

## General Conditions of Cooperation

plan:g

**NB: plan:g is ready to guide partners through the contracting process using various online collaboration tools such as email, Skype or the plan:g intranet. Contact us at [www.plan-g.at/program-contact](http://www.plan-g.at/program-contact)**

### § 1. Preamble: background and objectives

1. plan:g Partnership for Global Health, a foundation of the Catholic Church (diocese Feldkirch, Austria), is a human rights-oriented organisation of development cooperation that works in the health sector.
2. The overall objective of plan:g is to combat poverty and deprivation in developing countries through a structural improvement of health systems.
3. The specific objective of plan:g is to overcome stigmatising poverty diseases and to promote the sustainable development of health sectors.
4. In accordance with the UN Human Rights Convention and the UN Disability Rights Convention, plan:g strives for inclusion. It stands on the side of the marginalised, the oppressed and the poor, irrespective of the person concerned.
5. plan:g appreciates the multiple interdependencies between countries, peoples and individuals in a globalised world. Therefore, development education in Austria is among plan:g's priority intervention fields.

### § 2. Conditions of cooperation

1. plan:g and the Project Partner shall agree on a relationship of equals. Neither partner shall be an agent or representative of the other.
2. plan:g and the Project Partner shall exchange statutes and registration documents prior to engaging in cooperation.
3. By signing a cooperation agreement with plan:g, the Project Partner agrees under penalty for perjury that it is registered and in compliance with all applicable national state filing and licensing requirements necessitated by the work that is performed under this agreement.
4. The Project Partner shall respect human rights and applicable environmental legislation including multilateral environmental agreements, as well as internationally agreed core labour standards and data protection standards.
5. The Project Partner shall not use confidential information for any aim other than fulfilling his/her obligations under this contract.
6. The Project Partner undertakes to carry out these activities in accordance with all applicable guidelines, namely plan:g's Corruption Prevention Guidelines, Child Protection Code of Conduct, and the Code of Conduct on Images and Messages.
7. plan:g must be notified in writing without delay of any conflict of interests which may arise before or during performance of the project. In the event of such conflict, the Project Partner shall immediately take all necessary steps to resolve it.
8. All funding shall be used in keeping with the precepts of economy, thriftiness and efficacy and in accordance with the terms of the respective agreement.

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9. plan:g reserves the right to visit the Project Partner on site and to carry out an M+E mission of the project's activities and finances, in order to advance mutual learning, and to increase efficiency and effectiveness.
10. Also, authorised representatives of plan:g shall have the right to view the project supported at any time and, in consultation with the Project Partner, to look through the books and receipts and examine the documentary evidence presented. The Project Partner shall give these persons all the information necessary to ascertain the appropriate and correct use of the funds or to undertake an evaluation/project monitoring.
11. The Project Partner must nominate and communicate to plan:g the persons responsible for the realisation of the project by signing a cooperation agreement.
12. plan:g is to be informed immediately of any changes with regard to the person(s) responsible for the project, account details or contact details (email, telephone number).
13. Programme or project activities are the subject of special agreements. The Project Partner shall implement the project under his/her own responsibility and in accordance with these agreements in view of achieving the objectives laid down therein.

### § 3. Liabilities

1. plan:g cannot under any circumstances or for any reason whatsoever be held liable or responsible for any loss, accident, damage or injury suffered by any person executing project implementation, including any necessary travel, or as a consequence of project implementation.
2. Insurance coverage for any such loss, accident, damage or injury is the Project Partner's responsibility.

### § 4. Visibility

1. The Project Partner agrees to provide plan:g with visual material and background information.
2. plan:g grants the partner a non-exclusive, limited licence to use the plan:g logo, other branded information, and project material.
3. In the event that the cooperation agreement ends, the licence granted to use the plan:g logo and other material ends at the same time.
4. Special regulations apply as to co-financing organisations.

### § 5. Accounting

1. All plan:g funds are earmarked grants and should not be used for any other purpose than stated in the approved budget without prior written consent.
2. Only expenditures made within the implementation period are eligible.
3. The responsibility for all expenditures is held by the Project Partner. Expenditures should be necessary to achieve the objectives of the project. Budget controls must be executed on a regular basis by the Project Partner. An up-to-date budget control must be submitted with every financial report.
4. Internal controls should be present in the form of a delegation of power, separation of duties, cash controls and physical checks.
5. The Project Partner shall do all bookkeeping on site in accordance with legal regulations and guidelines.

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6. The Project Partner shall set up a separate bookkeeping system for plan:g project funds. The use of computerised bookkeeping software is highly recommended.
7. The Project Partner must open a separate bank account for plan:g funds, to be used exclusively for all project receipts and payments. NOTE: This is not necessary for projects in which GLRA country offices are involved and in which funds are transferred to the partners via the GLRA in-country account. The Project Partner's official designation as a legal entity shall be the designation of the account holder. Before the first instalment is transferred, the Project Partner shall inform plan:g of the names of the authorised signatories, i.e. the persons who will have access to the account. Bank accounts should be opened only within the project country; foreign accounts shall require prior consent from plan:g.
8. The Project Partner shall set up a separate cash box and cash book for the purpose of the project.
9. All expenditures must be accounted for with an original receipt. Original receipts may remain with the Project Partner, however they may be examined at any time during an inspection by plan:g or a commissioned auditor. If senior co-financing agreements with co-financing organisations require original receipts, these must be delivered to plan:g by the Project Partner.
10. All receipts concerning income and expenditures must be clearly related to the project, devaluated by a posting stamp and include the following information: receipt number, project number, date, payment recipient, reason for expense, quantities and amount, budget line and the signature of the person receiving the amount. They need to be filed in a way that third parties can easily find the receipts stated in the financial reports, i.e. by using a unique receipt number.
11. Receipts must be legible and – if necessary – translated into the reporting language.
12. The funds allocated to this project shall be transferred in successive instalments. All instalments shall be paid upon presentation of a 'Request for Disbursement'.
13. The timely planning of liquidity is the responsibility of the Project Partner.
14. The grant made available to the project is shown in euros. The amount granted may not be fully disbursed ('up to' grant approval), especially if actual expenditure turns out to be lower than originally estimated or efforts to increase local and/or third-party contributions have been more successful than expected.
15. The shifting of funds up to 20% between the main budget headings is possible if additional expenditures in one budget heading can be covered through savings in other budget headings within the total budget approved. Prior approval is required from plan:g for the shifting of more than 20%.
16. All funds remaining from the plan:g grant at the end of a year shall be reported to plan:g and considered part of the following year's grant (deduction from instalments), unless agreed otherwise with plan:g.
17. On receipt of each instalment, the Project Partner shall send plan:g a statement or receipt from the bank stating the equivalent received in national currency. This also applies to funds received directly from other plan:g co-financing organisations for the project.
18. If any interest is earned on the funds received from plan:g, this shall be duly shown in the financial report. plan:g shall decide whether and how this credit interest shall be used for the project; interest earnings may be deducted from the following grant instalment. The same applies for budget underspending due to currency gains. In the

event of currency gains, written consent from plan:g is necessary for the use of currency gains.

## § 6. Logistics, procurement and inventory

1. In the event that supplies are needed for project activities, the Project Partner shall set up and cover the logistics and core responsibilities in the fields of **logistics, procurement and inventory**.
2. The Project Partner shall be responsible for ensuring an uninterrupted and transparent supply chain. Steps in the supply chain are: request → purchase → delivery → stock management → distribution. To ensure transparency, the Project Partner must establish, follow and document logistics, procurement and inventory procedures.
3. Procurement: Depending on the purchase volume, different types of procurement and tendering procedures exist for fulfilling international requirements. Contracts must be awarded in accordance with procurement rules and procedures, ensuring sufficient transparency, fair competition and adequate ex-ante publicity; guaranteeing equal treatment, proportionality and non-discrimination; avoiding conflicts of interests throughout the entire procurement procedure. Contracts must not be split artificially to circumvent procurement thresholds.
  - a. Awarding without tendering / On-the-spot purchasing: ≤ EUR 500  
For goods, works or services under a value of EUR 100 (incl. tax), a supply procurement request must be raised and authorised before the purchase. Once the request is authorised by the Project Partner's manager, the goods, works or services can be purchased directly from the supplier. Only the supplier's invoice is required. It is up to the allocation office to decide whether different prices should be evaluated. However, a request should be issued and the procurement must be recorded.  
On-the-spot purchasing involves purchasing in a shop (go there, select and take away) without tendering. Purchases can be made on this basis, but appropriate means should be used to ensure that only reasonable prices are paid.
  - b. Competitive tendering: EUR 500.01 up to EUR 5,000  
For goods, services or works valued between EUR 500.01 and EUR 5,000 (incl. tax), at least three offers must be obtained and compared. Once a purchase request has been raised, a 'Request for Quotation' is prepared and submitted to a limited number of potential suppliers.  
The allocation decision must be explained in a Comparative Bids Analysis. The order must then be placed in writing by issuing a local purchase order to the successful supplier. Both the Comparative Bids Analysis and local purchase order are signed by the responsible Project Partner's manager. The supplier should also sign the purchase order for acceptance of the order.  
The process of internal decision making leads to an allocation decision which must be documented in a Comparative Bids Analysis. The evaluation procedure should include an administrative, a technical and a financial evaluation. Criteria for the allocation decision are: prices, delivery conditions, quality of goods, delivery dates, warranty/after-sales service, spare parts availability, technical aspects (local usefulness and distribution, technical experience and performance), and general plausibility.  
The allocation decision must be explained in the Comparative Bids Analysis according to the criteria, and filed as supporting documentation to the supplier's invoice.

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c. Restricted tendering: EUR 5,000.01 up to EUR 30,000

For any procurement starting from a value of EUR 5,000.01 up to EUR 30,000 (incl. tax), a tender document (or invitation to tender) must be sent to a limited number of suitable suppliers. All terms and conditions for delivery and payment must be included in the tender document. The closing date for submission of quotes must give the supplier enough time to make his/her offer. After the closing date, the offers are opened and evaluated. An opening protocol is necessary for tenders which list all companies that were included in a tender. A minimum of three persons must be present and sign the protocol when offers are opened.

The process of internal decision making leads to an allocation decision which must be documented in a Comparative Bids Analysis. The evaluation procedure should include an administrative, a technical and a financial evaluation (criteria: see above) that shall be documented and filed as supporting documentation to the supplier's invoice.

d. Public tendering:  $\geq$  EUR 30,000.01

Starting from a value of EUR 30,000.01 (incl. tax) upwards, plan:g headquarters must get involved. Approval for local procurements must be granted in writing. The procurement of commodities or services above EUR 30,000.01 in value requires the publication of a 'Call of Interest' in a local newspaper. A Comparative Bids Analysis is mandatory and must be documented (see above).

4. Whenever possible, the Project Partner shall invite tenders before concluding a building contract. In cases where this seems impossible, plan:g shall be informed and the reasons explained. The same applies to contracts for the purchase of equipment, services or other investment goods through tendering.
5. Assets bought with plan:g funds are inventoried in an inventory list if their value at the time of purchase is above EUR 100. Items purchased with funds from other co-financing partners that channel funds through plan:g are inventoried according to the regulations of the specific co-financing agency. In the event that a co-financing organisation does not have regulations, plan:g regulations apply.
6. Assets must be used in an efficient and economical way. Their use and maintenance must be monitored by the Project Partner. All assets must be identifiable with a unique inventory number and labelled.
7. Vehicles, motorcycles, land, buildings or other assets provided through plan:g shall only be used for project activities. They shall neither be sold nor transferred without prior written permission from plan:g. It is not permitted to sell or transfer ownership of general and medical equipment or any materials provided by plan:g without prior written permission from plan:g. Income of sold assets is immediately reported to plan:g, so that the amount can be deducted from future instalments to the project.
8. The private use of vehicles and motorcycles is not permitted. A logbook must be established and maintained. The logbook and operational running costs must be recorded and controlled regularly.
9. All assets must be duly insured.

## § 7. Obligations to provide financial and narrative reporting

1. The Project Partner must provide plan:g with all required information on the implementation of the project. To that end, the Project Partner must draw up narrative and financial reports in the given formats and also immediately after completion of the

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project. Financial and narrative reports should show as clearly as possible to what extent the purpose of the project has been achieved.

- a. Delays in the provision of these reports lead to delays in the disbursement of funds by plan:g.
  - b. Specific reporting periods may be applicable depending on particular co-financing organisation requirements.
  - c. All financial means used for the project, i.e. funds disbursed by plan:g or any interest earned on the bank account, shall be shown in full.
  - d. Financial reporting shall cover all current project receipts and payments, liabilities and receivables as well as bank and cash reconciliation. The financial report shall be provided in the national currency euro.
  - e. Financial and narrative reporting shall be drafted in the currency and language of this contract.
  - f. Reporting shall cover the project as a whole, regardless of which part of it is financed by plan:g; yet clearly indicating which part.
  - g. Reporting requirements for building projects: The Project Partner shall also provide the following: comprehensive information on the results of the process of inviting and selecting tenders; photographs showing the new buildings; certificates of the architects or independent experts; acceptance of work by local hierarchies; building permits; in the event of purchase of property, the contract certified by a notary etc.
2. The Project Partner must notify plan:g immediately of any significant event within the project which may affect the achievement of objectives, budget and payment plan.

### § 8. Audit

1. For projects receiving EUR 50,000 or more funding per year from plan:g, an audit report must be sent no later than by 30 June of the following year. Audits shall be conducted by an independent external and qualified auditor and on the basis of plan:g's standard ToR. If necessary, the scope and audit ToR should be modified in accordance with plan:g.
2. Audit costs are part of the agreed project budget.
3. In the event of co-financing organisation requirements or other circumstances, audits can be imposed by plan:g for projects smaller than EUR 50,000.

### § 9. Right of withdrawal and reservations

1. Should the Project Partner fail to comply with any of the General Conditions, plan:g reserves the right to suspend payment of any further instalments until the issue has been resolved, or the reasons for such non-compliance have been clarified.
2. If the reasons for non-compliance are not clarified and if non-fulfilment of a condition persists, plan:g will demand reimbursement of all funds already placed at the Project Partner's disposal.
3. plan:g can suspend its support or altogether withdraw from the cooperation agreement and reclaim the amounts already disbursed if the Project Partner does not fulfil all contractual obligations, if the information on which the funding of this project is based was incomplete or incorrect, or if successful implementation of the project is otherwise gravely jeopardised or made impossible by force majeure. The same shall apply if the implementation of the project is not started within a period of six months.

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4. If plan:g's source of funds claims non-eligible costs or interests for failure to comply with the allocation, plan:g reserves the right to claim those non-eligible costs or interests from the Project Partner.

Any amendment to this contract, including the annexes thereto, shall be set out in writing. These general conditions are part of any financing grant contract and can be modified only during its execution period.

The place of jurisdiction shall be exclusively Bregenz, in accordance with the law of Austria.

**plan:g**  
**Partnership for Global Health**

Version history:

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