

Grant Agreement

Concluded on the legal basis of the § 6 (j) of The 2015 Act on Official Development Cooperation (Act No. 392/2015 Coll.) and pursuant to § 51 of the Act No 40/1964 coll. Civil Code

The

**Deutsche Gesellschaft für
Internationale Zusammenarbeit
(GIZ) GmbH
Dag-Hammarskjöld-Weg 1 - 5
65760 Eschborn
Federal Republic of Germany**

- hereinafter referred to as 'GIZ' -

and

the

**Ministry of Foreign and European Affairs
of the Slovak Republic
Hlboká cesta 2
833 36 Bratislava
Slovak Republic**

- hereinafter referred to as the 'Grantor' -

herewith enter into the following Grant Agreement for the Project

**Job creation in the water and sanitation sector in Morocco –
WatSan Jobs**

hereinafter referred to as the 'Project'

Country: **Morocco**

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Internationale Zusammenarbeit (GIZ) GmbH

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Martin Jäger, State Secretary

Management Board
Tanja Gönner (Chair)
Ingrid-Gabriela Hoven
Thorsten Schäfer-Gümbel

Commerzbank AG Frankfurt am Main
BIC (SWIFT): COBADEFFXXX

- GIZ's account no.:
IBAN
- GIZ reference number 20zu.z202.8

at the *Deutsche Bundesbank Filiale Frankfurt am Main*

Article 1 Amount and Purpose of the Financial Contribution

- 1.1 GIZ will be commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ) with (or: GIZ intends to implement) the Project "*Job creation in the water and sanitation sector in Morocco – WatSan Jobs*", which is described in Article 2. The Grantor wishes to contribute financially to this Project based on the Government Decree No 85 dated 19 February 2020.
- 1.2 The Grantor shall contribute to GIZ

EUR 1.875.000,00
- 1.3 GIZ shall use the financial contribution referred to in art. 1.2 exclusively for those costs incurred within the Project described in Article 2 that, in accordance with the Schedule of Estimated Costs as outlined in Annex 1 including value-added tax (VAT) and the details of the Project costs outlined therein, are to be covered by the grant. In line with Annex 1, GIZ shall account for the experts assigned to the project and for the time the internal technical experts/administrative services have spent working for the Project with rates applicable to the implementation of public contracts for the Federal Republic of Germany.
- 1.4 For the settlement of its overhead costs, GIZ may charge in accordance with the Schedule of Estimated Costs as outlined in Annex 1 the applicable mark-up rates and a risk mark-up for implementing public contracts for the Federal Republic of Germany (in each case pursuant to Regulation PR 30/53 and/or the supplementary Guiding Principles for Pricing on the Basis of Prime Costs). The contribution of 1.875.000,00 cannot be exceeded.
- 1.5 GIZ shall use the financial contribution only for necessary and reasonable costs according to this Grant Agreement and good commercial practice.
- 1.6 GIZ is entitled to exceed the direct costs specified in the main budget lines of the Schedule of Estimated Costs (Annex1) by up to twenty-five percent provided that costs are cut to the same absolute extent in one or more of the other budget lines to zero out such changes. Paragraph 1.3 is applicable accordingly.

Article 2 The Project

- 2.1 The primary aim of the Project promoted by the financial contribution is to create jobs in the water and sanitation sector in Morocco as specified in Annex 2. This overall objective is defined by the following benchmarks:
 - Job Creation and Economic Stabilisation of rural and peri-urban regions.
- 2.2 In order to achieve this aim, the following measures are planned:
 - Strengthening of institutions at national, regional and local level to accelerate public investments in the water and wastewater sector
 - Enhancement of the private service provision in water and wastewater
 - Assistance to higher education institutions and training providers to offer training opportunities responding to the needs of the water and wastewater sector.
- 2.3 Details are laid down in the Project Proposal which is attached as Annex 2.

Article 3 Disbursement Procedure

3.1 The Grantor shall disburse the financial contribution upon receipt of a written call for disbursement. The financial contribution shall be disbursed in the following instalments:

Respective amount	Date of disbursement
EUR 1.875.000,00	Following the signing of this Agreement

3.2 Payment by the Grantor will be transferred in EUR into GIZ's account no. IBAN _____ at the *Deutsche Bundesbank Filiale Frankfurt am Main* with reference to the project number 2020.2202.8.

3.3 The Project budget and accounts shall be kept in EUR currency. Any conversion into or from currencies other than euro will be undertaken in accordance with GIZ's agreed standard procedure for processing BMZ commissions.

3.4 The contribution of the Grantor will be pooled with the German and the contributions of the other three V4 Grantors as one Project budget. All costs, including overheads, will be covered equally by each Grantor (no earmarking) as stipulated in Annex 1 Schedule of Estimated Costs.

3.5 Not later than six months after the completion of the contract period, GIZ shall submit to the Grantor a final financial statement in Euro (in line with 6.3). Any funds remaining from the financial contribution, including any interest accrued, shall be returned to the Grantor without any delay.

3.6 All financial statements and reports must be accompanied by a declaration issued by GIZ that the costs to be financed from the grant have not been financed from other sources.

3.7 GIZ shall

- a) secure the full financing of the Project and, upon request, furnish the Grantor with evidence proving that all costs not financed from the present financial contribution are covered;
- b) retain, for a period of five years after submission of the final financial statement, account documents, records and the originals of the supporting documents that clearly identify all costs of the services and supplies for the Project and those services and supplies financed from the financial contribution;
- c) document the transfer of ownership of those items that are destined for third parties according to the Project Proposal and shall support its financial statements with copies of such documents;
- d) enable the representatives of the Grantor without undue delay to consult such account documents and any other records and documents relevant for the implementation of the Project at GIZ's premises and to visit all installations/facilities related thereto;
- e) supply any information without undue delay on the Project and its further progress that the Grantor may reasonably request;
- f) of its own accord promptly inform the Grantor of any circumstances seriously affecting and/or jeopardizing the accomplishment of the purpose of this Agreement or the implementation of the Project.

Article 4 Purchasing of Goods and Services

4.1 Procurement of supplies and services will be procured in accordance with GIZ's internal rules and regulations for procurement and contract awards¹; if appropriate, by issuing international invitations to tender. Written documentation will be kept of all decisions regarding invitations to tender and placing of orders and will be kept with the accounting vouchers.

GIZ may subcontract activities under the Project (such as the preparation of studies and publications, training material, advisory services, construction of pilot-plants etc.) to third parties, which can either be individual consultants, firms, other economic actors, or public institutions, whatever is more suitable and economic. GIZ is responsible for entering into, managing and supervising such subcontracts with due commercial prudence.

For procurement of supplies and services above a value of 20.000 EUR (twenty thousand euro) and below the current threshold for public supply and service contracts awarded by sub-central contracting authorities according to Art. 4 lit. c) of the Directive 2014/24/EU, currently 214.000 EUR (two hundred and fourteen thousand euro), public or restricted invitations to tender are mandatory. In the case of public tenders (international competitive bidding) GIZ will share the relevant information of the tender documents with the Grantor in due time to allow for an announcement on domestic public procurement portals of the Grantor.

4.2 Upon entering into contracts for supplies and services to be financed from the financial contribution, GIZ shall ensure that

- a) the terms of payment of these contracts conform to customary trade practices and applicable laws;
- b) the supplies to be financed and carried out are insured against transportation risks to full extent. In order to provide for the goods to be replaced or restored to their original state; imported goods shall be insured in freely-convertible currencies, as far as possible;
- c) reimbursement, insurance, security, warranty or similar payments which may be claimed on the basis of these contracts, are to be transferred to the account indicated in point 3.2 and reemployed for the Project. GIZ shall notify the Grantor of the level of such payments within the scope of the Project reports.

Article 5 Suspension of Disbursements and Repayment

5.1 The Grantor will be entitled to either suspend or terminate disbursements if

- a) GIZ is not able to furnish evidence proving the use of the financial contribution for the purpose stipulated in this Agreement, or
- b) GIZ has violated any other major obligation under this Agreement or has violated any major obligation under laws applicable to this Agreement.

5.2 The Grantor will be entitled to demand immediate repayment of those parts of the grant that have been affected by any of the circumstances referred to in Section 5.1 unless those circumstances have been eliminated within a period to be stipulated by the Grantor, which shall, however, be not less than 30 days.

¹ <https://www.giz.de/en/workingwithgiz/procurement.html>

Article 6 Implementation of the Project

- 6.1 The description of the measures in Section 2.2 including the Project Proposal (Annex 2) constitutes the binding framework for the implementation of the Project.
- 6.2 The governance structure of the Project will be set up as follows upon start of implementation.

Supervisory Board

Functions

- Aligns the strategic interests of the supervisory board members
- Provides guidance for the implementation of the Project (comments on progress reports and annual planning), and communication
- Coordinates amongst the supervisory board members and GIZ
- Approves progress reports
- Approves communication strategy
- Approves major changes altering the nature of the project as defined in 6.3

Members: representatives from V4 Grantors, BMZ, GIZ, Moroccan Ministry of the Interior

Meeting Cycle:

- Two times a year (**April** and **October** except year 1 as stipulated in Annex 3)
- **Ad hoc** meeting upon the suggestion of one board member and subject to mutual agreement of all board members. This meeting shall not be held in person.

The board has no direct operational decision-making power over the concrete use of funds provided to GIZ but it advises on priorities and political issues. The Project is supervised by BMZ in cooperation with the supervisory board.

- 6.3 Major changes to the measures described under Section 2.2 including the Project Proposal, or major changes to the Schedule of Estimated Costs (Annex 1), must be reported immediately to the Grantor and to the Supervisory Board at the earliest scheduled meeting.

Major changes altering the nature of the measures described under Section 2.2 including the Project Proposal, or major changes to the Schedule of Estimated Costs (Annex 1) altering the nature of the Project, need approval by the Supervisory Board. Major changes altering the nature of the Project are:

1. Chances of agreed indicators on Outcome-Level or agreed main fields of activities as stipulated in Project Proposal (Annex 2)
2. If it appears that the overall budget amount will be exceeded
3. Deviations of more than 25% from the overall totals in the specification of inputs

- 6.3 GIZ shall submit narrative progress reports (Annex 4a) and interim reports (Annex 4b) in English on a regular basis as stipulated in Annex 3. The reports will be submitted to the Grantor not later than three months after the reporting date.

The annual progress reports will be accompanied by a financial statement. The structure of the financial statement follows the structure of the Schedule of Estimated Costs (Annex 1). The financial statement does not allocate specific Grantor funds contribution to costs.

- 6.4 The implementation of the Project will begin no later than **01.07.2021** and will be completed at latest by **30.06.2025**. GIZ shall draw up the final progress report no. 4 describing the implementation and the results of the Project with regard to the set objectives and shall submit this to the Grantor with the final financial statement in line with Annex 3.

Article 7 Visibility

- 7.1 A tailor-made communication strategy, including suggestions for deliverables (press releases, website, one Project logo), will be elaborated by GIZ at Project start and presented to the Supervisory Board for approval.
- 7.2 The Grantor will name a contact in his country/in Morocco for coordination of communication activities and visibility of all Grantors both in Morocco and internationally
- 7.3 GIZ will acknowledge the contributions of each of the V4 Grantors and any other relevant support for the project in all documents and publications associated with the Project, both hard copy and electronic copy and including all publicity material, media reporting and reports. In doing so GIZ will make clear that it has been tasked with the implementation of the Project by the Government of the Federal Republic of Germany and that the project is jointly financed by Germany and the V4.
- 7.4 Communication and visual elements pertaining to the project will at all times make explicit reference to the involvement and contribution of the respective Parties and will include visual elements as approved in the communication strategy by the Supervisory Board.
- 7.5 All Intellectual Property Rights to the results created by GIZ during the delivery of the Program (Results) shall vest in GIZ. GIZ shall grant to the Grantor a perpetual, irrevocable, world-wide, royalty free and non-exclusive right to use, reproduce, adapt, modify, distribute, sub-license to 3rd parties and communicate the Results."

Article 8 General Termination

- 8.1 This Agreement can be terminated, at any time, by three months' written notice by either party. The termination of one or several of the Grant Agreements with the V4 Grantors for the implementation of this project shall not affect the validity of this Agreement. All remaining funds other than those irrevocably committed (e.g. as part of an already legally valid contract) before the date of reception of the written notice, in line with Project objectives, or approved between the two parties, as being required to finalize activities will be returned to the Grantor.
- 8.2 Additionally any unspent funds remaining at the scheduled end of the Project, will be returned to the Grantor unless specifically agreed in writing by both parties.
- 8.3 GIZ and Grantor agree that any dispute, controversy or claim arising out of or relating to this contract, or the breach, termination or invalidity thereof, will be settled mainly by negotiations which can lead to written amendments of this Agreement. In case dispute, controversy or claim will be not settled, GIZ and Grantor agree that jurisdiction by the Slovak national courts is determined.

Article 9 Components of the Agreement

9.1 The following annexes constitute an integral part of this financial contribution Agreement, whose terms taken together shall constitute the entire agreement and understanding between GIZ and the Grantor:

- Annex 1: Schedule of Estimated Costs
- Annex 2: Project Proposal
- Annex 3: Reporting and Meeting Schedule
- Annex 4a: Annual Progress Report Template
- Annex 4b: Three-months Progress Report Template

Article 10 Final Provisions

10.1 This contract is governed by the applicable law of the Slovak Republic.

10.2 In the event of a provision of this Agreement being invalid or incomplete, this will not affect the validity of the remaining provisions. Any gap in consequence thereof will be replaced by a provision consistent with the purpose of this Agreement by agreed Amendment.

10.3 GIZ shall not assign, or transfer, pledge or mortgage any rights under this Agreement.

10.4 Amendments of and changes to this Agreement as well as any statements and notices made under this Agreement will be valid only in writing.

10.5 The agreement is drawn up in English. Reporting language is English.

10.6 This Agreement shall enter into force upon the fulfilment of the last of the following preconditions:

- the day following the date of its publication in the Central Register of Contracts maintained by the Office of the Government of the Slovak Republic in accordance with § 47a(1) of the Act No. 40/1964 Coll. Civil Code, since it is a contract which has the obligation to be published in accordance with § 5a (1) of the Act No. 211/2000 Coll. on a free access to information and on the amendment of certain laws (Freedom of Information Act),
- the date of signature of the last of four Grant Agreements between GIZ and the V4 Grantors contributing to the Project.

The Grantor is obliged to publish this Agreement with undue delay after signature. GIZ will immediately inform all V4 Grantors when the last Grant Agreement is signed.

10.7 Notwithstanding satisfaction of the preconditions in par 10.6, this Agreement will only enter into force on the date that BMZ formally commissions the Project to GIZ.

Signatures for the Grantor

Mr. Ivan Korčok, Minister of Foreign and European Affairs of the Slovak Republic

Bratislava 14.4.2021

place Date signature

Mrs. Karla Wursterová, Director General, Directorate of International Organisations, Development Cooperation and Humanitarian Aid

Bratislava 12.4.21

place Date signature

Signatures for GIZ

Dr. Michaela Baur, Head of Department Europe Middle and Central Europe

Eschborn 1.4.21

place Date signature

Dr. Regine Qualmann, Head of the Division North Africa

Eschborn 7/4/21

place Date signature

Annexes

- Annex 1: Schedule of Estimated Costs
- Annex 2: Project Proposal
- Annex 3: Reporting and Meeting Schedule
- Annex 4a: Annual Progress Report Template
- Annex 4b: Three-months Progress Report Template