



**KINGDOM OF BELGIUM**

Minister of Development Cooperation  
and Major Cities Policy

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Mr. Giampaolo Silvestri,  
Secretary General,  
Fondazione AVSI,  
via Donatello 5b,  
20131 Milano  
ITALY

**your communication of**    **your reference**

**our reference**

**date**

D5.2/KD/HUM.03.04/2021/MOZ-3/AVSI/Prisma: 3946

**Subject: Grant awarded by the Belgian State for the project "Os Jovens e o Futuro : Addressing the Underlying Root Causes of Fragility and Strengthening the Resilience of Youth in Cabo Delgado"- € 999.666,41 - AB 14 54 16 35.60.49**

Dear Sir,

I have the pleasure to inform you that the Federal Government of Belgium, through its Federal Public service of Foreign Affairs – Directorate-General for Development Cooperation and Humanitarian Aid (DGD), has decided to make available to the Fondazione AVSI, the amount of € 999.666,41, for the following project "Os Jovens e o Futuro : Addressing the Underlying Root Causes of Fragility and Strengthening the Resilience of Youth in Cabo Delgado", under the Terms and Conditions of the Contribution as stated in this letter.

You are kindly requested to sign the Agreement with the terms and conditions and return it together with the payment request for the first instalment to the following address:

Federal Public Service Foreign Affairs, Foreign Trade and Development Cooperation, Directorate General for Development Cooperation and Humanitarian Aid, Unit D5.2 (Unit for Transitional Development and Good governance) – [D5.2@diplobel.fed.be](mailto:D5.2@diplobel.fed.be), Attn: Mrs. Katty Demesmaeker, Rue des Petits Carmes 15, 1000 Brussels, BELGIUM.

**Attachments:**

- Agreement with Terms and Conditions of the Contribution
- Copy of the Royal Decree awarding €999.666,41 to the Fondazione AVSI



## **Agreement**

BETWEEN

The Federal Government of Belgium, represented by Mrs. Meryame Kitir,  
Minister for Development Cooperation and Major Cities Policy,  
acting through the Federal Public Service Foreign Affairs, Foreign Trade and  
Development Cooperation, Rue des Petits Carmes 15, PO Box 1000 Brussels,  
Belgium,

### **THE DONOR,**

On the one part,

AND

The Fondazione AVSI, represented by Mr. Giampaolo Silvestri,  
Secretary General, via Donatello 5b, 20131 Milano, Italy,

### **THE BENEFICIARY,**

On the other part,

IT IS AGREED AS FOLLOWS:

#### **ARTICLE 1:**

The purpose of this Agreement is to specify the terms and conditions for the use of the grant of € 999.666,41 (nine hundred and ninety-nine thousand six hundred sixty-six euro and forty-one cents) awarded to the Beneficiary for the project "Os Jovens e o Futuro: Addressing the Underlying Root Causes of Fragility and Strengthening the Resilience of Youth in Cabo Delgado" for Mozambique.

The contribution covers a period of 18 months starting from the date of signature of the Royal Decree awarding the grant. The Beneficiary will notify the Donor when the project implementation covered by this grant starts on a later date than foreseen in this Agreement.

A no-cost extension or modification of the program can be allowed by the Donor, provided that a reasonable motivation is given, and that the overall objective is maintained. The request and the approval will be done by an exchange of letters. The letter and the answer will constitute an additional clause to this Agreement.

#### **ARTICLE 2 :**

The project aims to "address the root causes of fragility and crises in the province Cabo Delgado and improve youth resilience by providing economic opportunities and strengthening the capacities of the local vocational institutions".

The overall objective of the project is to address, on the one hand, youth unemployment due to inadequate job skills and the lack of employment opportunities and, on the other



hand, the inadequate effectiveness of the local vocational institutions in the vulnerable context of the northern province of Cabo Delgado.

Further information on the project is provided in the attached project proposal and detailed budget breakdown, which form an integral part of this Agreement.

### **ARTICLE 3 :**

#### **3.1.**

The grant referred to in Article 1 will allow the financing of expenses and activities within the limits of the budget estimated at € 999.666,41 (nine hundred and ninety-nine thousand six hundred sixty-six euro and forty-one cents).

#### **3.2.**

If the implementation of the program so requires, the Beneficiary may transfer a maximum of 15 percent of the grant between the general budget lines without submitting a request to the Donor.

Any modification exceeding 15 percent of the total grant must be approved by the Donor, and the Beneficiary must submit a written request for a budgetary modification justifying, in detail, the reasons for this request.

### **ARTICLE 4 :**

#### **4.1.**

The grant will be paid to the account number: IBAN (EU): IT27T0306909606100000003066, opened in the name of the Fondazione AVSI, at the Intesa Sanpaolo bank, Fil. 55000 – Fil Accentrata Ter - 20121 MILANO, Italy (BIC/SWIFT: BCITITMMXXX) with the reference for payment: "EURO".

The grant will be paid in two instalments of 75% and 25%. The first instalment of € 749.749,80 (seven hundred forty-nine thousand seven hundred and forty-nine euro and eighty cents) will be paid after the receipt of the request for payment.

The second and last instalment of € 249.916,61 (two hundred forty-nine thousand nine hundred and sixteen euro and sixty one cents) will be paid after the receipt of an intermediary narrative and financial report of the project demonstrating that 75% of the first instalment has been spent, supporting documents relating to the expenses and a request for payment.

Maximum 3 months after the launch of the project, the Beneficiary will submit a Baseline that meets the quality criteria allowing a final measurable evaluation, in accordance with those mentioned in the strategic note on development results of the Directorate general for Development Cooperation and Humanitarian Aid.

The Beneficiary will submit a short narrative report of the activities to the Donor every 6 months to inform the Donor of the progress of the project.

#### **4.2.**



An original statement of money owed on an organization stationery with official header duly dated and signed by the organization's official representatives, must be provided by the Beneficiary, with reference to this Agreement and containing the following elements:

*"STATEMENT OF MONEY OWED:*

*The undersigned, Mr. Giampaolo Silvestri, representing the Fondazione AVSI, declares that the Belgian State owes the above-mentioned organization the amount of (amount of the instalment) EURO, as a grant for the implementation of the project "Os Jovens e o Futuro: Addressing the Underlying Root Causes of Fragility and Strengthening the Resilience of Youth in Cabo Delgado". This amount is to be paid to the account number IBAN (EU): IT27T0306909606100000003066 of the Intesa Sanpaolo bank, Fil. 55000 – Fil Accentrata Ter - 20121 MILANO, Italy".*

### **4.3**

At the end of the project, the Beneficiary will provide to the Donor:

1° A final narrative report which shall have a focus on the results and shall mention initial objectives, results achieved, challenges faced, and solutions found. Should some activities not have been carried out, the report will highlight the reasons, the measures taken to mitigate the challenges and the way the funding has been used for the implementation of other activities.

2° A financial report which shall present the real expenses that occurred during the implementation of the financed activities (including supporting documents relating to the expenses). The Beneficiary can find more information on the eligible costs in the annex of this Agreement.

3° An external audit report.

Once the Donor has approved the final narrative and financial report (including the supporting documents), the project will be considered as definitively closed.

#### **ARTICLE 5 :**

Unspent parts of the grant remaining after the financial closure of the project will be reported and must be reimbursed to the Belgian government.

#### **ARTICLE 6 :**

The financial report consists of a certified financial statement regarding the (un)spent balances and a list of the costs and expenses incurred. The Donor may request additional information.

The accounts and original invoices and receipts shall be kept available during at least seven years after the end of the project. Certified copies (on digital supports such as CD-ROM or USB stick) must be provided to the Donor for verification purposes.

The Beneficiary undertakes to send the Donor a copy of the audit reports relating to the years covered by this Agreement.



The Donor may conduct an external evaluation and/or audit to assess the program or request the Beneficiary to conduct it itself.

During the implementation period of this Agreement, the Beneficiary will allow the Donor's representatives to verify and assess the implementation of the project, including the accounts and original receipts and invoices at the Beneficiary's premises, provided that reasonable advance notice is given.

#### **ARTICLE 7 :**

All correspondence between the Donor and the Beneficiary should be sent to the following addresses, always using the reference "Transition-BE-Youth & Fragility - Mozambique - AVSI".

##### Donor:

Federal Public Service of Foreign Affairs, Foreign Trade and Development Cooperation  
Directorate General for Development Cooperation and Humanitarian Aid  
Unit D5.2 (Transitional Development and Good Governance)  
Rue des Petits Carmes 15,  
1000 Brussels  
Belgium

##### Beneficiary:

Fondazione AVSI,  
via Donatello 5b,  
20131 Milano,  
Italy

#### **ARTICLE 8 :**

##### **8.1**

The Beneficiary shall immediately inform the Donor of the occurrence of a case of force majeure or any other circumstance that makes the continuation of the project impossible, in particular for safety or ethical reasons.

Both parties will consult each other in advance about the measures to be taken to suspend or discontinue the intervention.

The Beneficiary will take all necessary precautions to safeguard the interests of the contracting parties.

Suspension periods must be duly recorded by both parties; they do not suspend the Agreement regarding the part of the grant allocated to the fixed costs.

In the event of the termination of the project, the Beneficiary undertakes to return to the Donor, within a period not exceeding three months, the amounts not yet committed for the project.

Ownership of equipment, materials or other property financed from the contribution may be transferred to the local partner based on a written agreement with and acknowledgement of receipt by the local partner.



## 8.2

The Beneficiary shall inform the Donor in case of – suspected - active or passive fraud or corruption or sexual exploitation, abuse or harassment (SEAH), as well as the measures the organization has taken to mitigate and resolve the identified problem.

### **ARTICLE 9 :**

In case of doubt about the interpretation of this Agreement, the Beneficiary shall consult the Donor. Each decision shall be the subject of an exchange of letters.

Legal conflicts regarding this Agreement are subject to the jurisdiction of the Belgian Courts.

Done at \_\_\_\_\_, on

in duplicate, each of which is an original, one of which has been transmitted to each of the parties.

For the Donor,

For the Beneficiary,



06 DEC. 2021

Meryame KITIR  
Minister of Development Cooperation  
and Major Cities Policy

Giampaolo SILVESTRI,  
Secretary General of the Fondazione  
AVSI



## **ANNEX: INFORMATION ON THE ELIGIBLE COSTS**

In principle, all costs that are related to the implementation of the project are eligible for subsidy, except for the following costs (indicative list):

- accounting entries that do not result in a disbursement unless they result from a legal obligation on the part of the project.
- provisions for liabilities and charges, losses, debts or contingent future liabilities
- debts and interest charges unless such interest is the direct consequence of a delay in the payment.
- debts, including actual or estimated losses resulting from unrecoverable receivables and other debts, as well as legal fees related to their recovery
- foreign exchange losses.
- loans to third parties.
- financial guarantees and other warrants.
- costs already covered by another grant.
- invoices issued by other organizations for products and services that are already subsidized.
- subcontracting or consultancy contracts for essential project tasks forming part of the core business of the subsidized organization.
- subcontracting by means of service or consultancy contracts to members of the staff, members of the board of directors or of the general assembly of the organization receiving the grant.
- subletting of any kind to the organization's own staff.
- purchases of land and buildings unless such purchases are essential to the achievement of the project's objectives and provided that their ownership is transferred through appropriate procedure to a partner at the end of the project.
- the costs of compensation in the event of a claim for damages arising from the civil liability of the organization.
- payments for any notice period not provided or not respected
- expatriation-related expenses (removal, settlement allowance, airline tickets for the legal partner and dependent relatives) for contracts of less than 12 months.
- the purchase of alcoholic beverages, tobacco and their derivatives.

