#

**SUBAWARD AGREEMENT**

**Between**

**NIRAS Group UK**

**And**

**Tac Maz,**

 **hereinafter referred to as the IMPLEMENTING PARTNER (IP)**

**Regarding**

**Commercial Agriculture for Smallholders and Agribusiness (CASA) programme**

**List of Acronyms**

**CASA Commercial Agriculture for Smallholders and Agribusiness**

**CIM Country Intervention Manager**

**FCDA Foreign Currency Domiciliary Accounts**

**FCDO Foreign Commonwealth and Development Office**

**IP Implementing Partner**

**MM Market Manager**

**TA Technical assistance**

**A list of useful definitions is included in the “Instructions to implementing partners” in Annex 2.**

**ARTICLE 1: KEY INFORMATION**

|  |  |
| --- | --- |
| **Project Name** | **Leveraging the Niche Market for Indigenous and Dual-Purpose Chicken Growing Through Low-Cost Improved Feeding** |
| **Country of implementation**  | **Malawi** |
| **Implementing Partner (IP)** | **Tac Maz Sustainable Ventures** |
| **Grant Manager**  | **NIRAS** |
| **Grantor and Funder of CASA Programme** | **Foreign Commonwealth and Development Office (FCDO)** |
| **Project start date (dd/mm/yyyy)**  | **01/04/2024** |
| **Project end date (dd/mm/yyyy)** | **31/12/2024** |
| **Grant closing date, 6 months after project end date**  | **28/02/2025** |
| **Total project budget (GBP)** | **GBP 75,545** |
| **Total grant award (GBP)** | **GBP 4,160** |
| **Payment method** | **Wire/electronic transfer** |
| **Grant payment type (**In arrears/advance - Update according to disbursement plan) | **In arrears** |
| **Value of short-term technical assistance (TA) to be provided by CASA (GBP)** | **GBP 40,095**  |
| **IP contribution to total project budget (GBP)** | **GBP 28,790** |
| **IP’s address** | **Mgomgomwa village/ Traditional Authority Likoswe, Chiradzulu** |
| **IP’s main point of contact** | **Managing Director: Thokozani Chiwandira Chimasula** thokozanichiwandira@yahoo.com  |
| **NIRAS main point of contact** | **Market Manager (MM) for Poultry sector** |
| **Jurisdiction of Subaward Agreement** | **Scotland, UK**  |

**ARTICLE 2. NATURE AND PURPOSE OF THE PROJECT**

* 1. The basis for this Sub-Award Agreement (hereinafter called the Agreement) is the provision of services in connection with the contract between the Company and Foreign Commonwealth and Development Office (FCDO) (hereinafter called the Client).
	2. Relevant extracts of the Contract with the Client are available on request.
	3. This Agreement supersedes and extinguishes any prior drafts, agreements, undertakings, representations and arrangements of any nature related to the project, whether or not in writing. No changes or modifications to this Agreement will be made except by agreement in writing between NIRAS Group Ltd and Tac Maz.
	4. In the event that any part (including any clause or part of any clause) of this Agreement shall be void or unenforceable by reason of any applicable law, it shall be deleted and the remaining parts of this Agreement shall continue in full force and effect and, if necessary, NIRAS Group Ltd and Tac Maz shall use their best efforts to agree any amendments to the Agreement necessary to give effect to the spirit of this Contract.
	5. The Commercial Agriculture for Smallholders and Agribusiness (CASA) Programme is funded by the UK Government through the Department for International Development (FCDO). FCDO have contracted the NIRAS consortium to manage the FCDO CASA Programme on its behalf.
	6. The IP will implement a project that contributes to the aims of CASA. The details of the project are illustrated in the IP’s work plan, detailed budget, and disbursement plan in Annex 1.
	7. The disbursement of any grant amount under this project is dependent on the fulfilment of the provisions of this Agreement and the receipt of funds by the Grant Manager from FCDO.
	8. The parties acknowledge and agree that this contractual relationship is not solely determined by this Agreement with the Company, but also by the contractual obligations arising from the contractual relationship between the Company and the Client. The IP expressly undertakes to respect the said contractual obligations and to refrain from any action or omission which would be to the detriment of the proper performance of all the said obligations, vis-à-vis the Company or the Client.

**ARTICLE 3: CASA’S COMMITMENT**

* 1. FCDO have contracted the NIRAS consortium to manage the FCDO - CASA Programme on its behalf. As part of the NIRAS consortium, NIRAS manages and implements the CASA programmes in Rwanda. NIRAS
	2. NIRAS designates the CASA Market Manager (MM) as the Contract Coordinator. The MM will be responsible for the coordination of activities under the Subaward Agreement with the IP as well as for the required support during the implementation of the project.
	3. CASA commits to facilitate implementation of the project by providing oversight on all the work committed by both parties in the project business plan, related budget and work plan and meet the following obligations:
	4. CASA will support the IP with the provision of Short Term Technical Assistants in capacity development activities: company operating procedures, investment readiness and access to finance; and train the mobilized farmers in group dynamics, improved poultry production management and VSLAs management; and finally facilitate contract farming arrangements between the IP and the smallholder farmers as stipulated Annexes 1 b and 1 c.
	5. All Technical Assistants/Short Term Technical Assistants will be managed by CASA on behalf of the IP until such a time that all inputs are completed.
	6. CASA commits to undertake cost-share obligations, ensure implementation of all the work committed in the work plan and avail the listed and necessary personnel.
	7. CASA undertakes avail up to GBP 46,755 as its cost share obligation towards implementation of the project in line with the conditions stipulated in this Agreement and its annexes.
	8. CASA commits to disburse funds in form of grants to Tac Maz as per the milestone amounts agreed in the disbursement plan (Refer to Annex 1c), on condition that necessary milestones deliverables have been met.
	9. CASA will ensure to check and review all expenditure and receipts submitted by Tac Maz in order to ensure eligibility of these costs in relation to the project. Refer to Annex 2 for list of eligible costs.
	10. The Market Manager as well as the Monitoring, Evaluation and Learning team will ensure adequate monitoring of project progress and log-frame indicators throughout the project implementation period.
	11. CASA will undertake annual audits of the project during its duration. Refer to Annex 2
	12. CASA will be responsible for managing all communication with FCDO in relationship to all matters of this project.

**ARTICLE 4: IMPLEMENTING PARTNER’S COMMITMENT**

* 1. The IP commits to undertakes cost-share obligations (Annex 1b), ensure implementation of all the work committed in the work plan (Annex 1a) and avail the listed and necessary personnel (Annex 6) to achieve the following commitments.
	2. The IP undertakes avail up to GBP 28,790 as its cost share obligation towards implementation of the project in line with the conditions stipulated in this Agreement and its annexes.
	3. The IP commits to undertake all their technical activities as stipulated in the Partnership Business Plan in Annex 1. (A) allow CASA’s engaged STTAs to provide technical support in necessary capacity development activities: company operating procedures, investment readiness and access to finance facilitation. (B) mobilise and organize 1,200 farmers into groups for input supply and buy-back arrangement. (C) allow CASA’s engaged STTAs to train the mobilized farmers in group dynamics, improved poultry production management and VSLA management; and facilitate contract farming arrangements.
	4. The IP will submit narrative progress reports (monthly, quarterly, and project completion) shall be submitted to the Market Manager as per the agreed work-plan (Annex 1b). See Annex 2 for further details on reporting.
	5. The IP will work together with the Market Manager at CASA as well as the Monitoring, Evaluation and Learning team to ensure adequate monitoring of project progress and log-frame indicators throughout the project implementation period.
	6. Subsequent modifications to the project (including changes to the project’s key personnel) should only be made with the prior written agreement of the MM. The MM, in turn, must seek approval from the CASA Programme Manager.
	7. Any grant that is part of the project is to be used solely for the implementation of the IP’s project as outlined in Annex 1. Any amount not specifically used for the purpose stipulated may subsequently be recovered by NIRAS. See Annex 2 for further information on what is acceptable expenditure for the grant.
	8. The IP will keep adequate records indicating how the funds have been used. See Annex 2 for further details on recording keeping.
	9. The IP will maintain a risk register and health, safety, and security plan, for the project, and review them on a quarterly basis.

**ARTICLE 5: FINANCIAL REPORTING**

* 1. Grant disbursements, as well as the provision of other types of support received under CASA including TA procured by CASA, are dependent on the MM’s approval of quarterly progress reports, including actual and forecasted financial expenditure. Approval of subsequent grant disbursements and any other type of support is dependent upon satisfaction of milestone deliverables.
	2. The IP shall submit monthly bank reconciliations for all CASA dedicated FCDA and Local accounts as part of tracking and monitoring IP burn rate. (Refer to Annex 2)
	3. The IP will provide quarterly and project completion reports for the duration of the project. All reports are to be submitted to the responsible CASA MM via email, or, if agreed in advance with the MM, in a physical copy. The MM will provide the IP with all the required reporting templates at the project start date. (Refer to Annex 2)
	4. The IP is, for the duration of the Agreement responsible for maintaining up-to-date records of all relevant documentation at all times, including copies of original receipts and invoices for all expenses, employment contracts, pay-slips and timesheets (if applicable) for all salary costs. These records must be available for a period of seven years following the end date of the project.
	5. Should the IP cease to exist within the seven years following the end date of the project, the IP must reach an agreement with NIRAS on the storage of these records.
	6. IPs may partner with organisations to implement project activities but should not transfer any CASA grant monies to them without prior approval from the CASA Programme Manager. See Annex 2 for further guidance on eligible and ineligible expenditures of the grant.
	7. All financial reporting and audits must cover project expenditures of the IP together with any partner organisation including grant funds and cost share contributions from the IP and partners. It is the IP’s responsibility to recover any unused grant funds from the partner organisation.
	8. The IP will establish and maintain a fixed asset register of all items (equipment and/or supplies) purchased in part or fully with grants received by FCDO under CASA if they have a useful life of more than one year; and either
1. the purchase price or development cost of the asset is in excess of £500 or equivalent in local currency; or
2. is a group of lower value items, for example pharmaceutical products, food, relief packs, etc, where the combined value is in excess of £500 or equivalent in local currency; or
3. can be considered an attractive item regardless of cost, for example mobile phones, cameras, laptops, tablets, satellite phones, vehicles, etc.

An up to date fixed asset register must be submitted to NIRAS on at least an annual basis, in the format of the fixed asset template in Annex 3.

* 1. The IP will be accountable to NIRAS for the appropriate use and control of this fixed asset register, in line with project objectives. Ultimate ownership of the inventory of assets will remain with FCDO. Any ownership transfer, or asset disposal is otherwise agreed in writing by FCDO, normally at the end of the project.
	2. At the end of each grant year as well as at the end of project implementation, a project audit will be undertaken by an independent auditor. CASA will procure the auditor on behalf of the IP. The IP shall facilitate the audits by, for example, providing the necessary documentation, assist in arranging site visits, etc. The cost of the audits will be borne by CASA. The audit is carried out to ensure that the grant has been used for its intended purposes as outlined in this Agreement and its Annexes. The IP will be required to comply – and provide sufficient proof of complying- with the audit recommendations within three months after the annual audit report has been completed. Should the IP fail to meet this timeline, NIRAS retains the right to refuse any further grant disbursements until the IP complies with the audit report recommendations.
	3. NIRAS and FCDO reserve the right to carry out audit spot checks on the IP to ensure the grant has been spent in accordance with the work plan, budget and the terms and conditions of the grant. The IP has the ultimate responsibility for ensuring -and being able to demonstrate- that any grant is being spent on the agreed activities.
	4. The grant is awarded, and must be accounted for, in GBP. For any expenses incurred by the IP in currencies other than GBP, these should be converted to GBP using the currency converter at OANDA (<https://www.oanda.com/currency/converter>), using the first day of the month in which the purchase was made or services acquired by the IP.
	5. Disbursement claims are to be submitted in GBP and by email to the MM. Payments will be made directly from NIRAS to the IP from the UK and in GBP. The bank account approved through the due diligence will be the single account used for disbursements. Any bank charges or cost of currency translation applied by the recipients bank, or an intermediately bank, will be at the cost of the IP and should be absorbed within the IP grant budget overheads. NIRAS will pay its own UK bank charges.

**ARTICLE 6: POLICIES & COMPLIANCE**

* 1. The IP and any partner organisations are required to adhere to FCDO’s Supplier Code of Conduct available at [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/866623/FCDOs-Supply-Partner-Code-Conduct.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/866623/DFIDs-Supply-Partner-Code-Conduct.pdf) and comply with NIRAS’ Business Integrity and Ethics Policy attached in Annex 4. Furthermore, the IP and any partner organisations are required to sign the declaration of compliance attached in Annex 5.
	2. The IP is required to apply a policy of equal opportunities and zero discrimination based on race, sex, age, religion, or any disability. The IP will ensure that in carrying out the project activities it, and anyone acting on its behalf, complies with any anti-discrimination laws in force in the country where the project is being implemented operates.
	3. The IP is required to acknowledge when publicising the work programme, in reports etc., that it has been aided by the FCDO CASA Programme. In addition, the IP is expected to consult the CASA MM about any media/news stories before they are published. Where the work is part of a larger programme, the part funded by FCDO CASA should be easily identifiable. All information shall be stored meticulously and not brought to the notice of unauthorised persons.
	4. In accordance with the Data Protection Act 1998 of the UK and the EU General Data Protection Regulations, the IP agrees to any disclosure or exchange of information supplied on the application form or business plan which FCDO considers necessary for the administration, evaluation, monitoring and publicising of the CASA project. A completed application form or business case for targeted procedures, signifies agreement to place certain details (e.g. name and location of project work) on the FCDO websites and a CASA circulation list, and to share data to British Embassies and High Commissions. This also includes information that may be uploaded to the International Aid Transparency Initiative by NIRAS.
	5. In accordance with the Freedom of Information Act 2000 of the UK, the IP agrees that application data will also be held by contractors dealing with CASA monitoring and evaluation (working with relevant data protection rules). Information (including personal data) may also be released on request, including under the UK’s Environmental Information Regulations, the UK’s Code of Practice on Access to Government Information and the UK Freedom of Information Act 2000. Details including financial awards may be withheld if this is specifically requested by the grant/award recipient for a reason of public interest.
	6. The IP shall make all reasonable enquiries concerning copyright, design, patent and other intellectual property rights and shall ensure that, to the best of its knowledge, there are no such rights which are engaged in connection with carrying out the project or exploitation of the project's results except those owned by, or available to, the IP, and continued to be so available, at all times following the commencement this Agreement. If the project generates any intellectual property rights these shall be owned by the IP.
	7. The IP and any partners under CASA should apply zero tolerance on bribery and corruption, in line with FCDO rules and in full accordance with NIRAS’ Business Integrity and Ethics Policy (see Annex 4). The IP and all staff employed for the implementation of the project agree to complete the NIRAS Anti-Corruption training. Any suspicions or allegations of aid diversion, money laundering or counter terrorism finance must immediately be reported to both the FCDO Counter Fraud and Whistleblowing Unit at reportingconcerns@FCDO.gov.uk or +44 (0) 1355 843 747 and to NIRAS’ Compliance unit at compliance@niras.dk. The reporting can be made openly by email, letter, note or personal appearance, as well as anonymously, through for example an anonymous email address, to compliance@niras.dk.
	8. The IP and any partners under CASA, agree that the activities they undertake under the CASA programme will not place people, particularly children, vulnerable adults, beneficiaries of project assistance, nor the environment in any harm.
	9. The IP agrees to environmental safeguarding and adopting a ‘Do No Harm’ approach throughout the implementation of the project. The IP agrees to adhere to- and document- the climate change and environment indicators as agreed in the project business plan.
	10. The IP will record and make the CASA MM aware of any existing or potential conflicts of interest between them and its partners, or the beneficiaries of the CASA supported work, so that it may be managed and mitigated.
	11. The IP confirms that it has the necessary insurance in place to conduct its activities. Where it is necessary for the IP to purchase additional insurance in order to perform its obligations under this Subaward Agreement, the IP confirms it will have the required insurance in place at the start of the project governed by this Agreement.
	12. If at any time it appears that the foregoing conditions have not been or are not being complied with, NIRAS shall be entitled to withhold payment of grant, withdraw its undertaking to pay grant or, where appropriate, to require repayment of whole or part thereof that NIRAS may specify of the grant already paid. Acceptance of the grant by the IP shall constitute an undertaking to make repayment accordingly.
	13. Any disagreement in respect of the understanding or the fulfilment of these agreed conditions as well as any question arising between the Sub-consultant and the Company in consequence of or connected with the present Agreement, and which cannot be settled amicably, is to be settled according to the Civil Court law of Scotland, UK.

**ARTICLE 7: TERMINATION AND CLOSURE**

* 1. NIRAS reserves the right to withhold grant disbursements at any time. Conditions under which withholding of a grant may occur include, but is not limited to:
* FCDO reducing agreed funding to the CASA programme;
* FCDO closing the CASA programme ahead of its intended end date;
* The IP being unable to provide valid invoice(s); and/or
* Underperformance of the IP against its original timelines. Underperformance may be judged by, inter alia, poor internal communication and coordination, very low fund utilisation rate, and serious delay of implementation. Where this occurs, the project may be given up to three months to improve performance. If there are no positive, or unsatisfactory changes to project performance by the end of the allotted time period, the case will be referred to the CASA Programme Manager and FCDO for a decision on whether to withhold grant disbursements or to terminate the Agreement before the end of the project.
	1. NIRAS reserves the right to terminate the Agreement before the end of the project. Conditions under which the Agreement may be terminated include FCDO closing the CASA programme ahead of its intended end date, underperformance of the IP against its original timelines, in case of force majeure, i.e. unforeseeable circumstances that prevents NIRAS from fulfilling this Agreement. Examples include, but are not limited to, war, terrorism, natural disasters, and/or incidents prohibiting safe ongoing project work.
	2. A termination of Agreement by either party shall be subject to a written explanation. Any unspent grant monies must be repaid to NIRAS within three months of the termination of the Agreement.
	3. In case of termination of the Agreement, the IP shall immediately make arrangements to stop the project activities and minimise expenditure, and will be reimbursed grants only for the work up to the date of termination of the Agreement if approved and paid by FCDO.
	4. After the project end date, no expenditure shall be incurred and/or committed for the project unless such expenditure has been agreed prior to the project end date. Commitments made for the project by the IP prior to the project end date in the form of purchase orders for delivery of goods or services, but not paid by the project end date, may be honoured, subject to the CASA MM approving of proof of the utility of those goods and services to the project must be provided.
	5. Before the final closure of a grant or termination of a project, the CASA MM shall ensure that all prior approved commitments to the IP are settled. To ensure the completion of the required reporting, etc, the grant closing end date will fall six months after the project end date.

**ARTICLE 8: SPECIAL TERMS AND CONDITIONS**

* 1. The IP commits to allowing CASA’s engaged STTAs to provide technical support in necessary capacity development activities: company operating procedures, investment readiness and access to finance facilitation.
	2. The IP commits to mobilise and organize 1,200 farmers into groups for input supply and buy-back arrangement.
	3. The IP commits to allowing CASA’s engaged STTAs to train the mobilized farmers in group dynamics and VSLA; and facilitate contract farming arrangements.
	4. The IP undertakes to lend itself to CASA’s support towards the delivery of the project in a proactive and collaborative manner.
	5. The IP commits to allow CASA and it’s engaged STTAs access to their sites and contracted farmers for the purpose of fulfilling their roles in conjunction with this contract, and will not unnecessarily inhibit or disrupt them from undertaking their official duties.
	6. The IP agrees to share details of any funding mobilised as a result of programme support even if it received after completion of this project.
	7. The IP agrees to collaborate with CASA during the undertaking of any monitoring or evaluation activities and reporting of results even after the conclusion of this Agreement.
	8. The subrecipient undertakes to set-up a conflict of interest register in place using CASA support in order to mitigate any potential risks of conflict of interest.
	9. The subrecipient commits to participate in CASA-facilitated thorough orientation on minimum FCDO/CASA requirements regarding conditions for determining an expenditure to be eligible or ineligible and requirements to mitigate aid diversion.
	10. The IP commits that its top management and staff involved with procurements will avail themselves and participate in a CASA-facilitated online training in fraud awareness and detection hence as part of compliance with FCDO requirements and NIRAS business ethics and integrity.
	11. The IP undertakes to utilise CASA technical support to further improve the existing system used to track and document that it has met its cost sharing obligation under the project in order to meet FCDO/CASA minimum requirements as per the subaward manual.
	12. The IP undertakes to utilise CASA’s technical support towards further improving the existing fraud and whistleblowing policy in order that it meets FCDO/CASA requirements.
	13. Disbursements will be based on the disbursement schedule, Annex 1c attached to this agreement.
	14. First payment, after signature of this agreement and upon submission of the forecast of expense will be made in advance. All subsequent payments will be in arrears according to claims submitted by IP for actual expense incurred for the completion of milestones.
	15. Original invoices, receipts, contracts and other supporting documents relevant to the expenses must be submitted for making claims for payment.
	16. CASA MM will be included in the panel for procurement committee meeting for analysing, discussing and deciding on the procurement of goods and services under CASA grant.
	17. The audit of expenses incurred out of grant will be done by an Independent external auditor appointed by CASA. IP will provide necessary support to auditors for completing their audit activity. The audit will cover entire project cost including expenses out of IP contribution.
	18. The IP will present convincing evidence of organising adequate funds for financing the IP part of investment in the company for financing the joint project costs.
	19. CASA MM will be included in the procurement panel whenever any procurement of Goods or Service under CASA grant is to be discussed and decided. The team will ensure compliance with procurement regulation and policy of FCDO/CASA

**ARTICLE 9: ORIGINALS**

* + 1. This Contract shall be drawn up in duplicate, one for NIRAS and one for the PARTNER, the two texts being equal.

**ARTICLE 10: ENTRY INTO FORCE**

1. This Agreement shall enter into force on the date on which it is signed by the Parties. Any Party may rescind the Agreement by notifying the other Parties in writing. In that case, it shall continue to apply in respect of the obligations deriving under this Agreement.

**Signed**

**For NIRAS For Tac Maz sustainable Ventures**

**Signed by: Karen Smith Signed by: Thokozani Chimasula**

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**Title: Project Director Title: Managing Director**

**Date: 11 April 2024 Date****:** **XXX April 2024**

**List of Annexes**

Annex 1. Implementing Partner / Project documentation

 1 Business Plan

1a Work plan

 1b Budget

 1c Disbursement Plan

Annex 2. Instructions to Implementing Partner

Annex 3. Asset Register Template

Annex 4. NIRAS Business Integrity and Ethics Policy

Annex 5. Declaration of Compliance with NIRAS’ Integrity and Ethics Policy