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| **RESEARCH CONSORTIUM AGREEMENT**  **[● insert project title]**  **SUBGRANT AGREEMENT**  [INSERT PARTNER LOGO]    **Between International Livestock Research Institute (Lead Partner) & [● insert partner name]** |

**AGREEMENT INFORMATION**

1. **Agreement dated as of this 27 September 2018**
2. **[Grantee OR Lead OR Subcontractor]: The International Livestock Research Institute**, an international research institute with headquarters in Nairobi, Kenya P.O Box 30709-00100Uthiru, Old Naivasha Road and co-hosted by the Government of Ethiopia in Addis Ababa P.O Box 5689, Addis Ababa (“ILRI”**).**

ILRI works with partners worldwide to enhance the roles that livestock play in food security and poverty alleviation, principally in Africa and Asia and is a [CGIAR Research Center](http://www.cgiar.org/about-us/governing-2010-june-2016/cgiar/).

**Principal Investigator (PI), ILRI**: **[name &email]**

1. **Collaborating Partne**r: **[Insert full details + Address ]** (hereinafter referred to as “The Partner”)

**[Insert partner mission]**

**Principal Investigator, Partner: [insert name & email]**

1. **Project Title:** **[insert full title and indicate if linked to and funded by CRP ]**.
2. **ILRI internal Grant Number: [insert]**
3. **Total funding to Partner**: **[US$ ]**
4. **Total cost-share contribution from partner:** **{US$ amount and/or description, also of in kind contributions] or [Not applicable]**
5. **Duration**: Effective from **[ ] to [ ]** unless earlier terminated.
6. **Administrative Contacts:**

**Program Manager (PM) ILRI**: **[insert name & email]**

**Administrative Contact, Partner**: **[insert name & email**

1. **ILRI** is **[choose whichever is relevant and delete the rest]** [a Grantee] or [leading] or [subcontracted]under the[insert name of project] Project for the period between [Grant Period]funded by[insert Donor]and wishes to collaborate with the Partner to implement specific activities as described in the Project Workplan [Annex 1].
2. The Parties have executed a Joint Agreement for the Establishment of the Research Consortium (incorporated herewith by reference) to govern execution of the Project by the Research Consortium
3. **The Annexes listed below constitute and are integral to this Agreement**

***Annex 1****: Project Work plan*

***Annex 2:*** *Budget and Partner’s Bank Details*

***Annex3&4****: Financial and Technical Report Format*

**Article 1. Funds Disbursement**

* 1. Subject to receipt of Donor funds and upon receipt of invoices, ILRI will disburse a total of **[US$ ]** to the Partner for expenditure as detailed in Annex 2 (the Budget).
  2. Disbursementswill be made as follows**: DEL IF N/A**

[Based on DD outcome, opt for fixed transfers OR cost reimbursement OR a combo:]

**Option 1**: Upon reporting as detailed in article 2.1 [and an audit report] as follows:

**Option 2:** First disbursement, an initial running advance of [$ ] (estimated first 2 months of expenditures) and thereafter monthly reimbursement of total approved costs up to total budget in article 1.1

**Option 3:** First disbursement, an initial running advance of [$ ] (estimated first 4-6 months of expenditures) and thereafter quarterly reimbursement of total approved costs up to the total budget in article 1.1.

**FINAL** **disbursement:** [For new partners, withhold last payment (5 -10% of total budget) till receipt of donor/audit confirmation.

**Option 1:** After Project closure & upon receipt of final Donor or audit confirmation [last disbursement = total approved costs minus total transfers].

**Option 2:** During the Project, reimburse total costs reported, excluding overhead fees, to be paid out after the final audit / Donor confirmation.

*[\*Minimize prepaid amounts to no more than ILRIs donor advance and/or 3 months of estimated expenditures.]*

* 1. **[CHOOSE OR DEL 1.3 IF N/A]**

**OPTION 1: Payment to specific Partner staff:** The Partner Budget includes fixed gross monthly payments to partner’s staff listed below, as compensation for additional time, field activities and travel costs as members of the Project team. The partner/staff is responsible for payment of statutory deductions including taxes.

|  |  |
| --- | --- |
| Name of staff | Fixed monthly amount |
|  |  |

**OR**

**OPTION 2:** **Direct payment to Partner staff:** Additional to the Partner budget, ILRI will also make payments in gross directly to the partners staff as compensation for additional time, field activities and travel costs as members of the Project team. A specific committee appointment letter will be made between ILRI and each of these staff. The partner/staff is responsible for payment and statutory deductions including taxes.

|  |  |
| --- | --- |
| Name of staff | Fixed monthly amount |
|  |  |

**Article 2. Reporting**

* 1. **Financial Reports** signed and certified by the Partner’s CFO with itemized expenses (in Excel and PDF formats) and **Technical Reports** will be submitted by email to the ILRI PM and PI by the due date for review (Annex 3 & 4).

|  |  |
| --- | --- |
| **Technical & Financial Reports Schedule** | |
| **Reporting period** | **Due Date** |
| **xxxx** | ***xxx*** |
| **xx** | ***xxx*** |
| **xxx** | ***xxx*** |
| **xxx** | ***xxx*** |

**Article 3. Use of Funds and Audit**

* 1. Project expenses shall be properly documented and authorized. The Partner shall ensure that funding is used with due regard to economy and that the highest standard of integrity in the administration of the funds is upheld as follows: -
     1. **Reasonable:** costs charged to a Project should be necessary for the performance of a Project and that a prudent person in similar circumstances will incur the same.
     2. **Allocable:** costs must be incurred specifically for the attainment of the objective of the Project.
     3. **Assignable:** If a Project directly benefits from an item of cost, such costs should be directly assigned to the Project.

In accordance with article 3.6, the Partner will indemnify ILRI for costs incurred contrary to this article 3.1.

* 1. Partner will maintain separate cost accounts for the Project funds in order to report per budget line and to reconcile the account with reported expenditures **[and to report on the agreed cost share contribution].**
  2. Bank transfer charges and exchange losses will not be charged to the Project funds, interest and exchange gains will be utilized by the Project and reported.

* 1. Up to **[ ] %** budget variance per budget line is allowed as long as the total funding amount is not exceeded. Prior written approval from ILRI will be required for higher variances and/or to exceed the total budget amount.
  2. **Audits [see instruction memo for possible scenarios]** Upon request for Project audit, the Partner will comply by commissioning an independent audit by an external auditor at the Partners’ premises and submit the report to ILRI. The costs of such audits will be borne by the project funds and will comply with international auditing standards.
  3. The Partner agrees that it will indemnify ILRI against any losses or unaccounted for expenses including any expenditures deemed ineligible by auditor or donor. ILRI reserves the right to withhold such amounts from any future disbursements to the partner, including those related to other on-going agreements.
  4. Unutilized funds shall be remitted to ILRI within 30 (thirty) days from the end date of the Agreement or on/before submission of the final financial report.
  5. Project records will be maintained for up to 7 years after end of the Project. The Partner shall, upon request, make available to ILRI or any Auditor contracted by ILRI, all financial information and documentation, including statement of accounts regarding this project and provide hard and soft copies of any supporting document.
  6. Additional Book keeping instructions: **[list below if needed according to outcome DD, or delete article, see memo]**

**Article 4. Asset Management**

* 1. Equipment purchased with Project funds (Project Assets) shall be used solely for the Project.
  2. Partner will be responsible for the insurance, safety and care of Project Assets in their possession and shall not be sold, ceded or otherwise disposed-off without the prior approval of ILRI.
  3. The Partner may transfer Project assets to its sub-contractors to carry out project activities provided that prior approval from ILRI is obtained.
  4. The Partner will maintain a proper inventory list of all project assets, for ease of identification of all assets at all times.

**Article 5. Procurement and Travel**

* 1. Procurement of goods and services for the Project shall be efficient, transparent, competitive, free of any conflict of interest or fraud, and properly documented and authorized in keeping with [CGIAR Procurement Guidelines](http://library.cgiar.org/bitstream/handle/10947/5549/finguide6_2008.pdf?sequence=1) or those of the donor.

**[Mention here any special ilri/donor requirements, see memo]**

* 1. Tax-free privileges, discount/rebate should be passed on to the Project as far as practically and legally possible.
  2. Travel will comply with the approved budget. Air travel will be economy class using the most direct route. Daily subsistence allowance for travel shall align with the Partner’s travel policy, but not exceed limits allowed by the Donor.

**Article 6. Sub-contracting**

1. Partner may, subject to the prior approval of ILRI, appoint a sub-contractor to undertake part of the Project.
2. The Partner shall ensure that all material terms and obligations under this Agreement are flowed-down to the subcontractor through a binding contract.
3. The Partner (and not the subcontractor) shall remain fully and solely responsible to ILRI for execution and delivery of subcontracted activities in accordance with the Work plan and the Budget.
4. The Partner and not ILRI, has fiduciary responsibility over the sub-contractor’s use of the grant funds.

**Article 7. Warranties and Indemnities**

* 1. Each Party shall indemnify and hold harmless the other Party, its employees, representatives, and executive officers, from and against any liability, damages, costs or expenses, or any claim, action, suit or other proceeding arising out of the execution or implementation of this Agreement, except to the extent that such liability, damage, claim, action, suit or other proceeding is:
     1. caused wilfully by the Party being held liable; or
     2. caused by or results from negligence on the part of such a Party.

**Article 8. Representations & Undertakings**

Partner makes the following representations and undertakings:

* 1. it shall commit to ensuring no funds are used, directly or indirectly*:- a) with persons on the List of Specially Designated Nationals (*[*www.treasury.gov/sdn*](http://www.treasury.gov/sdn)*) or entities owned or controlled by such persons; or b) within or directly benefitting countries/territories against which the U.S. maintains a comprehensive sanctions (currently, Cuba, Iran, (North) Sudan, Syria, North Korea, and the Crimea Region of Ukraine), including paying or reimbursing the expenses of persons from such countries or territories, unless the Project activities are fully authorized by the U.S. government under applicable law and specifically approved in advance and in writing by ILRI.* **[DELETE IF FUNDS ARE FROM NON-U.S. ENTITIES]**
  2. it has capacity and authority to enter into this Agreement and carry out its implementation.
  3. Project Funds shall not be used for payments for any corrupt, fraudulent, collusive, obstructive, or coercive activities and in such event to notify ILRI promptly.
  4. Project Funds will not be diverted in support of drug trafficking.
  5. use all reasonable efforts to ensure it does not support or promote terrorist activity, training, or money laundering.
  6. not to discriminate against persons with disabilities in the implementation of Project related activities.
  7. project funds may not be used to influence the outcome of any political campaigns, elections, lobbying activities to influence local, state, federal or foreign legislation.
  8. It shall carry out the Project in accordance with sound administrative, technical, environmentally sustainable and ethical practices under the supervision of qualified and experienced management.
  9. Partner assures that it has zero tolerance for ‘Workplace discrimination, bullying and sexual harassment’ and will take appropriate preventive or remedial measures for breach

**Article 9. Amendment & Termination**

1. This Agreement may be amended or extended through amendment agreements duly signed by authorized officials of each Party.

1. This Agreement may be terminated (or reduced in scope as may be) by issuing at least 30 days’ notice in writing to the other party for events including:
   * 1. Project funding is terminated or significantly reduced.
     2. Material breach of any obligations which remains un-remedied following written notice.
     3. If either party goes into bankruptcy, the Agreement will automatically terminate.
2. Upon receiving a termination notice, Partner must take immediate action to cease all project expenditures other than those reasonably necessary to effect the close out of this Agreement.
3. Partner shall be entitled to payment by ILRI for work completed on a pro-rata basis.
4. **Force Majeure:** Neither party shall be liable for delay or failure results from: Acts of Government; Fire, flood or explosion; Acts of God including disasters/calamities; war/riots/civil commotion; Strikes/industrial disputes.
5. The execution and conclusion of specific activities, publication or dissemination of results of research pending will be dealt with amicably between the Parties.

**Article 10. Assignment**

* 1. This Agreement may not be assigned by either Party without the prior written consent of the other, such consent not unreasonably withheld.

**Article 11. Applicable law & Dispute Resolution**

* 1. This Agreement is governed by the Laws of Kenya and general principles of contract under Common Laws.
  2. The Parties shall use their best efforts to resolve any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination, or invalidity thereof, by negotiation.
  3. If the Parties cannot resolve a dispute, they will agree to request that a qualified third-party mediator be appointed. The identity of the mediator shall be mutually agreed.
  4. If amicable resolution is not reached within sixty (60) days of such dispute having been notified by one Party to the other in writing, the dispute will be settled by arbitration in accordance with the UNCITRAL Arbitration Rules in effect on the date of this contract. There will be one arbitrator appointed by the Parties by mutual consent. The place of arbitration shall be Nairobi, Kenya. The Parties shall accept the arbitral award as final.

THE PARTIES BY SIGNING THROUGH THEIR LEGALLY AUTHORIZED REPRESENTATIVES, signify their agreement to be legally bound by the terms and conditions set out in this Agreement and its Annexes.

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| **International Livestock Research Institute** | |
| **Signed:** |  |
| **Name:** | Jimmy Smith |
| **Title:** | Director General |
| **Date:** |  |

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| --- | --- |
| **[Insert name of Partner]** | |
| **Signed:** |  |
| **Name:** |  |
| **Title:** |  |
| **Date:** |  |

***Annexes I to IV follow.***

**Annex 1: Project work plan**

**Annex 2: Budget & Partner’s Bank Details**

*Figures in USD$*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Budget-line** | **Explanation (type of costs)** | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Total** |
|  |  |  |  |  |  |  |
| **Total direct costs** |  |  |  |  |  |  |
| **Indirect costs (xx%)** | *Fixed percentage charge over total direct costs* |  |  |  |  |  |
| **TOTAL** |  |  |  |  |  |  |

**Partner’s Bank Details**

|  |  |
| --- | --- |
| **Account Name** | **xx** |
| **Account number** | **xx** |
| **Bank name** | **xx** |
| **Bank address** | **xx** |
| **Bank SWIFT code** | **xx** |

**Annex 3: Financial Report format [TO BE PROVIDED BY PROJECT]**

**Include format based upon donor requirements + Line item report (if applicable)- see Memo**

**Annex 4: Technical Report format [TO BE PROVIDED BY PROJECT]**