**Engagement partner-Partner agreement of cooperation**

**Engagement partner Cooperation**

Annex 1: may 2021

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|  |  | The two parties: |
| **Danish engagement Partner** |  | **[xx]**  - Hereafter referred to as the Engagement Partner. |
| **Partner** |  | **[xx]**  - Hereafter referred to as the Partner. |
|  |  | Hereby agree to cooperate on: |
| **Engagement title** |  | xx |
| **Country** |  | xx |
| **Engagement period** |  | Xx - xx |
| **Grant in DKK** |  | DKK xx |
|  |  | Based on the conditions, rights and responsibilities presented in  Articles 1-15 of this agreement. |

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| Date |  | Signature of Engagement partner |
| Date |  | Signature of Partner |

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| **Article 1**  **Basis of Cooperation** |  | The grant must be managed by the Partner in accordance with the following documents:   * 1. The present agreement and its appendices   2. The engagement document/application and budget as approved by the board of DIPD.   3. The DIPD Guidelines for applying for engagement support. |

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| **Article 2**  **General Responsibilities of the Partner** |  | * 1. The responsibility for the implementation of the engagement within the Partner organisation rests with the [xxx] within the Partner organization. [xxx] will oversee implementation of the engagement in close liaison with the Engagement partner.   2. The Partner is accountable to the Engagement partner for the planning and implementing of the engagement, implying the following responsibilities for the Partner:      1. *To ensure that the engagement implementation is in conformity with the engagement document/application. In case of doubt, the Partner must consult the Engagement partner.*      2. *To provide sufficient professional and administrative capacity to manage the grant and activities in a proper and adequate manner.*      3. *To ensure that reporting, accounting and audit are carried out in accordance with the respective articles in this agreement.*      4. *To ensure that all posts and vacancies financed by the Engagement partner funding are announced in open, public adverts (exempt short-term positions), and that the selection of candidates does not discriminate against race, sex, or political and religious affiliation.*      5. *To ensure that no staff receives double salary.*      6. *To ensure that no offer, payment, consideration or benefit of any kind, which could be regarded as an illegal or corrupt practice, will be made, promised, sought or accepted - neither directly nor indirectly - as an inducement or reward in relation to activities funded under this agreement, incl. tendering, award or execution of contracts.*      7. *To allow and facilitate any inspection of engagement activities, reports, accounts, documents, inventory etc. which might be desired by the Danish Auditor General.* |

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| **Article 3**  **General responsibilities of the Engagement partner** |  | * 1. The Engagement partner is responsible towards DIPD for ensuring that the engagement is implemented according to DIPD guidelines.   2. The responsibility for overall monitoring and reviewing of progress rests with the Engagement partner.   3. The Engagement partner is responsible for reporting to DIPD based on the information received from the Partner (see articles 6 and 7). |

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| **Article 4**  **Management of the engagement budget** |  | * 1. The implementation of the activities covered by the agreement must take place within the framework of the budget approved by the board of DIPD.   2. The budget margin may not be transferred without prior approval by the Engagement partner.   3. Transfers from the budget margin must be in line with engagement objectives as stated in the engagement document.   4. The budget margin may not be used for extension or reformulation of the engagement activities.   5. The engagement grant is allocated in DKK. Changes in prices, salary increases or unfavourable changes in the exchange rates must be covered by the grant awarded. The budget margin may be used to cover such costs if approved by the Engagement partner.   6. Interests accrued from bank holdings should be recorded as income and may be used for activities supporting the objective of this development engagement or returned to DIPD at the end of the engagement. Negative interests are to be accounted for as expenditures and may be covered by the grant.   7. The Partner will be responsible for the payments of all taxes and bank charges related to the funds provided by the Engagement partner. |

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| **Article 5**  **Grant Disbursement** |  | * 1. By signing the present agreement, the Partner verifies that the bank account no. stated (p.6) is separate and intended for the present engagement only.   2. The first instalment of the grant will be disbursed to the Partner in connection with the signing of the present agreement. The subsequent instalments will be transferred according to the Partner semi-annually on the basis of a written disbursement request to the Engagement partner.   3. Any disbursement requests to Engagement partner must be made by the finance manager of the Partner.   4. The Partner must in writing acknowledge the receipt of the instalments. This is acknowledged by sending an email to the Engagement partner stating the amount received. |

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| **Article 6**  **Inventory and equipment** |  | * 1. The Partner must keep updated records of inventory and equipment purchased by engagement means.   2. The Partner is responsible for insuring vehicles, major pieces of equipment and inventory in compliance with applicable laws. If this is not possible, the reasons must be stated.   3. The Partner must abstain from selling, pledging, leasing or otherwise disposing of inventory and equipment.   4. In case of termination of the engagement in accordance with article 12 and 13, the Partner must allow the Engagement partner to realise (sell) such inventory and equipment in the best way possible and forward the profit to DIPD.   5. Transfer of any engagement equipment requires a signed transfer document. |

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| **Article 7**  **Reporting Procedures**  **[dates to be filled in by parties]** |  | 7.1 The Partner must share their overall annual Income and Expenditure Report with the Engagement partner.  7.2     The Partner must submit semi-annual status reports to the Engagement partner. The reports contain a narrative part and an expenditure status according to budget. The first annual status reports must be submitted no later than [xxx].  7.3     The Partner must fill in and submit to Engagement partner a final engagement narrative and financial report no later than 2 months after completion of the engagement. ( See annex 5 for final report format)  7.4     The Partner is obliged to report in writing to the Engagement partner immediately in cases of:  *a.*      *Significant difficulties in engagement implementation, including in regard to adhering to the approved budget;*  *b.*      *Significant problems in regard to official authorities in the recipient country, partner organisations or posted staff members;*  *c.*       *Upon reasonable suspicion of or established theft, fraud, corruption, abuse, support of terrorist activities or other similar irregularities in the administration.* |

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| **Article 8**  **Accounting**  **[dates to be filled in by parties]** |  | * 1. The Partner must ensure (or establish and maintain) a secure and reliable system of accounts. The Partner must make sure that the financial management procedures are adequate.   2. The bookkeeping must be kept up-to-date, be documented with original vouchers and be in accordance with good accounting and bookkeeping practises. All vouchers and bookkeeping material must be stored for a period of 5 years after completion of the engagement.   3. The Partner must account for the grant as follows:  1. *The Partner must appoint a staff member to function as the Engagement partner’s main contact person for matters relating to engagement finance.* 2. *A yearly audited account for the engagement (see Article 9) must be submitted to Engagement partner no later than 2 months after the year end (if no other period is agreed). The engagement partner is required to submit the final audited accounts to DIPD upon reception.* |

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| **Article 9**  **Audit** |  | * 1. The final accounts must be audited by an independent state authorised public accountant in accordance with internationally recognised standards for auditing (ISSAI 100 – Fundamental Principles of Public Sector Auditing and ISSAI 200 – Fundamental Principles of Financial Auditing).   2. The audit must take place in accordance with the attached Audit Instruction (annex 4).   3. As part of the audit, the Danish Auditor General have the right of access to all engagement documents, reports, evaluations, budgets, and accounting material concerning the engagement. |

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| **Article 10**  **Anti-corruption** |  | * 1. This agreement is subject to Danida's Anti-Corruption Code of Conduct.   2. *”No offer, payment, consideration or benefit of any kind, which could be regarded as an illegal or corrupt practice, shall be made, promised, sought or accepted - neither directly nor indirectly - as an inducement or reward in relation to activities funded under this agreement, incl. tendering, award or execution of contracts. Any such practice will be grounds for the immediate cancellation of this agreement/contract and for such additional action, civil and/or criminal, as may be appropriate. At the discretion of the Royal Danish Ministry of Foreign Affairs, a further consequence of any such practice can be the definite exclusion from any tendering for engagements, funded by the Danish Ministry of Foreign Affairs”.* |

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| **Article 11**  **Amendment to the agreement** |  | * 1. Both signatories to the present agreement may request amendments to the stipulations in this agreement. The implementation of such amendments will call for consensus between the parties. Agreed changes and amendments shall enter into force after exchange of signed letters between the parties at the same level as the signatories to the agreement. |

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| **Article 12**  **Termination by notice** |  | * 1. The present agreement may be terminated by either engagement partner by three month written notice. |

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| **Article 13**  **Breach of agreement** |  | * 1. In case of non-fulfilment or violation of the stipulations in this agreement and the attached documents, the board of DIPD has the right to take relevant steps in order to reduce the consequences thereof. Such steps may be:  1. *To initiate inspections of the Partner performance by consultants and auditors.* 2. *To stop further grant disbursements to the Engagement partner and ultimately the Partner.* 3. *To phase out or close down the ongoing engagement or:* 4. *To terminate totally co-operation with Partner.* |

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| **Article 14**  **Engagement Completion or termination of contract** |  | 14.1 On completion of the engagement, a final report must be drafted, which includes a joint compilation of lessons learnt (see Article 7) together with the audited accounts for the engagement (see Article 9).  14.2 Any unused engagement funds, interest gains and exchange gains are to be reimbursed to the Engagement partner.  14.3 An inventory list is to be drawn up of engagement equipment, office furniture or similar items which have been purchased for the engagement. The value of the inventory must be indicated. A transfer transaction is to be completed in which the partners sign a transfer document indicating what has been transferred. The Engagement partner must receive a copy of the signed transfer document.  14.4 The deadline for submitting the final report together with any transfer documents and the audited engagement accounts is X months from the expiration of the engagement period.  14.5 If the contract is prematurely dissolved in accordance with articles 12 and 13, the Partner must within 3 months after the acknowledgement of the termination of the contract:   1. *Submit a final report to the engagement partner on the activities as executed until the date of termination.* 2. *Submit a final budget to the engagement partner on the use of funding received from the engagement partner until the date of termination.* 3. *Reimburse the unspent balance of funding received from the engagement partner to the engagement partner/DIPD.* |

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| **Article 15**  **Entry into force** |  | 1. The present engagement agreement (and its annexes) shall be signed in two copies by both parties and shall enter into force when duly signed by both parties. |

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| **Name** |  | **Engagement partner:**  xxx | **Partner:** |
| **Address** |  |  |  |
| **Phone** |  |  |  |
| **E-mail** |  |  |  |
| **Contact Person** |  |  |  |
| **Title** |  |  |  |
| **Phone** |  |  |  |
| **E-mail** |  |  |  |

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| **Name of Bank** |  |  |
| **Address of bank** |  |  |
| **Account number** |  |  |
| **SWIFT-code** |  |  |
| **Holder of account** |  |  |
| **Contact person** |  |  |