

GRANT AGREEMENT BETWEEN THE INTERNATIONAL LABOUR ORGANIZATION AND
THE RECIPIENT INSTITUTION [GRANTEE NAME]
FOR THE PROVISION OF GRANT FUNDS

WHEREAS the International Labour Organization (ILO), through its Microinsurance Innovation Facility of the International Labour Office and represented by it, aims to promote the development of insurance to help promote decent work for tens of millions of low-income people in the developing world; and

WHEREAS the [GRANTEE NAME] has submitted a project proposal and applied for an innovation grant in order to carry out [PROJECT NAME]; and

WHEREAS the Steering Committee of the Microinsurance Innovation Facility has determined that the Grantee's project proposal meets the criteria set out in the Innovation Grant Guidelines and Application and has recommended the approval of the award of a grant on the terms and conditions set out in this grant agreement; and

WHEREAS the ILO has decided to award the [GRANTEE NAME], (hereinafter "the Grantee") an innovation grant; and

WHEREAS the Grantee is ready and willing to accept such funds from the ILO and the Grantee and the ILO are parties to this grant agreement;

NOW, therefore, the parties hereto agree as follows:

1. SCOPE OF AGREEMENT AND GRANTEE'S RESPONSIBILITIES:

1.1 The grant agreement and annexes constitute the complete and exclusive agreement ("Agreement") between the Parties. It supersedes all proposals, verbal or written arrangements or agreements, and any other communications by one of the Parties or between the Parties relating to the Agreement.

The Agreement is composed of the following documents listed in their order of precedence:

Annex A: Project Document, describing [PROJECT NAME]

Annex B: Project Plan (includes Project Budget, Learning Agenda, and Workplan + Milestones)

Annex C: Reporting Requirements

1.2 The Grantee shall carry out all activities described in the Project Document (Annex A) with due diligence and efficiency. Subject to the terms of this Agreement, it is understood that the Grantee shall have exclusive control over the administration and implementation of the activities referred to in the Project Document (Annex A). However, both the quality of work and the progress being made toward successfully achieving the goals of such activities shall be subject to review by the ILO.

1.3 The Grantee shall be responsible for providing annual financial statements; the accuracy of such financial statements and any other reports may be subject to verification. Funds provided pursuant to this Agreement shall be used according to the Project Budget (as set out in the Project Plan (Annex B)).

The Grantee shall be free to reallocate resources as needed in order to produce the results specified in the agreed milestones (as set out in the Project Plan (Annex B)), provided that, during the reporting period in question, any reallocation of resources results in a variance of less than 20% in the cost categories concerned.

The Grantee must set out in writing and seek the prior approval of the ILO if, during the reporting period in question, a reallocation of resources results in a variance of more than 20% in the cost categories concerned.

- 1.4 Any changes from the scope of the Project as set out in the Project Document, (Annex A), must be set out in writing by the Grantee and approved in writing by the ILO in advance.
- 1.5 The Grantee agrees to reach the milestones contained in the Project Plan (Annex B) within the time limits agreed upon. Failure of the Grantee to meet the milestones, or to attain at least 75% of any one performance target, may be considered grounds for the ILO to suspend any further grant support. The ILO will ask for a written explanation as to the reasons the target was missed, and consider this in making any decision. The suspension shall remain in effect until the Grantee has achieved the target. The Grantee agrees to inform the ILO at an early stage of the Project of any problems it faces in attaining the agreed milestones.
- 1.6 **Documenting Lessons Learned:** The Microinsurance Innovation Facility values research on the impact of programs funded through its initiatives. The Grantee is expected to participate in an analysis and documentation process to capture the lessons from their innovative efforts. This will include allowing the ILO's researchers and consultants on site to collect data and conduct studies. Grantees will also be expected to actively participate in practitioner learning forums, both virtual and in person, to share their experiences with other grant recipients as well as those interested in learning about microinsurance. Grantees may also be asked to participate in interviews and to generally support the Facility's evaluation efforts by ensuring that any agreements with Project subgrantees facilitate this evaluation process in a manner that incorporates their work on the Project. Whenever appropriate, the ILO or its designated evaluation contractor will provide the necessary level of confidentiality to all participants who provide samples of work and/or comments in interviews. The Grantee will be given the opportunity to review for factual accuracy and provide feedback on any reports written about the Grantee or its Project.
- 1.7 **Use of Grant Funds:** The Grantee agrees to use the grant funds only for the Project in the manner described in the Project Document (Annex A), subject to the terms and conditions of this Agreement. Without prejudice to the ILO's constitutional mandate relating to international labour standards, the Grantee understands that the budget for the Project does not include funds to carry on propaganda or otherwise attempt to influence specific proposed legislation or pending appropriations or to introduce legislation through (i) direct communications with any member or staff or a legislative body or any governmental official who may participate in the formation of legislation; or (ii) urging members of the general public to contact members of staff of a legislative body or any governmental official who may participate in the formulation of legislation. The Grantee also confirms that the grant funds will not be used to influence the outcome of any specific public election or to directly or indirectly carry on any voter registration drive. Furthermore, the Grantee agrees that any portion of the grant funds unexpended or uncommitted at the end of the Grant Period (including approved extensions), or used for purposes or in a manner other than those described in the Project Document, must be promptly returned to the ILO.

- 1.8 **Subgrants and Subcontracts:** The Project Document indicates that a portion of the grant funds will be paid to subgrantees and/or subcontractors to assist in the completion of the Project. The Grantee shall verify, prior to entering into any contractual arrangement with any employees, agents or subcontractors engaged to work on the project, that said employees, agents or subcontractors are legally entitled to work and receive payment in any country where the project or work will be carried out.

The Grantee acknowledges that the ILO: (a) does not approve the selection of any of subgrantees or subcontractors; (b) has not earmarked the use of the grant funds for any other organization or individual involved in the Project; and (c) will not oversee the activities or use of grant funds by such subgrantees or subcontractors. The Grantee remains responsible for ensuring that any subgrantee or subcontractor uses grant funds consistent with the terms and conditions of this Agreement and the Project Document. Neither the Grantee nor subgrantees or subcontractors may state to investors, media or the general public that the ILO, or the Microinsurance Innovation Facility, supports the activities of any subgrantee or subcontractor, and the Grantee agrees to include the following stipulation in any agreements with subgrantees and subcontractors it engages to assist with the Project: "[Subgrantee or subcontract name] has been selected to participate in this Project at [Grantee's name] discretion and [Subgrantee or subcontract name] may not make any statement or otherwise imply to the media, the general public or any other donor or investor that [Subgrantee or subcontract name], its operations, or its participation in this Project is supported by any organization, unless [Subgrantee or subcontract name] has directly received funds from that other organization."

- 1.9 The Grantee is solely responsible to the ILO in terms of delivery results. The relationship of other consortium members, for the purposes of this Agreement, is one of subgrantee.

- 1.10 The Grantee shall respect the International Labour Standards of the International Labour Organization. In particular, the Grantee shall in all circumstances respect the basic principles and rights of these standards which are:

(a) freedom of association and the effective recognition of the right to collective bargaining. This includes the freely exercised right of workers, without distinction, to organize, to further and defend their interest as well as the protection of those workers who exercise their right to organize;

(b) prohibition of all forms of forced or compulsory labour;

(c) equal remuneration for men and women for work of equal value;

(d) equality of opportunity and treatment in respect of employment and occupation without discrimination on grounds of race, colour, sex, religion, political opinion, trade union membership or activities, national extraction, social origin and any other ground under relevant national law; and

(e) prohibition of the employment of:

(i) anyone under the age of 18 (eighteen) in any of the worst forms of child labour, and in particular in work which is likely to harm the health, safety or morals of children;

(ii) anyone below 16 (sixteen) years of age, or below the minimum age for employment permitted by the law of the country where the work is carried out, or below the age of the end of compulsory schooling in that country, whichever is higher.

2. GRANT DURATION & PAYMENT SCHEDULE

2.1 **Duration:** This Agreement will come into effect upon execution by both parties and shall have a duration of **XX** months, covering the anticipated term of the project. This Agreement can be extended, if necessary, by exchange of letters noting the new expiration date. An extension of the Agreement does not imply any obligation that the ILO will provide additional funds.

2.2 All payments due to be made to the Grantee are subject to the ILO receiving funds from its donor. Insofar as the ILO has received funds from its donor, it shall provide funds to the Grantee in an amount up to **US\$xx.00 (Amount in words US dollars)** according to the schedule of the project budget set out below. The Grantee acknowledges that the ILO has made no actual or implied promise of funding except for the amounts specified in this Agreement. The first disbursement is contingent upon execution of this Agreement, and in the case of a consortium, providing the ILO with a copy of the consortium agreement. Subsequent disbursements are subject to the Grantee achieving the outputs as specified in the milestones (found in the Project Plan (Annex B)) and submitting the required progress reports demonstrating the achievement of milestones and accounting for the appropriate use of funds.

2.3 Proposed Payment and Reporting Schedule:

Event	Event date	Payment Amount (if applicable)	Conditions to be fulfilled for payment
First disbursement	Month Year	US\$	Receipt of signed grant agreement and if a consortium, a copy of the consortium agreement
Progress Report	Day Month Year		
Disbursement	Month Year	US\$	Meaningful progress towards applicable milestones and satisfactory First Progress Report
Progress Report	Day Month Year		
Disbursement	Month Year	US\$	Meaningful progress towards applicable milestones and satisfactory Second Progress Report
Final Progress and Financial Report	Day Month Year		
Final disbursement	Month Year	US\$	Meaningful progress towards applicable milestones and satisfactory Final Narrative and Financial Report

2.4 **Deadlines.** If the conditions precedent or special conditions indicated in the Project Plan (Annex B) have not been met by the applicable terminal date or deadline, or if the Grantee fails to achieve the milestones set forth in the Project Plan (Annex B) to this Agreement, during the periods set forth therein, the ILO may, at any time, and in its sole discretion, terminate or suspend this Agreement by written notice to the Grantee under Section 5 or 6 below.

2.5 All payments shall be deposited into the Grantee's bank account of which the details are as follows:

Name of the Bank:

Bank Routing Number:

Beneficiary Account Name:

Beneficiary Account Number:

Address of Bank:

2.6 All payments from the ILO to the Grantee will be made in United States Dollars. The amount of payment of such funds is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the Grantee in the performance of the activities under this Agreement.

3. **REPORTS AND RECORDS**

3.1 The Grantee shall maintain clear, accurate and complete records in respect of the funds received under this Agreement.

3.2 **Record Maintenance and Inspection.** The Grantee shall furnish, compile and make available to the ILO, any records or information, oral or written, which they may reasonably request in respect of the funds received by the Grantee. In particular, the Grantee also agrees to make the books and records connected with this grant and the Project available for inspection by the ILO or its designee at reasonable times upon written request from the ILO specifying the purpose of the inspection and to permit the ILO monitor and conduct an evaluation of operations under this grant, which may include: a visit by ILO personnel or other person designated by the ILO to observe the Grantee's organization, a discussion of the Project with the Grantee's staff, and a review of financial and other records connected with this grant and the Project.

3.3 Within sixty days after completion of project activities, the Grantee shall provide the ILO with a final report indicating the progress made toward the results to be achieved, utilizing the reporting format contained in Reporting Requirement (Annex C).

3.4 The Grantee agrees to submit required reports on the Project's progress to the ILO using the attached reporting format (Reporting Requirements (Annex C)), and at the dates specified in paragraph 2.3. The reports may be written in English, French or Spanish.

3.5 In order for a report to be deemed satisfactory, meaningful progress towards the agreed-upon milestones must be demonstrated as described in the Project Document and/or as set forth in the Project Plan (Annex B) to this Agreement. These milestones are not intended to be a complete statement of all milestones required; one or more additional milestones may be mutually agreed upon at a later date.

4. INTELLECTUAL PROPERTY

- 4.1 Ownership and title to intellectual and industrial property rights of the Project's results, reports and other documents relating to it (hereinafter "the Work") shall be vested in the Grantee. The ILO shall enjoy a perpetual, nonexclusive, worldwide, royalty-free license to use, reproduce, adapt, publish, publicly perform, display and distribute the Work or any part thereof, including the right to grant corresponding sub-licenses to third parties, for the purpose of carrying out the ILO's non-commercial mandate.
- 4.2 Any publications or publicity material prepared by the Grantee may not use either the ILO's name or logo without prior written approval from the ILO. This provision also applies to any reference in publications or publicity material to the Microinsurance Innovation Facility.

5. COMPLIANCE:

- 5.1 The Grantee agrees to comply with the terms and conditions of this Grant Agreement and the Annexes thereto. The ILO will notify the Grantee in writing:
- (a) If at any time the ILO is not reasonably satisfied with the:
 - i. progress being made toward achieving the Project's milestones; or
 - ii. content of any report submitted by the Grantee as required under this Agreement; or
 - (b) If at any time the Grantee has failed to:
 - i. provide any report by the deadline specified in the table found under paragraph 2.3 and has failed to furnish an acceptable written explanation of the reasons for such non-compliance; or
 - ii. comply with the terms and conditions of this Agreement; and
 - (c) The ILO's determination shall be final.
- 5.2 Discussions will follow written notification. If no resolution satisfactory to the ILO is reached within the period of time referred to in the written notification, the ILO may then:
- (a) suspend payments in accordance with paragraph 1.5 and Section 6; or
 - (b) declare this Agreement terminated by providing 30 days written notice to the Grantee; and/or
 - (c) request reimbursement of funds disbursed or seek any other remedy as may be necessary.

6. SUSPENSION OF DISBURSEMENTS AND REPAYMENTS

- 6.1 The ILO shall be entitled to either suspend or terminate disbursements if:

- (a) the Grantee is not able to demonstrate achievement of preset milestones proving the use of the grant for the purpose stipulated in this Agreement, or
- (b) the Grantee has violated any other main obligation under this Agreement.

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

7. TERMINATION

7.1 The ILO may terminate this Agreement with immediate effect, and/or seek any other remedy that may be necessary, including the recovery of funds disbursed under section 2, where:

- (a) the ILO is not reasonably satisfied with the Grantee's progress, including due to a failure to implement the Project in full or a negative evaluation of the Project activities by the ILO;
- (b) the ILO is not reasonably satisfied with the content of the progress report or certification, or the Grantee has failed to provide the required report and certification within the deadline specified in section 3, or otherwise failed to demonstrate that the sum awarded has been used in relation to the Project activities;
- (c) the Grantee has otherwise failed to comply with any term or condition of this Agreement;
- (d) the Grantee becomes bankrupt or otherwise insolvent;
- (e) the Grantee behaves in a manner that is prejudicial to the interests of the ILO;
- (f) the ILO ceases to receive the funds necessary from its Donor to continue to make the payments to the Grantee;
- (g) the Grantee changes the scope of the project or consortium members without the ILO's prior written consent to such changes.

7.2 This Agreement may be terminated by mutual agreement of the parties, or by either party in case of force majeure where, for circumstances beyond a party's control, the objectives of this Agreement will be impossible to fulfil.

7.3 In cases of partial termination the Grantee shall continue performance of the Agreement to the extent not terminated.

8. GENERAL PROVISIONS

8.1 **Insurance Coverage:** Full responsibility in respect of life, health, accident, travel or any other insurance coverage for any person which may be necessary or desirable for the purpose of the Grantee's obligations arising from this Agreement or for any personnel undertaking activities for or on behalf of the Grantee under this Agreement shall be borne by the Grantee.

- 8.2 **Third Party Liability:** The Grantee shall be solely liable for claims by third parties arising from the Grantee's acts or omissions in the course of performing this Agreement and under no circumstances shall the ILO be held liable for such claims by third parties.

Where a project involves the grantee offering microinsurance products directly to consumers, the grantee will ensure compliance with appropriate industry standards for protection of consumers, as well as any relevant national legislation. In situations where the project involves taking premiums and paying out insurance claims, the Grantee accepts to uphold the provisions of its contract with the policy holder.

- 8.3 **Fraud and Corruption:** It is the ILO's policy to require that grantees, as well as any of their consultants or subcontractors, observe the highest standard of ethics during the execution of the project. In pursuance of this policy, the ILO:

- (a) will withhold the non-disbursed portion of the grant if it has grounds to believe at any time that the Grantee or any of the Grantee's employees were engaged in corrupt, fraudulent, collusive, or coercive practices during the execution of this Agreement, without the Grantee having taken timely and appropriate action satisfactory to the ILO to address such practices when they occur;
- (b) may undertake steps for the recovery of funds already disbursed.

- 8.4 **Conflict of Interests:** The Grantee undertakes to take all necessary precautions to avoid conflicts of interests and shall inform the ILO without delay of any situation constituting or likely to lead to any such conflict.

There is a conflict of interests where the impartial and objective exercise of the functions of any person under this Agreement is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with another person.

- 8.5 **Modification:** No modification of or change to this Agreement, waiver of any of its provisions or additional contractual provisions shall be valid or enforceable unless previously approved in writing by the parties to this Agreement or their duly authorized representatives in the form of the exchange of letters referred to in paragraphs 1.3 and 1.4.

- 8.6 **Settlement of Disputes:** Any controversy or claim arising out of, or in accordance with this Agreement or any breach thereof shall, unless settled by direct negotiation, be settled in accordance with the UNCITRAL Arbitration Rules as at present in force. The place of arbitration shall be Geneva, Switzerland and the language of arbitration shall be the language of this Agreement. The arbitral tribunal shall consist of a sole arbitrator except where the amount in dispute exceeds US\$ 500,000. Where, in the course of such direct negotiation referred to above, the parties wish to seek an amicable settlement of such dispute, controversy or claim by conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules as at present in force.

The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy or claim.

8.7 **Privileges and Immunities:** Nothing in or relating to this Agreement shall be deemed a waiver of any privileges and immunities of the International Labour Organization.

8.8 **Correspondence:** All further correspondence regarding the implementation of this Agreement should be addressed to:

For the ILO:

Project Manager
International Labour Office
Social Finance Programme/Employment Sector
4, route des Morillons
CH-1211 Geneva 22
Switzerland

Email: churchill@ilo.org

For the Grantee:

Name
Title
[GRANTEE NAME]
Address
Email:

IN WITNESS WHEREOF, the undersigned, duly appointed representatives of the ILO, and the Grantee, respectively, have on behalf of the ILO and the Grantee signed the present Grant Agreement on the dates indicated below their respective signatures.

On behalf of the International Labour Organization, represented by the International Labour Office:

Craig Churchill
Acting Chief Project Manager – Microinsurance Innovation Facility

Date: _____

On behalf of the Grantee:

Name
Title

Date: _____