

**Annexure E2**

**Terms and Conditions of the IORA Special Fund Grant**

- 1.1 The allocated funds to the approved project will be paid to the National Focal Point of the lead Member State or to an individual or private entity or the public organization as approved by the National Focal Point of the lead Member State. The National Focal Point of the lead Member State may direct the approved funding to the appropriate entity in its home country with intimation to the Secretariat for information.
- 1.2 The Grant is issued to the Applicant for purposes of financing the admissible expenditures (Refer to Para 1.10 below) that would assist in ensuring the completion of the project.
- 1.3 In order to expedite and facilitate remittance, the Applicant, through the National Focal Point, should specify the mode of payment and the beneficiary's name and bank account particulars including Bank Account No., Bank name, Branch name, Branch code, Address of Bank, Telex, Swift Code, and IBAN No.
- 1.4 The Grant approved is subject to the Applicant providing supporting details (through the National Focal Point of the Lead Member State) of the remaining funding for the projects by the other Member States or co-sponsors within 90 days of the date of issue of the Grant Letter. If the Applicant fails to provide the above said information within the specified time frame, the approval for the grant will be cancelled.
- 1.5 Any grant from the Special Fund in respect of a particular project will be restricted to only one grant unless decided otherwise by Member States.

Any payment/ grant from the Fund will be made as final payment in the payment schedule of any approved project. In case, it is decided that the partial fund would be released as advance, the same may be released in installments and final settlement should be done only upon submission of the IORA Project Completion/ Accountability Report through the organizing Member State.

- 1.6 The Applicant will complete the work as per the projected completion date in the Application Form. It will be the responsibility of the Applicant who will have received a grant from the Special Fund to submit an Audited Financial Statement together with the IORA Project Completion/ Accountability Report (**Annexure G**) detailing the manner in which such Member State/Specialised Agency/entity had utilized the moneys, obtained from the Special Fund, together with a break-down of the expenditure to account for moneys received by such Member State/Specialised Agency/entity upon completion of the project (within three months after the project has been completed). The National Focal Point of its country will be responsible for submitting to the Secretariat the Audited Financial Statement together with the IORA Project Completion/ Accountability Report (inputs to be provided by the Applicant) within three (3) months of the completion of the project and the Applicant will therefore allow access to its project/site etc, to the National Focal Point of its country for the necessary inspection, as required.

The Audited Financial Statement will include all financial expenditures and revenues incurred following the disbursement of the special fund to ensure that the funds have been utilized only for the purpose for which they have been granted. If the amount stated in the Audited Financial Statement happens to be less than the budgeted expenditure, the Member State (Applicant) will have to reimburse the Special Fund fifty percent (50%) of the remaining funds, or ninety percent (90%) in the case of ISDP projects.

In cases where a Member State has received a grant of any amount from the Special Fund for a project and the project could not be completed within the stipulated period, the Member State shall return the unspent money of the grant together with the IORA Project Completion/ Accountability Report (Annexure G) to the Secretariat. They may then apply for extension for which a fresh disbursement would need to be done, if extension is approved. The Secretariat will keep the Committee of Senior Officials informed of this procedure.

- 1.7 The Applicant will submit regular progress reports of the project to the National Focal Point of its country and to those Member States that have offered their assistance in any form to the project. The National Focal Point will then submit the progress reports to the Secretariat for information.

#### **1.8 Exclusions & Limitations for use of the funds**

- (a) Purchase of items such as office equipment, communication equipment, or any other items of a fixed nature which approximate to capital items to be used beyond the programmes/activity concerned or even related to the activity or programme will not be admissible for reimbursement from the Special Fund except in projects or programmes which will have a longer lifespan and where the renting or hiring of the equipment would be costlier than to purchase.
- (b) Similarly the purchase of souvenirs, conference bags, gift items, complementary photograph or articles of a similar nature will not be permissible. (Promotional items).
- (c) Expenditure on repair/maintenance of office equipment and fixtures should not be part of the expenditure of the activity. However, expenditure on procurement of a reasonable quantity of office stationery items required for the programme/activity will be permissible.
- (d) The overall funds earmarked for administrative costs of the project should be limited to 10% of the overall funding costs.
- (e) The host country will determine the level of accommodation for the participants as per the practice being followed for IORA Member States. Where funding includes accommodation for overseas participants, such accommodation costs will NOT include any expenditure on long distance and overseas calls, fax, email, tobacco and alcoholic beverages.
- (f) Special Fund funding cannot be utilized for flight tickets and international travel except for LDCs and SIDS. The counter funding from the applicant may be utilized for this purpose.

#### **1.9 General:**

- a) The Applicant will submit project report/outcomes/findings/contents to the IORA Secretariat through the National Focal Point of its country after the completion of the project for onward submission to the CSO and COM.
- b) The IORA reserves the right to use the project's final report/outcomes/findings/contents as it considers appropriate.

Approved by 21COM on 17 November 2021

- c) All written communications or other documents will be in English. Where any source material or other document is in a language other than English, the Applicant will be responsible for producing an accurate translation thereof into English.