

GRANT CONTRACT

For the project: **THE COFFEE AND COCOA VALUECHAIN DEVELOPMENT (COCODEV) PROJECT (FED/2022/430-533)**

(the ‘contract’)

The **Uganda Coffee Development Authority** (hereinafter referred to as “UCDA”) (the ‘contracting authority’) represented by:

Name: Emmanuel Iyamulemye Niyibigira **Title:** Managing Director/Imprest
Administrator

Address: Plot 35, Jinja Road, Kampala, Uganda

Phone: + 256 312 260470

Email: md@ugandacoffee.go.ug

of the one part,

AND

The **Beneficiary of the Grant Contract** (hereinafter referred to as “the Beneficiary”):

Name of the Beneficiary:	
Official MGS Application Number:	
Grant Contract Number:	
Beneficiary category:	<input type="checkbox"/> Individual or Registered entity <input type="checkbox"/> Company <input type="checkbox"/> Association/Cooperative <input type="checkbox"/> CBO <input type="checkbox"/> Community group
National Identification Number (NIN) - for individual beneficiaries	
Company Registration Number	
Represented by:	
Position (Relation to Beneficiary)	
NIN for Company/Association/Cooperative/CBO Representative (s)	
Address:	
Telephone:	
E-mail:	

of the other part,

(the ‘parties’)

have agreed as follows:

SPECIAL CONDITIONS

Article 1 — Purpose

- 1.1 The purpose of this contract is the award of a matching grant by the contracting authority to finance the implementation of the action entitled: **Establishment of a Coffee / a Cocoa production Unit at** [REDACTED] (the ‘action’) described in Annex I.
- 1.2 The beneficiary shall be awarded the grant on the terms and conditions set out in this contract, which consists of these special conditions (the ‘special conditions’) and the annexes, which the beneficiary hereby declares it has noted and accepted.
- 1.3 The beneficiary accepts the grant and undertakes to be responsible for carrying out the action.

Article 2 — Implementation period of the action

- 2.1 This contract shall enter into force on the date when the second of the two parties signs.
- 2.2 Implementation of the action shall begin on:
 - the day following that on which the second of the two parties signs.
- 2.3 The implementation period of the action is [REDACTED] months.
- 2.4 The execution period of this contract shall end when the payment of the balance is made by the contracting authority and, in any event, at the latest 6 months after the end of the grant implementation period.

Article 3 — Financing the action¹

- 3.1 The total eligible costs are estimated at UGX [REDACTED], as set out in Annex III.
- 3.2 The contracting authority undertakes to finance a maximum amount of UGX [REDACTED].
The final amount of the contracting authority’s contribution shall be determined in accordance with the verification of Eligible costs as indicated in Annex IX.

Article 4 — Reporting and payment arrangements

- 4.1 The Grant Support by UCDA, under the CoCoDev project, to the Beneficiary shall not exceed the maximum commitment under this Contract of the value of Uganda Shillings UGX [REDACTED] (*In words* [REDACTED]) for [REDACTED] acres of coffee/cocoa planted in line with the eligible costs (Annex 5). This amount represents the maximum financial liability of the project (CoCoDev) under UCDA, for this Contract and

¹ In case of action grants, note that the amount awarded and percentages stated in this article shall also be updated in Annex III Budget of the action, in the worksheet ‘Expected sources of funding and summary of estimated costs’.

is subject to receipt of accounted funds from the Resource Partners, and to compliance by the Beneficiary, with any requirements under the Contract.

4.2 Reimbursement must be requested by the grantee through the submission of the following documents:

- ✓ Annex V – Payment Request Letter Template
- ✓ Annex VI – Model Narrative Report
- ✓ Annex VII – Model Financial Report

4.3 Subject to a verification by UCDA, through the CoCoDev Project, of the completion status of the activities and a determination that the conditions for the disbursement of financial support under this Contract are met, UCDA through CoCoDev shall disburse to the beneficiary the agreed contract reimbursements costs through bank transfer to the Beneficiary’s bank account (Financial Identification Form - Annex VIII):

4.4 Any reimbursements made to the beneficiary will be based on acres of coffee or cocoa planted and implementation of sustainable management measures. The Grant Support will be paid in two instalments:

Payment #1: 60%, upon establishment of planted acreage. (three months after plantation establishment).

Payment #2: 40%, upon sustainable management of planted acreage. (nine months from plantation establishment or before the end of this Contract).

4.5 UCDA may not reimburse if the Beneficiary has not complied with terms and conditions of submitting timely progress reports as requested by CoCoDev and/or failure to comply with implementing the range of eligible costs as indicated in Annex IX, or if the Beneficiary otherwise fails to comply with its obligations under this Contract, including any amendment agreed upon in accordance with Standard Provisions – Annex II.

4.6 UCDA, through the CoCoDev project, shall apply all efforts to reimburse the requested financial support to the Beneficiary within thirty (30) working days from approval of the Verification Report. UCDA and the CoCoDev project shall, in no circumstances, be considered responsible for any delays that could occur in the reimbursement of the financial support arising from delayed or incomplete submission of progress reports and satisfaction of any other obligations, or any other fault from the side of the Beneficiary.

Article 5 — Contact addresses

5.1 Any communication relating to this contract shall be in writing, state the contract number and title of the action and be sent to the following addresses:

For UCDA:

Title: Managing Director

Address: Plot 35, Jinja Road, Kampala

Phone: + 256 312 260470

Email: md@ugandacoffee.go.ug

For Beneficiary:

Mr Ms

Title:

Representing:

Grant Contract Number: [Enter number of this Grant Contract]

ID Number:

Address:
Email:
Tel (office):
Tel (mobile):

(2) The Parties will notify each other in writing of any change in communication details.

Article 6 — Annexes

6.1 The following documents are annexed to these special conditions and form an integral part of the contract:

Annex I: Full Application Form – (Completed)

Annex II: Standard Provisions

Annex III: Budget

Annex IV: Work plan (with milestones)

Annex V: Payment Request Letter Template

Annex VI: Model Narrative Report Template

Annex VII: Model Financial Report Template

Annex VIII: Financial identification form

Annex IX: Eligible Activities

6.2 In the event of a conflict between the provisions of the MGS Grant Support Agreement and any annex thereto, the MGS Grant Support Agreement shall take precedence.

Article 7 — Other specific conditions applying to the action

- a) The Beneficiary declares under full moral, material, and criminal responsibility, that all data contained in the reports and documents submitted to UCDA, through the CoCoDev project, and/or to the Resource Partners, are accurate and authentic.
- b) UCDA under the CoCoDev project will protect any personal data obtained from the Beneficiary in accordance with standards applicable to UCDA.
- c) Amendments of the Contract - This Contract may be amended by mutual written contract between the Parties in relation to the timing of execution of planned activities and submission of the agreed deliverables. However, under no circumstances can the maximum grant amount be modified.

Done in English in two originals: one original being for the contracting authority, and one original being for the beneficiary.

For UCDA,
Duly represented by: Dr. Emmanuel Iyamulemye Niyibigira
Title: Managing Director/Imprest Administrator

Date: ... / ... / ...

For the Beneficiary:
Duly represented by:
 Mr. Ms.
Title:
Representing: (if Beneficiary is an entity)

Date: ... / ... / ...

Witness:

Duly represented by
 Mr. Ms.
Title:

Date: ... / ... / ...

ANNEX II: STANDARD PROVISIONS

- 1.0 LEGAL STATUS:** Nothing in the Agreement, including its Annexes, establishes any legal relationship between UCDA, CoCoDev or the Resource Partner and the Beneficiary, its employees, personnel or contractors, nor renders UCDA, CoCoDev or the Resource Partner liable for any loss, damage, illness or death resulting to the Beneficiary, its employees, personnel or contractors, as a result of their work in the context of the implementation of this Agreement.
- 2.0 OBLIGATIONS:** The Beneficiary shall comply with all laws and regulations applicable to it, and assume all liabilities deriving thereof. The Beneficiary shall be responsible for obtaining any permit, authorization or other documentation required under the applicable laws and regulations.
- 3.0 PROTECTION OF EMPLOYEES:** The Beneficiary shall comply with all relevant social, labour, insurance, health, safety and other working conditions, and environmental laws, and shall provide appropriate salaries, emoluments, medical and life insurance to its personnel in connection with their activities under the present Agreement. The Beneficiary shall not, under any circumstances, employ, directly or indirectly, any person below the minimum legal age according to local laws at all time during the execution of the Works related to this Agreement.
- 4.0 CONFLICT OF INTEREST:** The Beneficiary shall refrain from any action which may give rise to a conflict of interest in respect of the Works and Equipment financed with the Grant Support. Existing and/or potential conflict of interest situations shall be disclosed immediately to UCDA and the CoCoDev project.
- 5.0 BUSINESS ETHICS:** The Beneficiary represents and warrants that all the Works performed under this Agreement, including those performed by its contractors, are consistent with UCDA and CoCoDev's constitutional mandate, principles and policies, and with internationally recognized principles concerning human rights, the environment and anti-corruption, as reflected in the United Nations Global Compact Principles.
- 6.0 PROCUREMENT:** This Agreement will not give the Beneficiary any preferred relationship with UCDA with respect to procurement of its products or services, nor any right to participate in UCDA solicitations for procurement of products or services similar to those sold or offered by the Beneficiary.
- 7.0 DATA PROTECTION, INFORMATION REQUESTS AND CONFIDENTIALITY:** The Beneficiary shall ensure an appropriate protection of personal data in accordance with its applicable laws and regulations. The Beneficiary shall not communicate to any other person or entity confidential information made known to it by UCDA in the course of the implementation of this Agreement, nor shall it use this information to private or company advantage.
- 7.1** The Beneficiary shall grant onsite inspection and visits, in particular full and unfettered access to the authorized UCDA and CoCoDev personnel, and to the Resource Partners to inspect documents, sites, facilities, equipment and property that are relevant to the Grant. Onsite inspection and visits may be conducted during standard working hours at any time during the implementation of the Grant, provided that UCDA, through the CoCoDev project and/or the Resource Partners, gives advance notice to the Beneficiary of two (2) working days. During the onsite inspection, the Beneficiary or its authorized representative shall identify themselves at the request of UCDA and

CoCoDev personnel, or of the Resource Partners. The Beneficiary shall keep any original documents pertaining to the activities carried out under this Contract, and shall allow access to such documentation for inspection, for a period of five (5) years from the date of expiration, termination or completion of this Contract. This provision shall survive the expiration, termination or completion of this Contract for the specific purpose of any investigation carried out by UCDA under the CoCoDev project.

7.2 The Beneficiary agrees to submit any additional information or data if so requested by UCDA under the CoCoDev project or the Resource Partners.

7.3 The Beneficiary declares under full moral, material, and criminal responsibility, that all data contained in the reports and documents submitted to UCDA, through the CoCoDev project, and/or to the Resource Partners, are accurate and authentic.

7.4 UCDA under the CoCoDev project will protect any personal data obtained from the Beneficiary in accordance with standards applicable to UCDA.

8.0 RESPONSIBILITY FOR EMPLOYEES, PERSONNEL AND CONTRACTORS: The Beneficiary shall ensure that its employees, personnel and contractors meet the highest standard of technical and professional competence necessary for the achievement of the project objectives, and that they always act and conform to a high standard of moral and ethical conduct.

9.0 UCDA OFFICIALS NOT TO BENEFIT: The Beneficiary warrants that no official of UCDA including CoCoDev staff has received or will be offered by the Beneficiary any direct or indirect benefit arising from this Agreement. The Beneficiary agrees that breach of this provision is a breach of an essential term of this Agreement.

10.0 RESPONSIBILITIES OF THE BENEFICIARY: The Beneficiary will be fully responsible for all activities related to this Agreement, including for its own acts and omissions, and those of its employees, personnel or contractors. UCDA, CoCoDev and the Resource Partner shall not assume any liability or handle any claims, demands, suits or judgments arising from the Works and Equipment financed with the Grant Support, including those resulting from, *inter alia*, the purchase, ownership, use, maintenance, defect, or operation of such Equipment. UCDA and CoCoDev project shall not assume any liability for any claims, demands, suits or judgments, which may be brought by third parties against UCDA or CoCoDev, its personnel or other persons performing services on its behalf, in connection with any work-related death, accident, injury, illness, loss or damage to property sustained by them as a result of the execution of the Project.

10.1 The Beneficiary shall execute the Grant in full collaboration with UCDA under the CoCoDev project and shall ensure that all activities financed by the Grant Support are undertaken or used in accordance with terms and conditions under this contract.

10.2 The Beneficiary shall immediately inform UCDA, through the CoCoDev project, if circumstances arise that have an actual or potential impact on the implementation of the Grant, or any activities carried out under this Contract.

10.3 Irrespective of any grant support provided to the Beneficiary by UCDA, through the CoCoDev project, the Beneficiary shall be the one responsible for handling and paying all costs related to

the implementation of the scheme of works and activities related to plantation establishment under this Contract. Such costs include, but are not limited to:

- a) Payment of any costs incurred directly for the activities covered by this Contract (Eligible reimbursable costs are listed in Annex IX);
- b) Payments towards third parties arising from the implementation of the activities covered by this Contract;
- c) Any costs of preparations for execution of the activities covered by this Contract.
- d) Any other costs linked to the grant that may not have been included in this Contract.

10.4 The Beneficiary will be entitled to the reimbursement of financial support as set out in this Contract. The reimbursement of financial support by UCDA, through the CoCoDev project, to the Beneficiary shall be conditional upon the realisation of the following: i) timely submission of the Progress Reports (Annexes VI and VII) compliance with eligible reimbursable costs (Annex IX), as evidenced by the Beneficiary verification report prepared by UCDA through the CoCoDev project.

11.0 BENEFICIARY AND INVESTMENT COMPLIANCE WITH LOCAL LAWS AND REGULATIONS

The Beneficiary shall ensure compliance with all local laws and regulations relevant to the execution of the investment and applicable to the Beneficiary and any activity undertaken under this Contract, including those relating to employment and safety of workers, and the use of natural resources. The Beneficiary shall obtain any permit, authorization or other documentation required under such laws and regulations.

12.0 EXECUTION OF ACTIVITIES

12.1 The Beneficiary shall immediately inform UCDA through the CoCoDev project if circumstances arise that impact on the implementation of the Grant or any activities carried out under this Contract.

12.2 The Beneficiary shall not under any circumstances employ directly or indirectly any person below the minimum legal age according to local laws at any time during the execution of the works and activities related to this Contract.

12.3 The Beneficiary will be fully responsible for all activities related to the Grant and carried out in connection with this Contract and for the acts and omissions of all employees, agents or other representatives, and authorized subcontractors providing services on their behalf.

12.4 UCDA and the CoCoDev project or the Resource Partners, will not be responsible for dealing with any claim or liability arising in connection with the Grant or any activity carried out under this Contract, including any claim which may be brought by third parties against the Resource Partners or UCDA, CoCoDev project, its personnel or other persons performing services on its behalf, in connection with this Contract.

12.5 UCDA, CoCoDev project or the Resource Partners shall not under any circumstances be responsible for acts or omissions of any other third party.

13.0 INTELLECTUAL PROPERTY: Except as is otherwise expressly provided in writing in the Agreement, UCDA through the CoCoDev project shall be entitled to all intellectual property and

other proprietary rights including, but not limited to, patents, copyrights, and trademarks, with regard to products, processes, inventions, ideas, know-how, or documents and other materials which the Beneficiary has developed under the Agreement.

- 14.0 USE OF UCDA's NAME, LOGO AND EMBLEM:** The Beneficiary agrees not to use the name, logo, and emblem of UCDA or the Resource Partner unless expressly authorized by them respectively in advance in writing.
- 15.0 VISIBILITY:** At UCDA's request, the Beneficiary shall provide visibility, as specified by UCDA, to the Resource Partner that is contributing funds to the Project.
- 16.0 FORCE MAJEURE:** The Beneficiary shall inform UCDA and CoCoDev project of any unforeseen event beyond its control that makes the performance of its obligations, in whole or in part, under this Agreement impossible. The Parties shall consult on the appropriate action to be taken, which may include termination of the Agreement.
- 17.0 MONITORING AND EVALUATION:** The Beneficiary shall accommodate monitoring and evaluation visits of UCDA, CoCoDev and the Resource Partner. UCDA through CoCoDev project will give the Beneficiary reasonable prior notice of any of such visits.
- 18.0 TAXES:** This Agreement is not subject to payment by UCDA and CoCoDev project of any levies, taxes, registration duties or any other duties or charges whatsoever. The Beneficiary shall duly pay taxes, duties and other charges in accordance with prevailing laws and regulations applicable to the Beneficiary.
- 19.0 ACCOUNTS AND ARCHIVING:** The Beneficiary shall keep accurate and regular books and records of the implementation of the Project. For a period of five (5) years from the completion or termination of this Agreement, and in any case until any ongoing audit or spot checks, litigation or pursuit of claim has been disposed of, the Beneficiary shall keep and make available all relevant information (originals or copies) related to the Works implemented by itself, its employees, personnel or contractors, or connected to the Equipment financed with the Grant Support.
- 20.0 AUDITS AND SPOT CHECKS:** UCDA, CoCoDev project, the Resource Partner, and their appointed auditors, shall have the right to conduct audits and spot-checks so to ensure that the Grant Support is used solely for its intended purposes, and that all activities performed under this Agreement are free from fraud and other corrupt practices.

The Beneficiary shall provide its full and timely cooperation with any such audits and spot-checks. Such collaboration shall include, but shall not be limited to the Beneficiary's obligation to:

- a) make available its personnel, as well as any relevant documentation and records, for such purpose;
- b) grant full and unrestricted access to all premises and sites of project implementation; and
- c) require its agents, including, but not limited to, the Beneficiary's attorneys, accountants or other advisers, and its contractors to reasonably cooperate with any audits and spot checks carried out.

The Beneficiary recognizes that the refusal to provide full information, and free access to Project premises and implementation sites, shall be considered a breach of an essential term of this Agreement, and may result in immediate termination of the agreement or any other remedial action deemed by UCDA and CoCoDev project.

21.0 SUSPENSION AND TERMINATION OF THE CONTRACT

- 21.1 This Contract may be terminated at any time by mutual contract of the Parties. In that event, the Parties will agree on measures required for the orderly conclusion of any ongoing activities.
- 21.2 At any time and with immediate effect, and by providing written notice to the Beneficiary, UCDA under CoCoDev project may suspend or terminate this Contract if:
- (i) The Beneficiary does not comply with the terms and conditions of this Contract, including the representations given under this Contract and its Annex II.
 - (ii) The Beneficiary, its employees, personnel and contractors do not comply with Obligations, Protection of Employees, Conflict of Interest, Business Ethics, Accounts and Archiving, Audits and Spot-Checks, Sanctionable Actions, Sexual Exploitation, and Terrorism listed in Annex II to the Contract.
 - (iii) The Beneficiary is adjudged bankrupt, or is liquidated, or becomes insolvent, or applies to be declared insolvent.
 - (iv) Upon termination of the funding contract between UCDA and the Resource Partners (European Union Delegation).
- 21.3 In the event of suspension or termination of this Contract, UCDA, through the CoCoDev project, will immediately notify the Beneficiary.
- 21.4 In the event of suspension or termination of this Contract, UCDA, through the CoCoDev project, shall refuse to provide further Grant Support.
- 21.5 In the event that UCDA, through the CoCoDev project, provides the Beneficiary with a suspension or termination notice pursuant of this Contract, the Beneficiary shall immediately take all necessary steps to suspend or terminate (as the case may be) its activities, and UCDA or CoCoDev shall not be responsible in any way for losses and damages incurred during this process.
- 21.6 UCDA will specify which sections of this Contract, shall survive the expiration or termination of this Contract.

22.0 DISPUTES

Any disputes arising from this Contract will be solved amicably between the Parties to this Contract through negotiation. The conciliation or the arbitration proceedings shall be conducted in English. The Parties may request conciliation during the execution of the Contract and anyway not later than twelve (12) months after the expiry or the termination of the Contract. The parties may request arbitration not later than ninety (90) days after the termination of the conciliation proceedings. Any arbitration award rendered in accordance with the provisions of this contract shall be final and binding on the Parties.

23.0 PRIVILEGES AND IMMUNITIES

Nothing in this Contract or in any document or activity related thereto shall be construed as a waiver of the privileges and immunities of UCDA, nor as conferring any privileges and immunities of UCDA and CoCoDev

project to the Beneficiary, its representatives, its employees, personnel or contractors nor as the acceptance, by UCDA, of the jurisdiction of the courts of any country or of the applicability of any national law to UCDA.

24.0 SANCTIONABLE ACTIONS:

24.1 The Beneficiary acknowledges that UCDA has zero tolerance for fraudulent, corrupt, coercive, obstructive and/or collusive practices (“Sanctionable Actions”, as defined below).

24.2 The Beneficiary represents and warrants that it has not, and it shall not, engage in Sanctionable Actions, during its selection as a Beneficiary by UCDA under the CoCoDev project, and throughout the negotiation and execution of this Agreement.

24.3 The Beneficiary shall promptly bring any allegation of a Sanctionable Action, committed by its staff or contractors in relation to this Agreement, of which the Beneficiary has been informed or has otherwise become aware, to the attention of UCDA through the CoCoDev project.

a) Sanctionable Actions are defined as follows:

(i) “corrupt practice” means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;

(ii) “fraudulent practice” means any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial and/or other benefit, and/or to avoid an obligation;

(iii) “collusive practice” means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;

(iv) “coercive practice” means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;

(v) “unethical practice” means any act or omission contrary to the conflict of interest, gifts and hospitality or post-employment UCDA policy.

(vi) “obstructive practice” means acts or omissions intended to materially impede the exercise of UCDA’s contractual rights of audit, investigation and access to information, including destruction, falsification, alteration or concealment of evidence material to a UCDA investigation into allegations of Sanctionable Actions.

25.0 SEXUAL EXPLOITATION AND PROTECTION OF CHILDREN: The Beneficiary shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by its employees, contractors, or by any other person performing any activities under this Agreement. For these purposes, sexual activity with any person less than eighteen (18) years of age shall constitute the sexual exploitation and abuse of such person. In addition, the Beneficiary shall refrain from, and shall take all reasonable and appropriate measures to prohibit its employees, personnel and contractors from exchanging any money, goods, services, or other things of value, for sexual favours or activities, or from engaging in any sexual activities that are exploitive or degrading to anyone. The Beneficiary shall further ensure that none of its employees, personnel and contractors exposes anyone, including children, to any form of discrimination, abuse or exploitation.

26.0 **TERRORISM:** The Beneficiary shall undertake all reasonable efforts to ensure that none of the Grant Support is used to provide support to individuals or entities:

- (i) associated with terrorism, as included in the list maintained by the Security Council Committee established pursuant to Resolutions 1267 (1999) and 1989 (2011); or
- (ii) that are the subject of sanctions or other enforcement measures promulgated by the United Nations Security Council (<https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list>)