

Project Contract

Project Title: Beit CURE MYP

Project Number: 3589-MYP

The contracting parties are

Beit - CURE Hospital Ear Programme

Great North Road Plot 34872/A near SOS
Lusaka / Zambia

hereinafter referred to as "**Partner**" and represented by
Steve Hitt

Beit CURE Hospital of Zambia, CURE Intern Cnr of Kasangula & Great North
Roads
/ Zambia

and

CBM Christoffel-Blindenmission Christian Blind Mission e.V.

Stubenwald-Allee 5
64625 Bensheim
Germany

Hereinafter referred to as "**CBM**" and represented by its
Executive Management (Vorstand)

Preamble

In consideration of the financial and administrative support to be provided by CBM and the Project work to be carried out by the Partner, and the mutual agreements contained in this contract, the contracting parties agree by signing this Project Contract to be bound by the conditions of this **Project Contract**.

As far as a Partnership Framework Memorandum is signed the contracting parties also agree to be bound by the mutual agreements contained in the Partnership Framework Memorandum.

The contracting parties agree to:

- carry-out the Project named on the cover page of this Project Contract and
- reach the **jointly agreed results** of the Project, by undertaking the **defined activities** which are measured by **specified indicators** as written down in the Project Plan

CBM approves budgets annually, both for Annual Project Plans and for Multi Year Plans, and documents these with an annual Budget Plan. The yearly budget approval represents CBM's firm financial commitment to the Partner.

Section 1, Project Contract documents, duration and CBM budget support

This Project Contract

- 1.1 **enters into force** on the date on which all contracting parties have signed the contract.
- 1.2 **extends** automatically by one year on 01 January of the following year provided CBM approves an annual Budget Plan for that year, and no written termination notice has been given by either party
and **ends** automatically with the date of completion of the Project according to the approved **Multi Year Project** (MYP) Plan unless a written extension agreement has been signed by both parties.
Other modalities of and reasons for termination are described in section 9 of this Project Contract.
- 1.3 **may be subject to change by CBM**. Any amendments to this Project Contract will come into force automatically 3 weeks after notice of a change in terms or funding is sent from CBM to the Partner provided the Partner does not communicate any objections to the amendments within this timeframe. The amendments will become a binding and integral part of this Project Contract.

CBM Budget Support

CBM approves **yearly budgets** on the basis of a Multi Year Project Plan. The **annual Budget Plan** is presented to the Partner on a yearly basis and:

- 1.4 **becomes a binding and integral part of this Project Contract** as long as no objection is raised by one of the contracting parties within 2 weeks after CBM has sent the Budget Plan electronically or per postal mail to the Partner.
- 1.5 is valid only for the CBM budget year (calendar year) specified in this Budget Plan.
- 1.6 documents the yearly approved CBM budget support and currency together with the details on the jointly agreed results, activities and indicators for that year.
- 1.7 can be subject to a (joint) review in the course of the calendar year in case of changes to the planned Project progress. An addendum to this Project Contract will then be issued by CBM containing the revised Budget Plan which becomes an integral part of this Project Contract and replaces previous versions for this specific year.

Project Contract Constellation

In case the partner co-operates with sub-partner(s) to implement the project the partner has to sign a respective contract(s) with each sub-partner(s) reflecting their roles and responsibilities in line with the mutually agreed joint programme as laid down in this CBM Project Contract. The partner will provide CBM copies of such sub-contract(s) for information and monitoring.

Responsibilities of CBM and the Partner

Section 2, Implementation of the Project

CBM

- 2.1 provides the Partner with the budget support specified in the annual **Budget Plan** provided that funds are available at CBM.
- 2.2 transfers the funds as approved and specified in the annual Budget Plan upon a written **Request of Funds** to the named bank account(s) of the Partner as stated under section 10 of this Project Contract.
- 2.3 reserves the right to withhold the transfer of funds until the responsibilities of the Partner as documented in this Project Contract have been fully met.

The Partner

- 2.4 applies appropriate policies and regulations in the planning and implementation of its activities and the management of its organisation to protect the reputation and operational freedom of both CBM and the Partner. Specifically refer to sections 7.9 to 7.13.
- 2.5 uses **CBM's budget support** efficiently and economically according to the Project Plan and Budget Plan.
- 2.6 informs CBM as soon as possible about any **significant changes** to the Project Plan and/or Budget Plan as well as any relevant change, which may impact the jointly agreed results of the approved Project.
- 2.7 keeps a separate Project accounting clearly recording income and expenditures (all eligible project costs) of the CBM budget support either through separate bookkeeping for the Project or by using a separate project/cost code. Internationally accepted accounting principles shall be adhered to.
- 2.8 specifies in section 10 in this Project Contract the **details of the bank account(s)** to which CBM funds will be transferred. The bank account(s) must be in the name of a registered legal entity and cannot be a private (individual) person's account(s).
- 2.9 ensures that all payments and withdrawals from the specified bank account(s) shall be signed by two authorised signatories of the Partner.
- 2.10 informs CBM immediately about every change to the authorised signatories and any changes or additions to the bank account details of the designated bank account(s) specified in section 10 by issuing the **Bank Details** form and providing a bank statement as verification.

- 2.11 requests funds through a signed **Request of Funds** form.
- 2.12 provides all supporting documents to the **Request of Funds** (pro-forma invoices or quotations, cost estimates, building plans, etc.) which are requested by the relevant CBM Country or Regional Office.
- 2.13 ensures that the latest **Requests of Funds** arrive at the relevant CBM Country or Regional Office no later than the **30th November** of the budget year. Funds which are not requested by this date will lapse.

Section 3, Procurement and Tendering

CBM

CBM may provide budget support for procurement of goods and services by the Partner as outlined in the Project and Budget Plans.

The Partner

- 3.1 documents to CBM upon request the **procurement processes** for expenditures of **more than EUR 500** or its equivalent for procurement related items such as

- training materials
- construction materials,
- equipment and machinery or
- other investments and services.

At least **three different quotations or cost surveys** (documented, signed and dated) must be provided. The best offer in relation to price and conditions must be chosen. The final decision to purchase must be made and signed by a minimum of two authorised persons and will be documented.

- 3.2 establishes, maintains and provides to CBM upon request an **inventory of assets**, to be updated each year, that have been purchased with funds received from CBM.

Section 4, Documentation, Reporting and Monitoring

The Partner and CBM monitor the Project's progress as a continuous process throughout the implementation period.

CBM

- 4.1 provides the Partner automatically or upon request to the relevant CBM Country or Regional Office, as the case may be, with all **needed standard CBM reporting formats** and **relevant documents (mentioned in this Project Contract)** as well as guidance on how to use these.
- 4.2 reserves the right to have the Partner's use of the CBM budget support examined by CBM's Internal Audit or an external auditor of CBM's choice. For that purpose the documents listed under section 4.6 must be available on site at the Partner organisation upon CBM's request. This also includes general information regarding funding for the Project/Partner organisation from other donors.
- 4.3 undertakes project visits usually in consultation with the Partner and according to agreed Terms of Reference.

The Partner

- 4.4 provides the relevant CBM Country or Regional Office with the following documents and reports according to the CBM templates:
 - the **Acknowledgment of Receipt of Funds** form, completed and signed upon receipt of funds from CBM. No further fund transfers may be provided by CBM, at its sole discretion, until this form has been received.
 - Quarterly:
 - The quarterly **Narrative Progress Report** for the first three quarters of any reporting year (Q1; Q2 and Q3), to be submitted not later than 15 days after the end of the reporting period.
 - The quarterly **Project Progress Report**, composed of the Finance Report (inclusive of Request for Funds for the next period), the list of expenditures and Indicator Tracking Sheet for all quarters of the reporting year (Q1; Q2; Q3 and Q4), to be submitted not later than 15 days after the end of the reporting period.
 - Annually and end-of-project:
 - For Multi Year Projects only, the **End of Year Narrative Report** for all years prior to the final project year, to be submitted not later than 30 days after the end of the reporting year.

- the **Financial Year-End Closing Report**, to be submitted annually by March 31st of the following year, and in the case of the final (partial) year of Multi Year Project, not later than 3 months after the project end date. If approved annual CBM funding is >100,000 EURO, the project accounts have to be verified by an independent certified/chartered/authorized auditor and the report is to be accompanied by an Audit Certificate, to demonstrate that all CBM support was used for agreed purposes. CBM reserves the right to explicitly request external audit verification of accounts also for projects with a budget < 100,000 EURO for specific reasonse.
 - In case the Partner is not able to provide the opinion of an independent certified/chartered/authorized auditor, the Partner has to consult with CBM on how to obtain another source of accounting verification acceptable to CBM.
 - the narrative **End of Project Report (Completion Report)** within three months of the completion/termination date of an approved and funded Project.
 - the **Project Work Statistics** as laid down by the communicated reporting schedule.
 - **additional annexes and supporting documents** upon specific request from CBM (e.g. additional narrative or financial information, annual reports, human interest stories, photographs) for designated funding purposes/tender processes, public relations, fundraising, etc. CBM will communicate these requirements to the Partner separately.
- 4.5 provides all required reports and documents (see 4.4) to CBM **also** for funds that are spent or project-related activities that take place after the originally planned completion date (see 1.2).
- 4.6 must request and receive permission from CBM to use **surplus balances** (unspent funds already received, exchange rate gains, etc.) **in advance of spending**. CBM reserves the right to approve or reject the requested utilisation. CBM can claim the return of unspent funds if alternative utilisation is not approved.

- 4.7 ensures that records and accounts relevant to the CBM financial support are available upon CBM's request, and contain current information and documentation which comprise as a minimum:
- the originally signed version of this Project Contract, its attachments, and all revisions thereof
 - vouchers evidencing the receipt of all remittances, cash or any other form of credit to the project account
 - payment vouchers, clearly showing the name of the payee, the amount, the purpose and date of the disbursement, evidencing all payments made and with all pertinent supporting documentation attached including delivery notes
 - bank account statements
 - ledgers or books of accounts posting all transactions and corresponding verifications
 - employment contracts, job descriptions and all payroll records
 - service contracts and Terms of Reference for consultancies and services
 - other income (locally generated or through other donor organisations)
 - inventory lists
 - audit reports.
- 4.8 maintains an adequate and orderly accounting system conforming to the **CBM Accounting Policy** and applying segregation of duties between personnel or other mitigating controls between transaction processing, authorisation, custody, and the recording functions of the Project.
- 4.9 maintains information, documentation and data, including financial information, collected as part of the Project implementation, in writing, for a minimum of 10 years and ensures availability to CBM's authorised personnel for inspection upon request.
- 4.10 facilitates visits by CBM for purposes of project monitoring, evaluation, auditing, etc. The Partner will also permit photocopying and/or digital scanning of all project and financial records by CBM's authorised personnel, to the extent they deem it necessary, at CBM's expense.

Section 5, Review and Evaluation

CBM and the Partner agree on the need for the review or evaluation of a Project according to CBM's evaluation standards and criteria, and/or specific donor standards.

Evaluations are primarily conducted to observe effects in the interest of ensuring accountability and learning. They can be conducted internally or externally, but shall always follow the principle of independence.

Evaluations shall be part of the Project Plan and shall take place at pre-defined periods.

The Partner and CBM

- 5.1 commit to quality, credibility, transparency, cost effectiveness, impartiality and independence of the evaluation.
- 5.2 jointly develop the Terms of Reference for the evaluation.
- 5.3 provide data and information on the project for the purpose of the evaluation, support the logistics and implementation of an evaluation, and agree to distribute results, recommendations and lessons learned from the evaluation to stakeholders as defined in the Terms of Reference.

Section 6, Visibility/Public Relations (PR)

CBM

- 6.1 makes available to the Partner the **CBM Brand Guidelines** and the **CBM Brand Guidelines for use with Partners**.
- 6.2 provides PR and media materials and advice to the Partner as CBM deems necessary and appropriate to create visibility for the Project.
- 6.3 provides information about planned CBM PR/resource gathering/donor visits to the Project usually with at least 3 to 4 weeks' notice.
- 6.4 may request reports from the Partner for public relations or fundraising purposes, such as human-interest stories, photographs, etc. (CBM will usually provide technical support to the Partner as appropriate to produce these materials).

The Partner

- 6.5 is hereby given the right to use the CBM name and logo for the sole purpose of this Project Contract and exclusively for the duration of the contract, as set in section 1 above.
- 6.6 gives visibility (as per the CBM Brand Guidelines for use with Partners) to the Partnership with CBM in the form of signboards, publications, stickers on equipment and other appropriate measures providing the local security situation allows it.
- 6.7 remedies any misuse of the CBM name and logo within thirty days after receiving written notice from CBM. Otherwise, such misuse shall be considered as a material breach of this Project Contract and may lead to its immediate termination.
- 6.8 facilitates visits by CBM for purposes of increasing visibility and fundraising. Such visits will be organised by the relevant CBM Country or Regional Office in consultation with the Partner as described in section 6.3.

Section 7, Provisions

The Partner and CBM

- 7.1 recognise that religious and political beliefs and ideas must be voluntary and not imposed and that agreed activities shall not be used to impose religious and political beliefs.
- 7.2 shall disclose any third-party transactions affecting this Project Contract, and declare a conflict of interest, and shall not participate in any discussions or decision-making, when an employee (in a governance or advisory role) can make, or influence, decisions which directly or indirectly result in material or personal gain to self, family, friend, or associate.
- 7.3 will not be held liable for any commitments entered into by the other with any third party relating to the implementation of the Project.
- 7.4 maintain confidentiality and will not disclose any confidential matters, information or documents, which may be provided or made available to each other as part of this Project Contract even after the Project Contract has ended. (Confidential information includes any of the Partner's information that is not known generally to the public: including but not limited to lists of supporters, personnel files, computer records, financial data, descriptions of processes and procedures, research plans, and computer systems).
- 7.5 maintain the right to privacy of personal data and ensure that data is kept anonymous during any data collection process.
- 7.6 observe good security practices and keep proprietary and confidential information secure from visitors and all other persons who do not have a legitimate reason to see or use such information.
- 7.7 shall not be liable for any failure to perform its obligations where such failure is as a result of **force majeure**: Acts of nature (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalisation, government sanction, blockage, embargo, labour dispute, strike, lockout or interruption or failure of electricity (or telephone service).
In such circumstances (see above) either party will have the right to terminate this Project Contract based on any of these causes as described under section 9.2.

- 7.8 ensure that in the case of either party asserting **force majeure** as an excuse for non-compliance with this contract, the asserting party needs to prove that:
- reasonable steps were taken (under the circumstances) to minimise delay or damage caused by foreseeable events
 - all non-excused obligations were substantially fulfilled, and
 - the other party was notified in a reasonably timely manner of the likelihood or actual occurrence, which would justify such an assertion, so that other prudent precautions could be considered.**The Partner warrants to CBM:**
- 7.9 that neither the Partner nor any of the Partner's employees or subcontractors included in this Project have knowingly been convicted by a court of law or are currently under sanction for an offence involving bribery, child abuse, human trafficking or corruption imposed by a financial institution, government, or a donor of development assistance;
- 7.10 that the Partner operates with appropriate systems to prevent actions like misuse of funds or other resources or the manipulation of accounting records for personal gain or dishonest advantage to CBM or its own organisation. The Partner warrants that any incident which is discovered will be notified immediately to CBM; that no offer, gift or payment, consideration or benefit of any kind, which constitutes an illegal or corrupt practice, has or will be made to anyone, either directly or indirectly, as an incentive or reward for the award or execution of this contract, or any other agreement, or transaction which may take place during the period of this contract;
- 7.11 that any activity/assistance, which is covered by this Project Contract is not provided to or through any individual, private or government entity, or educational and medical institution that the parties know or have reason to believe advocates, plans, sponsors, engages in, or has engaged in, terrorist activity; and that (s)he is not involved in terrorist activities or advocating the same. Any concerns about such activities affecting the partner must be notified immediately to CBM. The partner agrees to CBM carrying out the necessary due diligence processes for counter-terrorism of the Partner and principal staff where necessary;
- 7.12 not to discriminate on the basis of ethnicity, colour, creed, national origin, gender, marital status, sexual orientation, religion, age, disability or other legally-protected status regarding access to services or activities of this Project;
- 7.13 to commit to keeping children and vulnerable adults safe in compliance with the 'UN Convention for the Rights of the Child' and CBM's 'Child Safeguarding Policy'; and to have a child protection/safeguarding policy or similar arrangement in place or under development, in line with the 'UN Convention for the Rights of the Child'. Any public allegation involving staff or governors of the partner, or any allegations against CBM staff, volunteers, representatives or visitors must be notified without delay to CBM following agreed protocols and maintaining appropriate confidentiality.

Section 8, Entitlements

- 8.1 CBM may withhold payment of funds or delivery of goods in whole, or part, or may terminate this Project Contract at any time if in the opinion of CBM the Partner fails
 - to use the funds according to the Budget Plan
 - to respect the conditions of this Project Contract
 - to respect the mutual agreements of the Partnership Framework Memorandum
- 8.2 CBM shall be entitled to immediate repayment by the Partner of any funds transferred or goods delivered under this Project Contract, which are not used by the Partner according to the Budget Plan or which are not properly accounted for by the Partner.
- 8.3 **Invalidity:** If any provision of this Project Contract should be or become wholly or partially void, ineffective or unenforceable, the validity, effectiveness and enforceability of the other provisions of this Project Contract shall not be affected thereby. Any such void, ineffective or unenforceable provision shall be deemed replaced by such valid, effective and enforceable provision as comes closest to the economic intent and purpose of the void, ineffective or unenforceable provision as regards subject-matter, extent, time, place and scope. It is the express intent of the Parties that the validity and enforceability of all other provisions of this Contract shall be maintained and that this section 8.3 shall not merely result in a reversal of the burden of proof, but that Section 139 of the German Civil Code is hereby contracted out in its entirety. The aforesaid shall apply with the necessary modifications to any gap in this Contract.
- 8.4 **Governing Law and Jurisdiction:** This Project Contract shall be governed by and construed in accordance with the laws of the Federal Republic of Germany without regard to its conflict of law rules and the United Nations Convention on Contracts for the International Sale of Goods (CISG). Any disputes arising in connection with this Project Contract or its validity shall be finally settled in accordance with the Arbitration Rules of the German Institution of Arbitration (Deutsche Institution für Schiedsgerichtsbarkeit) without recourse to the ordinary courts of law. The place of arbitration is Frankfurt/Main, Germany. The number of arbitrators is three. The language of the arbitral proceedings is English, provided, however, that written evidence may be submitted in either the English or German language.

Section 9, Termination of contract

9.1 The Partner or CBM may terminate this Project Contract with or without cause, in writing, upon giving 3 months written notice to the contact person, as designated by this Project Contract (as amended from time to time), for the other party.

CBM reserves the right, in cases of severe breaches of the provisions and conditions of this Project Contract, to terminate with cause, in writing, to be effective immediately, without giving a 3 months written notice to the contact person.

9.2 This contract is subject to termination if:

- either party materially breaches the conditions of this Project Contract or
- either party refuses to undertake the responsibilities as agreed in this Project Contract (sections 2-7), or
- there is an unforeseen contingency, or force majeure which prevents or frustrates the required performance of obligations, as per section 7.7 and 7.8 above.

9.3 In the event of termination of the Project Contract, the Partner shall not use the name or logo of CBM, except per written specific permission by CBM, and the licence granted in section 6 of this Project Contract is revoked upon termination. Any unauthorised use of CBM's name and logo or other CBM branding materials by the Partner shall be subject to a claim for damages and for injunctive relief.

Section 10, Contact Persons and Bank Details

The authorised signatory at the Partner for this Project is:

Name: Steve Hitt Function: Executive Director
Phone: 097 7 373 713 E-mail: steve.hitt@cureinternational.org

The contact person for this Project designated by the Partner is:

Name: Stephen Chishimba Function: Project Manager
Phone: +260 977 420130 E-mail: steven.chishimba@cureinternational.org

The authorised signatories at CBM for this Project are:

Name: Dr. Rainer Brockhaus Function: Executive Management Board
Name: David Bainbridge Function: Executive Management Board

The responsible Country Director / Regional Director for this Project is:

Name: Martin Hahn Function: Regional Director
Office: CBM EV Incorporated in Germany
 (AFS)
Contact details:
Bella Rosa Str, Belvedere Office Park Block D, Bellville
Tygervalley - Cape Town / South Africa

The contact person for this Project designated by CBM is:

Name: Sergio Mainetti Function: Country Representative
Phone: +260 960 440 075 E-mail: sergio.mainetti@cbm.org

Specification of the bank account on which CBM funds will be transferred for the project:

Full name of the Bank: Stanbic Bank Zambia
Bank's Branch Name/Code:
Bank National Code
(SC, IFSC, ABA, CNP, etc.)
Bank SWIFT Code: SBICZMLX
Bank Address: Mulungushi Branch Sort Code 040002 Plot 2375,
Addis Ababa Drive, P.O Box 31955
City/Country: Lusaka / Zambia
Contact Person at the Bank:

Full name of Acc. Holder: CURE INTERNATIONAL
Address of Acc. Holder: P.O Box 36961
City / Country: Lusaka / Zambia

Account No: 9130001736128
International bank account number
(IBAN Code):
Currency of Account: ZMW
Signatories to the Account
(at least two): Steve Hitt
Dr. Giorgio Lastroni

Signatures (two copies, one for each party):

For the Partner:
(authorised signatory)



Steve Hitt
Executive Director

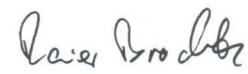
For the Partner:
(second signatory, optional)



Name of second signatory Partner
Function of 2nd signatory

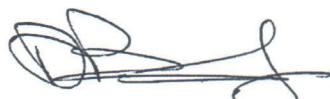
For the Project:
(only, if applicable)

For CBM:
(authorised signatory)



Dr. Rainer Brockhaus
Executive Management Board

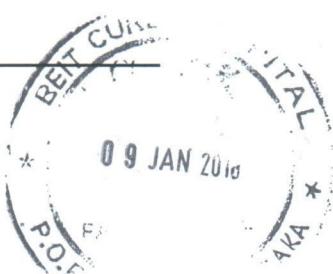
For CBM:
(authorised signatory)



David Bainbridge
Executive Management Board

Bensheim, 19.12.2017

LUSAKA
Place, date, stamp



Appendices:
Annual Budget Plan 2018