RIVER CITIES ALLIANCE CHALLENGE

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BILATERAL AGREEMENT

BETWEEN

NATIONAL INSTITUTE OF URBAN AFFAIRS (NIUA)

AND

[NAME OF URBAN LOCAL BODY]

FOR IMPLEMENTATION OF THE

[PROJECT TITLE]

UNDER

RIVER CITIES ALLIANCE (RCA) CHALLENGE PROGRAMME

(To be prepared on Rs. 100 stamp paper)

This Agreement is executed on the _____ day of _____, 202__ at New Delhi.

BETWEEN

1st Party- The National Institute of Urban Affairs (NIUA), an autonomous institution under the Ministry of Housing & Urban Affairs, Government of India, having its office at 1st & 2nd Floor, Core 4B, India Habitat Centre, Lodhi Road, New Delhi – 110003, acting as the Implementing Agency for the River Cities Alliance Challenge,

- represented by _____, duly authorised for this purpose (hereinafter referred to as "NIUA" or "Implementing Agency", which expression shall, unless repugnant to the context, include its successors and permitted assigns);

AND

2nd Party- [NAME OF ULB], having its office at _____, and selected for implementation of the [project title]

- represented by _____, duly authorised for this purpose (hereinafter referred to as the "ULB", which expression shall, unless repugnant to the context, include its successors and permitted assigns).

NIUA and the ULB are hereinafter individually referred to as a "Party" and collectively as the "Parties".

WHEREAS

i. The River Cities Alliance (RCA) was established in November 2021 by the National Mission for Clean Ganga (NMCG) and NIUA as a collaborative platform for river cities across India to advance holistic and sustainable urban river management.

[ii.] The RCA Challenge on Rejuvenating Urban Rivers was approved by the Executive Committee of NMCG on _____ with funding options from both NMCG (EAP as well as non-EAP budget lines) and Clean Ganga Fund.

ii.[iii.] MoU was signed between NIUA and NMCG on_____ designating NIUA as the Implementing Agency of the RCA Challenge.

iii.[iv.] NIUA, as the Implementing Agency, shall facilitate project maturation, technical support, monitoring, grant management, knowledge dissemination and other activities in accordance with the RCA Challenge Operational Guidelines. NIUA and Implementing Agency maybe used interchangeably, unless otherwise specified.

iv.[v.] The RCA Challenge and the Operational Guidelines was launched on **6th October 2026** to invite innovate projects by RCA member cities for river management and translate the principles of the Urban River Management Plan (URMP) Framework into tangible on-ground action through innovative, practical, scalable and measurable projects.

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v.[vi.] The [Name of ULB] submitted the project proposal titled "[PROJECT TITLE]" under the RCA Challenge and, pursuant to the prescribed evaluation and selection process, the project has been selected for financial and technical assistance.

vi.[vii.] The Parties desire to record the terms and conditions governing maturation, financing, implementation, monitoring, operation and maintenance, and completion of the selected project.

NOW, THEREFORE, the Parties agree as follows:

CLAUSE 1. OBJECTIVE AND SCOPE

1.1 The purpose of this Agreement is to establish the framework and conditions under which NIUA and the ULB shall collaborate for maturation, financing, implementation, monitoring, completion and sustainability of the selected RCA Challenge project.

1.2 The Project shall be implemented in accordance with the approved project proposal, final Detailed Project Report (DPR), Project Implementation Plan (PIP), approved budget, procurement plan, Monitoring, Evaluation and Learning (MEL) Framework, **Environmental, Social & Economic Plan,** O&M Framework, RCA Challenge Operational Guidelines, and subsequent written directions/approvals issued by NIUA.

1.3 Any material or major modification in project scope, duration, location, design, outputs, financing plan, implementation schedule or approved activities shall require prior approval of NIUA.

1.4 The RCA Challenge is intended to promote innovative and context-specific projects. Accordingly, the implementation approach may be refined during the course of the Project and approved by NIUA to improve effectiveness, efficiency, sustainability or innovation, provided that such refinements remain consistent with the approved objectives and the provisions of this Agreement.

1.5 Any amendment to this Agreement shall be made in writing and executed by duly authorised representatives of both Parties. Project-specific revisions may also be incorporated through approved Annexures or Addenda forming an integral part of this Agreement.

CLAUSE 2. DEFINITIONS AND ACRONYMS

2.1 "RCA" means River Cities Alliance.

2.2 "RCA Challenge" means River Cities Alliance Challenge on Rejuvenating Urban Rivers.

2.3 "PMU" means the RCA Challenge Project Monitoring Unit hired by NIUA.

2.4 "Project" means the project selected under the RCA Challenge and the DPR attached in Annexure I.

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2.5 “Maturation Phase” means the period for strengthening, operationalising and preparing the selected project for implementation after signing of the agreement and before the on-ground implementation.

2.6 “Grant” means financial assistance approved for the Project under the RCA Challenge.

2.7 “Zero Balance Account” means the bank account maintained exclusively for receipts and expenditure relating to the Project.

2.8 “PIP” means the Project Implementation Plan specifying activities, milestones, timelines and institutional responsibilities.

2.9 “MEL Framework” means the Monitoring, Evaluation and Learning Framework containing project indicators, baselines, targets and reporting arrangements.

2.10 “O&M” means operation and maintenance of assets/interventions created under the Project.

CLAUSE 3. ENTRY INTO FORCE, DURATION AND SURVIVAL OF OBLIGATIONS

3.1 This Agreement shall enter into force on the date of its signing by both Parties and the end date or the validity of the Agreement is **upto 24 months from the date of award of the project** or **31st December, 2028-** ~~whichever is earlier~~unless specified otherwise**.**

3.2 The implementation period of the Project shall be as specified in the approved PIP/DPR and shall ordinarily be completed within the timeline proposed and approved under the RCA Challenge.

3.3 **The end date of execution (maximum project duration) shall not be more than 24 months from the date of Award of Project or later than 31st December 2028, unless approved otherwise.** The ULB commits to this schedule and the submission of deliverables within the framework of the schedule of realization.

3.4 Obligations relating to O&M, audit, record retention, recovery of funds, intellectual property, knowledge sharing and other surviving obligations shall continue beyond project completion for the period specified herein or under applicable rules.

CLAUSE 4. INSTITUTIONAL ARRANGEMENT AND RESPONSIBILITIES

Role and responsibilities of NIUA	Role and responsibilities of the ULB
[i.] Act as the I~~i~~mplementing A~~a~~gency for the RCA Challenge and provide overall programme management and coordination support to all stakeholders. i.[ii.] Hiring and coordinating dedicated PMU and also with subject matter/transversal experts, specialized agencies for programme management and	i. Implement the project and assume responsibility for timely and satisfactory implementation of the project. ii. Designate a Project Nodal Officer, preferably a senior level officer upon signing of the Agreement and constitute an appropriate project management team. Details shall be provided to NIUA no

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implementation. ii.[iii.] Provide or facilitate technical assistance and expert support during project maturation and implementation phases. iii. Manage STEP portal of the World Bank. iv. Review and approve/recommend project documents, milestones, progress reports and drawdown requests in accordance with applicable approvals. v. Monitor physical and financial progress through reports, meetings, site visits or other means of verification, etc. vi. Any variation in the cost of project due to change in scope/delay and finalization of tenders will be accepted by NIUA with an understanding that variation over sanctioned cost will be borne by the ULB. vii. Facilitate capacity building, peer learning, communication, documentation, dissemination of project outcomes, etc. viii. Issue reasonable directions required for effective implementation and compliance with the RCA Challenge framework. ~~ix.~~ Developing tools and templates required for the projects and conducting respective capacity-building activities, [x.] x. **Submit** Utilization Certificates (UCs) to NMCG for timely release of funds and overall strategic monitoring of the programme implementation.	later than 7 days of Agreement signing. iii. Manage the STEP portal of the World Bank. iv. Provide land/site availability and secure all statutory permissions, approvals, consents and clearances required for implementation. v. Call and issue of tenders for on-ground implementation of the project. [vi.] The procurements funded under EAP budget line may be as per World Bank guidelines. However, for Non-EAP/ CGF funded procurements, GFR and relevant DoE Manual of Government of India will have to be followed ~~Undertake procurement and contract management in accordance with the World Bank/GoI (whichever is applicable) procurement guidelines, rules and approved procurement arrangements~~ under the guidance of the Procurement & Financial Management Specialists of NIUA. vi.[vii.] Variation: Any Variation in the cost of project due to change in scope/delay or higher quote received in tender will be borne by ULB. vii.[viii.] Maintain a dedicated bank account and maintain records of expenses and vouchers which shall be subject to annual audit. viii.[ix.] Open an Escrow account (if required) for the management of O&M funds. ix.[x.] Ensure quality assurance, safety, environmental & social compliance, stakeholder engagement and timely grievance redressal. xi. Submit prescribed physical and financial progress reports, utilization certificates, audit reports, data as per the MEL framework and other documents related to project as agreed. xii. Operate and maintain the assets/interventions created under the

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	Project for the prescribed period and bear responsibility for the Operation & Maintenance of the project, unless agreed otherwise.

CLAUSE 5. MATURATION PHASE

5.1 The ULB shall, with support from the NIUA, the RCA Challenge PMU and relevant experts, complete the project maturation requirements and refine the project before full-scale implementation.

5.2 The key maturation deliverables may include, inter alia:

i. Project Implementation Plan (PIP),
ii. Final Detailed Project Report (DPR) with O&M Framework,
iii. Procurement Plan,
iv. Communication and Outreach Plan,
v. Monitoring, Evaluation and Learning (MEL) Framework,
vi. Project Risk Register and Risk Management Strategy,
vii. Environmental & Social (E&S) Safeguards Plan, and
viii. other project-specific plans/documents as may be required for the project.

5.3 Major implementation and procurement works (in accordance with World Bank/GoI guidelines) shall commence after approval of the relevant maturation deliverables and receipt of written clearance/approval from NIUA, wherever required.

5.4 Preparatory activities may be undertaken simultaneously with maturation phase with concurrence of NIUA.

CLAUSE 6. FINANCIAL COMMITMENT

6.1 The maximum grant approved for the project under the RCA Challenge is ₹_____ inclusive of all taxes (Rupees _____ only). The final amount is subject to the DPR approved after Maturation Phase, subject to the ceiling of approved grant and compliance with this Agreement.

6.2 The total Agreement designated for Operation and Maintenance of the project is ₹_____ inclusive of all taxes (Rupees _____ only).

6.3 The final approved Project cost shall be determined upon completion of the Maturation Phase and approval of the final DPR. The DPR amount shall not exceed the approved grant amount under the RCA Challenge. Any cost escalation, expenditure beyond the approved scope, or additional financing requirement shall be borne/arranged by the ULB unless specifically approved otherwise by NIUA and subject to availability.

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6.4 The approved grant shall include the provision for Operation and Maintenance (O&M), wherever applicable, for a period of up to five (5) years from the date of Project completion in accordance with the approved O&M Framework and the Operational Guidelines.

CLAUSE 7. DEDICATED PROJECT ACCOUNT AND FUND MANAGEMENT

7.1 The ULB shall open/maintain a dedicated zero-balance bank account exclusively for the RCA Challenge Project, in accordance with instructions issued by NIUA and provide the details to NIUA within 7 days of the Agreement signing.

7.2 Project funds shall not be diverted, transferred or utilised for any purpose other than approved Project activities.

7.3 The ULB shall maintain separate books of accounts**, ledgers, vouchers, invoices, bank statements and other financial records for the Project.**

7.4 The ULB shall open an Escrow Account (if required) for the management of O&M funds beyond the project implementation period.

7.5 Unutilized amount or interest earned from the total approved budget shall remain with NIUA or be returned back, unless approved otherwise.

CLAUSE 8. FUNDS DRAWDOWN AND PAYMENT PROCESS

8.1 Grant funds shall be released in instalments linked to achievement of agreed milestones and satisfactory utilization of previous releases. The indicative share shall be calculated from total approved project cost less Operation & Maintenance cost. This will be unique to each project and pre-decided. Indicative payment milestone for reference is as follows-

Instalment	Share	Trigger/Milestone	Supporting Documents
First	10 %	Signing of Agreement and initiation of maturation phase.	Drawdown request, approved documents, bank details, other documents prescribed by NIUA.
Second	[__%]	Upon completion of Maturation Phase activities/ deliverables.	Drawdown request, utilization certificate, procurement/work order documents, progress report, etc.
Third	[__%]	Upon completion of Second Milestone activities/ deliverables	Drawdown request, utilization certificate, progress report, monitoring/MEL and E&S compliance documents, etc.
Final	10 %	Completion of all	Completion report, utilization

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		Milestone activities/ deliverables.	certificate, audit documents, commissioning/hand-over documents, etc.

8.2 The ULB shall raise request for fund release using the drawdown form to NIUA with the necessary documents as and when each agreed milestone is achieved/completed.

8.3 NIUA will initiate the payment if all the documents are approved or withhold, defer or reduce a release where milestones are not achieved, documentation is incomplete, expenditure is ineligible, material non-compliance is observed or any other reason as may be necessary.

8.4 Subsequent fund release by NIUA will take into consideration eligible expenditure, available/unutilized balance from previous sanctions, etc.

8.5 The format for funds drawdown is attached in **Annexure IV**.

CLAUSE 9. PROCUREMENT AND CONTRACT MANAGEMENT

9.1 Procurements funded under EAP budget line may be as per World Bank guidelines. However, for non-EAP/ CGF funded procurements, GFR and relevant DoE Manual of Government of India will have to be followed~~Procurement shall be undertaken by the ULB in accordance with applicable World Bank/GoI guidelines~~ **(as applicable).**

9.2 The ULB shall ensure integrity requirements, transparency, economy, competition, fairness and value for money and shall retain complete procurement records for audit and review.

9.3 NIUA's review, advice or monitoring shall not relieve the ULB of its statutory, fiduciary or contractual responsibilities.

9.4 The ULB shall take guidance of the financial, procurement, environmental and social experts at RCA Challenge NIUA to integrate multi-disciplinary approach in their procurement and contract management.

9.5 The ULB shall take no-objection from NIUA before undertaking any procurement activity. The ULB remains the procuring entity.

9.6 The ULB shall take prior approval from NIUA for material variations in contracts.

CLAUSE 10. MONITORING, REPORTING AND EVALUATION

10.1 The ULB shall report against approved KPIs, baselines, targets, milestones and financial indicators under the MEL Framework- developed and approved during the Maturation Phase in formats and at intervals as agreed in the MEL Framework or as required by NIUA.

10.2 All the outcomes, reports, data, maps, etc. related to the project shall be shared with NIUA.

10.3 KPIs/MEL Framework may be revised during implementation, if necessary, with the approval of NIUA.

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10.4 NIUA/NMCG or authorised agencies may undertake site visits, technical reviews, financial reviews, audits, third-party assessments and evaluations.

CLAUSE 11. ENVIRONMENTAL AND SOCIAL SAFEGUARDS

11.1 The ULB shall comply with all applicable environmental, social, labour, safety and other statutory requirements.

11.2 The approved E&S Safeguards Plan shall form an integral part of implementation and shall address environmental and social risks, mitigation measures, stakeholder engagement, inclusion, gender considerations and grievance redressal.

11.3 No Project activity shall involve an ineligible component prohibited under the RCA Challenge Operational Guidelines.

CLAUSE 12. OPERATION AND MAINTENANCE

12.1 The ULB shall remain responsible for operation, maintenance, upkeep and sustainability of assets/interventions created under the Project.

12.2 The ULB shall implement the approved O&M Framework and ensure adequate institutional and financial arrangements for at least five years from the date of Project completion, unless specified otherwise.

12.3 Assets created from the Grant shall not be disposed off, transferred or used for purposes inconsistent with the Project without prior written approval, where applicable.

CLAUSE 13. COMMUNICATION, BRANDING AND KNOWLEDGE SHARING

13.1 The ULB shall follow RCA Challenge communication and branding requirements and appropriately acknowledge NMCG, NIUA, River Cities Alliance and other key stakeholders as suggested by NIUA.

13.2 The ULB shall facilitate documentation of good practices, photographs, videos, case studies, datasets and lessons for national/international dissemination and replication.

13.3 NIUA/NMCG may use non-confidential project information and knowledge products for public-interest communication, research, capacity building and programme dissemination.

CLAUSE 14. ACCOUNTS, AUDIT AND RECORDS

14.1 The ULB shall maintain complete and accurate financial records and submit utilization certificates and audited statements in the prescribed format.

14.2 NIUA/NMCG, Government auditors or authorised representatives shall have access to relevant records for verification/audit.

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14.3 Project records shall be retained for at least five years after financial closure or for any longer period required under applicable law/rules.

14.4 Include procurement records, contracts, bid documents, approvals, variations, payments and correspondence.

CLAUSE 15. CONSEQUENCES OF NON-COMPLIANCE TO AGREEMENT

Failure to comply with the obligations of this Agreement may have any of the following consequences-

1. Reminder issued to the ULB regarding the Agreement and gap(s) identified, or
2. Delay/suspension/deduction of part or all the amount, or
3. Review of the agreement and the signing of an amendment if deemed necessary, or
4. Suspension, or even cancellation of the Agreement,
5. Transfer of project/funds to waitlisted projects/ULBs.

CLAUSE 16. SUSPENSION, RECOVERY AND REFUND

16.1 NIUA may recover ineligible expenditure or suspend further releases in case of material breach, misutilization/diversion of funds, false reporting, persistent delay, procurement irregularity, abandonment or other serious non-compliance.

16.2 In case of abandonment of project by ULB or incurring ineligible expenditure or unspent balances at closure/termination shall be refunded by the ULB in accordance with directions issued by NIUA.

CLAUSE 17. FORCE MAJEURE

Neither Party shall be liable for failure or delay in performing an obligation to the extent caused by an event beyond its reasonable control, subject to prompt notice, reasonable mitigation and resumption of performance as soon as practicable.

CLAUSE 18. AMENDMENT

Any amendment to this Agreement shall be valid only when made in writing and signed by authorised representatives of both Parties. Approved project-specific revisions may be recorded through addenda/annexures.

CLAUSE 19. TERMINATION

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18.1 Either Party may terminate this Agreement for material breach by the other Party after providing written notice of atleast 30 days and opportunity to cure the breach.

18.2 NIUA may terminate the Agreement where continuation of the Project becomes legally, financially or technically untenable, or where programme funding/approval is withdrawn.

18.3 Termination shall not extinguish obligations relating to accounts, refund/recovery, audit, asset protection, confidentiality, knowledge products and other provisions intended to survive termination.

CLAUSE 20. DISPUTE RESOLUTION AND JURISDICTION

19.1 The Parties shall first endeavour to resolve any dispute amicably through mutual consultation.

19.2 Any unresolved matter shall be escalated to the Director, NIUA and the competent authority of the ULB for resolution.

19.3 Subject to applicable law and any mutually agreed dispute-resolution mechanism, courts at New Delhi shall have jurisdiction.

CLAUSE 21. NOTICES

All notices under this Agreement shall be in writing and delivered to the authorised representatives at the addresses/email IDs notified by the Parties.

CLAUSE 22. MISCELLANEOUS

22.1 This Agreement, together with its Annexures and approved amendments, constitutes the understanding between the Parties concerning the Project.

22.2 In the event of inconsistency between this Agreement and an Annexure, the provisions of this Agreement shall prevail unless an amendment expressly provides otherwise.

22.3 Nothing herein shall be construed as creating a partnership, agency or employment relationship between the Parties beyond the arrangements expressly set out herein.

ANNEXURES

- Annexure I– Approved Project Proposal / Project Description
- Annexure II– Approved Preliminary Budget
- Annexure III– Fund Release Milestones and Drawdown Requirements
- Annexure IV– Drawdown Request and Utilization Certificate Formats

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SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorised representatives on the date first written above.

For and on behalf of: National Institute of Urban Affairs (NIUA)	For and on behalf of: [Name of Urban Local Body]
Name: Designation:	Name: Designation:

Witness 1

Signature:

Name:

Designation:

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Witness 2