

GRANT AGREEMENT DEED

BETWEEN

COMMONWEALTH OF AUSTRALIA

represented by the Australian Agency for International Development
(AusAID)

ABN 62 921 558 838

and

LIBERAL PARTY OF AUSTRALIA

15 217 882 958
ABN xx xxx xxx xxx

FOR

Australian Political Parties for Democracy

AUSAID AGREEMENT 63754

DEED made 31 day of July [2012]

KS

BETWEEN:

COMMONWEALTH OF AUSTRALIA represented by the Australian Agency for International Development (“AusAID”) ABN 62 921 558 838

AND

LIBERAL PARTY OF AUSTRALIA, ABN 15 217 882 958 Cnr Blackall and Macquarie Streets, Barton ACT 2600 (the “Organisation”).

RECITALS:

- A. AusAID wishes to provide the Organisation with a Grant to undertake an Activity.
- B. The Organisation wishes to accept the Grant subject to the terms and conditions in this Deed.

OPERATIVE:

AusAID and the Organisation promise to carry out and complete their respective obligations in accordance with this Deed including the Deed conditions, schedules and any annexes contained herein.

EXECUTED AS A DEED by the Commonwealth, by an authorised officer, and by the Organisation, by its authorised officer.

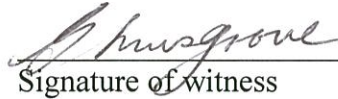
SIGNED for and on behalf of the
COMMONWEALTH OF AUSTRALIA
represented by the Australian Agency
for International Development by:



Signature of FMA Act s44 Delegate

James Gilling
FADG, Governance and Social Development
Branch

in the presence of:



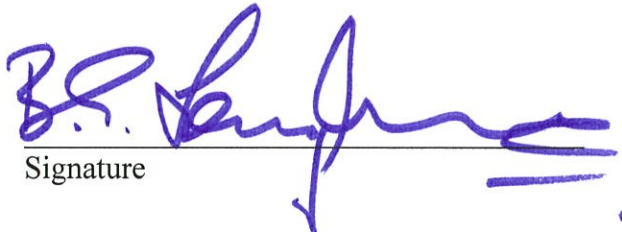
Signature of witness

GERARDINE MUSCROVE

Name of witness
(Print)

SIGNED for and on behalf of
LIBERAL PARTY OF AUSTRALIA by:

Brain Loughnane.....
Federal Director, Liberal Party of Australia



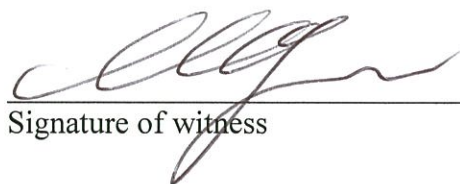
Signature

By executing this Deed the signatory warrants that he/she is duly authorised to execute this Grant Agreement Deed on behalf of the Organisation.

in the presence of:

COLIN GRACE

Name of witness
(Print)



Signature of witness

AGREEMENT CONDITIONS

1. INTERPRETATION

Definition

1.1 In this Agreement, including the recitals, unless the context otherwise requires:

“Activity Start Date” means the agreement date as written on the first page of the agreement.

“Acquittal Statement” means a statement acquitting the grant against the budget in the Activity Proposal and fulfilling Clause 15.3.

“Activity” means the activity Australian Political Parties for Democracy and includes activities described in the Activity Proposal for which the Grant is provided.

“Activity Proposal” means the specific tasks and budget associated with the Activity included as **Schedule 1** to this Agreement.

“Agreement” means this Deed and includes the Agreement Conditions and any schedules and annexes.

“Agreement Material” means “all reports and other documents created or required to be developed or created as part of or for the purposes of reporting or acquitting to AusAID as required under this Agreement.”

“Business Day” means a day on which AusAID is open for business.

“Commonwealth” means Commonwealth of Australia or AusAID, as appropriate.

“Fraudulent Activity”, “Fraud” or “Fraudulent” means dishonestly obtaining a benefit, or causing a loss, by deception or other means, and includes suspected, alleged or attempted fraud.

“Grant” means the amount of money as specified in the clause titled “Grants and Payment” of this Agreement that has been approved by AusAID and paid to the Organisation subject to the conditions outlined in this Agreement for the Activity.

“Independently Audited” means financial records audited by a certified financial professional that is in no way linked or associated with the Activity or the Parties.

“Intellectual Property” means all copyright and all rights in relation to inventions (including patent rights), trade marks, designs and confidential information, and any other rights resulting from intellectual activity in the industrial, scientific, literary, and artistic fields recognised in domestic law anywhere in the world.

“Partner Government” means the Government of the Partner Country.

“Partner Country” means the country or countries in which the Activity is to be undertaken in whole or in part.

“**Party**” means AusAID or the Organisation.

“**Personnel**” means the personnel of the Organisation who are engaged in the performance of the Activity, including the Organisation’s employees, subcontractors, agents and volunteers.

“**Relevant List**” means the lists of terrorist organisations made under Division 102 of the *Criminal Code Act 1995* (Cth) and the *Charter of the United Nations Act 1945* (Cth) posted at: <http://www.nationalsecurity.gov.au/agd/www/nationalsecurity.nsf/AllDocs/95FB057CA3DECF30CA256FAB001F7FBD?OpenDocument> and http://www.dfat.gov.au/icat/UNSC_financial_sanctions.html#3

“**Similar List**” means any similar list to the World Bank List maintained by any other donor of development funding.

“**World Bank List**” means a list of organisations maintained by the World Bank in its “Listing of Ineligible Firms” or “Listings of Firms, Letters of Reprimand” posted at: <http://web.worldbank.org/external/default/main?theSitePK=84266&contentMDK=64069844&menuPK=116730&pagePK=64148989&piPK=64148984>

Agreement prevails

- 1.2 If there is any inconsistency (whether expressly referred to or to be implied from this Agreement or otherwise) between the provisions of this Agreement (“Agreement Conditions”) and those in the schedules and any annexes, the schedules and any annexes are to be read subject to the Agreement Conditions and the Agreement Conditions prevail to the extent of the inconsistency.

2. TERM OF THE AGREEMENT

- 2.1 The term of this Agreement commences upon execution by both parties being the date indicated at the front of this Agreement and continues until all obligations have been fulfilled under this Agreement, unless terminated earlier in accordance with this Agreement.
- 2.2 The Organisation must commence the Activity on **1 July 2012** and must complete the Activity by **30 June 2015**.

3. NOTICES

- 3.1 For the purpose of serving notices to either Party, a notice must be in writing and will be treated as having been duly given and received:
 - (a) when delivered (if left at that Party’s address);
 - (b) on the third Business Day after posting (if sent by pre-paid mail); or
 - (c) on the Business Day of transmission (if given by facsimile and sent to the facsimile receiver number of that Party and no intimation having been received that the notice had not been received, whether that intimation comes from that Party or from the operation of facsimile machinery or otherwise).
- 3.2 For the purposes of this Agreement, the address of a Party is the address set out below or another address of which that Party may give notice in writing to the other Party:

AusAID:

To: Simon Flores
Director, Governance and Social Policy

Postal Address: Australian Agency for International Development
GPO Box 887
CANBERRA ACT 2601 AUSTRALIA

Street Address: 255 London Circuit
CANBERRA ACT 2601 AUSTRALIA

Organisation

To: Brian Loughnane
Federal Director

Postal Address: PO Box 6004, Kingston, ACT 2600

Street Address: Cnr Blackall and Macquarie Streets, Barton, ACT, 2604

4. GENERAL CONDITIONS

- 4.1 The Organisation must carry out the Activity in accordance with the Activity Proposal and the terms and conditions of this Agreement.
- 4.2 The Organisation must advise AusAID immediately of any difficulties or delays in implementation of the Activity.
- 4.3 The Organisation must acknowledge in writing to AusAID receipt of the Grant immediately on its receipt.
- 4.4 The Grant and any interest earned or exchange rate gains must be used diligently and for the sole purpose of the Activity outlined in **Schedule 1** of this Agreement. Any interest earned or exchange rate gains made on the Grant must only be expended on the Activity.
- 4.5 The Organisation acknowledges that the Grant provided by AusAID to the Organisation for this Activity does not entitle the Organisation to any other or further grants.
- 4.6 The Organisation must discuss any matters relating to publicity or media relations before any publication or media release
- 4.7 The Organisation must not represent itself and must ensure that its Personnel participating in the Activity do not represent themselves as being employees, partners or agents of the Commonwealth of Australia.
- 4.8 The Organisation must use its best endeavours to ensure that in its performance of the Activity all Personnel and their dependents, while in the Partner Country, respect the laws and regulations in force in the Partner Country.

- 4.9 The Organisation is responsible for the security of all of its Personnel and for taking-out and maintaining all appropriate insurances.
- 4.10 The Organisation must not assign its interest in this Agreement without first obtaining the consent in writing of AusAID.
- 4.11 No delay, neglect or forbearance by either Party in enforcing against the other any term or condition of this Agreement will be deemed to be a waiver or in any way prejudice any right of that Party.
- 4.12 This Agreement is governed by, and is to be construed in accordance with, the law of the Australian Capital Territory and the Parties submit to the exclusive jurisdiction of the courts of the Australian Capital Territory and any court hearing appeals from those courts.

5. AGREEMENT AMENDMENTS

- 5.1 AusAID or the Organisation may propose amendments to this Agreement at any time for the purpose of improving the delivery of the Activity, the efficiency, cost-effectiveness and development impact of the Activity.
- 5.2 Changes to this Agreement (including to **Schedule 1** and any annexes) will only be effected if agreed in writing and signed by both Parties in the form of a Deed of Amendment.

6. PROCUREMENT

- 6.1 The Organisation must not use the Grant to acquire any asset, apart from those detailed in the Activity Proposal without obtaining AusAID's prior written approval. Subject to the requirements of this clause, the Organisation will own the assets acquired with the Grant unless specified otherwise in the Activity Proposal.
- 6.2 If the Grant is being used to procure goods or services, the Organisation must implement procedures so that procurement is undertaken in a manner consistent with the Australian Commonwealth Procurement Guidelines (<http://www.finance.gov.au/publications/fmg-series/procurement-guidelines/index.html>), in particular the core principle of achieving value for money and the supporting principles of:
 - (a) encouraging competition by ensuring non-discrimination in procurement and using competitive procurement methods;
 - (b) promoting use of resources in an efficient, effective and ethical manner; and
 - (c) making decisions in an accountable and transparent manner.
- 6.3 If the Grant is being used to procure goods, the Organisation must also ensure in its procurement of goods that:
 - (a) the goods to be procured are of a satisfactory quality; and
 - (b) the goods are delivered in good order and condition and in accordance with the Activity timetable.
- 6.4 If the Grant is being used to procure goods, the Organisation must maintain a Register of Activity Assets ("**Register**"). The Register must:

- (a) record non-consumable items purchased with the Grant or supplied by AusAID for the Activity which have a value of AUD1,000 (or equivalent) or more;
- (b) record non-consumable items of a portable and attractive nature with a value of less than AUD1,000 (or equivalent); and
- (c) record the date of receipt of the asset at the Activity site, the cost, the purchase/payment document date and reference number, a description and identification number, and the location of the asset.

6.5 The Organisation must not dispose of or write-off AusAID funded or provided assets except as agreed in writing by AusAID. The Register and other relevant documents such as import papers and manufacturers' warranties relating to the assets must be available for audit as required by AusAID. The Register must be reconciled with Activity assets at least every twelve months and the results of that reconciliation included in the Annual Reports required in clause titled "Reports".

7. MONITORING AND EVALUATION

7.1 The Organisation must, if required by AusAID, permit AusAID to monitor and/or evaluate the Activity and/or use of the Grant. AusAID will give the Organisation at least four (4) weeks notice of its intentions prior to commencing such a review. In that event, the Organisation must cooperate fully with any request for assistance pursuant to any such study.

8. INDEMNITY

8.1 The Organisation must at all times indemnify AusAID, its employees, agents and contractors (except the Organisation) ("**those indemnified**") from and against any loss or liability whatsoever suffered by those indemnified or arising from any claim, suit, demand, action or proceeding by any person against any of those indemnified where such loss or liability was caused or contributed to in any way by any wilfully wrongful, unlawful or negligent act or omission of the Organisation, or any of the Organisation's Personnel in connection with this Agreement.

8.2 The Organisation agrees that AusAID may enforce the indemnity in favour of the persons specified in **Clause 8.1** above for the benefit of each of such persons in the name of AusAID or of such persons.

8.3 The indemnity in this **Clause 8** is reduced to the extent that the loss or liability is directly caused by AusAID, its employees, agents or contractors (except the Organisation), as substantiated by the Organisation.

8.4 This indemnity survives the termination or expiration of this Agreement.

9. INTELLECTUAL PROPERTY RIGHTS

9.1 The Intellectual Property in or in relation to Agreement Material vests in the Liberal Party of Australia upon its creation. The Liberal Party of Australia grants to AusAID an irrevocable, non-exclusive, world-wide, royalty-free licence to use the Agreement Material.

10. COMPLIANCE WITH LAWS, GUIDELINES AND POLICIES

- 10.1 The Organisation and its Personnel must have regard to and comply with, relevant and applicable laws, guidelines, regulations and policies, including those in Australia and in the Partner Country. A list, as amended from time to time, of Australian laws and guidelines that may apply to the delivery of developmental aid to foreign countries can be found on the AusAID website: <http://www.ausaid.gov.au/business/contracting.cfm>. This list is not exhaustive and is provided for information only. The provision of this list does not relieve the Organisation from complying with the obligations contained in this clause titled "Compliance with Laws, Guidelines and Policies".
- 10.2 The Organisation must have regard to and comply with the Statement of International Development Practice Principles located at **Schedule 2** to this Agreement.
- 10.3 The Organisation and its Personnel must comply with:
- (a) AusAID's *Child Protection Policy* (<http://www.ausaid.gov.au/publications/pubs.cfm?Type=PubPolicyDocuments>) and particularly the child protection compliance standards at Attachment 1 to the policy AusAID may audit the Organisation's compliance with AusAID's *Child Protection Policy* and child protection compliance standards. The Organisation must participate cooperatively in any reviews conducted by AusAID;
 - (b) The Thematic Strategy 'Promoting Opportunities for All: Gender Equality and Women's Empowerment' (November 2011) accessible at: http://www.ausaid.gov.au/publications/pubout.cfm?ID=7174_3886_222_8237_2915&Type=
 - (c) The strategy "Development for All": Towards a Disability-Inclusive Australian Aid Program 2009-2014' (http://www.ausaid.gov.au/publications/pdf/FINAL%20AusAID_Disability%20for%20All.pdf), and in particular the strategy's six (6) guiding principles; and
 - (d) *Family Planning and the Aid Program: Guiding Principles* (August 2009), accessible on AusAID's website (<http://www.ausaid.gov.au/keyaid/health.cfm>).
- 10.4 The Organisation must use its best endeavours to ensure:
- (a) that individuals or organisations involved in implementing the Activity are in no way linked, directly or indirectly, to organisations and individuals associated with terrorism; and
 - (b) that the Grant is not used in any way to provide direct or indirect support or resources to organisations and individuals associated with terrorism.
- 10.5 The Organisation must have regard to the Australian Government guidance "Safeguarding your organisation against terrorism financing: a guidance for non-profit organisations", available at <http://www.nationalsecurity.gov.au/npo>.
- 10.6 If, during the course of this Agreement, the Organisation discovers any link whatsoever with any organisation or individual listed on a Relevant List it must inform AusAID immediately.

- 10.7 If, during the course of this Agreement, the Organisation is listed on a World Bank List or Similar List it must inform AusAID immediately.
- 10.8 The Organisation agrees that:
- (a) The Organisation and its employees, agents, representatives or its subcontractors must not engage in any Fraudulent Activity. The Organisation is responsible for preventing and detecting Fraud;
 - (b) If the Organisation becomes aware of any suspected, alleged or attempted Fraudulent Activity which relates to the Activity, it must report the matter to AusAID in writing within five (5) Business Days. AusAID may direct the Organisation to investigate the Fraud and the Organisation must undertake an investigation at the Organisation's cost and in accordance with any directions or standards required by AusAID;
 - (c) Following the conclusion of any investigation which identifies Fraudulent Activity, the Organisation must;
 - (i) take all reasonable action to recover any Grant funds, the subject of Fraudulent Activity;
 - (ii) refer the matter to the relevant police or other authorities responsible for prosecution of Fraudulent Activity; and
 - (iii) be liable for the repayment of any Grant funds misappropriated by the Organisation, its agents, representatives or subcontractors.
 - (d) The Organisation's obligations under paragraphs 10.8(b) and 10.8(c) above survive the termination or expiration of this Agreement;
 - (e) The Organisation warrants that the Organisation will not make or cause to be made, nor will the Organisation receive or seek to receive, any offer, gift or payment, consideration or benefit of any kind, which would or could be construed as an illegal or corrupt practice, either directly or indirectly to any party, as an inducement or reward in relation to the execution of this Agreement. In addition, the Organisation will not bribe public officials and will ensure that its delivery organisations comply with this provision. Any breach of this clause shall be grounds for immediate termination of this Agreement by notice from AusAID.

11. **TERMINATION**

11.1 If the Organisation:

- (a) becomes, or AusAID considers there is a reasonable prospect of the Organisation becoming bankrupt, insolvent, deregistered or no longer able to undertake the Activity to a standard acceptable to AusAID;
- (b) makes an assignment of its estate for the benefit of creditors or enters into any arrangement or composition with its creditors;
- (c) fails to commence, or in the opinion of AusAID, fails to make satisfactory progress in carrying out the Activity and such failure has not been remedied within the time specified in a written request from AusAID to remedy the failure;
- (d) assigns its interest in this Agreement without the consent in writing of AusAID;
- (e) is, during the term of this Agreement, listed on a World Bank List, Relevant List or Similar List;
- (f) breaches any of its obligations under the clause titled "Compliance with Laws, Policies and Guidelines"; or
- (g) breaches any other term of this Agreement and such breach has not been remedied within the time stipulated in a written request notice from AusAID to remedy the breach;

then in every such case AusAID may immediately terminate this Agreement by giving the Organisation notice in writing, without prejudice to any of AusAID's other rights.

11.2 In addition, either Party may terminate this Agreement by giving to the other a notice to terminate in writing stating the reasons for termination.

11.3 In the event of any termination, the Organisation must provide an Independently Audited statement of expenditure of the Grant within thirty (30) days of the date of the notice to terminate, signed by the head of the Organisation, and return any uncommitted Grant funds to AusAID.

11.4 In the event that a notice to terminate is given by either Party, the Organisation must:

- (a) immediately do everything possible to prevent and mitigate all losses, costs and expenses arising in consequence of the termination of this Agreement;
- (b) in a prompt and orderly manner cease expenditure of any uncommitted Grant funds; and
- (c) refund any uncommitted part of the Grant already paid by AusAID, together with any uncommitted or unspent interest, within thirty (30) days of the date of the notice to terminate.

11.5 In the event that a notice to terminate is given by either Party, AusAID will not be liable to pay compensation in an amount which, in addition to any amounts paid or due or becoming

due to the Organisation under this Agreement, together would exceed the amount of the total financial limitation of this Agreement, as specified in clause titled “Grants and Payment”.

12. ACCOUNTS AND RECORDS

12.1 The bank account used by the Organisation must be in the name of the Organisation and must not be a personal bank account.

12.2 The Organisation must:

- (a) maintain a sound administrative and financial system capable of verifying all Acquittal Statements;
- (b) keep proper and detailed accounts, records and assets registers along with adequate Activity management records providing clear audit trails in relation to expenditure under this Agreement;
- (c) ensure accounts separate both the overall and the project level administrative costs and that all administrative costs are to be reasonable and must directly relate to project activities specified in Clause 15 (guide provided at Schedule 1, Attachment B);
- (d) afford adequate facilities for audit and inspection of the financial records referred to in this Agreement by AusAID and its authorised representatives at all reasonable times and allow copies and extracts to be taken;
- (e) ensure that its accounts and records are held by the Organisation for the term of this Agreement and for a period of seven (7) years from the date of expiry or termination of this Agreement;
- (f) if requested by AusAID, provide an Acquittal Statement, certified by the senior financial officer or the head of the Organisation; and
- (g) in addition to its obligation under the clause titled “Reports”, if reasonably requested by AusAID in order to verify the expenditure of the Grant, provide an Acquittal Statement Independently Audited by an auditor nominated by AusAID at no cost to AusAID.

13. AusAID USE OF AGREEMENT INFORMATION

13.1 AusAID may disclose matters relating to this Agreement, including this Agreement, and other relevant information, except where such information may breach the *Privacy Act 1988* (Cth) or it is agreed between the parties to be commercial-in-confidence, to Commonwealth governmental departments and agencies, Commonwealth Ministers and Parliamentary Secretaries, and to the Commonwealth Parliament, including responding to requests for information from Parliamentary committees or inquiries. In addition, AusAID may publicly report Official Development Assistance information regarding this Agreement in accordance with the Australian Government’s Transparency Charter. This clause survives the termination or expiration of this Agreement.

13.2 The Parties to this Agreement will have an opportunity to review material to be publicly released prior to publication.

14. GRANT ADMINISTRATION

14.1 In administering funds, the Organisation must:

- (a) implement procedures so that grant administration is undertaken in a manner that is consistent with the Commonwealth Grant Guidelines, in particular the seven Key Principles for Grants Administration; and
- (b) maintain complete and accurate records documenting the procedures followed in selecting grant recipients.

14.2 The Commonwealth Grant Guidelines are available at:
http://www.finance.gov.au/publications/fmg-series/docs/FMG23_web.pdf

15. GRANTS AND PAYMENT

15.1 AusAID will pay the Organisation an acquittable Grant of **\$3,000,000.00**, plus GST if any up to a maximum amount of **\$300,000.00**, in tranches divided as follows:

Indicative Date	Tranche Number	Amount of Grant Funds
31 July 2012 Refer to Clause 15.2	1	\$1,000,000.00
31 July 2013 Refer to Clause 15.6	2	\$1,000,000.00
31 July 2014 Refer to Clause 15.6	3	\$1,000,000.00

15.2 AusAID will pay Tranche 1 within thirty (30) days of the date of this Agreement subject to:

- (a) Receipt and agreement by AusAID of the Activity Proposal (Schedule 1, Attachment A).
- (b) Receipt by AusAID of a valid invoice up to the value of the agreed Activity Proposal.

15.3 AusAID must provide written acceptance to the parties of the Activity Proposal within 30 days of receipt.

15.4 Should AusAID not accept the Activity Proposal it must give reasons why and allow the Parties time to re-submit.

15.5 Activities cannot commence until parties receive written agreement from AusAID.

15.6 AusAID will pay subsequent tranches at the date indicated above subject to:

- (a) The Organisation providing an Acquittal Statement of the previous tranche that complies with Clause 16.3, demonstrating that 80% of the Grant funds have been acquitted and have been expended in accordance with the terms of this Agreement;
- (b) The fulfilment by the Organisation of Clause 16.1;
- (c) Receipt and agreement by AusAID of the Activity Proposal (Schedule 1, Attachment A)
- (d) The Organisation making satisfactory progress with the Activity as determined by AusAID; and
- (e) Receipt by AusAID of a valid invoice up to the value of the Activity Proposal.

15.7 Clauses 15.3, 15.4 and 15.5 apply to all subsequent tranche payments.

15.8 Annual program funding for future years will be subject to Australian Government and AusAID annual appropriations, and to the Grantee meeting requirements in the Grant Deed.

15.9 The Liberal Party of Australia (Liberal Party) may decide to apportion an amount of funding under the program to its Coalition partner, The National Party of Australia. In this event, the Liberal Party will remain responsible for all audit, reporting and accountability requirements.

15.10 On an annual basis at least 50% of annual APPDP expenditure must be definable as Official Development Assistance (ODA). The OECD Development Assistance Committee defines ODA as those financial flows from the official sector for – and technical cooperation with – developing countries that are administered with the promotion of the economic development and welfare of developing countries as the main objective. Further information on ODA eligibility can be found at <http://www.oecd.org/dataoecd/21/21/34086975.pdf>. A list of ODA recipient countries for 2008, 2009 and 2010 is found at <http://www.oecd.org/dac/stats/daclist>.

15.11 Grant funds cannot be used for direct financial contributions to partner country political parties or candidates or activities determined reasonably to be contrary to Australia's interests. This could include: activities that could be perceived to be interfering in partner countries political sovereignty; or activities that support independence movements

15.12 Grant Funds may be used to support travel by Australian party officials, but not Australian Parliamentarians.

16. REPORTS

16.1 The Organisation must submit an annual report, on the anniversary of the Activity Start Date, comprising of two parts and that should not exceed five (5) pages:

- (a) A summary detailing implementation progress on activities and achievement towards overall program objective to date; and
- (b) An implementation strategy that highlights any lessons learned from the above summary and proposes alternative approaches if required.

16.2 Within sixty (60) days of completion of the Activity, the Organisation must submit to AusAID:

- a) An activity completion report which provides a summary of key outcomes compared against objectives, the predicted development impact and sustainability of efforts and any lessons learned; and
- b) An Acquittal Statement.

16.3 The Acquittal Statement must:

- (a) Reconcile the Activity Proposal against actual spending;
- (b) Separate the ODA Grant Funds and Non-ODA Grant Funds;
- (c) Include details of any interest earned on the Grant;
- (d) Be prepared in accordance with the internal and external auditing procedures laid down in the rules and regulations applicable to the Organisation;
- (e) Separate the overall reasonable administrative costs (guide provided at Schedule 1, Attachment B) from program costs and within each project;
- (f) Be Independently Audited and certified (the cost of this audit may be payable from the Grant); and
- (g) Be signed by the senior financial officer or the head of the Organisation, indicating that the Grant has been spent in accordance with the terms of this Agreement.

16.4 The Organisation must repay to AusAID any unspent Grant funds or interest at the time of submission of the activity completion report and Acquittal Statement.

16.5 AusAID must provide written acceptance to the parties of the activity completion report (including its attachments) within 30 days of receipt.

16.6 Should AusAID not accept any report or acquittal from the parties it must give reasons why and allow the Parties 30 days to re-submit.

16.7 The annual reports, activity completion report and Acquittal Statements must be sent to:

Simon Flores
Director, Governance and Social Policy
Australian Agency for International Development
GPO Box 887
CANBERRA ACT 2601 AUSTRALIA
Email

in the following format:

- (a) one electronic version in PDF (Portable Document Format).

17. **ADDITIONAL ACTIVITY PROPOSALS**

- 17.1 The Organisation may propose additional Activity Proposals outside of the normal processes.
- (a) Additional Activity Proposals must be notified to AusAID in writing and must contain a completed Schedule 1, including attachments.
 - (b) Clauses 15.2, 15.3, 15.4 and 15.5 apply.

18. **CLAIMS FOR PAYMENT**

- 18.1 Invoices must be submitted when due in accordance with this Agreement, in a form identifying this Agreement title and Agreement number **63754**. Invoices must also contain the Payment Event number(s) notified by AusAID.
- 18.2 All invoices must be **made** to:
- Chief Finance Officer
Australian Agency for International Development
GPO Box 887
CANBERRA ACT 2601 AUSTRALIA
- 18.3 Invoices should be sent to the above address. Alternatively AusAID will accept electronic invoices. These can be sent to accountsprocessing@ausaid.gov.au and a copy sent to the AusAID Activity Manager.
- 18.4 Invoices must itemise activities, categories (ODA and non-ODA) and amount and reconcile with the activity proposals submitted to and approved by AusAID.
- 18.5 Invoices must include an overall administrative component that could cover membership, salary, administration, research, office/salary, other administration (bank charges, IT and communication).
- 18.6 AusAID must provide written acceptance of invoices to the parties within 30 days of receipt. Should AusAID not accept the invoice it must provide reasons why and allow Parties 30 days to rectify. Failure to provide an invoice accepted by AusAID may result in this agreement being terminated.
- 18.7 Where Australian GST applies to this Agreement all invoices must be in the form of a valid tax invoice. Invalid tax invoices will be returned to organisations. Information on what constitutes a valid tax invoice can be found at:
<http://www.ato.gov.au/businesses/content.asp?doc=/content/50913.htm>

**SCHEDULE 1 – ACTIVITY PROPOSAL
TO GRANT AGREEMENT DEED NUMBER 63754**

1. Program Objective

The objective of the Australian Political Parties for Democracy Program (APPDP) is to assist the development of political party systems in partner countries.

The APPDP aims to:

- encourage representative, accountable, inclusive and transparent democratic political parties;
- support effective, responsive and sustainable democratic party processes;
- promote shared learning about democratic practices and integrity in party processes; and
- encourage international cooperation between democratic political parties.

2. Program Activities

APPDP grant funding must be used to undertake activities consistent with the APPDP objective and aims.

Activities may include:

- capacity building (through exchanges and learning and information sharing opportunities including through international coordination bodies) of both institutions and individuals involved in the party system to assist with the formation, organisation and management of democratic political parties;
- assistance (through mentoring/coaching, exchanges, workshops and training) with the development of effective leadership structures within political parties, and strengthened election processes and decision making processes within the party; and
- assistance with the development of inclusive party activity that provides opportunities for public engagement in the political process, including through election campaigns, policy development and party-building work.

The Organisation should have reference to AusAID's *Effective Governance, Thematic Strategy* (November 2011) in developing activity proposals.

3. Travel and accommodation expenses

Travel and accommodation expenses of Australian party officials and members of organisations visiting Australia must be based on best value for money rates of the day.

Travelers and approvers must comply with Australian Government policies of Use of the Lowest Practical Fare for Official Domestic Travel (LPF) and Best Fare of the Day for International Official Air Travel (IBF) ¹.

Wherever possible, travel benefits accrued through APPDP funded activities should be used to offset the cost of future APPDP travel. Travel benefits accrued by travel funded through APPDP funded activities may not be used for personal benefit.

4. Cooperation with Australian overseas missions

The Grantee must consult relevant Australian missions before planning and carrying out major parts of overseas activities.

¹ Finance Circular 2009/10 Use of the Lowest Practical Fare for Official Domestic Air Travel and 2009/11 Best Fare of the Day for International Official Air Travel are available at: <http://www.finance.gov.au/publications/finance-circulars/index.html>

Attachment A

Activity Proposal

Name of activity	
Estimated timing of activity	
Organisation to be assisted/visited	
Country of organisation to be assisted/visited	
Expected input by each Organisation (e.g. number of people involved, time required, etc.) Sex disaggregated data to be provided where possible	
Estimated cost (split into project and administrative expenses)	

Monitoring and Evaluation Statement

Summary to address the following points:

- How does this particular activity fit within the objective and aims of the Program?
- Why has this particular activity been chosen? (suggest providing commentary on understanding of the local situation, including demands and needs of the partner organisation as well as any research and or discussions that prompted the particular choice of activity and provide a social inclusiveness statement that also covers gender);
- What is hoped to be achieved from the activity?
- How will any outcomes (including short and long term) be measured?

Attachment B

A guide to administrative costs

Administration costs are charges associated with the overall operational capability of this Agreement including rent, financial audit and/or legal fees, general administrative fees, membership fees, insurance, staff support (e.g. secretarial), utilities, bank charges and office supplies. These are more specifically listed in the administrative costs table below.

Project-related administrative costs may be charged to project budgets.

Administrative & Support Costs	The salaries and associated overheads of annual leave, long service leave, payroll tax, superannuation and workers compensation payments for administrative, clerical and other support personnel not involved in chargeable project/program work, but who support the preparation of Activity Proposals, annual reports, Claims for Payment, Acquittal Statement and activity completion report
Management Costs	The salaries, bonus payments and associated overheads of annual leave, long service leave, payroll tax, superannuation and workers compensation payments for any management personnel not involved in chargeable project/program work, but who support the preparation of Activity Proposals, annual reports, Claims for Payment, Acquittal Statement and activity completion report
Office accommodation	Office rental payments, power and light and leased office furniture, depreciation of office furniture and equipment, but excluding any capital costs, to cover management, technical, support and other personnel expenses
Office expenses	Printing and stationary, leasing or depreciation costs for computers, photocopiers and other office equipment which are not directly chargeable to project work, to cover management, technical, support and other personnel

Schedule 1 to Agreement 63754

Operating expenses	Includes items such as audit fees, legal fees, fees for other professional services, bank charges, bank interest, advertising (not fundraising), brochures, staff recruitment costs, repairs and maintenance, office cleaning, staff amenities
Communication costs	Telephone, facsimile rentals and operating costs, internet connection and operating costs, courier costs, air freight costs and postage to cover management, technical, support and other personnel
Travel expenses	Air, land and sea travel costs which are not directly chargeable to a project/program, to cover management, technical, support and other personnel
Insurance & Professional Indemnity	The costs of any general insurance, public liability and professional indemnity cover

SCHEDULE 2 – STATEMENT OF INTERNATIONAL DEVELOPMENT PRACTICE PRINCIPLES

A Basic Standard for Engagement with Not-For-Profit Organisations

The Statement of International Development Practice Principles (Attached) has been developed in consultation with the Australian Council for International Development (ACFID). It is **founded on the good development practice and experience of accredited Australian Non-Government Organisations (NGOs)** and other international development agencies over the last three decades.

The Statement takes account of the Accra Action Agenda on Aid Effectiveness, and in particular, encourages a participatory approach to development. 'Not for profit' organisations are strongly encouraged to work in partnership with others thereby reducing the burden on communities and governments with whom they work. The Statement seeks to articulate the minimum standards and commitment that AusAID expects from all 'not- for- profit' organisations that it funds. It will form an annex to grant agreements with not-for-profit organisations that are not accredited with AusAID.

The Principles are **not aimed at accredited Australian NGOs** which have already undergone a rigorous accreditation process.

Statement of International Development Practice Principles

This Statement of International Development Practice Principles (The Principles) promotes the active commitment of **all non-accredited, not-for-profit organisations funded by AusAID** to the fundamentals of good development practice, and to conducting their activities with integrity, transparency and accountability.

The Principles are founded on a premise of ‘**do no harm**’ and drawn from good practice principles in the international development not-for-profit sector and international development community more broadly. In line with Aid Effectiveness principles, when planning interventions, not-for-profit organisations are encouraged to consider: what other agencies are doing in the chosen area of focus; where their organisation can add value; and how they can join with others to increase the impact and sustainability of their activities.

Where relevant, AusAID encourages eligible Australian organisations to work towards becoming Australian Council for International Development (ACFID) Code of Conduct signatories.

International Development Principles

Lessons drawn from best practice NGO and civil society programs recognise the importance of working in partnerships, building creative and trusting relationships with people of developing countries and supporting basic program standards which:

- > give priority to the needs and interests of the people they serve and involve beneficiary groups to the maximum extent possible in the design, implementation and evaluation;
- > promote an approach that includes all people in a community and ensures the most vulnerable, including people with disability, women and children, are able to access, and benefit equally, from, international development assistance;
- > encourage self help and self-reliance among beneficiaries;
- > avoid creating dependency through the facilitation of active participation and contributions (as appropriate) by the most vulnerable;
- > respect and foster all universally agreed international human rights, including social, economic, cultural, civil and political rights;
- > are culturally appropriate and accessible;
- > seek to enhance gender equality;
- > recognise and put in place processes to mitigate against the vulnerability of not for profit organisations to potential exploitation by organised crime and terrorist organisations;
- > have appropriate mechanisms in place to actively prevent, and protect children from harm and abuse;
- > integrate environmental considerations and mitigate against adverse environmental impacts; and
- > promote collaborative approaches to development challenges including through working in partnerships and avoiding duplication of effort.

All non-accredited, not for profit organisations receiving grant funding from AusAID commit to apply these principles of good development practice, and adhere to the organisational integrity and accountability standards set out on the following page.

Organisational Integrity and Accountability for Development

AusAID grant funds and resources are designated for the purposes of international aid and development (including development awareness). They can not be used to promote a particular religious adherence, missionary activity or evangelism, or to support partisan political objectives, or an individual candidate or organisation affiliated to a particular political movement. AusAID reserves the right to undertake an independent audit of an organisation's accounts, records and assets related to a funded activity, at all reasonable times.

In all of its activities and particularly in its communications to the public, AusAID expects not-for-profit organisations it works with to accord due respect to the dignity, values, history, religion, and culture of the people it supports and serves, consistent with principles of basic human rights.

Not-for-profit organisations working with AusAID should:

- > not be a willing party to wrongdoing, corruption, bribery, or other financial impropriety in any way in any of its activities;
- > take prompt and firm corrective action whenever and wherever wrongdoing is found among its Governing Body, paid staff, contractors, volunteers and partner organisations;
- > have internal control procedures which minimise the risk of misuse of grant funds and processes and systems that ensure grant funds are used effectively to maximise development results;
- > establish reporting mechanisms that facilitate accountability to members, donors and the public;
- > have adequate procedures for the review and monitoring of income and expenditure and for assessing and reporting on the effectiveness of their aid;
- > have a policy to enable staff confidentially to bring to the attention of the Governing Body evidence of misconduct on the part of anyone associated with the Organisation, including misconduct related to the harm and abuse of children;
- > be aware of terrorism-related issues and use their best endeavours to ensure that grant funds do not provide direct or indirect support or resources to organisations and individuals associated with terrorism and/or organised crime; and
- > ensure that individuals or organisations involved in implementing activities on behalf of the Organisation are in no way linked, directly or indirectly, to organisations and individuals associated with terrorism and/or organised crime.

AusAID Grant Agreement Requirements

Each AusAID grant agreement also comes with obligations for both AusAID and the Organisation being funded. These are spelt out in detail in the grant agreement. The Principles will not affect or diminish the obligations or liabilities of the Organisation under the grant agreement as outlined in the grant agreement conditions.

Broadly speaking, any Organisation funded by the Australian Government, through AusAID, is required to comply with relevant and applicable laws, regulations and policies, including those in Australia and in the country/ countries in which they are operating. In particular, the Organisation needs to observe the contractual requirements regarding Child Protection and Counter Terrorism.

Additional Information and Related Links

Further information on AusAID's Child Protection Policy, Counter Terrorism and other applicable laws and policies can be found on AusAID's website at:

http://www.ausaid.gov.au/business/pdf/Lists_of_Laws_and_Guidelines_for_Contractors.pdf
http://www.ausaid.gov.au/publications/pdf/child_protection.pdf

Further information on terrorist organisations listed under Division 102 of the Criminal Code Act 1995 (Cth) and the DFAT Consolidated List of persons and entities subject to UN sanctions regimes maintained in accordance with the Charter of the United Nations Act 1945 (Cth) can be found at:

http://www.dfat.gov.au/icat/UNSC_financial_sanctions.html#3
<http://www.nationalsecurity.gov.au/agd/www/nationalsecurity.nsf/AllDocs/95FB057CA3DECF30CA256FAB001F7FBD?OpenDocument>

Further information on AusAID Accreditation and the ACFID Code of Conduct can also be found at:

<http://www.ausaid.gov.au/ngos/accreditation.cfm>
<http://www.acfid.asn.au/code-of-conduct>

Further information on Aid Effectiveness can be found at:

http://www.oecd.org/department/0,3355,en_2649_3236398_1_1_1_1_1,00.html
http://www.oecd.org/document/18/0,3343,en_2649_3236398_35401554_1_1_1_1,00.html