

## **Project Agreement**

between

**SEADO and RCEDO**

hereinafter referred to as the Partner

and

**Caritas Switzerland**

hereinafter referred to as CACH

in relation to the project

**Community Based Disaster Risk Reduction (CBDRR / phase II)**

**P180041**

## Overview

<b>Project</b>	Community Base Disaster Risk Reduction (CBDRR)
Country, region	Cambodia, Banteay Meanchey
Duration	01.04.2018 - 31.03.2021
Project ID CACH	P180041

**Overall project costs** **751'807 USD**

**Donation by CACH:** **maximum amount in CHF**

SEADO	CHF 762'997
RCEDO	CHF 435'565
	CHF 327'433

**indicative amount in project currency** **USD 751'807**

SEADO	USD 429'176
RCEDO	USD 322'631

## Narrative & financial reporting

Reporting language English

Report Deadline	Quarterly Log-frame & Financial Report	Six Months Narrative Report	CaCH Standard Indicator Report	Mix-Audit Report
15.07.2018	√			
15.10.2018	√	√		
15.01.2019	√		√	
15.04.2019	√	√		
<b>30.05.2019</b>				√
15.07.2019	√			
15.10.2019	√	√		
15.01.2020	√		√	
15.04.2020	√	√		
<b>30.05.2020</b>				√
15.07.2020	√			
15.10.2020	√	√		
15.01.2021	√		√	
15.04.2021	√	<b>Final</b>	<b>Final</b>	
<b>30.05.2021</b>				√

### a) Mix-Audits

The Mix-Audit (Institutional & project) falls under the responsibility of CaCH. CaCH, in close coordination with SEADO & RCEDO, engages an internationally accredited audit company, checks the audit quality and shoulders all costs. SEADO & RCEDO is expected to ensure availability and access to the needed information and to deliver a Management Response.

b) **Evaluation** due on

30.05.2021

The Evaluation falls under the responsibility of CaCH. CaCH, in close coordination with SEADO & RCEDO, engages an evaluator, check the evaluation quality and shoulders all costs. SEADO & RCEDO is expected to welcome the evaluator, to ensure availability and access to the needed information and to deliver a Management Response.

<b>Indicative Payment Plan for CACH's donation</b>		<b>SEADO</b>	<b>RCEDO</b>
1. Instalment: After signing of agreement	USD	90'000	73'000
2. Instalment: upon approved submission report as deadline 15.10.2018	USD	63'000	40'000
3. Instalment: upon submission mix-audit report as deadline 30.05.2019	USD	85'000	64'000
4. Instalment: upon approved submission report as deadline 15.10.2019	USD	50'000	40'000
5. Instalment: upon submission mix-audit report as deadline 30.05.2020	USD	74'000	54'000
6. Instalment: upon approved submission report as deadline 15.10.2020	USD	50'000	40'000
Final instalment : Upon submit mix-audit and end project evaluation reports as deadline 30.05.2021	USD	17'176	11'631
<b>Total</b>	USD	<b>429'176</b>	<b>322'631</b>

\* Note: The CaCH maximal contribution based on Swiss Francs is CHF 762'997. The USD amount of USD 751'807 is indicative, based on the exchange rate at the time of budget development.

CaCH reserves its right to correct the USD amount in case of deficit caused by unfavorable exchange rate development.

**Responsible Programme Coordinators:**

**For CACH**

Ethel Grabher  
Programme Director

Adligenswilerstrasse 15  
P.O. Box  
CH-6002 Lucerne  
Switzerland

Tel: ++41 41 419 23 52  
egrabher@caritas.ch

**For the Partner**

Mr. Kong Samnang, SEADO  
Executive Director

Road Number 5, Group1, Rorng Masin Village  
Sangkat Au Ambil, Serisophon Town, Banteay  
Meanchey Province.  
HP: 855- 12 867480, [seado@forum.org.kh](mailto:seado@forum.org.kh)

Mr. Sam Serey Wathana, RCEDO  
Executive Director  
Road #2, Saangkat Kampong Svay, Serisophon  
Town, Banteay Meachey province.  
HP: 855-12 284345. [rcedobmc@forum.org.kh](mailto:rcedobmc@forum.org.kh)



### **Obligations of Caritas Switzerland**

1. CACH shall make a donation of up to **762'997 CHF** to the Partner for the implementation of the project under the terms specified below and under the condition of the Partner's adherence to the rules and requirements defined in the following chapter.
2. If the project's funding needs are covered without CACH contributing the full amount mentioned above, CACH reserves the right to reduce its donation accordingly.
3. Being dependent on contributions by donors itself, CACH reserves the right to reduce or cancel its donation having given at least a 3 months' notice period during which CACH shall keep the pledges made for that period. If pledges are not kept by CACH, the Partner is not entitled to any form of compensation.
4. CACH will make its donation in several instalments. Once the project has started, CACH shall transfer funds only upon reception and approval by CACH of an up-to-date project report and a statement of accounts indicating a clear need for funds being transferred. Respecting Art. 2, the last instalment will be transferred upon reception and approval by CACH of the final project report and audit. The payment plan included in the overview is indicative, i.e. the plan will be respected under the conditions mentioned above. The parties may mutually agree on modifying the payment plan if this be advisable in operational terms.
5. CACH shall support its Partner in achieving the project goals by means of management back-up support and monitoring activities.
6. In informing the public and its donors, CACH will respect the rights and interests of its Partner.
7. CACH shall immediately inform the Partner about any event or development endangering the project or its support by CACH.

### **Obligations of the Partner**

8. The Partner is responsible for the correct, professional implementation and management of the project. The Partner commits itself to deliver the outputs and to achieve the outcomes defined in the project documents (App. I-II). In doing so, the Partner commits itself to comply with the budget (App. III), the timeframe (Overview) as well as the administration regulations (App. IV).
9. The Partner commits itself to respect the law, all legal rules and requirements as well as the professional standards and regulations applicable, especially the Code of Conduct for the International Red Cross and Red Crescent Movement and Non Governmental Organizations in Disaster Relief.
10. The Partner commits itself to a strict child protection and anti-corruption policy and to ensure that the rules of the respective codes of conduct (App. V) are respected by its staff, within the organisation and the entire realm of the project.
11. In general, the Partner shall not outsource any task to a sub-contracting party. If the Partner intends to do so, the prior, explicit consent of CACH is needed. In such cases, the Partner's responsibilities and liabilities towards CACH and its donors, the beneficiaries and third parties shall remain unchanged. In addition, the Partner is to ensure that the sub-contracting party respects the rules and requirements set out in this contract and its appendices.
12. The Partner assumes sole liability for any damage or injury sustained by the project's beneficiaries, the Partner and its staff as well as third parties resulting from or happening in connection with the project, its activities, management, outputs or effects. CACH cannot under any circumstances or for any reason whatsoever be held liable for or accept any compensation claims in connection with such damage or injury. The Partner shall discharge CACH of all liability arising from any claim or action taken by third parties in connection with the project, its activities, management, outputs or effects.
13. The Partner shall be liable for any damage sustained by CACH or its representatives due to the Partner's intent, gross or slight negligence.
14. If a donor of CACH reduces its financial donation to the project on the basis of the Partner's insufficient performance (e.g. lacking documentation, substantial shortcomings in project implementation, bookkeeping etc.), CACH reserves the right to reduce its donation accordingly or to request the Partner to return funds already transferred.



## Final Provisions

15. All appendices are integral part of this contract. All appendices shall be dated and duly signed.
16. Any contract amendment shall mutually be agreed upon by both parties and recorded in writing.
17. All disputes arising out of or in connection with the present contract shall be settled amicably by way of consultation.
18. Both parties may terminate the contract prematurely without arbitration or giving prior notice for substantial reasons. Reasons considered substantial are:
  - The agreement has been concluded on the basis of essentially incorrect or incomplete information supplied by one of the parties
  - Funds are used for other than the intended purposes, i.e. achieving the project's goals
  - Activities are carried out in a way that contradict the general humanitarian principles such as the principle of impartiality, i.e. the equal treatment of persons independent of their age, sex, origin, religion, nationality or political conviction
  - The basic rules laid out in the codes of conduct (App. IV, V, VI) are violatedIn case of termination of contract for substantial reasons, CACH reserves the right to demand repayment of funds already paid out.
19. Place of jurisdiction is Lucerne, Switzerland. Applicable law is the Swiss legislation.
20. If parts of this agreement are or should become invalid due to overriding legal regulations, the validity of the other parts shall not be affected.
21. The present contract shall come into force with its signing by the parties and shall end on the date the Partner's final report is approved by CACH and CACH's final payment is transferred and duly acknowledged by the Partner.
22. Both parties acknowledge having received an original copy of this contract, no oral supplementary agreements have been made.

**For Caritas Switzerland**  
International Cooperation

**For the Partner**

Luzern/Phnom Penh, 29.3.2018

Place, Date:

*P.M.E. 29./Mar/2018*

Anja Ebnöther  
Head International Cooperation



Ethel Grabher  
Programme Director



SEADO  
Mr. Kong Samnang, Executive Director



RCEDO  
Mr. Sam Seirey Wathana, Executive Director

### List of Appendices:

- Appendix I: Project Proposal
- Appendix II: Logical Framework
- Appendix III: Budget
- Appendix IV: Administration Regulations
- Appendix V: Code of Conduct Child Protection
- Appendix VI: Code of Conduct Fighting Corruption

## **Appendix IV: Administration Regulations**

### **General**

1. The Partner shall use the CACH donation exclusively for the realisation of the project.
2. The Partner shall ensure that all funds are used effectively and economically.
3. The Partner shall at any time grant representatives appointed by CACH (staff members, auditors etc.) unhindered access to all project activities, sites, offices, administrative and electronic systems as well as supporting evidence and documentation for examining the implementation and administration of the project or activities and systems connected to that.
4. The Partner shall immediately inform CACH about any event or development which may affect the project's implementation, the reporting, the budget, or the project assets.
5. Significant changes to the project, its goals, activities, duration, methodology, budget and the like are to be approved by CACH in advance.
6. The Partner shall have an appropriate management system including rules on the demarcation of authority, bookkeeping, procurement, human resources, controlling and auditing, enabling it to reliably meet the requirements mentioned in this contract and its appendices.

### **Reporting**

7. The Partner shall supply CACH with reports according to the reporting schedule defined in the overview. The final report must be handed in no later than 6 weeks after completion of the project and cover the entire project period.
8. The reports shall consist of:
  - Narrative section: achievement of project objective, comparison of planned / achieved results, activities and applied methods, challenges and opportunities encountered, and lessons learned
  - Financial section: balance, financial statement and budget planned / executed
9. After submission of a report, CACH will inform the Partner as to whether the report has been accepted or if more information is needed.

### **Accounting**

10. The Partner shall do all bookkeeping in accordance with legal regulations and professional guidelines applicable, especially the Generally Accepted Accountancy Principles (GAAP).

### **Payment of funds**

11. In its accounting system, the Partner shall open a separate bank/bookkeeping account or a cost center, through which the income and expenditures of the project shall be dealt with exclusively. At any time, the Partner ensures the traceability of all funds transferred.
12. The reception of CACH funds shall immediately be confirmed by the Partner in due form.

### **Exchange**

13. The exchange of funds into other currencies must be documented by valid bank vouchers.

### **Budget**

14. The Partner agrees to conform to the approved total budget (in the project's currency). Deviations from a single budget line of more than 20 % need the prior approval by CACH.
15. If due to a lasting, significant rise of the local price level the project cannot be implemented with the funds already granted, CACH's donation will not be automatically adjusted.

### **Receipts**

16. All expenses need to be documented by sound supporting evidence verifiably related to the project.
17. Receipts must adequately document the transaction of funds in exchange for a received service, good or work. Receipts submitted must include at least the following information: recipient/contractor's name and address, element of evidentiary value (logo, signature etc.), receipt number, project reference number, billing date, reason for expense, amount, and – in case of currency exchanges – exchange rate applied.
18. Expense vouchers for remuneration of personnel within the project must contain at least the following information: project reference number, employee's task within the project (including terms of reference or job description), place of work, period of work, working hours or percentage, amount paid, employee's signature or proof of payment by bank voucher.
19. If relief goods were purchased and distributed, the distribution must be recorded by adequate means. At least the following information must be available: date and place of distribution, name and signature of recipient, recipient's location, amount and type of relief goods received by recipient, name and signature of officer responsible for distribution.

### **Procurement / Commissioning**

20. The Partner shall define and enforce a procurement and commissioning procedure considered professional, fair, impartial, transparent and appropriate. The following basic principles shall be respected:
  - Fairness: Contracts shall be awarded to those bidders who offer the best value for money. The value shall be determined on the basis of criteria (e.g. quality, availability, delivery time, capacity and reliability of bidder, specific risks etc.) defined in advance by persons independent of all suppliers.
  - Transparency: Contracts to be awarded shall be put out to tender on the broadest base possible. The evaluation criteria shall be made accessible to all bidders. The entire commissioning process shall be public insofar as no privacy rights are affected.
  - Equality of treatment: The procedures shall ensure that all bidders enjoy equal opportunity and equitable treatment (e.g. no bidder is given privileged access to information).
  - Anti-corruption: Bidders must commit themselves to a strict anti-corruption policy. Bidders that demonstrably follow / followed corrupt, fraudulent, extortionate or otherwise illegal practices shall be excluded from the commissioning process.
  - Traceability: All decisions shall be documented in due form with the relevant documents such as minutes, tender or bid documents kept available for at least ten years.
21. For contracts and purchases of more than the equivalent of CHF 5000, at least three written quotations shall be obtained. For contracts of more than the equivalent of CHF 10'000, the quotations shall be obtained by means of a tender procedure. This means that the contract as well as the evaluation criteria shall be defined in a formal document that is sent simultaneously to potential bidders (permissible only < 100'000 CHF) or made public via internet, newspaper etc. (compulsory  $\geq$  100'000 CHF).

### **Duties and taxes**

22. The Partner seeks exemption from duties and taxes.

### **Financial reporting**

23. As a matter of routine, the Partner shall supply CACH with the annual profit and loss statement and balance sheets of the entire institution without delay. If the Partner is to hand in financial reports to national authorities, the Partner shall provide a copy of the reports to CACH.
24. As a matter of routine, the Partner shall supply CACH with detailed financial reports on the project according to the reporting schedule defined in the overview.
25. If the project is or will be co-funded by other parties, the Partner shall immediately and autonomously inform CACH about the cooperation and grant access to all relevant documents.

CACH reserves the right to get into contact with any other party involved in the project or funding the Partner.

#### **Use of funds**

26. Project funds not used immediately shall be deposited in hard currency generating interest. Income so accruing is to be accounted for in the statements of accounts, indicating the relevant exchange rates.
27. Any surplus funds, i.e. any funds donated and transferred by CACH but not used in the project as planned, shall be used according to the directives given by CACH.

#### **Archiving**

28. After completion of the project, the Partner shall secure all relevant business records and hold them available for another ten years at least. If this be not possible in the partner's country, the partner shall inform CACH before the end of the project and – upon request – hand over all relevant documents to CACH.

#### **Human resources**

29. The Partner is responsible for employing qualified staff suited for the task of implementing and administering the project. Before taking on an assignment, the respective staff member is to get a adequate introduction and – if needed – a proper training.
30. In recruiting staff, the Partner is to respect the project's budget and the organisational structure or list of positions agreed upon with CACH.
31. The Partner is to sign working contracts with all staff members involved in the project. The staff contracts are to include the exact job description, his/her duties and rights as well as his/her salary and other benefits. In the staff contract, the Partner is to define how many working hours or what percentage of the job are to be devoted to the project.
32. The Partner is to ensure that staff working for the project record and document their working time in due form. Working time not accounted and documented for in due form must not be charged to the project's account.
33. A list of all staff members working for the project shall be kept, including the following details: staff member's name, address, contact details, ID number, job title, contract details (reference number or starting date etc.)
34. All documents related to the costs of personnel (contracts, personnel files, payrolls) must be made available for audit purposes.

#### **Conflict of Interests**

35. The Partner ensures that situations of conflicts of interests are avoided or immediately terminated. The Partner shall inform CACH without delay of any situation constituting or likely to lead to any such conflict. Considered a conflict of interests are situations in which a person's ability to exercise its function in an impartial and professional manner is undermined by extraneous factors such as social ties, political, ethnical, national affinity, economic interests etc.

#### **Public Relations and Visibility**

36. The Partner shall respect the public relations and visibility guidelines of CACH and its donors.
37. In its publications about the project, the Partner shall mention the support of CACH and its donors. Copies of these publications shall be transmitted to CACH.

#### **Evaluation**

38. CACH may commission an external evaluation of the project or parts of it. The Partner is to facilitate the evaluator in due form, especially by logistical means, by fostering open exchange with staff members, beneficiaries and third parties, and by allowing free access to all project related sites, documents and systems.





**Audit**

39. The Partner shall commission an external, independent, professional auditing company approved by CACH to carry out an audit of its accounting and general management system according to the auditing timetable defined in the overview. If CACH's financial contribution to the project is less than CHF 100'000.- in total, the audit is not mandatory.
40. The Partner shall ensure that at least every 3 years the contract is given to a different auditing company.
41. The auditing company's mandate is jointly determined by the Partner and CACH.
42. The contract shall be awarded solely to auditing companies which ...
  - are member of the profession's relevant associations and expert bodies.
  - meet all legal requirements and hold all necessary permissions.
  - are considered professional and are recommended by trustworthy organisations.
  - are internationally recognized.
  - are independent from the Partner and are not in a situation of conflict of interests.
43. The contract with the auditing company shall include the following clauses:

"The auditor will not divulge any information he had access to due to his/her mandate, neither before nor after termination of his/her contract. Any document prepared by the auditor in the context of this mandate remains the property of the mandatory. The mandatory and its donors shall have the right to decide on its use. If the mandatory or its donors decide to take legal action, the auditor is bound to disclose any means of proof to which he may have access."
44. Based on their initial risk assessment, the auditors are to plan and execute their audit activities so to exclude with reasonable assurance any relevant misrepresentation of the actual facts in the organisation's annual profit and loss statement, balance sheets and financial project reports. Furthermore they are to localise with reasonable assurance any relevant institutional and/or financial risk arising from the organisation's accounting or general management system. For that purpose, the auditors are to collect objective evidence to permit an informed judgement about the status and effectiveness of the organisation's working, especially in the implementation of the project.
45. The auditor is to hand in an audit report and a management letter. In his reports the auditor is to point out the strengths as well as the shortcomings of the audited systems and to indicate ways of improving them.
46. The Partner shall answer the reports in a management response in which the audit's crucial points are commented and concrete steps are defined by means of which possible shortcomings shall be tackled.
47. The Partner shall ensure the implementation of the defined measures and record the implementation's progress in a progress report.
48. The Partner shall forward the signed auditor's report and management letter as well as its signed management response, relevant meeting minutes and progress reports to CACH.
49. CACH reserves the right to commission an external auditing company in its own right to carry out an audit of the project or the Partner's organisation.

For the Partner

Place, Date: ... *BMC 29. Mar. 2018* .....

Signature

*[Signature]*  
*[Signature]* *Sam. Serey Wathaus.*

## Appendix V: Code of Conduct Child Protection

Staff involved in the project must be aware of the risk of child abuse and recognise particularly risky situations. They must do everything to protect children from abuse and shall plan and execute their tasks in a way that the chance of abuse is eliminated or at least minimised. Specifically, this refers to:

### Sexual or physical contact

Sexual contact of any kind with children, i.e. persons under the age of 18, is prohibited regardless of local ordinances on legal age. This includes other inappropriate physical conduct – such as washing, undressing, or taking children to the toilet when they are able to go on their own. Sexual allusions in word, gesture or any other form are prohibited.

### Physical punishment

Any type of physical punishment is prohibited.

### Exploitation, extortion

Any form of exploitation or extortion is prohibited. In particular, it is forbidden to demand, expect or accept sexual or other illegitimate forms of service from children or adults in return for goods, assistance and the like.

### Emotional mistreatment

Subjecting children or adults to belittling, humiliating, embarrassing or demeaning treatment or other forms of emotional mistreatment is prohibited.

### Discrimination

Any form of discriminatory behaviour is prohibited, i.e. no child or adult may be treated differently on the basis of extraneous criteria such as race, religion, ethnical background, political views and the like.

### Person-to-person contact

Whenever possible, personnel should not come into contact with children during their work without at least one other adult present. If this is not possible, at least one other adult is to be informed in advance about the contact with the child. Whenever possible, contact should take place in a location that can be easily monitored by other personnel.

Personnel are prohibited in principle from harbouring children, inviting them to their homes, or spending the night in the same room with them unless they have the right of custody over the child.

### Employment

Children must not be employed in any project co-funded by Caritas Switzerland.

### Offensive material and intoxicating substances

The consumption, possession, manufacturing and distribution of child pornography is prohibited. Personnel are prohibited from bringing children purposely or negligently into contact with pornographic materials, alcohol or other intoxicating substances.

### Film and photography

Personnel must ensure that the dignity of the child is guaranteed when children are being filmed or photographed. In particular, they must ensure that graphic material cannot be misused for purposes of satisfying sexual or other illegitimate needs.

### Information flow

Personnel are prohibited from making it difficult in any manner for children to contact persons in whom they wish to confide. Personnel have an obligation to report any reasonable suspicion of abuse to their superior.

For the Partner

Place, Date: ... *Gene 29. Mar. 2019* .....

Signature

*[Handwritten signature]*  
*[Handwritten signature]*  
*Sam. Serey Nathans.*

## Appendix VI: Code of Conduct Fighting Corruption

Every form of corruption is forbidden. In particular, the following types of conduct are prohibited:

### Offering bribes (active bribery)

Whoever offers, promises or grants representatives of authorities, companies, and partner organizations etc. an improper advantage in return for an official action to be taken in a certain way makes him/herself guilty of active bribery. Classified as improper are all inducements – both material and immaterial – that exceed the socially acceptable norm, and are more than trivial.

### Accepting bribes (passive bribery)

Whoever, as a representative of CACH or its Partner, demands, expects or accepts an improper advantage from others in return for an official action to be taken in a certain way makes him/herself guilty of passive bribery. Classified as improper are all inducements – both material and immaterial – that exceed the socially acceptable norm, and are more than trivial.

### Unlawful Offering of Benefits

Whoever offers, promises or grants to representatives of authorities, companies, partner organizations etc. an improper advantage with a view to the future behaviour of such representatives, makes him/herself guilty of unlawful offering of a benefit. Classified as improper are all benefits - both material and immaterial - that exceed the socially acceptable norm, and are more than trivial.

### Unlawful Acceptance of Benefits

Whoever, as a representative of CACH or its Partner, demands, expects or accepts an improper advantage from others with a view to his/her future behaviour as a representative, makes him/herself guilty of unlawful acceptance of a benefit. Classified as improper are all benefits - both material and immaterial - that exceed the socially acceptable norm, and are more than trivial.

### Embezzlement

Whoever makes illicit use of, or misappropriates, the means or authority entrusted to them, in order illegitimately to enrich himself or a third party, makes himself guilty of embezzlement.

### Theft

Whoever takes things away from someone, in order illegitimately to enrich himself or a third party, makes himself guilty of theft.

### Fraud

Whoever - with the intention of enriching himself - maliciously deceives someone or causes them damages, makes himself guilty of fraud.

### Breach of Trust

Whoever, as a representative of Caritas or its Partner – in violation of his/her duties and obligations – causes or permits Caritas or its Partner's property to suffer damage, commits a breach of trust.

### Coercion

Whoever applies force or threats of severe disadvantages to compel someone to do, omit or tolerate something, makes himself guilty of coercion.

### Sexual Coercion

Whoever applies force or threats of severe disadvantages to compel someone to commit acts of sex, makes himself guilty of sexual coercion.

For the Partner Organisation

Place, Date: ..... *ASMC 29. Nov 2018* .....

Signature

*[Handwritten signature]*  
*[Handwritten signature]* Sam. Serey Nathans.