

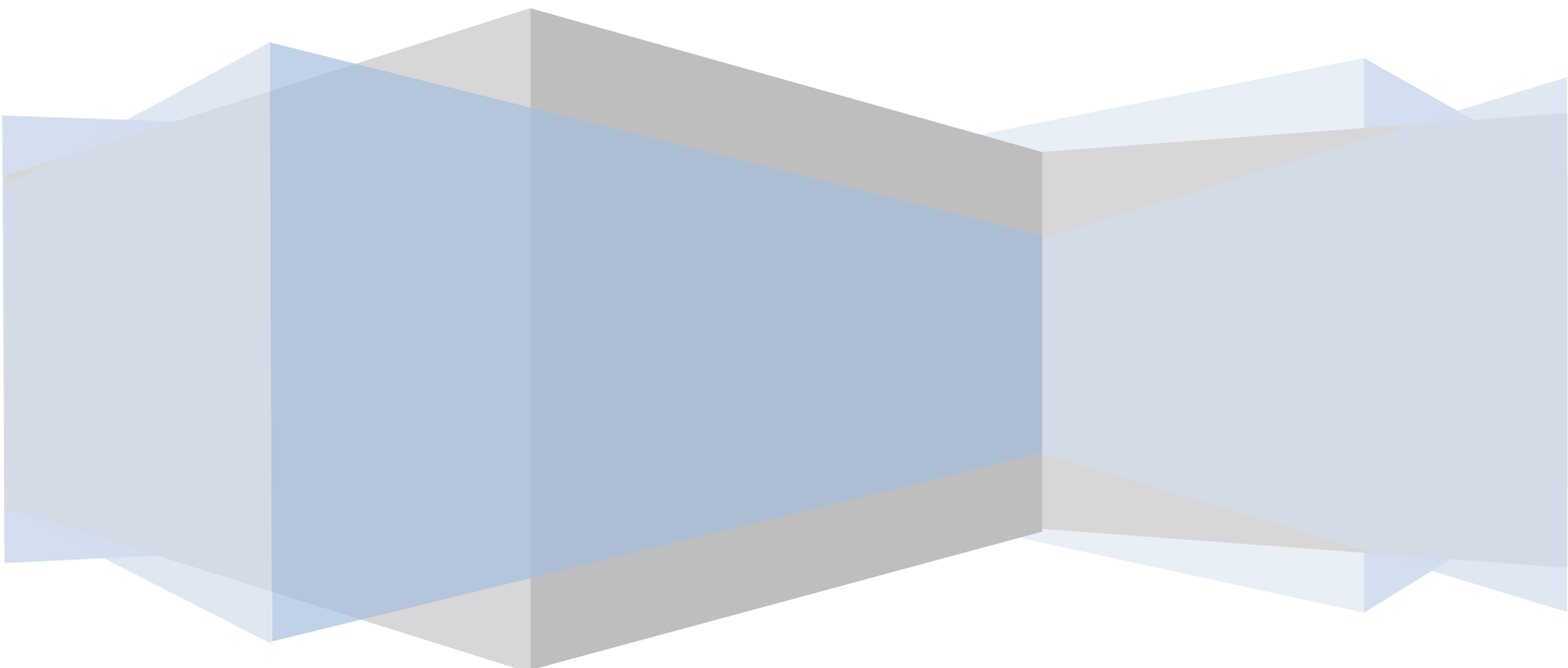


PEACE, PROSPERITY AND  
REGIONAL INTEGRATION

# INTERGOVERNMENTAL AUTHORITY ON DEVELOPMENT

## IGAD Grants Manual

Revised on 20<sup>th</sup> May, 2021



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## FOREWORD

The next 5 years represent a significant transformational phase for IGAD as we roll out the new strategic plan for 2020-2024. During this phase IGAD will undertake a comprehensive institutional transformation to better position it to deliver on its vision of peace, Prosperity and Regional Integration. IGAD intends to step up technical support and coordination with our constituent Member States to achieve shared goals in all commitments they have made at regional level continental strategies such as AU Agenda 2063 and global development agenda such as the Sustainable Development Goals.

In order to realize this objective, IGAD intends to improve upon effectiveness and efficiency by continuously perfecting operational processes. This will place IGAD in a better position to support and respond to the evolving needs of Member States especially in the run-up to 2030 and 2040 when a majority of Member States national development visions will be maturing.

As part of these efforts, IGAD has revised its Institutional Procurement Manual to improve the internal policies and procedures for improved governance and accountability. The improved manual is also expected to facilitate enhanced service delivery to our internal and external stakeholders. The manual has been revised to mainstream internationally recognized norms and accepted standards in the IGAD procurement process to ensure optimal value is derived in the procurement of goods, works and services.

This revised Procurement Manual provides a more structured procurement governance framework that provides; clearer direction for procurement processes, greater oversight over procurement performance, definitive roles, responsibilities and skills in the procurement function. It is expected to contribute to enhancing the overall levels of transparency and strengthen accountability at IGAD.

This manual was revised through extensive consultations with all stakeholders with the intention of ensuring that procurement at IGAD is conducted in a fair, transparent, efficient and cost-effective manner to achieve Value-for-Money in all transactions.

The revision of the IGAD Procurement Manual is part of a larger process where IGAD is revising Financial Rules and Regulations. Key areas addressed by the revised Procurement Manual are, among others, procurement methods, procurement threshold, provisions of exclusion from IGADs' contracts. The revised Procurement Manual will ensure improvement in budget execution, contract management quality products and services delivery, procurement processing time, management of emergency operations, accountability and responsibility, procurement planning and execution of procurement contracts. I would like to acknowledge the invaluable contribution from our Member States to this document. I call upon our Partners to consent to the utilization of this Manual for all procurement related activities under projects implemented by IGAD considering it has been structured to be aligned to their own internationally accepted rules and regulations.

I also call on the entire staff of IGAD and other stakeholders to fully utilize this manual and build culture prudence in the use and application of the limited financial resources made available by our Member States and Partners that come mainly from ordinary taxpayers.

**Workneh Gebevehu (Ph.D.)**

Executive Secretary

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## **ABBREVIATIONS AND ACRONYMS**

CD	Capacity Development
CFP	Call for Proposal
CV	Curriculum Vitae
CSO	Civil Society Organisation
EU	European Union
EPA	Economic Partnership Agreement
ESA	Eastern and Southern African Countries
FRR	Financial Rules and Regulations
GAC	Grant Award Committee
HR	Human Resources
IGAD	Inter-Governmental Authority on Development
ICPAC	IGAD Climate Prediction and Application Centre
ICPAL	IGAD Centre for Pastoral Areas and Livestock Development
IDDRISI	IGAD Drought Disaster Resilience and Sustainability Initiative
IPSAS	International Public Sector Accounting Standards
IRAPP	IGAD Regional HIV/AIDS Partnership Programme
ISSP	IGAD Security Sector Programme
MS	Member State
NEPAD	New Partnership for African Development
NGO	Non-Governmental Organisation
N/A	Not Applicable
PPMU	Project Preparation and Management Unit
PRCC	Principles and Rules of Competition and Cooperation
PS	Professional Staff Category
RCM	Regional Coordination Mechanism
REC	Regional Economic Community
ToR	Terms of Reference
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Services (UNOPS)
WB	World Bank
WTO	World Trade Organization

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## **1. PREAMBLE**

### **1.1 INTRODUCTION**

The Grants Manual is issued under the authority of the IGAD. The Manual supersedes the IGAD Procurement and Grants Manual (First Edition) which was in use from July 2012 and revised on 31 March 2014.

The Grants Manual establishes the required policies and procedures, pursuant to the World Bank Procurement Guidelines, to be followed while applications for grant are submitted to IGAD, evaluated using set criteria and awards are made to successful bidders.

### **1.2 PURPOSE OF THE MANUAL**

The Manual details the standards, policies and procedures to be followed in the organisation of calls for proposals, submission, evaluation, awarding and contracting in IGAD. These standards, policies and procedures are designed to:

- i. provide detailed guidance on the grants management processes;
- ii. provide uniform procedures for the grants management of goods, works and services;
- iii. ensure transparency and accountability in all operations, and consistency with the guidelines of partners where necessary;
- iv. improve the efficiency and effectiveness of operations;
- v. promote the consistent application of best grants management practices and international standards

### **1.3 SCOPE AND APPLICATION OF MANUAL**

The scope of this manual is to provide the basic set of principles, processes and applicable rules in line with commonly accepted international standards.

This manual has been integrated with the procurement manual of IGAD, and it follows its structure for harmonisation and clarity purposes.

Considering the importance of having procedural and detailed guidance on the award of grants, it was decided by management of IGAD to establish a separate manual dedicated from management of grant under which all issues related to submission of applications to IGAD, evaluation of the submitted application by IGAD and awards and contracts are made to successful bidders are properly addressed.

The Manual covers a standard call for proposals cycle from preparation of a call to contract to implementation and evaluation.

### **1.4 AMENDMENTS AND REVISIONS TO THE MANUAL**

For reasons of efficiency, transparency and technological changes over time, the Manual shall be subject to review from time to time through a consultative process.

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Any proposed amendments to this Grants Manual shall be submitted to the office in charge of the procurement unit at IGAD. The review process shall subsequently be carried out by a relevant committee appointed by the Executive Secretary,

All amendments and revisions to the manual will come into effect only after approval by the Executive Secretary and publication on the IGAD website.

To ensure stability and predictability of the IGAD Grant Management system, any grant issued to beneficiary at the time of the revision of the Manual shall follow the rules and procedures stipulated in the Manual in force at the time when the grant was issued.

Any amendment to the Manual shall not apply retrospectively.

## **1.5 STRUCTURE OF THE MANUAL**

For ease of use, the manual is separated into seven chapters and the main ideas included in each one of them are shown below.

Chapter One introduces the purpose of the manual, its scope, application and the procedures to be followed when a need arise to amend or revise the manual.

Chapter Two deals with grant management principles while chapter Three concentrates on code of ethics, examples of unethical conduct and ethical behavior expected from officers.

Chapter Four explains grant starting from its definition and proceeds to explain call for proposal, publication, and frame work partnership agreements, guidelines for applicants and how applications are submitted.

Chapter Five is devoted to show how evaluation of grant applications is carried out using eligibility, exclusion, selection and award criteria. It also shows the composition, duties and responsibilities of the Grant Award Committee.

Chapter Six explains issues in relation to contract award particularly notification of applicants, contract preparation and signature, publicizing the award of grants and how grant contracts are modified.

The last chapter, Chapter Seven, is devoted to show other issues including procurement by grant beneficiaries, use of assessors & experts and communication and record management.

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## **2. GENERAL CONSIDERATION**

### **2.1 DEFINITION OF GRANT**

A grant is a financial donation/non-commercial payment to a specific grant beneficiary to finance either an action intended to help achieve IGAD's policy objective (action grant); or to cover the running costs of an entity which pursues the general interest of IGAD.

### **2.2 PROCUREMENT Vs. GRANT CONTRACT**

A grant contract differs from a procurement contract in a number of ways:

- i. A grant is made for an action proposed to IGAD by an applicant, which falls within the normal framework of the applicant's activities. This is in contrast to a procurement contract, in which IGAD draws up the terms of reference for a project it wants to be carried out.
- ii. A grant beneficiary is responsible for implementing the action and owns the results. By contrast, under a procurement contract, it is the contracting authority which owns the results of the action.
- iii. A grant beneficiary mostly contributes to the financing of the action. In the case of procurement contracts, the contractor does not contribute financially. The amount of a procurement contract represents a price fixed in accordance with competitive tendering rules.
- iv. No grant may give rise to profits. It must only balance income and expenditure for the action. The no-profit rule applies to the action and not necessarily to the grant beneficiary.

### **2.3 GRANTS MANAGEMENT PRINCIPLES**

The overall objective of grants under IGAD management is to achieve the intended objectives of the different programmes by ensuring that funds are spent in a transparent, efficient and fair manner.

Grants shall be awarded by a written agreement concluded with the beneficiary.

There are strict rules governing the way in which grants are awarded. The award of grants is subject to the principles of programming, transparency and equal treatment. Grants may not be cumulative or awarded retrospectively and they must generally involve co-financing. The amount eligible for financing, as specified in a grant contract, may not be exceeded.

#### **2.3.1 Programming**

Programming must be done on a yearly basis through an annual work program. It must specify the period it covers, the basic act, if any, the objectives pursued, the expected results, the indicative timetable of calls for proposals with the indicative amount and the rate of co-financing.



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The program shall be implemented through the publication of call for proposals, except in case of urgency. This shall not apply in cases of crisis management aid or humanitarian aid operations. The objectives of the grants must be clear and defined.

### **2.3.2 Transparency**

The availability of grants shall be publicised widely and in an easily accessible way. Information regarding forthcoming call for proposals and the rules to be applied shall be readily available to all potential candidates.

All grants awarded in the course of a financial year will be published annually with due observance of the requirements of confidentiality and security.

The whole process for awarding/contracting grants shall be written and IGAD shall keep a record of the whole procedure.

### **2.3.3 Equal treatment**

The grant award process must be completely impartial. This means notably that the proposals must be evaluated by a Grant Award Committee; with the advice of assessors or experts where appropriate, using the published evaluation criteria (**see section five of this manual**).

### **2.3.4 Non-cumulation**

No single beneficiary may receive more than one grant from IGAD for a given action.

The applicant shall immediately inform the authorising officer of IGAD if there are any multiple applications and multiple grants relating to the same action or to the same work programme.

Besides applicants should not use IGAD grant for an action which is already fully financed by another development partner. IGAD establishes appropriate monitoring mechanism to deter such double financing.

### **2.3.5 Non-retroactivity**

Grants may, as a rule, only cover costs incurred after the date on which the grant contract is signed. A grant may be awarded for an action which has already begun only where the applicant can demonstrate the need to start the action before the contract is signed.

In such cases, expenditure incurred prior to the deadline for submitting, the date of submission of the grant application, and if applicable the date of signature of the relevant financing agreement, will not be eligible for financing.

No grant may be awarded retroactively for actions already completed.

### **2.3.6 Co-financing**

Grants may not, as a rule, finance the entire cost of the action or the entire operating

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expenditure of a beneficiary body. The financing of an operation in full may be authorised if:

- IGAD is in a position to show that financing in full is essential in order to carry out the operation in question and substantiates its award decision accordingly.
- The beneficiary supplies evidence of the amount of the co-financing brought either with its own resources or in the form of financial transfers from third parties.

IGAD may accept co-financing in kind, if considered necessary or appropriate. This possibility must be specifically mentioned in the Guidelines for Applicants. Non eligible contribution in kind must always be included in the budget so as to prove the operational capacity and feasibility of the action. Co-financing in kind means the provision of goods or services to the grant beneficiary free of charge by a third party. Therefore, contributions in kind do not involve any expenditure for the grant beneficiary.

For grants with a total value of less than or equal to USD 25,000, IGAD may, depending on his risk assessment, waive the obligation to provide evidence for co-financing.

### **2.3.7 Non-profit**

Grants may not have the purpose or effect of producing a profit for the beneficiary. Profit is defined as a surplus of receipts over the costs incurred by the beneficiary when the request is made for final payment.

Both profit and not for profit making organizations can receive grants, however, actions financed through grant have to be non-profit ones and no profit should be earned on the grant by the recipient.

In case a profit is made, IGAD has the right to reduce the final amount of the grant by the percentage of the profit corresponding to IGAD's contribution to the eligible costs actually incurred.

## **2.4 NATIONALITY RULES AND GROUNDS FOR EXCLUSION**

The grounds for exclusion and the nationality rules are the same as for goods, services and works (Section 2.6.1 of the procurement manual). Moreover, IGAD may restrict the participation of the call to entities located in certain countries or even in certain regions where the activities granted will take place.

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### **3. ETHICS**

This Manual incorporates policy provisions and procedures to promote transparency, accountability and ethics in the operation, management and reporting of grants management. All Officers are required to consistently apply these policies and procedures, together with professional judgement and good management

#### **3.1 TRANSPARENCY, ACCOUNTABILITY AND ETHICS OF STAFF**

The IGAD is entrusted with IGAD Member States and partner funds to provide services and support to the IGAD policies and programmes. The use of funds under call for proposals must be conducted in a transparent and open manner, allowing all stakeholders, and the general public, access to information, as well as providing a means to control and audit all calls for proposals activity.

In this connection, IGAD requires that:

- i. all Officers involved in calls for proposals from initiation to completion shall be held accountable and responsible for their actions; all grants beneficiaries will be treated fairly and given equal opportunity to obtain grants from the IGAD;
- ii. grants management shall be done in the most efficient manner, upholding the principles of transparency and equal treatment;
- iii. funds will be used solely for the purposes for which they have been entrusted;
- iv. all transactions are properly authorised and fully supported by written records;
- v. the Code of Ethics detailed in the following Article is followed by all Officers involved in the grants management process.

#### **3.2 CODE OF ETHICS**

##### **3.2.1 Ethical Principles**

An Officer of IGAD shall not use his or her authority or office for personal gain. Personal gain includes accepting or requesting anything of material value from applicants for the Officer, his or her spouse, parents, children or other close relatives, or for other persons from whom the Officer might gain direct or indirect benefit of the gift.

An Officer shall seek to maintain and enhance the reputation of IGAD by:

- i. maintaining the highest standards of honesty and integrity in all relationships both inside and outside of IGAD;
- ii. developing the highest possible standards of professional competence; and
- iii. using funds and other resources for which he or she is responsible to provide the maximum benefit to IGAD.

##### **3.2.2 Conflict of interest**

As soon as an officer is aware of a personal interest, he shall immediately declare the interest that may affect or might reasonably be deemed by others to affect impartiality in any matter relevant to his duties.

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In instances in which an Officer has a real or potential conflict of interest, financial or otherwise, the Officer must disclose the conflict immediately in writing and formally abstain from any grant award processes or decision-making involved in the award of the grant.

### **3.2.3 Confidentiality and accuracy of information**

An Officer shall respect the confidentiality of information gained in the course of duty and shall not use such information for personal gain or for the unfair benefit of any applicant.

Information given by an Officer in the course of his or her duty shall be true, fair and not designed to mislead.

### **3.2.4 Equal treatment**

An Officer shall treat all applicants with fairness and impartiality, and avoid any arrangement that might prevent equal treatment among applicants.

### **3.2.5 Gifts and hospitality**

An Officer shall not accept business gifts from current or potential IGAD grant beneficiaries unless such gifts are of very small intrinsic value such as a calendar or business diary.

An Officer shall refrain from accepting any business hospitality that might be viewed by others as having an influence on making IGAD business decision as a result of accepting that hospitality.

### **3.2.6 Reporting**

An Officer has a duty to report any unethical conduct by a colleague or an applicant to the relevant IGAD authorities.

## **3.3 EXAMPLES OF UNETHICAL CONDUCT**

The following are examples of the type of conduct prohibited by the Code of Ethics:

- i. Revealing confidential or “inside information” either directly or indirectly to any applicant or potential applicant;
- ii. Discussing a grants management with any applicant or prospective applicant outside the official rules and procedures for conducting grants managements;
- iii. Favouring or discriminating against any applicant or prospective applicant in the drafting of call for proposals and their subsequent evaluation;
- iv. Destroying, damaging, hiding, removing, or improperly changing any official grants management document;
- v. Accepting or requesting money, travel, meals, entertainment, gifts, favours, discounts or anything of material value from applicants or prospective applicants;
- vi. Discussing or accepting future employment with an applicant or prospective applicant;
- vii. Instructing/influencing/requesting any other Officer or representative of IGAD in

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- a grants management process to violate the rules or procedures defined in the Grants Manual;
- viii. Ignoring evidence that the Code of Ethics has been violated by a Member of the Grant Award Committee of IGAD, any Officer, other employee or representative of the IGAD;
- ix. Ignoring illegal or unethical activity by applicants or prospective applicants, including any offer of personal inducements or rewards.

### **3.4 OBLIGATIONS OF OFFICERS**

The guiding principles of ethical behaviour are impartiality, independence and integrity. Ethical behaviour must be promoted and supported by appropriate systems and procedures, but systems and strict adherence to procedures alone cannot create an ethical and accountable grants management function.

It is essential that all grants management activities are carried out in a manner above reproach, with complete impartiality and with no preferential treatment. The grants management process must allow applicants to compete on a fair basis. Officers associated with the grants management function are responsible for protecting the integrity of the grants management process and maintaining fairness in IGAD's treatment of all applicants.

#### **3.4.1 Responsibilities of Officers**

Senior officers have responsibility to:

- i. Provide instructions and guidance to staff, especially where they may be exposed to opportunities for accusations of fraud or corruption;
- ii. Encourage staff to follow ethical principles and practices and create an environment where transparency and openness are the standard;
- iii. Ensure that all staff comply with instructions and guidelines, including the maintenance of documented records;
- iv. Set appropriate levels of financial delegation, if appropriate, and ensure a proper separation and rotation of duties.

Junior officers involved in the grants management process have responsibility to:

- i. Follow management instructions and procedural guidelines;
- ii. Be alert to and report any indications of unethical behaviour;
- iii. Seek guidance from a manager or other authorities in IGAD on any concerns that may arise.

#### **3.4.2 Sanctions for Non-compliance with Ethical Standards**

Due to the special and additional trust placed on those involved in the grants management processes as custodians of IGAD funds, adherence to the Code of Ethics by Officers is obligatory. Any unethical conduct will be considered an offence subject to disciplinary action by IGAD.

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## **4. GRANT**

### **4.1 DEFINITION**

A grant is a direct non-commercial contribution from the budget of IGAD to another organization in order to partially finance a specific project or program.

Grants are non-repayable funds or products disbursed by one party (IGAD), to a recipient, often (but not always) a nonprofit entity, educational institution, business or an individual. In order to receive a grant, applicants shall respond to the requirements of the grant provider which is issued in the form of call for proposal.

### **4.2 CALL FOR PROPOSAL**

Grants are awarded through calls for proposals (CFP). A call for proposals is a public offer to NGO's and other organizations to submit ideas for projects to be funded through grants. IGAD will fund those proposals which best fit the aim of the call.

There are two types of call for proposal which shall be used in IGAD depending on the circumstances to be considered as shown below.

#### **4.2.1 Open call for proposal**

Calls for proposals may be open, i.e. all applicants are free to submit a full grant application. In this case a concept note must still be submitted together with the full application and the evaluation process is carried out in two steps (shortlisting on the basis of the concept note) and in response to the published guidelines for applicants.

A decision to launch an open rather than a restricted call must be justified by the particular technical nature of the call, the limited budget available, the number of proposals expected or organisational constraints. (e.g. calls by regional European Union delegations).

#### **4.2.2 Restricted call for proposal**

Calls for proposals may be reserved to invited bodies. In this case publicity is restricted to bodies receiving an invitation.

Calls for proposals are by default restricted, i.e. a two-step procedure where all applicants may ask to take part but only the applicants who have been shortlisted (on the basis of a concept note in response to a call launched through published guidelines for applicants) are invited to submit a full application.

### **4.3 GRANT AWARDS WITHOUT CALL FOR PROPOSAL**

IGAD may provide grant to beneficiaries directly without requesting a call for proposals in the following special circumstances where:

- i. Exceptional and duly substantiated emergencies (urgency)
- ii. For the purposes of humanitarian aid and civil protection operations or for crisis management aid.
- iii. Where the grant is awarded to a body with a de jure or de facto monopoly, duly substantiated in the award decision. 'De facto' or 'de jure' monopoly means that one of the grant beneficiaries, (or it may also be a consortium):

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- has exclusive competence in the field of activity and/or geographical area to which the grant relates pursuant to any applicable law; or
  - is the only organisation (i) operating or (ii) capable of operating in the field of activity and/or geographical area to which the grant relates by virtue of all considerations of fact and law.
- iv. Where the grant is to be awarded to a body identified by the relevant basic act (IGAD constitution), as beneficiary of a grant or to bodies designated by the Member States, under their responsibility, where those Member States are identified by a basic act as beneficiaries of a grant. Note that 'basic act' refers to the Regulation governing the programme. It is not sufficient to identify a body for a direct award in financing decisions/Annual Action Programmes, as these do not constitute basic acts.
- v. In case of research and technological development, to bodies identified in the work programme, where the basic act expressly provides for that possibility, and on condition that the action does not fall under the scope of a call for proposals.
- vi. For actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialization or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals. These cases shall be duly substantiated in the award decision.

In all cases, IGAD must prepare a report explaining the manner in which the grant beneficiary was identified and the grant amounts established, and the grounds for the award decision.

IGAD must follow all the required steps and ensure that all the basic principles for grants are respected (including eligibility, capacity and exclusion).

#### **4.4 PUBLICATION**

Call for proposals must be published. The deadline will depend on the complexity and amount of the grants. The minimum is thirty days and the maximum 180 days (including extensions). The deadline can be extended according to the criterion of IGAD (in any case the total deadline including extensions cannot go further than 180 days).

IGAD will publish all the call for proposals in its website and its Specialized Offices and Liaison Offices Websites as well as on funding Agency's Website.

The publication will include the guide for applicants (**see section 4.6 of this manual**) and the

##### **Annex G-1 (Guideline for grant applicants).**

Once the guideline is published IGAD will leave a period for the potential applicants to request for clarifications. This period should be mentioned in the guidelines and should not be more than ½ of the period given to submit applications.

IGAD will publish in its website all the questions received by applicants and all the answers given to them. The answer to the questions must be published in same media as the advert before 2/3 of the deadline for submission is reached.

IGAD may also publish in the website/print media clarifications on its own without prior question from potential applicants.

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## **4.5 FRAMEWORK PARTNERSHIP AGREEMENTS**

Grant contracts may take the form of framework partnership agreements with a view to establishing a long-term cooperation with IGAD. Framework partnership agreements specify the common objectives, the nature of actions planned on a one-off basis or as part of an approved work programme, the procedure for awarding specific grants, and the general rights and obligations of each party under the specific contracts.

The duration of the partnership may not exceed four years.

## **4.6 GUIDELINES FOR APPLICANTS**

### **4.6.1 Publicity**

In order to ensure the widest possible participation and the requisite transparency, every call for proposals must be accompanied by guidelines for applicants.

The guidelines for applicants are published on the IGAD website and in any other appropriate media (other websites, specialised press, local publications, etc.). They should also be available in hard copy from IGAD. They should be available in the languages appropriate to the call for proposals.

IGAD is responsible for publishing the guidelines for applicants on its official website.

Since the publication cost of the entire Guidelines in the local press may be prohibitive, the template in **Annex G-2 (Local Publication)** prescribes the minimum information which is required for a local publication. The Guidelines have to be available at the address mentioned in the local publication.

It is also advisable, after the launch of the call for proposals, to organise one or more information sessions (info-days) which all the potential applicants can attend.

### **4.6.2 Drafting and contents of the guidelines for applicants**

The guidelines for applicants (which include the **Application form-Annex G-3**) explain the purpose of the call for proposals, the rules on eligibility of applicants, the types of action and costs which are eligible for financing, and the evaluation (selection and award) criteria. They also contain instructions on how to fill in the application form, what to attach to it and what procedures to follow for applying. They give information on the evaluation process that will follow (including an indicative timetable) and the contractual conditions applying to successful applicants.

The guidelines for applicants should set out very clearly and in detail the objectives and priorities of the call for proposals, and give particular attention to the eligibility criteria. They must be published and any change to them must be published as well. The information published will become binding on the Grant Award Committee once the date for submission has elapsed.

It is advisable to clarify and limit the priorities and objectives of calls and to clarify the eligibility criteria for applicants (see section 5.1.1 of this manual) to ensure that only adequate applications will be submitted.



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The Application Form to be completed by the applicants comprises the following parts:

- i. A concept note
- ii. Information about the action proposed, including its budget
- iii. Information about the applicant
- iv. Information about any partners.

#### **4.7 Guidelines for Community Projects to be funded through IGAD Grants**

##### **Introduction**

The project Document provides for the funding of identified project interventions through grants advanced to Community groups, International Organizations, NGOs, CBOs as well as other institutions that would be approved to implement various activities under the project as laid out in the Project Document. These guidelines are in line with the provisions of the IGAD Grant Manual, IGAD Sub-Delegation manual and IGAD procurement Manual approved on 1<sup>st</sup> January 2017 as well as IGAD Financial Instruments, Rules and Regulations..

**Purpose of the Guidelines**-to guide beneficiary communities, and partners assisting communities as they develop their proposals for funding, implementation of the project as well as M&E and reporting on the same. The guidelines will also assist the project officers as they evaluate proposals and guide communities during implementation of the projects.

**Community eligibility**-A community will be eligible for support if it has national, regional or cross border dimension and the proposal developed is in line with the main project thematic areas i.e. Natural resource Management, transboundary disease control and markets development.

##### **Sub-Delegation;**

IGAD will identify eligible sub-delegatees based on the guidelines provided for in the IGAD sub-delegation manual. A Community group will become a sub-delegate if it is registered as required by the law of the respective Country. An assessment will be undertaken by IGAD to determine its capacity to implement the agreed activities as well as other aspects that demonstrate the level of organizational development as well as accountability. Depending on the capacity of the community, IGAD will decide whether to sub-delegate implementation to the community group. If the community does not have the required capacity or is not registered according to the law another sub-delegatees will be appointed to implement the activities on behalf of the community.

##### **Process of approval of proposals and implementation of projects**

- 1) **CMDRR process**-The community will be taken through a Community Managed Disaster Risk Reduction (CMDRR) process which culminates in the development of Community Action Plans (CAPs). The CAPs will be in line with the project objectives and aligned to the respective government's policies, development plans and strategies. The CAPs are subjected to a stakeholder validation process.
- 2) **Capacity Assessment**-This is carried out to establish what capacity the community has in terms of organization, skills, compliance and experience in implementing projects. The information will be used to identify what capacity needs to be developed

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or enhanced as well as identifying suitable partners to assist the community implement the project in the case of informal communities or those that lack the necessary capacity.

- 3) **Development of proposals**- The communities are assisted in the preparation of proposals on the priority area. A format for the same is provided.
- 4) **Approval of proposals**-The Proposal is submitted to the Technical Review Committee (TRC) for evaluation. The TRC comprises of 3 or 5 officers from IGAD, and will consult accordingly on technical areas before recommending the proposal for approval by the Project Steering Committee. A detailed check-list will be used to evaluate the proposals.
- 5) **Acceptance and signing the Grant Agreement.** Once the proposal has been approved by the Project Steering Committee, the relevant community or Partner assisting the a community is notified of the approval in writing .A Grant Agreement is also sent alongside the letter of approval. The Grant Agreement will stipulate the following;

- Name of Contracting Authority
  - Project name
  - Project Objective
  - Total cost of the project
  - Duration of the Project
  - Community contribution
  - Contribution from other parties
  - Amount of the Grant
  - Disbursement of the Grant
  - Expenditure out of the grant
  - Obligations
  - Legal to be used
  - Force Majors
  - Language to be used
  - Termination
  - Procurement processes
  - Monitoring and Evaluation
  - Reporting
  - Project completion

The grant agreement will be signed by both IGAD/ICPALD and the sub delegatee who is either a community Group or an NGO acting for the community or MS.

- 6) **Implementation of Sub-delegated activities**-has to comply with IGAD overall legal and regulatory frameworks as provided in the IGAD Procurement manual, and Financial Rules and Regulations

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## **4.8 SUBMISSION OF APPLICATION**

Applicants can make use of the guidelines for applicants as a guiding reference to complete grant application and should submit the completed application form to IGAD before the deadline.

### **4.8.1 Additional information before the deadline for submission of proposals**

During the time between publication and the deadline for the submission of proposals, in addition to any information session held applicants should be able to ask questions to help them fill in the form and put together their applications. IGAD should therefore provide a contact point to which questions may be addressed. Applicants may submit questions in writing up to 21 days before the deadline for the submission of proposals. IGAD must reply to all such questions at least 11 days before the deadline for submission of proposals.

### **4.8.2 Questions and Answers, Transparency**

In the interest of equal treatment of applicants, IGAD cannot give a prior opinion on the eligibility of an applicant, an affiliated entity, an action or specific activities.

In the interest of transparency and equal opportunities, the answers provided to applicants on points which may be of interest to other applicants shall be made available to all applicants. The way to achieve this is to publish on the IGAD website (and other websites, where appropriate) a document containing all the questions and answers provided. This document must be updated regularly until 11 days before the deadline for submission of proposals.

### **4.8.3 Deadline for submission of proposals**

Proposals must be submitted to IGAD at the address and, at the very latest, by the date and time indicated in the Call for Proposals.

The deadline for submission must be long enough to allow for high-quality proposals. Too short a deadline may prevent would-be applicants from submitting proposals or cause them to submit incomplete or ill-prepared proposals.

A call for proposals may set more than one deadline for submissions, either to allow for staggered processing or in cases where the actions to be financed cannot by their nature be planned long in advance. In this case, proposals submitted after one deadline is automatically carried over to the next.

### **4.8.4 Submission of proposals**

Proposals must be submitted in accordance with the instructions given in the guidelines for applicants (see Annex G-1 Guideline for grant applicants).

The application form consists of a concept note, the application form itself, a checklist and a declaration.

The Department responsible for an individual call for proposals has the discretion to decide whether to request the supporting documents from all the applicants with the application form or only from the applicants which have been provisionally selected after the evaluation. Even if this does not change the basic principle that the supporting documents will be examined only for the provisionally selected applicants, the Guidelines

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for applicants and the Application form should be adapted accordingly.

Originals or photocopies of the said originals of the requested supporting documents must be provided. If the supporting documents are not written in one of the official languages of the IGAD member states a translation into the official language may be requested for the purposes of interpreting the proposal.

In the case of actions where the cost to be financed exceeds Five Hundred Thousand USD (\$500,000.-) the applicant must provide an external audit report produced by an approved auditor.

The report must certify the accounts for the last financial year available (the last two years in the case of framework partnership agreements). The obligation does not extend to international organizations nor to public bodies.

Depending on the risk assessment conducted, IGAD may waive the obligation of audit for beneficiaries who have accepted joint and several liabilities in the case of agreements with a number of beneficiaries.

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## 5. EVALUATION

### 5.1 ELIGIBILITY, EXCLUSION, SELECTION & AWARD CRITERIA

There are four clearly identified criteria to be applied during the evaluation process. They serve different purposes and are self-exclusive. In particular, no awarding criteria must be typical selection criteria (e.g. experience or financial capacity cannot have any weight in the awarding criteria).

Basically,

- **The eligibility criteria** serve to check if the organisation fulfills the specific conditions of a particular call.
- **The exclusion criteria** are about the organisation itself, regardless of the nature of the call, in relation with its legal and social obligations.
- **The selection criteria** aims to ensure that the applicant has the operational and financial capacity to implement the project proposed.
- **The awarding criteria** are about the project and the project only. Proposals will be awarded to the best projects as compared to the objectives and priorities of the call.

All criteria specified in the Call for Proposals must be applied as they stand and cannot be changed in the course of the procedure. The criteria should be clear and non-discriminatory. The templates of evaluation grids are given in **Annex G-4 for Concept note evaluation grid & Annex G-5 for Full application evaluation grid**.

#### 5.1.1 Eligibility criteria

The eligibility criteria determine the conditions for participating in a call for proposals. They must be drafted with due regard for the objectives of the action and be transparent and non-discriminatory. The eligibility criteria apply to two different points:

- i. **Eligibility of the applicants**: this refers to the applicants' legal and administrative status - see in particular section 2.4 (rules on nationality and grounds for exclusion). If a call for proposals relates to actions that might or need to be implemented by several entities, the minimum, maximum or the recommended number of entities and the eligibility criteria applicable to each entity or to all together may be specified.
- ii. **Eligibility of the action**: this refers to the types of activities, sectors or themes and geographical areas covered by the call for proposals.

Participation in the award of grants contracts is, as a general rule, open on equal terms to all natural and legal persons established in any member state of IGAD and, after prior approval from the relevant services of the Secretary, to entities which do not have legal personality under the applicable national law, provided that their representatives have the capacity to undertake legal obligations on their behalf and assume financial liability and who are established in an eligible country in accordance with the basic act governing the programme in question.

Exceptions to the nationality rule must be specifically mentioned in the Guidelines for Applicants and is subject to the prior approval by IGAD. The award of such derogations is decided on a case-by-case basis by IGAD before the procedure is launched and they will depend on the objective of the programme (e.g. enhancing cooperation with Non-member states).

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### 5.1.2 The Exclusion criteria

Applicants will be excluded from participation in all IGAD calls for proposals if:

- ii. they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- iii. they have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata; (i.e. against which no appeal is possible);
- iv. they have been guilty of grave professional misconduct proven by any means which IGAD can justify;
- v. they have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to IGAD's financial interests;
- vi. they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or those of the country where the contract is to be performed;
- vii. they are citizens of IGAD Member States under sanctions by the day of the Call deadline
- viii. They have been convicted by a competent court of a criminal offence such as use of child labour, human trafficking and other offenses related to professional activity, or related to fraud, corruption or involvement in money laundering, involvement in criminal or terrorist organization. The court ruling must not be subject of appeal.
- ix. Any Contractor/entity blacklisted and/or debarred from taking part in public contracting by a similar international organization or other foreign institution.
- x. Any State-owned company not financially and legally autonomous and/or does not operate under commercial law.

### 5.1.3 Selection criteria

The selection criteria aims to ensure that the applicant has the operational and financial capacity to implement the project proposed.

Applicants must have stable and sufficient sources of funding to keep operating throughout the action implementation period and to participate, where appropriate, in its funding;

The financial capacity has to be always verified even if the beneficiary is designated in the basic act or it is in a monopoly situation as the financial interests of IGAD have to be protected in any case.

Assessments are made on the basis of the supporting documents submitted in the context of the call for proposals. These may include an external audit report of the applicant, the profit and loss account and the balance sheet for the last financial year for which the accounts have been closed. In case of doubts about the capacity of the applicants, the grant award committee may ask for additional proof.

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#### 5.1.4 Award criteria

The award criteria are used to assess proposals against the set objectives and priorities, so that grants are awarded to actions that maximise the overall effectiveness of the call for proposals. They should enable IGAD to select proposals which it can be confident will comply with its objectives and priorities and guarantee the visibility of the IGAD financing.

The award criteria relate, in particular, to the relevance of the action and its compatibility with the objectives of the grant programme under which the call for proposals is being financed; the quality, expected impact and sustainability of the action, and its cost- effectiveness.

## 5.2 GRANT AWARD COMMITTEE

### 5.2.1 Composition

The members of Grant Award Committee (GAC) shall be appointed by the Executive Secretary. All Committee Members will be voting members.

At least one or more of the committee members must possess the technical and administrative capacities necessary to give an informed opinion on the proposals. They must have a reasonable command of the language in which the proposals are submitted. They must represent at least two organisational entities (departments) of IGAD with no hierarchical link between them.

The Internal Audit and Legal Units have the right to observe all grant processes. Participation of other observers must be authorized in advance by the Executive Secretary.

### 5.2.2 Duties and responsibilities

**The Chairperson** is responsible for coordinating the evaluation process in accordance with the procedures of this Guide and for ensuring its impartiality and transparency. The members of Grant Award Committee have collective responsibility for decisions taken by the Committee.

**The Secretary** is responsible for carrying out all administrative tasks connected with the evaluation procedure. These will include:

- i. circulating and collecting the Declarations of Impartiality and Confidentiality;
- ii. keeping the minutes of all meetings of Grant Award Committee and the relevant records and documents;
- iii. registering attendance at meetings and compiling the Evaluation Report and its supporting annexes.

Any request for clarification requiring communication with the applicants during the evaluation process must be conducted in writing. Copies of any such communication must be annexed to the Evaluation Report.

If a proposal infringes the formal requirements, Grant Award Committee may use its discretion to decide whether or not it should still be considered during the rest of the evaluation process. Whatever Grant Award Committee decides, this must be fully recorded and justified in the Evaluation Report.

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The Grant award committee members should attend all meetings. Any absence must be recorded and explained in the evaluation report. A member who withdraws from grant award committee for whatever reason must be replaced by a new member who will be appointed by IGAD Secretary.

The Chairperson of the Grant award committee determines to what extent the evaluation process must be carried out. Such decision as well as any decision relating to the replacement of a Committee member must be recorded and justified in the evaluation report.

All Committee members of Grant Award Committee have equal voting rights. Decisions must be by vote and in case equal vote the Chairman side will win.

Grant Award Committee should be formed early enough to ensure the availability of the designated members during the period necessary to prepare and conduct the evaluation process.

### **5.2.3 Impartiality and confidentiality of Grant Award Committee**

All members of Grant Award Committee and any observers must sign a Declaration of Impartiality and Confidentiality (**Annex G-6 Declaration of impartiality and confidentiality**).

Any Grant Award Committee member or observer who has a potential conflict of interest with any applicant must declare it and immediately withdraw from their assignment. He/she will be excluded from participating further in any capacity in the evaluation meetings.

While the call for proposals procedure is under way, all contacts between IGAD and applicants must satisfy conditions ensuring transparency and equal treatment; they may not lead to amendment of the conditions of the grant contract or the terms of the original call.

No information about the examination, clarification, evaluation or decisions about the grant contract award can be disclosed before the result is officially communicated.

Any attempt by an applicant to influence the process in any way (whether by initiating contact with members of Grant Award Committee or otherwise) may result in the immediate exclusion of its proposal from further consideration.

In order to maintain the confidentiality of the proceedings, participation in the Grant Award Committee meetings is strictly limited to the appointed members of Grant Award Committee and any authorised observers (including designated assessors in the case of call for proposals).

Apart from the copies given to any assessors(s) or experts in call for proposals, the proposals should not leave the room/building in which the committee meetings take place before the conclusion of the work of Grant Award Committee. They should be kept in a safe place when not in use.

## **5.3 STAGES IN THE EVALUATION PROCESS**

The evaluation process starts with the receipt of the concept notes/proposals by IGAD, and ends with the decision to award grants to the selected applicants. The procedure is set out below.



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### 5.3.1 Receipt and registration of proposals

On receiving proposals, IGAD must register them and provide a receipt for those delivered by hand (see Annex EVL14 Receipt for hand delivered proposals). The envelopes must remain sealed and be kept in a safe place until they are opened.

### 5.3.2 Opening session and administrative check

In the presence of the Grant Award Committee, all proposals received should be opened (after expiry of the submission deadline) at which the registration details are checked and the proposals numbered.

The registration of concept notes/proposals should contain the following information:

- registration number of concept note/proposal
- date of submission
- the applicant's name and address.

For each proposal,

- the original is kept safely in the archives of the Contracting Authority;
- the copies are distributed to the committee members and, where appropriate, to the assessors.

The proposals having met the deadline are then subject to an administrative check, which will assess whether they satisfy all the criteria mentioned in the checklist (Part 1 of section V of the grant application form).

Incomplete dossiers will be disqualified from the evaluation process. However, if some of the criteria are not satisfied, according to the option chosen in the call for proposals, the applicant is rejected or invited to submit a clarification within the deadline fixed by the Grant Award Committee.

In the latter, the Grant Award Committee may use its discretion to decide whether or not it should still be considered during the rest of the evaluation process, while ensuring the equal treatment of proposals. Whatever the Grant Award Committee decides, this must be fully recorded and justified in the Evaluation Report.

The Contracting Authority must keep proposals not considered for further evaluation.

The administrative check may be carried out by members of the Grant Award Committee or by assessors.

If the members of the Grant Award Committee do not carry out the check themselves, the Grant Award Committee must review the conclusions of the assessors on the basis of their completed grids.

Following the opening session and the administrative check, the Grant Award Committee meets to decide on any contentious case and sign the Proposal Opening session and administrative check Report, **(see Annex G-7 Opening session and administrative check Report)**.

Once the required approvals received, IGAD must send a standard letter to the applicants **(see Annexes G-8)** that includes a statement indicating the applicants

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whether or not their application was submitted within the deadline, informing them of the reference number they have been allocated, whether their application has satisfied all the criteria mentioned in part

1 of the checklist and whether their concept note has been recommended for further evaluation.

### 5.3.3 Evaluation of the concept note

The concept notes submitted within the deadline and having satisfied the administrative criteria mentioned in the checklist will undergo an evaluation of the relevance of the action, its effectiveness as well as of the feasibility and sustainability of the action on the basis of a concept note evaluation grid (**see Annex G-4 Concept note evaluation grid**). The overall assessment is based on the scores obtained under each subheading, added up by heading. In the case the Grant Award Committee does not evaluate itself the concept notes, the final score is the arithmetical average of the scores given by the assessors.

IGAD reserves the right not to undertake the evaluation of the Concept Notes whenever considered justified (for example when a less than expected number of proposals are received) and to go straight to the evaluation of the corresponding full proposals.

The Secretary will then prepare a list of all the concept notes, ranked by score. At a first step, only the concept notes which have been given a score of X points in the category "Relevance" as well as a minimum total score of Y points will be considered for pre-selection (X and Y are threshold points decided at the moment of submitting the call for approval to the Administration). The completed evaluation grids for each concept note must be sent to the Grant Award Committee.

Following the evaluation of the concept notes, IGAD will send a letter to the applicants, whose concept note has been evaluated, indicating whether their full application will be evaluated or not (**see Annex G-8a**).

Monitoring, evaluation and reporting-This will be carried out in line with the provisions of the Sub-delegation Manual. Both progress and financial reports will be prepared

### 5.3.4 Evaluation of the application form

The quality of the applications forms must be assessed on the basis of the evaluation grid (**see Annex G-5 Full application evaluation grid**) containing the selection and award criteria.

Comments are made for each heading on the basis of the questions and criteria used for that heading. In particular cases, comments may need to be made for specific subheadings. The overall assessment is based on the scores obtained under each subheading, added up by heading. In the case the Grant Award Committee does not evaluate itself the application forms, the final score is the arithmetical average of the scores given by the assessors.

The Secretary will then prepare a list of all the proposals, ranked by score. The completed evaluation grids for each proposal must be sent to the Grant Award Committee for final decision.

Once the required approvals received, IGAD shall send a standard letter (**see Annex**

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**G-8b)** to the applicants, stating whether their proposal has been provisionally selected according to their score, and inviting those whose proposals have been provisionally selected to supply the required supporting documents.

#### 5.3.5 Verification of eligibility

This assessment must be carried out using the Declaration by the applicant (part 2 of section VI of the grant application form) and the criteria set out in the Guidelines for Applicants. Under no circumstances may assessors or members of the Grant Award Committee change this Declaration.

- i. Is the Declaration by the applicant in conformity with the supporting documents requested?

Any missing supporting document or any incoherence between the Declaration and the supporting documents will lead to the rejection of the proposal on that sole basis

- ii. Eligibility: are the applicant, the partners and action eligible?

This is assessed according to the criteria set out in the Guidelines for Applicants.

The verification of eligibility may be carried out by members of the Grant Award Committee or by assessors. Each proposal may be examined by one person.

Taking into account the Good Administrative Practices, the Grant Award Committee can exclude an applicant at any stage of the Call for proposals evaluation process whenever it is obvious that the latter does not meet the eligibility criteria.

If the members of the Grant Award Committee do not carry out the assessment themselves, the Grant Award Committee must review the conclusions of the assessors on the basis of their completed grids.

### **Conclusions of the Evaluation Committee**

The Grant Award Committee will draw up its recommendations after the assessors, if any, have examined all the proposals. The Grant Award Committee must not change the assessors' scores or recommendations and must not alter the evaluation grids completed by the assessors.

The Grant Award Committee may decide to recommend the ranking drawn up by the secretary on the basis of the assessors' report. If the Committee does not accept the scores awarded by the assessors to a proposal, for example where there is a significant difference between the scores awarded by the assessors, it must justify this decision in the evaluation report. Subject to the points below, the Committee then has to prepare a new evaluation grid for the proposal concerned. The list will be amended on the basis of the scores from the new evaluation, which replace those completed by the assessors.

All such decisions must be recorded and fully substantiated in the Evaluation Report. The evaluation grids completed by the members of the Grant Award Committee must be kept with those completed by the assessors.

The Grant Award Committee must ultimately draw up a list of the proposals selected for financing, indicating the score obtained by each proposal, the amount of the proposed

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grant and the proportion of the eligible costs it is proposed to finance. Subject to the following considerations, this list is made up of the proposals obtaining the best scores, ranked by order, within the limits of the funds available under the call for proposals.

- i. The Committee may not allocate all the available funds if it finds that there are too few proposals of the quality required to receive a grant.
- ii. The Committee may draw up a list by subject or geographical area specified in the Guidelines for Applicants.
- iii. The Committee may reject a proposal if it has selected another which is of a similar nature but has been awarded a higher score.
- iv. Where several proposals submitted by the same applicant are selected for financing, but the applicant does not have the financial and operational capacity required to implement the actions all together, the Committee may reject the proposal(s) which has (have) been awarded a lower score, and select the proposal(s) that the applicant has the capacity to implement.

The Committee may furthermore draw up, in the same conditions, a reserve list comprising a limited number of proposals having obtained the best scores after those selected for financing. This reserve list is valid during the period mentioned in the evaluation report. The proposals included in that list are likely to receive a grant insofar as funds become available under the call for proposals (decrease of the eligible costs of the selected proposals, impossibility to sign a contract with a selected applicant, etc.).

The final Evaluation Report (**G-9 Final evaluation report and final eligibility check**), covering the eligibility verification, is drawn up following the final meeting of the Grant Award Committee. It comprises the minutes of the evaluation sessions and must be signed by all members of the Grant Award Committee.

Once the approvals have been given by the Executive Secretary, IGAD will commence awarding the grants (see section six of this manual).

The award decision contains the subject and overall amount of the decision, the approved evaluation report and, where appropriate, the grounds for the decision by IGAD to depart from the recommendations made by the Committee in the report in respect of a particular proposal.

Subject to the IGAD's policy on access to documents, the entire procedure, from the drawing-up of the Call for Proposals to the selection of successful applicants, is confidential.

The Grant Award Committee's decisions are collective and its deliberations must remain secret. The committee members are bound to secrecy.

## **5.4 CANCELLING THE CALL FOR PROPOSALS PROCEDURE**

IGAD may decide to cancel the call for proposals procedure at any stage, but particularly in the light of the Evaluation Report, if:

- i. the call for proposals has been unsuccessful, i.e., no worthwhile proposal has been

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- received or there were no replies;
- ii. the economic or technical data of the programme have been fundamentally altered;
- iii. exceptional circumstances or force majeure render the normal conduct of the planned actions impossible;
- iv. there have been irregularities in the procedure, in particular where these have prevented equal treatment

In the event of cancellation of a call for proposals, applicants must be notified of the cancellation by the Contracting Authority but will not be entitled to compensation.

## **5.5 PRE-AWARD SURVEY**

Depending of the size of the grant which is greater than USD 300,000 IGAD may establish a survey team to conduct a due diligence review of the applicant organization as part of the evaluation process in order to assess whether a potential recipient is able to successfully comply with the financial, management and programmatic requirements of the grant and to ascertain information submitted by the applicants.

The items to be verified during the survey include whether the potential recipient is a registered entity and have an accounting and management system that allows it to produce both accurate and current financial records, and whether it can properly account for all equipment purchases, whether it has prior experience of managing grants, review of previous audit reports, organizational structure and manpower capacity, etc.

The recipient should also have sufficient financial and managerial strength to operate successfully and complete the work for which it has been awarded a grant. Potential recipients may be asked to provide information reasonably required by IGAD to perform this due diligence.

Before a final award determination is made, the survey team should present its on-site review report to the Grant Award Committee.

If the survey team determines that an applicant organization demonstrates a weakness in its grants management capacity, it will note this and may recommend corrective measures.

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## **6. CONTRACT AWARD**

### **6.1 NOTIFICATION OF APPLICANTS**

Once IGAD has given its official approval to the final list of grants to be awarded, it notifies the successful applicants in writing that their applications have been selected (see Annex G-10 Award Letter).

It must also send the unsuccessful applicants a standard letter (see Annex G-11 Letter to unsuccessful applicant after full proposal evaluation) informing them that they have not been selected and the reasons must be specified.

The letters to the successful applicants must be sent within 15 days of the award decision and letters to the unsuccessful applicants within a further 15 days of that.

### **6.2 CONTRACT PREPARATION AND SIGNATURE**

IGAD notifies the successful tenderer in writing that its tender has been accepted (see Annex G-10 Award Letter) and draws attention to any arithmetical errors or ineligible costs which were corrected during the evaluation process.

Other clarifications or minor corrections may be brought to the Description of the action or to the budget in so far as they would not call into question the grant award decision or be contrary to the equal treatment of applicants.

Those modifications may in any case not lead to an increase of the amount of the grant nor of the percentage of the co-financing fixed by the Grant Award Committee.

Any other alteration to the successful applicant's proposal or negotiation with it is, in principle, not permitted. The responsible department may divert from this rule in duly justified cases. This possibility should be clearly communicated in the Guideline for applications, providing the applicants with all the changes in the procedure in order to respect the principle of transparency and equal treatment.

### **6.3 PUBLICISING THE AWARD OF GRANTS**

Once the contracts have been signed, IGAD prepares a notice of award for each call for proposals (see Annex G-12 Publication of award) and publishes it in the IGAD website within three months. However, IGAD may waive publication for reasons of confidentiality and security:

- i. If the publication would threaten the rights and freedoms of individuals
- ii. If the publication would harm the recipient's commercial interest
- iii. If the grant amount is **a low value**

The information on the website will be retained on the website for at least a year after publication.

In addition, IGAD must record all statistical information concerning the procedure (including the number of applicants in the past year; the number and percentage of

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successful applications per call for proposals; the mean duration of the procedure from date of closure of the call for proposals to the award of a grant, grant amounts, the names of the applicants, and details of the beneficiaries).

IGAD will ensure that any personal data collected is:

- i. processed lawfully, fairly and transparently for the recipient in question,
- ii. collected for specified, explicit and legitimate purposes and not further processed in a manner not compatible with those purposes,
- iii. adequate, relevant and limited to what is necessary for the purposes for which they are processed,
- iv. accurate and, where necessary, kept up to date,
- v. kept in a form which permits identification of the individuals for no longer than is necessary for the purposes for which the personal data are processed,
- vi. processed in a manner that ensures appropriate security of the personal data.

## **6.4 MODIFYING GRANT CONTRACTS**

### **6.4.1 General Principles**

The modifications must not have the purpose or the effect of making such changes to the contract to bring into question the grant award decision or be contrary to the equal treatment of applicants. No modification to the contract may alter the award conditions prevailing at the time the contract was awarded.

The maximum amount of the grant may not be increased.

Following this logic, major changes, such as a fundamental alteration of the Guide for Applicants, cannot be made by means of an addendum or an administrative order.

A request for grant contract modifications should not automatically be accepted IGAD. There must be justified reasons for modifying a contract. IGAD must examine the reasons given and reject requests which have little or no substantiation.

Grants contracts can only be modified within the execution period of the contract. The purpose of the addendum or administrative order must be closely connected with the nature of the project covered by the initial contract.

Requests for contract modifications must be made (by one contracting party to the other) well in advance to allow for the addendum to be signed by both parties before the expiry of the execution period of the contract.

Special care must be taken for calls for proposals partially or totally funded under Financing Agreements by other international organisations, partners or donors: any modification extending the period of implementation must be such that implementation and final payments can be completed before the expiry of the Financing agreement under which the initial contract was financed.

### **6.4.2 Preparing an Addendum**

In preparing an addendum, IGAD must proceed as follows:

Use the template for an addendum (Annex CNT10 Contract Addendum):

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- i. All references in the proposed addendum to article numbers and/or annexes to be modified must correspond to those in the initial contract.
- ii. Any addendum modifying the budget must include a replacement budget showing how the full budget breakdown of the initial contract has been modified by this addendum (and any previous addenda) (see Annex APF1 Budget).
- iii. If the budget is modified by the proposed addendum, the payment schedule must also be modified accordingly, taking into account any payments already made in the course of the contract.
- iv. The payment schedule must not be modified unless either the budget is being modified or the contract is being extended.

Prepare a dossier comprising the following items:

- i. Explanatory note providing a technical and financial justification for making the modifications in the proposed addendum;
- ii. Copy of the request for (or agreement to) the proposed modifications;
- iii. Three originals of the proposed addendum, which is based on the standard addendum template and includes any revised annexes.



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## **7 GRANT MONITORING AND EVALUATION**

All actions of grant recipients financed by IGAD will be subjected to reviews by IGAD staff and reporting regularly on achievements, benchmarks, and key indicators.

IGAD M & E officers will monitor for the timely performance of the planned activities and the delivery of products and results during the whole process of grant implementation.

Monitoring will be undertaken as follows:

1. Review of quarterly technical progress reports and the financial reports jointly with responsible officers of grantee recipients and field visits, as appropriate to grantee activity sites.
2. Supportive supervision visits to each grantee at least once in a year.

Supportive supervision visits will be geared towards monitoring whether grantees are performing according to the planned milestones and activities, and whether activities are meeting adequate technical standards.

The visiting teams will work with grantees to explore reasons for and draw lessons from delayed or poor performance and decide whether technical assistance should be provided to improve grantee performance.

In the event of serious non-performance or suspected misuse of grant funds, IGAD withholds the right to terminate grants, and will ensure that the reasons for termination are adequately documented and agreed on with the sub-grantee.

IGAD grant recipients also will assist the project in tracking successes and progress in achieving key objectives and goals, and sharing lessons learned with IGAD program staff and other grant recipients.

Identifying and documenting successes will be undertaken within the context of both the regular reporting called for in the grant agreements, as well as through:

- 1) formal meetings and discussions with IGAD program staff to collect data and discuss progress towards deliverables;
- 2) response to occasional surveys or information requests on key technical issues; and/or,
- 3) occasional meetings with IGAD's technical experts.

All data collected will be properly compiled and integrated within overall annual monitoring and evaluation activities reports of IGAD.

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## 8 OTHER ISSUES

### 8.1 CHARACTERISTICS OF THE STANDARD GRANT CONTRACT

#### 8.1.1 Legal Aspects

The standard grant contract recognises the beneficiary's independence of action and lays down simplified management rules accordingly. In particular, it allows the recipient to adapt or modify the action without the prior consent of IGAD provided that the modifications are not substantial and do not result in a change of more than 15% to any budget heading.

#### 8.1.2 Financial Aspects

The first pre-financing payment, which covers either Eighty percent (80%) of the amount of the contract or Eighty percent (80%) of the first annual budget, is paid after both parties have signed the contract. Subsequently, in the case of contracts for large amounts, an interim report (technical and financial) and payment request must be sent once a year as soon as Seventy percent (70%) of the previous payment (and One Hundred percent (100%) of earlier ones) has been used up. A new payment of pre-financing is made on that basis. Where the consumption of the previous pre-financing is less than Seventy percent (70%), the amount of the new pre-financing payment shall be reduced by the unused amounts of the previous pre-financing payment. The balance is paid on approval of the final report. The beneficiary must not send documents in support of its request to IGAD but must keep them in case of inspection or audit for a period of ten years after payment of the balance and up to the date of the prescription of any dispute in regard to the law which governed the contract.

During and after this period, IGAD will treat the personal data in conformity with its privacy policy.

IGAD finances a specific percentage of the total eligible costs rather than a particular part of the action. If at the end of the action, the actual eligible cost is lower than anticipated, the grant will be reduced proportionately.

An expenditure verification report is attached to the final report where the grant is of more than USD 100,000 to a request for further pre-financing in the case of grants of USD 500,000 or more.

### 8.2 PROCUREMENT BY GRANT BENEFICIARIES

If the implementation of an action which is supported by a grant from IGAD requires procurement by the grant beneficiary, the contract must be awarded to the best value for money tender (i.e., the tender offering the best price-quality ratio), in accordance with the principles of transparency and fair competition for potential contractors and taking care to avoid any conflicts of interest.

To this end, the beneficiary respects the rules prescribed in **Annex G-13 Rules on procurement by grant beneficiary** which will be annexed to the grant contract.

IGAD will carry out prior review checks on the compliance of grant beneficiaries with these rules for any procurement Threshold above USD 10,000.00 and post review check for any threshold below USD 10,000.00.

Grant contracts must provide expressly for IGAD to exercise their powers of control, on

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documents and on the spot, over the tasks being performed by all contractors and subcontractors which have received grant funds from IGAD.

### **8.3 USE OF ASSESSORS AND EXPERTS**

Where the proposals received are particularly numerous or highly technical, it may not always be possible for the Grant Award Committee to examine each one in detail.

If necessary, all or part of this detailed examination may be carried out by assessors or experts so that the Grant Award Committee may conduct its deliberations on the basis of their assessments.

Assessors may attend the meetings of the Grant Award Committee as observers to present the results of their assessments and answer any questions from Committee members.

IGAD may grant, on justified cases, voting rights to experts; they should have the same weight as the rest of the members of the Grant Award Committee, becoming, therefore, full-right members.

Assessors are normally selected and or contracted by using the appropriate procedure for service contracts. Their areas of expertise should be related to the grant activities.

Experts are normally appointed or selected from own staff or from a list resulting from a call for expression of interest; they are appointed and not hired and they will be paid a flat amount per day of evaluation. Experts are normally necessary to evaluate research proposals.

Expert's selection must respect the principle of transparency and they should sign a "absence of conflict of interest" form (**see Annex G-6 Experts declaration of impartiality and confidentiality**).

Whenever possible, experts should be staff of IGAD or citizens of one of the IGAD member states. Depending on special arrangements resulting from international cooperation agreements, IGAD may invite to join as expert staff from such organisations, regardless of their nationality. They should enjoy equal voting rights as the rest of the members of the Grant Award Committee.

In the cases where assessors or experts are not used, it suffices that the Grant Award Committee completes one collective evaluation grid for each respective step of the procedure.

Assessors and experts work under the supervision of the Chairperson of the Grant Award Committee.

With respect to the administrative check and the verification of eligibility, the task of assessors consists of carrying out a screening of each proposal on the basis of the Checklist (section V of the application form) and the Declaration by the applicant (see Annex APF2 Logical framework).

Each proposal need only be screened by one assessor.

It would be preferable to delegate this work (verification of eligibility) to officials or other staff members of IGAD. Outside assessors may be recruited as required.

With respect to the evaluation of the concept notes and of the proposals, the task of

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assessors or experts consists of carrying out a written assessment on the basis of the published evaluation grids (see Annexes EVL1 Concept note evaluation grid and EVL2 Full application evaluation grid). At least two assessors or experts must assess each concept note and each proposal, working independently of each other. They should preferably be chosen internally from IGAD departments. Where there are insufficient internal resources, external assessors or experts can however also be chosen. They must have an in-depth knowledge of the issues covered by the grant programme concerned. Their expertise should be verified on the basis of their CVs. A minimum of five years' experience of a particular issue should be expected.

## **8.4 COMMUNICATIONS AND RECORDS MANAGEMENT**

### **8.4.1 Correspondence / Communications**

Correspondence and communications are essential to the management of relationships with suppliers and other bodies, but communications issued by IGAD may commit or bind it to a course of action with legal, contractual or financial implications.

Therefore, all grants management correspondence and other communications issued by the IGAD shall emanate only from the Secretary of the Grant Award Committee.

### **8.4.2 Documentation/Records Management**

#### **i. Documentary Records**

Documentary records, both in print or electronic format, are essential for efficient and effective management of activities, provide evidence in support of decisions and actions taken, and provide an audit trail for verification of transparency, accountability and effectiveness. Efficient records management is essential to ensure effective storage, retrieval and use with due regard to security, integrity and confidentiality.

All Officers shall ensure they obtain, retain and maintain appropriate documentation supporting the activities for which they are responsible.

Senior Officers involved in approval or authorization shall ensure that any transactions they approve or authorize are backed by appropriate supporting documentation.

#### **ii. Filing/Record Management System**

The Grants Award Committee and the relevant IGAD Authority has a general responsibility for maintaining Grants management Dossiers and Contracts Registers.

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## **ANNEX: GUIDELINES FOR COMMUNITY PROJECTS FUNDED THROUGH IGAD GRANTS**

### **Introduction**

The project Document provides for the funding of identified project interventions through grants advanced to Community groups, International Organizations, NGOs, CBOs as well as other institutions that would be approved to implement various activities under the project as laid out in the Project Document. These guidelines are in line with the provisions of the IGAD Grant Manual, IGAD Sub-Delegation manual and IGAD procurement Manual approved on 1<sup>st</sup> January 2017 as well as IGAD Financial Instruments, Rules and Regulations.

**Purpose of the Guidelines**-to guide beneficiary communities, and partners assisting communities as they develop their proposals for funding, implementation of the project as well as M&E and reporting on the same. The guidelines will also assist the project officers as they evaluate proposals and guide communities during implementation of the projects.

**Community eligibility**-A community will be eligible for support if it has national, regional or cross border dimension and the proposal developed is in line with the main project thematic areas i.e. Natural resource Management, transboundary disease control and markets development.

### **Sub-Delegation**

IGAD will identify eligible sub-delegatees based on the guidelines provided for in the IGAD sub-delegation manual. A Community group will become a sub-delegate if it is registered as required by the law of the respective Country. An assessment will be undertaken by IGAD to determine its capacity to implement the agreed activities as well as other aspects that demonstrate the level of organizational development as well as accountability. Depending on the capacity of the community, IGAD will decide whether to sub-delegate implementation to the community group. If the community does not have the required capacity or is not registered according to the law another sub delegatees will be appointed to implement the activities on behalf of the community.

### **Process of approval of proposals and implementation of projects**

- 7) **CMDRR process**-The community will be taken through a Community Managed Disaster Risk Reduction (CMDRR) process which culminates in the development of Community Action Plans (CAPs).The CAPS will be in line with the project objectives and aligned to the respective government's policies, development plans and strategies. The CAPs are subjected to a stakeholder validation process.
- 8) **Capacity Assessment**-This is carried out to establish what capacity the community has in terms of organization, skills, compliance and experience in implementing projects. The information will be used to identify what capacity needs to be developed or enhanced as well as identifying suitable partners to assist the community implement the project in the case of informal communities

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or those that lack the necessary capacity.

9) **Development of proposals**- The communities are assisted in the preparation of proposals on the priority area. A format for the same is provided.

10) **Approval of proposals**-The Proposal is submitted to the Technical Review Committee (TRC) for evaluation. The TRC comprises of 3 or 5 officers from IGAD, and will consult accordingly on technical areas before recommending the proposal for approval by the Project Steering Committee. A detailed check-list will be used to evaluate the proposals.

11) **Acceptance and signing the Grant Agreement**. Once the proposal has been approved by the Project Steering Committee, the relevant community or Partner assisting the a community is notified of the approval in writing. A Grant Agreement is also sent alongside the letter of approval. The Grant Agreement will stipulate the following;

- Name of Contracting Authority
  - Project name
  - Project Objective
  - Total cost of the project
  - Duration of the Project
  - Community contribution
  - Contribution from other parties
  - Amount of the Grant
  - Disbursement of the Grant
  - Expenditure out of the grant
  - Obligations
  - Legal to be used
  - Force Majors
  - Language to be used
  - Termination
  - Procurement processes
  - Monitoring and Evaluation
  - Reporting
  - Project completion

The grant agreement will be signed by both IGAD and the sub delegatee who is either a community Group or an NGO acting for the community or MS.

12) **Implementation of Sub-delegated activities**-has to comply with IGAD overall legal and regulatory frameworks as provided in the IGAD Procurement manual, and Financial Rules and Regulations.

13) **Monitoring, evaluation and reporting**-This will be carried out in line with the provisions of the Sub-delegation Manual. Both progress and financial reports will be prepared

## Targeted Program Grant Fund Process

