

SPM/018/045A/46

05-09-89



AFRICAN NATIONAL CONGRESS

OFFICE OF THE TREASURER GENERAL

PO BOX 31791
Lusaka, Zambia
Telephone: 217665
Telex: 45390

Mr. Ir. H. Pelgrom
Director
Project Department
NOVIB
Netherlands

Dear Cde H. Pelgrom,

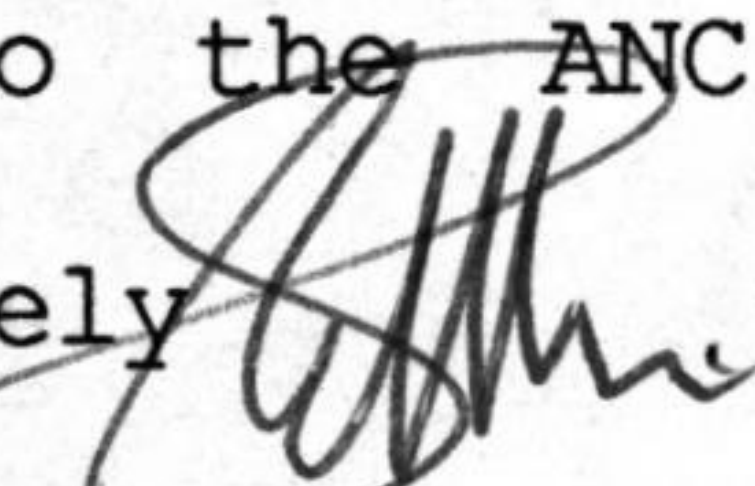
Re: Consultant Horticultural Project Dakawa.

Thank you for your letter dated 5/9/89 in connection with the above mentioned project.

Will you also furnish us with the particulars of the consultant so that necessary clearances can be made in time. Our bank is:

National Bank Of Commerce
Twiga branch
Dar - es - Salaam
A/C no: 9843 External A/C

Please notify by telex ANC Regional Treasurer, Regional Projects Office in Mazimbu including us here in Lusaka after you have transferred the funds to Tanzania. Enclosed find the signed contract. Once more, we thank you for the support NOVIB is rendering to the ANC.

Your sincerely 
T.T. Nkobi
TREASURER GENERAL.

novib

E. K. h. a. n. l. e
ANC
Attn. J. Chilwane
P.O. Box 31791
LUSAKA
Zambia

SAF-87-54/M-88
Af/89-1387/GA/KD/sm
X

5th September 1989

Re: Consultant Horticultural Project Dakawa

Dear Cde J. Chilwane,

I am pleased to inform you that the above-mentioned request for financial support has been granted without modifications.

NOVIB's contribution is set at Dfl. 24.200,-.

-/- Herewith I kindly request you to sign the enclosed contract and to return it to the NOVIB. Would you also pass on to us your bank account number and other necessary information?

I should like to draw your attention to the fact that the NOVIB attaches great importance to submission of financial and progress reports within the periods as set in the General Conditions, art. 4 (attached to the contract). Should you be unable to fulfil this obligation, I request you to inform me hereof.

Finally I wish you all the best of success with the implementation of the project.

With best regards,


Ir. H. Pelgröm
Director Project Department

-/- Enclosures: 2



SAF-87-54/M-88
Af/89-1387/GA/KD/sm

5th September 1989

CO-FINANCING CONTRACT

Contract no.: SAF-87-54/M-88

Contract for the co-financing of

- 1) Project no.: SAF-87-54/M-88
- 2) Project title: Consultant Horticultural Project Dakawa

between the Netherlands Organization for International Development Co-operation (hereinafter called the "NOVIB") as legally represented herein by:

Ir. H. Pelgröm

and: A.N.C.

(hereinafter called the "applicant organization") as legally represented herein by:

J. Chilwane

Parties to the contract agree to the following:

- 1) For carrying out the above mentioned project by the applicant organization, NOVIB will pay the sum of:

Dfl. 24.200,-
2. The applicant organization commits itself to carry out the above mentioned project in conformity with the agreed project plan and budget which, with the contract itself, forms a whole.
3. NOVIB and the applicant organization, in carrying out this agreement, commit themselves to work in conformity with the General Conditions of the Co-financing Programme of the Dutch government (attached) which, with the contract itself, form a whole.

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no. SAF-87-54/M-88
Af/89-1387/GA/KD/sm

5th September 1989

This contract is set down and signed in duplicate. The original remains with NOVIB; the copy is retained by the applicant organization.

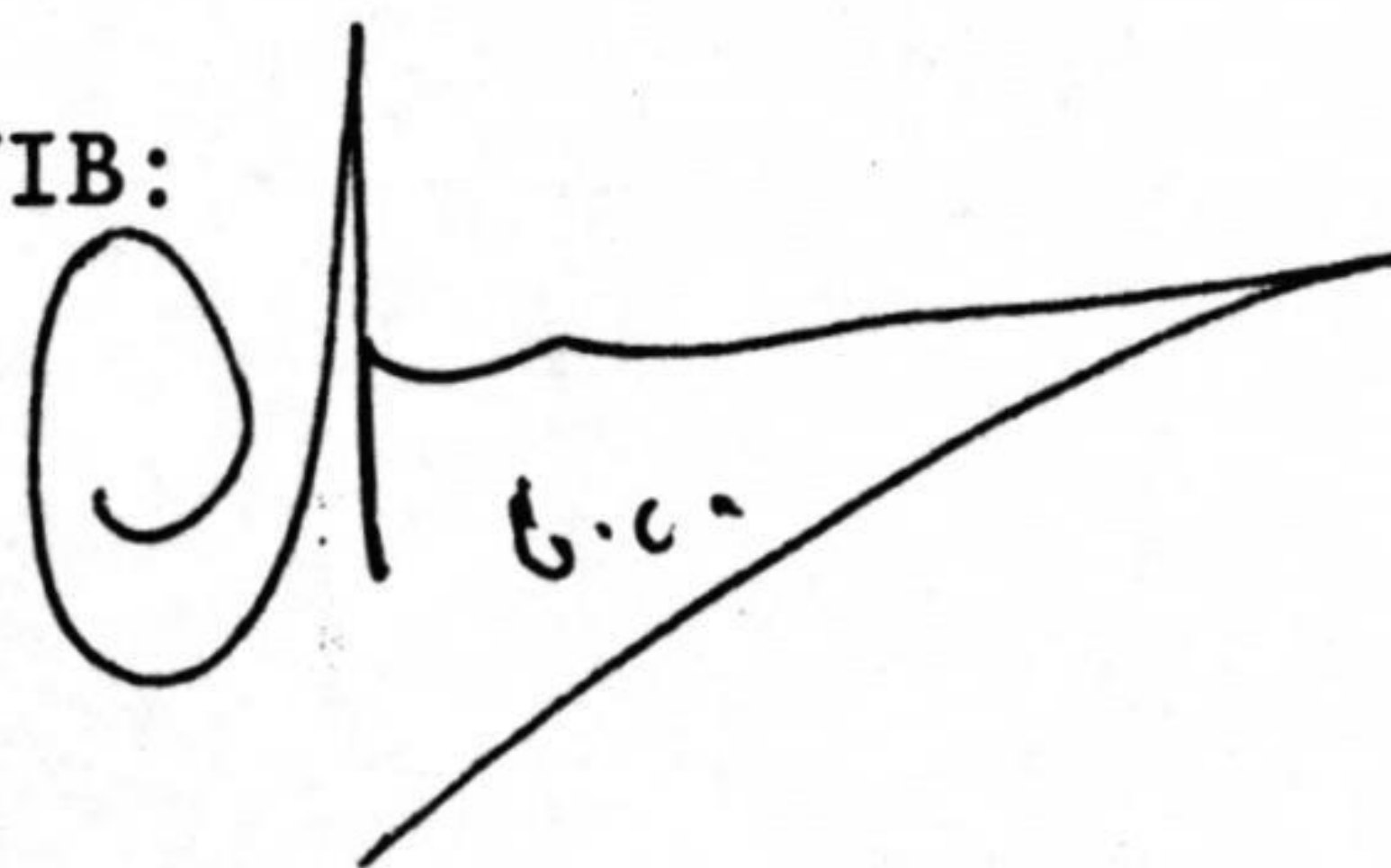
NOVIB and the applicant organization acknowledge that this contract goes into effect on 5th September 1989 upon signing.

for the applicant organization *) Name: J. Chilwane



Function: - *Head - Project
Department*

for NOVIB:



Name: Ir. H. Pelgröm

Function: Director
Project Department

*) The authorization for signing of the applicant organization will be attached to the original of this agreement.

SAT-87-54/M-88

datum 5th September 89

GENERAL CONDITIONS CONCERNING CO-FINANCING AGREEMENTS

1. Agreement

- 1.1. Agreements concerning the Dutch Co-financing Programme are concluded in writing and should be effected by legal representatives of the Dutch co-financing organizations (the CFO's) and of the organization which is responsible for the implementation of the project (the implementing organization).
- 1.2. These General Conditions are considered as a part of every co-financing agreement, with the exception of agreements regarding projects not exceeding a contribution of Dfl. 10.000,- (the so-called mini projects). Special conditions prevail for these projects.
- 1.3. Whenever projects are mentioned in these General Conditions, programmes are also implied.

2. Description of the project.

- 2.1. Financing by the CFO intends to represent a contribution towards the project of the implementing organization. The objective, plan, nature, orientation and budget of the project are specified in a project description. The project description is an integral part of the agreement.
- 2.2. The implementing organization will utilize the contribution of the CFO in conformity with the project description. It will take responsibility for an effective implementation of the project.
- 2.3. The implementing organization may not deviate from the project description without the consent of the CFO.
- 2.4. The CFO will strictly meet its obligations arising from the project description and, whenever necessary and possible, assist the implementing organization to realize the project.

3. Contribution to the project by the CFO and the implementing organization

- 3.1. The total amount of the contributions by the CFO and the implementing organization respectively, is specified in the project description. The project description states the contribution of the CFO in Dutch currency. The rate of exchange applied to assess this amount is also mentioned.



3.2. The size and periods of the instalments in which the contribution of the CFO is made available to the implementing organization depend on the progress of the project. The terms are stipulated in consultation between the CFO and the implementing organization.

3.3. The costs incurred for the transfer of the CFO contribution are part of the account of the implementing organization.

4. Reporting

4.1. Within 12 months after signing of the agreement, the implementing organization will send a written report on the execution of the project, and on completion of the project it will send a final report. If the project has not been completed within 12 months, the implementing organization will send a written report on the progress of the project every six months during the further implementation of the activities for which the contribution of the CFO was available.

After completion of these activities, the implementing organization will send an annual report during a two-year period, unless either the agreement applies for a longer period or such reporting is not in accordance with the nature of the project.

4.2. In so far as relevant, the reports will cover the following points among others:

- realization of the objective;
- the progress of the activities;
- availability of man-power;
- the availability of materials;
- the cooperation with the government and/or other authorities;
- the involvement of the targetgroup.

4.3. The CFO will bring the reports of the implementing organization to the notice of the Minister for Development Cooperation in the Netherlands, if requested to do so.

5. Financial accountability and verification.

5.1. The implementing organization will keep financial accounts of the project according to the project description in a way that permits a proper insight into the spending of the contributions of the CFO and the implementing organization.

It is responsible towards the CFO for the spending of the money made available by the CFO and for its own contribution.



- 5.2. The implementing organization will prepare a financial report on the execution of the project, as part of the progress-report, mentioned in paragraph 4.1. Not later than one year after completion of the activities the implementing organization will send a final report concerning the total project costs to the CFO.
- 5.3. The CFO is entitled to make inquiries into the spending of the funds which were made available, or ask a locally recognized accountant to investigate, if the financial accounts so require. The implementing organization will render all necessary assistance to such investigations.
- 5.4. The implementing organization is obliged to render assistance to further inquiries into the execution and operation of the project by a CFO and/or officials from the Ministry of Foreign Affairs in the Netherlands.
- 5.5. The inquiries mentioned in 5.3. and 5.4. will not be started before the implementing organization has been informed in writing about the intention and objective of the investigation.

The findings of these inquiries will be discussed with the implementing organization, before they are definitively included in a report.

6. Evaluation

- 6.1. Projects which were financed by the CFO can in principle be evaluated by the CFO and the implementing organization together and/or by a third party designated by them. If they decide on an evaluation of the project, the CFO and the implementing organization will agree on the guidelines, in so far as provisions have not already been made in this respect in the project description.
- 6.2. In view of the responsibility of the CFO and the Minister for Development Cooperation in The Netherlands with regard to the Dutch Co-financing Programme, the implementing organization will render assistance according to its ability, if the CFO and the Minister have decided collectively to involve the project in a programme evaluation. Point 5.5. is to be applied here as well.
- 6.3. The implementing organization will not be faced with extra expenses if it assists in the evaluation as stipulated in point 6.2.
- 6.4. Reports on evaluation will be sent confidentially to the Minister for Development Cooperation in the Netherlands, if requested.



7. Final stipulations

7.1. The Agreement comes into effect on its signing by both parties and its legal implications will expire on the date of approval of the final financial report by the CFO.

Approval is considered to have been granted tacitly, if the CFO has not informed the implementing organization within 6 months after receipt that it cannot accept the final report.

However, the Agreement remains in existence concerning the articles 2.3., 4.1., 5.4. (and 6.1. and 6.2.) during a period which is stated in the Agreement.

7.2. The CFO may consider this Agreement as terminated without legal intervention if before or during the currency of the agreement:

- the implementing organization is no longer prepared or able to execute the project in accordance with the project description;
- without previously reaching an agreement on this matter with the CFO, the implementing organization has transferred the project to another organization, or has had to tolerate that another private organization or public body has substituted itself for the implementing organization, or has usurped such a decision-making-power -with regard to the implementing organization or with regard to the project- that the implementing organization is no longer in a position to meet its obligations;
- the circumstances have changed so fundamentally that the significance of the project is essentially affected.

Dissolution of the Agreement does not take place under these circumstances before consultation has taken place with the implementing organization, unless consultation is impossible or does not make sense.

If the CFO invokes the dissolution of the Agreement, it can also determine if, and if so to what extent, the implementing organization will be obliged to refund the amount which was already transferred.

7.3. Controversies, if any, arising from or connected with the Agreement, will be settled by arbitration according to the regulations of the "Netherlands Arbitrage Instituut" (Dutch Institute on Arbitration). However, arbitrators are entitled to give their opinion in the form of a binding advice, in case they do not consider the dispute susceptible for arbitration.

7.4. The Agreement is governed by Dutch Law.