



GRANT AGREEMENT

January 15, 2015

Receipt

Sustainable Development Organization (SDO) (“Grantee”) hereby acknowledges that it will receive PKR 2,050,000 (the “Grant”) from the Association for the Development of Pakistan Inc. (“ADP”) in 2 tranches; details of which are provided below:

- i. Tranche 1 of PKR 439,000
- ii. Tranche 2 of PKR 1,611,000

Permissible Uses of the Grant

The Grant may only be used for non-profit purposes as defined by Section 501 of the United States Internal Revenue Code (“IRC”). The Grant is for the sole expressed purpose of funding the list of items identified in the attached budget with tentative timeline (“Exhibit A”). All other uses or expenditures are expressly forbidden without ADP’s written consent.

Certification Regarding Terrorist Financing

Grantee agrees that release of the Grant by ADP depends upon the execution of the “Certification Regarding Terrorist Financing Implementing Executive Order 13224” (“Exhibit B”) by the Grantee.

Representations Made by Grantee

Grantee represents the following to ADP:

1. Grantee is a non-profit entity and functions as a non-profit as defined by Section 501 of the US IRS.
2. Neither Grantee nor any of its officers or directors are or have ever been engaged in funding, preaching, promoting, or in any way facilitating, directly or indirectly, any terrorist activity, violent political activity, or other activity that is illegal under any applicable law.
3. The names of Grantee, its Board members, shareholders, members, officers, senior employees, and any organization through which Grantee conducts business do not appear, as of the effective date of this agreement, on any of the lists referenced in Exhibit C. Grantee does not have any other affiliation, including but not limited to the direct or indirect receipt or contribution of funds, with the persons or organizations named on said lists as of the effective date of this agreement.

ADP Liability

Grantee agrees to indemnify, defend, and hold ADP harmless from and against any losses, claims, liabilities, damages, costs, or expense of any kind (including reasonable attorneys’ fees) which arise out of, relate to, or are in any way connected with the Grant, any expenditure there from, and any acts of Grantee or any of its personnel.



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Grantee Deliverables

Grantee deliverables have been outlined in the sections 'Report A', 'Report B', 'Report C', 'Report D' and would have to be submitted as stipulated in those sections

In addition, Grantee will facilitate the visit by an authorized representative of ADP to the project site after receipt of a three-day notice.

The Grantee agrees to help ADP raise awareness about its work. For this purpose, the Grantee shall explicitly inform all stakeholders (individuals, other NGOs, media personnel etc.) it communicates with in relation to the ADP-Grantee project, that ADP has funded the project in full or in part and agrees to talk about ADP and the work that it does. If the project is being mentioned in print, the Grantee will use the following words to describe ADP:

The Association for the Development of Pakistan (ADP) is a volunteer-driven, engaged philanthropy organization that funds carefully selected development projects run by local NGOs in Pakistan. It supports high impact projects in a range of sectors including water, education, health and energy.

The Grantee may also add specific details about ADP's work and talk about its experience working with ADP (after consulting with the ADP Media Team).

ADP is very excited about funding the Grant and is looking forward to working with Sustainable Development Organization (SDO) in the future. The date on which Sustainable Development Organization (SDO) executes this agreement shall be recorded as the "Effective Date" of the contract. Grantee shall remit to ADP an executed copy of the agreement prior to any release of the Funding.

Sincerely,

ASSOCIATION FOR THE DEVELOPMENT OF PAKISTAN INC.

By: 

Name: Tarim Wasim

Title: Treasurer

Date: January 19, 2015

Acknowledged and agreed:

Sustainable Development Organization (SDO)

By: 

Name: Khurram Shahid

Title: Chief Executive

Date: January 15, 2015





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Exhibit A

Itemized project budget with estimated expense for each line item

Micro Hydro Power Project 50 KW Janawai

Activity Details	Unit Type	Unit No	Unit Cost	Total Est. Cost (Rs.)	ADP Share (Rs.)	SDO Share (Rs.)	Community Share (Rs.)	Budget Comments
PROGRAM COST								
Turbine (50 KW)	No	1	350,000	350,000	350,000			
Generator (50 KW)		1	175,000	175,000	175,000			
Pin Stock Pipe in ft	ft	120	2,600	312,000	312,000			
Panel Board	each	1	45,000	45,000	45,000			
Steel Poles 22 ft Triangular	ft	30	15,500	465,000	465,000			
Trash Rack 4x4	each	1	25,000	25,000	25,000			
Generator Cable (4 Core)	meter	20	1,100	22,000	22,000			
Transmission Line with D-Shakle Insulators (7/0.0083)	meter	2000	59	118,000	82,600		35,400	Community will raise funds for TL (30 % of the TL Cost)
Carriage (PSP, MRY, Cable, Pipe)	No	3	45,000	135,000	135,000			
Sub-Total Machinery Cost				1,647,000	1,611,600	-	35,400	
CIVIL WORK								
Power Channel Cost	See Sheet 2 (CW Estimate)			876,213	438,106	219,053	219,053	25% share by Community in shape of un-skilled Labour
Forebay Cost	See Sheet 2 (CW Estimate)			173,184		86,592	86,592	50% share by Community in shape of local material arrangement, and un-skilled Labour
Over Flow Cost	See Sheet 2 (CW Estimate)			53,144		26,572	26,572	
Power (Machinery) House	See Sheet 2 (CW Estimate)			276,527		138,263	138,263	
Labour for Transmission Line fixation	Day(s) Person	55	600	33,000			33,000	100 % share by community to provide the labour for transmission line fixation
Sub-Total Civil Work Cost				1,412,067	438,106	470,480	503,480	
Human Resource Cost								
Field Coordinator (01)	months	6	20,000	120,000		120,000		Time Cost of SDO Staff
Field Engineer (01)	months	6	30,000	180,000		180,000		An Engineer (Consultant) will be hired.
Sub-Total HR Cost				300,000	-	300,000	-	
Project Operational Cost								
Janawai Field Office Rent	months	12	2,000	24,000		24,000		
Travelling Cost	months	6	10,000	60,000		60,000		
Satellite Communication	months	12	3,000	36,000		36,000		
Sub-Total Operational Cost				120,000	-	120,000	-	
Total Project Cost				3,479,067	2,049,706	890,480	538,880	



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Tentative TimeLine / MileStone						
Micro Hydro Power Project, Janawai						
Mile stone #	Milestone (Activity details)	Deadlines	Funds Required from ADP	SDO	Community	Remarks
1	Baseline survey	Already done				
2	Identification and Selection of Construction Site	Already done				
3	Legal transfer of land ownership	30-Mar-2015				
4	Composition of Project Team	5-Apr-2015				
4.1	Field Coordinator			120,000		
4.2	Field Engineer			180,000		
5	Formation of Construction and Procurement Committees	Already done				
6	Project launching Ceremony	9-Apr-2015				
6.1	Janawai Field Office Rent			24,000		
6.2	Travelling Cost			60,000		
6.3	Sattelite Communication			36,000		
7	Operational Cost Management					
8	Construction of Power Channel					
8.1	Construction Material for the Power Channel (Excavation, Soling Stone, Blasting, concrete)	1-Jun-2015	438,106			
8.2	Labour & Construction Material for the Power Channel (Excavation, Soling Stone, Blasting, concrete)	25-Jun-2015		219,053	219,053	
9	Desiging of Turbine from Mardan	20-Jun-2015	350,000			
10	Construction of forebay	14-Jul-2015		86,592	86,592	
11	Construction of Over Flow Tank	27-Jul-2015		26,572	26,572	
12	Procurement of the PenStock Pipe	10-Aug-2015	312,000			
13	Procurement of the Trash Rack 4x4	10-Aug-2015	25,000			
14	Procurement of the Panel Board	10-Aug-2015	45,000			
15	Procurement of the Steel Poles	15-Aug-2015	465,000			
16	Procurement of the Generator	10-Aug-2015	175,000			
17	Procurement of the Generator Cable	10-Aug-2015	22,000			
18	Procurement of the Transmission Line	10-Aug-2015	82,600		35,400	
19	Carriage (PSP, MRY,Cable, Pipe)	20-Aug-2015	135,000			
20	Construction of Machinery House	25-Aug-2015		138,264	138,263	
21	Fitting of PenStock pipe	6-Sep-2015				
22	Fitting of Turbine & Generator	10-Sep-2015				
23	Fitting of Panel Board	13-Sep-2015				
24	Fixing of Transmission Line	15-Nov-2015			33,000	
25	Completing Ceremony, Project Evaluation	30-Nov-2015				
26	Capacity building of proposed operational staff members.	10-Dec-2015				
27	Submission of Project Completion Reports (PCR).	15-Dec-2015				
			2,049,706	890,481	538,880	3,479,067



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Exhibit B

CERTIFICATION REGARDING TERRORIST FINANCING IMPLEMENTING EXECUTIVE ORDER 13224

By signing and submitting this application, Sustainable Development Organization (“Grantee”) provides to the Association for the Development of Pakistan (“ADP”) the certification set out below:

1. Grantee has not provided, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts.
2. Specifically, in order to comply with its obligations under paragraph 1, Grantee will take the following steps:
 - a. Before providing any material support or resources to an individual or entity, Grantee will verify that the individual or entity does not appear:
 - i. on the master list of Specially Designated Nationals maintained by the U.S. Treasury’s Office of Foreign Assets Control, which is available online at <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>;
 - ii. on the United Nations’ Al-Qaida Sanctions List maintained by the UN Security Council Committee established pursuant to resolutions 1267 and 1989, which is available online at http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml;
 - iii. or on any supplementary list of prohibited individuals or entities that may be provided by ADP to Grantee.

Grantee also will verify that the individual or entity has not been designated by the United Nations Security Council (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the “1267 Committee”) [individuals and entities linked to the Taliban, Usama bin Laden, or the Al Qaida Organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, Grantee should refer to the consolidated list available online at the 1267 Committee’s website (<http://www.un.org/sc/committees/1267/consolidatedlist.htm>).

- b. Before providing any material support or resources to an individual or entity, Grantee will consider all information about that individual or entity of which it is aware or that is available to the public.
- c. Grantee will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.




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3. Definitions.

- a. **“Material support and resources”** means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials.
- b. **“Terrorist act”** means:
- i. an act prohibited pursuant to one of the 12 United Nations Conventions and Protocols related to terrorism (see UN terrorism conventions Internet site, http://treaties.un.org/Pages/DB.aspx?path=DB/studies/page2_en.xml&menu=MTDSG); or
 - ii. an act of premeditated, politically motivated violence perpetrated against noncombatant targets by sub national groups or clandestine agents; or
 - iii. any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.
- c. **“Entity”** means a partnership, association, corporation, or other organization, group or subgroup. This Certification is an express term and condition of any agreement issued as a result of this application, and any violation of it shall be grounds for unilateral termination of the agreement by ADP prior to the end of its term.

Acknowledged and agreed:

Sustainable Development Organization

By: 
Name: Khurram Shahid
Title: Chief Executive
Date: January 15, 2015





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Exhibit C

Lists of persons or organizations deemed to be or suspected to be associated with terrorist acts.

1. The Specially Designated Nationals list of the United States Department of Treasury's Office of Foreign Assets Control (<http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>).
2. The Terrorist Exclusion List of the United States Department of Justice (www.state.gov/j/ct/rls/other/des/123086.htm).
3. The Foreign Terrorist Organizations maintained by the United States Secretary of State (www.state.gov/j/ct/rls/other/des/123085.htm).
4. Lists annexed to Executive Orders of the United States President (e.g., www.state.gov/j/ct/rls/other/des/122570.htm).
5. The United Nations' Al-Qaida Sanctions List (http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml).



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Report A

Legal authority to use the Land

Report A needs to be submitted to ADP before tranche one is disbursed. It would include Copy of legal documentation proving that SDO has gained full transfer of ownership, along with duly signed agreement approved by the relevant authorities and the legal authority to use the land on which the power plant would be built.



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Report B

Maintenance Fee Collection Report

Month	# of Households - Monthly Amount PAID	# of Households- Monthly amount NOT PAID	Amount Received	Amount Receivable	Total Expenses	Total Surplus
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

For depositing fees, the Bank Account will be maintained located in Union Council Kel in Tehsil Sharda, which is the nearest location of the Janawai, 35 KM away from the CBO location.

The custodian community will open the joint account which will be operated by the President and the Finance Secretary. The savings will be deposited at quarterly basis in the Bank. Once the joint bank account for fee maintenance is opened, the ADP will be duly notified on a letter head from SDO stating the following: Account Title, Account number, Bank name and complete address, Name and CNIC no. of the authorized signatories.

For withdrawing any amount the CBO management will decide in a community meeting. After the meeting the cheque can be processed for getting cash for the O & M expenses. **Meeting minutes** of any such meeting **must** be shared with ADP.

Report B is to be submitted every quarter after installation Micro Hydro Power Plant for two years. After two years, the frequency of submitting Report B will be renegotiated. ADP would prefer that the report be submitted every six months after the first two years are completed.

As part of this Report, the Grantee must provide information on the following:

- i. Quarterly bank statement/Accounts clearly showing the deposit of maintenance fees
- ii. The frequency and type of maintenance required during the quarter
- iii. What was the role of the Grantee in the maintenance process?
- iv. Details on any issues/concerns that arose during this process
- v. The condition of the Micro Hydro Power Plant
- vi. In case of shortage of funds, how was the shortfall met?
- vii. In case of surplus, how was the money used?
- viii. Itemized breakdown of operational expenses.



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Report C

Report C needs to be submitted to ADP before the disbursement of tranche 2. It should contain the following:

1. An Engineer's certificate that civil work has started on the project.
2. Engineer certificate regarding present state of the machinery, i.e. Turbine and Generator at the time of purchase with due diligence of the physical and operational conditions(e.g. proper functioning, no rust or damage, warranty period all being part of a non-exhaustive list).
3. A progress report including photos of the work conducted with the first installment.



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Report D

Report D needs to be submitted to ADP at project completion. It would include the following:

1. An Engineer's certificate that work has been completed.
2. Photos of the work conducted.
3. The following metrics need to be reported after 30, 90 and 365 days of commissioning of the plant.

S. No.	Metric	30 days	90 days	365 days
1	Operational days			
2	Working hours of the plant			
3	Energy produced (kWh)			
4	Revenue collected from households			
5	Revenue collected from vocational centers			
6	Revenue collected from madrassas			
7	Itemized breakdown of operational expenses of the plant versus budget provided to ADP			