

**SAMPLE SUB-PROJECT AGREEMENT TERMS FOR SUB-GRANTS OVER EUR 100,000**

**SUB-PROJECT AGREEMENT**

**BETWEEN**

**THE INTERNATIONAL DEVELOPMENT LAW ORGANIZATION**

**AND**

***IMPLEMENTING PARTNER***

FOR INFORMATION ONLY

## **SUB-PROJECT AGREEMENT**

This Sub-Project Agreement (the “Agreement”) is between the **International Development Law Organization** (hereinafter “IDLO”), an intergovernmental organization with its headquarters at Viale Vaticano, 106, 00165, Rome, Italy, and Country Office at **COUNTRY OFFICE ADDRESS**, and **IMPLEMENTING PARTNER** (hereinafter the “Implementing Partner”) with its headquarters at **ADDRESS OF IMPLEMENTING PARTNER** (jointly referred to together as “Parties” in the plural or separately and interchangeably as “Party” in the singular);

**WHEREAS**, IDLO is the only global intergovernmental organization exclusively devoted to promoting the rule of law to advance peace and sustainable development. IDLO works to enable governments and empower people to reform laws and strengthen institutions to promote peace, justice, sustainable development and economic opportunity;

**WHEREAS**, one of IDLO’s Strategic Objectives for 2021-2024 is **[EXAMPLE: REDUCING THE JUSTICE GAP FOR WOMEN AND GIRLS]**;

**WHEREAS**, IDLO is the recipient of a grant from **DONOR** (the “Donor”) for support to implement the project **PROJECT TITLE** (the “Project”);

**WHEREAS**, the Implementing Partner is **[EXAMPLE: A NOT-FOR-PROFIT ORGANIZATION PROVIDING LEGAL AID SERVICES TO WOMEN AND GIRLS IN COUNTRY X]**;

**WHEREAS**, IDLO and the Implementing Partner have agreed to work together with the aim of achieving a part of the Project (the “Sub-Project”);

**WHEREAS**, IDLO will provide a sub-grant (the “Sub-Grant”) to assist the Implementing Partner in implementing the Sub-Project titled **SUB-PROJECT TITLE**;

**NOW, THEREFORE**, IDLO and the Implementing Partner agree to the following:

### **1. AGREEMENT**

The Agreement is composed of the following documents, which form integral parts of this Agreement:

The terms and conditions of the present instrument<sup>1</sup>;

Annex A – Proposal

Annex B – Budget

Annex C – Logic Model

Annex D – Logical Framework

Annex E – Workplan

Annex F – IDLO Financial Guidelines, Regulations and Rules for Implementing Partners and Sub-Grantees

Annex G – IDLO Reporting Templates

Annex H – Procurement Guidelines for IDLO Implementing Partners

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<sup>1</sup> **NOTE: THE FINAL LIST OF ANNEXES MAY VARY.**

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Annex I – Capacity Development Plan for Implementing Partners

Any other documents included by reference

## **2. SCOPE OF WORK AND WORKPLAN**

- (a) The Implementing Partner shall be responsible for the work as set out in the Agreement. It is understood that such performance shall include those aspects which, while not specifically provided for in the Proposal (Annex A), are implied by generally accepted professional standards.
- (b) The Implementing Partner is engaged by IDLO to perform the Sub-Project activities described in the Proposal (Annex A) in accordance with a workplan (the “Workplan”), which details the schedule within which the objectives shall be carried out and the outputs shall be delivered (attached as Annex E).
- (c) In addition to the activities set forth in the Workplan (Annex E), the Parties have agreed to cooperate in a series of capacity development activities as detailed in Annex I. The Implementing Partner hereby agrees to participate in and ensure the attendance of its identified staff at the capacity development activities conducted by IDLO on the terms set forth in the Capacity Development Plan for Implementing Partners (Annex I).
- (d) The Implementing Partner shall adhere to the timeline and the deadlines set forth in this Agreement.

## **3. GENERAL STANDARDS OF PERFORMANCE**

- (a) The Implementing Partner shall be entirely responsible for compliance with the following requirements and standards:
  - i. The Implementing Partner shall carry out its work with due diligence and efficiency, conform to a high standard of moral and ethical conduct, and shall exercise such skill and care as is consistent with recognized professional standards.
  - ii. The Implementing Partner shall refrain from any action which may adversely affect IDLO (including its operations, the safety and security of its employees, and its reputation) and shall fulfil its commitments with the fullest regard to the interests of IDLO.
  - iii. The Implementing Partner shall ensure that women and any other underrepresented groups are given an equal opportunity to participate in its work.
  - iv. The Implementing Partner shall respect and abide by all applicable laws, ordinances, rules and regulations bearing upon the performance of its obligations under this Agreement, including with regard to copyright and intellectual property. The Implementing Partner shall further ensure that its personnel also respect and abide by all such laws, ordinances, rules and regulations.
  - v. The Implementing Partner shall ensure that it has all the requisite government permissions in place to receive funding from IDLO and to implement the Sub-Project for

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the duration of this Agreement. The Implementing Partner shall, upon IDLO's request, provide IDLO with satisfactory evidence of such permissions.

- (b) At the request of IDLO, the Implementing Partner shall expeditiously and accurately translate all non-English documentation into English.

#### **4. DURATION**

The Agreement shall enter into force on the date of the last signature of the Parties and shall terminate on **EXPIRATION DATE**.

#### **5. SUPERVISION AND RECORDKEEPING**

- (a) The person holding the post of **IDLO EMPLOYEE** is the manager for this Sub-Project (the "Manager") and shall oversee the Implementing Partner's performance and verify that the Implementing Partner carries out the tasks specified in this Agreement in accordance with the Manager's specific directions and recommendations for the duration of this Agreement.
- (b) The Implementing Partner shall neither seek nor accept instructions from any authority external to IDLO in connection with its performance under this Agreement. The Implementing Partner shall comply with any directions given by the Manager and shall keep the Manager informed of all developments with regard to its performance under this Agreement.
- (c) The Implementing Partner shall keep accurate and systematic records of its work for seven (7) years from end of the Agreement or audit (if applicable). The Implementing Partner shall furnish IDLO with access to originals or copies of such records upon IDLO's request.
- (d) The Implementing Partner shall report to IDLO on the progress of its work on a regular basis as set forth in Section 6.
- (e) The Implementing Partner shall promptly furnish the Manager any such documentation and information relating to its performance under this Agreement as IDLO may reasonably request.
- (f) In order to check the implementation progress of the Sub-Project, IDLO may at its discretion carry out visits to the Implementing Partner's office, as well as to any sites where the Implementing Partner delivers its services, to verify supporting documentation, accounting ledgers or systems and bank statements, and that the progress of deliverables is in accordance with the Workplan (Annex E).
- (g) The Implementing Partner shall permit access, afford adequate facilities, and cooperate to facilitate any operational monitoring, audit, or inspection activities of the Sub-Project by IDLO or the Donor and their authorized representatives at all reasonable times.

## **6. REPORTING REQUIREMENTS**

- (a) The Implementing Partner shall submit to IDLO quarterly<sup>2</sup> narrative and financial reports, and one final narrative and financial report, consistent with the templates provided by IDLO (Annex G) and in accordance with the Budget set forth in Annex B on the following dates:

<b>Report</b>	<b>Reporting Period</b>	<b>Submission by</b>
First Quarterly Narrative and Financial Reports	<b>MONTH DAY, YEAR – MONTH DAY, YEAR</b>	<b>MONTH DAY, YEAR</b>
Second Quarterly Narrative and Financial Reports	<b>MONTH DAY, YEAR – MONTH DAY, YEAR</b>	<b>MONTH DAY, YEAR</b>
Third Quarterly Narrative and Financial Reports	<b>MONTH DAY, YEAR – MONTH DAY, YEAR</b>	<b>MONTH DAY, YEAR</b>
Final Narrative and Financial Reports	<b>MONTH DAY, YEAR – MONTH DAY, YEAR</b>	<b>MONTH DAY, YEAR</b>

- (b) All financial reports shall be signed, and all reports shall be submitted, by a representative of the Implementing Partner with the authority to certify the reports.
- (c) The Manager shall be responsible for approving all reports before proceeding with disbursements as set forth in Section 8.

## **7. FINANCIAL RECORDKEEPING AND AUDIT**

- (a) The Implementing Partner shall maintain accurate accounting records, documents, original receipts and other financial information in accordance with internationally accepted accounting practices and procedures and the IDLO Financial Guidelines, Regulations and Rules for Implementing Partners and Sub-Grantees (Annex F) in order to fully substantiate charges to the Sub-Grant. The Implementing Partner agrees to make available to IDLO originals of all supporting documents including all records, documents, and related information which support expenditures made under the Agreement, with English annotations, as an addendum to the financial reports in the form of original or scanned copies. The Implementing Partner agrees to refund to IDLO any unsupported or undocumented expenditures, or expenditures outside the scope of the Budget (Annex B). This financial recordkeeping obligation will last for seven (7) years after the end of this Agreement.
- (b) The Implementing Partner confirms that the activities under this Agreement will be subject to an annual independent audit carried out by a firm selected by the Implementing Partner. IDLO reserves the right to be involved in the selection of the auditor and the development of any relevant selection criteria. Such audit shall be paid for by the Implementing Partner. The audit costs shall be included in the Budget (Annex B).
- (c) The Terms of Reference for the auditors, the objectives and scope of the audit, the extent of the auditors' responsibilities, and the form and timing of reports to be issued, shall be developed by the Implementing Partner and consistent with any Donor requirements. IDLO reserves the right to be involved in the development and approval of the Terms of Reference

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<sup>2</sup> **NOTE: IN SOME CASES MONTHLY REPORTING WILL BE REQUIRED.**

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and related audit documents. The audit shall follow international standards on auditing (ISA) 800/805 (audit of the financial statement) and the Terms of Reference shall state the applicable standard. The Engagement Letter with the audit firm should be documented in writing prior to the commencement of the audit and a copy of the executed agreement should be provided to IDLO. The Implementing Partner shall furnish to IDLO all information, reports and documents issued by the auditors.

- (d) Additional agreed-upon procedures engagements may be requested by IDLO and/or the Donor. For any such engagements, the auditor shall provide a report according to the agreed-upon procedures engagement standards (ISRS 4400 (Revised)). The terms of reference for such engagement, including the nature, timing, and scope of the specific activities, shall be proposed by IDLO and/or the Donor and agreed by IDLO, the Implementing Partner, and the auditor. Any such additional agreed-upon procedures engagement shall be paid for by IDLO and/or the Donor.
- (e) The Implementing Partner shall submit to IDLO audit report(s) in accordance with this Agreement on the following date(s):

Report	Reporting Period	Submission by
First Audit Report	<b>MONTH DAY, YEAR – MONTH DAY, YEAR</b>	<b>MONTH DAY, YEAR</b>
Final Audit Report	<b>MONTH DAY, YEAR – MONTH DAY, YEAR</b>	<b>MONTH DAY, YEAR</b>

## 8. DISBURSEMENT OF SUB-GRANT FUNDS

- (a) IDLO shall disburse to the Implementing Partner funds in the maximum amount of **AMOUNT** (the “Sub-Grant Funds”), upon satisfactory compliance by the Implementing Partner with all the terms, conditions and reporting requirements set forth herein, in connection with the work described under Annex A. The Sub-Grant Funds shall be payable according to the following schedule:

Disbursements	Disbursement Amounts	Conditions for Disbursement
First Disbursement	<b>FIRST DISBURSEMENT AMOUNT</b>	<ul style="list-style-type: none"><li>Agreement signed by both Parties;</li><li>IDLO acceptance of disbursement request; and</li><li>Completion of capacity development activities as described in Annex I.</li></ul>
Second <sup>3</sup> Disbursement	<b>SECOND DISBURSEMENT AMOUNT</b>	<ul style="list-style-type: none"><li>IDLO approval of <b>[FIRST AND SECOND]</b> Quarterly Narrative and Financial Reports;</li><li>IDLO acceptance of disbursement request; and</li><li>Completion and satisfactory performance of the activities set out in Annex A.</li></ul>

<sup>3</sup> **NOTE: THE TOTAL NUMBER OF DISBURSEMENTS MAY VARY.**

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Final Disbursement	<b>FINAL DISBURSEMENT AMOUNT</b>	<ul style="list-style-type: none"> <li>▪ IDLO approval of <b>[THIRD QUARTERLY FINANCIAL AND NARRATIVE REPORT AND]</b> Final Narrative and Financial Report;</li> <li>▪ IDLO acceptance of final disbursement request;</li> <li>▪ Completion and satisfactory performance of the activities set out in Annex A;</li> <li>▪ Audit report, if applicable; and</li> <li>▪ <b>ANY OTHER NEEDED CLOSEOUT PROCEDURE.</b></li> </ul>
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- (b) IDLO may reduce or cancel the disbursements listed in paragraph (a) if the Implementing Partner fails to implement the Sub-Project in accordance with this Agreement.
- (c) IDLO shall not be responsible for the payment of any expenses not included in the Budget (Annex B), including but not limited to travel, accommodation, per diem, courier, printing and other expenses. In particular, no part of the disbursements provided hereunder may be used to advance funds to implement other activities by the Implementing Partner not strictly related to this Sub-Project or to meet costs of activities implemented prior to the entry into force of this Agreement.
- (d) Disbursements shall be made within 30 (thirty) days of the later of (1) IDLO receiving a disbursement request and corresponding documents as specified in this Agreement, and (2) acceptance of the same by IDLO. At least 80% of previous instalments must be spent before new Sub-Grant Funds are released. Disbursements shall not be made for performance that has not been deemed acceptable by IDLO. In no event shall disbursement by IDLO be deemed to constitute acceptance of work performed. IDLO shall not pay any charge for late disbursements. Any disbursements to the Implementing Partner shall be made solely to the following bank account, in the currency specified in this Agreement.

**Beneficiary Name:** IMPLEMENTING PARTNER  
**Beneficiary's Bank:** ABC BANK  
**Branch:** COUNTRY X  
**IBAN:** IBAN000000000001  
**Beneficiary Account No:** ACCOUNT0001  
**Correspondent Account (if applicable):**  
**Currency:**  
**Swift BIC:**  
**For Inward Remittances:**  
**Swift BIC:**  
**Account No:**

- (e) IDLO will only cover bank charges or fees related to the disbursement of funds to the Implementing Partner in accordance with Section 8(a) of this Agreement. The Implementing Partner may only use Sub-Grant Funds for bank charges or fees incurred in relation to approved Sub-Project activities if the charges or fees have been included in the Budget (Annex B), making them eligible costs pursuant to the IDLO Financial Guidelines, Regulations

and Rules for Implementing Partners and Sub-Grantees (Annex F).

- (f) IDLO shall not be responsible for any gains or losses as a result of exchange rate differences.
- (g) A Budget variation of more than 10% (ten percent) on any output subtotal shall require prior written approval from IDLO for a Budget revision to ensure that the Budget is aligned with activity implementation needs.
- (h) Eligible costs must be incurred during the period of the Agreement specified in Section 4, with the exception of costs related to final reporting (including expenditure verification, audit and final evaluation), which may be incurred after the period of the Agreement. Any such costs must be included in the Final Financial Report.
- (i) Without prejudice to Section 8(a), Sub-Grant Funds disbursed by IDLO, but uncommitted by the Implementing Partner at the expiration or termination of the Agreement, shall be refunded to IDLO within thirty (30) days of IDLO's written approval of the Final Financial Report.

## **9. CONFIDENTIALITY**

- (a) Except with the prior written consent of IDLO, the Implementing Partner shall not: (a) use any information acquired or developed in the course of this Agreement for any purpose not necessary to fulfil its obligations hereunder; or (b) communicate to any other person, government or authority external to IDLO any information known to it by reason of its contractual relationship with IDLO which has not been previously made public. Nor shall the Implementing Partner at any time use such information to private advantage. The Implementing Partner shall ensure that its personnel, agents or sub-contractors are expressly bound by and respect the provisions of this Section.
- (b) The Implementing Partner shall be liable for any breach of confidentiality or any indirect disclosure that could harm the interests of IDLO. The extent of any such liability shall be directly proportional to the extent of the damage caused.

## **10. DATA PROTECTION**

- (a) Any personal data collected, stored, or transferred by IDLO in connection with this Agreement will be processed for the purpose of the performance, management and monitoring of this Agreement by IDLO and for any other related and compatible purpose, pursuant to the IDLO Personal Data Protection Policy (the "Policy", <https://www.idlo.int/about-idlo/transparency-and-accountability>).
- (b) Pursuant to the Policy, Data Subjects have the right of access to their personal data and the right to rectify any such data. If Data Subjects have any queries concerning the processing of personal data, they may address them to IDLO (email: [dataprotection@idlo.int](mailto:dataprotection@idlo.int)). Data Subjects who believe their right to data protection under the Policy has been infringed may pursue redress according to article 7.2 of the Policy.
- (c) Where the Implementing Partner acts as a processor under this Agreement, it shall adopt appropriate technical and organisational security measures necessary to preserve the



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integrity of any personal data provided by IDLO and limit access to and use of such data to that necessary for the performance, management and monitoring of this Agreement. The Implementing Partner shall report to IDLO on any disclosure of such personal data to external parties and any data breach impacting the Implementing Partner.

## **11. INTELLECTUAL PROPERTY**

- (a) The Implementing Partner guarantees that the work and specific deliverables provided by it are unencumbered by any third party's proprietary rights, including in relation to pre-existing rights.
- (b) The intellectual property, title rights, copyrights and all other rights of whatsoever nature in any material produced under the provisions of this Agreement or which bear a direct relation to this Agreement shall be vested exclusively in IDLO. At IDLO's request, the Implementing Partner shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring them to IDLO. All documents and all other data related to this Agreement shall be the property of IDLO and shall be delivered only to authorized IDLO officials upon completion of work under this Agreement.
- (c) Without prejudice to the foregoing, IDLO grants the Implementing Partner a non-exclusive royalty-free license to use the materials produced under this Agreement for educational, non-commercial purposes, subject to an appropriate acknowledgement of IDLO's ownership and contribution to the Project.
- (d) This provision covers all territories worldwide and shall continue in full force after the expiration or termination of this Agreement until the term of protection afforded by the applicable intellectual property laws expires, unless otherwise stipulated by IDLO and the Implementing Partner.

## **12. INDEPENDENT IMPLEMENTING PARTNER AND LEGAL STATUS**

- (a) Nothing contained herein shall be construed as establishing or creating between IDLO and the Implementing Partner the relationship of employer and employee or principal and agent. The Implementing Partner agrees that the Implementing Partner is independent of IDLO.
- (b) As the Implementing Partner has legal status independent of IDLO, it shall be solely responsible for the professional and technical competence of its employees, officials, agents and representatives and/or sub-contractors and will select, for work under the Agreement, reliable and competent individuals who shall perform effectively in the implementation of this Agreement, respect the local customs, and conform to a high standard of moral and ethical conduct.
- (c) Should IDLO determine that the Implementing Partner or an individual employed or sub-contracted by the Implementing Partner has violated the requirements or standards specified in paragraph (b), or any provisions of this Agreement, IDLO shall so inform the Implementing Partner, who will, if requested by IDLO, take immediate steps to remedy the situation and to remove said individual(s) from work under this Agreement, without prejudice to its requirement for satisfactory completion of such work or IDLO's right to

terminate this Agreement pursuant to Section 24. Nothing in the Agreement shall preclude IDLO from bringing any direct legal action against an individual employed or sub-contracted by the Implementing Partner.

### **13. SUB-CONTRACTING AND CONSORTIUM**

- (a) The Implementing Partner shall not, without the prior and express written approval of IDLO, assign, transfer, pledge, or make other disposition of this Agreement or any part thereof, or any of the Implementing Partner's rights or obligations arising out of the Agreement, to third parties or sub-contract any part of the work required under this Agreement to third parties.
- (b) Any authorized sub-contract must be in writing.
- (c) In the event that IDLO authorizes the Implementing Partner to sub-contract part or all of the obligations under this Agreement to third parties, the Implementing Partner shall nonetheless remain bound by its obligations to IDLO under this Agreement. The Implementing Partner shall be responsible for the professional and technical competence of employees and/or sub-contractors who may be hired under this Agreement.
- (d) The Implementing Partner shall be required to include in any sub-contract provisions enabling IDLO to enjoy the same rights and guarantees in relation to sub-contractors as it enjoys in relation to the Implementing Partner. However, the Implementing Partner shall insert no language in any sub-contract asserting or implying a direct relationship between IDLO and said sub-contractor.
- (e) The terms of any sub-contract shall nonetheless be subject to the provisions of this Agreement.
- (f) If the Implementing Partner will execute the Agreement as part of a consortium, it must so notify IDLO. Documentation of the consortium, including any contracts outlining the legal or other relationships between the members of the consortium, must be provided to IDLO upon its request. The composition or constitution of the consortium shall not be altered without prior written consent of IDLO. Regardless of the status of the consortium the Implementing Partner shall be bound with respect to the obligations under this Agreement and shall be liable for performance of this Agreement in accordance with its terms.

### **14. INSURANCE**

- (a) The Implementing Partner shall maintain adequate insurance with respect to its property, employees and sub-contractors, to cover any claims, losses or damages that may arise in connection with this Agreement.
- (b) The Implementing Partner shall maintain liability insurance in an adequate amount to cover third-party claims for any loss, including claims for death or bodily injury or loss of or damage to property, arising from or in connection with its performance of the work under this Agreement.
- (c) The Implementing Partner shall have sole responsibility for the consequences of a total or partial lack of insurance coverage. The Implementing Partner shall, upon IDLO's request,

provide IDLO with satisfactory evidence of the insurance required under this Section.

**15. LIABILITY AND INDEMNITY**

- (a) IDLO shall not under any circumstances or for any reason whatsoever be held liable for loss, damage or injury sustained by the Implementing Partner or by any person acting on behalf of the Implementing Partner, including sub-contractors, during the performance of this Agreement. IDLO shall not accept any claim for compensation or repairs in respect of such damage.
- (b) The Implementing Partner shall indemnify, protect and defend, at its own expense, IDLO and its agents and employees from and against any and all actions, claims, losses or damages arising out of acts or omissions of the Implementing Partner or its employees, officers, agents or sub-contractors in and relating to the performance of this Agreement, including with respect to third parties.

**16. STANDARDS OF CONDUCT**

- (a) The Implementing Partner shall respect fundamental social and human rights.
- (b) The Implementing Partner shall observe the principles of the IDLO Anti-Corruption and Anti-Fraud Policy.
- (c) By signing this Agreement, the Implementing Partner and IDLO warrant and confirm that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the Agreement, have been given or received in connection with the selection process or in the Agreement execution.
- (d) The Implementing Partner warrants that no official or employee of IDLO has been or shall be admitted by it to any direct or indirect benefit arising from this Agreement or the award thereof.
- (e) The Implementing Partner hereby confirms that neither it, its staff, nor any other recipients of funds under this Agreement, have engaged in, or will engage in, any of the following activities:
  - i. support or funding, directly or indirectly, of any drug trafficking or terrorism related activities or any individuals or entities associated with terrorism;
  - ii. any practice inconsistent with the rights set forth in the Convention on the Rights of the Child; or
  - iii. sexual exploitation, abuse or harassment, or exchanging any money, goods, services, offers of employment or other things of value, for sexual favours or activities, or engaging in any sexual activities that are exploitive or degrading to any person. The Implementing Partner shall also take all appropriate measures to prevent such activities. For the purposes of this Agreement, sexual activity with any person less than eighteen (18) years of age, regardless of any laws relating to consent, shall constitute the sexual exploitation and abuse of such person.

- (f) The Implementing Partner warrants that neither it, its staff, nor any other recipients of funds under this Agreement, are listed in any sanctions list maintained by the United Nations Security Council; the United States Department of the Treasury, Office of Foreign Assets Control; or the European Union.
- (g) The Implementing Partner warrants that neither it, nor any individual working for the Implementing Partner, including agents or sub-contractors, have offered or will offer third parties or seek, accept or be promised from or by third parties, for themselves or for any other party, any gift, remuneration, compensation or profit of any kind whatsoever, which could be interpreted as an illegal or corrupt practice.
- (h) The Implementing Partner acknowledges and agrees that the provisions of this Section constitute an essential term of this Agreement and that any breach of this representation and warranty shall entitle IDLO to terminate this Agreement immediately upon notice to the Implementing Partner, without any liability for termination charges or any other liability of any kind. Notwithstanding the foregoing, IDLO reserves its right to bring any direct action against the Implementing Partner.

#### **17. CONFLICT OF INTEREST**

The Implementing Partner shall take all necessary measures to prevent any situation that could compromise or negatively affect the impartial and objective performance of this Agreement. Any such conflict of interest which may arise at the time of entering into the Agreement or during the execution of the Agreement shall be notified to IDLO without delay. A conflict of interest can arise in particular as a result of economic or political interest, family connection, or any other relevant connection or shared interest.

#### **18. USE OF FUNDS AND MISAPPROPRIATION**

- (a) The Implementing Partner shall not misappropriate the Sub-Grant Funds provided under the present Agreement and must report immediately to IDLO any actual or suspected misappropriation by any Implementing Partner affiliate, or other entity or person, of which it becomes aware. Misappropriation for the purposes of this Agreement means either the use of the Sub-Grant Funds for non IDLO-approved activities or the misreporting of the use of Sub-Grant Funds which were used for IDLO-approved activities.
- (b) The Implementing Partner is responsible for preventing and detecting the misappropriation of funds. In no event shall IDLO be liable for any misuse of Sub-Grant Funds by the Implementing Partner.
- (c) In the case of actual or suspected misappropriation of Sub-Grant Funds:
  - i. IDLO shall have the right to take all measures it deems necessary to investigate the activity, and if required, take any necessary corrective measures. These measures include, but are not limited to, the right to have the persons involved in such activities or suspected activities suspended from work under this Agreement; require the undertaking of further investigations, audits, or similar activities, howsoever termed; request disclosure of any financial information necessary to investigate the allegations;

and request the Implementing Partner to implement remedial, preventative, or coercive measures.

- ii. Should Implementing Partner personnel be found to have misappropriated the Sub-Grant Funds, the Implementing Partner shall take all steps to separate such persons from the Implementing Partner in accordance with Sections 3(a)(iv) and 12(c) above.
  - iii. In the event of an audit or other review or investigation, the Implementing Partner shall cooperate to the maximum extent possible, including, but not limited to, providing access to facilities, documents, electronic records, financial and banking records and accounts, and personnel to the auditor and IDLO. Failure to comply with this provision or subsection is cause for the immediate termination of the Agreement.
- (d) Should it be found that any Sub-Grant Funds have been misappropriated or otherwise lost, the Implementing Partner shall repay IDLO the total amount of any misappropriated or lost funds within a reasonable period of time not to exceed 10 (ten) business days from the date of written notice from IDLO.
- (e) In case of any misappropriation of the Sub-Grant Funds, IDLO may at its sole discretion terminate, without notice, the present Agreement.

## **19. PROCUREMENT**

- (a) The Implementing Partner shall procure any items (goods or services) in accordance with the Procurement Guidelines for IDLO Implementing Partners (Annex H).<sup>4</sup> Procurement by the Implementing Partner shall, at a minimum, satisfy the following conditions:
- (i) ensure fairness, absence of corruption and conflicts of interest, integrity, and transparency through a competitive process;
  - (ii) ensure non-discrimination and equal treatment of vendors; and
  - (iii) ensure that the award results in the best value for money, and is properly documented.
- (b) Goods procured with Sub-Grant Funds subsisting at the date of expiry or termination of the Agreement shall be distributed in accordance with Section 20.

## **20. ASSET MANAGEMENT**

- (a) Assets (such as furniture, computer equipment or other physical assets) procured by the Implementing Partner under this Agreement shall remain the property of IDLO. For the duration of the Agreement, IDLO may loan to the Implementing Partner assets that are of use for the implementation of the Sub-Project, subject to a separate agreement between IDLO and the Implementing Partner for the receipt and right of use by the Implementing Partner of IDLO's assets. This agreement shall be part of the present Agreement. At the end of the Sub-Project, IDLO shall decide the future use of any assets provided or procured under this Agreement.

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<sup>4</sup> **NOTE: THE PROCUREMENT TERMS MAY VARY BASED ON THE ORGANIZATIONAL ASSESSMENT OF THE IMPLEMENTING PARTNER IN ACCORDANCE WITH APPLICABLE GUIDELINES.**

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- (b) The Implementing Partner shall maintain an inventory of such assets and submit any updates of such inventory to IDLO on a regular basis and at least once a year and with the Final Financial Report. IDLO reserves the right to carry out a physical inspection of all such assets, as needed.

## **21. PUBLICITY**

Under its auspices and with its resources, the Implementing Partner shall accord IDLO and the Donor the maximum publicity possible, whether in hard copy or electronic form, with regard to the Sub-Project, its implementation, benefits, and impact, and to the extent practicable IDLO will endeavour to work with and support the Implementing Partner to that end. Accordingly, no public communications of any kind or the use of the IDLO or Donor logo in connection with work subject to this Agreement shall be made without first being forwarded to IDLO for its consideration and approval.

## **22. EVALUATION**

The performance of the Implementing Partner shall be evaluated throughout the duration of the Sub-Project, based on criteria defined by IDLO prior to the start of the Sub-Project implementation. The Implementing Partner shall cooperate to the maximum extent possible, including, but not limited to, providing access to facilities, documents, electronic records, financial and banking records and accounts, and personnel to IDLO and the Donor to facilitate such evaluation.

## **23. DELAYS/NON-PERFORMANCE**

Time is of the essence under this Agreement. In case of any delay or impediment, which may result in the Implementing Partner not abiding to the timeline and conditions set forth in the Agreement, the Implementing Partner shall immediately notify the Manager in writing; such notification shall not release the Implementing Partner from fulfilling its obligations under the Agreement. IDLO may, at its discretion, accept deviations from the timeline and conditions specified in this Agreement without prejudice to any other rights and remedies set forth herein.

## **24. TERMINATION**

- (a) The Parties may mutually agree to terminate this Agreement at any time on terms agreed in writing and signed by the authorized representatives of the Parties.
- (b) If IDLO determines, in its sole discretion, that the Implementing Partner has failed to comply with or materially breached any term or condition of this Agreement, IDLO may, upon written notice to the Implementing Partner, refuse to make any further disbursements or terminate immediately this Agreement and demand the return of all remaining Sub-Grant Funds. In the event of such termination, the Implementing Partner will immediately repay those funds to IDLO. IDLO will have no liability to the Implementing Partner as a result of such termination of this Agreement. Nothing in this Section shall be construed to exclude the right of IDLO to exercise other legal rights and remedies available to it.
- (c) In the event of the cessation of the funding for the Project from IDLO's Donor or the

termination, cancellation or amendment of the Donor grant agreement to the extent that in IDLO's sole view it is no longer practicable to implement this Agreement, IDLO reserves the right to terminate this Agreement without notice or indemnity and demand the return of all remaining Sub-Grant Funds. In the event of such termination, the Implementing Partner will immediately repay those funds to IDLO. IDLO will have no liability to the Implementing Partner as a result of such termination of this Agreement.

- (d) In the event of termination of this Agreement, the Parties shall cooperate in undertaking any measure which is necessary for the orderly conclusion of ongoing activities, including, but not limited to, transfer of all files and documentation of the Implementing Partner related to the Agreement to IDLO, the Donor, or to another entity at the request of either IDLO or the Donor.

## **25. FORCE MAJEURE**

- (a) The term force majeure as used herein means any unforeseeable and irresistible act, event or circumstances arising from causes beyond the control and without the fault or negligence of either Party to this Agreement that renders a Party unable, wholly or in part, to perform its obligations and meet its responsibilities under the Agreement. Such acts, events or circumstances shall include, but are not limited to: acts of terrorism; wars (whether declared or not declared) or invasions; insurrections, riots or civil disturbances; blockades, embargoes, sanctions or currency and trade restrictions; acts of State, laws or regulation; plague, epidemics, natural disaster or extreme natural event (such as landslides, earthquakes, storms, lightning, floods and washouts); or explosions, fire destruction of equipment, prolonged break-down of transport, telecommunication, information system or energy.
- (b) Neither Party shall be considered in default or in breach of its obligations under this Agreement if the performance of such obligations is prevented by force majeure which arises after the date when the Agreement enters into force.
- (c) If either Party considers that force majeure affecting the performance of its obligations has occurred, it shall promptly notify the other Party (the "Other Party"), giving full particulars in writing, including its probable duration and its effect on the Party's ability to perform. On receipt of this notice, the Other Party shall take such action as, in its sole discretion, it considers to be appropriate or necessary in the circumstances, including: granting a reasonable extension of time; suspending contractual or other corresponding obligations for a reasonable period of time; or termination of this Agreement under terms agreed by the Parties. A Party shall only be relieved from liability for non-performance of its obligations once the existence of force majeure has been agreed by the Other Party, which shall not unreasonably deny it.
- (d) The Implementing Partner shall not be entitled to payment if it is prevented by force majeure from performing the tasks assigned to it. Part performance of any task shall result in a pro-rated payment.

## **26. PRIVILEGES AND IMMUNITIES**

Nothing contained in this Agreement or any course of dealing between the Parties shall be deemed a waiver, express or implied, of any privilege or immunity accorded to IDLO as an international organization. In addition, nothing contained in this Agreement or relating thereto shall confer any privilege or immunity on the Implementing Partner or on its employees or sub-contractors.

## **27. GOVERNING LAW AND DISPUTE SETTLEMENT**

- (a) Given IDLO's status as an intergovernmental organization, the Parties expressly agree that their rights and obligations under the Agreement shall be governed first by the terms and conditions of the Agreement, and second by general principles of international law, to the exclusion of any single national system of law.
- (b) Except as otherwise provided in this Agreement, any dispute between the Parties concerning the interpretation and performance of this Agreement shall be settled by negotiation.
- (c) If the dispute cannot be settled in accordance with paragraph (b) above, the matter shall, at the request of either Party, be settled by arbitration in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL) in effect on the date of commencement of the arbitration. The number of arbitrators shall be one and the sole arbitrator shall be nominated by the Parties. In the absence of agreement on the appointment of the arbitrator, the appointing authority for the arbitrator shall be the Secretary-General of the Permanent Court of Arbitration in The Hague. The forum of arbitration shall be Rome, Italy. The language of the arbitration shall be English, and all stages of the proceedings shall be confidential. Each Party shall be responsible for the costs of its own representation and participation in the arbitration, but the costs of the arbitration itself shall be shared equally. Any arbitration award shall be final and binding on the Parties. The sole arbitrator shall have no authority to award punitive damages. All notices served in respect of settlement of disputes by way of arbitration shall be sent by registered mail and email. The initiation of arbitral proceedings shall not be deemed per se a termination of this Agreement.

## **28. NOTICES AND AMENDMENTS**

- (a) With the exception of notices relating to arbitration, which shall be sent in accordance with Section 27(c), any notice, request, or consent made pursuant to this Agreement shall be in writing and shall be deemed to have been made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent by registered mail or email to such Party.

**If to IDLO:**  
**International Development Law Organization**  
**Attn: IDLO EMPLOYEE**  
Viale Vaticano, 106  
00165 Rome, Italy  
Tel: + 39 06-40403200  
Email: **EMAIL ADDRESS**



Implementing Partner: **IMPLEMENTING PARTNER**  
Agreement End Date: **END DATE**

**If to The Implementing Partner:**

**IMPLEMENTING PARTNER**

**Attn: IMPLEMENTING PARTNER REPRESENTATIVE**

**IMPLEMENTING PARTNER ADDRESS**

**Tel: + PHONE NUMBER**

**E-mail: EMAIL ADDRESS**

- (b) IDLO and Implementing Partner personnel named or identified in this Agreement are subject to change at any time without necessitating an amendment to the Agreement. The other Party shall be notified of any changes in writing as soon as practicable.
- (c) All other provisions of this Agreement and the Annexes thereto may be amended or supplemented only by means of a supplementary written agreement signed by the authorized representatives of the Parties.
- (d) Without prejudice to Section 28(c), the IDLO Capacity Development Plan for Implementing Partners (Annex I) may be updated by IDLO during the Agreement period with the written agreement (including by email) of the Implementing Partner.

## **29. PUBLICATION OF AGREEMENT**

- (a) The Implementing Partner acknowledges and agrees that IDLO may publish a list of implementing partners to which sub-project agreements are awarded, including, without limitation, an indication of the subject, value, duration and description of activities under such sub-project agreements.
- (b) The Implementing Partner acknowledges that IDLO endorses/supports the requirements of the International Aid Transparency Initiative (IATI) Standard and agrees that IDLO may publish data on this Agreement, including but not limited to the name of the Implementing Partner(s), the value of the Sub-Project, and disbursements made under this Agreement. Information on the IATI Standard can be found at <https://iatistandard.org/en/>.

## **30. AGREEMENT EXECUTION**

- (a) This Agreement, including any amendments, may be executed in counterparts which, when taken together, will constitute one Agreement. Copies of this Agreement will be equally binding as originals and scanned, photographed or PDF counterpart signatures by authorized representatives delivered by email or other means of electronic transmission will be sufficient to evidence execution. In such cases, IDLO may require the Implementing Partner to execute and provide it an original signed Agreement or other proof of authorization or authentication.
- (b) The Implementing Partner expressly consents to the use of any procedures for delivery and acceptance of electronic signatures that have been or may be established by IDLO and agrees in that context that the electronic signature by the Implementing Partner or IDLO shall be treated the same as a handwritten signature and shall be treated as valid and legally binding.

Implementing Partner: **IMPLEMENTING PARTNER**  
Agreement End Date: **END DATE**

**31. ENTIRE AGREEMENT**

This Agreement, its Annexes and all other documents included by reference contain the entire agreement and understanding of the Parties hereto. There is no other contemporaneous understanding or agreement, oral or written, between the Parties on said subject matter, and neither Party shall be bound by any statement or representation not contained or incorporated herein. Breach of one provision of the Agreement shall not vitiate the Agreement as a whole.

**For IDLO**

**For the Implementing Partner**

*FOR INFORMATION ONLY*  
**NAME**  
**TITLE**

*FOR INFORMATION ONLY*  
**NAME**  
**TITLE**

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

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

FOR INFORMATION ONLY

Implementing Partner: **IMPLEMENTING PARTNER**  
Agreement End Date: **END DATE**

**ANNEX A – Proposal**

**ANNEX B – Budget**

**ANNEX C – Logic Model**

**ANNEX D – Logical Framework**

**ANNEX E – Workplan**

**ANNEX F – IDLO Financial Guidelines, Regulations and Rules for Implementing Partners and Sub-Grantees**

**ANNEX G – IDLO Reporting Templates**

**ANNEX H – Procurement Guidelines for IDLO Implementing Partners**

**ANNEX I – Capacity Development Plan for Implementing Partners**

**Any other documents included by reference**