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Founded by UN ICT Task Force



GESCI

PARTNER CONTRACTING GUIDELINES

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1. Purpose

These guidelines establish a transparent, accountable, and efficient framework for contracting partners (sub-recipients, consortium members, or implementing partners) under donor-funded projects. They ensure compliance with donor requirements, promote local ownership, and safeguard program quality, financial integrity, and sustainability.

2. Guiding Principles

- Transparency & Fairness – Partner selection and contracting must follow open, competitive, and non-discriminatory procedures.
- Compliance – All contracts must comply with donor rules, national laws, and INGO policies.
- Accountability & Risk Management – Contracts must define clear responsibilities, reporting lines, and accountability mechanisms.
- Capacity Strengthening – Partnerships should enhance local partner capacity for long-term sustainability.
- Value for Money – Contracting mechanisms should ensure cost-effectiveness and efficiency in delivering donor objectives.

3. Partner Selection Process

- Eligibility Screening
 - Legal registration in target country/countries.
 - Non-profit status (unless otherwise permitted by donor).
 - Proven experience in thematic area (e.g., peacebuilding, P/CVE, M&E).
 - Demonstrated ability to manage donor funds.
- Due Diligence
 - Organizational capacity assessment (financial systems, governance, policies).
 - Past performance verification.
 - Safeguarding, ethics, and compliance checks (fraud, corruption, conflict of interest).
- Selection Modalities

- Competitive call (EOI/RFP process).
- Sole-source selection (with justification, if permitted by donor).

4. Contracting Modalities

- Sub-Grant Agreement – Used when partner implements program activities and manages budgets.
- Service Contract – Used when partner provides technical services (e.g., research, training).
- Consortium Agreement – Used when partners share implementation responsibilities as co-applicants.

5. Standard Contract Provisions

Each partner contract must include:

- Scope of Work & Deliverables (aligned with donor-approved project proposal).
- Budget & Payment Terms (milestone-based disbursements, cost eligibility rules).
- Reporting Requirements (narrative, financial, M&E, safeguarding).
- Compliance Clauses (anti-corruption, safeguarding, data protection, donor-specific requirements).
- Risk Management & Security Protocols (especially in fragile/hard-to-reach areas).
- Termination & Remedies (clear grounds for suspension/termination, recovery of funds).
- Audit & Verification Rights (access to financial and program records).
- Intellectual Property & Knowledge Sharing (ownership of outputs, publication rights).

6. Contracting Process

- Partner Selection & Due Diligence Completed
- Draft Agreement Prepared – using donor-compliant templates.

- Internal Review & Legal Clearance – by INGO compliance/legal teams.
- Negotiation with Partner – scope, budget, deliverables clarified.
- Contract Signing – authorized signatories of both parties.
- Orientation & Kick-off – contract briefing, donor compliance training.

7. Grant & Contract Management

- Financial Oversight – quarterly financial reports, spot checks, audits.
- Program Oversight – joint monitoring visits, partner learning reviews, knowledge-sharing events.
- Capacity Support – mentoring, training, and tools for financial management, M&E, safeguarding.
- Performance Review – mid-term evaluation, adaptive management, and renewal decisions.

8. Risk & Compliance Management

- Fraud & Corruption – zero tolerance, with whistleblowing mechanism.
- Security & Access – risk assessments for hard-to-reach areas; partners to submit mitigation plans.
- Safeguarding & Do-No-Harm – mandatory child protection, PSEA (Prevention of Sexual Exploitation and Abuse) clauses.
- Conflict of Interest – declaration and management procedures.

9. Termination & Exit Strategy

- Contracts may be terminated for non-performance, fraud, or breach of donor compliance.
- Exit should be managed to safeguard beneficiaries, data, and knowledge transfer.
- Final audits and closeout reports are mandatory.

10. Templates & Tools (Annexes)

- Partner Due Diligence Checklist
- Sub-Grant Agreement Template
- Service Contract Template
- Budget & Financial Reporting Template
- Narrative Reporting Template
- Monitoring & Compliance Checklist