

Project agreement

between

NGO Ingenieure ohne Grenzen e.V,
hereinafter referred to as „Partner“ ,
represented by Steffen Rolke

Greifswalder Straße 4, 10405 Berlin

in Kooperation with NGO „Die Brücke e.V.“,
Mösle 40 89312 Günzburg
represented by Michael Herold

and the sisterhood Ushirika wa Upendo, hereinafter referred to as UwU,
Brandt -Ihahi- Chimala, SLP.29, Chimala /Mbeya

represented by Sister Maria Msella and Pastor Eliad Siwelwer

have agreed as follows:

1. Project goal

Partner shall co-operate with UwU over a promotion period starting on 1.4.2013 and ending on 31.12.2013

Project purposes, target groups, measures:

Improvement of preschool education in villages of the area around the village Brandt.

2. Financing

On the basis of the Financing Plan of 6.1.2013, UwU shall receive up to 48 008€ from partner for the implementation of the project. This sum is made up of up to 9 912€ taken from partner's own funds and up to 35 944€ from the Federal Ministry for Economic Co-operation and Development (BMZ). UwU shall contribute 2 152,50€ in total to the project. The total costs of the project amount to up to 48 008€.

The present Agreement is based on the Financing Plan, attached as Annex 1, which shall be regarded as binding by both sides. UwU may exceed individual budget items in the Financing Plan by up to 50% to the debit of other items, if the attainment of the

project purpose makes this necessary. Increases in excess thereof and all changes in the quantities specified must have the prior approval of partner.

3. Drawing on funds

Partner has expressed its willingness to make the grant available in advance to cover the requirements of a 4-month period in each case, according to the progress of the project. Should the grant, before being utilised in the project, generate interest on UwU's account, this may - after consultation with partner - be used for additional, developmentally relevant expenditure within the scope of the project. Otherwise, the grant shall be reduced by the amount of the interest accrued.

UwU may only draw on the grant when and to the extent that the money is required to meet payments due within a period of 4 months, and not before.

4. Duty to supply information

UwU shall inform partner immediately, if

- the project goal or other circumstances of vital relevance for the provision of the grant change or lapse,
- it intends to make significant changes to the project concept,
- the project purpose cannot be achieved, or there are obstacles to project implementation,
- in the course of funding by partner it receives additional funding from elsewhere for the same project,
- the planned overall expenditure either decreases or increases,
- the funds made available to cover the planned requirements of a-month period in each case cannot be spent,

- real estate, buildings, articles, equipment and credit funds, which are part of the inventory, are no longer being used in accordance with the project goal or are no longer needed.

5. Utilisation of funds and awarding of contracts

UwU shall utilise the funds efficiently and economically. Payments made before receipt of counter-performance may only be agreed or effected if this procedure is normal practice or is justified by special circumstances. The voucher for this payment must contain pertinent indications.

Contracts for the provision of supplies and services (such as the purchase of goods/services, the awarding of building contracts) shall normally be awarded on the basis of competitive tendering (invitation of three offers wherever possible/ selection of the most economical offer, documentation of price comparison). Preference shall be given to offers from Germany or other developing countries if such offers are equivalent in value to those from industrial countries.

6. Inventory

All items and buildings financed out of partner's grant shall become the property of UwU. UwU shall draw up an inventory of all items with a value of over €400 that have been financed out of the grant and shall undertake to use the items solely for work in the project. The items may be used for another purpose only with partner's consent, otherwise UwU shall pay compensation in the amount of the current market value.

Compensation need no longer be paid if

- 15 years have elapsed since the procurement of items or since the procurement or completion of buildings or land having a procurement cost of more than €50,000;
- five years have elapsed since the procurement of items having a serviceable life of more than one year or since the procurement or completion of real estate and buildings with a procurement cost of more than €5,000;

- two years have elapsed since the procurement of items having a serviceable life of more than one year and a procurement cost of more than €400.

Any compensation paid in the case of unintended misappropriation shall be transferred to partner.

Living accommodation financed out of partner's grant shall not be sold by the owners until ten years have elapsed since the purchase was made, regardless of the procurement cost. UwU shall conclude an agreement to this effect with each owner.

7. Statement of accounts and reporting

UwU shall keep accounts showing all receipts and payments in the project and shall keep the books for a period of five years after the termination of the project. The book-keeping must conform with the principles of adequate and orderly accounting. Evidence of the conversion of the financial contribution into local currency shall be furnished in the form of official exchange vouchers. The exchange control regulations in force at the time shall apply to all such transactions. Proof of payments and receipts must be furnished in the form of vouchers. The receipts for expenditure must provide information as to the recipient, the reason for payment, proof of payment and the date. All vouchers must also include a clear indication of the project to which they relate (e.g. BMZ project number or (short) title of the project).

Contributions by the target group which count as counterpart contributions must be documented and recorded as income and expenditure. In the case of work done, the names of the people who did the work, the date the work was carried out and the number of hours worked by each person must be listed and receipted. The value put on the work is to be based on the normal hourly or daily rate of pay in the country concerned; if necessary, proof of the rates is to be provided.

8. Specially agreement with the villages people, regarding of the performed labour hours, represented by the local chairman is part of appendix number 2.

UwU shall submit to partner as per 31 March of each year a statement of accounts for the preceding calendar year, showing receipts and expenditure in full and structured in conformity with the order of the Financing Plan. Payment vouchers - organised in

accordance with the financing plan and grouped together by budget items - as well as exchange vouchers, shall be attached to the statement of accounts. Quotations obtained in respect of the procurement of large items (cf. para. 5) shall also be attached. If the audit is to be carried out by independent accountants, they shall be nominated jointly by partner and UwU. The qualifications of recognised independent accountants shall in all cases be verified by the German embassy or by another recognised institution in the partner country (e.g. chamber of commerce). The accountants shall be required to prepare their auditor's certificates in accordance with the specimen attached as Annex 3. To that end, UwU shall furnish them with all the necessary documentation.

An up-to-date inventory list shall be submitted along with the annual project accounts.

UwU shall report to partner as per 31 March of each year on the progress made by the project in the preceding year. The report shall compare the progress of the project with the targets, setting forth the achievements and failures, the obstacles and steps taken to overcome them. UwU shall report to partner not later than five months after the termination of the project on its overall evolution. In doing so, it shall address questions relating to the hand-over or take-over of the project and set out how the project should be continued.

9. General exclusion of liability

This exclusion of liability shall apply to any cases of accidents or injuries to life or injuries of body of anybody (workers included) in time of construction process of the building. This exclusion of liability also applies to any injuries to life or injuries of body of anybody after construction of the building. The part of the NGO: "Die Brücke e.V." and the NGO „Ingenieure ohne Grenzen e.V.“ is to support the sisterhood „Ushirika wa Upendo“ by their project, to build a building, that is used as a kindergarten. All responsibilities and all liability is based by regularies of the Sisterhood “Ushirika wa upendo”.

During the construction, the sisterhood “Ushirika wa upendo” cares for an accident- insurance of all workers. The costs of this insurances costs are paid by the NGO “Die Brücke e.V.”

10. Right of inspection

Partner may, after consultation with UwU, visit the project at any time, obtain information and inspect books and vouchers. Members of the Federal Ministry for Economic Co-operation and Development and the Federal Audit Office shall have the same rights.

11. Halting of disbursement or demand for reimbursement of funds

partner may halt the disbursement of funds and demand reimbursement of amounts already disbursed if

- the prerequisite conditions for this Agreement later become invalid,
- excess payments have been made,
- the data on which funding was based were incomplete or incorrect,
- the funds are not being utilised in accordance with the present Agreement,
- the funds transferred are not used within the envisaged period for payments due,
- obligations in respect of bookkeeping, accounting and reporting are not met within the required period.

Furthermore, partner may demand payment of interest of ...%¹⁾ per annum as of the year in which the reimbursement claim arose.

12. Right to rescission

Partner shall reserve the right to withdraw from this Agreement with future effect, if it comes to the conclusion that the project goal is unattainable and when the BMZ obtain a grant is not approved.

The partner reserves the right to rescind this agreement for the future if it considers that the purpose of the project cannot be achieved and if the Federal German Ministry for Economic Cooperation and Development (BMZ) does not approve the grant application.

¹⁾ The interest rate is to be set at 5% above the base rate valid at the time.

13. Entry into force, changes

This agreement shall enter into force as soon as it has been signed by the authorised signatories of the contracting parties.

Changes to the present Agreement must be made in writing.

Date, place

Signed

Ingenieure ohne Grenzen e.V.

Date, place

Signed

Ushirika wa Upendo: Maria Msella

Date, place

Signed

Die Brücke e.V. Michael Herold

Date, place

Signed

Ushirika wa Upendo: Eliad Silwelwer

Annexes:

Annex 1: Financing Plan

Simple financplan for the financial year 2013 in €

Improvement of preschool education in villages of the area around the village Brandt.

4.1. Expenditure (in EURO)	Total
4.1.1 for Investment	48.008, €
4.1.1.1 Fundament	8.563 €
4.1.1.2 Steelmodules	17.715 €
4.1.1.3 Roof and finishing work	16.430 €
4.1.1.4 Toilets	5.300 €
4.1.2 operating expenses	--
4.1.3 Personal	---
4.1.3.1	

4.2. Revenue (in EURO)	2013
4.2.1. Own performance of privat partner	9912 €
4.2.2 Own performance of the target group (villager) 2870 labour hour each 0,75€ (just 1500 TSH)	2.152,5 €
4.2.3 other performances of third group	
4.2.4 donation of BMZ	35944 €
<u>Total Revenue in Euro:</u>	48008€

Annex 2:

Agreement between the beneficiary villages, represented by the chairmen and the Project Partner Ingenieure ohne Grenzen e.V. in cooperation with the NGO: Die Brücke e.V.

Agreement between the partner and the chairmen of the following villages for the villagers' share of work to be performed in construction of the kindergarten run by the Ushirika Wa Upendo Sisterhood in Chimala / Brandt

As project recipients, the villagers undertake to assume their share amounting to a value of 2,152 €. This share amounts to 4.3% of the total project costs and corresponds to 2,870 working hours at an hourly rate of 0.75 euro.

The work to be performed relates to all manual activities and to production of the required clay bricks. This work will not be remunerated but will be deemed as the villagers' share of the project.

The working hours shall be documented separately and by name, and the relevant evidence shall be submitted in connection with project accounting.

Date:	Village / Place	Chairmans name	Chairmans sign
	Lugelele B		
	Lugelele A		
	Mahango		
	Matengo		
	Mahelela		
	Lupanga		
	Mgoro Ngoro		
	Die Brücke e.V.		
	Ingenieure ohne Grenzen e.V.		

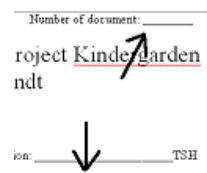
Bill document

Date: _____

Reason for expenses:

Number of document:

Number of bill document:



paid out money complete: _____ TSH

Costs for one peace / kg / km of _____ :
_____ TSH

Needed peaces / kg / km _____

Costs for transport: _____ TSH

Transport from _____ to Chimala/ Brandt: _____ km

Number of bill: _____

(Documentation of bill: Each bill gets the next number from you according to the Date of issue. The bill is filled away next to this documentation)

Name of transport / dealer: _____

Address of transport /shop _____

Mobile phone number of transport /dealer _____

Signature of dealer / transport (readable!):

Signature of administrator (readable!): _____

