

CONTRACT

between

**UGANDA PROGRAM OF LITERACY
FOR TRANSFORMATION (UPLIFT)**

and

**THE NORWEGIAN BAHA’I OFFICE
FOR SOCIAL AND ECONOMIC DEVELOPMENT (NorSED)**

concerning

**IMPLEMENTATION OF THE
“RURAL EDUCATION EMPOWERMENT PROJECT (REEP)”**

1. INTRODUCTION

The Norwegian Baha’i Committee for Social and Economic Development¹ (hereafter NorSED), together with UPLIFT UGANDA LIMITED² (hereafter UPLIFT), hereby enter into partnership for implementation of the Rural Education Empowerment Project (hereafter REEP).

The main overall purpose of REEP is to provide informal adult basic literacy education to the rural population currently situated in Northern Uganda, Nebbi District. The project will help develop grassroots capacity to carry on literacy training programs and community development, with a strong focus on empowerment of women.

2. BACKGROUND

UPLIFT was formed in 2001, responding to the need for literacy training in Uganda as a basis for rural community development. UPLIFT’s activities focus on informal adult basic literacy education for rural inhabitants in Nebbi District.

In 2001 national statistics indicated that 71% of females in this remote rural area were illiterate, and with a high correlation to poverty. This initiative was supported by Ministry of Gender / World Bank research (1999) strongly recommending a need for additional intervention by NGO’s to support government in its efforts to meet “Education for All” Millennium Goals.

UPLIFT fulfils the Ugandan government requirements for registration as a non-governmental organization.

¹ A committee of the National Spiritual Assembly of the Baha’is of Norway.

² A Ugandan based and controlled non-governmental, not-for-profit company (without shareholders and limited by guarantee) .

3. GENERAL CONDITIONS

This contract presents general conditions covering the entire project period of three years, while short-term goals, activities and budgets are/will be presented in signed, annual annexes.

The parties refer to Norad's original letter of allocation which is to be considered an integral part of this contract. In the event of differing content between this contract and the letter of allocation, the latter shall supersede.

The content of this contract, or parts thereof, may be amended at any given time, when agreed in writing between the parties.

4. PROJECT DESCRIPTION

4.1 Content

The parties refer to NorSED's revised project proposal and revised budget submitted to Norad, based on Norad's initial letter of allocation dated 6 Feb. 2007 (ref. no. 0601759-7) and future letters of allocation, current and later annual annexes, in which content of the project is described.

4.2 Time frame

The time frame for this project is the calendar years 2007 through 2009, conditional on continued funding from Norad and the Norwegian Baha'i Community. Continuation of partnership beyond 2009 will be evaluated and decided upon within this timeframe.

4.3 Long term project goals

The project shall:

1. Contribute, in close collaboration with government, to reach the Millennium Goal for Education in Uganda by providing informal basic adult education (literacy / numeracy training) to illiterate adults in rural Nebbi District.
2. Develop grassroots capacity to carry on literacy / numeracy training programs and community development in local areas of Nebbi District after project completion.
3. Strengthen the institutional capacity of UPLIFT as an effective and sustainable CSO in Uganda that can continue to work with government in filling informal educational and developmental gaps in Uganda.

4.4 Target groups

The target group for this project is:

- Illiterate adults of Nebbi District, of which 70 % are women.

4.5 Key values

UPLIFT and NorSED, as faith-based organizations serving in a multi-faith setting, will strive to implement this project within a culturally sensitive context, providing training access to all, irrespective of religion or tribal background. Project activities will be guided by the following key values:

- Value-based service to humanity
- Empowerment of women
- Consultation and communication for united action
- Volunteerism to ensure grassroots ownership and development
- Public – private partnership approach
- Effective and transparent use of resources
- Organizational and financial sustainability

5. GOVERNANCE OF THE PROJECT

5.1 NorSED's roles and responsibilities

In its capacity as contract partner with Norad, NorSED shall be responsible for overall documentation of project activities and results, and proper use of funds.

NorSED, represented by NorSED board members, shall consult with UPLIFT on all aspects relating to project implementation, monitoring, evaluation and evolution. This will include two visits each year to the project, including on-site visits in Nebbi District.

5.2 UPLIFT's roles and responsibilities

The UPLIFT Board will provide vision, set policy and have overall responsibility for project implementation. This includes running offices in Kampala and Nebbi with area resource centres in each target area, provision of regular reports, financial management and administration, with annual audited financial statements.

Board Advisors will provide the board with expert advice about methodology and project implementation.

The Nebbi District Coordinator will provide support to and liaise with Nebbi Area Coordinators.

Area Coordinators will train and monitor mentors in their specific area and ensure communication with the target communities and local government.

Mentors will train the learners in the residential area of the learners.

Public / Private / Partnership will be developed through annual stakeholder reviews.

6. ADMINISTRATION

6.1 Kampala National Office

The Kampala National Office will assist with:

- logistical support to district activities
- finance and administration
- monitoring and evaluation
- analysis and reports
- research
- staff capacity-building
- networking and communication with civil society and government
- support to UPLIFT Area Development Associations to become independent entities for literacy and development in their local areas
- payment of taxes/revenues

6.2 Nebbi District Office

The Nebbi District Office will assist with:

- monitoring and evaluation
- finance and administration
- training of coordinators and mentors
- preparation of materials
- monitor the resource centres
- networking and linking with government and other development institutions
- project implementation in Nebbi District
- program development
- payment of taxes

6.3 Sub-county Area Resource Centres

Sub-county Area Resource Centres will assist with:

- meeting point and information centre for learners, mentors, government and other stakeholders
- supply storage
- resource library

6.4 Financial administration

- The parties are aware of and will abide by the strict terms and conditions described by Norad regarding proper utilisation of funds, and will make every effort to be transparent and comply with them.
- UPLIFT will ensure that staff, vehicle, equipment, stationary etc. covered from the project's budget shall be used for the benefit of the project. Procedures to ensure this will be developed and followed.
- A mutually agreed auditor will be appointed for the annual audit. An engagement letter will be executed covering scope of work, fees, etc.
- UPLIFT will ensure that any taxes / revenues relating to the project are paid on time.

- UPLIFT will ensure that any vehicle, equipment or other assets are insured as needed for liability and properly maintained.
- UPLIFT guarantees that no purchase of goods or services will be made, violating relevant resolutions adopted by the UN Security Council.
- UPLIFT will make sure that procurement is based on considerations of the most favourable conditions regarding price, quality, delivery and maintenance.
- There will be a separate bank account for the project, which may not be used for any other purpose. Withdrawal of funds may only be made in order to meet expenses relating to the project. Every withdrawal needs two signatures of the official signatories.
- Accounts shall be kept regularly and updated quarterly financial statements shall be presented to the UPLIFT Board and to NorSED.
- Annual audited accounts shall be submitted to NorSED no later than April 1st the following year.
- UPLIFT may increase any budget item during the course of the year, provided other budget items are reduced accordingly, and provided this will not have any negative impact on agreed goals and activities.
- Accounts shall be presented in a way that facilitates comparison with the agreed budget. Major discrepancies between budget and accounts must be satisfactorily explained.
- Original invoices for every income and expenditure shall be securely kept and available for inspection at any given time, including inspection by NORAD, NorSED or any representative they appoint. Invoices must be securely kept by UPLIFT for a minimum period of 10 years, unless submitted to NorSED by the end of the project period.
- Funds from Norway will usually be remitted on a semi-annual basis, upon written request by UPLIFT, stating the amount needed. The request must be forwarded at least three weeks prior to expected availability of funds in the project account.
- Any unused funds by the end of the calendar year will be reimbursed to NorSED/ Norad. For practical reasons, however, such amounts will be deducted from next year's transfer of funds, thus making actual reimbursement relevant for the last project year only.
- Regardless of the rate of exchange between Ugandan Shilling/USD/NOK at any given time, the budgeted amounts in NOK shall always supersede.
- Accrued bank interest in Uganda will remain with UPLIFT.
- When Norwegian funding of the project comes to an end, all equipment and other assets purchased for the project will remain with UPLIFT.

6.5 Reporting

An Annual Narrative and Financial Report will be prepared by UPLIFT, presenting project activities, expenses and results in accordance with the signed Annual Annex. This will include a signed auditor's report, of which an original signed copy will be forwarded to NorSED. These documents will be submitted to NorSED no later than 1st April.

A quarterly narrative and financial report will be prepared by the Kampala Project Officer, with professional assistance as required. These reports will be submitted to UPLIFT for approval. UPLIFT will then submit this report to NorSED.

Representatives of UPLIFT and NorSED will draft annual proposals for future strategies, activities and budgets, to be submitted to NorSED for next year's activities by 1st September each year. NorSED will submit its proposal to Norad within Norad's 1st October deadline.

5.4 Project staff

The project will utilize:

- Volunteer Board of Directors
- Volunteer Board Advisors
- 1 National Program Director
- Project Officer(s)
- Area coordinators
- Resident mentors

7. BUDGET

The budget and notes to the budget are agreed on in annual annexes to this contract.

8. TERMINATION

This contract enters into force when signed by both parties. The parties will strive to resolve any issues between them through consultation.

Each of the parties may otherwise terminate the contract at the end of each calendar year, provided at least three months' prior notice is given in writing.

The parties are aware that annual funding depends on Norad's continued support. The contract will be automatically terminated in the event of discontinued funding. Any personnel termination benefits resulting from unexpected discontinuation will be covered from project funds. It is also to be automatically terminated in the event of war or other major disturbances beyond the parties' control, which may threaten the life or health of people involved.

Each of the parties may terminate this contract with immediate effect, if gross breach of provisions incorporated in the contract or its annual annexes can be proven.

9. SIGNATURE

Two copies of this contract have been signed, and each party retains one copy.

Kampala, Uganda
12 May 2007

Tom Gossen
for UPLIFT

Michael Vitols
for NorSED

Appendix 1: UPLIFT Organogram

