:
    - Purchase/consulting/services agreements (and title documents, as applicable); and
    - delivery receipts.
  - Such procurement records must be made available upon request by any of the funding sources.
- B. Purchases of goods with a total cost equaling, or in excess of, US\$5,000 but less than US\$50,000 must be based on written quotations received from at least three potential suppliers. Quotations must respond to all requirements in the request for bids and include the description and quantity of the goods, as well as the delivery time and place.
  - i. Recipients are advised to initially request more than three quotations.
  - ii. The request for bids shall provide for a clear and accurate description of the technical requirements for the goods to be procured, including a description of the functions to be performed or performance required (e.g., acceptable characteristics, minimum acceptable standards).

- iii. If there are at least three sources for the goods, at competitive prices, in Recipient's country, Recipient may purchase locally without requesting quotations from foreign entities.
- iv. If this is not the case, then Recipient must request quotations from suppliers in at least two different countries, including the country where Recipient's main office is located. Quotations for foreign goods offered by a firm located in Recipient's country, are considered as quoted from abroad for purposes of satisfying the "two different countries" rule. This is applicable, for example, to items such as computers, vehicles that are normally imported by dealers of the foreign manufacturers who are also able to provide after sales services.
- v. Procurement records must reflect at a minimum:
  - the list of firms invited to bid;
  - all quotations received;
  - the rationale for the selection of the firm by means of bid comparison on the basis of criteria such as fitness for purpose, efficiency, reliability, quality, delivery time, price, and maintenance;
  - purchase agreements (and title documents, as applicable); and
  - delivery receipts.

Such procurement records must be made available upon request by any of the funding sources.

- C. Purchases of Services equaling, or in excess of, US\$5,000 but less than US\$50,000 must be based on written statements of interest and CVs received from at least three potential firms or individuals. Statements of interest must respond to all requirements in the terms of reference.

- i. Terms of reference shall be well defined, specifying in detail the necessary subject area qualifications and expected outputs. They shall further include requirements, which the firm or individual must meet and other factors used to evaluate the Statement of Interest.
- ii. All purchases of services must be memorialized in writing, with fixed outputs and specific payment terms.
- iii. Fees may be paid on an hourly/daily rate, or on a fixed fee basis. All fees paid to individuals must be consistent with previous salary/fee history, as documented in the procurement records.
- iv. Procurement records must reflect at a minimum:
  - the list of individuals or firms invited to bid
  - the statements of interest and CVs;
  - salary/fee history;
  - rationale for selection of the firms/individual by means of bid comparison on the basis of criteria such as qualifications, reputation, efficiency, reliability, time of completion, and fees; and
  - consulting/services agreements.

Such procurement records must be made available upon request by any of the funding sources.

- D. Purchases of goods and services with a total cost equaling, or in excess of, US\$50,000 are subject to special competitive bidding procedures.
- i. Such purchases are not allowed without separate written authorization from CI.
  - ii. In the event that purchases equaling, or in excess of, US\$50,000 are authorized, CI shall provide Recipient with detailed instructions on bidding requirements that Recipient shall comply with.
  - iii. Procurement records must be made available upon request by any of the funding sources.

- E. In extremely urgent cases, quotations for civil works may be requested in the form of unit rate prices (if needed quantities are available with a reasonable degree of reliability), "cost plus fee" arrangements (when quantities cannot be reasonably determined in advance), or in the form of a lump sum based on cost estimates developed by the Recipient, or, if not possible, by the contractors.