DFID Department for International Development

Humanitarian Funding Guidelines for NGOs

October 2007

CONTACTS

Country or Regional Office:
24 hour switchboard: (+44) (0)20 7023 0000

Major rapid-onset emergency:
Conflict, Humanitarian and Security Department (CHASE)
Telephone: (+44) (0)20 7023 0040
24 hour duty officer: (+44) (0) 7776 180012

Department for International Development
1 Palace Street
London SW1E 5HE
www.dfid.gov.uk

Contents

Section 1
About DFID

The Department for International Development (DFID) is the part of the UK Government responsible for promoting development and reducing poverty overseas. This mandate is set out in the 2002 International Development Act and in three White Papers published in 1997, 2000 and 2006. In addition, DFID leads the UK response to humanitarian crises. DFID has headquarters in London and Scotland, and offices in many developing countries. In some countries, DFID works through staff based in British Embassies and High Commissions.

DFID's Guiding Principles for humanitarian response

DFID's humanitarian work aims to save lives, alleviate suffering and maintain human dignity in the face of man-made crises and natural disasters, as well as to prevent and strengthen preparedness for the occurrence of such situations.[1] DFID seeks to hasten recovery, protect and rebuild livelihoods and communities and reduce risks and vulnerabilities to future crises. DFID believes that humanitarian response must be:

- Principled
- Informed
- Coordinated
- Appropriate
- Accountable.

In DFID's 2006 Humanitarian Policy paper, DFID sets itself the following goals for humanitarian response:

1. Improve the effectiveness of humanitarian responses;
2. Be a better donor – DFID supports the Good Humanitarian Donorship principles;
3. Reduce risk and extreme vulnerability.

Contacting DFID

You should usually contact the DFID country office directly to request humanitarian funding. Where there is no country office, contact the regional office or regional desk in London. Most DFID country and regional offices are devolved and will usually take the lead if the emergency is predictable, long-running or small in scale. Countries where DFID currently runs ongoing or frequent humanitarian programmes include: Bangladesh[2]; Central African Republic, Chad; Cote d'Ivoire, Democratic Republic of Congo; Eritrea; Ethiopia; Guinea; Kenya; Liberia; Malawi; Iraq and the Occupied Palestinian Territories (both via MENAD[3] in London); Mozambique; Lesotho and Swaziland (both via DFID Southern Africa); Niger; Somalia; Sudan; Uganda; Zambia; Zimbabwe.[4] A DFID country or regional office may also receive temporary or continuous humanitarian specialist support or additional funding from ACHU[5] or CHASE[6] if needed.

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[1] From the objectives and definition of humanitarian action of the Good Humanitarian Donorship initiative.
[2] DFID Bangladesh has separate humanitarian funding guidelines and an ongoing disaster response framework arrangement with selected organisations
[3] Middle East and North Africa Department
[4] This list is current at the time of publication but may change.
[5] Africa Conflict and Humanitarian Unit.
[6] Conflict, Humanitarian and Security Department.

The exception to this a major rapid onset disaster, either natural or man-made, where an immediate and time-critical response is needed. In this case CHASE would usually take the lead, for example the 2004 tsunami and 2005 Pakistan earthquake, and you should contact CHASE directly at any time to alert DFID or to request funding. CHASE is based in London where it monitors emerging humanitarian situations across the globe, provides a 24 hour duty officer and can launch a DFID response outside of office hours, including deployment of specialist teams to the field. The DFID funding process can be exceptionally fast in rapid onset disasters.

A DFID Adviser will assess new proposals and advise on funding decisions. They may contact you to discuss the project. Once funding has been approved, your main point of contact will usually be a DFID Programme Officer or Programme Manager in the DFID office that leads the emergency response. This person will be named in your Accountable Grant Letter. Signed Accountable Grant Letters, all further correspondence and reports should be sent from your organisation's Head Office to this Programme Officer or Manager. If your organisation is devolved, please call DFID to discuss which of your offices should be the main point of contact.

Organogram of DFID's Humanitarian Contacts

Routine funding requests

Major rapid-onset emergency

DFID Country Office or **Regional Office**
+44 (0)20 7023 0000 (24 hour)
www.dfid.gov.uk

Advisers

Programme Officers
Programme Manager

May receive humanitarian specialist support from ACHU or CHASE

CHASE
Conflict Humanitarian and Security Department
+44 (0)20 7023 0040
+44 (0)7776 180012 (24 hour)

ACHU
Africa Conflict and Humanitarian Unit
+44 (0)20 7023 0294

Head of Humanitarian Response

Head of ACHU

CHASE Operations Team
• Humanitarian specialists
• Deployable field team
• Information managers
• Daily global surveillance
• Logistics and procurement

Programme Officers
Programme Manager

Programme Officers
Programme Manager

Humanitarian
Advisers

Section 2
Eligibility for DFID Humanitarian Funding

Is your organisation eligible?

The following organisations are eligible for DFID Humanitarian Funding:
- Not-for-profit organisations worldwide, such as non-governmental organisations, civil society organisations and academic institutions;
- The International Red Cross and Red Crescent Movement;
- Organisations of the United Nations (UN);
- The International Organisation for Migration (IOM);
- International Financial Institutions (IFIs).

There are no restrictions on applying for project funding if your organisation is already receiving other funding from DFID.

UN, IOM, Red Cross and IFI proposals and general appeals fall under separate funding and reporting arrangements. However **all** humanitarian organisations seeking funding from DFID are expected to design projects and programmes which meet internationally accepted standards and good practice and which address the issues highlighted in Section 5 of this guidance.

Is your project eligible?

These guidelines are for organisations seeking to obtain humanitarian assistance funds for relief, rehabilitation and early recovery following:
- Natural disasters (e.g. drought, floods, earthquakes, volcanoes, storms, epidemics)
- Man-made disasters (e.g. wars, conflict, famine, technological, environmental, social, political instability).

Funding restrictions

DFID does not provide humanitarian funding grants to private companies.

DFID will not provide funding to organisations which do not subscribe to a code of conduct on sexual exploitation and abuse, such as the December 2006 Statement of Commitment on Eliminating Sexual Exploitation and Abuse by UN and Non-UN Personnel.

DFID will not fund the supply of breastmilk substitutes unless you can demonstrate adherence to the International Code of Marketing of Breastmilk Substitutes and subsequent resolutions, and accordance with the Operational Guidance on Infant and Young Child Feeding in Emergencies. We discourage the use of baby bottles and teats in emergencies.

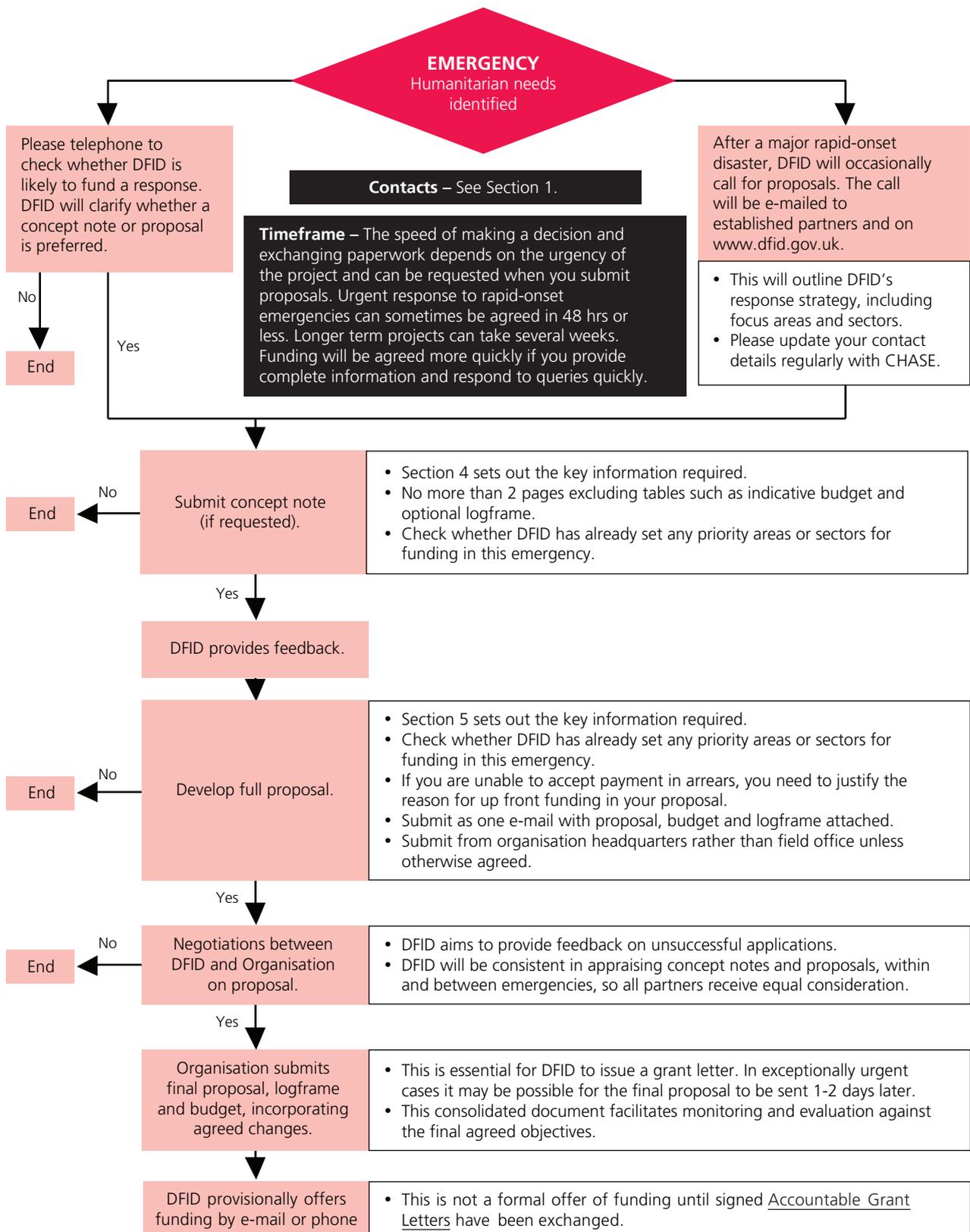# Does this guidance apply to all DFID humanitarian funding?

No. DFID provides several funds for humanitarian and related activities which **do not** fall under this guidance. These funds have different application processes and guidance:
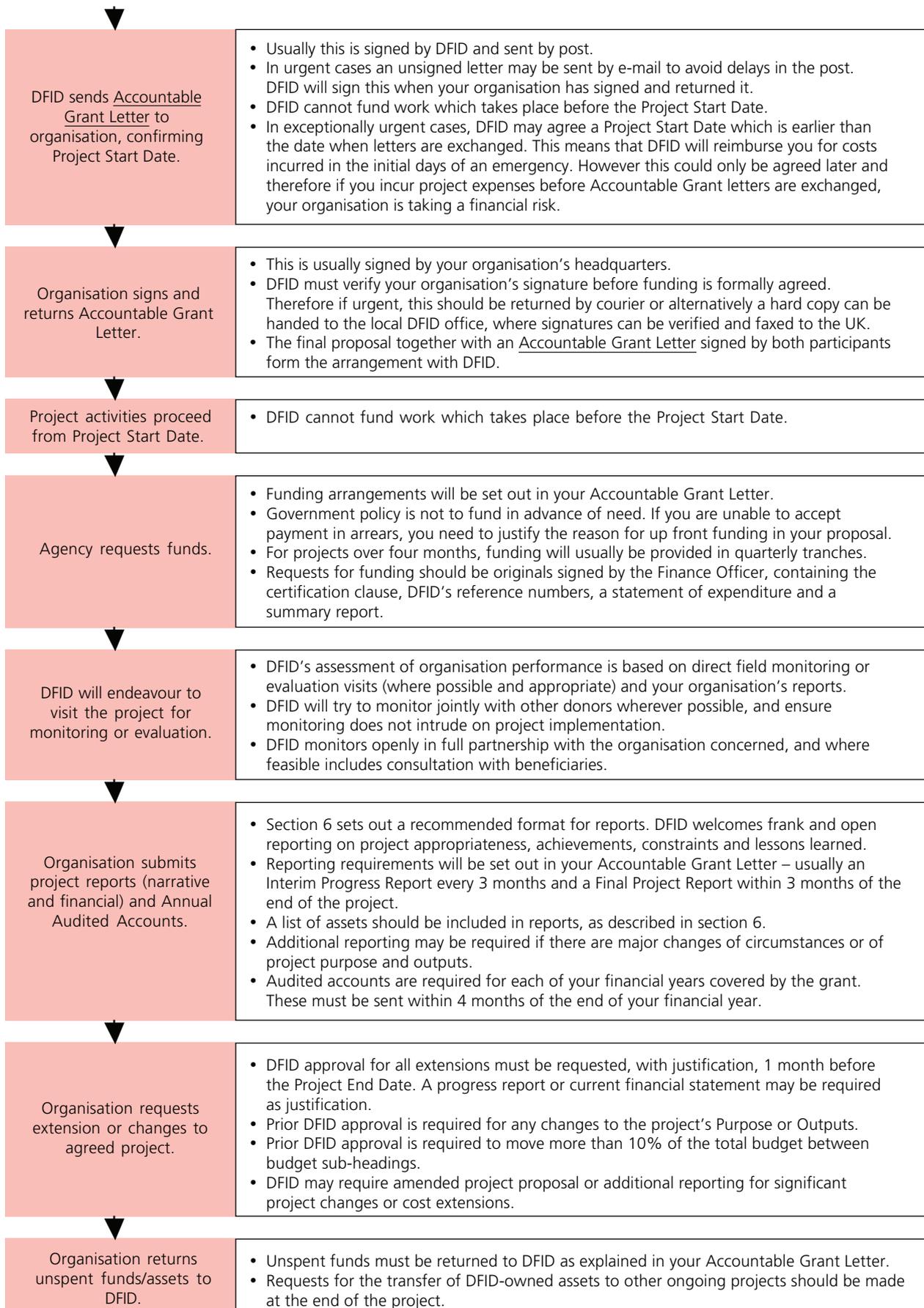
- **Pooled funds** – DFID often contributes to funds that bring together money from several donors. These funds are usually distributed and managed by a UN agency or an International Financial Institution. DFID may advise you to apply directly to one of these agencies when no bilateral funding is available from DFID.

- **Conflict and Humanitarian Fund (CHF)** – This provides multi-year funding for international conflict prevention, humanitarian assistance, disaster risk reduction and security and justice projects. It does not fund country-specific projects or organisations. The CHF annual application process and guidance are announced on the DFID website.

- **Disaster Risk Reduction (DRR)** – Relief and early recovery responses that incorporate a disaster risk reduction approach or element are encouraged under this guidance. Additionally, after a major natural disaster, up to 10% of DFID's response funding may be available for dedicated DRR activities, including prevention, mitigation and preparedness for future disasters. For this, please contact the DRR team in London on +44 (0)20 7023 0569, or the relevant DFID country office.

- **The Africa Conflict Prevention Pool (ACPP) and Global Conflict Prevention Pool (GCPP)** are managed jointly by DFID, the Foreign and Commonwealth Office and the Ministry of Defence. Information can be found under "Funding Programmes" at www.fco.gov.uk.

- **Mine action** – DFID funds a programme of global mine action through the UN and selected NGO partners. Please contact the Security and Justice Team, on (+44) (0)20 7023 0599.

- **Bangladesh** is particularly prone to rapid onset humanitarian emergencies, especially from flooding. To respond more quickly DFID Bangladesh has developed ongoing agreements with selected NGO partners, for which separate funding application guidelines exist. Please contact DFID Bangladesh on (+880 2) 8820204/16/23/24.

Section 3
Process for funding application and reporting[7]

EMERGENCY
Humanitarian needs identified

Please telephone to check whether DFID is likely to fund a response. DFID will clarify whether a concept note or proposal is preferred.

No

End

Yes

Contacts – See Section 1.

Timeframe – The speed of making a decision and exchanging paperwork depends on the urgency of the project and can be requested when you submit proposals. Urgent response to rapid-onset emergencies can sometimes be agreed in 48 hrs or less. Longer term projects can take several weeks. Funding will be agreed more quickly if you provide complete information and respond to queries quickly.

After a major rapid-onset disaster, DFID will occasionally call for proposals. The call will be e-mailed to established partners and on www.dfid.gov.uk.

- This will outline DFID's response strategy, including focus areas and sectors.
- Please update your contact details regularly with CHASE.

No

End

Submit concept note (if requested).

- Section 4 sets out the key information required.
- No more than 2 pages excluding tables such as indicative budget and optional logframe.
- Check whether DFID has already set any priority areas or sectors for funding in this emergency.

Yes

DFID provides feedback.

No

End

Develop full proposal.

- Section 5 sets out the key information required.
- Check whether DFID has already set any priority areas or sectors for funding in this emergency.
- If you are unable to accept payment in arrears, you need to justify the reason for up front funding in your proposal.
- Submit as one e-mail with proposal, budget and logframe attached.
- Submit from organisation headquarters rather than field office unless otherwise agreed.

Yes

No

End

Negotiations between DFID and Organisation on proposal.

- DFID aims to provide feedback on unsuccessful applications.
- DFID will be consistent in appraising concept notes and proposals, within and between emergencies, so all partners receive equal consideration.

Yes

Organisation submits final proposal, logframe and budget, incorporating agreed changes.

- This is essential for DFID to issue a grant letter. In exceptionally urgent cases it may be possible for the final proposal to be sent 1-2 days later.
- This consolidated document facilitates monitoring and evaluation against the final agreed objectives.

DFID provisionally offers funding by e-mail or phone

- This is not a formal offer of funding until signed Accountable Grant Letters have been exchanged.

DFID sends <u>Accountable Grant Letter</u> to organisation, confirming Project Start Date.	• Usually this is signed by DFID and sent by post. • In urgent cases an unsigned letter may be sent by e-mail to avoid delays in the post. DFID will sign this when your organisation has signed and returned it. • DFID cannot fund work which takes place before the Project Start Date. • In exceptionally urgent cases, DFID may agree a Project Start Date which is earlier than the date when letters are exchanged. This means that DFID will reimburse you for costs incurred in the initial days of an emergency. However this could only be agreed later and therefore if you incur project expenses before Accountable Grant letters are exchanged, your organisation is taking a financial risk.
Organisation signs and returns Accountable Grant Letter.	• This is usually signed by your organisation's headquarters. • DFID must verify your organisation's signature before funding is formally agreed. Therefore if urgent, this should be returned by courier or alternatively a hard copy can be handed to the local DFID office, where signatures can be verified and faxed to the UK. • The final proposal together with an <u>Accountable Grant Letter</u> signed by both participants form the arrangement with DFID.
Project activities proceed from Project Start Date.	• DFID cannot fund work which takes place before the Project Start Date.
Agency requests funds.	• Funding arrangements will be set out in your Accountable Grant Letter. • Government policy is not to fund in advance of need. If you are unable to accept payment in arrears, you need to justify the reason for up front funding in your proposal. • For projects over four months, funding will usually be provided in quarterly tranches. • Requests for funding should be originals signed by the Finance Officer, containing the certification clause, DFID's reference numbers, a statement of expenditure and a summary report.
DFID will endeavour to visit the project for monitoring or evaluation.	• DFID's assessment of organisation performance is based on direct field monitoring or evaluation visits (where possible and appropriate) and your organisation's reports. • DFID will try to monitor jointly with other donors wherever possible, and ensure monitoring does not intrude on project implementation. • DFID monitors openly in full partnership with the organisation concerned, and where feasible includes consultation with beneficiaries.
Organisation submits project reports (narrative and financial) and Annual Audited Accounts.	• Section 6 sets out a recommended format for reports. DFID welcomes frank and open reporting on project appropriateness, achievements, constraints and lessons learned. • Reporting requirements will be set out in your Accountable Grant Letter – usually an Interim Progress Report every 3 months and a Final Project Report within 3 months of the end of the project. • A list of assets should be included in reports, as described in section 6. • Additional reporting may be required if there are major changes of circumstances or of project purpose and outputs. • Audited accounts are required for each of your financial years covered by the grant. These must be sent within 4 months of the end of your financial year.
Organisation requests extension or changes to agreed project.	• DFID approval for all extensions must be requested, with justification, 1 month before the Project End Date. A progress report or current financial statement may be required as justification. • Prior DFID approval is required for any changes to the project's Purpose or Outputs. • Prior DFID approval is required to move more than 10% of the total budget between budget sub-headings. • DFID may require amended project proposal or additional reporting for significant project changes or cost extensions.
Organisation returns unspent funds/assets to DFID.	• Unspent funds must be returned to DFID as explained in your Accountable Grant Letter. • Requests for the transfer of DFID-owned assets to other ongoing projects should be made at the end of the project.

Section 4
Concept notes

Please check whether DFID prefers a concept note or full proposal. In some cases, DFID will encourage concept notes as a precursor to a full proposal. Concept notes help to inform DFID's assessment of the scale of the emergency and prioritisation of needs. They also steer dialogue between DFID and partners on overall response strategy and on individual project design.

Concept notes should not exceed 2 pages, excluding tables (e.g. budget and optional logframe). For urgent responses, do not delay sending your concept note to DFID if you are unable to answer all of the questions below. DFID will contact you if key information is missing. Questions not relevant to your project should be omitted.

Project name

Organisation background

- What is your organisation's name and address, and who will be the focal point? Please include contact details – telephone, fax, e-mail.
- In brief, what are the goals of your organisation?
- What are your main sources of funding?
- Please list any DFID funding your organisation has received for projects in the same country over the last three years. Please provide the following:

Project name	Reference number	Contact person in DFID

- Do you plan to work with any partners to deliver this project? If partners have been identified already please name them here.

Funding requirements

- What is the likely total project cost?
- How much funding are you requesting from DFID?
- If you are not seeking 100% funding, where will the balance of funds for this proposal come from, and what is the status of your application to other donors?

Project summary

- What is the problem this project will address? How have these needs and beneficiaries been identified? Do these needs relate to any priorities outlined by DFID for this emergency?
- Describe the key objectives of this project.
- What is the likely scale of the project? E.g. Approximately how long will it last, how many beneficiaries, how many project staff?
- How is your organisation best placed, geographically and sectorally, to achieve these outcomes?
- What discussions have taken place with humanitarian coordination structures?
- To what extent are any elements of the project intended to become sustainable?
- What are the key risks to project success and how will you manage these risks?
- How will you monitor the project?

Supporting documents:

- An indicative budget with totals converted into pounds sterling. This should be simple – no more than 10 budget lines.
- A 1-2 page Logical Framework – not essential at concept note stage but may be helpful for project design. (See Section 5 for recommended format)

Section 5
Proposals

How does DFID decide whether to fund proposals?

Proposals are appraised against identified humanitarian need, technical standards and good practice, delivery approach, cost-effectiveness, organisational capacity, organisational standing in-country and the level of funding available. DFID sometimes has a response strategy and priorities, which in some situations relates to a long-term DFID Country or Regional Assistance Plan, and this will also affect decision-making. DFID priorities may change as the wider humanitarian response evolves, particularly in rapid-onset disasters. Those organisations with a proven track record in the areas of need identified and an established presence in country are prioritised. DFID aims to give feedback on unsuccessful proposals, although in certain situations this may not be possible.

DFID Proposal Format

This section offers guidance for developing proposals, rather than a fixed format. The questions below give an indication of the type of information to include on each topic, rather than a prescriptive checklist. If a particular question is not relevant to your project there is no need to answer it. In urgent responses, particularly when a disaster is rapid-onset, do not delay submitting your proposal if some details are lacking. If necessary, DFID will contact you with additional questions.

DFID can accept proposals to respond to emerging humanitarian needs at any time during an emergency, from day one onwards, and at any time of year. However when emergencies are predictable and long-running, it is advisable to call the relevant DFID office because sometimes routine funding applications may be encouraged at a certain time.

The amount of DFID funding available depends on the scale of the humanitarian need and will take into consideration the level of funds available from different sources. There is usually no limit on the financial value of any individual proposal, provided that your organisation has the capacity to manage this scale of project and that the response is proportionate and good value for money.

Your proposal should be between 2,500 and 5,000 words excluding tables (e.g. budget, logframe) and annexes. The proposal should contain the following sections (page length is for rough guide only):

- ○ Basic Data Sheet (1 page)
- ○ Logical Framework (4 pages)
- ○ Organisation background (1 page)
- ○ Project description (4 pages)
- ○ Management arrangements (2 pages)
- ○ Budget and budget narrative (1 page)
- ○ Annexes as appropriate (e.g. needs assessment, conflict assessment documents)

Basic Data Sheet

- **Name of project** – including location

- **Name of Organisation** – and name, designation, address, telephone, fax and email (if available) of the contact point in your organisation dealing with the proposal. Include parent organisation details where applicable.

- **Other NGOs/Partners** – list any implementing partners that your organisation will be working with to provide this emergency assistance. It is not a requirement to work with partners.

- **Project cost** – total project cost in pounds sterling and duration; contribution sought from DFID, broken into DFID's financial years (ends 31 March) if the project spans years. Contributions sought or obtained from other donors (including the status of those applications). Contributions from your organisation.

Government policy is not to fund in advance of need. This means that payment is usually made in arrears. If you are unable to accept payment in arrears, the need for up front funding must be justified in your proposal. Examples of justification might be insufficient funds available to purchase relief items or to contract short-term staff.

- **Grant payment details** – Your organisation's nominated bank name, postal address, account name, account number, sort code, account currency, and the BIC/ABA/IBAN/SWIFT code to which DFID is requested to make payments. An IBAN and a BIC number must be given for European bank accounts.

- **Problem addressed** – identify the issue or problem that is tackled by the project. Briefly state why assistance is required for this group of people at this time.

- **Project summary** – an initial sentence that identifies how this intervention addresses the problem identified above. This should be followed by a short paragraph on the purpose and key outputs of the project, essential details, including number of direct beneficiaries. Give the location. Extra geographical information in an annex (e.g. sketch map) can be helpful for remote locations.

- **Duration of project** – with dates. Proposals for relief after rapid-onset emergencies should usually range from 1-6 months[8]. Other proposals, including recovery and disaster risk reduction activities, can last 12 months or longer, though this differs according to the emergency.

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[8]   DFID Bangladesh usually funds projects which are less than 3 months.

In exceptionally urgent cases, DFID may agree a Project Start Date which is earlier than the date when letters are exchanged. This means that DFID will reimburse you for costs incurred in the initial days of an emergency. However this could only be agreed later and therefore if you incur project expenses before Accountable Grant Letters are exchanged, your organisation is taking a financial risk.

Logical Framework

A concise logical framework, or logframe, should be included. This a recommended tool for designing, implementing and monitoring projects. A sample format is provided below.

If there is more than one source of funding, where possible the logframe should apply to the whole programme, with the DFID-supported elements highlighted at each level[9]. This allows us to understand how DFID support fits into the overall programme.

The indicators should be "SMART":

- Specific
- Measurable
- Achievable
- Realistic and
- Time-bound

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[9]   For unearmarked funding it is not necessary to highlight DFID contributions.

Narrative Summary	Verifiable Indicators *These are essential for reporting and monitoring. SPHERE indicators could be used if suitable.*	Sources of Verification	Important Risks and Assumptions
Goal/Overall objectives *This is the wider problem which this project alone will not solve, but this project will contribute towards.*	*Not essential*	*Not essential*	*Not essential*
Purpose *There should be only one purpose. It should be concise and identify what will change, in what area and who will benefit.*	*Quantitative measurements and/or qualitative evidence to judge whether the purpose is being achieved over a specified timeframe. These should be SMART and include baseline data.*	*What sources of information will be used to quantify or assess progress against these indicators? A provision for data collection may be included in the budget if necessary, provided it is cost-effective.*	*External conditions necessary for this purpose to be achieved and Factors not within the control of the project that might prevent this purpose from contributing towards the project goal. Risk mitigation should be discussed elsewhere in the proposal.*
Outputs/Results *These should be realistic and measurable results which together will achieve the Project Purpose.*	*Quantitative measurements and/or qualitative evidence to judge whether the outputs are being achieved over a specified timeframe. These should be SMART and include baseline data.*	*What sources of information will be used to quantify or assess progress against these indicators? A provision for data collection may be included in the budget if necessary, provided it is cost-effective.*	*External conditions necessary for these outputs to be achieved and Factors not within the control of the project that might prevent these outputs from fully achieving the project purpose. Risk mitigation should be discussed elsewhere in the proposal.*
Activities *Provide a brief outline of main activities*	*Inputs: (staffing, materials etc)*	*Resources: (the rough cost of each input. Full project costs should be given in the project budget)*	*Not needed*

Organisation Background

Include information on the following[10]:

- Has your organisation been active in the current situation already? Does it have previous experience of work within the specific sector and location? What lessons have been learnt from previous experience in this area or type of project? Does your organisation have demonstrable comparative advantage?

- Is your organisation a signatory to the <u>1994 Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief?</u>

- Is your organisation a signatory to the <u>UNHCR Guiding Principles on Internal Displacement?</u>

- Partners who have not worked with DFID previously will need to provide written evidence of not-for-profit status, including details of any registration with regulatory bodies such as the Charity Commission or local equivalent.

- Please list any DFID funding your organisation has received for projects in the same country over the last three years. Please provide the following:

Project name	Reference number	Contact person in DFID

Project Description

Needs assessment

DFID-funded interventions must be based on relevant needs assessments and meet a priority need. This could be a direct beneficiary need, for example shelter, water, sanitation and hygiene, livelihoods, protection, sexual and reproductive rights and services, or a support service to enable effective aid delivery, such as information management or security training if identified as a priority need.

- Describe the rationale for intervening. Does the proposal address a clearly articulated and assessed need? What would be the humanitarian consequences if your project was not implemented?

- What specific needs assessments have been made and by whom? When were they carried out? Did beneficiaries participate in the assessment? Include a brief description of the methodology and main findings of the assessment, and attach any relevant assessments to your project proposal.

- Where available, include the critical humanitarian baseline information, indicating sources (mortality, morbidity, nutritional etc).

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[10] This section is not necessary for those organisations with an ongoing disaster response framework arrangement with DFID Bangladesh.

- For contexts where conflict is ongoing or likely, what analysis has been made of the conflict dynamics? Details can be included within your needs assessment or a separate conflict assessment can be attached to your proposal.

Description of activities

- Describe the workplan and activities. Indicate how the activities have been tailored to the relevant context. For example, where you have chosen a livelihoods or cash-based approach explain how this is appropriate to the context and will be effective for delivery of assistance.

- Were any alternative approaches considered, and why were they rejected?

- Projects which recover costs from beneficiaries must demonstrate that this approach is appropriate to the local context and that it will not exclude poorer beneficiaries from accessing services.

- An implementation timeline should be included, indicating initial estimates for start and completion of activities. This format may be useful for planning:

Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8
Activity 1							
	Activity 2						
	Activity 3						
			Activity 4				
					Activity 5		

Project Standards

DFID recognises the importance of different tools and standards, such as the SPHERE standards, to ensure high quality programming. DFID does not demand that an organisation is accredited or subscribes to a particular set of standards. Rather you need to demonstrate that you have considered quality issues, set appropriate standards and put in robust management and monitoring mechanisms to ensure compliance with these. We recognise that reaching internationally-identified minimum standards is not appropriate or feasible in certain contexts.

- Which standards and best practice does the project aim to meet?

Coordination

DFID expects adequate human resources for effective coordination to be included in proposals and in the personnel section of budgets.

- How does your project fit in with the wider humanitarian response? If there are similar operations underway in the proposed location, how will your project complement this work and avoid duplication?

- How is your organisation linked at operational level to the relevant international and national coordination bodies (cluster/sector/etc)? To what extent has your organisation participated in any government/UN or other joint humanitarian planning initiatives (CAP, CHAP, etc)? If your organisation has not participated, state the reasons for this.

- How will your organisation share information with the response community (e.g. by using standardised data collection/common needs assessment frameworks or contributing programme data to the relevant humanitarian information coordination structures)?

- Do you foresee any issues within the national or local policy framework which may affect project implementation and broader recovery? If so, have you considered sharing your organisation's specialist expertise with the relevant government/UN teams, to get the right policies in place to facilitate project implementation?

Sustainability and recovery

DFID encourages consideration and integration of recovery approaches into project responses from the earliest stages. This means ensuring that relief activities support existing community structures, services and livelihoods, to enable a rapid return to self-sufficiency. Funding for humanitarian emergencies is available for regenerating livelihoods and other early recovery activities where appropriate.

- Do indigenous systems or services already exist that would normally be expected to address the needs outlined in this project? Does this project strengthen and underpin these, or could it undermine them?

- Are any of the structures or services to be established by this project intended to be sustainable or to build local capacities and if so how?

- What are the timescale, criteria and strategy for organisation withdrawal or handover? Is an exit strategy required to ensure that there is no negative impact when the project activities end?

Beneficiary selection and participation

- Who are the main beneficiaries, and how will they benefit? Are there other stakeholders who may gain or lose as a result of the project?

- What are the identification mechanisms and criteria for beneficiary selection? How will the project reach beneficiaries according to need rather than ethnic, religious, political or social divides?

- To what extent and how will beneficiaries and other local actors be involved in the design, decision-making, implementation, management, monitoring and evaluation of the project?

- How will you ensure the inclusion of groups who are often excluded, such as women, disabled people, older people, adolescents, people living with HIV or AIDS, and ethnic minorities?

- How will any gender inequalities be handled? Are the needs of particularly vulnerable or marginalised groups addressed?

- Is the project culturally appropriate?

- If you plan to recover costs from beneficiaries, what assessment and exemptions have you made to ensure that this will not restrict access to the service?

Protection

Where relevant and appropriate, DFID encourages projects which consider and integrate the protection of civilians.

- To what extent does the project contribute to the protection of civilians? Do project outputs help reduce beneficiaries' exposure to threats to their security including gender based violence?

- Might provision of assistance make beneficiaries a target for attacks including gender based violence and other forms of abuse? How will this be handled?

- Do project outputs address the needs of those who have been exposed to violence, including gender based violence?

Conflict sensitivity

For projects where conflict is ongoing or likely, how will your analysis of the conflict dynamics be used to adapt the delivery of assistance to avoid unintentionally exacerbating the conflict? Issues that may be relevant include:

- Could the provision of assistance to the chosen beneficiaries or chosen geographical location be perceived as having a bias or political benefit to one party in the conflict?

- Could your relationship with local groups or implementing partners be perceived as legitimising or lending political support to one party in the conflict?

- How can you ensure that resources, both cash and in kind, reach the intended beneficiaries without being diverted into the war economy?

Disaster risk reduction

Where relevant and appropriate, DFID encourages consideration and integration of disaster risk reduction (DRR) in humanitarian responses. The Provention Consortium has produced useful tools and guidance. Funding purely for DRR activities is not included under this guidance. DFID's commitment to DRR is set out in the 2006 Disaster Risk Reduction Policy.

- To what extent will the project objectives and activities prevent or reduce the impact of future disasters, or enable beneficiaries and the wider community to cope better?

- With climate change in mind, can the project outputs be adapted to protect beneficiaries against increasingly severe natural hazards in the future, for instance floods, storms and drought?

Environmental management and protection

Interventions should adhere to international environmental standards and good environmental practice. Organisations must aim to minimise environmental hazards during operations, to mitigate against future disaster including climate change, and to avoid stimulating future conflict over access to environmental assets. Organisations must show awareness that degrading the quality and abundance of environmental resources may reduce recovery prospects and options. This reflects DFID's environmental policy. Information about existing tools, guidance and case studies on environmental protection during humanitarian response can be found on the DFID website.

- How have environmental risks (including those that affect recovery or future recurrence of the emergency) and opportunities for environmental improvement been assessed and addressed by the project?

- Have any guidelines/codes been applied, and how will progress be monitored and reported?

Management Arrangements

Organisation capacity and staffing

Describe how the proposal provides for adequate staffing in both your organisation and your implementing partner organisations to undertake, monitor, evaluate and report on the proposed work. For instance, are the following sufficient: national vs. international staffing levels; skilled and technical personnel; fully trained financial management staff; supervision and support from headquarters; equipment and material resources?

- Provide a brief description of your implementing partner(s), and their role in the project. What expertise and experience do they have in the project sectors and location? Briefly describe your previous collaboration with them, and the support they will receive from your organisation in implementing the proposed project activities.

- Does your organisation have written policies and procedures relating to human resource management? Does your organisation subscribe to any codes relating to recruitment and management of staff, such as the <u>Code of Best Practice in the Recruitment & Management of Aid Personnel?</u>

- DFID will not provide funding to organisations which do not subscribe to a code of conduct such as the December 2006 <u>Statement of Commitment on Eliminating Sexual Exploitation and Abuse by UN and Non-UN Personnel</u>. Please explain what code/policies your organisation adheres to on this issue.

Security

DFID expects international and national staff security considerations and funding requirements (human resource and security-related equipment) to be included in proposals and budgets. It should be identified in detailed budget lines. DFID will seek assurance that potential partners are applying appropriate procedures for their operational security management, and that these are updated as the environment changes. This may also include a discussion of security arrangements and security risk mitigation during the appraisal process or, in extremely hostile environments, additional detail such as organisation security plans or additional reporting may be requested. Sensitive security information will always be treated in confidence.

Organisations are ultimately responsible for their own safety and security, and that of their personnel, and DFID accepts no liability for any loss whatsoever which may arise from any act or omission by it in carrying out such assessment and monitoring of security arrangements.

- Provide a brief description of the security situation in country and/or project locale. Have you established a specific security protocol for this operation and joined security networks? If yes, please elaborate.

Insurance

The organisation, not DFID, is responsible for insurance policies and liabilities.

Risks analysis and mitigation

What are the key risks that might prevent the successful achievement of the project activities, outputs and purpose? Indicate briefly the likelihood of each key risk occurring, and the impact this might have on the project. Include external factors, such as details of any undertakings or agreements made with partners, which may impact on project implementation.

- What steps have been taken in project design and implementation to address and minimise these potential risks?

- For projects in conflict contexts, has it been possible to include any measures to enable project activities to continue if the security situation worsens? DFID recognises that emergency response projects often operate under high levels of risk.

Monitoring, evaluation and accountability

DFID expects adequate human resource requirements for monitoring, evaluation and accountability activities to be included in proposals and budgets. These costs should be identified in the "personnel" budget line.

- Has adequate baseline information been collected to enable effective monitoring and evaluation of project impact? Where available, this information should be reflected in the logframe indicators.

- Give a brief description of the procedures for project management, monitoring, reporting, evaluation and accountability, especially to beneficiaries. This should also cover your implementing partners. Explain how these will ensure that the project outputs, standards and good practice will be attained and whether there is flexibility to adapt the project if improvements are required.

- What written policies and procedures are in place in your organisation for management of finances, procurement safeguards, conflicts of interest, offers of gifts/hospitality, fraud, safeguards to ensure resources reach the intended beneficiaries and are not misused, audit? This should also cover your implementing partners. Regardless of the number of layers of management from donor to final beneficiary, your organisation is accountable for the effective use of DFID funds.

- How will beneficiaries participate in monitoring and evaluation? Will your organisation establish a complaints mechanism accessible to beneficiaries?

- What arrangements are in place to ensure that the lessons identified are learnt? e.g. staff training, performance appraisals, dissemination to wider audience.

- How will your organisation strive to meet the Humanitarian Accountability Partnership – International (HAP) Principles of Accountability?

**Humanitarian Accountability Partnership – International (HAP)
Principles of Accountability:**

1. Commitment to humanitarian standards and rights;

2. Setting standards and building capacity to use and achieve these standards;

3. Communication with stakeholders, particularly beneficiaries;

4. Participation of beneficiaries in planning, implementation, monitoring and evaluation of programmes and reporting progress to them;

5. Monitoring and reporting on compliance with standards;

6. Facilitating and addressing beneficiary and staff complaints;

7. Implementing these principles when working through implementing partners.

Budget and budget narrative

Please present your project budget in the format below, with individual lines tailored to suit your project, accompanied by a budget narrative.

- Financial information must be converted into pounds sterling, indicating any exchange rate assumptions or inflators used for multi-year budgets.

- For projects spanning more than one DFID financial year (ends 31 March) please indicate what proportion of the total DFID contribution will be needed in each year. For projects divided into clear phases, please indicate what proportion of the total DFID contribution will be required at each phase. This assists DFID in our own financial forecasting.

- The inclusion of a budget narrative after the main table makes the decision-making process quicker, as DFID is less likely to revert to your organisation with additional questions. Include a breakdown of individual budget lines where required (e.g. 'tool & seed package' narrative should detail the contents).

- Describe how value for money, cost-effectiveness and ethics will be ensured in procurement and contracting (have you considered for example: fair and open competition, local and regional purchase, maximising use of local staff, hire of vehicles instead of purchase, use of existing assets and contingency stocks etc).

- State the cost of actual goods and services delivered, as a proportion of total project costs.

Budget line/ sub-line	Items *The individual budget lines listed are examples only and should be tailored to suit your project. The sub-headers (e.g. Sum A) are mandatory.*	Unit cost	No. of units	In-country costs (£)	Off-shore costs (£)	Total (£)
A1 A2 A3 A4 A5 A6 A7 A8	Health Water/sanitation Food Livelihoods Shelter Household items Education Others (*specify*)					
Sum A	**SUPPLIES and MATERIALS** *Supplies and materials for direct distribution to project beneficiaries, or use in project area, identified under sectors.*					
B1 B2 B3 B4 B5	Procurement Transport Storage/security Office Others (s*pecify*)					
Sum B	**LOGISTICS**					
C1 C2 C3 C4	In-country national staff In-country expatriate staff Off-shore project staff (*staff, such as logisticians, who work in direct support of the project, but who may be located in third countries.*) Monitoring and evaluation costs Others (*specify*)					
Sum C	**PERSONNEL** *Personnel costs including salaries, allowances, fees, insurance and other employment costs (give approx. breakdown in budget narrative).*					
D1 D2 D3 D4 D5 D6	Staff subsistence/housing Staff travel Communications Security Training Others (specify)					
Sum D	**PERSONNEL SUPPORT**					

Budget line/ sub-line	Items *The individual budget lines listed are examples only and should be tailored to suit your project. The sub-headers (e.g. Sum A) are mandatory.*	Unit cost	No. of units	In-country costs (£)	Off-shore costs (£)	Total (£)
Sum E	**CAPITAL ITEMS**					
Sum F	**ORGANISATIONAL MANAGEMENT SUPPORT** *This should not normally exceed 7% of the total of A to E; higher proportions should be justified in the budget narrative on the basis of itemised actual costs.*					
Sum G	**CONTINGENCY** *This line will not normally be necessary. Under exceptional circumstances to do with the complexity of the project's working environment, a proportion not exceeding 5% of the total of A to E may be permitted. This should be justified in the budget narrative.*					
Sum H	**TOTAL PROJECT COST**					
J1 J2	Contributions from – Your organisation – Other donors (specify) *Include whether these have been requested or confirmed, and whether these are tied to particular line items.*					
K	**REQUESTED FROM DFID** *Indicate in the budget narrative if the support requested from DFID is for the project as a whole, or for specific line items, and report expenditure accordingly.*					

Section 6
Reports

Monitoring and reporting requirements

The reporting format below is strongly recommended for both interim and final reports. Your Accountable Grant Letter sets out the frequency and timing for submitting reports and audited accounts.

DFID's assessment of an organisation's performance is based on direct field monitoring or evaluation visits (where possible and appropriate) and organisation reports. Our monitoring and evaluation is conducted openly, in full partnership with the organisation concerned and, where feasible, in consultation with beneficiaries. DFID will endeavour to undertake joint monitoring and evaluation with other donors where possible, and ensure any reviews/monitoring are as un-intrusive on project implementation as possible.

Accurate and timely reporting is necessary to help ensure that DFID funds are used effectively, efficiently and transparently. Balanced reporting also ensures that lessons are learned that may be applied to future humanitarian assistance policies and practices. DFID welcomes honest observations from our partners on project appropriateness, constraints and lessons learned.

Fraud

DFID would encourage you to communicate DFID's and other donor's fraud reporting contact details to all stakeholders including beneficiaries and to publish them on any relevant websites.

● All suspicions of fraud or corruption must be reported to your DFID Programme Manager as soon as possible, within at least one week of discovery and before investigation. Your message will be passed on to DFID's Fraud Response Unit, which will also be able to advise you on next steps.

Request for funds

● Funding will not be issued to you until you send a request for funds to DFID. This must be completed for each tranche of funding. The timing of funding and the accompanying paperwork is described in your Accountable Grant Letter and annexes.

● For projects over four months, funding will usually be provided in quarterly tranches.

● Payment is usually made in arrears unless DFID accepted from the justification in your proposal that up-front funding was appropriate. If you receive up front funding you need to provide a forecast expenditure requirement with each funding request. This is a summary predicting how much will be spent during the next funding period. This should be against substantial budget lines or budget sub-headings.

Annual Audited Accounts

● In addition to interim and final reports, it is necessary to submit your organisation's annual audited accounts, which identify this project, for each of your financial years covered by the grant. These must be sent within 4 months of the end of your financial year, and must be signed by your Finance Officer and certified by an independent professional auditor as being "a true reflection of the organisation's finances at the relevant time". These accounts must show the DFID grant as a separate item of income. If you receive funding from other donors please show their contributions as separate budget lines. The cost of audits should come under Organisational Management Support in the project budget.

Suggested reporting format

Interim and final reports should be no longer than 10 pages and should include:

○ A basic data sheet
○ A brief situation re-assessment/lessons learnt
○ A progress report against the logframe
○ A financial report against the agreed budget
○ A list of assets over £1000
○ An amended logframe and budget if you are requesting changes.

Basic data sheet

This should give the following information:

● **Name of project** – including location;

● **Name of organisation** – with name, designation, address, telephone, fax and email (if available) of the contact point for this project. Add parent organisation and partner organisation details where applicable;

● **Project cost** – contribution given by DFID; contributions by other donors; total value of the project;

● **Project header** – a sentence that identifies the purpose and key outputs of the project;

● **Project duration** – with dates;

● **Status of report** – is this an Interim Progress Report (indicate 1st, 2nd, 3rd etc) or a Final Project Report? What dates does it cover?

● **Outputs** – headline amounts of key goods or services delivered, other key outputs;

● **Flagged issues** – which have arisen during project implementation including any which require DFID guidance or decision.

Situation re-assessment

In this part of the report, indicate:

- a summary of *principal* benefits and achievements of the project, indicating the populations that have benefited;

- any significant changes in the project's operating environment, including key issues, problems and openings;

- how the humanitarian and security situation has changed since the last report;

- effectiveness of inter-organisation co-ordination arrangements and the role played by the organisation itself;

- For final reports only, indicate lessons learnt:
    - (a) positive aspects which may be replicable;
    - (b) negative aspects to be avoided in future;
    - (c) other general reflections for future humanitarian aid policy and practice;
    - (d) how the project's experience will be disseminated for use by others;
    - (e) explain the effectiveness of the exit strategy.

Progress Report

The **logical framework** which was part of the original project proposal should be used as the basis for assessing and reporting on progress and impact. A suggested format is as follows:

OBJECTIVES *Insert statements from original logframe.*	INDICATORS *Insert statements from original logframe and any modifications.*	PROGRESS *Comment against each indicator outlining key issues faced, and any reassessment of assumptions and risks.*	RATING *1-5**	COMMENT *Indicate actions proposed or taken to overcome problems*
GOAL *(Final report only)*				
PURPOSE *(Final report only)*				
OUTPUTS *(All reports)*				
ACTIVITIES *(interim reports only, unless project is less than 3 months)*				

* Objectives likely to be... 1 – fully achieved
2 – largely achieved
3 – partially achieved
4 – achieved to a very limited extent
5 – not achieved at all
X – too early to judge

Financial report

The financial report should be based on the **project budget** which was in your original proposal and should report your expenditure to date. There is a suggested format below. Where DFID is not the only source of funding, DFID expenditure should be identified in a way which matches the type of funding breakdown described in your original budget narrative.

ITEM *Insert budget line items as currently approved.*	APPROVED BUDGET (£) *Insert budget as currently approved.*	EXPENDED(£) *Indicate latest actual expenditure in period under report.*	E% *Indicate actual expenditure as % of approved expenditure.*	COMMENT *Comment on any significant overspend or underspend with reasons and corrective action taken or proposed.*
A1 A2				
Sum A				
B1 B2				
Sum B				
C1 *etc.*				
Total				

List of assets over £1000

It is a requirement that you provide an inventory of any non-consumable items of equipment purchased under the grant with an initial value of more than £1000 and a useful life of more than one year. The following details must be listed:

Item with identification (e.g. serial number)	Brief technical description	Date of purchase	Original value (inc VAT if paid)	Location and/or user	Person responsible for item

You should provide a list in the first interim report and again in subsequent reports if further items have been purchased.

These assets will remain the property of DFID and approval for disposal (e.g. transfer to ongoing projects) must be sought from the DFID Programme Manager at the end of the DFID grant.

Requesting changes to projects

DFID must approve all changes to the project purpose or outputs. A proposal to make a significant change to the purpose of a project will usually necessitate a fuller re-examination of the original DFID grant.

In addition, DFID must approve any changes which would require the movement of more than 10% of the total budget between budget sub-headings (e.g. between budget Sum B and Sum C, rather than between individual lines B1 and B2). Please attach an updated logframe and budget when requesting these changes.

To make no-cost extensions, you must approach DFID in writing at least a month before the end of the project, justifying why the extension is required, and providing a new project completion date. You may be asked for additional information such as a progress report and an up-to-date financial statement.

For cost extensions, you must provide a progress report. You may be asked for additional information such as a summary of the initial programme, an up-to-date financial statement or progress to date against the logframe.

Unspent funds

If you receive up-front funding and have any unspent DFID funds at the end of the project you must notify DFID and return these. The process for returning funds is set out in your Accountable Grant Letter.