

# **FINANCING AGREEMENT: GRANT**

**Between**

**THE UNITED NATIONS CAPITAL DEVELOPMENT  
FUND  
(UNCDF)**

**And**

**<Name>**

**Recipient Institution**

**Country / Corridor**

**UNCDF/COUNTRY3LETTERCODE/PBA/22/XX**

## A. GRANT AGREEMENT

### GRANT AGREEMENT BETWEEN UNCDF and **Recipient Institution** FOR THE PROVISION OF GRANT FUNDS

Grant Agreement (hereinafter referred to as the "Agreement") made between **the United Nations Capital Development Fund ("UNCDF" or "Grantor")**, and **Recipient Institution duly incorporated in Country** (hereinafter referred to as the "**Recipient Institution**").

WHEREAS the **Grantor** desires to provide funding to the **Recipient Institution** in the context of a Programme as detailed in Annex 1 and on the terms and conditions hereinafter set forth,

WHEREAS the **Recipient Institution** is ready and willing to accept such funds from the **Grantor** for the above-mentioned activities 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: complete the key results/milestones specified in the Section III below, including providing reports and statements to the **Grantor** in accordance with the Monitoring Schedule. The **Recipient Institution** shall be responsible for verifying the accuracy of all reports. Funds provided pursuant to this Agreement shall be used to achieve these results/milestones. The **Recipient Institution** shall be free to reallocate resources as needed in order to produce the expected results.
- 1.2 If the **Recipient Institution** fails to meet the minimum performance indicators in Section III within ninety (90) days of the timeframe specified, the **Grantor** may suspend or terminate this agreement at its discretion. The suspension will remain in effect until the **Recipient Institution** has met the targets or until the **Grantor** has agreed in writing to modify the performance targets. The **Recipient Institution** agrees to inform the **Grantor** about any problems it may face in a timely fashion or any anticipated failure to complete the activities or achieve the expected results.
- 1.3 The **Recipient Institution** also agrees to immediately report any incidence of fraud, theft, or significant operational loss that negatively impact its ability to fulfill the terms of this Agreement or threaten or have a relevant impact on its ability to continue as a going concern.
- 1.4 The **Recipient Institution** agrees to notify the **Grantor** of any funds for the purpose of completing the Project it may receive prior to signature of this funding agreements. The **Grantor** reserves the right to adjust the amount of funding in this Agreement if it

determines that its funds are no longer necessary as the result of other funding agreements.

- 1.5 The **Recipient Institution** agrees to endorse and adopt client protection best practices internationally recognized applicable to its core business, particularly, but not limited to, privacy, data protection, disclosure, and transparency.

## II. Duration

- 2.1 This Agreement will come into effect on the **date of signature** and shall expire on **(Day Month and Year)** covering the anticipated term of the project. It can be extended, if necessary, by exchange of letters, noting the new expiration date.

## III. Key Results/Milestone and Payments

- 3.1 The **Grantor** shall provide funds to the **Recipient Institution** of an amount of **<US\$XX>** (amount in letter + currency mentioning the country) according to the schedule set out below. Payments are subject to the **Recipient Institution** achieving the Detailed Results as set forth in Article 3.2, meeting reporting requirements as set forth in Article 3.3., as well as the disbursement conditions set forth in this article, if any.

Upon signature of this Agreement:

Estimated date of execution	% of total grant	Amount in USD	Disbursement conditions
[INCLUDE SPECIFIC MONTH AND YEAR] Tranche 1			<ul style="list-style-type: none"> <li>• Certification of Milestone completion duly completed and signed [Annex 6]</li> <li>• [MILESTONES XX]</li> <li>• [MILESTONES XX]</li> <li>• [MILESTONES XX]</li> <li>• Targets achieved and validated by UNCDF as stated in the Article 3.2 below. Data submitted and validated by UNCDF.<sup>1</sup></li> <li>• Quarterly progress reports for the relevant period submitted and validated by UNCDF.</li> <li>• Any other relevant monitoring and evaluation reports and</li> </ul>

Estimated date of execution	% of total grant	Amount in USD	Disbursement conditions
			performance data as listed in Article 3.3 submitted to, and validated, by UNCDF
[INCLUDE SPECIFIC MONTH AND YEAR] Tranche 2			<ul style="list-style-type: none"> <li>• Certification of Milestone completion duly completed and signed [Annex 6]</li> <li>• [MILESTONES XX]</li> <li>• [MILESTONES XX]</li> <li>• [MILESTONES XX]</li> <li>• Targets achieved for the corresponding period as stated in Article 3.2. Data submitted and validated by UNCDF.<sup>1</sup></li> <li>• Quarterly progress reports for the relevant period submitted and validated by UNCDF.</li> <li>• Any other relevant monitoring and evaluation reports and performance data as listed in Article 3.3 submitted to, and validated, by UNCDF</li> </ul>
[INCLUDE SPECIFIC MONTH AND YEAR] Tranche 3			<ul style="list-style-type: none"> <li>• Certification of Milestone completion duly completed and signed [Annex 6]</li> <li>• [MILESTONES XX]</li> <li>• [MILESTONES XX]</li> <li>• [MILESTONES XX]</li> <li>• Targets achieved for the corresponding period as stated in Article 3.2. Data submitted and validated by UNCDF.<sup>1</sup></li> </ul>

<sup>1</sup> The recipient institution shall provide together with the quarterly quantitative reports, the documentary evidence of the attained results that might include reports and /or dashboards from the MIS/ERP system, MIS screenshots, MIS excerpts, letter of confirmation from regulator/other parties, or any other evidence of the attained results, as agreed with UNCDF.

Estimated date of execution	% of total grant	Amount in USD	Disbursement conditions
			<ul style="list-style-type: none"> <li>Quarterly progress reports for the relevant period submitted and validated by UNCDF.</li> <li>Any other relevant monitoring and evaluation reports and performance data as listed in Article 3.3 submitted to, and validated, by UNCDF</li> </ul>
Add any other number tranches you might need			<ul style="list-style-type: none"> <li>Certification of Milestone completion duly completed and signed [Annex 6]</li> <li>[MILESTONES XX]</li> <li>[MILESTONES XX]</li> <li>[MILESTONES XX]</li> <li>Targets achieved for the corresponding period as stated in Article 3.2. Data submitted and validated by UNCDF.<sup>2</sup></li> <li>Quarterly progress reports for the relevant period submitted and validated by UNCDF.</li> <li>Any other relevant monitoring and evaluation reports and performance data as listed in Article 3.3 submitted to, and validated, by UNCDF</li> </ul>
<b>TOTAL</b>	100%	XXXXX	
<p>*All payments shall be made in [ADD NAME OF THE LOCAL CURRENCY] at the prevailing UNORE at the time of disbursement*</p>			

### 3.2 Detailed Results (outreach and performance) targets are as follows:

<sup>2</sup> The recipient institution shall provide together with the quarterly quantitative reports, the documentary evidence of the attained results that might include reports and /or dashboards from the MIS/ERP system, MIS screenshots, MIS excerpts, letter of confirmation from regulator/other parties, or any other evidence of the attained results, as agreed with UNCDF.

#	KPI Indicator	Disaggr.	Definition	Targets for disbursement tranches			
				Tranche 1 [MM YYYY]	Tranche 2 [MM YYYY]	Tranche 3 [MM YYYY]	Tranche 4 [MM YYYY]
1	# agents	Total		50	100		200
2		Women		20			
3							
4							
5							

*\*The recipient institution shall provide together with the detailed results, the quantitative quarterly reports as well as the documentary evidence of the attained results that might include reports and /or dashboards from the MIS/ERP system, MIS screenshots, MIS excerpts, letter of confirmation from regulator/other parties, or any other evidence of the attained results, as agreed with UNCDF.*

3.3 Disbursement conditions shall include that the **Recipient Institution** must be current on all payments due under any existing loan agreement with UNCDF and meeting reporting requirements. By submitting data to UNCDF the **Recipient Institution** agrees that this data will be publicly available:

Mechanism	Frequency	Due Date	Document	Responsibility
Quarterly quantitative report	Quarterly, until 12 months after the end of the project	30 days after end of calendar quarter	Annex 2: Reporting Formats - Quarterly quantitative report	<b>Recipient Institution</b>
Quarterly progress report	Quarterly, until project end	30 days after end of calendar quarter	Annex 3: Reporting Format - Quarterly progress report	<b>Recipient Institution</b>
UNCDF Annual Report	Annually, until 12 months after the end of the project	On the third quarter of the calendar year	Annex 4 : UNCDF Annual Report	<b>Recipient Institution</b>
Project Closing Report	Once, at the end of each project	30 days after end of the project	Annex 5 Project Closing Report	<b>Recipient Institution</b>
Evaluation	As needed	As needed	Project results, lessons learnt and recommendations	UNCDF (primary), <b>Recipient Institution</b> to be available to UNCDF and external evaluators
Audited Financial Statements	Annually	Annual / 180 days after the end of	Institution's financial statements (publicly available)	<b>Recipient Institution</b>

Mechanism	Frequency	Due Date	Document	Responsibility
		the fiscal year		

3.4 The **Recipient Institution** shall request disbursements with the supporting information to show that disbursement conditions have been met by submission of a Certificate of Milestone Completion (Annex 6). 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:

SWIFT Code:

Beneficiary Account Name:

Beneficiary Account Number:

Address of Bank:

3.5 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

4.1 The **Recipient Institution** shall maintain clear, accurate and complete records in respect of the funds received under this Agreement.

4.2 The **Recipient Institution** agrees to provide reports and fulfill its obligations accordance with the Monitoring and Evaluation schedule (section III). It agrees to reasonable requests to make its personnel available to participate in on-site monitoring visits.

4.3 Within sixty (60) days after completion of project activities, the **Recipient Institution** shall provide the **Grantor** with a final financial report describing how the expenditures were utilized.

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

For **UNCDF**:

Name Surname, Role

United Nations Capital Development Fund

Two UN Plaza, 26th Floor, Room DC2-2629

New York, NY 10017 (USA)

[email]

[phone member]

For the **Recipient Institution**:

(Please provide contact information, including email address, of 2 main leaders)

[Name Surname, Role ]

[Name of the recipient Institution]

[Address]

[City, postal code, country]

[email]

[phone member]

[Name Surname, Role ]

[Name of the recipient Institution]

[Address]

[City, postal code, country]

[email]

[phone member]

## V. General Provisions

5.1 This Agreement and the Annexes attached hereto shall form the entire Agreement between the **Recipient Institution**, and the **Grantor**, 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 paragraph 1.1 with due diligence and efficiency and shall have exclusive control over the administration and implementation of those activities. The **Grantor** shall not interfere in the exercise of such control. If in the **Grantor's** determination the **Recipient Institution** is not carrying out the activities described in paragraph 1.1, the **Grantor** may: (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 **Grantor's** determination shall be binding and conclusive upon the **Recipient Institution** insofar as payments are concerned.

5.3 The **Grantor** undertake 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 **Grantor** be held liable for such claims by third parties.

5.6 Grant funds disbursed to the **Recipient Institution** shall be considered to be the property of the **Grantor** and shall not become the property of the **Recipient Institution** until one or more of the following conditions have been met: (i) the **Recipient Institution** has verifiably complied with all conditions in this grant agreement; (ii) the **Grantor** advises the **Recipient Institution** in writing that it has fulfilled the conditions to the **Grantors'** satisfaction; (iii) the **Grantor** otherwise notifies the **Recipient Institution** in writing that it releases the **Recipient Institution** from any obligation to repay funds. In the case of multiple payments in paragraph 3.1, the Grantor's approval of a payment shall be considered a notification of fulfillment of conditions for all previous payments. If within ninety (90) days after the end date of the Agreement there has been no written communication from the **Grantor** in regard to the disposition of the funds, the funds shall be considered the property of the **Recipient Institution**. In cases where the above conditions have not been met, the **Grantor** may at its discretion require the **Recipient Institution** to return some or all of the funds and the **Recipient Institution** has thirty (30) days to comply with this request.

5.7 This Agreement may be terminated by either party before completion of the Agreement by giving thirty-day (30) written notice to the other party. In the case of termination by the **Grantor**, the disposition of funds shall be governed by paragraph 5.6. In case of termination by the **Recipient Institution**, the **Grantor** may at its discretion require the **Recipient Institution** to return all or part of the funds. The **Recipient Institution** has thirty (30) days to comply with this request. If the **Grantor** fails to request the return of funds within ninety (90) days of the termination notice, the funds shall be considered the property of the **Recipient Institution**.

5.8 The **Recipient Institution** acknowledges that the **Grantor** has made no actual or implied promise of funding except for the amounts specified by this Agreement.

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 United Nations.

IN WITNESS WHEREOF, the undersigned, duly appointed representatives of the **Grantor**, and the **Recipient Institution**, respectively, have on behalf of the **Grantor** and the **Recipient Institution** signed the present Memorandum of Agreement on the dates indicated below their respective signatures.

**On behalf of UNCDF:**

Signature

Name: Mourad Wahba

Title: Officer in Charge

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

**On behalf of [Name of the Recipient Institution]**

Signature:

Name:

Title:

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

**Annex 1: Project Description**

## Annex 2: Reporting Formats - Quarterly quantitative report

[illegible]

### Annex 3: Reporting Format - Quarterly progress report

#### Quarterly Progress Report

Partner Name:

Reporting Period:

Submitted by:

Q1.	Please describe (up to) 3 <b>key achievements</b> during this quarter.
Answer 1	<ul style="list-style-type: none"><li>•</li></ul>
Q2.	Please describe (up to) 3 <b>key challenges</b> faced during this quarter.
Answer 2	<ul style="list-style-type: none"><li>•</li></ul>
Q3.	Please describe (up to) 3 <b>key risks</b> which may impact the project and how you will address these risks.
Answer 3	<ul style="list-style-type: none"><li>•</li></ul>
Q4.	Please describe (up to) 3 <b>priorities</b> for the next quarter.
Answer 4	<ul style="list-style-type: none"><li>•</li></ul>
Q5.	Please share any other relevant information, e.g. changes in business model, opportunities and new partnerships.
Answer 5	<ul style="list-style-type: none"><li>•</li></ul>

## Annex 4 : UNCDF Annual Report

Indicators				Data			
Indicator	Definition/Calculation	Disagg.	Unit	2022	2023	2024	2025
Number of full-time equivalent employees working for the partner institution	Number of full-time equivalent employees working for the institution, as of the end of the reporting period. Jobs and positions that should be included are defined according to the scope of the project, <i>during the design of the intervention</i> , as per project logic and project objectives.	Total	Number				
		Women					
		Youth					
Number of registered clients of new or improved digital services supported by UNCDF	This includes the new clients that were onboarded to the new or improved solutions supported by UNCDF during the reporting period.	Total	Number				
		Women					
		Youth					
		MSMEs					
Number of active clients of new or improved digital services supported by UNCDF	Total number of clients that are actively using UNCDF-supported solutions at time of reporting. This includes all active users of the solution whether onboarded during the reporting period or before. The default definition of an active user is having conducted at least one transaction in the past 90 days but this may be adapted to the product or service (specified in PWB)	Total	Number				
		Women					
		Youth					
		MSMEs					
Value of funds received by UNCDF partner during or after UNCDF support	This metric reflects the total value of capital received by the organization from other investors/donors in the form of equity, loan, grants and/or other during or after UNCDF support.	Equity	US\$				
		Loan					
		Grant					
		Other					
Number of clients trained on financial, digital, soft and/or hard skills as a result of UNCDF support	Total number of clients that were trained on financial, digital, soft and/or hard skills and capabilities as part of UNCDF supported interventions during the reporting period.	Total	Number				
		Women					
		Youth					
		MSMEs					

**Annex 5: Reporting Format: Project closing report**

## Project Closing Report

*This document is prepared by UNCDF Partners at the end of a Grant or Technical Assistance Agreement.*

### Project Details

Project:	
Partner:	
Country:	
Project Start and End Date:	
Prepared by:	

### Project Results

Please summarize the project results.	
Describe the main change(s) at your institution as a result of UNCDF support.	
Did the project meet its targets? If not, please explain why not. If project targets were exceeded, please describe the drivers.	<input type="checkbox"/> Met <input type="checkbox"/> Exceeded <input type="checkbox"/> Not met Specify:
Does the project contribute to the inclusion of specific population groups (e.g. women, youth, micro entrepreneurs, refugees)? If yes, please describe how.	<input type="checkbox"/> Yes <input type="checkbox"/> No Specify:

### Project implementation

Were all deliverables outlined in the agreement completed? If not, please explain why not.	<input type="checkbox"/> Yes <input type="checkbox"/> No Specify:
How did the project design and scope change compared to the initial design and why?	
What worked well?	
What didn't work well?	
What about UNCDF support was most valued?	
What about UNCDF support was least valued?	

UN Capital Development Fund

Two UN Plaza, 26th Floor, New York, NY 10017 | Tel: +1 212 906 6565 | Fax: +1 212 906 6479

[www.uncdf.org](http://www.uncdf.org) | [www.facebook.com/uncdf](https://www.facebook.com/uncdf) | [www.twitter.com/uncdf](https://www.twitter.com/uncdf)

What are your key take-aways from this project?	
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## Sustainability & Scale

<p>Are the project results likely to continue after UNCDF support ends?</p> <p>If yes, please explain why (e.g. systems and mechanisms put in place, institutional changes, investments, plans for (further) scale, proven business case, catalyzed investments, etc.).</p> <p>If no, please explain why not and share learnings how sustainability of UNCDF projects can be improved.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Specify:</p>
What is the risk(s) to the sustainability of the project results?	
<p>Are there needs or opportunities for further financing/support. If yes, please provide details.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Specify:</p>



## Annex 6: Certification of Milestone Completion

### Certification of *Milestone* Completion

(For Grant Agreements)

#### 1. To be Completed by the Unit Supervising the Financing Agreement

Name:

Agreement

Starting Date:

Agreement

End date:

Agreement Reference:

Grantee Name:

#### 2. To be completed by the Grantee

- (a) As per the agreement the grantee is expected to deliver and complete during this period the following outputs/milestones:

No.	Result/Milestone as Stated in the Financing Agreement	Target Payment Date of Completion	Agreement Payment Amount

Please make payment as indicated above to the bank account stated in the Financing Agreement.

Signature:

Name:

Date Signed:

#### 3. To be completed by the Staff Supervising / Reviewing the Results/Milestones as per the Agreement and the Regional or Programme Manager.

I certify that the work/deliverables/milestones listed above have been verified by me and are all satisfactorily performed during the above-mentioned dates. The results/milestones for this period are hereby:

Name	Function	Results and milestones	Comments	Signature
	Project Manager, UNCDF	<input type="checkbox"/> Accepted <input type="checkbox"/> Not Accepted		
	Regional or Programme Manager, UNCDF	<input type="checkbox"/> Accepted <input type="checkbox"/> Not Accepted		