

GRANT AGREEMENT

BETWEEN

THE NORWEGIAN MINISTRY OF FOREIGN AFFAIRS

AND

THE NORWEGIAN RED CROSS

REGARDING

QZA-20/0074 ICRC SUPPORT 2020-2022

PART I: SPECIFIC CONDITIONS

PART II: GENERAL CONDITIONS

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PART I: SPECIFIC CONDITIONS

This grant agreement (the Agreement) has been entered into between:

- (1) The Norwegian Ministry of Foreign Affairs (MFA), represented by the Section for Humanitarian Affairs, and
 - (2) Norwegian Red Cross (NorCross), an association duly established in Norway under registration number 864 139 442 (the Grant Recipient),
- jointly referred to as the Parties.

1. SCOPE AND BACKGROUND

- 1.1 The Grant recipient has submitted a letter to MFA dated 11 February 2020 (the Application) regarding financial support to a programme titled Support to ICRC Annual Operations Appeals (the Programme), QZA-20/0074.
- 1.2 MFA has decided to award a grant through a multi-year agreement 2020-2022 to be used exclusively for the implementation of the Programme. The Parties expect the Programme to be implemented during the period from January 2020 to December 2022 (the Support Period).
- 1.3 Additional financial support to specific thematic, country and regional appeals may be granted through addenda under this Agreement.
- 1.4 The Parties have agreed to enter into an Agreement, consisting of this part I; Specific Conditions, part II; General Conditions, and part III; Procurement Provisions, all of which form an integral part of this Agreement. In the event of discrepancies between the Specific Conditions and the General Conditions, or Procurement Provisions, the Specific Conditions shall prevail.
- 1.5 Any reference to "Project" in the General Conditions shall be understood as a reference to the Programme. Any reference to the "Project Document" shall be understood as a reference to the ICRC Annual Operations Appeals for the respective years of this Agreement.
- 1.6 A Memorandum of Understanding between the MFA, NorCross and the ICRC for the period 2020-2023, to be signed by end May 2020, outlines the strategic partnership between the three parties. The Parties to this Agreement recognise the unique mandate of the ICRC.

2 OBJECTIVES

- 2.1 The expected effects of the Project on society are:
 - To protect the lives and dignity of the victims of armed conflict and other situations of violence and to provide them with assistance.

- To prevent suffering by promoting and strengthening humanitarian law and universal humanitarian principles.

2.2 The expected effects for the target group of the Project are (Outcome):

- Violations of international humanitarian law are prevented, and human suffering is alleviated.
- Affected people benefit of relevant and sustainable humanitarian impact.

The ICRC expects to enable the above outcomes through:

- Working with others to enhance impact, in coordination and complementarity with relevant components of the RCRC Movement.
- Embracing digital transformation.
- Creating an inclusive and diverse working environment.

2.3 The Project aims to contribute to a more effective and integrated RCRC Movement inclusive response, in the spirit of reducing transaction cost, enhancing operational partnerships geared towards optimising local impact and ensuring accountability to affected populations.

2.4 The focus of the programmes on armed conflict, protracted crises and other situations of violence, with emphasis on proximity to communities most in need, is complementary to the strategic focus of NorCross' International Strategy 2018-2020.

The ICRC Annual Operational Plan includes more information on expected results.

3 IMPLEMENTATION

3.1 The Programme shall be implemented in accordance with the Agreement, including all annexes, and the latest approved ICRC Operations Appeal.

3.2 During the implementation of the Programme, the Grant Recipient shall exercise the necessary diligence, efficiency and transparency in line with sound financial management and best practise principles.

3.3 The Grant Recipient shall continuously identify, assess and mitigate any relevant risks associated with the implementation of the Project. The risk of potential negative effects of the Project in the following cases (Cross-Cutting Issues) shall always be included in the risk management of the Project:

- anti-corruption
- climate and environment,
- women's rights and gender equality, and
- human rights (with a particular focus on participation, accountability and non-discrimination)

3.4 The Grant Recipient shall be familiar with UN Security Council Resolution 1325 on women, peace and security (s/res/1325 (2000)) and implement the Project in a way that promotes the intentions of the resolution in the best possible way.

- 3.5 The Grant Recipient shall ensure that the Project is implemented in respect of international humanitarian law and international human rights law and that the implementation of the Project is guided by and comply with the international humanitarian principles of humanity, neutrality, impartiality and independence.
- 3.6 The MFA shall be informed by the Grant Recipient, in regular dialogue, of security considerations and risk assessments in areas of operation. Such information should include the Grant Recipient's efforts to uphold the humanitarian principles in complex political and security situations in areas of operation. Significant changes in the security and/or political situation and risk assessments should be communicated to the MFA as soon as possible.
- 3.7 The MFA underlines the necessity that all possible means are taken by the Grant Recipient to ensure the integrity of the humanitarian principles, compliance with international humanitarian law and the safety of staff.

4 THE GRANT

- 4.1 The Grant shall amount to maximum NOK 763 800 000 (Norwegian Kroner seven hundred and sixty-three million eight hundred thousand). The Grant is given as a lump sum based on the budget in the ICRC Annual Operations Appeal.
- 4.2 Disbursement after the current calendar year is subject to Parliamentary appropriations. Significant changes in the Parliament's annual allocation to the relevant budget line may lead to changes in the annual Grant allocations and/or in the total Grant amount.

The annual Grant allocations must be confirmed by MFA for each year.

The tentative annual allocations are as follows:

2020:

NOK 483.8 million, allocated as follows:

Non-earmarked:	NOK 90 million
Earmarked:	
SGBV special appeal:	NOK 50 million
Afghanistan:	NOK 10 million
DR Congo:	NOK 15.7 million
Irak:	NOK 14.5 million
Lake Chad/Nigeria:	NOK 8.5 million
Lebanon:	NOK 20 million
Palestine:	NOK 10 million
Myanmar/Rakhine:	NOK 4.5 million (softly earmarked SGBV)
Bangladesh/Rohingya crisis:	NOK 10 million (softly earmarked SGBV)
Central African Republic:	NOK 9.5 million
Sahel:	NOK 7 million
Somalia:	NOK 10 million
South Sudan:	NOK 7.5 million
Sudan:	NOK 12 million
Syria:	NOK 115 million
Ukraine:	NOK 9 million

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Venezuela:	NOK 5 million
Yemen:	NOK 33.6 million
Missing project:	NOK 5 million
Restoring Family Links:	NOK 2 million
COVID 19 appeal:	NOK 15 million
Access to education:	NOK 10 million
Mine Action appeal:	NOK 10 million

2021:

NOK 140 000 000, allocated as follows: 90 million unearmarked,
50 million earmarked for SGBV special appeal

2022:

NOK 140 000 000, allocated as follows: 90 million unearmarked,
50 million earmarked for SGBV special appeal

- 4.3 The Grant shall be used exclusively to finance the actual costs of the implementation of the Programme during the Support Period.
- 4.4 Only costs for activities carried out during the period starting January until 30 June the following year may be financed from the Norwegian contribution. NorCross shall early each year inform MFA about balances carried forward by the ICRC.
- 4.5 Support to NorCross' management of the grant, including coordination, transfers, accounting and audit, shall not exceed NOK 800 000, per year, and be deducted from the non-earmarked contribution.
- 4.6 The Grant Recipient is responsible for obtaining any additional resources that may be required to duly implement the Programme.

5 DISBURSEMENT

- 5.1 The disbursement of the 2020 grant will be made in full upon signature of this Agreement. The 2021 and 2022 disbursements shall be made upon MFA's receipt of written disbursement requests from the Grant Recipient.
- 5.2 The disbursement requests shall be signed by an authorised representative of the Grant Recipient. The disbursement request shall include a confirmation that the Programme is being implemented in accordance with the Agreement and without any major deviations from the ICRC Annual Operations Appeal.
- 5.3 All disbursements are conditional upon the Grant Recipient's continued compliance with the requirements in the Agreement, including the timely fulfilment of reporting obligations. MFA may withhold disbursements in accordance with article 17 of the General Conditions if it finds that the requirements of the Agreement have not been met.
- 5.4 The tentative disbursement schedule is as follows:

2020: upon signature of the agreement NOK 483 800 000

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2021: by March 1, NOK 140 000 000

2022: by March 1, NOK 140 000 000

5.5 The disbursements will be made to the following bank account:

Name of the account:	Norges Røde Kors Postboks 1 Grønland, 0133 Oslo
Account no.:	8200.06.08358
IBAN no.:	NO32 8200 0608 358
Name and address of the bank:	DNB Bank ASA, Postboks 1600, Sentrum 0021 Oslo
Swift/BIC code:	DNBANOKKXXX
Currency of the account:	NOK

5.6 The Grant Recipient shall immediately acknowledge receipt of the funds disbursed by MFA in writing. The amount received shall be stated, as well as the date of receipt and the exchange rate applied.

6 REPORTING AND OTHER DOCUMENTATION

- 6.1 Narrative and financial reporting on the use of all funds from MFA shall be covered by ICRC standard reporting (ICRC's annual reports) and follow the requirements in the General Conditions of this Agreement, as applicable.
- 6.2 NorCross will formally submit the ICRC's annual report to MFA at the latest eight months after the end of each year. It will be accompanied by a NorCross' letter containing narrative and financial information and analysis on the Norwegian contribution to the ICRC operations appeals for the previous year.
- 6.3 An audit report covering the annual financial statements of the Programme shall be submitted to MFA at the latest eight months after the end of the Support period. The audit report shall comply with the requirements set out in article 7 of the Specific Conditions and article 5 of the General Conditions. The management letter (matters for governance attention) shall be attached to the audit report.
- 6.4 If the Grant Recipient is unable to meet the deadlines set out above, MFA shall be informed immediately.
- 6.5 By early February 2021 and 2022, the Grant Recipient shall submit a letter to MFA requesting financial support to the Programme, the request shall include the ICRC operations appeals for the current year, titled ICRC Support 202x.
- 6.6 Early October each year the Grant Recipient may submit a letter to MFA regarding financial support to the ICRC Renewed Appeal, launched in September each year.

7 AUDIT

- 7.1 The annual financial statements of the Programme shall be audited in accordance with International Standards of Auditing (ISA).

7.2. The Grant Recipient is responsible for submitting the audit report to MFA within the deadline indicated in article 6 of the Specific Conditions. NorCross' auditors base their work on the ICRC's standard accounting records and consolidated financial statements, annually audited by external auditors.

8 FORMAL MEETINGS

8.1 The Parties shall hold formal meetings if/when requested by MFA. Details regarding agenda and procedures will be agreed upon by the Parties if/when needed.

9 REVIEWS AND OTHER FOLLOW-UP MEASURES

9.1 If the Grant Recipient or another interested party initiates a review or evaluation of activities wholly or partly funded by the Grant, MFA shall be informed. The Grant Recipient shall forward a copy of the report of any such review or evaluation to MFA without undue delay.

10 PROCUREMENT

10.1 Procurement made in connection with the Project shall be completed in accordance with the principles and provisions set for the in the Procurement Provisions in Part III of this Agreement. However, the Parties have agreed that for the following provisions 2.1 c; 3.3 and 4.5 ICRC's Procurement rules shall prevail for procurement made by ICRC.

11 REPAYMENT OF INTEREST AND UNUSED FUNDS

11.1 Interest accrued on the Grant during the course of a year shall be repaid to MFA by 31 January the following year. If the Grant Recipient receives several grants from MFA, the interest on these grants should be repaid in one instalment. The instalment shall be documented by a copy of the annual bank statement for the account

11.2 If the Grant Recipient does not complete the Programme as planned, or if the Programme is significantly scaled down compared to the initial budget, the MFA may claim repayment of all or parts of the Grant.

11.3 Repayments shall be made to the following bank account:

Name of the account:	Norwegian Ministry of Foreign Affairs
Account no.:	7694 05 12618
IBAN no.:	NO83 7694 0512 618
Name and address of the bank:	DnB ASA, 0021 Oslo, Norway
Swift/BIC code:	DNBANOKK

11.4 The transaction shall be clearly marked: "Unused funds". The name of the Grant Recipient shall be stated, along with MFA's agreement number and agreement title.

12 SPECIAL PROVISIONS

12.1 "The following provisions of the General Conditions are not applicable under this Agreement:

- a) Article 5 clause 4, 6 and 8
- b) Article 7 clause 2
- c) Article 9 clause 5
- d) Article 10 in its entirety
- e) Article 12 clause 2
- f) Article 13 in its entirety.

12.2 The following provisions of the General Conditions shall be altered:

- a) General Conditions article 8.3 shall be replaced with the following "If exchange rate fluctuations increase the value of the Grant, the surplus shall be treated as disbursed Grant funds and used for Project purposes. Net surplus from conversion into foreign currency shall be repaid as unused funds at the end of the Support Period, unless otherwise agreed between the Parties.
- b) Article 9 clause 2: shall be replaced with the following: "Intellectual property produced as a result of activities financed by the Grant, shall be managed in a way that maximizes their public accessibility and allows the broadest possible use. Published reports produced as a result of this Grant shall, as far as possible and appropriate, be placed in the public domain for non-commercial use.
- c) Article 14 shall be replaced by the following: "The Grant Recipient shall make project documentation available to anyone upon request unless disclosure is prohibited by confidentiality obligations and/or if it may be detrimental to the Grant Recipient's legitimate interests. "Project documentation" shall include this Agreement and any contracts, cooperation agreement or other sub-agreements financed by the Grant, the Application and all agreed reports."

13 NOTICES

13.1 All communication to MFA concerning the Agreement shall be directed to the Section for Humanitarian Affairs at the following e-mail address: Seksjon.for.humanitaere.sporsmal@mfa.no

13.2 All communication to the Grant Recipient concerning the Agreement shall be directed to Hanne Mathisen at the following address/e-mail address: hanne.mathisen@redcross.no.

13.3 MFA's agreement number and agreement title shall be stated in all correspondence regarding this Agreement, including repayment of unused funds.

14 SIGNATURES

14.1 By signing Part I of the Agreement, the Parties confirm receipt and approval of Part II General Conditions, and Part III; Procurement Provisions, which form an integral part of the Agreement.

14.2 This Agreement has been signed in two -2- original copies in the English language. In the event of any discrepancies between this English language version and any later translations, the English language version shall prevail.

Place: Oslo, Norway

Date: 7 May 2020

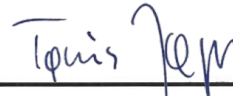


For the Norwegian Ministry of Foreign Affairs,

 Thomas Lid Ball

Director

Section for Humanitarian Affairs



for the Norwegian Red Cross,

Tørris Jæger

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