

GRANT CONTRACT
ACTIONS OF THE SLOVAK AGENCY FOR INTERNATIONAL
DEVELOPMENT COOPERATION WITH REGARDS TO THE ACTION
KILIMO – VALUE CHAINS

(the 'Contract')

The Slovak Agency for International Development Cooperation (SAIDC) as the 'Contracting Authority'
of the one part,

Pražská 7
811 04 Bratislava
Slovakia

and

Self Help Africa UK
(Charity no. 298830 / Company LBG no. 02226352)
2nd Floor, Westgate House
Dickens Court, Hills Lane
Shrewsbury, SY1 1QU

Hereinafter the "Coordinator"

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 grant by the Contracting Authority to finance the implementation of the action entitled: KILIMO – Value Chains: Kenyan Initiative for Long-term Integration of Market Operators in Value Chains described in Annex I.
- 1.2 The term ‘Beneficiaries’ refers to all Beneficiaries, including the Coordinator of the Action. The Beneficiary(ies) 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(ies), through the Coordinator, hereby declares it has noted and accepted.
- 1.3 The Beneficiary(ies) accepts the grant and undertakes to be responsible for carrying out the Action. For the avoidance of doubt, the Coordinator is responsible for meeting all the obligations of the Beneficiaries against the Contracting Authority and carries all the liability and the Contracting Authority may request the fulfilling all the obligations and enforce them against the Coordinator. The Coordinator undertakes to ensure the compliance of all Beneficiaries with the provisions of this Contract and its annexes, to this end it shall sign a contract with them, under which they will have the obligation to comply with the terms and conditions of this Contract. The Beneficiaries or third persons do not have any direct rights and claims against the Contracting Authority, particularly no direct right to receive the grant or any part thereof from the Contracting Authority, all such responsibility is carried by the Coordinator.
- 1.4 SAIDC is co-financing KILIMO – Value Chains: Kenyan Initiative for Long-term Integration of Market Operators in Value Chains described in Annex I, whereby the European Union is contributing 89.8% of the eligible costs and SAIDC 10.2%.

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. The second party signing will notify the first party immediately. This Contract becomes binding on the day following its publication in the Central Register of Contracts maintained by the Government Office of the Slovak Republic.
- 2.3 The implementation period of the Action, as laid down in Annex I, is 60 months. Within this timeframe, SAIDC’s financial support will be received over a period starting at the effective date of the Contract, until the final project report has been approved by the Contracting Authority.
- 2.4 The execution period of this Contract shall end when the final project report has been accepted by the Contracting Authority and, in any event after the end of the implementation period as stipulated in Article 2.3 unless postponed in accordance with Article 12.5 of Annex II.

Article 3 — Financing the Action¹

- 3.1 The total eligible costs are estimated at EUR 24,492,032, as set out in Annex III. The financing will be provided by the Contracting Authority to the Coordinator who is responsible and has obligation to distribute it to the Beneficiaries. Eligible costs are those incurred during the implementation period of the Action which has begun on 1 January 2018.
- 3.2 The Contracting Authority undertakes to finance a maximum amount of EUR 2,500,000. The currency of the Grant is EUR.
The grant is further limited to 10.2% of the total eligible cost of the Action specified in paragraph 1.
The final amount of the Contracting Authority’s contribution shall be determined in accordance with Articles 14 and 17 of Annex II.
- 3.3 Pursuant to Article 14.7 of Annex II, 7 % of the final amount of direct eligible costs of the Action established in accordance with Articles 14 and 17 of Annex II, may be claimed as indirect costs.

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’.

- 3.4 For the avoidance of doubt, the Action cannot include and the grant may not be used to finance any activities that are in conflict with foreign policy of the Slovak Republic, are illegal (particularly with respect to illegal or non-permitted workforce) or do not respect human rights, are related to financing the terrorism or organized crime, shall be used for the persons or activities listed on the sanction lists enforced by the Slovak republic or persons to whom who are prohibited to receive public funding in any form.

Article 4 — Reporting and payment arrangements

- 4.1 Payments shall be made in accordance with Article 15 of Annex II, as set out in Article 15.1

Initial pre-financing payment:	EUR 625,000 after signing the Contract
Further pre-financing payments:	EUR 625,000 in year 2020, EUR 625,000 in year 2021 and EUR 312,500 in year 2022 (subject to the provisions of Annex II, particularly after receiving the interim reports for the respective period).
Balance of the final amount of the grant:	EUR 312,500 (subject to the provisions of Annex II, particularly after the Contracting Authority receives and approves the final project report)

- 4.2 N/A

Article 5 — Contact addresses

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

For the Contracting Authority

Payment requests and attached reports, including requests for changes to bank account arrangements shall be sent to:

The Director

Slovak Agency for International Development Cooperation

Pražská 7

811 04

Bratislava, Slovakia

For the Coordinator

The Country Director

Self Help Africa

Bank of Africa House, 4th floor

Karuna Close, Off Waiyaki Way – Westlands

P.O Box 14204 – 00800

Nairobi, Kenya

- 5.2 The expenditure verification(s) referred to in Article 15.7 of Annex II will be carried out by Horwath Erastus & Co., of Morningside Office Park, 2nd Floor (Wing B), Ngong Road, PO Box 55268 – 00200, City Square, Nairobi Kenya.

- 5.3 The bank account details for payments are:

Account Name: Self Help Africa (UK) SHA EUFF

Account Number: 48443322

IBAN: GB37 BUKB 20077 8548 4433 22

Article 6 — Annexes

6.1 The following documents are annexed to these Special Conditions and form an integral part of the Contract:

- Annex I: Description of the Action (including the Logical Framework of the Project and the Concept Note)
- Annex II: General Conditions applicable to European Union-financed grant contracts for External Actions
- Annex III: Budget for the Action (worksheets 1, 2 and 3)
- Annex IV: Procurement rules for Beneficiary(ies)
- Annex V: Standard request for payment and financial identification form
- Annex VI: Model narrative and financial report
- Annex VII: Terms of reference for an expenditure verification of a European Union-financed grant contract for external actions and model report of factual findings
- Annex VIII: Standard template for Transfer of Asset Ownership

6.2 In the event of a conflict between the provisions of the present Special Conditions under this Contract and any Annex thereto, these Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other annexes, those of Annex II shall take precedence.

Article 7 — Other specific conditions applying to the Action

7.1 The General Conditions in Annex II are supplemented by the following:

7.1.1 Financial support to third parties may only be awarded in compliance with the conditions set in the Guidelines for applicants and in accordance with the criteria and conditions laid down in the Description of the Action in Annex I.

Financial support is one of the main purposes of the Action.

7.1.2 Where the implementation of the Action requires the setting up or the use of local infrastructure in the partner country (field office), the Beneficiary(ies) may declare as eligible direct costs the portion of capitalised and operating costs of the local infrastructure which corresponds to the duration of the Action at the rate of use of local infrastructure for the purpose of the Action, determined by the Beneficiary(ies) on the basis of a simplified allocation method, provided that the allocation method is:

- compliant with the Beneficiary(ies)'s usual accounting and management practices and applied in a consistent manner regardless of the source of funding, and
- based on an objective, fair and reliable allocation key .
- assessed and accepted by the evaluation committee, where applicable, and the Contracting Authority at the time of contracting.

In case costs are reported on the basis of a simplified method of allocation, adequate record and documentation must be kept by the Beneficiary(ies) to prove the compliance of the allocation method used with the conditions set out above.

7.2 The following derogations from Annex II shall apply:

7.2.1 The no-profit rule shall not apply to this Contract, according to Article 17.7 of Annex II, in the following circumstances:

- a) actions the objective of which is the reinforcement of the financial capacity of a Beneficiary
- b) actions which generate an income to ensure their continuity beyond the end of this Contract

7.3 The Coordinator will provide to the Contracting Authority all reports as agreed in this Contract and its annexes (including, but not limited to publications and other materials mentioned in Article 6 of the Annex 2) and any other reports or grants requested by the Contracting Authority, and the right to use

the reports and information contained therein and any other documents, images and results deriving from the Action (including photographs, films and videos, charts, reports, articles, copyright protected works, etc.) for both internal and external purposes of the Contracting Authority and the Slovak government (particularly for the use on their websites, social media, brochures) and their own reporting and providing information to the public.

- 7.4 The Coordinator shall notify the Contracting Authority without delay in writing of the occurrence of situations related to the standing of the Beneficiaries and the Action (such as occurrence of circumstances giving rise to the right to terminate the Contract under Article 12 of Annex II.
- 7.5 This Contract shall be governed by the laws valid in the Slovak Republic. Any dispute arising from this Contract shall be decided by the Slovak courts.

Done in English in two originals, one original being for the Contracting authority and one original being for the Coordinator.

For the Coordinator

Name

Title

Signature

Date

For the Contracting Authority

Name

Title

Signature

Date