



Foreign &  
Commonwealth  
Office

## Memorandum of Understanding on Project Funding

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*[NB: All red text should be replaced/deleted as appropriate]. This MOU is for use with the following implementing partners: UK Government Departments (Whitehall Partners ) or Host Governments. It should only be used if it is not possible to have a more formal contract. Please remember that a Grant Contract or Commercial Contract should be used if more appropriate.*

**The Government of the United Kingdom of Great Britain and Northern Ireland (the Government) represented by the Foreign and Commonwealth Office (FCO)**

and

**[Name of organisation implementing the project](the Implementing Partner)**

**(together the Participants)**

WHEREAS the {include summary of the context}

WHEREAS include further context as appropriate}

**The Participants have reached the following understandings:**

### **1. Purpose**

- (1) The purpose of this memorandum is to provide support to **[Name of organisation implementing the project]** to enable it to implement the project referred to in Annex A. The objectives and activities of the project, which is entitled **[Project title]**, are set out in Annex A.

- (2) The Implementing Partner will be awarded the funding in line with the commitments set out in this memorandum.
- (3) The Implementing Partner accepts the funding, which will be used to implement the project activities as set out in Annex A.
- (4) The Implementing Partner will not undertake any activities as part of this project other than those described in Annex A without the prior written approval of the Government, and will use the funding from the Government solely for the purposes of the project.

## **2. Duration**

This memorandum will come into effect upon signature by both Participants and provides funds for the period from [Start date] until [End date].

## **3. Financial arrangements**

- (1) *Summary of the financial arrangements.*
  - (a) The total amount of the cost of the Project eligible for financing is [currency and amount]
  - (b) Subject to paragraph 6 below, the Government will provide up to a maximum of [Total amount] towards the total costs of the project, of which [Amount] will be paid in [The current financial year]. Financing by the Government for subsequent years of the project is not guaranteed, and will depend on the availability of funding to the Government.
  - (c) Payment will be made quarterly in arrears on receipt of the reports detailed below
  - (d) The Participants recognise the importance of procurement good practice when using funds provided by the Government for any procurement that is necessary to implement the project.
  - (e) The Implementing Partner will maintain an accurate record of expenditure and will retain all invoices, receipts and accounting records for up to six years and make these available for inspection by the Government or an independent auditor as required.
  - (f) The Implementing Partner will maintain records of significant exchange rate fluctuations (+/- 5%) which might then lead to changes in the levels of resources required.

- (2) *Details of Bank Account that funds will be paid into.*  
[Enter Bank Account details]

## **4. Amendment of this memorandum**

Any amendment to this memorandum will be decided upon by both Participants and will be made in writing.

## **5. Reporting**

- (1) On [Date] and every 3 months thereafter, the Implementer will provide a brief narrative report of the activities undertaken under the project and an assessment of the progress made against original bid documents. This assessment should also compare progress against the indicators of success recorded in the original project form.
- (2) On [Date] and every 3 months thereafter, the Implementing Partner will submit a statement setting out how the project funds were spent, including details of consultant's fee and travel expenses, where applicable.
- (3) Continuation of the project in subsequent years will be dependent on satisfactory progress against the original project bid being demonstrated through the above mentioned reports.

## **6. Termination**

The Government may end its participation in this arrangement by giving one month's written notice to the Implementing Partner, in the following circumstances:

- (1) Failure to implement the project according to this memorandum
- (2) A significant failure by the Implementing Partner to meet any of the commitments in this memorandum
- (3) Force majeure
- (4) Where any changes occur which, in the opinion of the Government, impair significantly the value of the contribution of the project towards the programme objective.

## **7. Dispute settlement**

Any dispute that may arise as to the interpretation or application of this memorandum will be settled by consultation between the participants.

## **8. Contact information and equipment at project end**

- (1) The Implementing Partner will provide the Government with contact details for its representative with responsibility for addressing normal day to day enquiries.
- (2) On completion of the project, any items of equipment with a value of over £1,000 will remain the property of the Government unless the Participants make an alternative arrangement.

## **9. Responsibility for Staff**

- (1) The Implementing Partner will provide adequate supervision of and care for its staff, authorised agents and representatives in line with its obligations as an employer or as a result of any other relationship.
  
- (2) If the Implementing Partner's staff or authorised agents and representatives are based in living or working accommodation owned/occupied or controlled by the FCO or using transport or other facilities provided by the FCO, these individuals will observe such instructions and requirements of accommodation and access to facilities as apply to FCO staff.
  
- (3) If the FCO's responsibility to ensure the safety of the Implementing Partner's staff or authorised agents or representatives arises while they are present in the premises or when using the facilities mentioned in a manner that is consistent with the purposes for which funding is provided under this MOU this does **not** discharge any more general and continuing obligations that the Implementing Partner has to these individuals in its role as an employer or as a result of any other relationship.

Signed on behalf of the Government:

Signed on behalf of the  
Implementing Partner:

Signature: .....

Signature: .....

Name: .....

Name: .....

Position: .....

Position: .....

Date: .....

Date: .....

**Annex A      The Project Terms of Reference**