

DATED THIS <sup>22<sup>ND</sup></sup> DAY OF <sup>Aug</sup> 2024

**GRANT FACILITY AGREEMENT**

**BETWEEN**

**TIB DEVELOPMENT BANK LIMITED**

**AND**

**JV BIOTECH ENTERPRISES COMPANY LIMITED**

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**IN RESPECT OF GRANT FACILITY (UNDER BIOENERGY INCENTIVE FUND) AMOUNTING TO UNITED STATES DOLLAR FORTY-SIX THOUSAND NINE HUNDRED AND SIXTY (USD 46,960.00) ONLY.**

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**DRAWN BY:**

**DIRECTORATE OF LEGAL SERVICES  
TIB DEVELOPMENT BANK LIMITED  
BUILDING NO. 3, MLIMANI CITY OFFICE PARK  
SAM NUJOMA ROAD  
P.O. BOX 9373  
DAR ES SALAAM**



## GRANT FACILITY AGREEMENT

This Grant Agreement ("Agreement", which term shall include all annexes and attachments hereto or other documents incorporated by reference herein) is made

*between*

### **TIB DEVELOPMENT BANK LIMITED**

a limited liability company incorporated under the Companies Ordinance, Cap. 212 of the laws of Tanzania {hereinafter "**the Bank**"} of P. O. Box No. 9373, Dar es Salaam, of the other part.

*and*

**JV BIOTECH ENTERPRISES COMPANY LIMITED**, a body corporate Incorporated under the Laws of Tanzania of P.O Box 35091, Ubungo River Side, Dar es Salaam (hereinafter referred to as the "Grantee" or Beneficiary),

### **1. Preamble**

**1.1 Whereas** TIB Development Bank Limited acting as an agent of the United Nations Industrial Development Organization (UNIDO) (*hereinafter referred to as "Principal"*) through the Agency Agreement dated 17<sup>th</sup> Month April year 2023 (Contract No. 3000104383) on Promotion of application of Waste to Energy Technologies in Agro-industries in Tanzania.

**1.2 Whereas** On June 30<sup>th</sup> and 22<sup>nd</sup> August 2023 the bank advertised in the Public Newspapers calls for proposals and the grant pursuant to the Agency Agreement.

**1.3 Whereas**, in response to the above-mentioned call for proposals the Grantee submitted a concept note and a full project proposal.

**1.4 Whereas** the Grantee's project proposal has been selected to be funded, the project proposal is attached to this contract and be made part to this contract (the "Project Proposal").

**Now therefore, the Parties hereby agree as follows:**

### **2. THE GRANT**

On the terms and conditions and for the purposes set forth in this Agreement, TIB Development Bank Limited being the Agent of United Nations Development Organization (UNIDO) will provide Grantee, JV BIOTECH ENTERPRISES COMPANY LIMITED with a grant in the maximum amount of **United States Dollar Forty-Six Thousand Nine Hundred and Sixty (USD 46,960.00) only** (the "Grant") Under conditional implementation milestones for each execution stage as stipulated in the client's Workplan (the client's Workplan shall form part of this contract). Funds provided under the Grant are also referred to herein as the "UNIDO-BIF Contribution".

### 3. THE PROJECT

3.1 The Grant is provided to support **installation of Micro-distillery plant**. The purpose of which is described in the Project Proposal submitted which is made party to this grant agreement.

3.2 Grantee shall implement the Project to a professional standard in line with best international practices and in accordance with the project Workplan submitted prior disbursement and the use of the Grant shall conform to the restrictions and limitations contained in, this Agreement.

3.3 Whereas JV BIOTECH ENTERPRISES COMPANY LIMITED agrees and makes a covenant to raise the remaining balance of the budget other than the grant amount of **USD 46,960.00** to ensure the project is timely implemented.

3.4 JV BIOTECH ENTERPRISES COMPANY LIMITED shall inform TIB Development Bank Limited prior to making any changes to the Project as described in the Project Proposal, except that: (i) changes to the Budget and (ii) changes that are insignificant in the overall context of the Project and do not change the Budget may be notified in writing through the project progress reports.

3.5 Prior to accepting the changes, TIB shall inform the Principal in writing of the changes made by Grantee and both shall be in-agreeance.

### 4. CONDITIONAL PRECEDENTS

4.1 The grant beneficiary shall submit to TIB a **tentative project budget** and **Workplan for implementation** of the project **before the first disbursement is made**, i.e, during the signing of this agreement. Failure to submit the same shall render this agreement and award as void. The Workplan shall be to the effect that the project will be implemented within twelve (12) months after signing of this contract.

4.2 The grant beneficiary shall submit BRELA annual returns during the implementation period, this shall be mandatory before first disbursement is made and final disbursement.

4.3 The grant beneficiary shall submit the tax clearance certificate before the first disbursement is made and subsequent disbursements,

4.4 For Sugar projects, the grants beneficiaries shall submit current OSHA and NEMC certificates,

4.5 Specifically for Sugar Industries, shall be required to submit SPPA/PPA signed between them and TANESCO (if applicable).



## 5. PROJECT WORK PLAN AND GRANT PAYMENTS

5.1 JV BIOTECH ENTERPRISES COMPANY LIMITED shall submit to TIB Development Bank Limited a ***Project Workplan covering the entire period of the Project, dividing workstreams into activities and deliverables***. The Workplan shall be submitted together with the sign off of this Grant Agreement.

5.2 TIB Development bank Limited shall disburse to the beneficiaries, i.e JV BIOTECH ENTERPRISES COMPANY LIMITED a total of USD 46,960 after the funds have been made available for disbursement by the UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (UNIDO) as per UNIDO policies; and after fulfilling the condition precedents as described under this Agreement. The referred disbursement shall be in accordance with the implementation milestone at every execution stage.

5.3 Following the Grantee project proposal attached to this contract and be made part to this contract (the "Project Proposal") as Annex 5, the above stated disbursement shall be available for ***disbursement in three tranches*** whereas the **first installment shall be 20% of the total grant awarded (USD 25,392.00)** after fulfilling the pre-disbursement conditions including among others the Condition Precedents (CPs), **the second installment shall be 50% (USD 13,480.00)** shall be disbursed after attainment of agreed milestones of procurement of equipment and submission evidence of procurement including proforma invoices, bill of lading and other shipping documents if procured overseas. **The final installment shall be 30% (USD 8,088.00)** shall be disbursed after delivery of and installation of the micro-distillery, verification by UNIDO field office, TIB and REA on commissioning of and three consecutive months of operation of the Micro-distillery. The Grantee shall ensure there is a logbook at the factory to record the generating output of the Micro-distillery at its installed capacity during the three consecutive months.

5.4 **Bank account:** TIB Development Bank Limited shall make payments under this Agreement to a bank account registered in Grantee's name and for its sole benefit. JV BIOTECH ENTERPRISES COMPANY LIMITED shall notify TIB Development Bank Limited of the relevant bank account details for transfer of funds in its Funding Advance Request or issued invoices.

## 6. REPORTING AND RECORD KEEPING

6.1 The Grantee shall submit expenditure report which forms an integral part to this agreement and shall be submitted three months after receipt of the last disbursement.

6.2 The grantee shall report on financial expenditures and technical report to TIB Development Bank on a semi-annual basis, as well as on ad hoc basis upon demand, and shall provide a final report after Project Implementation is completed as per the workplan so to give room for TIB Development Bank Limited, United Nations Industrial Development Organization and Rural Energy Agency to conduct inspection of the project implementation on site against the report and Due Diligence.



6.3 In addition, the financial part of the progress report will include a list of equipment/machines, services and works that have been purchased with Bioenergy Incentive Fund grant from the start of the Project through the completion reporting period. This list should also indicate planned purchases for the next work period.

6.4 **Final Report:** At the end of the Project implementation, JV BIOTECH ENTERPRISES COMPANY LIMITED shall submit a Final Report. The Final Report shall be submitted within 60 days after the completion of Project Implementation.

6.5 **Record keeping:** Grantee shall keep all pertinent financial, technical and administrative records relating to this Agreement for a period of five years, following grant completion. Such records shall be kept in electronic format.

## 7. PROJECT REVIEWS AND SITE VISITS

7.1 **Site visits/ examinations.** At the request of TIB Development Bank Limited, United Nations Development Organization or its donors prior notification, JV BIOTECH ENTERPRISES COMPANY LIMITED shall enable their (UNIDO, donors and TIB) representatives to visit facilities and sites related to Grant activities to review the Grant's progress and results, and to examine the equipment/machines financed out of the Bioenergy Incentive Fund Contribution and any installations, sites, works, records and documents relevant to the activities financed from the Grant.

7.2 TIB and United Nations Industrial Development Organization, or their representatives, and assignees reserve the right, in their sole discretion and upon reasonable notice to Grantee, to inspect, review or audit any or all records relating to this Grant for the period not exceeding Five (5) years after the final disbursement was done.

## 8. USE OF FUNDS

8.1 All funds provided under this Grant shall be used only for approved purposes and for eligible expenditures included in the Project Proposal, unless otherwise approved in writing by TIB Development Bank Limited on behalf of UNIDO. In addition, expenditures must meet the following general criteria:

- a) Be indicated in the Budget.
- b) Be necessary for the implementation of the Project which is the subject of the Grant.
- c) Be identifiable and verifiable, recorded in the accounting records of Grantee or its sub-grantees and determined according to the applicable accounting standards.
- d) Be reasonable, justified and comply with the principle of sound financial management.



8.2 The Grantee is responsible for ensuring that the Grant is administered in accordance with the terms of this Agreement, as well as fulfilment of implementation milestones (Workplan), and submission of expenditure report in accordance with UNIDO format.

8.3 The Grantee shall ensure to sign the **Undertaking of Declaration on Exclusion of funding and Anti-Money Laundering** as stipulated in the Call for Proposal before any first disbursement is made, those undertakings shall form part of this agreement.

8.4 In the event misappropriation of the fund as may be observed and/or reported by TIB, UNIDO or their auditors, JV BIOTECH ENTERPRISES COMPANY LIMITED will be liable to make refund of the misused fund.

## 9. REPRESENTATIONS, WARRANTIES AND COVENANTS

Grantee represents and warrants as follows:

9.1 It is legally registered, authorized to do business and/or has procured any necessary permits or licenses required to carry out Project related activities in the United Republic of Tanzania.

9.2 All statements and undertakings made by it in the Project Proposal and Concept Note are true, accurate and complete in all material respects and do not omit information which, if disclosed, would be material to the making of this Grant or the implementation of Project. Without limiting the generality of the foregoing, Grantee acknowledges and undertakes to comply with the Environmental and Social Management Safeguards policies.

9.3 In respect of its entire operations (i.e. including but not limited to the Grant), the Grantee confirms that it prepares for and shall for the term of this Agreement continue to prepare annual financial statements. Grantee agrees that, whether required by law, such financial statements shall be audited annually by a qualified independent auditor. Grantee shall inform TIB without delay if in connection with any such annual audit of its financial statements the auditor does not render an unqualified opinion.

## 10. AMENDMENTS AND MODIFICATIONS

This Agreement may not be amended, supplemented, or modified in any respect except by written agreement duly signed by the authorized representative of each Party.



## 11. INDEMNIFICATION

Grantee shall indemnify TIB Development Bank Limited, United Nations Industrial Development Organization, or its donors for and against any claim, action, damages or expenses (including reasonable legal fees) (collectively, "Indemnified Claims") made against or sustained by TIB Development Bank Limited, United Nations Industrial Development Organization, or its donors in connection with Grantee's, Grantee's Sub-Grantees and their respective subcontractors' performance or non-performance of this Agreement, except to the extent that the Indemnified Claims arise out of TIB Development Bank Limited, United Nations Industrial Development Organization, or its donors' acts or omissions.

## 12. LIABILITY

TIB Development Bank Limited, United Nations Industrial Development Organization, or its donors shall not be liable for losses, damages, claims, or other liabilities arising out of Grantee's, Grantee's Sub-Grantees' and their respective subcontractors' performance or non-performance. It is expressly understood that TIB Development Bank Limited, United Nations Industrial Development Organization, or its donors, by making this Grant, has no obligation to provide other or additional support to Grantee for the purposes of this Project or any other purposes.

## 13. GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement shall be construed and enforced in accordance with the laws of the United Republic of Tanzania.

## 14. NON-ASSIGNMENT

This Grant shall not be transferred or assigned by Grantee without prior written consent of TIB Development Bank Limited, United Nations Industrial Development Organization, or its donors.

## 15. ENTIRE AGREEMENT

15.1 This Agreement consists of this agreement paper and the following annexes and documents incorporated by reference which are an integral part hereof.

List of Annexes and Schedules

- Annex 1 – Call for Proposal
- Annex 2 – Signed Undertaking on Exclusion of Funds
- Annex 3 – Project Work Plan
- Annex 4 – Signed Undertaking on Anti- Money Laundering
- Annex 5 - Project Proposal



Annex 6 - Undertaking on Environmental and Social Management Safeguards policies.

15.2 It is understood and agreed that in case of inconsistency between the terms of this agreement and the terms of these annexes, the terms of this agreement shall prevail to resolve such conflict.

15.3 Any inconsistency between the different parts of this Agreement shall be resolved by giving precedence in the following order:

- (1) Grant Agreement
- (2) Project Proposal

15.4 This Agreement constitutes the entire agreement and understanding between the Parties with respect to its subject matter and supersedes any prior or contemporaneous agreements or understandings in reference thereto between the Parties.

## 16. COMMUNICATION

Any Communication in form of letters, reports, notice or request required or permitted to be given or made under this Agreement and any agreement between any of the parties contemplated by this Agreement shall be in writing. Except as otherwise provided in this Section, such letters, report, notice or request shall be deemed to have been duly given or made when it shall be delivered by hand or by mail, to the party to which it is required to be given or made at such party's address specified herein below or at such other address as such party shall have designated by notice to the party giving such notice or making such request:

### FOR TIB:

The Managing Director,  
TIB Development Bank Limited,  
Building No. 3, Mlimani City Office Park,  
Sam Nujoma Road,  
P.O. Box 9373,  
DAR ES SALAAM  
*Telex No.41259 TIB, Fax No.2113438, E-mail: md@tib.co.tz*

### FOR THE BENEFICIARY:

The Managing Director,  
JV BIOTECH ENTERPRISES COMPANY LIMITED,  
P.O Box 35091,  
Dar es Salaam, TANZANIA



IN WITNESS WHEREOF, the Parties hereunder set their hands on the date and place first above written.

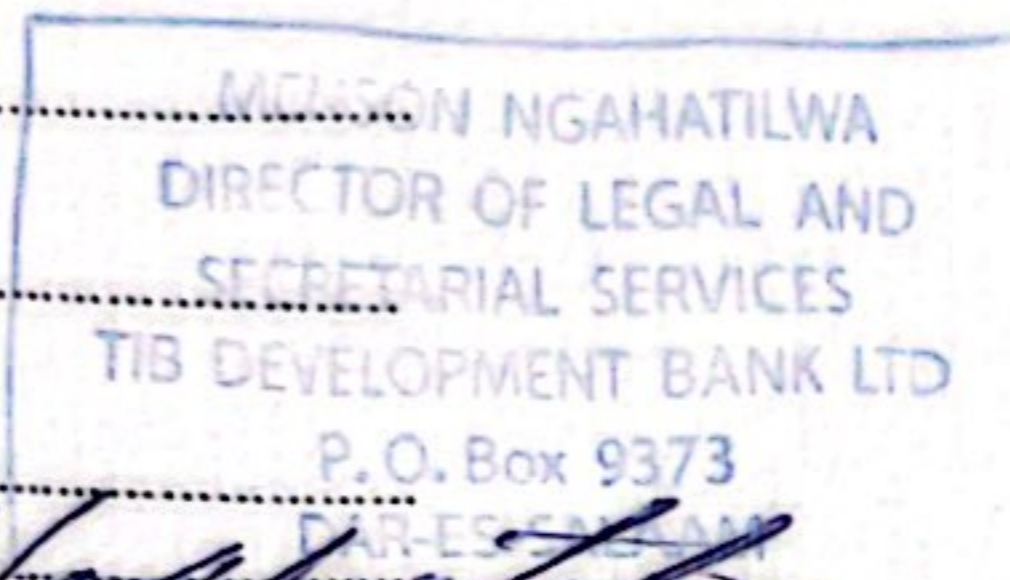
**TIB DEVELOPMENT BANK LTD**

Name: Mwasam Suleiman  
Qualification: Ag. Managing Director  
Address: Box 9373  
Dar-es-Salaam  
Signature: [Signature]



**SIGNED IN THE PRESENCE OF**

Name: MONSON NGAHATILWA  
Qualification: DIRECTOR OF LEGAL AND SECRETARIAL SERVICES  
Address: TIB DEVELOPMENT BANK LTD  
P.O. Box 9373  
DAR-ES-SALAAM  
Signature: [Signature]



**JV BIOTECH ENTERPRISES COMPANY LIMITED**

Name: VICTOR V. KABECH  
Qualification: CEO  
Address: P.O. Box 35091  
DAR ES SALAAM  
Signature: [Signature]



**SIGNED IN THE PRESENCE OF**

Name: RICHARD D. ERNEST  
Qualification: ADVOCATE  
Address: P.O. Box 3946  
DAR-ES-SALAAM  
Signature: [Signature]

