

ORIO GRANT ARRANGEMENT
for
the Implementation phase and the Operation and Maintenance phase

[project title + ORIO project number]

The Minister for Foreign Trade and Development Cooperation of the Kingdom of the Netherlands, legally represented in this matter by [name], the Director of NL EVD International of NL Agency, hereinafter referred to as 'the Grantor',

and

The Minister of [position] of [country], legally represented in this matter by [name], hereinafter referred to as 'the Grantee',

the Grantor and Grantee hereinafter being referred to individually as '**Signatory**' and jointly as '**Signatories**',

WHEREAS the Grantee has applied for a Grant from the Facility for Infrastructure Development (ORIO), a grant facility provided by the Dutch Ministry of Foreign Affairs under the responsibility of the Minister for Foreign Trade and Development Cooperation and implemented by NL Agency;

WHEREAS the Grantee has applied for an ORIO grant for [project title + ORIO project number], hereinafter referred to as '**the Project**';

WHEREAS the Project of [date] has been selected by ORIO for the award of a Grant for the Development phase as documented in the ORIO Grant Arrangement for the Development phase dated [date];

WHEREAS the results of the Development phase have been delivered by the Grantee and have been assessed by the Grantor;

WHEREAS the award of a Grant for the Implementation phase and the Operation and Maintenance phase of the Project depended on the results of the Second Assessment which determined that the Project is eligible for a grant for these two phases;

The Grantor and the Grantee have agreed the following arrangements for the Implementation phase and the Operation and Maintenance phase, hereinafter referred to as 'the Grant Arrangement';

Grant Arrangement Implementation and Operation & Maintenance phases, [project title + ORIO project number]

Initials:

1. Preliminary provisions

- 1.1. This Grant Arrangement does not constitute a treaty and is subject to the definitions and conditions contained in the [Policy Rules for the ORIO Grant Facility, published in the Government Gazette (*Staatscourant*), [10 March 2009, no. 47 (bij ORIO-oud)] OR [30 maart 2012, no. 8239 (bij ORIO-2012)] (hereinafter referred to as 'the Policy Rules'), unless expressly stated otherwise in this Arrangement. A copy of the English translation of the Policy Rules is attached as Annex 1 and is also available on the website, www.orio.nl.
- 1.2. In this Grant Arrangement, certain terms are written with a capital. These terms are defined in the Policy Rules.

2. Formation of the Grant Arrangement

- 2.1. The Grant Arrangement comes into effect on the day after it has been duly signed and dated by the Grantee as well as the Grantor. The Grantor promptly notifies the Grantee of the effective date.
- 2.2. The expected end date of the Implementation phase is [date].
The expected end date of the Operation and Maintenance phase is [date].

3. Object of the Grant Arrangement

- 3.1. The Grantor hereby awards the Grant to the Grantee, which the Grantee accepts, for the contribution towards the costs incurred during the Implementation phase and the Operation and Maintenance phase of the Project pursuant to the terms and conditions of this Grant Arrangement.
- 3.2. The Project and in particular the Implementation phase and the Operation and Maintenance phase of the Project are defined in the original Application for the Grants (as annexed to the Grant Arrangement for the Development Phase) and in the Project Plan dated [date] as attached in Annex 4.
- 3.3. The Grantee will quickly and energetically commence the execution of this Grant Arrangement and make every possible effort to ensure the timely and full implementation of the Project and/or coordinate with the other organisations involved in the Project implementation, such as the Competent Authority, and ensure the timely allocation of sufficient resources, competent staff and payments to the Project.
- 3.4. The Implementation phase is implemented by [name of entity], which is the Competent Authority in the Implementation phase under supervision of the Grantee.
- 3.5. The Operation and Maintenance phase is implemented by [name of entity], which is the Competent Authority in this phase under supervision of the Grantee.
- 3.6. The Grantee ensures that the Competent Authority:
- is awarded a contract or an assignment letter for the implementation and operations & maintenance of the Project;

Initials:

Grant Arrangement Implementation and Operation & Maintenance phases, [project title + ORIO project number]

- will comply with the provisions of the Grant Arrangement; and
 - will take the provisions of the Grant Arrangement into account in any arrangements and agreements concluded between the Competent Authority and other organisations in the framework related to this Project.
- 3.7 The implementation and the operation and maintenance of the Project are solely the responsibility of the Grantee in co-operation with the relevant Competent Authority. The Grantor bears no responsibility or liability vis-à-vis any other organisation for the Project and/or any Project-related activities.
- 3.8 The following documents form part of this Arrangement. In the event of inconsistencies, documents placed higher in the list take precedence over documents lower down the list:
- a. addenda to this Grant Arrangement, duly signed by the Grantor and the Grantee;
 - b. this Grant Arrangement for the Implementation phase and the Operation and Maintenance phase;
 - c. the annexes to this Grant Arrangement;
 - d. the Policy Rules (Dutch text);
 - e. the Policy Rules (English translation);
 - f. the ORIO Eligible Costs;
 - g. the Grant Arrangement for the Development phase; and
 - h. the Grant Application including the Declarations that are part of the Application.

4. Tender procedure / contract negotiations

- 4.1 The Grantee submits to the Grantor for 'no objection' within 4 weeks after this Grant Arrangement has come into effect:
- a proposed [transaction advisor][chief negotiator];
 - a rough planning of activities and outputs for the implementation including a detailed planning of the [tender procedures][contract negotiations];
 - the Payment Schedule regarding these activities for disbursement of the Grant by the Grantor to the Grantee and/or to the contractor (the Payment Schedule will be attached as Annex 7 and may be subject to change upon negotiation with the contractor upon contract award).
- 4.2 Any activity started prior to the Grantor's statement of 'no objection' concerning the planning and Payment Schedule will not receive any Grant financing from the Grantor.
- 4.3 Procurement of goods, works and services for the [Implementation phase] and/or [Operations & Maintenance phase] of the Project will be carried out by [International Competitive Bidding (ICB) in accordance with the 'Minimum Conditions for Effective International Competitive Bidding' in the OECD's Good Procurement Practices / limited international bidding (LIB) / national competitive bidding (NCB) / in direct negotiations consistent with the principles outlined in the OECD's Good Procurement Practices, in so far as the laws and regulations in the recipient country and prescribed by the Competent Authority also permit such procedures].

Initials:

Grant Arrangement Implementation and Operation & Maintenance phases, [project title + ORIO project number]

- 4.4 Grantee submits to the Grantor for 'no objection' within two (2) months after the Grant Arrangement has come into effect the [tender][negotiation] documents that will contain, amongst others:
- [the tender notice and the proposed journals / websites for publication;]
 - the Terms of Reference with:
 - a clear description of the eligibility requirements (capabilities, (financial) conditions, guarantees and experience) for potential [bidders][contractors] to participate in the [tender procedure][negotiations]
 - the technical, financial and legal requirements & conditions for the [bids][negotiations]
 - the assessment criteria for the [bids][negotiations]
 - a proposed engineer or employers representative for the execution of the contracts
 - the draft contracts to be awarded;
 - a Payment Schedule including preliminary payment conditions regarding the contractor(s). (The Payment Schedule will be added to the Payment Schedule in Annex 7 and may be subject to change upon negotiation with the contractor(s) upon contract award);
 - a clear condition towards the [bidders / contractor(s)] that no contract(s) will be awarded without a prior statement of 'no objection' of the Grantor.
- 4.5 The Grantee will introduce into the bid forms a guarantee from the bidders that, during the execution of the contract, the bidders as well as its personnel, agents, sub-consultants, sub-contractors, service providers, suppliers and/or their employees will observe the IFC Performance Standards and the conventions of the International Labour Organization.
- 4.6 In addition, the Grantee will introduce into the bid forms a guarantee that neither the bidder nor its sub-contractors, service providers and/or its suppliers uses forced and/or child labour, as defined in the ILO Conventions 29, 105, 138 and 182.
- 4.7 Furthermore, the Grantee will introduce into the bid forms a guarantee from the bidders that neither the bidders nor any of its personnel, agents, sub-consultants, sub-contractors, service providers and/or its suppliers have been engaged, directly or indirectly, in bribery or any other illegal, corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question.
- 4.8 Moreover, the Grantee will introduce into the bid forms a guarantee from the bidders that, during the execution of the contract, the bidders as well as its personnel, agents, sub-consultants, sub-contractors, service providers, suppliers and/or their employees will observe the OECD Guidelines for Multinational Enterprises (2011 edition).
- 4.9 The [tender procedure][negotiations] will not commence prior to the Grantor's statement of 'no objection' concerning the [tender documents][negotiation documents].
- 4.10 After assessment of the [bids][negotiations], but before contract award, the Grantee submits to the Grantor for 'no objection' a proposal for contract award including:
- [a copy of the journals / websites with the tender notice as published];
 - [a list of potential bidders who applied for the tender documents and of the bidders who submitted a bid];

Initials:

- a report of the eligibility criteria assessment;
 - a report of the [bid][negotiation] assessment;
 - [a list of valid bids with the ratings and ranking of each bid];
 - the intended [bidder][contractor] for contract award;
 - if applicable: the financing agreement for the residual financing;
 - if applicable: the credit insurer policy.
- 4.11 Prior to the start of the tender procedure , the Grantee will inform the Grantor of a engineer or employer’s representative to be appointed by the Grantee to review the tender documentation and to supervise the implementation of the contract and to issue performance statements when required.
- 4.12 No tender procedure regarding the Project may start without a prior statement of ‘no objection’ from the Grantor concerning the engineer or employer’s representative to be appointed. Any tender procedure or contract awarded without a prior ‘no objection’ of the Grantor will not receive any Grant financing from the Grantor. In that case, the Grantor may decide to stop any further Grant financing to the Project.
- 4.13 The Grantor will reject a proposal for award if it determines that the bidder recommended for award, or any of its personnel, agents, sub-consultants, sub-contractors, service providers, suppliers and/or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question.

5. Grant and other financial provisions

- 5.1 The Grant will be set and disbursed in EUROS (€).
- 5.2 The total Project costs for the Implementation phase and for the Operation and Maintenance phase do not exceed € [amount] and € [amount] respectively.
- 5.3 The total Project costs as referred to in the preceding paragraph include all eligible costs, as described in Appendix 8, including requisite materials, activities and works to be performed by the Grantee and/or its representatives as described in the Project Plan. Costs that are non-eligible are not covered by the Grant.
- 5.4 The Grant amount for the Implementation phase and the Grant amount for the Operation and Maintenance phase do not exceed € [amount] and € [amount] respectively, including contingencies.
- 5.5 The budgets for the Implementation phase and the Operation and Maintenance phase are attached to this Grant Arrangement as Annex 5 and Annex 6 respectively and may include amounts for contingencies.
- 5.6 The amounts stated in articles 5.2 and 5.4 are maximum amounts. The Grantor may reduce the Grant amounts upon the outcome of the procurement process and the implementation of the contracts. This means that the final amounts payable may be less than the maximum amounts and are determined by the Grantor upon actual expenditure of eligible Project costs.

Initials:

- 5.7 The budgets described in article 5.5 include reservations for contingencies. As part of the Final Payment, Grantee may request drawing(s) for contingencies, only if Grantor has provided a statement of 'no objection' in respect of the related activity at the time when the decision to implement the activity was considered. Upon receipt of a drawing request, Grantor will, at its sole discretion, assess whether the cost was reasonable. Grantee will provide Grantor will all relevant information.
- 5.8 In addition to the Grant, residual financing for the Implementation phase and the Operation and Maintenance Phase in the amounts of € [amount] and € [amount] respectively will be provided by [name of entity / entities].
- 5.9 The Grantee ensures that the Project and the expat Project staff are exempted from all taxes, duties and levies.

Advance payments

- 5.10 An advance payment of [X% (maximum = 15%)] relating to the implementation and/or a specific contract can, as indicated in the Payment Schedule, only be made by the Grantor at the start of the implementation and/or execution of the contract and upon the Grantor's receipt and acceptance of a bank guarantee of the same amount and currency as the advance payment from a reputable international bank. This bank will, at all times during the term of the guarantee, maintain a minimum rating with Moody's of A2 or Standard & Poor's of A or equivalent. Alternative guarantees may be considered by the Grantor.
- 5.11 The Grantee utilises the (advance) payments exclusively for the purpose of the Project.

Instalments

- 5.12 The Grant amount for the Implementation phase will be disbursed in instalments after completion of the tasks and acceptance by the Grantor of the conditions agreed and documents to be submitted, as referred to in the Payment Schedule (Annex 7).
- 5.13 If the Grantee withholds approval for the payment of an instalment, or if (one of) the co-financier(s) withhold its payment, the Grantee must provide a clear, reasoned explanation to the Grantor within four (4) weeks. If the Grantee does not provide such explanation within four (4) weeks of receipt by the Grantor of the documents mentioned for such instalment in the Payment Schedule, the Grantor may seek independent confirmation that the activities have been performed properly and make payment of the relevant instalment.
- 5.14 The Grant percentages ([X]%) applicable to the Implementation phase and to the Operations and Maintenance phase will also apply to all individual instalments in the given phase of the Project.
- 5.15 Payments of instalments will be made up to a maximum of 90% of the value of the Grant amount. The remaining 10% will be paid as part of the Final Payment as described in article 5.19.
- 5.16 The payments by the Grantor and the Grantee / co-financier(s) are pro-rata-parte, meaning that both the Grantor and the Grantee / co-financier(s) pay their part of the amount. The Grantor may withhold a payment until the Grantee / co-financier(s) has/have paid or submitted proof of payment of their pro-rata part.

Initials:

Grant Arrangement Implementation and Operation & Maintenance phases, [project title + ORIO project number]

5.17 Direct payment to the contractor / supplier of any goods, works or services will be made to the extent and on the conditions / submission of documents mentioned in the Payment Schedule.

Final Payment

- 5.18 The payment schedule will contain a final payment in respect of the Implementation Phase of [amount (minimum 10%)] of the Grant upon the agreed conditions and the documents to be submitted by the Grantee, as described in the payment schedule.
- 5.19 As described in article 5.7, a request for a payment under the contingencies budget as part of the Final Payment, can only be made if Grantor has previously provided a statement of 'no objection' in respect of the related activity, at the time when the decision to implement the activity was considered and if such request is accompanied by all relevant information required by Grantor to assess, at its sole discretion, whether the cost was reasonable.
- 5.20 Funds which the Grantor has placed at the Grantee's disposal and which are left unspent after completion of the Project Plan will be returned to the Grantor immediately and unconditionally.
- 5.21 All Project assets procured with the Grant will be assigned to a relevant purpose at the end of the Implementation phase and the Operation and Maintenance phase. The Grantee will submit proposals on this matter to the Grantor for a statement of no objection and will account for the disposal of the assets in its final report.
- 5.22 The Grantee will send the invoice(s) and the required documents to the address specified in Annex 3, quoting the [project title + ORIO project number].

6. Representatives

- 6.1 All representatives of the Grantor and the Grantee with regards to the Grant Arrangement and the Project are listed in Annex 3 with a clear description of their respective roles, contact details, authorities and powers of attorney.
- 6.2 Any communication to the other signatory will be sent to the addresses given in Annex 3.

7. General conditions for the Implementation and the Operations & Maintenance phases

- 7.1 The Grantor and the Grantee will hold consultations on the implementation of the Project Plan on a regular basis, as and when necessary, and at the request of either Signatory.
- 7.2 The Grantor will respond in a consistent and timely manner upon submittal of requests and documents by the Grantee and vice versa.
- 7.3 The Grantee will react in writing to provide any relevant information regarding the implementation of the Project within 2 weeks after the request of the Grantor.
- 7.4 The Grantee guarantees that both during and after implementation of the Project, it will supply accurate, detailed and complete information to the Grantor regarding the Project and this Grant Arrangement. This includes, but is not restricted to, information on the

Initials:

Grant Arrangement Implementation and Operation & Maintenance phases, [project title + ORIO project number]

following situations or the threat of these: moratorium on the payment of debts, deficits, fraud, bribery, circumstances that cause or might cause delays in implementing the Project and other circumstances that prevent or might prevent the Grantee from fulfilling its duties under this Grant Arrangement or in respect of the Project. The Grantee will also impose this duty on the Competent Authority and any contractors and subcontractors in respect of the Project.

- 7.5 The Grantee will submit to the Grantor a written report on each task achieved within 4 weeks after completion of the task. If completion of a task takes more than 6 months, a report will be submitted halfway through the assigned period for completing the task, but never later than six months after the previous report.
- 7.6 The reports must, in any event, include a narrative report and a financial report audited by the Competent Authority's internal auditor (and an independent auditor when Grantor such requests). The narrative report will include an overview of the tasks and objectives referred to in the Project Plan and an explanation of any differences. The narrative report will describe the results achieved and how they compare with the objectives formulated at the start of the Implementation phase and/or the Operation and Maintenance phase. Moreover, this narrative report will also attend to, inter alia, compliance with rules, regulations and the environmental impacts specified in the Environmental Impact Assessment.
- 7.7 The financial report will include an overview of the Grantee's estimated and actual revenue and expenditure, related to the Project, and an overview of Grant payments. The financial statement will contain the following items:
- a. the total amount of instalments disbursed by the Grantor and other payment sources;
 - b. an overview of total revenue and expenditure, related to the Project Plan. Each budget item should be accompanied by a separate explanatory note;
 - c. [insert additional conditions when applicable].
- 7.8 The Grantee will report on the indicators and issues described in the Monitoring and Evaluation plan as agreed upon with the Grantor during the Development Phase. Furthermore, the Grantee will also report upon and assist Grantor with any issues and/or conditions specified by the Grantor further on in the process.
- 7.9 Within 3 months after the end of the Implementation phase, the Grantee will account for the use made of the Grant in a well-documented final report, consisting of a narrative and a financial report, as described in paragraph 7.6. The financial report will contain an unqualified opinion from an independent external auditor as well as an itemised overview of all previous financial reports submitted to the Grantor in connection with the Implementation phase.
- 7.10 If the Grantor accepts the final report, the Grantor will issue a statement of 'no objection' for the final delivery of the Implementation phase of the Project.
- 7.11 The Grantee is responsible for maintaining sound management procedures and keeping proper accounts for the Project. The Grantee will administer and account for the funds in accordance with its financial regulations and the International Accounting Standards and other applicable rules, procedures and practices, keep separate records and accounts for the Project and keep an inventory of goods and services purchased, partly or entirely, with

Initials:

the Grant. The Grantee will ensure that the Competent Authority does the same. The Grantee will propose to the Grantor for its consent an independent person, firm or entity which will audit the financial administration(s) in respect of the Project.

- 7.12 The Grantor may, or may instruct others to, inspect or audit the activities carried out in respect of the Project including the Grantee's financial reports and financial accounts and/or the periodic reports described in the provisions above. The Grantee will render every assistance to the official(s) appointed by the Grantor to carry out such inspection and will allow them access to the Project site and any documents related to the Project. This also applies to the Operation and Maintenance phase. The costs of any such inspection or audit will be borne by the Grantor. The Grantee will also include this duty in its contracts or other agreements with the Competent Authority and other organisations involved in the Project implementation.
- 7.13 The Grantor may assess (at any time) individual outputs of the Grant Arrangement, whether in respect of an inspection or audit or otherwise, in order to decide whether to continue, reduce, suspend, terminate and/or reclaim this Grant. The Grantor may assess, and/or seek expert opinions, to check the soundness or accuracy of any conclusion, calculation, estimation and/or statement made as part of individual outputs.
- 7.14 The Grantee and the Competent Authority will cooperate in evaluations and monitoring missions of the Project and the ORIO Grant Facility to be conducted or commissioned by the Grantor. The Grantor will inform the Grantee of the results of such evaluations concerning the Project.
- 7.15 At no cost to the Grantor, the Grantee will acknowledge the Grantor's funding in publications, advertising, speeches, lectures, interviews, press releases and other similar activities, ensuring the appropriateness and accuracy of any messages. The Grantee will use any available opportunity to demonstrate that the Grant for the Project is funded in part by the Government of the Kingdom of the Netherlands through the Grantor.

8. Specific conditions for the implementation of the Project

- 8.1 The Grantee ensures that all organisations involved in the implementation of the project abide by the conventions of the International Labour Organisation and the IFC Performance Standards.

9. Additional conditions for the Operation and Maintenance phase

- 9.1 The Grantee will submit to the Grantor for 'no objection' an update of the Operation and Maintenance plan (that was part of the Project Plan) prior to the commencement of operations of (parts of) the implemented Project.
- 9.2 The updated Operation and Maintenance plan includes:
- a detailed planning of maintenance activities and checks;
 - the tender documents for any contracts with maintenance contractors (if applicable);

Initials:

- a payment schedule including conditions to be met and documents to be submitted for individual instalments
 - a proposed engineer or employer's representative;
- 9.3 The Grantee commences the Operation and Maintenance phase after receiving the Grantor's statement of 'no objection' concerning the updated Operation and Maintenance plan and the engineer or employer's representative to be appointed.
- 9.4 The Operation and Maintenance plan may be updated again periodically.
- 9.5 [Monitoring & evaluation conditions; to be provided by Grantor shortly]
- 9.6 During the Operation and Maintenance phase, the Grantee submits to the Grantor each year, within four months from the end of the calendar year, a written report containing information on the condition of the Project assets and the maintenance activities performed.
- 9.7 Within 3 months of the end of the Operation and Maintenance phase, the Grantee accounts for the use made of the Grant in a well-documented final report consisting of a narrative and a financial report similar to the report described in paragraph 7.6 above.

10. Amendment and termination

- 10.1 Changes to the indicated manner of performing the activity to be financed and/or the budget, will be submitted in advance in writing to the Grantor for approval. Approval of the requested changes can only be obtained in writing from the Grantor. The Grantor is never obliged to approve the requested changes. No rights can be derived from the submitted request when the answer remains forthcoming.
- 10.2 If the Grantor is of the opinion that the specific way in which the Project is implemented or a change of circumstances has led to a situation where the financing of the Project is incompatible with the Dutch government's foreign policy, the Grantor will propose consultations with the Grantee. On the basis of such consultations, the Grantor may give further written instructions regarding the implementation of the Project or reduce the Grant or prematurely terminate this Arrangement.
- 10.3 In the event of unforeseen circumstances or events, including i) failure to arrange the necessary licences, ii) a change of government policy, iii) an amendment to the applicable legislation, or iv) decreasing financial viability, that cause the implementation of the Project Plan and/or the Project to be seriously hampered or delayed or to become unfeasible, the Signatories will consult one another to propose and discuss solutions in accordance with the original intentions of the Signatories when entering into the Grant Arrangement. In such an event, the termination of the Grant, together with the settlement of accounts and the ending of this Grant Arrangement, is a possible solution, but not before all proposed solutions have been discussed thoroughly without the Signatories reaching consensus.
- 10.4 The Grantor may reduce, prematurely terminate or reclaim the Grant, suspend the transfer of advance payments and instalments or demand repayment of all or part of the Grant already disbursed, if the Grantee fails to fulfil its duties under this Grant Arrangement, or fails to do so on time, or uses the resources for a purpose other than that for which the

Initials:

Grant was made available, or if a third party has provided co-financing for the same activities without the Grantor's prior knowledge and consent. The Grantor may ex parte/unilaterally reduce or terminate the Grant, but only after consultation with the Grantee.

- 10.5 No offer, gift, consideration or benefit of any kind, which constitutes an illegal or corrupt practice, has been or will be made to anyone, either directly or indirectly, as an inducement or reward for the award or execution of this Arrangement. Any such practice will be grounds for terminating this Arrangement or taking any other corrective action as required.
- 10.6 This Arrangement will end for either of the following reasons:
- a. all the duties of the Signatories under this Grant Arrangement have been fulfilled to the satisfaction of the other Signatory, or
 - b. the Grant has been prematurely terminated and/or reclaimed and accounts have been settled.
- 10.7 This Grant Arrangement and its Annexes can only be amended with addenda when duly signed by the representatives of the Grantor and the Grantee that are designated in Annex 3.

11. Liability

- 11.1 The Grantor, the Kingdom of the Netherlands or NL Agency are not liable, under the ORIO Grant Facility or this Grant Arrangement or any related Addenda or arrangement between the Signatories, for any damage or loss, direct or indirect, whether arising from defective quality, insufficient progress, failure of the Project or parts thereof, reduction, termination, suspension of the Grant or of part of it or for any other reason.
- 11.2 The Grantor does not approve activities or documents. It may only issue a statement of 'no objection' when appropriate. Its acceptance of activities and documents relating to the project implied by any such statement is only of relevance to the allocation of the Grant. The Grantor, the Kingdom of the Netherlands or NL Agency are not liable for direct or indirect damage or loss as a result of the defective quality of the activities or documents that NL Agency has accepted as part of the implementation of the Project.
- 11.3 The Grantee indemnifies the Kingdom of the Netherlands and the Grantor at all times against any actions, claims, liabilities, damages or expenses suffered or incurred by the Grantor as the result of, or arising from the implementation and operation and maintenance of the Project or Project-related activities.

12 Declaration of integrity

- 12.1 The Grantor and the Grantee hereby declare that neither they nor anyone acting on their behalf or on behalf of the Competent Authority, agents, consultants and/or contractors in connection with the Project, have been engaged or will be engaged in bribery or any other illegal or unnecessary payment or act. In order to combat bribery, both Signatories will comply with the conditions and duties set out in Annex 2.

Initials:

Grant Arrangement Implementation and Operation & Maintenance phases, [project title + ORIO project number]

- 12.2 The Grantee hereby declares that neither he nor anyone acting on his behalf or on behalf of the Competent Authority, agents, consultants and/or contractors in connection with the Project use forced and/or child labour (as defined in the ILO Conventions 29, 105, 138 and 182).
- 12.3 The Grantee hereby declares that he and anyone acting on his behalf or on behalf of the Competent Authority, agents, consultants and/or contractors in connection with the Project will, and will be required to, abide by the OECD Guidelines for Multinational Enterprises (2011 edition).

13. Final provisions

- 13.1 Any agreement by the Grantee with other organisations regarding (the implementation of) the Project will be agreed in writing. All the relevant terms and conditions of this Grant Arrangement will be imposed on any such organisation.
- 13.2 This document is governed by Dutch law.
- 13.3 If any dispute arises between the Signatories concerning the interpretation, application or implementation of this Grant Arrangement or with regard to any further arrangement that may result from it, which cannot be settled amicably, either Signatory may invite the other to conciliate under the Permanent Court of Arbitration Optional Conciliation Rules, as in effect on the date of this Grant Arrangement. The number of conciliators will be three. The outcome is binding on the Signatories.
- 13.4 Derogations from this Grant Arrangement and the appendices will only become effective in so far as they have been expressly accepted in writing between the Signatories.
- 13.5 Once this Grant Arrangement has been signed, any previous arrangements regarding this Grant Arrangement become inoperative.

Signed in duplicate in the English language.

The Hague
Date: ..

[location grantee]
Date: ..

For the Grantor

For the Grantee

.....
[name signatory]

.....
[name signatory]

[position signatory]

[position signatory]

Annexes:

- Annex 1. Policy Rules, English translation
- Annex 2. Declaration of Integrity
- Annex 3. Representatives
- Annex 4. Project Plan
- Annex 5. Budget Implementation phase
- Annex 6. Budget Operations & Maintenance phase
- Annex 7. Payment Schedule regarding the Grantee and regarding the contractor(s)
- Annex 8. ORIO Eligible costs
- Annex X

Annex 2 Declaration of Integrity

- a. The Grantor and the Grantee will verify and notify each other whether any organisation to be engaged in the Project is listed on the publicly available debarment list of the following international financial institutions: World Bank Group, African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development and the Inter-American Development Bank. The Grantor and the Grantee will ensure that any such organisation will be excluded from involvement, or further involvement, in the Project.
- b. The Grantee will disclose whether anyone acting on its behalf or on behalf of the Competent Authority, agents, consultants and/or contractors in connection with the Project is currently under charge in a national court or, within a five-year period preceding the Application, has been convicted in a national court, or been subject to equivalent national administrative measures for violation of laws against bribery of public officials of any country.
- c. The Grantee will disclose, upon demand: i) the identity of persons acting on its behalf or on behalf of the Competent Authority, agents, consultants and/or contractors in connection with the Project, and ii) the amount and purpose of commissions and fees paid, or agreed to be paid, to such persons.
- d. The Grantor may decide to carry out enhanced due diligence if: i) any organisation engaged in the Project appears on the publicly available debarment lists of one of the international financial institutions referred to in a. above; or ii) the Grantor becomes aware that anyone acting on behalf of the Grantee, Competent Authority, agents, consultants and/or contractors in connection with the Project is currently under charge in a national court, or, within a five-year period preceding the application, has been convicted in a national court or been subject to equivalent national administrative measures for violation of laws against bribery of public officials of any country; or iii) the Grantor becomes aware of child and/or forced labour in the Project; or iv) the Grantor has reason to believe that the Project may involve bribery.
- e. The Grantor may verify whether appropriate internal corrective and preventive measures have been taken, maintained and documented in case of a conviction in a national court, or equivalent national administrative measures, for violation of laws against bribery of public officials of any country, of a person acting on behalf of the Grantee, Competent Authority, agents, consultants and/or contractors in connection with the Project, within a five-year period.
- f. The Grantor will disclose to the law enforcement authorities of the Netherlands any credible evidence of bribery.
- g. If there is credible evidence that bribery is involved in the award or execution of any contract for the Development Phase of the Project, the Grantor may suspend further disbursements of the Grant during an enhanced due diligence process or withdraw the Grant, deny further disbursements and/or reclaim the sums already paid. Furthermore, the Grantor may refuse approval of any further Grant for the Implementation and the Operation and Maintenance phases of the Project.

Initials:

Grant Arrangement Implementation and Operation & Maintenance phases, [project title + ORIO project number]

Annex 3 Representatives

For the purpose of the execution of this Grant Arrangement, the Signatories have assigned the representatives as mentioned in the schedule underneath:

Grantor

Representative	Organisation	Function	Role in Project	Power of Attorney	Contact Details

Grantee

Representative	Organisation	Function	Role in Project	Power of Attorney	Contact Details

Competent Authority

Representative	Organisation	Function	Role in Project	Power of Attorney	Contact Details

Mailing address of the Grantor:

**NL Agency, division NL EVD International, ORIO
P.O. Box 93144
2509 AC The Hague
The Netherlands**

Initials:

Grant Arrangement Implementation and Operation & Maintenance phases, [project title + ORIO project number]

Mailing address of the Grantee:

Mailing address of the Competent Authority:

Cover letter for Grant Arrangement

Your Excellency

I have the honour to refer to the discussions that have taken place between representatives of the government of [recipient country] and the government of the Netherlands concerning [the project].

As a result of these discussions, it is the understanding of the government of the Netherlands that the provisions of the Grant Arrangement, which is enclosed in duplicate, will apply to the provision of a grant for the project.

If the provisions of the Grant Arrangement are acceptable to the government of [recipient country], I have the honour to suggest that Your Excellency sign and date both originals of the Grant Arrangement and return one of them to me.

The Grant Arrangement will come into effect on the date of receipt by me of a duly signed and dated original of the Arrangement.