

MS NEPAL PARTNERSHIP AGREEMENT

GUIDELINE

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|--------------------------------|--|
| Name of partner | |
| Name of district | |
| Start date and end date | |
| Type of partnership | [Early Partnerships (up to 2 yrs), Long Term (5 yrs), Strategic (5yrs), Ad hoc (> 2 yrs), MoU] |
| MS Activity Centre # | |

| | |
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| Name of MS Programme Officer | |
| Name of partner's programme manager | |
| Name of partner's accountant | |

| | |
|--------------------------------------|---|
| MS contact information | <p>MS Nepal Danish Association for International Co-operation Gyaneshwor, GPO Box 4010 Kathmandu, Nepal Tel: +977-1-4444311 Fax: +977-1-4433651 Email: info@msnepal.org.np Homepage: www.ms.dk/nepal</p> |
| Partner's contact information | |

Preamble

INCLUDE THE FOLLOWING STANDARD TEXT: MS Nepal and [partner] have entered this Partnership Agreement under the MS in the South Programme and hereby declare that their actions and deeds will be conducted transparently and in a spirit of mutual cooperation in an endeavour to fulfil Common Visions, Objectives, Outputs and Activities as outlined in this document and its annexes.

This document outlines the broad framework under which this Partnership will be implemented and is further substantiated by a number of annexes and other supporting documents which are stated in this document. These annexes and documents constitute an integral part of the Partnership Agreement. However, MS Nepal and [partner] may find it necessary to revise, update or otherwise amend annexes and supporting documents during the partnership. In such cases MS Nepal and [partner] will mutually agree and undertake any changes deemed necessary and ensure that these are applied in the implementation and administration of the partnership agreement.

Commitment to democratic organisational principles

MS' new Democracy Focus and accompanying themes require an even greater focus on issues of internal good governance from both MS and its partners. In relation to organisational principles, the inclusion of the text below is to indicate that both parties commit themselves to developing and maintaining key democratic organisational principles. This does not mean that a partner has to have achieved them before a partnership can be entered into, but rather that there is a commitment to work towards fulfilling them (which can be documented through organisation assessments). In relation to the gender clause (gender equal relations and representation), again the issue is that the partner commits themselves to working towards this goal. What constitutes 'reasonable progress' will have to be determined in relation to the overall gender context and 'baseline' at the start of the partnership.

There are two standard texts, one which is designed for membership organisations and one for non-membership partners. For non-membership organisations, key issues will be accountability and representation – to whom is the organisation accountable and who does it actually represent. (If this is hard to determine, the organisation may in fact have more in common with a consultancy and agreements may best be formulated along these lines).

TYPE 1 FOR MEMBERSHIP ORGANISATIONS (SELECT TYPE AS APPROPRIATE)

[Partner] agrees to commit themselves developing, practicing and maintaining:

1. A democratic constitution that ensures checks and balances.
2. Annual meetings where the board presents progress and activity reports and accounts
3. The election of a board by secret ballot and on regular intervals
4. Gender-equal relations and representation among staff, management and board
5. Transparent books of accounts that are reviewed annually by a third party
6. Strategies and plans are debated freely among members and stakeholders
7. Systems in place that ensure transparency in procurement, recruitment and the general use of funds

TYPE 2 FOR NON-MEMBERSHIP ORGANISATIONS (SELECT TYPE)

[Partner] agrees to commit themselves to developing, practicing and maintaining:

1. An organisational mission that is focused on achieving poverty alleviation and greater influence, participation, equality and decency for poor marginalised people.
2. Management practices that ensure staff influence and insight in the management of the organisation
3. Strategies and plans are debated freely with stakeholders
4. Annual meetings where management presents progress and activity reports and accounts to stakeholders
5. Gender-equal relations and representation among staff and management
6. Transparent books of accounts that are reviewed annually by a third party
7. Systems in place that ensure transparency in procurement, recruitment and the general use of funds

INCLUDE THE FOLLOWING STANDARD TEXT: MS Nepal is committed to and recommends its local partners to pursue adherence to the INGO-NGO Partnership and Guidelines for working in Nepal as adopted by the Association of International NGOs in Nepal.

Description of [partner]

Partner history/background and geographic areas of operation (especially relation to MS CPS theme), values, constituency, legal status, governance structure, vision, key issues relating to organisational capacity and sustainability, organisational objectives, income and expenditure, salaried staffs, scope/type of previous experiences and current activities, target groups/beneficiaries (disaggregated by gender). (Reference should be made to any supporting documents).

Description of MS Nepal

MS history/background (in x country), and prior experience (especially in relation to MS CPS theme), values, constituency, legal status, governance structure, vision, country objectives, country programme. (Reference should be made to any supporting documents).

Partnership Objectives

How does the partnership contribute to MS objectives?

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| MS Nepal CPS theme to be addressed in the partnership | Brief overview of the theme and its current status (i.e. BLD, Land Rights, Conflict etc.), target area, target groups (especially references to women and youth), main issue/problem to be addressed, immediate and development objectives, and brief description of the institutional landscape and stakeholder environment. (Refer to other documents as appropriate) |
| Common objective to be addressed | MS and Partner state and endorse the common objective towards which they are working. This should be based on the relevant CPS Immediate Objective (and can/could involve some rephrasing of the MS CPS Immediate objective to fit the specific circumstances of the partnership if necessary). The output areas that the partner will work on should be indicated and a brief statement outlining how these output areas contribute to the CPS I.O. should be included. Full partner project details should be stated in the Partner Project Document. A standard Partner Project Document Format is under preparation and will be circulated very soon (see preliminary text on various issues at the end of this document). |
| Rationale for the partnership | Brief outline of the comparative advantage for both MS and the partner organisation in relation to the objectives. Should include considerations regarding an exit strategy for the partner and where applicable, a future sustainability and funding strategy. (i.e. how will this partner continue after this agreement has terminated) |
| Specification of VDCs or other target area | Specify the VDC that will form the target area for the partnership activities. Indicate the criteria used to select these particular VDCs. |
| Specification of special target groups | Indicate the particular target groups that the partnership seeks to assist. Be specific in terms of the situation for poor, marginalised, women and youth. |
| Project documents | INCLUDE THE FOLLOWING STANDARD TEXT: [Partner] undertakes to implement projects in accordance with project documents (based on LFA and with budgeted outputs) that will accompany this agreement as annexes. |
| Duration of the partnership | Indicate the period over which the partnership will run + indicative scheduling sequence: what work will be done first (e.g. phase I & II etc). |

Cooperation and Networks

Does the partner cooperate with other organisations?

Should either state, or make reference to guidelines that state, the roles and responsibilities that MS (COs, P.Os. & DWs), the partner and other actors have in relation to each other. This should include any fund raising commitments between MS and the partner. If the partner is required to cooperate or coordinate with other specific partners, organisations, institutions, state these and the nature of the commitment. Likewise, obligations to participate in networks should be stated. (Refer to other documents as appropriate).

| | |
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| Name INGOs or donors who currently provide a budget to the partner | |
| Name any other organisation with which the partner cooperates | |
| Name networks of which the partner is a member | |
| Name organisations or networks with which the partner plans to cooperate as part of the partnership | |
| Describe the purpose of cooperating with those other organisations or networks as part of the partnership | |

Budget Estimate

What is the estimated MS Nepal budget contribution to the partnership?

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| Total of estimated budget | |
| Estimated yearly tranches | Year 1: / Year 2: / Year 3: |
| Budget for programme and project activities | Project 1 |
| | Project 2 |
| | Project 3 |
| Budget for staff | Managerial staff: |
| | Administrative staff: |
| | Field staff: |
| | Other staff: |
| Budget for other regular operational costs | Office costs, communication, transport, etc. |
| Budget for purchasing fixed assets (if relevant) | Type of asset and its cost |

Estimated partner commitments in terms of funds or no-cost input (e.g. labour)?

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| Description of no-cost input to the partnership | |
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MS Development Workers

If a DW is to be placed or involved with the partner, then this should be indicated. ToR for the DW, including partner hosting commitments and other relevant issues in relation to the role DW will fulfil, should be attached as an annex.

Roles and Responsibilities

Should either state or reference guidelines that state the roles and responsibilities that MS (P.Os. & DWs), the partner and other actors have in relation to each other. What can each 'body' expect from the other? What roles are crucial for success? Who is responsible (names etc.)?

Management arrangements and financial guidelines

INCLUDE THE FOLLOWING STANDARD TEXT:

MS Nepal and [partner] hereby agree to administer the partnership in accordance with the following guidelines:

MS Nepal financial support

The financial and personnel support provided by MS Nepal to its local partner organisations in Nepal is dependant on the annual approval by MS Denmark of the MS Nepal budget, which is again dependant on fund raising by MS from the Government of Denmark, other donors and private contributors to the MS.

Input from other sources

[partner] is encouraged to diversify its support and funding base by approaching and applying for funding from other donors and partner organisations. It is, however, [partner]'s obligation to inform MS Nepal about financial and other types of support received from other donors. It is also [partner]'s responsibility to ensure that there is no overlapping with funding for activities similar to those covered by the partnership with MS Nepal. MS Nepal encourages arranging a joint partners' meeting at least once a year, where annual progress and financial reports as well as new action plans can be presented to and discussed with all supporting organisations.

Accountability

The partnership programme will be accountable to the beneficiaries through the planned activities of partnership programme. [partner] will make available to all stakeholders in an easily accessible way any relevant information about the financial affairs and progress of the programme. [partner] and MS Nepal will insist the successful implementation of the partnership programme complying with all the rules and regulations agreed upon in this partnership agreement document.

Accounts will be maintained by [partner] based on the budgeting and accounting procedures of MS Nepal, provided in the "Partners Financial Management Manual" (PFMM). [partner] must maintain a separate bank account for the MS grant. [partner] will be the sole responsible and accountable for all income, expenditure and proper recording of all financial transactions. [partner] will forward to MS by the end of each quarter a quarterly expenditure statement, together with originals of supporting receipts and vouchers. MS Nepal's approval of the account is required, prior to release of the quarterly budget. Budget will be released quarterly.

MS Nepal will provide training for [partner] staff in accounting in order to enhance their capacity for managing proper financial system and in order to fulfil MS requirements. Staffs of MS Nepal can make spot checks throughout the year with or without prior notice to the partner organizations. An auditor appointed by Annual General Meeting of [partner] will do annual auditing and the copy of the report will be made available to MS Nepal.

[partner] will apply to MS Nepal for budget revisions if needed. Budget revisions have to be approved in writing in advance by MS Nepal.

Code of Conduct

Both parties agree to abide by the following Code of Conduct:

- a) Conflict of interest. We will avoid any conflict - real or potential - between our personal interests and the interests of MS and [partner]. We will promptly report any occurrence of such conflict.
- b) Misuse of official position and public resources. We will not seek to influence for private purposes any person or body by using our official position or offering them personal advantages. Likewise, we will not use project property, facilities, services and financial resources for private purposes except when permission is lawfully given.
- c) Respect for laws. We respect the laws of the country.
- d) Proper personal conduct. We will ensure that our private conduct does not compromise our role as an MS employee or employee of [partner].
- e) Active and passive bribery. We will not give, solicit or receive directly or indirectly any gift or other favour that may influence the exercise of our function, performance of duty or judgement. This does not include conventional hospitality or minor gifts.
- f) Anti-corruption. In accordance with the principle of “zero tolerance”, we are obliged to report the suspicion of or evidence of corruption committed by colleagues or others.
- g) Openness and transparency as a rule – confidentiality when required. We will strive to achieve maximum openness and transparency towards our external constituencies. However, confidentiality will be applied when necessary to safeguard the rights of our partners, staff and others.
- h) Non-discrimination. In our work we do not discriminate in respect of gender, colour, religion, culture, education, social status, ethnic belonging or national origin or any other status.
- i) Dissemination of the Code. We will make our Code of Conduct known to our professional partners.
- j) Observance of the Code. We will respect the principles of the Code and we will report any evidence or suspicion of breaches to the Code.

Monitoring and Evaluation Procedures

Good monitoring and evaluation (M&E) systems are an essential element of effective programme management, which will also facilitate a transparent and well functioning partnership programme. [Partner] will undertake to carry out monitoring of progress towards (a) completing agreed outputs and (b) the contribution (outcome) that these have towards achieving the immediate objectives. MS undertakes to provide guidance in carrying out monitoring and evaluation. An MS Nepal Programme Officer (PO) will be appointed as contact person to [partner] and carry out regular visit to assess the result of the partnership at all levels. Based on quarterly review meetings, needs and recommendations by the Programme Officer necessary changes can be made to the programme plan and the implementation procedures.

[A final evaluation will be carried out by an external evaluator in order to assess the impact of the partnership as anticipated in formulation of set objectives and outputs. The evaluation will be carried during the final year of partnership period.]

Procurement and Assets

Assets having a durability of not less than one year and purchased for partnership activities will remain the property of MS Nepal for the duration of the partnership. An assets register for these assets must be maintained, updated and forwarded to MS Nepal on an annual basis. [partner] will bear the responsibility of securely keeping in custody of all assets. At the end of the partnership co-operation all assets will normally be handed over to the [partner]. If, during the partnership period, [partner] does not fulfil its obligations mentioned in the partnership

agreement or the organisation ceases to exist, assets will be returned to MS Nepal. A decision to eventually hand over assets to groups of beneficiaries or a like-minded organisation will be made solely by MS Nepal.

Mediation and Arbitration Procedures

The partners to this agreement commit themselves to do their best in fulfilling their roles and obligations described in this partnership document and to pay mutual respect and co-operation in the spirit of partnership. In case of a dispute over the interpretation of the partnership agreement and programme activities, which can not be solved during monitoring or review meetings or through interventions by the management of the partner organisations, it is hereby agreed to form a dispute resolution committee having representatives from both sides.

The dispute resolution committee will be formed, chaired and facilitated by a person who is well aware of the partnership programme implemented; who is independent, i.e. not directly involved in the activities and able to act impartially, and who is respected and accepted by both parties.

Both partners are committed to solve the dispute based upon the resolutions and recommendations put forward by the dispute resolution committee.

Mode of operation

The mode of operation requires on-going cooperation with MS-Nepal's District Team and the planning and implementation of projects throughout the partnership period.

Termination of agreement

Failure to fulfil the conditions of this agreement can constitute grounds for the termination of the partnership. In addition, both parties have the right to terminate the agreement with three months' notice. In the case of mismanagement of funds, termination will be immediate.

Any other clause pertaining to this partnership agreement must be specified below:

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Signatures of Agreement

MS-Nepal and [name of partner] hereby agrees to the Partnership Agreement specified in this document and to administer the partnership in accordance with the Agreement and with the following guidelines:

[Name of document a, b, c... E.g. procedures and deadlines for financial reporting, and formats for reports as well as partners' reporting to members or the people that the organisation works with.]

Signed on behalf of [partner]:

Signed on behalf of MS Nepal:

[name of signatory]

Sten Andreassen

[title in organisation]

Country Director

Date:

Date: