Chapter – 8 .

PROJECT AND THESIS GRANT AGREEMENT FORMAT

Once the projects are approved by the FMC for funding and upon successful negotiations by the TSC, the NARDF secretariat invites the proponent to sign an agreement within the time specified. The Project agreement model is as follows:

# PROJECT AGREEMENT FORMAT

Project No:

The following procedures are in the form of an agreement and are signed by the institute or organization that wins the award, referred to as the *Awardee*.

The financial agreement forms part of the overall agreement between NARDF and the *Awardee*.

 This set of ***Procedures*** is in the form of an agreement dated \*\*\*\* between

 The National Agricultural Research and Development Fund [hereinafter referred to as NARDF] on the one part and

*[Insert name and address of Awardee]*

1. NARDF agrees to pay a grant of up to \*\* insert total award in NRs \*\*, to \*\* insert name of Awardee \*\* [hereinafter referred to as the Awardee] to support the NARDF approved project \*\* insert name and reference of Project \*\* [hereinafter referred to as the Project].
2. The total duration of the project will be as stated in the Full Project Proposal submitted to NARDF by the awardee. The awardee is responsible for successfully completing the project within the specific period \*\* insert project duration \*\*.
3. The grant will be used only in respect of the components of the work plan detailed in the annual budgeted work plan. Any subsequent amendments must be agreed in writing with NARDF. The Project cannot incur expenditure in excess of the financial limit set out above without NARDF's written approval.
4. The grant will be disbursed based on expenditure and subject to correct usage, satisfactory progress and financial reports being received.
5. Should the coordinator be replaced for any reason, the institution will appoint a suitable candidate with prior consent of NARDF.

**DELIVERABLES AND COPY RIGHTS**

1. The awardee will submit following reports and information in soft copy and hard copy as given formats (Annex-6)

a. An inception report (Form 1) within a month after the signing of this agreement.

b. Trimester progress reports (Form 2) (every four month) including the field activities

c. Annual technical reports (Form 3) (once a year)

d. Project Completion Report (Form 4) (After completion of the project)

e. Draft Main Technical Report (Form 5)

f. Final Main Technical Report – after incorporation of the comments from NARDF and reviewer

g. Data set generated during the project

h. Software or models generated during the project, if any

i. At least one policy brief (about 1 page)

j. At least one folder/flyer in the local language of target community (about relevant photographs, diagrams)

1. The Economic Copy Rights over the project concept note, project proposal and DELIVERABLES as described in Number 6 (a to j), in accordance with article 6.2 (b) of Copy Right Act 2059, belongs to NARDF Secretariat.
2. What so ever written in Number 8, the Awardee and the team of the study can exercise the moral rights conferred by Article 8(1) of Copy Right Act 2059 with due acknowledgement to the NARDF support.
3. The awardee can exercise the Patent right over the new innovations together with NARDF.

# CONDITIONS OF APPROVAL

1. The Head of the Institution of Awardee will allow NARDF staff or others nominated by NARDF to visit premises and project sites and to inspect any records pertaining to the project as NARDF may require, both during and after the life of the project.

# ISSUE OF FUNDS

1. NARDF will make funds for this project available on a trimester [four monthly] basis. The procedure and conditions for disbursement of these funds are as follows:
2. An amount equivalent to the approved trimester budget can be disbursed by NARDF in advance for the project if requested by the awardee. Alternatively, the awardee may wish to carry out the trimester project activities, initially from their own expenses and later can claim the incurred expenses from NARDF as a reimbursement [ within the approved trimester budget limit].
3. Awardee should present to NARDF a bank guarantee for one year or the project period against the amount advanced. If the payment extends for more than a year the bank guarantee should correspond to the duration until the advance is paid back.
4. Awardees will provide a detailed statement of income and expenditure and a bank statement of each reporting period. Documents need to be signed by the Project Co-ordinator and Head of the Applicant Organization.
5. Funds may be moved between activity lines with the agreement of NARDF Secretariat, or where the move amounts to more than 15% of the activity line, the approval of the NARDF Technical Sub Committee is required. A full written justification for such movement should be made.
6. Payment of value added tax (VAT) is the responsibility of the awardees and NARDF will deduct in "advance income tax" from the bill amount as per the provision made under the "Income Tax Act, 2058".
7. All the claims for overhead costs should be accompanied by bills and supporting documents at the time of the payments. But the final payment will not be released until all the DELIVERABLES as described in Number 6 (a to j) are submitted to NARDF Secretariat in satisfactory form.
8. Funds for the first accounting period will be issued following signature of this Agreement.
9. Once endorsed, funds for the first and subsequent periods, will be released, by the NARDF Secretariat, either directly to the Project bank account or as a cheque payable to the awardee’s Organization.
10. Notification of any transfer will be sent to the Project Co-ordinator and Head of the Applicant Organization.

### DISBURSEMENT AND PROCUREMENT

1. Disbursement of the funds will follow the procedures and regulations of the awardee institution or organization, unless otherwise stipulated by NARDF.
2. Only claims and payments should be made from the allocated grant funds by the organization chairperson.

# REPORTING REQUIREMENTS AND CLAIMS FOR PAYMENT

1. The organization Chairperson and the Project Co-ordinator will jointly submit the technical reports and financial statements of expenditure and other necessary document duly signed to NARDF for each reporting period.
2. Reports should follow the format and frequency which will be provided by NARDF.
3. As projects progress, there are invariably reasons for changing some elements and NARDF must be kept fully informed. Any significant changes must be approved by NARDF.
4. All claims and statements must be certified by the Organization Chairperson and Project Co-ordinator, in the following words:

 [Statements of expenditure]: *The payments detailed above have been actually and necessarily made on the \*\* insert name of project \*\* as specified in the Project Agreement signed with NARDF.*

*Signed: Dated:*

Official Seal

1. Statements so certified will be accepted as a proper discharge of the grant provided from NARDF funds. Documentary evidence of the various payments made by the Project will be lodged at the offices of the Project, but will not normally be required by NARDF. However, NARDF reserves the right to call for and examine such evidence.
2. Failure to provide a satisfactory account of expenditure may result in the immediate suspension or termination of NARDF funding and in the refund to NARDF of any funds which, in the opinion of NARDF, have not been satisfactorily accounted for. If NARDF considers that there has been a fraudulent use of its funds, it reserves the right to involve the police and to take legal action. The officer deemed responsible may be personally surcharged and the applicant/institution will be black listed.
3. a. To facilitate the management of the grant, it is preferred that a separate bank account is opened for the Project. However with NARDF Secretariat agreement, an organization's account may be used provided appropriate safeguards are in place to ensure the proper and transparent use and management of funds.

 b. In the case of government offices or related institutions receiving a grant from NARDF, it should be deposited in the account of the Government of Nepal.

1. Details of the Project's bank account are given below. If during the lifetime of the Project any of these details change please informs the NARDF Secretariat immediately.

|  |  |
| --- | --- |
| BANK NAME AND FULL ADDRESS: |   |
| BANK ACCOUNT NAME: |  |
| BANK ACCOUNT NUMBER: |  |
| NAMES OF SIGNATORIES AND THEIR POSITIONS: |  |

# UNSPENT BALANCES

1. Any unspent balance from NARDF’s grant on completion of the project must be refunded to NARDF.

# ANNUAL AUDITED ACCOUNTS

1. For auditing purpose, government offices or related institutions should follow the rules of the Financial Procedures Act, 2063 (Niyamawali, 2064) and other institutions should employ the professional auditors affiliated to the Institute of Charter Accountants of Nepal.
2. In addition, NARDF reserves the right to audit its funds to the project as a separate exercise to be carried out by an auditing firm selected by NARDF.
3. Two copies of the audited accounts should be submitted to the NARDF Secretariat, each bearing original signatures.
4. Costs of the independent audit will be met from Project funds.
5. Annual audited accounts should be submitted within three months of the end of the financial year.

# OTHER AGREEMENTS

1. Where the Project Agreement includes provision for the Project to provide funds from this grant to other Organizations, institutions or projects, as part of its activities, the Project Co-ordinator and Head of the Institution (Chair Person) remain accountable to NARDF for the delivery of project outputs and for the proper and efficient expenditure of NARDF funds.

# EQUIPMENT AND INFRASTRUCTURE MATERIAL

1. Equipment purchased for the Project is covered by NARDF procedures. The grant funds covered by this agreement are to be used only for local purchase of small items with a value less than 5% of total budget. Any items of equipment purchased under this grant must remain the property of the Project and will not be disposed of without prior agreement of NARDF. On completion of the Project, NARDF should be consulted about the further deployment of this equipment.
2. An inventory of all equipment purchased under this grant will be maintained and a copy supplied to the NARDF Secretariat, who must be advised periodically of any changes. Inventory entries must include the following:

a. Description

b. Specific identification [eg serial number]

c. Date of purchase

d. Original value [including vat if paid]

e. Location and/or user

f. Person responsible for it

# TERMINATION OF THIS AGREEMENT

1. Under special circumstances the awardee can make request for modification of the project after six months of implementation. TSC will approve the modification proposal.
2. Contract time extensions may be allowed, if delays beyond the awardee's control have occurred in the program schedule affecting project completion date. Time extension requests may normally be claimed due to the following circumstances:
	* Legal issues are affecting the project completion or the awardee's performance
	* The NARDF asks for a delayed start or to withhold the activities
	* Unusual or adverse weather conditions

 The contract time extensions of project period may be denied in the following circumstances.

* When the delays claim is caused by the awardee
* When delay is caused due inefficient or insufficient or inadequate manpower
* Underperforming by the awardee,
* If the project is affected by normal weather delays
1. The contract time extension requests must be supported by the following documents:
	* Indicate specific issue causing delays
	* List of activities from work schedule being affected by the aforementioned issue
	* Exact amount of time being requested specifying working days or calendar days
	* Sketches, photographs, or pictures
	* Indicate the action the awardee has taken to avoid or minimize other delays.
2. Project duration including the extended period shall not normally exceed three years
3. If in the findings of NARDF it appears desirable that this Agreement should be terminated for any reasons, NARDF may at any time inform the Awardee of its decision by a written instruction to that effect. The Awardee, as represented by the chief executive of the organization or institution, will submit an account in writing which will state the amount claimed, taking into account all fees and costs properly incurred or committed by the Awardee in relation to the Agreement which cannot be recovered, and taking into account outstanding advances.
4. If payments are within the financial limit and not subject to dispute, NARDF will pay all sums due and outstanding under the terms of the Agreement up to and including the date of termination.
5. Project Awardee who terminates the Project agreement after the release of the first installment amount from NARDF without a written permission of NARDF or displays a lack of interest in program implementation, depicts ulterior motives and financial irregularities against regulations of the Government of Nepal. Furthermore, such Firms/ Organizations/Proponents will be disqualified from future applications to NARDF and the facts will be circulated to other related institutions of Government of Nepal.
6. **FORCE MAJEURE**
	* If the performance of the Agreement by either party is delayed, hindered or prevented, or is otherwise frustrated by reason of *force majeure* [war, civil commotion, fire, flood, action by any government or any event beyond the reasonable control of the party affected] then the party so affected will promptly notify the other party in writing specifying the action of the *force majeure* and of the anticipated delay in the performance of the agreement.
	* From the date of that notification NARDF may at its discretion either terminate the Agreement immediately, or suspend the performance of the Agreement for a period not exceeding six months.
	* In the event of the Agreement being terminated by reason of force majeure NARDF will submit an account in writing which will state the amount claimed taking into account all fees and costs properly incurred or committed by the Awardee in relation to the Agreement which cannot be recovered, and taking into account outstanding advances. If payments are within the financial limit and not subject to dispute, NARDF will pay all sums due and outstanding under the terms of the Agreement up to and including the date of termination.

|  |  |
| --- | --- |
| **For and on behalf of the NARDF** | Name: |
|  | Position: Member Secretary |
|  | Signature: |
|  | Date: |
| **For and on behalf of the Project** | Name : |
|  | Position: Chair Person |
|  | Signature:Date: |
| **Witness for and on behalf of the NARDF** | Name: |
|  | Position: Senior Program Officer |
|  | Signature: |
|  | Date: |
| **Witness for and on behalf of the Project** | Name: |
|  | Position: Project Co-ordinator |
|  | Signature: |
|  | Date: |

Prepared By : Checked By :

### 2. THESIS GRANT AGREEMENT

 Once the projects are approved by the FMC for funding NARDF secretariat invites the proponent to sign an agreement within the time specified.

**Thesis Grant Agreement Format**

**Terms and Conditions**

* 1. This set of Procedures is in the form of an agreement dated ………… between :

 **The National Agricultural Research and Development Fund [hereinafter referred as NARDF]** and

 ……………………………………………………………………………………………………………………………………

* 1. NARDF agrees to pay a thesis grant of **NRs : (in words)** to Mr. ……….. (Name and Addresses of the Institution) [Hereinafter referred to as the Awardee] to support the approved thesis entitled “……………………..**”** [Hereinafter referred to as the Project].
	2. The total duration of the project will be as stated in the Thesis Proposal submitted to NARDF by the awardee. The awardee is responsible for successfully completing the thesis work within the specific period.
	3. Awardee has to submit two copies of thesis and have to present a seminar in NARDF secretariat office.
	4. The grant will be used only in respect of the components of the activities presented in the proposal and approved by the NARDF. The approved set of the activities are attached herewith as annex I. If any subsequent amendments; must be agreed in writing with NARDF.
	5. The grant will be disbursed based on expenditure and subject to correct usage, satisfactory progress and financial reports being received.
	6. The awardee will submit an inception report within a month after signing of this agreement.
	7. Thesis acknowledgement
	8. Delivery : an article, 2-3 page story in Nepali language
	9. NARDF will make funds for this project available on two instalments basis. The procedure and conditions for disbursement of this funds are as follows:

a. An amount equivalent to 40% of the approved amount will be disbursed by NARDF in advance for the project after the inception report, if requested by the awardee. Another 60% of the amount will be disbursed after the thesis defence and presenting a seminar at NARDF secretariat at Kathmandu.

b. All claims should be accompanied by supporting documents at the time of payments.

c. Once endorsed, funds for the first and subsequent instalments will be provided by cheques to the awardee.

* 1. For subsequent release of budget, the awardee has to submit financial statements of expenditure to the NARDF.
	2. Reports will pass to the NARDF secretariat either directly or as required by the awardees institution or Organization.
	3. As projects progress, there are invariably reasons for changing some elements and must be kept fully informed. Any significant changes must be brought to NARDF’s attention at an early stage.
	4. All claims and statements must be certified by the awardee, in the following words:

 [statements of expenditure]: *The payments detailed above have been actually and necessarily made on the \*\* insert name of project \*\* as specified in the Project Agreement signed with .*

 *Signed: Dated:*

* 1. Failure to provide a satisfactory account of expenditure may result in the immediate suspension or termination of funding and in the refund to NARDF of any funds which, in the opinion of NARDF, have not been satisfactorily accounted for.
	2. In addition, the provision made under this agreement, the fund regulation and the project implementation will be in accordance to the provision under the NARDF Operating Manual 2015.
	3. If in the opinion of it appears desirable that this agreement should be terminated for any reasons, NARDF may at any time inform the Awardee of its decision by a written instruction to that effect.
	4. If payments are within the financial limit and not subject to dispute, will pay all sums due and outstanding under the terms of the Agreement up to and including the date of termination.

For and on behalf of the NARDF

 Name:

 Position:

 Signature:

 Date:

For and on behalf of the Awardee

 Name:

 Permanent Address:

 Street:

 Ward No.:

 VDC/Municipality:

 District:

 Position:

 Student awardee ID card Number:

 Signature:

 Date:

 Name and Address of the University/Institution:

Prepared By: Checked By: