Partnership Agreement

This Partnership Agreement (the Agreement) has been signed between:

## The Cooperation Partner

Organization number …………………

Address: …………………

Postcode: …………………

City, country ....................

Contact person: …………………

Telephone number: …………………

E-mail address: …………………

and

**Implementing Partner**

Organization number …………………

Address: …………………

Postcode: …………………

City, country ....................

Contact person: …………………

Telephone number: …………………

E-mail address: …………………

Hereinafter referred to as “*the Parties*”

For

**Project number:** [Project number]

# Purpose and scope

* 1. The purpose and scope of this Agreement is to implement a Project in accordance with Annex II, which consists of a description of the project, including objectives ("Project Description"), and a budget ("the Budget").
  2. The Cooperation Partner has decided to award a Grant to be used exclusively for the implementation of the Project from [Start date] until [End date] (the "Project Period").
  3. The Parties have agreed to enter into this Agreement, consisting of this agreement document and the Annexes below in order of priority. In the event of any conflict between the agreement document and the Annexes, the agreement document shall take precedence. In the event of any conflict between the various Annexes, the Annexes shall take precedence in the order set out below. If an Annex contains an amendment, the amendment shall take precedence over the Annex, and the amendment shall take precedence in the order in which they occur, unless otherwise specified in the Annex.

**Annexes:**

* Annex I:  **ForumCiv General Conditions for Sida Grants** (Dated: 29-05-2023)
* Annex II: **Project description** (Decision Memo and Operational plan if applicable) and **Budget**
* Annex III: **ForumCiv’s audit instruction for the Swedish Partnership Programme** (Dated: 16-01-2024)
* Annex IV: **ForumCiv’s principles for purchase and procurement** (Dated: 09-01-2024)

# The Grant

* 1. The Cooperation Partner undertakes to fund the Project with an amount of up to SEK [Amount] (the "Grant") however only provided that ForumCiv has made sufficient funds available to the Cooperation Partner.
  2. The Grant shall be used exclusively to cover the actual costs of implementing the Project during the Project Period.
  3. If any activity and/or cost is carried out before this Agreement has been signed, the costs may be approved retroactively by the Cooperation Partner, if they are within the approved Project Description and Budget (Annex II) and within the Project Period, as specified by this Agreement.
  4. The Implementing Partner is responsible for raising any additional funds that may be required to implement the Project properly. These shall be included in the reporting in such cases.
  5. In development projects aimed at an audience outside Sweden, the Sweden logotype shall be used in accordance with the guidelines available at <https://identity.sweden.se>, in accordance with Article 19.3 of the General Conditions.
  6. The Cooperation Partner has granted an exemption from Article 10.5 of the General Conditions, as concerns EU requirements regarding GDPR.
  7. In addition to the provisions of Article 15 of the General Conditions regarding breach of agreement, the following circumstances shall be considered before the Cooperation Partner decides to make a recovery claim against the Implementing Partner:

1. The Implementing Partner’s application for financial risk sharing has been approved in writing in advance by the Cooperation Partner, and
2. That any recovery claim concerns a Partner in subsequent step of the Implementing Partner whom the Cooperation Partner deems to be a vulnerable civil society organization or informal actor; and
3. The Implementing Partner has taken such measures in relation to the Partner in subsequent step in order to prevent breach of agreement, and to recover any misspent funds from the Partner in subsequent step, that the Cooperation Partner can allow financial risk sharing.
   1. Purchases of equipment that is not specifically stated in the budget and that exceeds 50 000 SEK per unit may only be done after written approval from ForumCiv.

# Disbursements

* 1. The Grant shall be disbursed in accordance with Article 4 of the General Conditions and the disbursement plan below, based on the Project's funding needs for each subsequent period. Funding needs are defined as costs for the coming period, excluding funds from other sources available for the Project during the same period.
  2. Funding needs must be documented in a simplified financial report for the project and must include references to the latest approved Budget. The simplified financial report shall show:

1. The total balance in the Project of the Implementing Partner
2. The total balance in the Project of Partners in subsequent step
3. Prognosis of the total sum of the Implementing Partner’s payments for the period until the next disbursement
4. Any unused funds.
   1. The Implementing Partner shall ensure that disbursed Grant is only used in accordance with the Agreement.
   2. Disbursement will be made according to the following provisional disbursement plan:

[Insert provisional disbursement plan]

* 1. Disbursement is made after the Implementing Partner has submitted a written requisition to the Cooperation Partner. The requisition shall be signed by authorized signatories, who thereby confirms that the disbursement conditions are met.
  2. The Implementing Partner shall deposit the Grant in a bank account registered in the Implementing Partner's name. The bank account must be jointly signed by two authorized representatives. Documentary proof must exist to permit verification of bank account information.
  3. The Implementing Partner shall immediately notify the Cooperation Partner in writing when the funds have been received, and confirm the amount received (before any bank charges incurred by the beneficiary bank), the date of receipt and, where applicable, the exchange rate used.
  4. In order for the Cooperation Partner to make a disbursement within a given calendar year, the requisition must be received by the Cooperation Partner no later than the [DD/MM] of the same year. In order to be able to make disbursements when the Project Period is up to one (1) year in length, the requisition must be received by the Cooperation Partner no later than [number of months] (X) months after the start date of the Project Period.
  5. All disbursements are conditional on the Implementing Partner's compliance with the terms of the Agreement, including reporting obligations, on progress being made towards agreed objectives and expected results and on the existence of a documented funding need.
  6. In addition to what is stated in the General Conditions, Cooperation Partner has the right to suspend disbursement if the Cooperation Partner considers that significant new conditions or circumstances have arisen, or that changes have occurred which give reason to reconsider The Cooperation Partner’s continued support of the Project.

# Implementation of the Project

* 1. The Implementing Partner is responsible for the implementation of the Project according to the Agreement.
  2. The Implementing Partner shall ensure that the Project is implemented with the requisite diligence, efficiency and transparency in accordance with the principles of financial management, control and cost-effectiveness, as well as best practice in the field, such as result-oriented management, and that adjustments are made to the Project on the basis of lessons learned.
  3. The Implementing Partner shall identify, assess and prevent all types of risks related to the implementation of the Project, including the risks of corruption and other irregularities and sexual exploitation, sexual abuse and sexual harassment (SEAH), risks related to environmental and climate justice and other potential negative consequences.
  4. The Implementing Partner shall, without delay, notify the Cooperation Partner of any circumstances that may prevent or delay the implementation of the Project.

# Forwarding of funds to Partners in subsequent step

* 1. Forwarding of funds from the Implementing Partner to a third party, who will implement parts of the Project without constituting a party to this Agreement ("Partner in subsequent step"), are permitted in accordance with the provisions of Article 8 of the General Conditions. The Project Description and Budget shall be specific annexes to the agreement with the Partner in subsequent step. The Implementing Partner shall submit to the Cooperation Partner a signed copy of the agreement with the Partner in subsequent step within one (1) month of its signing.
  2. Unless otherwise specified in the Agreement, the ownership of equipment and expendable materials paid for by Cooperation Partner through the Grant shall be transferred to any Partner in subsequent step of the Implementing Partner, and/or to the final beneficiary of the Project, pursuant to Article 6.3 of the General Conditions.

# Reporting and other documentation

* 1. Reporting shall be performed in accordance with the General Conditions, instructions and templates for the type of grant which the Parties have received. If the Cooperation Partner has its own general conditions that are equivalent to ForumCiv’s General Conditions, these can be attached to the Agreement with the Implementing Partner. The report shall include, inter alia, the following elements:

1. A narrative report.
2. A financial report, including the information set out in Article 7 below.
3. An audit report, including a Management Letter, a Report on specifically agreed audit procedures and, if the Auditor has observations or recommendations, a Management Response, in accordance with the requirements of Article 8 below and ForumCiv’s audit instruction for the Swedish Partnership Programme.
4. The final report must include documentation of the transfer of such assets as specified in Article 6 of the General Conditions.
   1. The Implementing Partner shall submit complete reporting for the Project according to the following plan:
5. Final report to be submitted to the Cooperation Partner by [DD/MM/YYYY].
6. If the Project Period is longer than 18 months, progress report(s) must be submitted to the Cooperation Partner by [DD/MM/YYYY] and cover the previous year's activities. The final report replaces the progress report for the last year of the project.
   1. Throughout the term of the Agreement, the Implementing Partner is obliged to submit the following documents to the Cooperation Partner within one (1) month of their completion:
7. Signed documentation (meeting protocol or similar) verifying the authorized signatories (or similar).
8. Signed documentation (annual meeting protocol or similar) of the members’ discharge and election of the organization’s board; insight and review of the organization’s governance and finances; voting regarding the organization’s plans, strategies, policies, direction etc.
9. Signed report(s) of the organization’s operational activities during the past year.
10. Signed report(s) of the organization’s finances (incomes and expenditures, etc.) during the past year.
11. Audit report dated and signed by the auditor,
    1. If the Implementing Partner is unable to meet the deadlines stated above, the Cooperation Partner must be informed immediately.
    2. All reports within the Project must be prepared in [English/Spanish/French/etc.].

# Financial reporting

* 1. A financial report shall include actual income and expenses compared to the approved Budget for the reporting period, as well as explanations for identified deviations from the budget.
  2. The financial report must be signed by authorized signatories of the Implementing Partner.
  3. The financial report shall be prepared so that direct comparisons can be made with the last approved Budget, using the same currency and budget items.
  4. The financial report shall include columns with accumulated information for various budget items (both income and expenses) from previous periods.
  5. The financial report shall also include:

1. the accounting principles applied (accruals basis, cash basis or modified),
2. income from all sources of income, including interest and exchange gains, and the Grant, expressed both in the currency in which it was transferred and in the amount received in local currency,
3. exchange gains and/or losses incurred. The report shall include the whole chain of exchanges necessary to implement the Project. The accounting principle used shall be disclosed in an annotation to the financial report.
4. costs recorded in the current reporting period,
5. unused funds as of the report date. The balance shall specify exchange gains or losses during the reporting period,
6. the balance sheet (as required by the accounting principle used),
7. explanatory notes, including a description of the accounting policies used, or any other explanatory material that may be necessary for transparent financial reporting in the Project; and
8. where applicable, the amount that has been forwarded from the Implementing Partner to a Partner in subsequent step. This amount shall be specified in a note or annex including the following information: amount declared and reported by the Partner in subsequent step, amount disbursed but not yet due for reporting, and amount due for reporting but not reported. The annual report shall include an annex with information on the Partners in subsequent step that have received funding during the year. The annex must include information for each Partner in subsequent step regarding country, start- and end date, total sums for the budget as well as the costs for the year.

# Annual audit

* 1. The Implementing Partner shall have the Grant audited annually. This annual audit shall be carried out in accordance with ForumCiv’s audit instruction for the Swedish Partnership Programme (Annex III). The Cooperation Partner reserves the right to make additions or changes to the instructions during the contract period.
  2. The audit shall be carried out by an external, independent and authorized auditor. The audit shall occur in accordance with International Standards on Auditing published by the International Auditing and Assurance Standards Board (IAASB). The signatory auditor may not be engaged for more than 7 consecutive years.
  3. The Cooperation Partner reserves the right to approve the Implementing Partner's choice of auditor, and may require the auditor to be replaced if the auditor has not performed satisfactorily, or if there are suspicions regarding the auditor's independence or professional competence.
  4. The cost of the audit shall be borne by the Implementing Partner, shall be included in the Budget and shall be charged to the Project. he Implementing Partner shall ensure that ForumCiv’s audit instruction for the Swedish Partnership Programme is included in the engagement letter between the Implementing Partner and the auditor.
  5. Based on the observations made by the auditor during the audit process, and on the recommended actions outlined in the audit report, the Implementing Partner shall prepare a *Management Response* and submit it to the Cooperation Partner. The *Management Response* shall specify the actions planned, a timeframe for their implementation and what function, among the Implementing Partner's staff, is responsible for their implementation.
  6. The Implementing Partner shall condition in any agreement signed with Partners in subsequent step that the Partner in subsequent step shall perform annual audits. Audits shall be carried out in accordance with ForumCiv’s audit instruction for the Swedish Partnership Programme. The Implementing Partner may add additional review points to the ISRS 4400 assignment, based on its risk assessment of the Partner in subsequent step. The Implementing Partner shall verify that funds that have been forwarded to other parties have been audited, and that the Implementing Partner has addressed reported deficiencies. Significant observations/deficiencies shall be indicated in the Implementing Partner's reporting to the Cooperation Partner. The Implementing Partner reserves the right to approve the choice of auditor and the terms of reference made by the Partner in subsequent step.
  7. Where applicable, the Implementing Partner shall ensure that the Partner in subsequent step is subject to adequate audit processes that include the following:

1. Documented verification of the auditor's independence and professional competence,
2. Documented verification that the reports by the auditor comply with the requirements of the Agreement; and
3. Documented response to the reports of the auditor, and whether adequate follow-up has been made based on the information received.

# Financial management

* 1. The Implementing Partner shall maintain up-to-date accounts of the Project's income and expenditure by using an appropriate double-entry bookkeeping system in accordance with the accounting and bookkeeping principles and legislation in force in the country where the Implementing Partner is established.
  2. Accounts shall be updated on at a least monthly basis. The Implementing Partner must complete bank and cash reconciliations on a monthly basis, and this must be documented.
  3. Income and expenditure within the Project shall be easily identifiable and verifiable, either through the use of separate Project accounts, or by ensuring that Project expenditures can be easily identified and traced to and within the Implementing Partner's accounts and accounting systems. Any accrued interest on the Grant must be disclosed.
  4. The Implementing Partner shall maintain the Project's accounting documentation for the duration of the Agreement, and for seven (7) years (or longer, depending on the legislation in force in the country of operations) beyond the date of expiry or termination of the Agreement. This includes, for example, vouchers, receipts, contracts, procurement documents and bank statements, or equivalent. The documents shall be maintained in a clear and secure manner and shall be made available to Cooperation Partner upon request within [X] days.

# Procurement

* 1. ForumCiv’s principles for purchase and procurement (Annex IV), together with this Agreement, shall be used for the procurement of goods, contracts and services financed under this Agreement. If the Implementing Partner has its own procurement rules, which the Cooperation Partner deems equivalent to ForumCiv’s principles for purchase and procurement, these may instead be attached to the Agreement with the Implementing Partner.
  2. Procurement shall be carried out in accordance with the applicable procurement principles of non-discrimination, equal treatment, proportionality, transparency, predictability and mutual recognition.
  3. Procurement documents, including all published procurement notices, shall be prepared in [choose one of the following languages; Swedish/English/Spanish/French/Portuguese/Arabic]. Procurement documents in another language must be approved in advance by the Cooperation Partner.
  4. At the request of either Party, consultations may be held on matters relating to procurement.
  5. The Cooperation Partner has the right, at any time during the Project period, to carry out controls on procurement within the Project, or to carry out audits on procurement. The Implementing Partner must provide all necessary documentation and information upon the request of the Cooperation Partner.

# Evaluations

* 1. Evaluation of the Project shall be carried out in accordance with the requirements set out in Article 2 of the General Conditions.

# Special provisions

# *(if special provisions exist within the programme and/or the specific project)*

*[Only for Implementing Partners with confidential projects]*

* 1. With exception from Article 10 of the General Conditions, the Parties to this Agreement have agreed that information and documents relating to the organization, the Project, or parts of the Project are classified as confidential. All communications and documentation classified as confidential shall be processed pursuant to the SPP procedure for management of confidential projects. (However, see Articles 10.1 and 10.2 of the General Conditions regarding Sida's rights to publish and disclose information communicated by ForumCiv to Sida).

*[Only for Implementing Partners granted alternative funds transfer]*

* 1. With exception from Article 8.7 of the General Conditions, the Implementing Partner has been granted approval to transfer part of the Grant to a Partner in subsequent step via [insert method(s) by which the Grant will be transferred]. The Implementing Partner is obliged to take the measures described in the organization’s decision on which the exemption is based (see Annex II).

# Deviations and changes in the Project or in the Implementing Partner Organization

* 1. If the Implementing Partner requests significant deviations from or changes to the Project, as stated below, these must be approved in writing in advance by the Cooperation Partner. In the request to the Cooperation Partner, the Implementing Partner shall clarify the background and reason for the change and explain how the change affects the Project and the achievement of the objectives. The following constitute significant deviations from or changes to the Project:

1. Changes to the budget that change the total sum;
2. Reallocation of funds involving a deviation of one or more budget posts from the last approved budget by ten (10) percent or more,
3. Changes in the budget involving changes in salaries and remuneration;
4. Changes involving new cost types or budget items;
5. Reallocation of funds from a Partner in subsequent step to the Implementing Partner;
6. Reallocation of unused funds from one year to another within the same Agreement. **LPF:** Reallocation of unused funds from one year to another within the same Agreement involving a deviation of one or more budget posts from the last approved budget by ten (10) percent or more. Note that approvals in writing in advance are made on estimations of reallocation of unused funds. Actual reallocations are decided upon together with update of the budget during the current year;
7. Use of exchange gains;
8. Significant changes to planned activities that affect the objectives and results of the Project;
9. Change of Project Period
10. Change of Reporting Date;
11. New or modified objectives/sub-objectives/expected results;
12. Other changes affecting the ability of the Implementing Partner to implement the Project under the Agreement, such as changes in Partner in subsequent step, changes in the region/country where the Project is to be implemented or major legal, structural and/or organizational changes affecting the capacity and capability of the Implementing Partner.

# Cooperation and communication

* 1. The Parties shall cooperate and communicate regularly with each other on all matters relating to the implementation of the Project and this Agreement. The Parties shall meet as agreed.
  2. The Parties shall hold follow-up meetings if, and when, requested by either Party. The Parties shall decide the details of the agenda and procedures.
  3. All communication between the Cooperation Partner and the Implementing Partner in relation to this Agreement shall be made in writing between the responsible contact persons of each party. Unless otherwise agreed, communication shall be in English.
  4. A message is deemed to have been received at the time of delivery, if delivered by hand, registered letter or courier to the principal addressee; or at the time of transmission in eligible form to the addressee's system, if sent by e-mail.
  5. ForumCiv's project number shall be included in all communications concerning this Agreement.
  6. Changes in contact details (e.g., contact person, address, e-mail, etc.) must be notified by both parties.

# Validity period of the Agreement

* 1. The Agreement shall be valid from the date of signature by both Parties, and shall remain valid until terminated in accordance with the provisions of the General Conditions, or until unused funds have been reimbursed to ForumCiv, and all reporting requirements under this Agreement have been fulfilled and approved in writing by ForumCiv.
  2. Termination or expiration of the Agreement shall not relieve the Parties of any liability arising from any act or omission occurring prior to such termination or expiration.

# Invalidity

* 1. If any provision of this Agreement is declared illegal, invalid or unenforceable, in whole or in part, such provision or portion thereof shall be deemed not a part of this Agreement. However, the legality, validity or enforceability of the remainder of this Agreement shall not be affected.

# Choice of law and dispute resolution

* 1. This Agreement shall be governed by Swedish law, without regard to choice of law rules.
  2. All disputes, differences and claims arising in connection with this Agreement, or the breach or termination thereof, or the question of its validity, which cannot be resolved by the Parties themselves, shall be finally settled in the Swedish courts, with the Stockholm District Court as first instance.

# Signatures

* 1. This Agreement is drawn up in English in duplicate originals, one for the Cooperation Partner and one for the Implementing Partner.

**For the Cooperation Partner For the Implementing Partner**

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Place, Date |  | Place, Date |
| Signature, authorized signatory |  | Signature, authorized signatory |
|  |  |  |
| Name (block letters) |  | Name (block letters) |

**For the Cooperation Partner For the Implementing Partner**

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Place, Date |  | Place, Date |
| Signature, authorized signatory |  | Signature, authorized signatory |
|  |  |  |
| Name (block letters) |  | Name (block letters) |