

# GRANT CONTRACT

## Community Development Trust Fund

<Grant contract identification number>

The Community Development Trust Fund, ("the Contracting Authority")

of the one part,

and

<Full official name of the Beneficiary, >  
[<Legal status (organisation)>] / [<title (individual)>]  
[<Organisation official registration number>] / [<Passport or ID number >]  
<Full official address>  
[VAT number, for VAT registered beneficiaries] ,  
("the Beneficiary")

of the other part,

have agreed as follows:

### Special conditions

#### Article 1 - Purpose

- 1.1 The purpose of this contract is the award of a grant by Community Development Trust Fund (CDTF) for the implementation of the Project entitled: <title of the Project > ("the Project ") described in Annex I.
- 1.2 The Beneficiary will be awarded the grant on the terms and conditions set out in this contract, which consists of these special conditions ("Special Conditions") and the annexes, which the Beneficiary hereby declares it has noted and accepted.
- 1.3 The Beneficiary accepts the grant and undertakes to carry out the project under its own responsibility.

#### Article 2 - Implementation period of the Project

- 2.1 This contract shall enter into force on the date when the last of the two Parties signs.
- 2.2 Implementation of the Project shall begin on:  
- a date later than the one in point 2.1,
- 2.3 The Project's implementation period, as laid down in Annex I, is <number of months>.
- 2.4 The execution period of this contract will end at the moment when final payment is paid by Community Development Trust Fund (CDTF) and in any case at the latest 18 months for both Lot 1 and 2 as from the end of the implementation period as stipulated in art 2.3 above.

#### Article 3 - Financing the Project

- 3.1 The total cost of the Project is estimated at <.....Kenya Shilling>, as set out in Annex III.
- 3.2 Community Development Trust Fund (CDTF) undertakes to finance a maximum of <.....> Kenya Shilling, equivalent to <...>% of the estimated total eligible cost of the Project.

- 3.3 If the total cost of the project is less than the estimated total cost as referred to in Article 3.1 above, the contribution from the Community Development Trust Fund shall be limited to the amount obtained by applying the percentage laid down in Article 3.2 above to the total cost of the project.
- 3.4 The final amount of the eligible costs shall be established in accordance with Articles 14 and 17 of the general conditions (Annex II).
- 3.5 Payment of taxes, including VAT, are authorized in the case the Beneficiary can show it cannot reclaim in accordance with article 14.6 of the general conditions (Annex II).

#### **Article 4 - Narrative and financial reporting and payment arrangements**

4.1 Narrative and financial reports shall be produced in support of payment requests, in compliance with Articles 2 and 15.1 of the general conditions (Annex II). As an exception to these articles, the beneficiary will submit narrative and financial reports every 6 months. The Community Development Trust Fund also requires beneficiaries to submit monthly summary progress reports in a format that will be provided to the beneficiaries.

4.2 By derogation to Article 15 of the general conditions (Annex II), the following will apply for any implementation period:

**First instalment of pre-financing:**

(50% of the part of the forecast budget for the first 12 months of implementation financed by CDTF):

<... .....Kenya Shilling>

**Forecast further instalment(s) of pre-financing:**

(subject to the provisions of Annex II with the understanding that the amount covers the financing need for a six-months period)

<... .....Kenya Shilling >

**Forecast final payment**

(5% of the forecast budget financed by CDTF )

<... .....Kenya Shilling >

(subject to the provisions of Annex II):

4.3 The first instalment of pre-financing will be paid to the Beneficiary within 30 days, as from the date of reception by the Community Development Trust Fund of the signed contract and conditional upon:

- A satisfactory proof of the availability of 10% of the Beneficiary contribution and
- The successful completion by the beneficiary of the project launch workshop(s) to be provided by the Community Development Trust Fund.

#### **Article 5 - Contact addresses**

5.1 Any communication relating to this contract must be in writing, state the number and title of the Project and be sent to the following addresses:

For the Contracting Authority

**Community development Trust Fund (Regional office address)**

For the Beneficiary

<address of the Beneficiary for correspondence>

5.2 The audit firm which shall carry out the verification(s) referred to in Article 15.6 of Annex II for grant contracts above 10,000,000 Kshs will be contracted by the Community Development Trust Fund on behalf of the beneficiary. Grant contracts below Kshs. 10,000,000 will be audited as per the audit provisions of the CDI relevant Programme Estimate.

## Article 6 - Annexes

6.1 The following documents are annexed to these Special Conditions and are part of the contract:

- Annex I: Description of the Project.
- Annex II: General Conditions applicable to European Union-financed grant contracts for external Actions
- Annex III: Budget for the Project
- Annex IV: Contract-award procedures
- Annex V: Standard request for payment and financial identification form
- Annex VI: Model narrative and financial report
- Annex VII: CDTF Visibility Guidelines

6.2 In the event of conflict between the provisions of the Annexes and those of the Special Conditions, the provisions of the Special Conditions shall be binding. In the event of conflict between the provisions of general conditions (Annex II) and those of the other annexes, those of the general conditions shall be binding.

## Article 7 - Other specific conditions applying to the Action

- 7.1 If the Beneficiary does not submit satisfactory proof of the availability of 10% of the Beneficiary contribution (in cash or in kind) within 60 days of the signing of the contract, Community Development Trust Fund (CDTF) will cancel the contract, except where the failure to submit is due to circumstances beyond the control of the beneficiary.
- 7.2 If the beneficiary is not able to maintain a double entry book keeping system, then, by derogation of article 16, the beneficiary will maintain a single entry book keeping system that will be provided to the beneficiary by the contracting authority.
- 7.3 The Community development trust Fund will contract an audit firm to carry out the verifications, referred to in Article 15.6 of the general conditions (Annex II), for all grant contracts above Kshs. 10.000.000. Contracts of any value may be audited by the Community Development Trust Fund or its donors (The European Union ~~and the Danish Government~~).

Done in English in two originals, one original being for CDTF and one original being for the Beneficiary.

### For the Beneficiary

Name

Title

Signature

Date

### For the Contracting Authority

Name

Title

Signature

Date