

# **CONTRACT ON COOPERATION**

**Between Caritas Czech Republic  
And  
Global Change Research Institute CAS**

**Under the project  
Participatory Development of an Integrated Landscape  
Management Concept and its Implementation in Zambia**

Supported by the Czech Development Cooperation



The following entities

### **Caritas Czech Republic**

Registered seat at: Vladislavova 1460/12, 110 00 Prague 1, Czech Republic  
Represented on the basis of power of attorney by: Jakub Líčka, Secretary General  
Business ID: 70100969  
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Praha 1, Czech Republic

("CCR")

And

### **Global Change Research Institute CAS**

Registered seat at: Bělidla 986/4a, 603 00 Brno, Czech Republic  
Represented by: prof. Michal V. Marek, director  
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("Partner")

Hereinafter "Contractual Parties"

have concluded, according to Act no. 89/2012 Coll., the Civil Code, as amended (hereinafter referred to as "Civil Code"), this Contract on Cooperation under the terms and conditions as further specified below ("Contract").

## **I.**

### **Subject-matter**

1. The subject matter of this Contract is the commitment of the Partner to cooperate, under the conditions specified below, in the implementation of the project "Participatory Development of an Integrated Landscape Management Concept and its Implementation in Zambia" (hereinafter "the Project") for the period from 1<sup>st</sup> of June 2024 to 30<sup>th</sup> of September 2025.
2. The Project is primarily financed by purpose-bound funds granted to the CCR by the Czech Development Agency (the "**Donor**") based on the Decision File No. DO-NNO-281996/2024-CRA, Ref. No. 281996/2024-1-CRA on provision of a subsidy from the state budget of the Czech Republic for 2024 dated 2 July 2024 (the "**Decision**") and these financial resources, including any payment under this Contract shall be used in accordance with the Decision and all respective laws.
3. CCR undertakes to provide the Partner with the total amount of **CZK 474,440.00** to cover the costs of the Project implementation ("the Project Budget") in 2024. For the particulars of the Project Budget, see **Annex 2**. The Contractual Parties agree

that the Project Budget is the highest acceptable sum to cover the expenditures in question which will be provided by CCR (including any bank fees or irrespective of potential changes in exchange rates (if applicable)).

4. To avoid any doubts, by signing hereof the Contractual Parties confirm that the Partner is not a subsidy recipient or a person financed by the funds provided under the Decision (other than that providing goods or services related to the implementation of the Project on the basis of supplier-customer relations) and any and all financial resources under this Contract shall only be used to fulfil the purpose of the subsidy as stated in the Decision.

## **II.**

### **General Principles**

1. The Contractual parties declare that they are aware of the fact that the Project implementation and its funding are based on the rules of development assistance of the Czech Republic to Zambia. In the scope of the relationship established by this Contract, the parties undertake to act in accordance with the purpose of the Project and always for the sake of its transparent implementation.
2. Under the provision of Article 3 of Regulation (EC) No 593/2008 of the European Parliament and of the Council on the law applicable to contractual obligations (Rome I), as amended, the Contractual parties have agreed that their relationship established by this Contract shall be governed by the laws of the Czech Republic, primarily by the Civil Code.
3. By signing this Contract, the Contractual Parties declare that they observe and uphold high integrity rules and ethical standards such as avoidance of child labour, respect of basic social rights and working conditions based on country labour standards, respect of applicable law relating to anti-money laundering and combatting terrorism financing and zero tolerance policy on sexual exploitation and abuse.

## **III.**

### **Rights and Obligations of the Contractual Parties**

1. CCR is the lead implementing organization and is responsible for the Project as a whole towards the donor(s).
2. CCR undertakes to represent the Project towards third parties unless otherwise explicitly agreed with the Partner.
3. CCR undertakes to provide the Partner with sufficient information about the Project within 14 days after the date of signing this Contract. A kick-off workshop shall be organized should at least one Contractual Party consider it useful.
4. CCR undertakes to inform the Partner without undue delay about any new fact that is important for the cooperation of the Contractual parties as per this Contract.
5. CCR has the right to amend the Project Budget should it be necessary for the Project implementation, impact and / or financial effectiveness. In such a case, CCR undertakes to duly justify the amendments. The Partner undertakes to accept such amendments.

6. The Partner undertakes to carry out the Project activities as specified in the Project documents (**Annex 1**) and supply respective deliverables listed in **Annex 10** ("Deliverables"). The activities shall be implemented in accordance with the Project timetable (**Annex 1**).
7. The Partner undertakes to follow CCR instructions and decisions regarding the Project implementation. If the supply of the Deliverables as per **Annex 10** is delayed by more than 3 months or repeatedly, or the Deliverables repeatedly fail to meet requested minimum standards without any serious external reasons, the Partner undertakes to replace the project staff upon request of CCR.
8. Due to high vulnerability of the individuals and communities that receive assistance and support of the Project (hereinafter referred to as "individuals and communities"), CCR acknowledges a power imbalance in the relationship between CCR representatives (including the Partner and its employees) and those individuals and communities, especially children. This power imbalance significantly increases risks of Sexual Abuse and Exploitation (hereinafter referred to as "SEA") against the individuals and communities, in acts potentially perpetrated by individuals representing CCR in breach with CCR's zero tolerance policy on SEA [see Article II (3)]. In order to manage the risks of SEA in such conditions, and in compliance with the CCR Safeguarding Policy (**Annex 12**), CCR deploys a set of mitigating measures in relation to the Partner. The Partner, therefore, undertakes to follow the obligations below:
  - a) The Partner has to meet CCR standards and policies in terms of safeguarding of individuals and communities that receive the assistance and support of the Project. (hereinafter referred to as "individuals and communities")
  - b) The Partner commits to introduce measures necessary to enforce its safeguarding policy complying with CCR standards before the start of the implementation period. The Partner is obliged to have its safeguarding policies and mechanisms assessed by CCR Safeguarding Focal Point before the start of the implementation period.
  - c) Specifically, the Partner will allocate resources to increase awareness of the availability of complaint mechanisms that allow the individuals and communities to rise concerns, make allegations and timely receive a response from a safeguarding complaint done through such mechanisms.
  - d) The Partner's recruitment process will apply background checks of all the new employees and contractors hired to perform duties related to the Project in direct contact with the individuals and communities.
  - e) If, at the time of conclusion of the Contract, the Partner has already hired the employees and contractors that will perform duties related to the Project, the background check of criminal records shall be done retroactively in order to comply with the CCR's standards and policies and to ensure that no employees and contractors whose criminal records show any previous SEA convictions will perform duties related to the Project.
  - f) Articles (d) and (e) also apply for the volunteers directly in touch with the individuals and communities who are background-checked in order to comply with the CCR's standards and policies and that their criminal records do not show any previous sexual exploitation and abuse convictions.

- g) Any breach of this zero-tolerance policy towards sexual exploitation and abuse committed by employees, contractors or volunteers of the Partner performing duties related to the Project shall be reported without any delays in writing to the Country Director of Caritas Czech Republic in Zambia.
  - h) In the event of a breach of the zero-tolerance policy mentioned in the previous paragraph, Partner's safeguarding policies and mechanisms shall be assessed again by CCR in order to remove any potential imperfection and thus avoid repeating breaches. The Partner agrees to fully cooperate with CCR and inform CCR about results of respective investigation. This evaluation and/or investigation may eventually lead to withdrawal of the Contract in the terms stated by this Contract under the conditions mentioned in Article V (1).
  - i) Declaration (declaration form in **Annex 3**) confirming fulfilment and / or acceptance of the above obligations shall be signed and delivered by the Partner to CCR within 14 days from the conclusion of this Contract.
9. With regard to the policy on anti-money laundering and combating terrorism financing [see Article II (3)], the Partner undertakes to follow the obligations below:
- a) To meet CCR standards and policies in terms of zero tolerance policy towards money laundering and terrorism financing.
  - b) To submit a certificate of its registration in respective national registry of legal entities.
  - c) Any breach of this zero-tolerance policy towards money laundering and terrorism financing committed by Partner's employees, contractors or volunteers performing duties related to the Project shall be reported without any delay in writing to the Country Director of CCR in Zambia.
  - d) In the event of a breach of the zero-tolerance policy mentioned in the previous paragraph, Partner's documentation shall be assessed again by CCR in order to remove any potential imperfection and thus avoid repeating breaches. The Partner agrees to fully cooperate with CCR and inform CCR about results of respective investigation. This assessment and/or investigation may eventually lead to CCR's withdrawal from the Contract as per the terms stipulated in Article V (1).
  - e) If requested, to submit the requested documentation and introduce measures necessary to comply with the anti-money laundering and combating terrorism policy before the start of the Project implementation period.
10. When implementing the Project activities, the Partner is obliged to ensure the visibility of the Czech Republic Development Cooperation and CCR. Whenever possible, the Partner is obliged to use the logo of the Czech Development Cooperation and CCR (**Annex 4**). The Partner shall ensure the visibility of Czech Republic Development and CCR as described in the Visibility Manual (**Annex 11**). All the logos shall be of the same size. Concrete visibility activities and measures are to be agreed by the responsible persons of the Contractual parties. Design and content of visibility materials to be produced and distributed in the scope of the Project shall be approved by CCR in writing in advance. The Partner is obliged to ensure the visibility of Czech Republic Development and CCR for the duration of the Project or the Contract and for a period of 3 years after the end of the Project. The obligation according to the preceding sentence shall remain in force even after the termination of this Contract irrespective of the form of the Contract termination.

11. The Partner is obliged to regularly inform CCR on the Project implementation and production of Deliverables pursuant to **Annex 1** and **Annex 10**. Reports in English shall be delivered as stated below:
  - a) First narrative report covering July - September, using the form in **Annex 5**. The report shall be accompanied by scans of documents and other materials (attendance lists, certificates, contracts, photos etc.) indicating fulfilment of the Project activities and results (according to the logical framework matrix in Annex 1 - Sources of verification of indicators). The midterm report shall be submitted by e-mail by the 10th October 2024. Delay of the midterm narrative report has to be communicated to CCR at least 5 days in advance.
  - b) Second narrative report covering October 2024 - March 2025, using the form in **Annex 5**. The report shall be accompanied by scans of documents and other materials (attendance lists, certificates, contracts, photos etc.) indicating fulfilment of the Project activities and results (according to the logical framework matrix in Annex 1 - Sources of verification of indicators). The midterm report shall be submitted by e-mail by the 10th April 2025 at the latest. Delay of the midterm narrative report has to be communicated to CCR at least 5 days in advance.
  - c) Annual narrative report covering July 2024 – September 2025 prepared using the form in **Annex 7** shall be submitted by 10<sup>th</sup> October 2025. In case of delay, August expenses will be deemed ineligible.
12. In order to be eligible, accounting documents (such as receipts, invoices etc.) and supporting documents (such as contracts, handover protocols, travel costs receipts, signed participants' lists, photos, certificates etc.) shall be provided to CCR in full (i.e. containing date, price, currency, number of units, description of type of services/goods, signed by responsible person and being stamped), comprehensive, understandable manner, put in order by date. All the costs should respect the Cost eligibility criteria as described in **Annex 9**. Documents in other than English or Czech language shall be accompanied by cover sheets (**Annex 8**) containing simple translation to English.
13. CCR reserves the right to ask in writing for provision of written information on implementation of the Project at any time, including beyond the terms stipulated herein. The Partner is obliged to submit the information on implementation of the Project based on a request pursuant to the preceding sentence within 5 working days from the delivery of this invitation.
14. Use of funds, especially purchase of services, equipment and material, is regulated by the Procurement and Financial Manual for partners (see **Annex 9**).
15. The Partner is obliged to cooperate with an auditor commissioned by CCR or the Donor to carry out Project expenditures verification. Specifically, the Partner is obliged to answer auditor's questions and provide both copies and / or original versions of relevant financial documents or any other documents deemed necessary by the auditor. The Partner is also obliged to cooperate in this way with any other person authorised by CCR or the Donor to check project expenditures or the Partner's compliance with procedures stipulated by this Contract.

#### IV.

##### **Project implementation costs and Terms of Payment**

1. The Partner undertakes to use the Project Budget exclusively for the settlement of the costs connected directly with the Project implementation according to this Contract, incurred and paid between 15th July 2024 and 30th September 2025.
2. Costs have to be reported in the reporting period in which they were incurred. Unreported costs or Costs reported in other reporting period will be deemed ineligible and shall be covered by the Partner. Exceptions from this rule are defined in the Procurement and Financial Manual for partners (**Annex 9**).
3. The Partner undertakes to keep separately the accounting records on disbursement and use of the Project Budget for the Project implementation period and hand them over to CCR within 3 months after the project's end, unless otherwise required by the local legislation. In case the Partner has the legal obligation to keep the accounting records for certain period after the termination of the Project, the terms of the records handover shall be agreed accordingly between the Partner and CCR. The individual documents shall be designated with a respective Project Budget line code, which shall clearly identify the Project and budget line from which the given expense have been paid in a manner further described in the Procurement and Financial Manual for partners (see the **Annex 9**). This obligation shall remain in force even after the termination of this Contract irrespective of the form of the Contract termination.
4. The Partner shall submit to CCR scans of all accounting documents relating to the incurred costs alongside with the Monthly financial reports [see also Article III (11)].
5. The Partner shall submit to CCR copies of all accounting documents proving co-financing of the Project from funds different from the Project Budget (including its own funds) alongside with the Monthly financial reports.
6. If the total project implementation costs are likely to be lower than the Project Budget, the Partner is obliged to notify CCR immediately and no later than by 15<sup>th</sup> of July 2025. Such funds shall be refunded to the CCR account by 15<sup>th</sup> August 2025. Potential bank fees applied to such transfer shall be covered by the Partner. In case the notification about unspent funds is provided to CCR after 15<sup>th</sup> of July 2025, CCR is entitled to demand from the Partner a contractual fine as per Article V (8).
7. The payment schedule for the first year of implementation shall be as follows:
  - a) **50 %** of the Project Budget (CZK 237,220.00) shall be transferred by CCR to the Partner's bank account within 10 calendar days after signature of this Contract by the Contractual Parties and after CCR has received the invoice submitted by the Partner. Together with the invoice, the Partner is obliged to submit a list of activities to be covered from the first instalment.
  - b) **25%** of the Project Budget (CZK 118,610.00) shall be transferred by CCR to the Partner's bank account within 10 calendar days after CCR approves the interim narrative and receives the invoice with a list of activities to be covered from the second instalment submitted by the Partner and after:
    - a. The Donor approves the interim narrative and financial reports submitted by CCR, and
    - b. CCR bank account receives the respective instalment from the Donor.

- c) The remaining **25 %** of the Project Budget (CZK 118,610.00) shall be transferred by CCR to the Partner's bank account within ten (10) days after the final Project narrative have been approved by CCR and after CCR has received the invoice submitted by the Partner. Together with the invoice, the Partner is obliged to submit a list of activities to be covered from the last instalment.
- 8. In case of CCR's withdrawal from this Contract pursuant to Article V (1) hereof, the Partner is obliged to transfer the unused funds from the Project Budget back to the CCR account within 15 calendar days from the date a written notice of withdrawal from the Contract is delivered to the Partner.
- 9. Any budget modification consisting in transfer of funds between budget sections may be done only upon a prior written approval by CCR. A budget modification consisting only in transfer of funds between budget lines within single budget section may be done without a prior written approval by CCR in case it does not exceed 10 % of the budget lines concerned. For modifications above 10 % of the budget lines concerned, a prior written approval by CCR is required. Budget modifications (regardless of percentage of budget lines or budget section concerned) that would lead to increase of salaries for employees (staff members and/or subcontractors), travel costs, or office related costs (office rent, utilities and other office running costs) may be done only upon prior CCR written approval. A request for a budget modification has to be well justified and submitted to the e-mail address specified in Article VI. hereof before any expenses according to modified budget are incurred.

## **V.**

### **Penalties and Circumstances Excluding Liability**

- 1. Should the Partner grossly violate any of its duties set forth herein, in particular, should it:
  - a) fail to perform any of the Project activities according to **Annex 1** without any serious reasons or should it perform the Project activities in an insufficient scope or quality;
  - b) not provide all relevant information on implementation of Project activities pursuant to Article III (9), (10) and (11) hereof;
  - c) threaten implementation of the Project due to negligence, misconduct or ill-practice;
  - d) provide false or misleading information on project activities implementation or project budget spending;
  - e) threaten good reputation of CCR by an intentional or grossly negligent act,
  - f) fail to meet CCR guidelines, codes and policies,

CCR is entitled to withdraw from this Contract immediately by a written notice. The effective date of the withdrawal shall be the date of demonstrable delivery of the notice to the Partner; for this purpose, also a copy or a scan of the original is considered such written notice. The Partner's obligation under Article V (7) hereof shall not be affected by the withdrawal of the Partner from this Contract.

- 2. Should CCR violate any of its duties stipulated in Article IV (7) hereof, the Partner is entitled to withdraw from this Contract immediately by a written notice. The effective date of the withdrawal shall be the date of demonstrable delivery of the



notice to CCR; for this purpose, also a copy or a scan of the original is considered such written notice.

3. If the Partner's delay in delivery of the financial reports causes that CCR is not able to report part of the expenditures to the donor(s) in time, given expenditures shall be deemed ineligible and shall not be reimbursed from the Project budget. In case this is likely to happen, CCR is obliged to issue written warning notice and send it to the Partner at least 10 working days before the deadline
4. If any of the Deliverables is not delivered in required quality and time (according to specification in Annex 10), CCR is entitled to deem the expenditures linked to the given Deliverable ineligible and not to reimburse them from the Project budget.
5. Articles V (1)(a), V (2), V (3) and V (4) hereof shall not apply should the Partner or CCR face obstacles the origin and duration of which are independent of its will and which prevent or significantly impede by its nature the fulfilment of the duties set forth herein.
6. The obstacles pursuant to Article V (5) shall be reported to CCR in a written notice within 10 days of their occurrence, so that it is possible to validly refer to them.
7. In case of a delay in payment pursuant to Article IV(6) and (9), CCR is entitled to demand from the Partner a contractual fine in the amount of 0,10% of the Project Budget, as specified in Article I(2), for every started day of such delay. The Partner hereby confirms that the amount of the contractual penalty according to the preceding sentence is reasonable.
8. In case the notification about unspent funds as per Article IV(6) is provided to CCR after 15<sup>th</sup> of June 2025, CCR is entitled to demand from the Partner a contractual fine in the amount of 1% of the unspent amount for every started day of such delay.
9. CCR is entitled to not transfer the last instalment pursuant to Article IV (7)(d) of this Contract should the Partner fail to provide the final narrative report or final financial report in an appropriate quality or within the stipulated deadline, or in case the donor(s) has not approved final Project narrative and financial report.
10. In case any of the expenditures incurred by the Partner is deemed ineligible by the donor or an external auditor commissioned by the donor due to whatever reason on the Partner's side, and CCR is obliged to reimburse the donor for those costs, the Partner shall be simultaneously obliged to return the equivalent amount to CCR within one month after receiving written notice.
11. If any of the expenditures incurred by the Partner is not based on sound (i.e. sufficient, relevant, complete and understandable) accounting and supporting documents, such costs shall be deemed ineligible and will not be covered from the Project budget.
12. In case CCR is not able to include costs incurred by the Partner in its financial report to the donor(s) due to delay of Partner's financial or narrative reporting, such costs shall be deemed ineligible and will not be covered from the Project budget.

## **VI.**

### **Communication**

1. Persons in charge of coordination of the Project implementation according to this Contract shall be:
  - a) For CCR: [REDACTED] *Deputy Regional Manager,*  
[REDACTED]
  - b) For the Partner: [REDACTED] *Head of the Department of Social-Ecological Analysis,* [REDACTED]
2. Communication between the responsible persons pursuant to Article V (1) shall take place through e-mail, skype, phone and in person.

## **VII.**

### **Confidentiality**

1. The Partner has a duty to keep confidential information designated at CCR or by law as confidential, as well as other matters, the disclosure of which to third parties could cause CCR harm or otherwise have a negative impact on the state of the CCR's assets, good reputation or could give rise to unjustified enrichment on the part of another, unless the Partner has an obligation to disclose such information or matters under law or under an enforceable decision adopted by a governing body of CCR.
2. The duty of confidentiality under this Article VII. continues upon termination of the Project or the Contract. The Partner is not entitled, when the Project or the Contract comes to an end, to disseminate or in any way use the information specified in this Article VII. or to procure the dissemination or use thereof.

## **VIII.**

### **Additional Provisions**

1. With respect to entering into this Contract, the Contractual parties exclude the application of Section 1740(3) of the Civil Code, under which an agreement is entered into even in the absence of full consensus of the wills of the Contractual parties.
2. The Contractual parties assume the risk of a change in circumstances under Section 1765 of the Civil Code.
3. The Parties have further expressly agreed that:
  - a) The Partner is not entitled to assign to any third party any of its rights, receivables, obligations, debts or claims arising from this Contract without the prior written consent of CCR (whether as a whole or in part);
  - b) CCR is entitled to set off any of its receivables for the Partner against a receivable of the Partner at any time. The Partner is entitled to set off any of its receivables for CCR against a receivable of CCR only on the basis of a written agreement between the Contractual parties;
  - c) The Partner shall not pledge any of its receivables against CCR arising from this Contract.
4. The Partner is fully liable to CCR for any and all harm, costs and expenses as a result of a breach of this Contract.

5. The term “harm” means at all times harm to property (damage) as set out in Section 2894(1) of the Civil Code, as well as non-proprietary damage, as set out in Section 2894(2) of the Civil Code. This provision constitutes an explicit agreement relating to the Partner’s obligation to provide compensation for non-proprietary damage in the event of a breach of any obligations hereunder.

## **IX.**

### **Final Provisions**

1. This Contract contains the entire agreement of the Contractual parties relating to the rights granted and the obligations assumed hereunder, and upon its effectiveness, supersedes any prior agreements or understandings, verbal or written.
2. This Contract is concluded for a fixed term commencing on the day of signing of this Contract and ending 6 months after the termination of the Project.
3. The Contract is made in two counterparts in English with the force of originals. Each of the Contractual parties shall receive one counterpart.
4. Any and all changes of or amendments to this Contract shall be made only based on a mutual agreement of both Contractual parties and exclusively in the form of a written and duly numbered amendment, unless agreed otherwise.
5. Should there be any disputes related to this Contract, the Contractual parties undertake to settle them primarily by agreement; should no agreement be reached, they shall refer the dispute to a general court in the Czech Republic under whose jurisdiction CCR falls based on its registered seat.
6. The parties are aware that this contract meets the requirements specified in Act No 340/2015 Coll. and therefore it is subject to the obligation to be published in the register of contracts. The CCR undertakes to enter the contract in the register of contracts within the statutory period and send a confirmation that the contract was published to the seller upon its request.
7. Should any of the provisions of this Contract become invalid, unlawful, or unenforceable, the remaining provisions shall remain valid and enforceable. The Contractual parties agree to replace any such invalid, unlawful, or unenforceable provision with a new provision whose purpose will be as close as possible to that of the unlawful, invalid or unenforceable provision.
8. Annexes 1 - 12 form an integral part hereof.
9. The Contractual parties declare that they have read this Contract and all its annexes, understand its contents and consent to it, in witness whereof their authorized representatives attach their own signatures and stamps.

List of annexes:

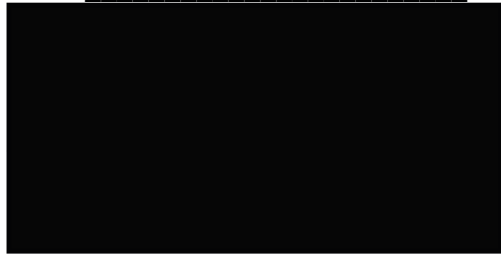
- Annex 1: Project documents (Project description)
- Annex 2: Project budget
- Annex 3: Declaration on Safeguarding
- Annex 4: Donor and CCR Logo
- Annex 5: Midterm/Interim narrative report
- Annex 6: Annual/final narrative report
- Annex 7: Procurement and Financial Manual for partners
- Annex 8: Cover sheets
- Annex 9: Visibility Manual
- Annex 10: List of deliverables
- Annex 11: Programme Participants and Child Safeguarding Policy

For **CCR**

(i.e. Caritas Czech Republic):

Place: Prague

Date: \_\_\_\_\_



For the **Partner**

(i.e. Global Change Research Institute CAS):

Place: Brno

Date: \_\_\_\_\_

