



AFRICAN UNION
**INTERAFRICAN BUREAU
FOR ANIMAL RESOURCES**

SUB-DELEGATION MANUAL

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Contents

- I. TABLE OF ACRONYMS 6
- II. BASIC DEFINITIONS 7
 - A. Sub-delegation: 7
 - B. NGO..... 7
 - C. International organization 8
 - D. Asset..... 8
- III. BACKGROUND 8
 - A. AU-IBAR..... 8
 - B. Sub-delegation of activities by AU-IBAR 10
- IV. INTRODUCTION 10
 - A. Rationale for developing a sub-delegation manual 10
 - B. Objective of the sub-delegation manual 11
 - C. Users and beneficiaries of the manual 11
 - D. Compliance with legal frameworks..... 11
- V. THE SUB-DELEGATION PROCESS 12
- VI. PRE-ENGAGEMENT OF SUB-DELEGATEES 13
 - A. Identification and selection of sub-delegatees..... 13
 - 1. Selection methods 13
 - 2. The process of call for proposal 14
 - 3. Exceptions 15
 - B. Modalities of assessment 16
 - C. Domains to assess 16
 - D. Assessment process 17
- VII. ENGAGEMENT 18
 - A. AWARD AND NEGOTIATION OF CONTRACTS..... 18
 - 1. Notification of applicants..... 18
 - 2. Contract negotiation and signature 19
 - 3. Publishing the list of successful sub-delegatees 19
 - B. INITIAL ORIENTATION 19

C.	PREPARATION OF WORKPLAN AND BUDGETS	19
VIII.	IMPLEMENTATION	20
A.	PROCUREMENT	20
1.	Procurement procedures	20
2.	Responsibility for conducting procurement activities	20
3.	Procurement methods and time scale for bid submission	21
4.	Procurement of consultancy services	21
5.	Evaluation of Quotations/bids	22
6.	Request for no-objection	22
7.	Award of contract	23
8.	Notification of award	23
9.	Preparation of Purchase order or Contract	23
10.	Receiving and inspection of goods.....	23
B.	Human resources	24
C.	Accounting procedures and financial reporting	24
1.	Languages to be used by sub-delegatees for accounting and financial reporting	25
2.	Accounting procedures	25
3.	Bank accounts (signatories, separate account, currencies).....	25
4.	Financial reporting:	26
5.	Supporting documents.....	26
6.	Channel of communication - updates - support services	27
7.	Eligible and non-eligible costs.....	27
8.	Deviation from budget.....	28
9.	Allocation of overheads and shared staff costs	28
10.	Administrative costs.....	28
11.	Fraud, misuse or corruption.....	28
D.	Recovery for ineligible expenditures	29
E.	Assets	29
F.	Intellectual property rights	29
G.	Contribution from sub-delegatees.....	29
H.	Technical reporting and archiving.....	30
1.	Reporting:	30

2.	Archiving:	30
I.	Visibility & communication	30
J.	Audits, Reviews, Checks and Investigations	31
1.	Right to carry out audits, reviews and checks	31
2.	Consequences of findings in audits, reviews, checks and investigations	32
IX.	MONITORING AND EVALUATION OF SUB-DELEGATEES	32
A.	Implementation of the M & E plan developed in advance:	32
B.	Development and revision of the logical framework:	32
C.	Data collection:	33
D.	Data analysis:	33
E.	Reporting and sharing of information:	33
F.	Capacity development in M&E:	33
G.	Planning.....	33
H.	Mid-term reviews:.....	34
X.	RISK MANAGEMENT	34
XI.	CAPACITY DEVELOPMENT OF SUB-DELEGATEES	34
A.	Capacity development approach	34
B.	Capacity Development Domains.....	35
1.	Governance:.....	35
2.	Administration:	35
3.	Human Resource Management	36
4.	Organizational management	36
5.	Financial Management.....	36
6.	Program Management.....	36
XII.	CLOSE-OUT.....	37
A.	Handover of assets.....	37
B.	Final reporting.....	37
C.	Final evaluation.....	37
D.	Final audit.....	37
E.	Scheduled close-out.....	37
1.	Complete closure – Phase out	37
2.	Gradual shut down – phase down	38

3.	Transfer – phase over	38
F.	Termination.....	38
XIII.	Review and update of the manual.....	39
XIV.	ANNEXES:	39

I. TABLE OF ACRONYMS

AR	Animal Resources
AU	African Union
AUC	African Union Commission
AU-IBAR	African Union – Interafrican Bureau for Animal Resources
CAADP	Comprehensive Africa Agriculture Development Programme
CFP	Call For Proposals
DREA	Directorate for Rural Economy and Agriculture
DP	Development Partners
DSA	Daily Subsistence Allowance
FAO	Food and Agriculture Organization (of the United Nations)
IPSAS	International Public Accounting Standards
M&E	Monitoring and Evaluation
MS	Member States
NGO	Non-Governmental Organization
OCA	Organizational Capacity Assessment
OIE	World Organisation for Animal Health
REC	Regional Economic Community
RFB	Regional Fisheries Body
RFMO	Regional Fisheries Management Organizations
RFP	Request for Proposals
TP	Technical Partners
ToR	Terms of Reference

II. BASIC DEFINITIONS

The following terms are found in several instances in the manual. For purposes of clarity, their definition is provided below:

A. Sub-delegation:

Sub-delegation is an institutional arrangement between two partners for implementation of activities, where implementation tasks are effectively delegated by the implementer to a Sub-Delegatee. The degree of sub-delegation may vary depending on the number and the nature of implementation tasks effectively. The degree of sub-delegation is based on the possible combination of two implementation tasks:

- i) Sub-delegation of procurement, contracting of grants and management of financial instruments. In this case the Sub-Delegatee concludes contracts for procurement, grants and Financial Instruments with third parties but it is the Entity who makes the payments to Third parties; and/or
- ii) Sub-delegation of financial management (payments).

Consequently sub-delegation may range from minimal (or partial) sub-delegation to maximal (or full) sub-delegation as follows:

- Minimal (or partial) sub-delegation

The Sub-Delegatee is responsible for contracting either in accordance with its own procedures or in accordance with the procedures of the Entity. However, the Entity, and not the Sub-Delegatee, has the final decision on the amounts to be paid / recovered and makes all the related payments to Third parties. There is no delegation of financial management to the Sub-Delegatee.

- Maximal (or full) sub-delegation

The Sub-Delegatee is responsible for concluding contracts for procurement, grants and Financial Instruments with Third parties – either in accordance with its own procedures or the procedures of the Entity - and for the financial management (including payments to Third parties) of these contracts.

B. NGO

A non-governmental organization (NGO) is any non-profit, voluntary citizens' group which is organized on a local, national or international level. Task-oriented and driven by people with a common interest, NGOs perform a variety of services and humanitarian functions, bring citizen concerns to Governments, advocate and monitor policies and encourage political participation through provision of information. Some are organized around specific issues, such as rural development. They provide analysis and expertise, serve as early warning mechanisms and help monitor and implement international agreements. Their relationship the African Union Organs differs depending on their goals, their venue and the mandate of a particular institution.

C. International organization

An international organization is an organization with an international membership, scope, or presence. There are two main types of international organizations:

- International nongovernmental organizations (INGOs): non-governmental organizations (NGOs) that operate internationally.
- Intergovernmental organizations, also known as international governmental organizations (IGOs): the type of organization most closely associated with the term 'international organization', these are organizations that are made up primarily of sovereign states (referred to as member states). Notable examples include the United Nations (UN) and its affiliated agencies such as FAO, European Union, World Trade Organization (WTO), and the World Animal Health Organization (OIE).

D. Asset

In financial accounting, an asset is an economic resource. Anything tangible or intangible that is capable of being owned or controlled to produce value and that is held to have positive economic value is considered an asset. Simply stated, assets represent value of ownership that can be converted into cash (although cash itself is also considered an asset).

The balance sheet of a firm records the monetary value of the assets owned by the firm. It is money and other valuables belonging to an individual or business. Two major asset classes are tangible assets and intangible assets.

III. BACKGROUND

A. AU-IBAR

The Interafrican Bureau for Animal Resources (AU-IBAR) is a specialised technical office of the Department of Rural Economy and Agriculture (DREA) of the African Union Commission (AUC). AU-IBAR's mandate is to support and coordinate the utilization of livestock, fisheries and wildlife as resources for both human wellbeing and economic development in the Member States of the African Union (AU).

AU-IBAR implements its mandate through the following core functions:

- Coordinate activities and harmonize policies, guidelines and legislation;
- Facilitate and support the formulation, harmonization and implementation of coherent policies, strategies, guidelines, legislation and investment plans;
- Assist AU MS and RECs in mainstreaming livestock in the CAADP;
- Initiate and coordinate the implementation of relevant projects and activities in collaboration and cooperation with MSs, RECs and development partners;

- Facilitate the formulation and adoption of common positions among MSs and RECs, RFMOs/RFBs, for Africa's leverage in negotiations and other global processes related to ARs;
- Collect, collate, analyse, share and disseminate data, information and knowledge among relevant stakeholders;
- Play an advocacy role on matters relevant to ARs, including for increased engagement of public and private sector as well civil society organizations;
- Provide technical leadership, advisory services and build expertise in RECs and MS;
- Collaborate with research and academic institutions to identify priority needs for research and training;
- Convene, coordinate and host relevant multi-stakeholder initiatives, platforms and secretariats for the development of the ARs in Africa;
- Provide timely and strategic support to countries experiencing emergencies and those with special needs.

AU-IBAR carries out its core functions through various and complementary business processes. These consist of:

- Developing policy frameworks and strategies in consultation with partners, RECs and MSs;
- In consultation with the MSs, RECs and other stakeholders, developing programs and projects to address issues of continental importance and mobilize resources to support implementation;
- Convening multi-stakeholders to build consensus on issues related to AR and improve harmonization of interventions;
- Assembling high level decisions makers and private sectors to raise awareness and build consensus on challenges related to AR;
- Commissioning and guiding research agenda to generate evidence to guide decision making processes;
- Documenting and sharing success stories and lessons learnt to guide decisions making processes;
- Developing modalities for effective partnership and cooperation with DPs and TPs and establish institutional mechanisms for coordination;
- Developing and facilitating development frameworks and decision making tools and guidelines;
- Creating synergy and complementarity with past and on-going initiatives;
- Facilitating the establishment of systems and capacity for data, information and knowledge management;
- Organizing and participating in seminars, trainings, workshops and retreats to enhance in-house and clients' capacity, operations and governance.

AU IBAR implements its actions by its own means or with the support of implementing partners including sub-delegatees. Participatory implementation has increasingly become a part of AU-IBAR's mainstream business practice. This is motivated by the fact that it is central to public policy decision-making and service delivery. AU-IBAR's experiences in working with and through partners has witnessed improved communication, wider community support, improved collection of useful data and ideas, enhanced public sector or corporate reputation and increased sustainable decision making.

B. Sub-delegation of activities by AU-IBAR

Given the mandate and the role of AU-IBAR, depending on the nature of activities, and the added value they can provide, these sub-delegatees may include African Union Member States, a public body of one of the AU Member States, Regional Economic Communities, NGOs, International organizations, or research organizations.

Several continental or regional projects implemented by AU-IBAR use RECs as sub-delegatees, in line with the AU policy which considers RECs as the building blocks of the African Institutional Architecture, and recommends to implement activities and provide support to MS in collaboration with RECs, when applicable and feasible. Other category of sub-delegatees to which AU-IBAR entrust implementation responsibilities are Member States. To determine which activities are to be sub-delegated to RECs or MS, AU-IBAR applies the principle of subsidiarity, and considers the respective mandates, comparative advantages and the relationships between the partnering institutions involved.

Sub-delegation to NGOs is also used to facilitate implementation of activities in the fields which require presence at the community level. This is also the case for projects implemented in some countries where AU-IBAR cannot be present in the field for security reasons.

Finally, sub-delegation to international organizations or research organizations is envisaged when recourse to specific competencies or implementation capacities is required.

IV. INTRODUCTION

A. Rationale for developing a sub-delegation manual

This manual will provide a step by step guidance on the processes and procedures that sub-delegatees and AU-IBAR should apply in the course of implementing activities sub-delegated by AU-IBAR.

The development of this sub-delegation manual has been guided by several reasons:

Efficiency: Having all the information, procedures, guidelines, and templates easily available to all staff, and all partners will save time and resources. It will not be necessary for each project to spend time to draft its own sub-delegation framework, as it has been the case in the past in the absence of such

document. For all staff, on AU-IBAR or sub-delegatees side, access to all the necessary information related to sub-delegation that may be needed, from a centralized source, will make their work easier.

Need for homogeneous and standardized approach: All sub-delegations activities will now be implemented under the same framework, using the same tools, reporting formats, and the same procedures. This will greatly facilitate implementation, reporting, quality control, monitoring, and transparency.

Transparency: this manual will be widely shared within IBAR, sub-delegatees, and donors, which will make the process of sub-delegation more transparent; it will therefore avoid misunderstandings and possible conflicts between partners.

Safety - Strengthen internal control mechanisms: the entry into force of this document and its related tools will greatly improve the effectiveness of the internal control mechanisms, and will therefore improve the accountability and safety of funds.

B. Objective of the sub-delegation manual

The objective of this manual is to provide a reference point to both staff at AU-IBAR and to sub-delegatees as well as a complete set of procedures applicable in the implementation of activities as sub-delegated by AU-IBAR.

C. Users and beneficiaries of the manual

This manual will assist both AU-IBAR personnel and sub-delegatees. It will also be shared with partners and AUC for optimal transparency of IBAR's sub-delegation activities.

It will be annexed to all partnership agreements signed between AU-IBAR and its sub-delegatees.

D. Compliance with legal frameworks

The modalities of sub-delegation between AU-IBAR and its sub-delegatees will have to comply with the procedures set in this manual, which will be reflected in the partnership agreements signed between the parties.

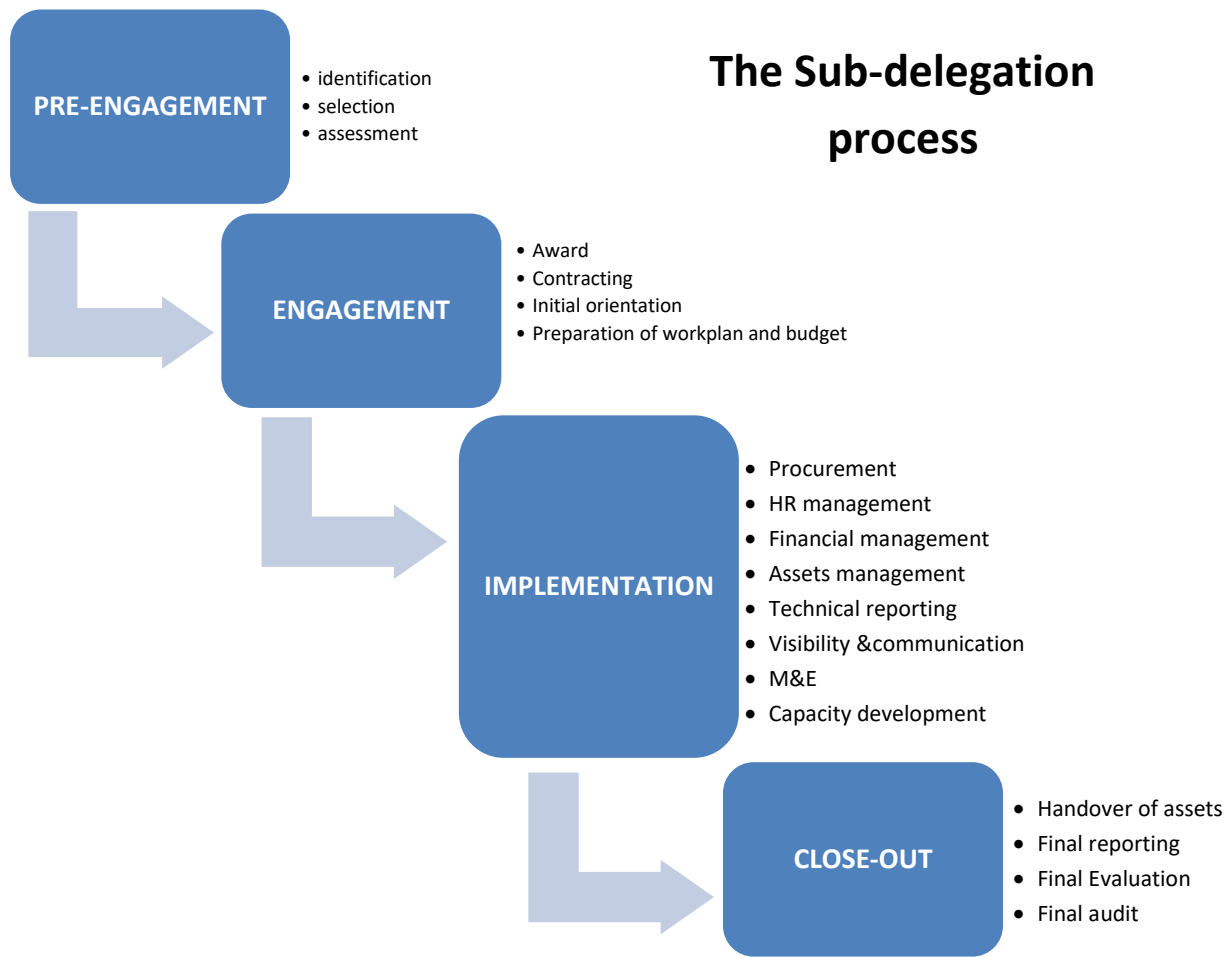
The implementation of sub-delegated activities must comply with the AU overall legal and regulatory frameworks governing AU-IBAR activities, which include: the AU Procurement Manual, the AU Financial

Rules and Regulations, and in the case of activities sub-delegated to RECs, the Protocol on relations between AU and the RECs. All these overall framework documents will be communicated to the sub-delegatees for easy reference during the implementation.

In case this sub-delegation happens in the scope of a donor funded project, they will also need to comply with the conditions of the financing agreement with the partners, which will be reflected and mentioned in the sub-delegation agreement as well.

V. THE SUB-DELEGATION PROCESS

The sub-delegation process is composed of 4 main phases (pre-engagement, engagement, implementation and close out) that will be described in details in this document. The sketch below shows the main activities included in each of the 4 phases.



VI. PRE-ENGAGEMENT OF SUB-DELEGATEES

A. Identification and selection of sub-delegatees

There are different ways to identify and select sub-delegatees, depending of the type of sub-delegatees, the type and the nature of activities to be sub-delegated:

1. Selection methods

The selection method shall be dependent on the type of action and level of sub-delegation.

Open Selection; For continental and regional activities all member states and/or RECs may be eligible for sub-delegation.

Restricted Selection; dependent on the type of action and circumstances some RECs or Member states may be restricted from participating in the implementation of this action. Such cases may include inadequate implementation arrangements, high political risks or inadequate capacities. The restricted selection may be subject to the principle of equal treatment and pre-determined criteria.

Direct Award; there may be instances of limited number of potential sub-delegatees , and if AU-IBAR has a sufficient knowledge of these partners, based on prior experience, sub-delegatees may be selected without recourse to a formal CFP. However a capacity assessment will be undertaken to ensure that implementation arrangements remain adequate.

Call for proposal; A CFP may be restricted or open. A restricted CFP targets pre-selected candidates within a given category of sub-delegation. An open CFP is open to all member states, RECS or NGOs. Calls for proposals are always published on the African Union Commission and AU-IBAR Official websites.

Nature of Sub delegatee	Open selection	Restricted Selection	Direct Award	Call for proposal
Member states (MS)	yes	yes	yes	yes
Regional Economic Communities (RECs)	yes	yes	yes	yes
Non-Governmental Organizations (NGOs)	n/a	n/a	if emergency or monopoly only	yes
International Organizations (IOs)	n/a	n/a	yes	n/a

2. The process of call for proposal

The Guidelines for Applicants (which include the Application Form and other annexes) explain the purpose of the Call for Proposals, the rules regarding the eligibility of applicants and partners, the types of action and costs which are eligible for financing, and the evaluation (selection and award) criteria. They also contain instructions on how to fill in the application form, what to annex to it and what procedures to follow for applying. They give information on the evaluation process that will follow (including an indicative timetable) and the contractual conditions which will apply to successful applicants.

The Guidelines should set out very clearly and in detail the objectives and priorities of the call for proposals, and give particular attention to the eligibility criteria. The guidelines must be published and any modification must be published as well. The information published will become binding on the Evaluation Committee once the date for submission has elapsed.

The person in charge of the CFP shall adapt the evaluation grids for the selection and award of proposals to the nature, objectives and expected results of the call. This set of documents uses the general evaluation grid of the European Development Fund. This has been done for the sake of completeness. These criteria, and in particular awarding criteria, should be adapted. E.g., for research grants, it is envisaged to include the following awarding criteria:

- Scientific and technical quality (relevant to the topic of the call), including progress beyond state-of-art and work plan.
- Implementation (management, individual participants and consortium, allocation of resources)
- Impact (contribution to the expected impacts of the call, plans for dissemination, exploitation)

The Application Form to be completed by the applicants comprises the following parts:

- a concept note
- information about the action proposed, including its budget
- information about the applicant
- information about any partners.

Publicity: In order to ensure the widest possible participation and the requisite transparency, Guidelines for Applicants will be published for every Call for Proposals.

The Guidelines will be published on the Internet and in any other appropriate media (specialised press, local publications, etc.). They will also be available in hard copy from the Contracting Authority. They will be available in the languages appropriate to the context of the Call for Proposals. It is also advisable, after the launch of the call for proposals, to organize one or more information sessions (info-days) which all the potential applicants can attend.

The detailed procedures for launching a call for proposal can be found in the AUC grant manual.

3. Exceptions

In case of emergency or extreme urgency brought about by events that could not be controlled or foreseen by AU-IBAR/Contracting Authority, and if the action requires immediate implementation, the selection method for sub-delegation will be either direct or simplified (on basis of above methods but with simplified procedures). For actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialization or its administrative power, on condition that the actions concerned do not fall within the scope of any of the above methods, a direct award may be used. This may apply on a case by case basis and shall be duly substantiated in the award decision.

Similarly the simplified or direct award may be applicable where the sub-delegation is awarded to a body with a de jure or de facto monopoly, duly substantiated in the award decision. 'De facto' or 'de jure' monopoly means that one of the grant beneficiaries, (or it may also be a consortium), has exclusive competence in the field of activity and/or geographical area to which the grant relates pursuant to any

applicable law; or is the only organization (i) operating or (ii) capable of operating in the field of activity and/or geographical area to which the sub-delegation relates by virtue of all considerations of fact and law.

In all cases AU-IBAR shall prepare a report explaining the manner in which the sub-delegatee was identified and the activities and financial considerations duly disclosed.

B. Pre-engagement assessment of sub-delegatees

1. Modalities of assessment

AU-IBAR will undertake to assess all prospective sub-delegatees to determine whether they have the appropriate capacities to implement. Depending on the assessment outcome, and the risks assessed, AU-IBAR will determine the implementation arrangement and capacity building:

Entity/Stakeholder	Engagement	Capacity building
RECs	Capacity assessment to determine implementation arrangements	YES
MS or national public institutions	Capacity assessment to determine implementation arrangements	YES
Local Non State Actors (NGOs, stakeholders’ organizations).	Capacity assessment to determine eligibility and implementation arrangements	YES
International organizations	Capacity assessment if the organization is not already prequalified through an assessment tool recognized by AU-IBAR as equivalent to its own assessment tool.	NO

2. Domains to assess

Organizational capacity describes a wide range of capabilities, knowledge and resources that organizations need in order to function effectively and efficiently. It is multi-faceted and continually evolving.

Capacity can also be viewed as a function of many different factors: individual capabilities, ways of organizing, cultural norms and physical assets. All these combined enable an organization to work towards its mission.

There are mainly six organizational capacities that are a prerequisite for high performance in an organization. These are (as applicable):

- Governance and leadership: This focuses on the governance structures and oversight roles.
- Human Resources Management: This focuses on the organization's ability to recruit and maintain a satisfied and skilled workforce.
- Administration: This focuses on administrative policies and procedures
- Finance: This focuses on the organization's capacity to develop and apply financial policies and procedures
- Organizational management: This focuses on the organization's ability to operate in a systematic manner.
- Program management: This focuses on the organization's ability to respond to donor requirements and implement programs.

3. Assessment process

The interactive self-assessments will be conducted twice over the course of the project shelf life for which the partner has been engaged.

- OCA: will serve as a baseline; when repeated on an annual basis, the process will allow partners to compare their progress over time. It will bring together key staff from all departments at each partner organization for a one to two day assessment. The value of the first OCA will be in its collaborative self-assessment. It is not intended to be a scientific method but rather the framework will offer organizations a chance to reflect on their current status against recognized best practices. The other values that will be derived from this initial assessment is that it will provide an opportunity for management, administration and program staff to re-orient themselves on how each functions and reinforce the inter-relatedness of the OCA components.
- TOCA (technical organizational capacity assessment): will focus on the partner's capacities to deliver services along the technical scope within which they have been contracted. The assessment will examine the partner's capacities and procedures against global standards for technical program competences, community involvement, service delivery and monitoring. To strengthen their relevance to national and regional strategies, AU-IBAR will encourage and assist

partners to link to national and regional guidelines or frameworks to ensure their programs are compliant with approved protocols.

- CLOCA (close out organizational capacity assessment); this will be the final step in the assessment progression. CLOCA will measure the capacity development or progress over the course of the project shelf life. This will enable the sharing of successes and challenges and the celebration of accomplishments.
- Introduction - Prior to conducting the assessment, the partner will be provided with a letter describing the:
 - purpose of the assessment, the assessment tool, process and schedule;
 - process and confirming the dates of the assessment;
 - a list of documents to have on hand to assist the process;
 - a list of staff members who should participate; and
 - a set of questions for staff and board members to collect inputs in advance of the OCA.
- Scoring and action identification : the objective will be to identify the partner's capacity level in each sub-section of the assessment and the justification for the proposed score.
- Prioritizing – the assessment team will assist the partner to prioritize each issue or domain to inform the action plan.
- Action planning – finalization of the action plan will be done by reviewing the issues and actions proposed. This will capture the gaps in each domain, taking into consideration the capacity score, then formulating the action to be realized, the support required to realize the action, completion date and status. The plan will be linked to measurable outcomes and will be monitored periodically to measure the effectiveness of the strategies.
- Documentation – the assessment team will compile an assessment report that will detail:
 - Scores – this will include the overall organizational capacity score; domain capacity scores; and sub-domains capacity scores;
 - Summary of the available and lacking capacities;
 - Technical assistance needs
- Team – the assessment will be undertaken jointly by a team as follows:
 - Finance officers
 - Procurement officers
 - Technical officers
 - M&E officers

VII. ENGAGEMENT

A. AWARD AND NEGOTIATION OF CONTRACTS

1. Notification of applicants

After AU-IBAR has given its official approval to the final list of sub-delegatees, they are notified in writing. AU-IBAR may also send the unsuccessful applicants a letter informing them that they have not been selected and specifying the reasons.

2. Contract negotiation and signature

AU-IBAR will draw attention to any inconsistencies which may include arithmetical errors or ineligible costs, which were identified during the evaluation process. The Description of the action will be corrected accordingly if need be.

Other clarifications or minor corrections may be brought to the Description of the action or to the budget in so far as they would not call into question the award decision or be contrary to the equal treatment of applicants.

3. Publishing the list of successful sub-delegatees

Once the contracts have been signed, AU-IBAR will prepare a notice of award for each call for proposals or direct award and publish it in the AUC and AU-IBAR websites within three months.

B. INITIAL ORIENTATION

An orientation session will be organized before the beginning of the implementation phase and prior to any disbursement of funds to sub-delegatees.

Staff to be trained at sub-delegatee level will include the project coordinator or focal point for the action, the accountant/administrator in charge of the action, the procurement and M&E officers and any other staff playing a key role in the implementation of the action.

The standard inception course outline for sub-delegatees will include in particular the following modules:

- Presentation and domestication of project documents, logframe, strategic approach, workplan, budget;
- Procurement procedures;
- Accounting procedures;
- Reporting procedures;
- M&E data collection tools (M&E framework).

C. PREPARATION OF WORKPLAN AND BUDGETS

Another important step of the engagement phase will be the preparation of workplans and budgets for sub-delegated activities.

Workplans and budgets will be developed in partnership between sub-delegatees and AU-IBAR. They will be extracted from the general project or programme workplans and budgets. This will be done preferably during a specific workshop organized before the beginning of the implementation phase. This session could be organized back to back with orientation session mentioned above.

Procurement plans will also be developed as part of the workplans.

VIII. IMPLEMENTATION

A. PROCUREMENT

Funds received from AU-IBAR must be used as rationally as possible. This requires that the works, goods and services procured under its financing are of appropriate quality, and acquired at economic prices and in a timely manner. This is generally best achieved through open and transparent competition.

1. Procurement procedures

As a general rule, all procurements for goods, services and works will be carried out using the African Union's Procurement procedures. However, exception will be considered in certain cases. Sub-delegatees who passed an institutional assessment recognized by AU-IBAR shall be authorized to use their own procurement procedures without seeking for no-objection from AU-IBAR.

The African Union's procurement policy aims to ensure that proper standards of integrity, accountability and transparency are being practiced by the implementing partners. These standards are intended to ensure adequate internal controls and compliance with all AU Procurement Procedures.

All procurement activities should be conducted in a manner that ensures, to the greatest extent possible, open and free competition. ***For more details about AU Procurement Procedures, please refer to AU Financial Rules and Regulations and AU Procurement Manual.***

Sub-delegatees will comply with the following principles in the procurement process:

- Integrity of all personnel working with procurement.
- Best Value for Money
- Transparency within the whole procurement process.
- Segregation of responsibilities
- Ethical behavior in all undertakings.
- Equal treatment and nondiscrimination of potential vendors and consultants

2. Responsibility for conducting procurement activities

Sub-delegatees will bear responsibility for their procurement processes taking into account the procurement principles highlighted above. The key activities will include:

- i) Procurement Planning
- ii) development of specifications/TORs/Scope of Works,
- iii) Bid preparation and advertisement
- iv) Bid opening and evaluation of bids
- v) Contract award and preparation of contracts
- vi) Contract implementation

Preparation of a procurement plan shall be mandatory. For the purpose of vetting compliance with AU rules, the sub-delegatees must seek a no objection, as indicated in paragraph VIII.A.6 below.

Where needed, AU-IBAR Procurement will provide support to the sub-delegatee to conduct the procurement processes, or will conduct the procurement process on behalf of a sub-delegatee.

3. Procurement methods and time scale for bid submission

Estimated Amount	Method	Period of publication	Bid receipt
Less than \$500	Direct Procurement.	NA	The person in charge of procurement to receive the quotation (either by email or hard copy)
\$500 and less than \$5000	Request for quotation. (This is also known as shopping) Suitable for procuring readily available off-the-shelf goods or standard specification items when no special conditions of contract are required	7 days recommended	The person in charge of procurement to receive the quotation (either by email or hard copy)
From \$5,000 and less than \$10,000.00	Restricted /selective Tender It is a tendering process by direct invitation to a shortlist of pre-qualified, pre-registered or known suppliers.	14 days	Bids should be sealed and received at the appropriate address indicated in the tender
From \$10,000.00	Open Tender Involves public advertisement	4 weeks	Bids should be sealed and received at the appropriate address indicated in the tender
	Request for Proposals (RFP) for services Used for selection of consultants for consultancy services	2 weeks for restricted RFP 4 weeks for open RFP	RFP is the procurement method for procuring services.

4. Procurement of consultancy services

The procurement of consultant services is a specialized form of procurement requiring bidding procedures and documents, which are substantially different to those for standard goods and works.

Six selection methods are used for the procurement of consultancy services:

- Quality and Costs Based Selection
- Quality Based Selection
- Fixed Budget Selection
- Least Cost Selection
- Consultant Qualification
- Individual Consultant
- Single source selection

The procurement of Consultancy services shall be done in accordance with the provisions of the AU procurement Manual

5. Evaluation of Quotations/bids

Evaluation shall be conducted strictly in accordance with the terms and provisions specified in the bidding documents, without resort to extrinsic evidence, to:

- Check bids for arithmetic errors;
- Review the bids and samples received for conformity with all specifications and conditions stated in the bidding documents;
- Report on the technical and commercial compliance of each bid in a technical evaluation;
- Analyse the financial bids and report the results in a financial evaluation; and
- Prepare an Evaluation Report, including justified recommendations for rejection of bids and for the award of contract, for approval by the Headquarters Tender Board.

6. Request for no-objection

Sub-delegatees will apply the following rules for request for no objection:

Recommended award amount		Request for no objection	Minimum Supporting documents needed for no objection
1.	Less than USD 5,000	NA Proceed with the Purchase Order or Contract	NA
2.	From USD 5,000 and above	YES. Submit the case to IBAR HR and Admin. Unit for no-objection	<ul style="list-style-type: none"> - Tender document - Proof of publication or letters of invitation for restricted tender - Opening and evaluation reports

2.1	From USD 5,000.00 to less than USD 40,000	YES. Submit the case to AU-IBAR Local Tender for vetting (Accept/Reject)
2.2	From USD 40,000 and above	YES. Submit the case to AU-IBAR for transmission to AUC Tender Board for vetting (Accept/Reject)

7. Award of contract

The committee responsible for evaluation/analysis of bids/quotations shall prepare a detailed report indicating recommendations for award of contract for approval by the designated authority in the Institution . Where applicable, a No objection shall be sought from AU IBAR prior to notification

8. Notification of award

Upon approval of award by the designated person or body, a formal notice of award of contract shall be sent to the winning bidder, inviting the bidder to attend at the AUC offices within a specified period to sign the contract. Unsuccessful bidders shall also be notified of the decision.

9. Preparation of Purchase order or Contract

Following the award of contract by the responsible authorities, the procurement Unit or person responsible for this function will prepare the Purchase Order including any specific terms of the contract. For complex or high value transactions, a detailed contract document shall be prepared for onward submission to the supplier.

10. Receiving and inspection of goods

The unpacking and examination of goods received should (wherever practical) be conducted in the presence of the supplier’s representative against the following documents the Purchase Order, packing lists; invoices; shipping documents and customs clearance documentation where applicable.

The procuring entity should ensure that the contract or purchase order has been duly enforced and that the deliveries correspond to the contract terms in respect of timing, standards and specifications, quantities and place.

The winning bidder and the losing bidders shall be notified of the award decision at the same time.

B. Human resources

Rules regarding procurement of consultancy services are addressed in paragraph A.4 above and this chapter only refers to recruitment of project staff by the sub-delegatee for the purpose of implementing the sub-delegated activities.

During the negotiation of contract, AU-IBAR and the sub-delegatee will identify and agree on the staff employed by the sub-delegatee who will be contributing on a full time or part time basis to the implementation the sub-delegated activities. Their detailed terms of reference, their remuneration (including salaries and other benefits), and the proportion of this remuneration covered by the project will be agreed upon.

These staff costs will be included in the budget that will be annexed to the sub-delegation agreement. Staff related expenditures that are not included in the budget will be considered as non-eligible.

In normal circumstances, and unless it has been agreed upon differently between AU-IBAR and the sub-delegatee, the sub-delegatees will apply their human resources procedures for the recruitment, the management and the payment of the staff contributing to sub-delegation.

When conducting the pre-engagement assessment, AU-IBAR will ensure that the sub-delegatee human resources management procedures comply with the basic requirements regarding transparency, fair competition, absence of conflict of interests, etc...

The CVs of all staff contributing to the implementation of the sub-delegated activities on a full or part time basis and paid entirely or partly on the budget of sub-delegated activities will be submitted to AU-IBAR for approval, prior to recruitment and before any payment of salary or other benefit.

Payment of salary top-ups for civil servants is not permitted and will be considered as ineligible expenditure.

In certain circumstances and on case to case basis, AU-IBAR may second staff to the sub-delegatees. Conditions of engagement and management of the seconded staff will be negotiated between the two parties and mentioned in the special conditions of the partnership agreement. Recruitment of seconded staff will be conducted jointly.

C. Accounting procedures and financial reporting

The AU financial rules and regulations govern the accounting and financial management practices of AU, including AU-IBAR and its sub-delegated activities.

1. Languages to be used by sub-delegatees for accounting and financial reporting

All accounting documents and financial reports generated by the sub-delegatee and transmitted to AU-IBAR should be written in one of the 4 working languages of the African Union, namely English, French, Arabic and Portuguese.

2. Accounting procedures

Sub-delegatees may use their own accounting procedures unless they have been assessed to be inadequate by AU-IBAR; then the AU-IBAR accounting procedures will be applicable. This will be reflected in the sub-delegation agreement.

3. Bank accounts (signatories, separate account, currencies)

a) General considerations

All sub-delegatees will be required to open a separate bank account specifically for the operations of the sub-delegated activities. An official document from the bank (see model: financial identification form) should be sent to AU-IBAR: this document shows the account details, as well as the names of signatories and their titles.

In case AU-IBAR sub-delegates activities to the same sub-delegatee, in the scope of several projects, separate bank account should be opened for each project.

A sub-delegatee can open several bank accounts for the same project, for instance one in foreign currency and one in local currency.

Funds in the specific project bank account cannot be used for purposes not related to project activities, including temporary borrowing for use for purposes other than the project.

b) Bank interest

In case the bank account opened specifically for the sub-delegated activities generates interest, the interest accrued will be considered as belonging to the contracting authority and should be transferred to the AU-IBAR when the project ends, unless authorization is sought to utilize the interest before project end.

The accrued interest should be indicated on the financial report.

c) Exchange rates

All forex exchange operations should be supported by official bank receipts. The monthly rate used in monthly financial reports should be the bank rate used to transfer funds from foreign currency to local currency, or monthly average rate. The exchange rate used for reporting should be clearly indicated on the financial report.

4. Financial reporting:

The financial reporting should be on the basis of international accounting standards and financial reporting templates as may be provided by AU-IBAR.

Financial report should be prepared and sent on monthly basis to AU-IBAR. The components of the report include:

- Status of Allotment
- Bank reconciliations together with the respective bank statements
- Transaction/Expenditure listing approved and signed - referencing of expenditure to the actual physical document
- Inventory list
- Cash journal

5. Supporting documents

The following Original supporting documents should be sent to AU-IBAR after every three months and the copies of the same should be kept by the sub-delegatee:

a) For purchase of goods

- Approved Memo
- Duly filled fund availability form
- Purchase Order
- Goods received note
- Documentation for procurement process including tender board approval if applicable
- Supplier Invoice
- Receipts

b) For meetings/conferences/missions

- Approved list of participants
- Attendance sheet signed daily.
- Perdiem / DSA rate
- Signed payment schedule
- Transport tickets, boarding passes (air travel)
- Expenditure summary
- Duly filled imprest retirement template

c) For payments to consultants

- Initial approved memo requesting for consultancy services
- Advert for the consultancy

- Documentation on selection process of the consultants
- Contract
- Report
- Memo from technical department approving the report and payment

A bank statement together with the bank reconciliation will be produced for each account at the end of every month.

The vouchers should be referenced to the financial report which should also be attached and duly signed. All vouchers should be signed and stamped PAID.

6. Channel of communication - updates - support services

- All communications must be addressed to the Director of AU-IBAR
- Updates of activities carried out will be sent at the end of every week by email
- The monthly reports can be sent by email
- The supporting documents should be sent every three months to AU-IBAR via international courier. AU IBAR will confirm receipt of the documents.
- Original documents submitted to AU-IBAR will be reviewed and feedback provided within three weeks of receipt of documents.
- The copies kept by the partner should be archived for a period of at least 7 years

7. Eligible and non-eligible costs

a) Eligible costs

The following, *inter alia*, will be considered as eligible costs:

- I. Costs relating to services and works provided shall relate to activities performed during the implementation period. Costs relating to supplies shall relate to delivery and installation of items during the implementation period.
- II. Costs of staff assigned to the project corresponding to actual salaries.
- III. Travel and subsistence allowance for staff and participant taking part in project activities. The rate used should be clearly indicated and attached to payment.
- IV. Purchase of new equipment
- V. Cost for goods and services (transport, storage and distributing, rent for equipment which are directly attributable to the project).
- VI. Cost of consumables and supplies directly attributable to the project.
- VII. Expenditure on contracting directly attributable to the project.
- VIII. Proportion of field office costs that corresponds to the amount of activity directly attributable to the project.

- IX. Costs deriving from the requirement of the agreement (dissemination of information, costs related to reporting , translation, insurance, targeted training for those involved in the project.
- X. Financial service costs in particular bank transfers and bank fees.

b) Non-Eligible Costs

The following, inter alia, will be considered as non-eligible costs:

- All spending not within the planned activities (budget, action plan)
- All spending not adequately supported by physical documents
- All procurement of goods and services made without compliance with the applicable rules and regulations
- Debts and debt service charges
- Provisions for losses or potential future liabilities
- Items already purchased from other sources
- Purchases of land and buildings
- Currency exchange losses

8. Deviation from budget

Sub-delegatees should always abide by the budget. If there be any need to revise the budget or reallocate between budget lines, prior approval should be sought from AU-IBAR.

9. Allocation of overheads and shared staff costs

Office overheads (such as utilities, office rent, and security) and shared staff costs should be reasonably allocated to the sub-delegated activities, on the basis of prior agreement with AU-IBAR, and should be supported by adequate documents. Allocation of shared staff costs will be supported by duly approved time sheets.

10. Administrative costs

Administrative costs will be agreed upon prior to signing the sub-delegation agreement, and indicated in the budget annexed to the agreement. Administrative costs will be disbursed to the sub-delegatee on a pro-rata basis to the expenditure incurred.

11. Fraud, misuse or corruption

Once funds have been disbursed to the sub-delegatees, the full responsibility of safe guarding and ensuring sound financial management practices, systems and record keeping will become the responsibility of the sub delegate. AU-IBAR is committed to promoting and adhering to the highest standards of probity and accountability in the use of its resources and takes a zero-tolerance stance towards cases of fraud and corruption in its operations

All sub-delegatees have a responsibility towards the proper safe guard of all assets (tangible and intangible) acquired during the course of activity implementation. Sub-delegatees are required to report promptly any reasonably suspected cases of any fraudulent, corrupt and/or collusive practices,

misuse of funds/assets and any related attempts of such practices, to AU-IBAR, or to the Director-Office of internal Audit if confidentiality is desired. Reference is made to the AUC Anti-fraud and corruption policy.

Any person who reports reasonably-held suspicions of fraud or corruption, or who cooperates in such investigations shall not be subject to recriminations or victimization. Victimization or any attempts to deter anyone from reporting suspicions of fraud or corruption or from witnessing such acts in an investigation constitute a serious breach of the Code of conduct, and may result in the imposition of disciplinary measures in accordance with the AU Rules and Regulations

The Contracting Authority will undertake to review, investigate and/or prosecute in accordance with applicable Rules and Decisions, any person suspected of misuse of resources or corruption. Ineligible expenditures may or may not be classified as fraud however, all ineligible expenditures will be investigated thoroughly and once determined they will be refunded back to AU-IBAR.

D. Recovery for ineligible expenditures

Any payment deemed ineligible shall be refunded back by the sub-delegatee to AU-IBAR. Formal communication will be sent and information availed on relating to expenses not accepted.

Sanctions in case of ineligible expenditures may apply as per paragraph XI.F “termination”.

E. Assets

The assets purchased in the scope of the sub-delegation will be considered as Assets of AU-IBAR, until their official transfer to the sub-delegatee. This transfer will be formalized by a transfer agreement signed by both parties.

In any case, the assets purchased in the scope of the sub-delegation will have to be used exclusively to the benefit of the sub-delegated activities, and the cost of their maintenance and insurance will be covered by the project.

The assets purchased in the framework of the sub-delegation may be transferred to local authorities, partners or final recipients at the end of the sub-delegated activities.

F. Intellectual property rights

Intellectual property rights in the results of the action and the reports and other documents relating to it will vest in AU-IBAR.

In case it is stipulated so in the financing agreement, AU-IBAR shall grant the Donor and/or the sub-delegatee the right to use free of charge and as it may see fit all documents deriving from the Action, whatever their form, provided it does not thereby breach existing intellectual property rights.

G. Contribution from sub-delegatees

Contribution to the cost of the action/project by the sub-delegatee is not compulsory but is strongly recommended; the sub-delegatee can contribute to the cost of the action in kind or in cash.

Contributions by the sub-delegatees, in cash and in kind, should be detailed in the budget of the action, annexed to the partnership agreement.

The sub-delegatee should report on its financial contribution, in cash or in kind, in the annual financial report; this should appear under separate budget lines.

H. Technical reporting and archiving

1. Reporting:

The focal persons or designated authority will be required to report achievements to project coordinators) based at the AU-IBAR on a monthly basis. Basically, the reports will indicate the strategic plan outcomes (as indicated in the AU-IBAR strategic plan), the key result areas which the activity is meant to contribute to, planned activities/tasks for the period indicating key indicators, quarterly milestones, tasks carried out/actual achievements, approved budget for the period, actual expenditure and execution rate. Major challenges encountered in the period should also be highlighted, indicating and explaining reasons for under/over accomplishments or any other critical points. Recommendations on the way forward will also be included.

The reports will be done using the AU-IBAR template (see annex) and will be sent together with the financial reports for the period. The reports will be sent to the AU-IBAR Director in hard copy and through emails. The Sub-delegatees must archive copies of the reports for the duration of the project/intervention plus at least five years.

2. Archiving:

For the technical documents, archiving should be done at AU-IBAR level using AU-IBAR system, both physical (hard copies) and digital (soft copies) using AU-IBAR SharePoint System. Hard copies will be scanned and metadata captured for easy retrieval on SharePoint.

Archiving should also be done at the sub delegatee level, using their own system. Sub delegatees will determine how long they will keep the documents. At AU-IBAR level, the documents will be kept as per the retention policy in the Records Management Chapter.

I. Visibility & communication

This section presents the visibility and communication guidelines for sub-delegates. The purpose of these guidelines is :

- to ensure that the knowledge, experiences and information gained in the field are effectively and widely shared in accordance with AU-IBAR and donor- specific visibility guidelines.
- To ensure the visibility of both the donor and AU-IBAR contributions to the activities

The sub-delegate and AU-IBAR are required to work together to ensure appropriate visibility for activities under the programme/project.

In addition to the AU-IBAR visibility and communication guidelines found below, the sub-delegatee will have to comply with the specific donor requirements and guidelines, which will be communicated by AU-IBAR to the sub-delegatee.

Information on project activity given to the press, the project beneficiaries, publicity materials, official notices, reports and publications, shall acknowledge that the action was carried out “with support of AU-IBAR and funding by the relevant donor” and display in an appropriate way, the AU-IBAR logo, as well as the donor logo. AU-IBAR will provide to the sub-delegatee the appropriate formats for logos, flags, and texts.

Where equipment, furniture or vehicles have been purchased using project funds, there will be appropriate acknowledgement on such vehicles, equipment and furniture, including display of the AU-IBAR and donor logo, provided that such actions do not jeopardize the African Union’s privileges and immunities and the safety and security of AU-IBAR and sub-delegatee staff.

The size and prominence of the acknowledgement and AU-IBAR and donor logo shall be clearly visible in a manner that will not create any confusion regarding the identification of the action and the ownership of the equipment and supplies.

All publications produced pertaining to the action will be conform to the AU-IBAR Publications Guidelines found at: (website link to be given). These publications, in whatever form and medium, including the Internet, shall carry a disclaimer: “This document has been produced with the support of AU-IBAR and the financial assistance of the relevant donor. The views expressed herein can in no way be taken to reflect the official opinion of the AU-IBAR and the relevant donor.”

If the sub-delegatee wishes to issue a press release or announcement regarding the signature of the partnership agreement and the award of the related financial support, he must obtain advance approval from AU-IBAR, of the press release and date of release.

J. Audits, Reviews, Checks and Investigations

1. Right to carry out audits, reviews and checks

The sub-delegatee will allow AU-IBAR and any external auditor authorized by AU-IBAR carrying out verifications to verify, by examining the documents or by means of on-the-spot checks, the implementation of the Action and conduct a full audit, if necessary, on the basis of supporting documents for the accounts, accounting documents and any other document relevant to the financing of the Action. These inspections may take place up to 7 years after the payment of the balance.

Furthermore, the sub-delegatee will allow AU-IBAR, internal and external auditors authorized by AU-IBAR to carry out checks and verifications on the spot as may be required.

To this end, the sub-delegatee undertakes to give appropriate access to staff or agents of AU-IBAR as well as to any internal or external auditor authorized by AU-IBAR to carry out verifications to the sites

and locations at which the Action is implemented, including its information systems, as well as all documents and databases concerning the technical and financial management of the Action and to take all steps to facilitate their work. Implementation of audit recommendations

Sub-delegatee will prepare an action plan for the implementation of audit recommendations and share regular reports on the status of implementation of these recommendations along with monthly financial reports.

2. Consequences of findings in audits, reviews, checks and investigations

Findings in audits, reviews, checks or investigations carried out in the context of the sub-delegation may lead to ineligible costs, reduction of the budget, or to any of the other measures stipulated in section XI.F “termination”.

Rejection of costs or reduction of the budget after the payment of the balance will lead to a revised final agreement amount.

Audits, reviews, checks or investigations that find systemic or recurrent errors, irregularities, fraud or breach of obligations may also lead to consequences in other AU-IBAR sub-delegations awarded under similar conditions

IX. MONITORING AND EVALUATION OF SUB-DELEGATEES

The monitoring and evaluation practice of AU-IBAR is governed by the manual “Monitoring and Evaluation Framework”. The M&E framework is synchronized with the strategic plan and its implementation period is the same. The current M&E framework covers the period 2014-2017.

This section defines the roles and responsibilities of a third partner involved in the implementation in one (or more) project (s) of AU-IBAR as sub-delegatee.

A. Implementation of the M & E plan developed in advance:

The M&E team of AU-IBAR will work with the sub-delegatee side to develop the M&E plan for the sub-delegated activities in a participatory and inclusive manner. The sub-delegatee is bound to respect the roles and responsibilities assigned to him in this plan, to meet the deadlines set for it, and to follow the procedures agreed upon.

B. Development and revision of the logical framework:

A logical framework will be developed for sub-delegated activities. Under the leadership of the AU-IBAR M&E pool, the sub-delegatee will be involved at all stages of the logical framework development, revision and updating process. The final logical framework will necessarily require the technical validation of the M&E experts of AU-IBAR.

C. Data collection:

Under the request of the AU-IBAR team, the sub-delegatee will be responsible for collecting disaggregated data required for the M&E system, using tools and methods agreed upon between the two parties.

This collection will firstly concern the collection and confirmation of 'baseline' data. Tracking data (level of achievement of objectives through intelligence indicators) will also be collected by the sub-delegatee, at least quarterly, or at least according to the logical framework and timetable for implementation of the project.

The collection of lessons learned and best practices will also be considered as data and will be the responsibility of the sub-delegatee.

The transmission of data from the sub-delegatee to the AU-IBAR team will be done through reports. The format of these reports must clearly highlight and data entered in and the tools and methods used to achieve this purpose.

D. Data analysis:

Any analysis of data and the subsequent recommendations for changes and adjustments on any part of the logical framework must first be submitted to the AU-IBAR M&E pool for approval.

E. Reporting and sharing of information:

At the beginning of implementation of each sub-delegated action, AU-IBAR will propose a reporting plan clearly showing the content, format and frequency of reports to be submitted by the sub-delegatee.

The dissemination of data generated in the scope of sub-delegated actions will be done by the sub-delegatee, as per the guidelines contained in the “communication” chapter of this manual.

F. Capacity development in M&E:

Before the implementation of the M&E plan, AU-IBAR and the sub-delegatee will jointly identify capacity gaps and capacity building needs in M&E.

G. Planning

The sub-delegatee will submit before the implementation of project activities a work plan containing the following:

- Identify the goals for the period,
- formulate a clear and concise methodological and strategic approaches to achieve these goals,
- Define the resources to achieve these objectives (financial and others).

H. Mid-term reviews:

When undertaking the evaluations of projects, AU-IBAR and the evaluators could select some of the sub-delegatees contracted for the implementation of this project, and consider the sub-delegated activities implemented by this partner in the evaluation process. This evaluation of sub-delegated activities could happen on site or off site.

X. RISK MANAGEMENT

All sub-delegatees will be subject to AU-IBAR's risk management regime as outlined in AU-IBAR's risk management plan (RMP).

Each sub-delegatee shall appoint a specific person who shall be responsible for

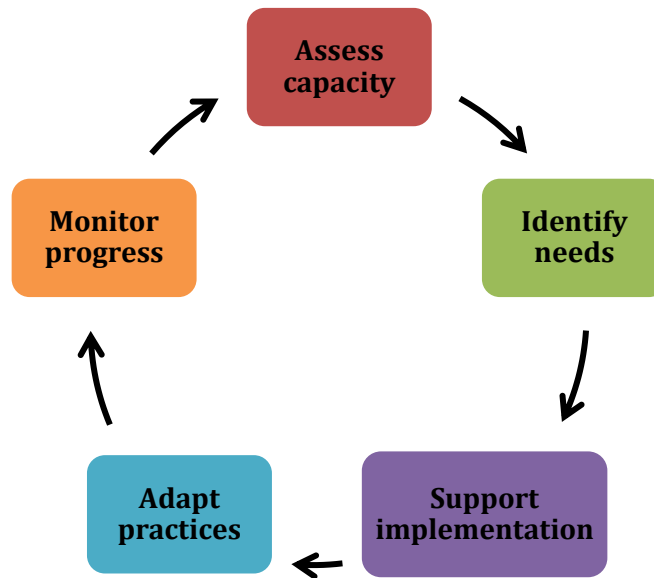
- Ensuring that that the sub-delegatee participates in the process of risk planning, risk identification, risk analysis, risk response planning and risk monitoring and control;
- Organizing and providing the sub-delegatee's contribution to the processes of risk planning, risk identification, risk analysis, risk response planning and risk monitoring and control;
- Monitoring and reporting risks and their management to AU-IBAR on behalf of the sub-delegatee; and
- Ensuring that the sub-delegatee takes such measures as may be required by AU-IBAR's RMP or as may be from time to time directed by AU-IBAR.

All risks identified by the sub-delegate in relation to the specific sub-delegation shall be included in AU-IBAR's risk register (institutional or project specific).

XI. CAPACITY DEVELOPMENT OF SUB-DELEGATEES

A. Capacity development approach

This capacity development model will be cyclical. It will begin with an assessment to identify needs, set the stage for planning, provision of technical assistance and peer learning. Monitoring effectiveness of the changes will be critical as it will lead to final adaptation, bringing the cycle back to re-assessment to measure the overall progress in capacity development.



On the job training and support will be provided by AU-IBAR staff when visiting the sub-delegatees. All sub-delegatees should be visited at least once a year by a technical and administrative staff.

E-platforms (d-groups) will also be established to facilitate exchange of information and peer-learning among sub-delegatees and between sub-delegatees and AU-IBAR staff.

Capacity development activities will be included in the work-plans developed by AU-IBAR and the sub-delegatee for the implementation of the sub-delegated activities.

B. Capacity Development Domains

1. Governance:

At its heart, good governance means the responsible management of an organization’s resources. Transparency, accountability, effective management and the rule of law are essential components of good governance. The objective of the capacity development on the governance domain will be to catalyze the partner’s motivation and stability, and review its guiding principles, structure and oversight mechanisms.

2. Administration:

Clear administrative policies and procedures are the core of a well-functioning organization. Administrative systems and policies do not need to be complex to be effective. The objective of the capacity development on the administrative domain will be to strengthen the organization functionality by focusing on the quality of its administrative systems as well as its capacity to develop and apply policies and procedures; and the extent of staff knowledge and understanding of these systems. A key focus will be the ability to comply with rules and regulations in all administrative areas.

3. Human Resource Management

These systems improve employee performance and enhance staff motivation and productivity which in turn increases organizational effectiveness. HRM is basically the management of an organization's human capital. The objective is to attract the best people for their programs, and for the populations they serve. In addition to hiring the right people to manage and perform specific jobs, effective HRM builds staff commitment and loyalty and keeps them up-to-date about organizational plans. The objective of the capacity development on the HRM domain will be to address an organization's ability to maintain a skilled, satisfied workforce and assess how operations and staff time are managed. This will also include strengthening HRM systems and processes, and how they relate to strategic goals to deliver quality programs.

4. Organizational management

The strength and sustainability of an organization is directly linked to the quality of its management and leadership. This domain examines how an organization functions internally and externally, how it plans with staff and stakeholders, and how it ensures future financial sustainability. The objective of the capacity development on the organizational management domain will be to strengthen the strategic plan to flow from a clearly stated mission, and in a systematic manner; coordination with other partners; external relationships; and information management to identify and actualize new opportunities.

5. Financial Management

How an organization's finances are managed impacts all management systems because, by nature, financial matters facilitate and maintain those systems. Financial plans should be linked and tailored to specific organizational goals, and where they are well-functioning and compliant, can attract key partnerships and help leverage resources to strengthen sustainability. The objective of the capacity development for the financial management domain will be to develop and apply financial policies and procedures, strengthen financial systems and staff knowledge and application of the same. A key focus will be to assist the organization's capacity to comply with rules and regulations regarding all financial systems, policies and procedures.

6. Program Management

This focuses on an organization's ability to implement high-quality programs that meet recognized standards and respond to local needs with sensitivity. The objective of the capacity development for the program management domain will be to ensure that project activities are progressing according to approved work plans; and that monitoring and evaluation systems are operational so that performance is measured against standards and indicators. It will also strengthen monitoring and evaluation data and ensure that client satisfaction feedback is used for continuous project quality improvement.

XII. CLOSE-OUT

The project close out phase will take place the last three months of the project implementation. It will be the process of ending the technical, operational and financial functions of the sub delegated project. The purpose will be to detail formal acceptance and an orderly process for ending the project.

A. Handover of assets

Assets acquired in the scope of the sub-delegated activities will be handed over before the submission of the final financial report.

The assets will be transferred either to the sub-delegatee, or to local authorities, partners or final recipients. This transfer will be formalized by a transfer agreement signed by both parties

B. Final reporting

The sub-delegatees will provide the Contracting Authority with a final report containing all required information on the implementation of the Action. The report shall be laid out in such a way as to allow comparison of the objective(s), the means envisaged or employed, the results expected, and obtained and the budget details for the Action. The level of detail should match that of the Description of the Action and of the Budget for the Action. The final report will cover technical and financial aspects of the sub-delegated action as a whole.

Additionally the final report will include the proofs of the transfers of ownership of assets.

C. Final evaluation

When undertaking the final evaluation of projects, AU-IBAR and the evaluators could select some of the sub-delegatees contracted for the implementation of this project, and consider the sub-delegated activities implemented by this partner in the evaluation process. This evaluation of sub-delegated activities could happen on site or off site

D. Final audit

Final audits will be undertaken at the end of all projects. Auditors will either be contracted by AU-IBAR or directly by the donor. Technical and financial documents submitted by the sub-delegatee including the final report will be audited at AU-IBAR level. However, AU-IBAR and the auditor could decide to audit part or the totality of sub-delegated activities on site, at the level of the sub-delegatee.

E. Scheduled close-out

The project coordinator will in consultation with the rest of the project team determine potential options as appropriate:

1. Complete closure – Phase out

This will be the withdrawal of project inputs without making explicit arrangements for the inputs or activities to be continued by any other entity or institution, because the project will have resulted in changes that are likely to be sustainable without further inputs from these activities

2. Gradual shut down – phase down

this will involve the gradual reduction of project activities and reduced deployment of resources while utilizing the sub delegates to sustain project benefits

3. Transfer – phase over

this will involve the transfer of responsibility for activities aimed at accomplishing project objectives to other entities who will take up the continued delivery and sustenance of project benefits as well as implement any pending activities.

A project close out plan showing a list of close out activities to be undertaken and the timeframe will be implemented. This close out plan will assist in verifying that all the project activities have been completed correctly and satisfactorily and that all contract records have been updated to reflect final results, and archiving information for future use.

F. Termination

AU-IBAR may suspend without delay implementation of all or part of the Action if circumstances so require, in particular in case of *force majeure*, and informs the sub-delegatee immediately providing all the necessary details.

AU-IBAR may request the sub-delegatee to suspend implementation of all or part of the Action if circumstances so require in particular in case of *force majeure*.

Force majeure shall mean any unforeseeable exceptional situation or event beyond the parties' control which prevents either of them from fulfilling any of their obligations was not attributable to error or negligence on their part (or of their partners, contractors, agents or employees), and could not have been avoided by the exercise of due diligence.

If, at any time, either Party believes that the sub-delegation can no longer be effectively or appropriately carried out, either Party may terminate the collaboration in accordance with the modalities set in the agreement.

Where the sub-delegatee:

- fails, without justification, to fulfil any of the obligations mentioned in the agreement;
- makes false or incomplete statements to obtain the contribution provided for in the agreement or provides reports that do not reflect reality;
- commits financial irregularities or is guilty of grave professional misconduct;

AU-IBAR will enter into discussions with the sub-delegatee and, failing a proper solution, may terminate the Agreement, in accordance with the agreement.

Prior to or instead of terminating the agreement AU-IBAR may suspend payments or the declaration of eligibility of expenses as a precautionary measure.

XIII. Review and update of the manual

This manual will be updated to address the changes in the institutional and technical context of the partnerships between AU-IBAR and its sub-delegatees.

The entry into force of the manual and any new version will be subjected to approval by the AU Commission after prior consideration by AU-IBAR management.

Each new version of this manual will bear the number of the version and the date of approval.

Each new version will be shared with all AU-IBAR staff and all sub-delegatees, and accompanied by an official communication from AU-IBAR Director mentioning the main changes and the conditions for implementation of the new procedures.

XIV. ANNEXES:

- Annex A: Pre-engagement assessment toolkit
- Annex B: Sub-delegation contract model

AFRICAN UNION

الاتحاد الأفريقي



UNION AFRICAINE

UNIÃO AFRICANA

How to complete these special conditions:

Where you see < ... >, enter the information relevant to the sub-delegation in question.

Terms in italic have to be deleted

The phrases within [] should only be included if appropriate, while the paragraphs shaded in grey should only need to be amended/included in exceptional cases, dictated by the requirements of a particular sub-delegation.

In no circumstances may you alter any other part of these standard instructions. In case you need to derogate to the Special Conditions, General Conditions or another template, please request the legal service on prior approval and derogations. Please remember to delete this paragraph, any other text with yellow highlighting and all such brackets in the final version]

SUB-DELEGATION AGREEMENT

<agreement identification number>

The African Union Commission ("the Contracting Authority") represented by the Director of the African Union Interafrican Bureau for Animal Resources, P O Box 30786, Nairobi 00100, Kenya

of the one part, and

<Full official name of the Sub-delegatee >

[<Legal status (organisation)>] / [<title (individual)>]

[<Organisation official registration number>] / [<Passport or ID number >]

<Full official address>

[VAT number, for VAT registered beneficiaries],

("the Sub-delegatee") of the other part, have agreed as follows:

Special conditions

Article 1 - Purpose

- 1.1 The purpose of this contract is to sub-delegate by the Contracting Authority the implementation of the Action entitled: <title of the Action> ("the Action") described in Annex I
- 1.2 The Sub-delegatee will be delegated the action on the terms and conditions set out in this contract, which consists of these special conditions ("Special Conditions") and the annexes, which the Sub-delegatee hereby declares it has noted and accepted.
- 1.3 The Sub-delegatee accepts the sub-delegation and undertakes to carry out the Action under its own responsibility.

Article 2 - Implementation period of the Action

- 2.1 This contract shall enter into force on the date when the last of the two Parties signs.
- 2.2 Implementation of the Action shall begin on:

choose one of the following:

- [the day following that on which the last of the two Parties signs.]

- [the first day of the month following the date on which the first instalment of pre-financing is paid by the Contracting Authority]

- [a later date, <date>]

- 2.3 The Action's implementation period, as laid down in Annex I, is <number of months> months.
- 2.4 The execution period of this contract will end

choose one of the following:

• [at the moment when final payment is paid by the Contracting authority and in any case at the latest <number of months>. months as from the end of the implementation period as stipulated in art 2.3 above].

• [on <date>]

Article 3 - Financing the Action

- 3.1 The total cost of the Action is estimated at <.amount and currency>, as set out in Annex III.
- 3.2 The Contracting Authority undertakes to finance a maximum of <.amount and currency>, equivalent to <percentage> % of the estimated total eligible cost of the Action; the final amount of the eligible costs shall be established in accordance with Articles 14 and 17 of Annex II.

[3.3 Pursuant to Article 14.4 of the Annex II, <percentage>% (*maximum 7%*) of the final amount of direct eligible costs of the Action established in accordance with Articles 14 and 17 of the Annex II, may be claimed by the Sub-delegatee as indirect costs.]

3.4 Pursuant to Article 14.6 of Annex II, the Regulation under which this contract is financed <does not authorise payment of taxes> or <authorises payment of taxes, including VAT only in the case the Sub-delegatee can show it cannot reclaim >.

If sub-contracting is foreseen:

3.5 In order to support the achievement of the objectives of the action, as specified in Annex I of this Contract, the Sub-delegatee may award sub-contracts. The sub-contracts awarded by the Beneficiary are subject to procedures of Contracting Authority or the sub-delegatee as the case may be. The minimum amount per sub-contract is <..... amount and currency> while the maximum amount per such sub-contract is < amount and currency>.

3.6 Only the types of activities as mentioned in the Description of the Action in Annex I are allowed to be sub-contracted.

3.7 The total amount of the sub-contract(s) to be awarded by the Sub-delegatee within this sub-delegation agreement is < amount and currency>.]

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 Annex II.

4.2 Payment will be made in accordance with Article 15 of Annex II. Of the options referred to in Article 15.1, the following will apply:

First instalment of pre-financing (<percentage>% (maximum 80 %) of the part of the forecast budget for the first 12 months of implementation financed by the Contracting Authority: <.amount and currency>.

Forecast further instalment(s) of pre-financing: <.amount and currency>.]

Forecast final payment : <.amount and currency>.

Alternatively and in consultation with the Sub-delegatee, the Contracting Authority may make direct payment to the final beneficiary.

4.3 In case where the pre-financing instalments are to be paid by the Contracting authority, the first instalment of pre-financing will be paid to the Sub-delegatee within 45 days, as from the date of reception by the Contracting authority of signed contract accompanied by the financial guarantee if required in accordance with article 15.7 of the General Conditions.

Article 5 - Contact addresses

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

For the Contracting Authority

Payment requests and attached reports, including requests for changes to bank account arrangements should be sent to:

Director

African Union Interafrican Bureau for Animal Resources
Kenindia Business Park, Westlands Road
P O Box 30786
Nairobi 00100
Kenya

For the attention of <address of the management unit/section>]

For the Sub-delegatee

<address of the Sub-delegatee for correspondence>

Article 6 - Annexes

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

- Annex I: Description of the Action
- Annex II: General Conditions applicable to African Union sub-delegation agreements
- Annex III: Budget and workplan for the Action
- Annex IV: Standard request for payment and financial identification form
- Annex V: Model narrative and financial report
- Annex VI: AU-IBAR sub-delegation manual
- Annex VII: Glossary

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 take precedence. In the event of conflict between the provisions of Annex II and those of the other annexes, those of Annex II shall take precedence.

[Article 7 - Other specific conditions applying to the Action

7.1 The General Conditions are supplemented by the following:

7.1.1 The origin of goods and the nationality of organizations, companies, and experts carrying out activities in the Action shall be in line with the AU rules.

7.1.2 AU procurement and financial rules shall apply to procurement of goods, services and works.

[7.1.3 In accordance with Article 6.1, 6.2 and 6.3, and the relevant provisions of the financing agreement signed between the Contracting Authority and <name of donor >, the Sub-delegatee must take all steps to publicize that the action has been co-financed by the <name of donor > African Union Commission as described in Article 6.1, 6.2 and 6.3 of the General Conditions.]

<Any other additional provisions should be mentioned here.>

Done in <language of the agreement> in three originals: two originals being for the Contracting Authority, and one original being for the Sub-delegatee.

For the Sub-delegatee

For the Contracting Authority

Name

Name

Title

Title Director, AU-IBAR

Signature

Signature

Date

Date

AFRICAN UNION

الاتحاد الأفريقي



UNION AFRICAINE

UNIÃO AFRICANA

General Conditions

Applicable to

African Union Commission –

Sub-delegation agreements

I. GENERAL AND ADMINISTRATIVE PROVISIONS

ARTICLE 1 - GENERAL OBLIGATIONS

- 1.1 The Sub-delegatee shall implement the Action under its own responsibility and in accordance with the Description of the Action in Annex I with a view to achieving the objectives laid down therein.
- 1.2 The Sub-delegatee shall implement the Action with the requisite care, efficiency, transparency and diligence, in line with best practice in the field concerned and in compliance with this Contract.

For this purpose the Sub-delegatee shall mobilise all the financial, human and material resources required for full implementation of the Action as specified in the Description of the Action.

- 1.3 The Sub-delegatee shall act alone or in partnership with one or more NGOs or other bodies identified in the Description of the Action. It may subcontract a limited portion of the Action. The bulk of the Action must, however, be undertaken by the Sub-delegatee and, where applicable, his partners.

Partners take part in the implementation of the Action, and the costs they incur are eligible in the same way as those incurred by the Sub-delegatee.

If the Sub-delegatee concludes the contracts in order to implement the Action as referred to in the first paragraph, the Sub-delegatee shall respect the contract-award procedures and rules of nationality and origin set out in Annex IV of this Contract.

The Sub-delegatee alone shall be accountable to the Contracting Authority for the implementation of the Action. It shall undertake that the conditions applicable to it under Articles 1, 3, 4, 5, 6, 7, 8, 10, 14, 16 and 17 shall also apply to its partners, and those applicable under Articles 1, 3, 4, 5, 6, 7, 8, 10 and 16 to all its subcontractors. It shall include provisions to that effect as appropriate in its contracts with them.

ARTICLE 2 - OBLIGATION TO PROVIDE INFORMATION AND FINANCIAL AND NARRATIVE REPORTS

2.1 The Sub-delegatee must provide the Contracting Authority with all required information on the implementation of the Action. To that end, the Sub-delegatee must draw up interim reports and a final report. These reports shall consist of a narrative section and a financial section and shall conform to the model annexed to the special conditions. They shall cover the Action as a whole, regardless of which part of it is financed by the Contracting Authority. Each report must provide a full account of all aspects of the Action's implementation for the period covered. In case where, in accordance with article 15.6, no expenditure verification report is required the Sub-delegatee has to provide a list detailing each item of expenditure incurred in the period covered by the report, and indicating for each its title, amount, relevant heading in the Budget of the Action and the reference of the justifying document, is annexed to it. The proofs of the transfers of ownership referred to in Art 7.3 are also annexed to the final report.

2.2 The Contracting Authority may request additional information at any time and that information must be supplied within 30 days of the request.

2.3 The reports shall be drafted in the language of the Contract. They shall be submitted to the Contracting Authority at the following intervals:

- if payments are made in accordance with option 1 or option 3 of Article 15.1: a single final report shall be forwarded no later than three months after the implementation period as defined in Article 2 of the Special Conditions;
- if payments are made in accordance with option 2 of Article 15.1:
 - an interim report must accompany every request for payment ;
 - the final report shall be forwarded no later than three months after the implementation period as defined in Article 2 of the Special Conditions.

The deadline for submission of the final report is extended to six months where the Sub-delegatee does not have its headquarters in the country where the Action is implemented.

2.4 Any additional reporting requirement will be set out in the Special Conditions.

2.5 If the Sub-delegatee fails to supply the Contracting Authority with a final report by the final report deadline laid down in Article 2.3 and fails to furnish an acceptable and sufficient written explanation of the reasons why it is unable to comply with this obligation, the Contracting Authority may terminate the Contract in accordance with Article 12.2 a) and recover the amounts already paid and not substantiated.

Furthermore, where payments are made in accordance with option 2 of Article 15.1 and the Sub-delegatee fails to present an interim report and a request for payment by the end of each twelve-month period following the date laid down in Article 2.2 of the Special Conditions, the Sub-delegatee must inform the Contracting Authority of the reasons why it is unable to do so, and provide a summary of progress in the Action. If the Sub-delegatee fails to comply with this

obligation, the Contracting Authority may terminate the Contract in accordance with Article 12.2 a) and recover the amounts already paid and not substantiated.

ARTICLE 3 - LIABILITY

- 3.1 The Contracting Authority cannot under any circumstances or for any reason whatsoever be held liable for damage or injury sustained by the staff or property of the Sub-delegatee while the Action is being carried out or as a consequence of the Action. The Contracting Authority cannot therefore accept any claim for compensation or increases in payment in connection with such damage or injury.
- 3.2 The Sub-delegatee shall assume sole liability towards third parties, including liability for damage or injury of any kind sustained by them while the Action is being carried out or as a consequence of the Action. The Sub-delegatee shall discharge the Contracting Authority of all liability arising from any claim or action brought as a result of an infringement by the Sub-delegatee or the Sub-delegatee's employees or individuals for whom those employees are responsible of rules or regulations, or as a result of violation of a third party's rights.

ARTICLE 4 - CONFLICT OF INTERESTS

- 4.1 The Sub-delegatee undertakes to take all necessary precautions to avoid conflicts of interests and shall inform the Contracting Authority without delay of any situation constituting or likely to lead to any such conflict.
- 4.2 There is a conflict of interests where the impartial and objective exercise of the functions of any person under this Contract is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with another person.

ARTICLE 5 – CONFIDENTIALITY

- 5.1 Subject to Article 16, the Contracting Authority and the Sub-delegatee undertake to preserve the confidentiality of any document, information or other material communicated to them in confidence until at least seven years after the final payment. Where the African Union Commission is not the Contracting Authority it shall still have access to all documents communicated to the Contracting Authority and will maintain the same confidentiality.

ARTICLE 6 - VISIBILITY

- 6.1 Unless the African Union Commission agrees or requests otherwise, the Sub-delegatee must take all necessary steps to publicize the fact that the African Union Commission has financed or co-financed the Action.
- 6.2 In particular, the Sub-delegatee shall mention the Action and the African Union Commission's financial contribution in information given to the final recipients of the Action, in its internal and annual reports, and in any dealings with the media. It shall display the AU logo wherever appropriate.
- 6.3 Any notice or publication by the Sub-delegatee concerning the Action, including those given at a conference or seminar, must specify that the Action has received African Union Commission funding. Any publication by the Sub-delegatee, in whatever form and by whatever medium,

including the internet, must include the following statement: *“This document has been produced with the financial assistance of the African Union Commission. The contents of this document are the sole responsibility of < Sub-delegatee's name > and can under no circumstances be regarded as reflecting the position of the African Union Commission.”*

6.4 The Sub-delegatee authorizes the Contracting Authority and the African Union Commission (where it is not the Contracting Authority) to publish its name and address, nationality, the purpose of the sub-delegation, duration and location as well as the maximum amount of the budget and rate of funding of the Action's eligible costs, as laid down in the Article 3.2 of the Special Conditions. A derogation from publication of this information may be granted if it could endanger the Sub-delegatee or harm its commercial interests.

ARTICLE 7 - OWNERSHIP/USE OF RESULTS AND EQUIPMENT

7.1 Ownership of, and title and intellectual and industrial property rights to, the Action's results, reports and other documents relating to it shall be vested in the Contracting Authority

7.2 Notwithstanding the provisions of Article 7.1 and subject to Article 5, the Contracting Authority grants the Sub-delegatee (and the African Union Commission) where it is not the (Contracting Authority) the right to use freely and as it sees fit all documents deriving from the Action, whatever their form, provided it does not thereby breach existing industrial and intellectual property rights.

7.3 Where the Sub-delegatee does not have its headquarters in the country where the Action is implemented and unless otherwise specified in the Special Conditions, the equipment, vehicles and supplies paid for by the Budget for the Action must be transferred to any local partners of the Sub-delegatee and/or the final recipients of the Action, at the latest by the end of the implementation of the Action. Copies of the proofs of transfers of equipments and vehicles, must be attached to the final report. Such proofs must be kept for control in all other cases.

ARTICLE 8 – EVALUATION/MONITORING OF THE ACTION

8.1 If the Commission carries out an interim or ex post evaluation or a monitoring mission, the Sub-delegatee shall undertake to provide it and/or the persons authorized by it with any document or information which will assist with the evaluation or monitoring mission, and grant them the access rights described in Article 16.2.

8.2 If either Party (or the African Union Commission) carries out or commissions an evaluation in the course of the Action, it must provide the other Party and the African Union Commission (or the Parties) with a copy of the evaluation report.

ARTICLE 9 - AMENDMENT OF THE CONTRACT

9.1 Any amendment to the Contract, including the annexes thereto, must be set out in writing in an addendum. This Contract can be modified only during its execution period.

If an amendment is requested by the Sub-delegatee, it must submit that request to the Contracting Authority one month before the date on which the amendment should enter into force, unless there are special circumstances duly substantiated by the Sub-delegatee and accepted by the Contracting Authority.

9.2

Changes of address, changes of bank account and changes of auditor may simply be notified, although this does not stop the Contracting Authority from opposing the Sub-delegatee's choice of bank account or auditor.

The Contracting Authority reserves the right to require that the auditor referred to in Article 5.2 of the Special Conditions be replaced if considerations which were unknown when the Contract was signed cast doubt on the auditor's independence or professional standards.

9.3 An addendum may not have the purpose or the effect of making changes to the Contract that would call into question the sub-delegation award decision or be contrary to the equal treatment of applicants. The maximum amount of the sub-delegation agreement referred to in Article 3.2 of the Special Conditions may not be increased.

ARTICLE 10 – ASSIGNMENT

10.1 The Contract and the payments attached to it may not be assigned to a third party in any manner whatsoever without the prior written consent of the Contracting Authority.

ARTICLE 11 - IMPLEMENTATION PERIOD OF THE ACTION, EXTENSION, SUSPENSION, FORCE MAJEURE AND END DATE

11.1 The implementation period of the Action is laid down in Article 2 of the Special Conditions. The Sub-delegatee must inform the Contracting Authority without delay of any circumstances likely to hamper or delay the implementation of the Action. The Sub-delegatee may request an extension of the Action's implementation period no later than one month before it ends. The request must be accompanied by all the supporting evidence needed for its appraisal.

11.2 The Sub-delegatee may suspend implementation of all or part of the Action if circumstances make it too difficult or dangerous to continue such as force majeure. The Sub-delegatee must inform the Contracting Authority without delay and provide all the necessary details. Each Party may terminate the Contract in accordance with Article 12.1. If the Contract is not terminated, the Sub-delegatee shall endeavour to minimize the time of its suspension and shall resume implementation once circumstances allow, and shall inform the Contracting Authority accordingly.

11.3 The Contracting Authority may request the Sub-delegatee to suspend implementation of all or part of the Action if circumstances make it too difficult or dangerous to continue such as force majeure. Each Party may terminate the Contract in accordance with Article 12.1. If the Contract is not terminated, the Sub-delegatee shall endeavour to minimise the time of its suspension and shall resume implementation once circumstances allow, after obtaining the prior written approval of the Contracting Authority.

11.4 The implementation period of the Action shall be extended by a period equivalent to the length of suspension, without prejudice to any amendment to the Contract that may be necessary to adapt the Action to the new implementing conditions.

11.5 Force majeure shall mean any unforeseeable exceptional situation or event beyond the parties' control which prevents either of them from fulfilling any of their contractual obligations, is not attributable to error or negligence on their part (or the part of their subcontractors, agents or employees), and proves insurmountable in spite of all due diligence. Defects in equipment or

material or delays in making them available, labour disputes, strikes or financial difficulties cannot be invoked as force majeure. A Party shall not be held in breach of its contractual obligations if it is prevented from fulfilling them by force majeure. Without prejudice to Articles 12.2 and 12.4, the Party faced with force majeure shall inform the other Party without delay, stating the nature, probable duration and foreseeable effects of the problem, and take any measure to minimize possible damage.

- 11.6 The payment obligations of the African Union Commission under this Contract shall end 18 months after the implementation period laid down in Article 2 of the Special Conditions, unless the Contract is terminated under Article 12. The Contracting Authority shall notify the Sub-delegatee of any postponement of the end date.

ARTICLE 12 - TERMINATION OF THE CONTRACT

- 12.1 If a Party believes that the Contract can no longer be executed effectively or appropriately, it shall consult the other Party. Failing agreement on a solution, either Party may terminate the Contract by serving two months' written notice, without being required to pay compensation.
- 12.2 The Contracting Authority may terminate the Contract, without giving notice and without paying compensation of any kind:
- a) where the Sub-delegatee fails, without justification, to fulfil any of the obligations incumbent on it and, after being given notice by letter to comply with those obligations, still fails to do so or to furnish a satisfactory explanation within 30 days of sending of the letter;
 - b) where the Sub-delegatee is bankrupt or being wound up, is having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of proceedings concerning those matters or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
 - c) where the Contracting Authority has evidence on the Sub-delegatee or any related entity or person, of grave professional misconduct; this also applies to partners and agents of the Sub-delegatee;
 - d) where the Contracting Authority has evidence on the Sub-delegatee or any related entity or person, of fraud, corruption, involvement in a criminal organization or any other illegal activity detrimental to the African union Commission's financial interests; this also applies to partners and agents of the Sub-delegatee;
 - e) where the Sub-delegatee changes legal personality, unless an addendum recording that fact is drawn up;
 - f) where the Sub-delegatee does not comply with Articles 4, 10 and 16;
 - g) where the Sub-delegatee makes false or incomplete statements to obtain the sub-delegation provided for in the Contract or provides reports that do not reflect reality;
 - h) where the Sub-delegatee has not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which it is established;

- i) where the Contracting Authority has evidence on the Sub-delegatee or any related entity or person, of substantial errors, irregularities or fraud in the award procedure or the performance of the sub-delegation; this also applies to partners and agents of the Sub-delegatee;

In the cases referred to in points (c), (d) and (i) above, any related person shall mean any physical person with powers of representation, decision-making or control in relation to the Sub-delegatee.

- 12.3 The Sub-delegatee who has made false declarations, has made substantial errors or committed irregularities and fraud, or has been found in serious breach of its contractual obligations may be excluded from all contracts financed by the Contracting authority for a maximum of five years from the date on which the infringement is established, as confirmed following the adversarial procedure with the Sub-delegatee. This period can be extended to 10 years in the event of a repeated offence within 5 years of the date referred above.
- 12.4 In the event of termination the Sub-delegatee shall be entitled to payment of the budget of action only for the part of the Action carried out, excluding costs connected with current commitments that would be implemented after termination. For this purpose the Sub-delegatee shall introduce a payment request and a final report in accordance with Article 2.
- 12.5 However, in the event of termination of the Contract by the Sub-delegatee under the cases specified in points d), e) and g) of Article 12.2, the Contracting Authority may request full or partial repayment of sums already paid, in proportion to the gravity of the failings in question and after allowing the Sub-delegatee to submit its observations.
- 12.6 Prior to, or instead of, terminating the Contract as provided for in this Article, the Contracting Authority may suspend payments as a precautionary measure without prior notice.
- 12.7 This Contract shall be terminated automatically if it has not given rise to any payment by the Contracting Authority within three years of its signature.

ARTICLE 13 - APPLICABLE LAW AND DISPUTE SETTLEMENT

- 13.1 This Contract shall be governed and construed in accordance with international laws
- 13.2 The Parties shall do everything possible to settle amicably any dispute arising between them during implementation of this Contract. To that end, they shall communicate their positions and any solution that they consider possible in writing, and meet each other at either's request. A Party must reply to a request for an amicable settlement within 30 days. Once this period has expired, or if the attempt to reach amicable settlement has not produced agreement within 120 days of the first request, each Party may notify the other that it considers the procedure to have failed.
- 13.3 In the event of failure to reach an amicable agreement, the dispute may by common agreement of the Parties may refer the matter to the African Union procedures on arbitration applicable at the time.

II. FINANCIAL PROVISIONS

ARTICLE 14 - ELIGIBLE COSTS

14.1 Eligible costs are costs actually incurred by the Sub-delegatee which meet all the following criteria:

- a) they are incurred during the implementation of the action as specified in Article 2 of the Special Conditions with the exception of costs relating to final reports, expenditure verification and evaluation of the action, whatever the time of actual disbursement by the Sub-delegatee and/or its partners. Procedures to award subcontracts for goods/services/works, as referred to in the article 1.3 paragraph 3, may have been initiated but contracts may not be concluded by the Sub-delegatee or its partners before the start of the implementation period of the Action, provided the provisions of Annex IV were respected.
- b) must be indicated in the estimated overall budget of the action,
- c) must be necessary for the implementation of the action which is the subject of the sub-delegation agreement,
- d) they are identifiable and verifiable, in particular being recorded in the accounting records of the Sub-delegatee and determined according to the applicable accounting standards of the country where the Sub-delegatee is established and according to the usual cost accounting practices of the Sub-delegatee,
- e) must be reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency,

14.2 Subject to the above and where relevant to the provisions of Annex III being respected, the following direct costs of the Sub-delegatee and its partners shall be eligible:

- the cost of staff assigned to the Action, corresponding to actual gross salaries including social security charges and other remuneration-related costs; salaries and costs must not exceed those normally borne by the Sub-delegatee or its partners, as the case may be, unless it is justified by showing that it is essential to carry out the action;
- travel and subsistence costs for staff and other persons taking part in the Action, provided they do not exceed those normally borne by the Sub-delegatee or its partners, as the case may be. Any flat-rate reimbursement of the subsistence costs must not exceed the scales published by the African Union Commission;
- purchase or rental costs for equipment and supplies (new or used) specifically for the purposes of the Action, and costs of services, provided they correspond to market rates;
- costs of consumables;
- subcontracting expenditure;
- costs deriving directly from the requirements of the Contract (dissemination of information, evaluation specific to the Action, audits, translation, reproduction, insurance, etc.) including financial service costs (in particular the cost of transfers and financial guarantees);

14.3 A contingency reserve not exceeding 5 % of the direct eligible costs may be included in the Budget of the Action. It can be used only with the prior written authorization of the Contracting Authority.

14.4 A fixed percentage not exceeding 7% of the total amount of direct eligible costs of the Action may be claimed as indirect costs to cover the administrative overheads incurred by the Sub-delegatee for the Action. The flat-rate funding in respect of indirect costs does not need to be supported by accounting documents.

Indirect costs are eligible provided that they do not include costs assigned to another heading of the budget of this Contract.

14.5 Any contributions in kind, which must be listed separately at Annex III, do not represent actual expenditure and are not eligible costs. Unless otherwise specified in the Special Conditions, the contributions in kind may not be treated as co-financing by the Sub-delegatee. The cost of staff assigned to the Action is not a contribution in kind and may be considered as co-financing in the Budget of the Action when paid by the Sub-delegatee or its partners.

Notwithstanding to the above, if the Description of the Action foresees the contributions in kind, such contributions have to be provided.

14.6 The following costs shall not be considered eligible:

- debts and provisions for losses or debts;
- interest owed;
- items already financed in another framework;
- purchases of land or buildings, except where necessary for the direct implementation of the Action, in which case ownership must be transferred to the final beneficiaries and/or local partners, at the latest at the end of the action;
- currency exchange losses;
- taxes, including VAT, unless the Sub-delegatee (or, where applicable, its partners) can show it cannot reclaim and the applicable regulations authorise coverage of taxes;
- credits to third parties.

ARTICLE 15 - PAYMENT AND INTEREST ON LATE PAYMENT

15.1 Payment procedures are set out in Article 4 of the Special Conditions and correspond to one of the three options below:

Option 1: Actions with an implementation period not exceeding 12 months or where the financing provided by the Contracting Authority does not exceed EUR 100 000 the Contracting Authority will pay the Sub-delegatee in the following manner:

- pre-financing of 80% of the sum referred to in Article 3.2 of the Special Conditions following the provisions in Article 4.3 of the Special Conditions.
- the balance within 45 days of the Contracting Authority approving the final report in accordance with Article 15.2, accompanied by a request for payment of the balance conforming to the model in Annex V.

Option 2: Actions with an implementation period of more than 12 months and where the financing provided by the Contracting Authority is more than EUR 100 000 The Contracting Authority shall pay the Sub-delegatee in the following manner:

- an initial pre-financing instalment of 80% of that part of the estimated budget for the first 12 months financed by the Contracting Authority, as specified in Article 4 of the Special Conditions, following the provisions in Article 4.3 of the Special Conditions.
- further pre-financing instalments of the amount specified in Article 4 of the Special Conditions and designed to normally cover the Sub-delegatee's financing needs for each twelve month period of implementation of the Action, within 45 days of the Contracting Authority approving an interim report in accordance with Article 15.2, accompanied by:
 - a request for payment conforming to the model in Annex V,
 - an expenditure verification report under Article 15.6, if required,
 - a financial guarantee if required under Article 15.7;
- the balance within 45 days of the Contracting Authority approving the final report in accordance with Article 15.2, accompanied by:
 - a request for payment of the balance conforming to the model in Annex V,
 - an expenditure verification report required under Article 15.6.

Further pre-financing may only be given if the part of the expenditure actually incurred which is financed by the Contracting Authority (by applying the percentage set out in Article 3.2 of the Special Conditions) stands at 70% at least of the previous payment (and at 100% of any previous payments) as supported by the corresponding interim report and, where applicable, by an expenditure verification report as specified in Article 15.6. Where the consumption of the previous pre-financing is less than 70%, the amount of the new pre-financing payment shall be reduced by the unused amounts of the previous pre-financing payment.

The total sum of pre-financing under the Contract may not exceed 80% of the amount referred to in Article 3.2 of the Special Conditions.

Option 3: All Actions

The total amount shall be paid to the Sub-delegatee by the Contracting Authority in one payment within 45 days of the Contracting Authority approving the final report in accordance with Article 15.2, accompanied by:

- a request for payment of the balance conforming to the model in Annex V,

– an expenditure verification report if required under Article 15.6.

- 15.2 Any report shall be considered approved if there is no written reply from the Contracting Authority within 45 days of its receipt accompanied by the required documents. Approval of the reports shall not imply recognition of their regularity nor of the authenticity, completeness and correctness of the declarations and information they contain.

The Contracting Authority may suspend the time-limit for approval of a report by notifying the Sub-delegatee that the report cannot be approved and that it finds it necessary to carry out additional checks. Suspension shall take effect when the notification is sent by the Contracting authority. In such cases, the Contracting Authority may request clarification, alteration or additional information, which must be produced within 30 days of the request. The time-limit starts running again on the date the required information is received.

Reports shall be presented in accordance with Article 2.

- 15.3 The time-limit of 45 days for payment referred to in Article 15.1 above shall expire on the date on which the Contracting Authority's account is debited. Without prejudice to Article 12.6, the Contracting Authority may suspend this time-limit by notifying the Sub-delegatee that the request for payment is inadmissible, either because the amount in question is not due or because proper supporting documents have not been supplied or it thinks it necessary to conduct further checks, including on-the-spot checks, to make sure that the expenditure is eligible. Suspension shall take effect when the notification is sent by the Contracting authority. The time-limit for payment shall start running again on the date on which a correctly formulated request for payment is recorded.

- 15.4 Where the award procedure or performance of the contract is vitiated by substantial errors or irregularities or by fraud attributable to the Sub-delegatee, the Contracting Authority may refuse to make payments or may recover amounts already paid, in proportion to the seriousness of the errors, irregularities or fraud. The Contracting Authority may also suspend payments in cases where there are suspected or established errors, irregularities or fraud committed by the Sub-delegatee in the performance of another contract funded by the general budget of the African Union or by budgets managed by it which are likely to affect the performance of the present contract. Suspension shall take effect when the notification is sent by the Contracting authority.

- 15.5 The Contracting Authority shall make payments in the currency of the country to which it belongs, in USD or in Euro, in accordance with the Special Conditions. In the latter case, any conversion into euro of the real costs borne in other currencies shall be done at the rate made up by the average of the rates published for the months covered by the relevant report, unless otherwise provided in the Special Conditions.

In the event of an exceptional exchange-rate fluctuation, the Parties shall consult each other with a view to restructuring the Action in order to lessen the impact of such a fluctuation. Where necessary, the Contracting Authority may take additional measures.

- 15.6 Any interest or equivalent benefits accruing from pre-financing paid by the Contracting Authority to the Sub-delegatee shall be mentioned in the interim and final reports. Any interest accruing from pre financing paid by the Contracting authority shall be assigned to the Action and deducted from the payment of the balance of the amounts due to the Sub-delegatee, unless the Contracting

Authority requests the Sub-delegatee to reimburse the interest generated by pre-financing payments before the payment of the balance.

Interest shall not be due to the Contracting Authority for pre-financing paid to the AU Member States.

- 15.7 The interests are not taken into account when calculating the total sum of pre-financing under the Contract and are not considered as revenue of the Action for the purposes of final amount as referred to in article 17.
- 15.8 Subject to the conditions laid down in basic act, the Contracting Authority shall recover for each reporting period the interests accruing from pre-financing at the end of each financial year.
- 15.9 All references to days in this article 15 are to calendar days.

ARTICLE 16 - ACCOUNTS AND TECHNICAL AND FINANCIAL CHECKS

- 16.1 The Sub-delegatee shall keep accurate and regular accounts of the implementation of the action using an appropriate accounting and double-entry book-keeping system. These systems may either be an integrated part of the Sub-delegatee's regular system or an adjunct to that system. This system shall be run in accordance with the accounting and bookkeeping policies and rules that apply in the country concerned. Accounts and expenditure relating to the Action must be easily identifiable and verifiable. This can be done by using separate accounts for the Action concerned or by ensuring that expenditure for the action concerned can be easily identified and traced to and within the Sub-delegatee's accounting and bookkeeping systems. Accounts must provide details of interest accruing on funds paid by the Contracting Authority.

The Sub-delegatee shall ensure that the Financial Report (both interim and final) as required under Article 2 can be properly and easily reconciled to the Sub-delegatee's accounting and bookkeeping system and to the underlying accounting and other relevant records. For this purpose the Sub-delegatee shall prepare and keep appropriate reconciliations, supporting schedules, analyses and breakdowns for inspection and verification.

- 16.2 The Sub-delegatee will allow the African Union Commission, the African Union organs and any external auditor authorized by the Contracting authority carrying out verifications as required per Article 15.6 to verify, by examining the documents or by means of on-the-spot checks, the implementation of the Action and conduct a full audit, if necessary, on the basis of supporting documents for the accounts, accounting documents and any other document relevant to the financing of the Action. These inspections may take place up to 7 years after the payment of the balance.

Furthermore, the Sub-delegatee will allow the African Union Commission, the African Union organs external auditor authorized by the Contracting Authority carrying out verifications as required per Article 15.6 to carry out checks and verification on the spot in accordance with the procedures set out in the African Union legislation for the protection of the financial interests of the African Union against fraud and other irregularities.

To this end, the Sub-delegatee undertakes to give appropriate access to staff or agents of the African Union Commission, of the African Union Commission, the African Union organs as well as to any external auditor authorized by the Contracting Authority carrying out verifications as required per Article 15.6 to the sites and locations at which the Action is implemented, including its information systems, as well as all documents and databases concerning the technical and financial management of the Action and to take all steps to facilitate their work. Access given to agents of the African Union Commission, the African Union organs and to any external auditor authorized by the Contracting Authority carrying out verifications as required per Article 15.6 shall be on the basis of confidentiality with respect to third parties, without prejudice to the obligations of public law to which they are subject. Documents must be easily accessible and filed so as to facilitate their examination and the Sub-delegatee must inform the Contracting Authority of their precise location.

The Contractor guarantees that the rights of the African Union Commission, the African Union organs as well as of any external auditor authorized by the Contracting Authority carrying out verifications as required per Article 15.6 to carry out audits, checks and verification will be equally applicable, under the same conditions and according to the same rules as those set out in this Article 16, to the Sub-delegatee's partners and subcontractors. Where a partner or subcontractor is an international organization, any verification agreement concluded between such organization and the African Union Commission applies.

- 16.3 In addition to the reports mentioned in article 2, the documents referred to in Article 16.2 include:
- Accounting records (computerized or manual) from the Sub-delegatee's accounting system such as general ledger, sub ledgers and payroll accounts, fixed assets registers and other relevant accounting information;
 - Proof of procurement procedures such as tendering documents, bids from tenderers and evaluation reports;
 - Proof of commitments such as contracts and order forms;
 - Proof of delivery of services such as approved reports, time sheets, transport tickets (including boarding passes), proof of attending seminars, conferences and training courses (including relevant documentation and material obtained, certificates), etc;
 - Proof of receipt of goods such as delivery slips from suppliers;
 - Proof of completion of works, such as acceptance certificates;
 - Proof of purchase such as invoices and receipts;
 - Proof of payment such as bank statements, debit notices, proof of settlement by the subcontractor;
 - For fuel and oil expenses, a summary list of the distance covered, the average consumption of the vehicles used, fuel costs and maintenance costs;
 - Staff and payroll records such as contracts, salary statements, time sheets. For local staff recruited on fixed-term contracts, details of remuneration paid, duly substantiated

by the person in charge locally, broken down into gross salary, social security charges, insurance and net salary.

ARTICLE 17 - FINAL AMOUNT OF FINANCING BY THE CONTRACTING AUTHORITY

- 17.1 The total amount to be paid by the Contracting Authority to the Sub-delegatee may not exceed the maximum amount laid down in Article 3.2 of the Special Conditions neither in terms of absolute amount nor in percentage of the total estimated costs of the action.
- 17.2 If the total costs of the Action at the end of the Action are less than the estimated total cost as referred to in Article 3.1 of the Special Conditions, the Contracting Authority's contribution shall be limited to the amount obtained by applying the percentage laid down in Article 3.2 of the Special Conditions to the total costs of the Action approved by the Contracting Authority.
- 17.3 The Sub-delegatee accepts that the sub-delegation can under no circumstances result in a profit for itself and that it must be limited to the amount required to balance income and expenditure for the Action. Profit shall be defined as a surplus of actual receipts over the actual costs of the Action in question when the request is made for payment of the balance. However, in the case of Actions designed specifically to strengthen the financial capacity of the Sub-delegatee, it is distribution to the members making up the Sub-delegatee body of the surplus revenue resulting from its activity leading to their personal enrichment.
- 17.4 In addition and without prejudice to the right to terminate the Contract in accordance with Article 12.2, the Contracting Authority may, by a duly reasoned decision, if the Action is not implemented or is implemented poorly, partially or late, reduce the budget initially provided for in line with the actual implementation of the Action on the terms laid down in this Contract.

ARTICLE 18 - RECOVERY

- 18.1 The Sub-delegatee undertakes to repay any amounts paid in excess of the final amount due to the Contracting Authority within 45 days of the issuing of the debit note, the latter being the letter by which the Contracting Authority requests the amount owed by the Sub-delegatee.
- 18.2 Amounts to be repaid to the Contracting Authority may be offset against amounts of any kind due to the Sub-delegatee. This shall not affect the Parties' right to agree on payment in installments.
- 18.3 Bank charges incurred by the repayment of amounts due to the Contracting Authority shall be borne entirely by the Sub-delegatee.



ANNEX IV A
Request for payment for Sub-delegation Contract
African Union Commission

<Date of the request for payment>

For the attention of

<address of the Contracting Authority>

Reference number of the sub-delegation Contract:

Title of the sub-delegation Contract: Name and address of the Beneficiary:

Request for payment number: Period covered by the request for payment:

Dear Sir/Madam,

I hereby request

Choose one of the followings:

[pre-financing payment]

[a further] pre-financing payment]

[payment of the balance]

under the Contract mentioned above.

The amount requested is [*as indicated in Article 4(2) of the Special Conditions of the Contract >*] or [*the following>*]: *<indicate amount and currency>*

Please find attached the following supporting documents:

[*- expenditure verification report*] (*if required by Article 15.6 of the General Conditions of the Contract*)

- [*- technical and financial interim report*] (*for further pre-financing payments*)

[*- final implementation report*] (*for payment of the balance*).

The payment should be made to the following bank account: *<give the account number shown on the financial identification form annexed to the Contract>*

I hereby certify that the information contained in this request for payment is complete, faithful and reliable, that the costs incurred can be considered eligible in accordance with the Contract and that this request for payment is substantiated by adequate supporting documents that can be checked.

Yours faithfully,

< signature >



Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone +251115- 517700 Fax: +251115- 517844

Website: www.africa-union.org

FINANCIAL IDENTIFICATION

ACCOUNT NAME

ACCOUNT NAME(1)

ADDRESS

TOWN/CITY

POSTCODE

COUNTRY

CONTACT

TELEPHONE

FAX

E – MAIL

BANK

BANK NAME

BRANCH ADDRESS

TOWN/CITY

POSTCODE



Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone +251115- 517700 Fax: +251115- 517844

Website: www.africa-union.org

REMARKS:

BANK STAMP + SIGNATURE OF BANK REPRESENTATIVE
(Both Obligatory)(3)

DATE + SIGNATURE ACCOUNT HOLDER :
(Obligatory)

DATE

- (1) The name or title under which the account has been opened and not the name of the authorized agent
- (2) If the IBAN Code (International Bank account number) is applied in the country where your bank is situated
- (3) It is preferable to attach a copy of recent bank statement, in which event the stamp of the bank and the signature of the bank's representative are not required. The signature of the account-holder is obligatory in all cases.



ANNEX Va INTERIM NARRATIVE REPORT

- This report must be completed and signed by the Contact person.
- The information provided below must correspond to the financial information that appears in the financial report.
- Please complete the report using a typewriter or computer (***you can find this form at the following address <Specify>***).
- Please expand the paragraphs as necessary.
- ***Please refer to the Special Conditions of your sub-delegation contract and send one copy of the report to each address mentioned.***
- The Contracting Authority will reject any incomplete or badly completed reports.
- The answer to all questions must cover the reporting period as specified in point 1.6.

1. Description

- 1.1. Name of beneficiary of sub-delegation contract:
- 1.2. Name and title of the Contact person:
- 1.3. Name of partners in the Action:
- 1.4. Title of the Action:
- 1.5. Contract number:
- 1.6. Start date and end date of the reporting period:
- 1.7. Target country(ies) or region(s):
- 1.8. Final beneficiaries &/or target groups¹ (if different) (including numbers of women and men):
- 1.9. Country(ies) in which the activities take place (if different from 1.7):

¹ “Target groups” are the groups/entities who will be directly positively affected by the project at the Project Purpose level, and “final beneficiaries” are those who will benefit from the project in the long term at the level of the society or sector at large.

2. Assessment of implementation of Action activities

2.1. Executive summary of the Action

Please give a global overview of the Action's implementation for the reporting period (no more than ½ page)

2.2. Activities and results

Please list all the activities of the contract implemented during the reporting period as per Annex 1

Activity 1:

Title of the activity: Conference at location W with X participants for Y days on Z dates

Topics/activities covered <please elaborate>:

Reason for modification for the planned activity <please elaborate on the problems - including delay, cancellation, postponement of activities- which have arisen and how they have been addressed> (if applicable):

Results of this activity <please quantify these results, where possible; refer to the various assumptions of the Logframe>:

2.3. Please list activities that were planned and that you were not able to implement, explaining the reasons for these.

2.4. What is your assessment of the results of the Action so far? Include observations on the performance and the achievement of outputs, outcomes and impact in relation to specific and overall objectives, and whether the Action has had any unforeseen positive or negative results (please quantify where possible; refer to Logframe Indicators).

Please list potential risks that may have jeopardized the realisation of some activities and explain how they have been tackled. Refer to logframe indicators.

If relevant, submit a revised logframe, highlighting the changes.

Please list all contracts (works, supplies, services) above 10.000€ awarded for the implementation of the action during the reporting period, giving for each contract the amount, the award procedure followed and the name of the contractor.

2.5. Please provide an updated action plan ²

Year	Semester 1						Semester 2						Implementing body
Activity	Month 1	2	3	4	5	6	7	8	9	10	11	12	Implementing body
<i>Example</i>	<i>example</i>												<i>Example</i>
Preparation Activity 1 (title)													Local partner 1
Execution Activity 1 (title)													Local partner 1
Preparation Activity 2 (title)													Local partner 2

² This plan will cover the financial period between the interim report and the next report.

Etc.													

3. Partners and other Co-operation

- 3.1. How do you assess the relationship between the formal partners of this Action (i.e. those partners which have signed a partnership statement)? Please provide specific information for each partner organisation.
- 3.2. How would you assess the relationship between your organisation and State authorities in the Action countries? How has this relationship affected the Action?
- 3.3. Where applicable, describe your relationship with any other organisations involved in implementing the Action:
 - Associate(s) (if any)
 - Sub-contractor(s) (if any)
 - Final Beneficiaries and Target groups
 - Other third parties involved (including other donors, other government agencies or local government units, NGOs, etc)
- 3.4. Where applicable, outline any links and synergies you have developed with other actions.
- 3.5. If your organisation has received previous AUC supports in view of strengthening the same target group, in how far has this Action been able to build upon/complement the previous one(s)? (List all previous relevant AUC supports).

4. Visibility

How is the visibility of the AUC and donor contribution being ensured in the Action?

Name of the contact person for the Action:

Signature:

Location:

Date report due:

Date report sent:



ANNEX Vb FINAL NARRATIVE REPORT

- This report must be completed and signed by the Contact person.
- The information provided below must correspond to the financial information that appears in the financial report.
- Please complete the report using a typewriter or computer (*you can find this form at the following address <Specify>*).
- Please expand the paragraphs as necessary.
- *Please refer to the Special Conditions of your sub-delegation contract and send one copy of the report to each address mentioned.*
- The Contracting Authority will reject any incomplete or badly completed reports.
- Unless otherwise specified, the answer to all questions must cover the reporting period as specified in point 1.6.
- Please do not forget to attach to this report the proof of the transfers of ownership referred to in Article 7.3 of the General conditions.

1. Description

- 1.1. Name of beneficiary of sub-delegation contract:
- 1.2. Name and title of the Contact person:
- 1.3. Name of partners in the Action:
- 1.4. Title of the Action:
- 1.5. Contract number:
- 1.6. Start date and end date of the Action:
- 1.7. Target country(ies) or region(s):
- 1.8. Final beneficiaries &/or target groups¹ (if different) (including numbers of women and men):
- 1.9. Country(ies) in which the activities take place (if different from 1.7):

2. Assessment of implementation of Action activities

¹ “Target groups” are the groups/entities who will be directly positively affected by the project at the Project Purpose level, and “final beneficiaries” are those who will benefit from the project in the long term at the level of the society or sector at large.

2.1. Executive summary of the Action

Please give a global overview of the Action's implementation for the whole duration of the project

2.2. Activities and results

Please list all the activities in line with Annex 1 of the contract since the last interim report if any or during the reporting period

Activity 1:

Title of the activity: Conference at location W with X participants for Y days on Z dates

Topics/activities covered <please elaborate>:

Reason for modification for the planned activity <please elaborate on the problems - including delay, cancellation, postponement of activities, change in target, etc - which have arisen and how they have been addressed> (if applicable):

Results of this activity <please quantify these results, where possible; refer to the various assumptions of the Logframe>:

2.3. Activities that have not taken place

Please outline any activity and/or publications foreseen in the contract, that have not taken place, explaining the reasons for these

2.4. What is your assessment of the results of the Action? Include observations on the performance and the achievement of outputs, outcomes, impact and risks in relation to specific and overall objectives, and whether the Action has had any unforeseen positive or negative results. (Please quantify where possible; refer to Logframe Indicators).

2.5. What has been the outcome on both the final beneficiaries &/or target group (if different) and the situation in the target country or target region which the Action addressed?

2.6. Please list all materials (and no. of copies) produced during the Action on whatever format (please enclose a copy of each item, except if you have already done so in the past).

Please state how the items produced are being distributed and to whom.

2.7. Please list all contracts (works, supplies, services) above 10.000€ awarded for the implementation of the action since the last interim report if any or during the reporting period, giving for each contract the amount, the award procedure followed and the name of the contractor.

2.8. Describe if the Action will continue after the support has ended. Are there any follow up activities envisaged? What will ensure the sustainability of the Action?

2.9. Explain how the Action has mainstreamed cross-cutting issues such as promotion of human rights², gender equality³, democracy, good governance, children's rights and indigenous

² Including those of people with disabilities. For more information, see "Guidance note on disability and development" at

peoples, environmental sustainability⁴ and combating HIV/AIDS (if there is a strong prevalence in the target country/region).⁵

2.10. How and by whom have the activities been monitored/evaluated? Please summarise the results of the feedback received, including from the beneficiaries.

2.11. What has your organisation/partner learned from the Action and how has this learning been utilised and disseminated?

3. Partners and other Co-operation

3.1. How do you assess the relationship between the formal partners of this Action (i.e. those partners which have signed a partnership statement)? Please provide specific information for each partner organisation.

3.2. Is the partnership to continue? If so, how? If not, why?

3.3. How would you assess the relationship between your organisation and State authorities in the Action countries? How has this relationship affected the Action?

3.4. Where applicable, describe your relationship with any other organisations involved in implementing the Action:

- Associate(s) (if any)
- Sub-contractor(s) (if any)
- Final Beneficiaries and Target groups
- Other third parties involved (including other donors, other government agencies or local government units, NGOs, etc)

3.5. Where applicable, outline any links and synergies you have developed with other actions.

3.6. If your organisation has received previous AUC supports in view of strengthening the same target group, in how far has this Action been able to build upon/complement the previous one(s)? (List all previous relevant AUC supports).

3.7. How do you evaluate co-operation with the services of the Contracting Authority?

4. Visibility

How is the visibility of the AUC and donor contribution being ensured in the Action?

Name of the contact person for the Action:

Signature:Location:

Date report due:Date report sent:

⁴ Guidelines for environmental integration are available at: <http://www.environment-integration.eu/>



Glossary of terms

AU	African Union
AUC	African Union Commission
Addendum	A document modifying the terms and conditions of a contract.
Conflict of interests	Any event influencing the capacity of a candidate, tenderer, contractor or grant beneficiary to give an objective and impartial professional opinion, or preventing it, at any moment, from giving priority to the interests of the Contracting Authority. Any consideration relating to possible contracts in the future or conflict with other commitments, past or present, of a candidate, tenderer, contractor or grant beneficiary. These restrictions also apply to any sub-contractors and employees of the candidate, tenderer, contractor or grant beneficiary.
Contract	An agreement, between two or more persons or entities, with specific terms and an undertaking to provide services, supplies and/or works in return for a financial consideration .
Contract award procedure	The procedure followed by a Contracting Authority to identify, and conclude a contract with, a suitable contractor to provide defined goods or services.
Contract budget	A summary of the costs of performing the contract. The total of these costs is the contract value or contract price. Where grants are concerned: the budget shows the eligible costs for funding and the total costs. The income must also be detailed. Where works are concerned: the sum represents the initial estimate payable for the execution of the works or such other sum as ascertained by the final statement of account as due to the contractor under the contract.
Contract price	See "Contract budget".
Contract value	See "Contract budget".
Contracting Authority	African Union Commission, on behalf of and for the account of the beneficiary or the entity concluding the contract as provided for (where appropriate) in the Financing Agreement.
Equipment	Machinery, apparatus, components and any other articles intended for use in the works.

Execution period	<p>The period from contract signature until final payment and in no event later than 18 months after the provisional acceptance of the works or of the supply This period includes the warranty and the final acceptance of the works or of the supply .</p> <p>The period from contract signature until final payment and in no event later than 18 months after the end of the implementation period.</p>
Expert	A person engaged to provide the expertise required for the proper performance of a contract.
Explanatory note	A summary at the beginning of a contract dossier or addendum dossier explaining to the reader the purpose and essential features of the proposed contract or addendum.
Final beneficiaries of a grant	Those who will benefit from the project in the long term at the level of the society or sector at large.
Financing Agreement	An agreement between the AUC and the beneficiary which determines the objectives and scale of a future programme of assistance.
Foreign currency	Any currency permissible under the applicable provisions and regulations other than the one that indicated in the tender.
General conditions	The general contractual provisions setting out the administrative, financial, legal and technical clauses governing the execution of all contracts of a particular type.
Grant	A direct payment of a non-commercial nature by the Contracting Authority to a specific recipient to implement an operation (or in some cases to finance part of its budget) in order to promote an AU policy aim.
Guidelines for applicants	Document explaining the purpose of a Call for Proposals for grants. It sets out the rules regarding who may apply, the types of operations and costs which may be financed, and the evaluation (selection and award) criteria. It also provides practical information on how to complete the application form, what documents must be annexed, and rules and procedures for applying.
Implementation period	The period from the signature, or alternative date if specified in the Special Conditions, until the provisional acceptance of the works or until the provisional acceptance for the last lot has been issued or until all tasks have been carried out.
Month	Calendar month.
National currency	The currency of the beneficiary country.
Operating grant	Direct financial contribution, by way of donation, in order to finance the functioning of a body which pursues an aim of general European interest or has an objective forming part of a European Union policy.

Period	A period begins the day after the act or event chosen as its starting point. Where the last day of a period is not a working day, the period expires at the end of the next working day.
Project	The project in relation to which the services/works/supplies are to be provided under the contract.
Special Conditions	The special conditions laid down by the Contracting Authority as an integral part of the tender or call for proposals dossier, including amendments to the General Conditions, clauses specific to the contract and the terms of reference (for a service contract) or technical specifications (for a supply or works contract).
Supplies	All items which the Contractor is required to supply to the Contracting Authority, including, where necessary, services such as installation, testing, commissioning, provision of expertise, supervision, maintenance, repair, training and other such obligations connected with the items to be provided under the contract.
Tender	A written or formal offer to supply goods, perform services or execute works for an agreed price.
Tenderer	A natural or legal person or consortium thereof submitting a tender with a view to concluding a contract.
Terms of reference	The document drawn up by the Contracting Authority setting out its requirements and/or objectives in respect of the provision of services, specifying, where relevant, the methods and resources to be used and/or results to be achieved (SER).