



SAKCHYAM ACCESS TO FINANCE



Sakchyam Challenge Fund

Enabling Financial
Transformation Window
Full Application Information
Pack

January 2016



Louis Berger

In Collaboration with



Monetics
SOLUTION SERVICES EXPERTS



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Summary Sheet: Enabling Financial Transformation Window

1	Name	Sakchyam Challenge Fund – Enabling Financial Transformation Window
2	Objective	<ul style="list-style-type: none"> • Replication and upscaling of potential transformational projects from the Sakchyam Programme Year 1 initiatives. • Engage different types of financial service providers, e.g. BFIs, insurance, remittance companies and technology service providers to develop and introduce new and innovative delivery channels and financial products and services. • Introduce mobile financial services platforms for nationwide coverage as well as related omnipresent agent and merchant networks for product and services rollout. • Introduce new value chain financing models and replicate the existing value chain financing models to new industries/geographies. • Introduce innovative and embedded financial education /literacy products and services (preferably technology based)
3	Districts of implementation	Bidders are encouraged to develop projects that have potential to be implemented in all the districts of Nepal including key pockets of poverty across Nepal.
4	Size of grants available	\$ 500,000.00 to \$ 2,500,000 with matching contribution from bidder.
5	Projects eligible for funding	<p>Only large scale, transformational and future oriented projects will be eligible for receiving funding from Sakchyam Challenge Fund under this window. Total project cost would be in excess of \$1,000,000 with no upper ceiling. In order to qualify for further consideration, projects should demonstrate the following:</p> <ul style="list-style-type: none"> • Innovative, efficient and sustainable ways to deliver financial services for the unbanked or underbanked low income, poor and disadvantaged people • Transformational and game changing product; services and delivery channel platforms • Practical projects with outstanding outputs and impacts • Technology enabled projects that promise high outreach • Projects that are likely to take longer period to be fully implemented without grant support <p>Sakchyam will issue specific Request for Proposals for the design and implementation of financial services that address priority financial sector development needs in Nepal. Bidders can submit full application that addresses the above five areas. However, Sakchyam sees the following financial products/services to be the main area for financial transformation in Nepal:</p> <ul style="list-style-type: none"> • Mobile Financial Services Platform and Products • Payment Systems • Value Chain Financing • Remittance based savings and lending products • G2P, P2G and other payments • Technology based, embedded, widespread financial literacy programmes

6	Funding Conditions	<p>All the projects proposed for S-CF grant funding, should adhere to the following funding principles:</p> <ol style="list-style-type: none"> a. <i>must always have a clear development and an economic rationale:</i> projects should allocate resources to address market failure and/or missing markets; create developmental externalities; and provide financial products and services at an industrial level. b. <i>should demonstrate additionality:</i> the projects should demonstrate highest level of value for money to the S-CF support: they should demonstrate that S-CF support is needed to improve the chance of commercial feasibility; and, they should show clear high levels of financial leverage from the bidders' funds over the funding from S-CF. c. <i>should deliver sustainable development outcomes:</i> they should demonstrate sustainable developmental improvement to lives of poor people in remote and rural areas projects beyond S-CF support. d. <i>should minimise market distortions:</i> the amount of support sought from S-CF should be linked to the level of market failure being addressed as well as the level of developmental outcomes such as improvement in service efficiency and quality, level of outreach targets, and remoteness. e. <i>should make a credible contribution to achieving systematic market impact:</i> projects should aim to transform the market system by creating a market wide impact and the market innovation should be transferable and replicable f. <i>should align incentives with commercial partners: project should also aim at creating social returns to the beneficiaries, industry and other stakeholders.</i> g. <i>desired results/ output as a direct outcome of this partnership must relate to, and be aligned with the anticipated results under DFID's "Access to Finance Programme" logframe.</i>
7	Entities eligible to apply	<p>Private sector entities registered anywhere in Nepal with demonstrated experience in financial services and/or technology enablers that are in satisfactory financial health. Bidders are highly encouraged to collaborate and form partnerships with national and international champions of the innovative financial services and value chain actors.</p>
8	Application process	<p>Bidders should submit detailed full applications which address one of the priority products or services proposed in the RFPs. The full application must be made on official S-CF forms, available from the Sakchyam Programme office and Sakchyam website (www.sakchyam.com.np). All Bids must be submitted electronically. Bidders will be asked to make a presentation of their application</p>

		to Sakcham, before it is submitted to the Independent Assessment Panel (IAP) for approval.
9	Assessment Process/ Oversight	<p>An independent assessment panel drawn from a pool of independent experts will review and approve applications. These experts have been selected by the Sakcham Leadership Team in consultation with DFID. Experts are respected professionals in the field of technology, finance, business, and economics disciplines based on the nature of the applications received. In the event that the IAP panels have to be replaced under any circumstances, this will be done in consultation and approval from DFID.</p> <p>All IAP members will be invited to review projects under this window. The Full Application submitted by the bidder will also be forwarded to DFID before the date of IAP meeting. After the IAP reviews the Full Application, DFID will be provided a summary of the IAP decisions for a final review and sign off.</p>
10	Ranking Criteria	<p>Full Applications are appraised as to the degree they satisfy the following criteria:</p> <ol style="list-style-type: none"> Number of Beneficiaries reached: Projects should target to provide financial services to the large number of unbanked/underbanked population. Key indicators for this assessment are: <ul style="list-style-type: none"> improved livelihoods and incomes new, innovative products and service widespread coverage specially districts lacking in financial services Sustainability: Projects should demonstrate that it will be commercially sustainable within the period of 3 years and bidders are willing to continue the programme beyond the project period for commercial motive. Key indicators for this assessment are: <ul style="list-style-type: none"> commercial viability of project bidders financial health, capacity and capability to deliver the project governance of the bidder built-in plan indicating how the bidder will achieve sustainability Actors in Value Chain: Bidders should provide a role to all key players in the financial system value chain. Stand-alone systems or modalities benefiting only a few entities should not be proposed. Key indicator for this assessment is: <ul style="list-style-type: none"> capability to integrate various actors in the value chain to benefit from the financial product or service Market Failure/Missing Market: Project should be governed by the principle of Theory of Change to address the Market Failure or Missing Market situation. Key indicators for this assessment are: <ul style="list-style-type: none"> degree to which beneficiaries benefit from addressing the market failure/missing market the level of risk reduction strategies put in place to mitigate programme specific risks Scalability/Speed of Implementation: Bidders should propose the projects with demonstrated success for minimum of 1 year of operation and that can be scaled up to expand to larger geographies. New projects proposed should have completed preliminary studies and bidder should be in a position to start the projects immediately after funding decisions are made. All activities proposed under the project should be easily implemented within a 3 year period. Key indicators for this assessment are: <ul style="list-style-type: none"> Potential to scale up projects

		<ul style="list-style-type: none"> • Clearly established evidence for scale up • Clear implementation plan and schedule <p>6. Additionality/ leverage: Bidders should seek Sakchyam Challenge Fund support as catalyst to unlock large investment from the private sector. Project should demonstrate Value for Money (VfM) for the total investment. Key indicators for this assessment are:</p> <ul style="list-style-type: none"> • extent of new private sector sources mobilised (directly from the bidder, and indirectly) as a result of the project • degree to which the project would only happen with S-CF funds <p>7. Project Governance and Management Structure</p> <ul style="list-style-type: none"> • Quality of Project Management team • Governance structure to oversee large investment projects • Proven experience in managing large projects that involve a large number of participating institutions/entities and beneficiaries
11	Manager	<p>Louis Berger Sakchyam Programme Office, Chundevi Marg, Maharajgunj, Kathmandu, Nepal Tel: 01 4721284/ 4721269/ 4721181; E Mail: fundmanager@sakchyam.com.np</p>

Guidance for Preparation of Full Applications

Your application should be completed using the format of the application form which has the following sections:

1. Details of Applicant
2. Description of Product or Service
3. Contribution to the Objectives of the Sakcham CF
4. Market Need
5. Value Added by Sakcham CF Funding
6. Risk
7. Implementation
8. Future Strategy
9. Financial Information
10. Output Measures

The total length of the application form (sections 1 to 10) must not exceed 15-20 A4 pages and the font (Times New Roman) should be no smaller than 11 point.

You will also need to include appendices with your application form, specifically appendices relating to financial information and projections. You are suggested to use the template provided for completing the Section 9 and 10. However, if you choose to use separate financial model, you should present the financials in the Full Application and separately provide Excel models of the financial information requested. However, financial information must be set out in quarters covering the whole project period, and give a 5 year, but projections for the first three years must be broken down into quarters.

When completing each section, please read the guidance notes and questions carefully. The following "key points to consider" for each section are intended to help you ensure your application has covered the key issues. You should also take into account the feedback you received from the Sakcham Challenge Fund Manager and or the Sakcham Technical Team while drafting the Full Application.

1. Applicant Details

Key Points to Consider

- Is it clear which organisation is taking the lead in submitting the bid and who are the consortium members/partners, if any?
- Have all the members/partners signed a statement confirming their commitment (such statements should be included in the appendices)?
- You will see from the draft Grant Agreement (Contract) attached with this document, please refer to the Sample Contract Section, that the Louis Berger contracts with the lead organisation in any consortium. It will be the responsibility of the applicant to agree with consortium partners any sub-agreements or memorandums of understanding as required.

2. Description of Product or Service

You should describe the purpose and context of the project, the activities involved and the financial product or service proposed.

Key Points to Consider

- Is the purpose of the product/service clear i.e. what is it intended to do?
- Is the innovative nature of the product/service clear from the description provided?
- Are the target group/beneficiaries and/or geographical region of the bid clearly specified (where appropriate)?
- Have you specified the role of the lead organisation and any consortium partners?

3. Contribution to the Objectives of the Sakcham Challenge Fund

You should explain how the project will help achieve the objectives of the Sakcham Challenge Fund. The Summary Sheet section of this document, outlines the key indicators by which the project will be measured, and your application should address these indicators where appropriate to your project.

The specific performance measures against which the progress and impact of the project will be measured should be included in Section 10, Output Measures. You should explain how these specific performance measures are able to assess the contribution of the project to the objectives of the Sakcham Challenge Fund. If baseline data is not available or is not complete you should explain how it would be obtained.

Key Points to Consider

- To what extent does the product/service meet the objectives of Sakcham Challenge Fund
- Is the relationship between the overall objectives, baselines, main activities and desired outcomes clear and sensible? Do the proposed key elements or activities described in the bid represent an appropriate way of achieving the objectives?
- If baselines are not provided or are incomplete, are there satisfactory plans for providing or completing them as soon as possible?

4. Market Need

You should set out the weaknesses in the current market that the project will address, and demonstrate that there is a demand for the proposed product or service, and that the target beneficiary is willing to pay a commercial price for the proposed product or service.

Key Points to Consider

- Is the market clearly identified?
- Are the proposed beneficiaries and others with an interest in the product or service (e.g.: local businesses, women and girls, youth, poor, or marginalised groups (ethnic minorities), effectively involved in the project?
- Does the project target a specific district(s) and/or group? Is the district a priority district? What other districts are covered? Is the target group clearly defined?

5. Value Added by Sakcham Challenge Fund Funding

You should provide a detailed explanation as to why Sakcham Challenge Fund support is necessary for this project.

Key Points to Consider

- Does the product/service maximise the contribution of the private sector to the extent possible for this type of group targeted?
- Is it clear that the project would not go ahead without Challenge Fund support?
- Does the project maximise non-financial leverage generated from other sources such as the private sector, NGO and other donor activity?
- Are resources being mobilised that were previously not allocated to financial services in the target district(s)?
- Are links between commercial banks, financial institutions and other related value chain actors in the district(s) strengthened and skills and capability transferred?

6. Risk

You should set out the reasons why you believe the project is a robust one and can adapt to changing circumstances.

Key Points to Consider

- Are risks realistically identified? Are there contingency plans for dealing with them?
- Is the nature and extent of the commitment of partners clear and in line with the purpose of the project? For example, have they confirmed that they can make available the financial and other resources implied by the bid within the constraints of their own likely resources? Are the resources proposed the subject of current or likely future bids to other support schemes?
- Is the private sector financial commitment secured as far as possible?

- Is the funding profile realistic? Does it accurately reflect the type of activities that the project intends to support?
- Is the product/service deliverable in the time scale envisaged?
- If there are substantial risks, are they justified by potentially high outputs or outcomes?
- How dependent is the product/service on factors outside your control (and partners) such as: major investment decision, statutory consents, or non-financial contribution by a third party?
- Are any significant statutory or other consent that may be required, identified with a timetable for securing them? Are there contingency plans in case these consents are not forthcoming?
- Is there scope for adapting the product/service and what would be the wider impact?

7. Implementation

You should describe your detailed 5 year implementation and action plan, setting out how the project will be managed, and giving details on timescales and milestones. Information such as CVs of key people, organisation structure, any additional capacity building you may need to implement the proposed project and a detailed work plan should be included within the Appendices.

Key Points to Consider

- Who does what and when? Are all those with legitimate interests represented in the consortium?
- Is the role and contribution of the members/partners clearly defined in terms of financial, non-financial personnel time, support services?
- Will you need internal capacity building to manage this project effectively and to sustain it? Such as amending existing manuals/policies and governance; migration to global standards; use of technology and MIS; financial product design; Financial literacy rollout etc
- Will the structure and financial management systems and procedures make for clear and effective decision making?
- What are the arrangements for monitoring process?

8. Future Strategy

You should describe your strategy after Challenge Fund support comes to an end.

Key Points to Consider

- You should explain how the product or service would be financed after Challenge Fund support stops.
- Is this a realistic and economically/financially viable strategy?
- Have those described as taking on responsibilities after Challenge Fund support ceases, agreed to do so?

9. Financial Information

The financial information required splits into two types:

- breakdown of the sources of funding for the project and
- how this funding will be spent during the course of the project

Further, 5 year financial projections (cash-flow, profit and loss and projected balance sheet) setting out how the project will develop should include income that arises as a result of the project.

It is important to understand the following when completing the breakdown of funding and expenditure, and the projections.

Key Points to Consider

- Do the financial forecasts detail how much is needed, when and from whom?
- Are all the assumptions underlying the financial projections fully explained?
- Have contributions "in kind" been given a financial value and is it clear which elements of the projections that are "in kind"?
- What aspects of the project/service will the Sakcham Challenge Fund finance be specifically used for?
- Include an allowance of 3.0% for monitoring & evaluation of the programme to be shared equally between yourself and Sakcham
- Any Institutional capacity building costs for your institution such as business plan preparation, manual preparation and updating, new product design, introducing technology etc. (please estimate the cost and put in the budget)?

Sakcham Challenge Fund suggests you use the template provided under Section 9 of the Full Application Format for preparing the programme budget and projected financial statements. The template contains four worksheets. You should ONLY populate the "Working Document" with your figures for your inputs to the programme.

Once you complete the “Working Document”, programme budget and project financial statements will be automatically populated. Please check for the correct linking to the “Project Budget” and “Financials” worksheets.

In case you wish to use different approach than suggested, please summarise the programme budget expenditure items as per the “Project Budget” sheet and provide us a copy of the working along with the projected financials for 5 years.

10. Specific Output Measures

This is a key section that quantifies certain measures that will tell you and the Challenge Fund that the project being funded is achieving its objectives and having socio-economic impact on the target group and financial services that have been predicted. It is therefore very important that you define these measures carefully, quantify them accurately and assess realistically what you will achieve over the life of the project. The Sakcham Programme will be using these measures to assess the performance and impact of the project after it has been completed.

Key Points to Consider

- It is necessary to define the current position in relation to each of the measures as they relate to the target group. These measures establish the position at the commencement of the project.
- You need to predict the position of each of the measures at the end of each year till end of the project. The end of the project may be the end of the funding period or a time beyond that period when the project is fully implemented or operational, but should not exceed five years. If you wish to present the measures in this manner, you will need to specify the results at the end of the funding period and the end of the project separately.
- The measures of performance recorded in the table will be those arising from services provided to the targeted group in the application. (This could include, for example, particular districts and its communities; a particular group of people such as women, girls, and youth or other disadvantaged groups; or particular businesses, e.g. new agri-businesses, or improved business activity.) In some cases a supported service may benefit people outside the target group or district. The benefits accruing to those in the target group and others should be clearly and separately identified and be capable of comparison.
- Experience often shows it can be difficult to reach the entire target group during the lifetime of a project. Measures of achievement therefore need to be realistic.
- Please consider the costs of the monitoring and evaluation needed to quantify the impact of the project, and include a budget line item, which could be 3% of the total project costs (of which Sakcham Challenge Fund will contribute 1.5%)
- A separate excel document, “Section 10 Final (Data Table)”, is attached at the end of Full Application Format (word version) shared to you by the fund manager. Please update the excel template for updating measures of performance under Section 10. In case the defined fields (rows/columns) are not sufficient to your products/services, please you are advised to add them using insert option and make sure that you have added all the fields applicable. For example to add filed details (rows) for a new product, you need to add all rows including Total Number



of Beneficiaries; Poor Beneficiaries; Women Beneficiaries; Youth Beneficiaries (18-39 years); Dalit, Janajati, Madhesi, Muslim Beneficiaries; Amount Investment/Lend (NPR); Mobilisation of Savings (NPR); Other (please mention) in a same order as defined in the template. Similarly the column definition would be Product Name, Disaggregation by (Number and Value), Position at the end of Year 1, Position at the end of Year 2, Position at the end of Year 3 and Position at the end of Project (Cumulative).

Sakcham's Gender Equality and Social Inclusion Strategy in brief

The UK aid funded Sakcham Access to Finance programme (Sakcham) recognises that mainstreaming Gender Equality and Social Inclusion (GESI) is a key component of the Programme and guides all of the Programme's outputs. Sakcham's GESI strategy guides partners towards developing GESI sensitive tools, frameworks and guidelines. It helps mainstream GESI in new products and services to increase the outreach to GESI target groups. The interventions will support partners in minimising discrimination, boost socio-economic development and ultimately contribute to poverty alleviation. Sakcham applies an affirmative participatory approach through GESI-committed partners to address the causes of financial exclusion of the rural poor, Disadvantaged Groups (DAGs), women and youth. The GESI approach examines institutions, policies, and socio-cultural norms that hinder women's and DAGs' ability to access financial products, and establishes a comprehensive set of activities and programmes aimed at breaking down these barriers.

Key Target Groups and Mainstreaming Strategy:

Key target groups	Mainstreaming Strategy
Rural poor	<p>Key emphasis on the extremely poor (illiterate, landless and populations that live under 1.25 USD per day).</p> <p>Financial literacy programmes for the rural poor in different languages.</p> <p>Access to financial services that further enable income generating activities</p> <p>Priority in mountain districts of Far-west and Mid-west (with a higher HPI).</p>
Disadvantaged Groups (DAGs): Dalit, Janjati, Muslim, Madhesi	<p>Focus on the "endangered" & "highly marginalized" groups.</p> <p>Focus on DAGs residing in specific areas, for example:</p> <p>Rana Tharu in Kanchanpur;</p> <p>Tharu in Kailali, Bardiya, Banke and Dang;</p> <p>Muslims in Banke;</p> <p>Raji in Bardiya, Kailali and Surkhet;</p> <p>Haliya, Badi, and Dalit in Dang, Dadeldhura, Baitadi, Darchula, Bajhang, Achham, Bajura and in districts of Karnali, Bheri and Rapti zone;</p> <p>Magar in Dang, Rukum, Rolpa, Pyuthan and Salyan; and,</p> <p>Madhesi in Kailali, Bardiya, Banke and Dang.</p> <p>Targeted partnerships with specific organizations working with DAGs.</p>
Women	<p>50 percent of programme beneficiaries are women.</p> <p>Targeted support for women-owned SMEs and Cooperatives.</p> <p>Special focus on women from DAGs and the rural poor groups.</p> <p>Piloting and implementation of specialized financial products for women in Sakcham programme districts.</p>
Youth	<p>Partnership with specific organizations working with Youth Entrepreneurship loan products.</p> <p>Entrepreneurship loans for under and unemployed youth (age group 18-39)</p>



Sakcham encourages its partners/potential partners to design target group specific products and services including credit /loan products, savings programmes, business start-up grants, innovative financial instruments etc to expand economic opportunities for women and the DAGs. Sakcham has focused on the value chain financing through identifying the barriers of GESI target groups and the institutional capacity of implementing partners to address those barriers. Women and DAGs entrepreneurs need more fixed and working capital, marketing, production and finance knowledge, and managerial skills. Sakcham key emphasis towards economic empowerment and changing gender relations by enhancing women performance and quality of their products and market linkages and reduce work time of women at both household and community level.

Progress on gender mainstreaming and social inclusion will require data maintaining system which includes data disaggregated by sex, caste, and ethnicity including minority groups. GESI data will be collected and analysed during the preparation of quarterly and annual reports. Greater emphasis has been placed on ensuring adequate monitoring and reporting to systematically track progress towards GESI project outputs and to capture Sakcham's contribution to the government's inclusion strategy goals.

Monitoring and Evaluation Strategy

The success of Sakcham Access to Finance Programme is measured on the social and economic impact produced by the Programme's various interventions. The overarching goal of the Programme is "sustainable improvements in the livelihoods of poor people". Sakcham Programme intends to create 88,000 new jobs (50% for women) or new job equivalent to income increase. It helps BFIs to extend new access (financial products/services) to 400,000 people (50% women) of which 50,000 will be using mobile phone banking, and improved access to 8000 SMEs through Challenge Fund (CF) support and technical assistance. It also enhance the financial capabilities of 300,000 households through financial education, and leverages ₹54,000,000 private investment in the productive sector, offering new financial products and services for MSMEs and households in its priority districts. The Sakcham Programme is adopting a result-based participatory monitoring approach to track progress. It's M&E work plan including following strategies:

Results-based M&E System: It comprises standard reporting formats with project specific result indicators for quarterly reporting on both qualitative and quantitative aspects by partner. Partner institutions (PIs) need to submit quarterly reports consisting both qualitative and quantitative information, and a project completion report at the end of the project. PI should have a functional MIS (Management Information System) for maintaining disaggregated data to meet reporting requirements.

- **Coverage** - districts, municipalities and VDCs reached
- **Beneficiaries** - number of beneficiaries of financial services - savings, loans (number and amount), insurance and remittance disaggregated by geographic inclusion - district, VDC, Municipality; social inclusion – poor (people living US\$ < 1.25), women, youth (aged 18-39), and DAGs (*Dalits, Janjatis, Muslims and Madhes*)
- **Products/services** - number of existing products/services targeted to MSMEs (Micro-enterprise - enterprise with up to Rs. 2,00,000/- fixed assets investment, early financial transaction is less than Rs. 20,00,000/-, including the owner up to nine people employed and if engine equipment used up to 10 KW engine powered (electrical or gasoline); Small – up to Rs. 5,00,00,000/- investment in fixed assets; and Medium – more than Rs 3,00,00,000/- up to Rs. 10,00,00,000/- fixed assets) and households
- **Financial literacy** - number of events, men and women provided financial literacy
- **New products/services** - number of new product/serviced developed, piloted and rolled out targeted to women and women run MSMEs
- **Mobile phone banking** - number of customers(male and female) using mobile phone banking in Sakcham Programme districts
- **Leveraged fund/investment** - number and amount of loan investment in productive sector – in MSMEs (men and women run) and individuals/ households beneficiaries (male/female)
- **Income increment-** amount of income increment of men and women beneficiaries (MSMEs and households) as a result of the particular project intervention
- **New jobs created** - number of new jobs created for men and women or job equivalent (NPR 40,000 additional income is equivalent to one job creation) and direct job created in PI and MSMEs.

Establish M&E Baseline for Evaluation: Sakcham will establish its own M&E baseline for impact evaluation conducting a baseline survey of sample households, MSMEs, and financial institutions. Similarly, the baseline data of the PI will be the reference points for monitoring and reporting. So the partner institution is responsible for establishing project specific baseline data for monitoring/ evaluation, and provide (report) to Sakcham. Programme evaluation (mid-term and final) will be conducted to measure the overall impact or socio-economic changes brought due to Programme interventions. Challenge Fund supported projects of a partner institution will be subjected for evaluated as per need.



Participatory M&E: Project will be monitored both by PI and Sakchyam. Sakchyam will carry out a both on-site and off-site monitoring. PI is responsible to allocate required budget (minimum 3 % of total project budget but can be ranged up to 10 %) for M&E including a dedicated staff as M&E focal person. An orientation/training on monitoring and reporting will be provided to the PI (M&E Focal Person and relevant staff). PI is responsible to maintain functional MIS for maintaining disaggregated data and reporting. A quarterly joint review(s) with PIs will be organized to address issues, share and document lessons, followed by an annual review with key stakeholders in the fourth quarter. PIs are encouraged to conduct action research, case studies, and evaluation of projects to derive in-depth knowledge on innovations and take stock for future expansion. Programme will conduct such studies as per need.



Full Application Format

Word document attached



AFPCF Grant Agreement

Project Title:

Project Number:

Start date (month/year):

End date (month/year):

1 Agreement is made between the DFID funded Access to Finance for the Poor Programme in Nepal, through its managing consultant, The Louis Berger Group, Inc., (Louis Berger) with its headquarters at 412 Mount Kemble Avenue, Morristown, New Jersey 07962-1946, U.S.A and [Approved Grantee] of (full postal address and registered address if different).

1.a Grantee Information

Full Legal Name of Grantee	
Legal Entity Type (e.g. individual, company type, partnership, etc)	
Trading or Business Name	
Country Registration Number	
Registered Office	
Relevant Business Address	
Telephone	
Fax	
Email	
Grantee's Representative Name	
Grantee's Nominated Bank	
Nominated Bank Account Number	
SWIFT	

1.b The following definitions apply throughout the Agreement:

Accounting Instructions	The instructions contained in Annex A of this Agreement
Agreement	This contract together with all annexes hereto
Application	The document submitted by the Organisation annexed hereto as Annex C and all appendices thereto including any variations thereto agreed to in writing by all parties to this Agreement
Consortium	The Organisation and the Organisation's partners as specified in the Application
AFPCF	Access to Finance for the Poor Challenge Fund providing DFID funds under this Agreement
DFID	UK Department for International Development



Louis Berger	The Louis Berger Group, Inc. Managing Consultant to DFID's Access to Finance for Poor Programme
Financial Year	1 April to 31 March
Grant	The total amount of DFID AFPCF funds allocated and provided by Louis Berger to the Organisation under this Agreement for the purpose of implementing the Project
Matching Funds	The total amount of money and other resources to be provided by the Organisation and the Organisation's Consortium partners under this Agreement for the purpose of implementing the Project, as detailed in Annex C
Organisation	The entity that receives the Grant under this Agreement for the purpose of implementing the Project
Project	The activities/work-plan and budgeted expenditure described in Annex C of this Agreement that the Organisation is required to implement and which are financed by the Grant and the Matching Funds

2 Access to Finance for the Poor Challenge Fund (AFPCF) Programme, as managed by Louis Berger under contract with DFID, hereby agrees to pay a Grant in a total amount not exceeding Nepalese Rupees xxxxxx to xxxxxx over period of x years in support of the Project described in Annex C.

Duration of the Agreement

3 This Agreement shall remain in effect from (...2015) and expires on the date set down in Annex B for submission of the Project Post Completion Report unless terminated earlier in accordance with the provisions of the Agreement.

Funding Under the Agreement

4 The total funding under the Grant is not exceeding Nepalese Rupees

This will be allocated in quarterly allocations between the financial years as follows:

Year 1	(April 2015/March 2016)
Year 2	(April 2016/March 2017)
Year 3	(April 2017/March 2018)
Year 4	(April 2018/March 2019)

The allocation of Grant between financial years may be renegotiated by the Organisation with Access to finance for the Poor Programme during the course of the Project subject to written agreement on the part of Access to finance for the Poor Programme, which agreement shall be an attachment to this Agreement.



Payment of Grant Funds

- 5 AFPCF, as managed by Louis Berger, will make disbursements of the Grant at quarterly intervals in arrears unless provided in advance as under clause 6 of this Agreement.
- 6 Disbursement of the Grant shall be made in advance at quarterly intervals. As AFPCF procedures requires that funds are not release in advance of need, the Organisation must provide written justification for every advance payment requested for this Project. If Access to Finance for the Poor Programme approves the request in writing, advance payments must be utilised by the Project within a reasonable time, as defined in Annex A to this Agreement.
- 7 The Grant is to be used only in respect of the implementation of the Project detailed in the Application submitted by the xxxxx which is attached as Annex C, together with any subsequent amendments which have been agreed in writing by Access to Finance for the Poor Programme and the Organisation and which will also be incorporated into this Agreement, attached to and will form part of Annex C. For the avoidance of doubt, implementation of the Project requires the Organisation to carry out the work-plan and project activities and utilise the Grant and Matching Funds subject to Nepal Rastra Bank's (NRB) approval and conditions imposed by the NRB, if any, in the manner and precisely in accordance with the detailed Project Budget set out in Annex C.
- 8 It is a condition of the AFPCF that the Matching Funds detailed in Annex C and amounting to the equivalent of Nepalese Rupees xxxxx are identified and available for utilisation on the part of the Organisation prior to the commencement of each Financial Year. In signing this Agreement, the Organisation warrants that these Matching Funds:
 - a) Are identified and available for utilisation for each of the financial years during which the Grant shall be utilised for the Project;
 - b) will be used first before using Grant Funds;
 - c) are free funds unencumbered by any obligation to any third party to repay;
 - d) are unconditionally committed to the Project subject to any conditions approved by AFPCF;
 - e) are not derived from funds paid by DFID to another organisation; and
 - f) not derived from other sources of Government of Great Britain funding (which includes British High Commissions and Embassies).
- 9 The Organisation is obliged to report in writing any difficulties that may materialise with Matching Funds to AFPCF immediately to Access to finance for the Poor Programme.
- 10 The Organisation agrees to observe, perform and comply with the Accounting and Reporting Instructions which apply to this Grant and which are set out in Annexes A and B respectively.
- 11 Access to finance for the Poor Programme must receive the Organisation's written acceptance of the Accounting Instructions set out in Annex B before any quarterly portion of the Grant will be paid.

Conditions of the Grant

- 12 The Grant is made subject to the following conditions:
- (a) that the Organisation will comply with all requirements contained in this Agreement and the accompanying Annexes including the implementation of the Project as set out in Annex C of this Agreement;
 - (b) that the Organisation will allow Louis Berger, Access to Finance for the Poor Programme and its agents and DFID or its representatives (such as the UK National Audit Office) timely and unconditional access to Project sites and to relevant records for the purpose of monitoring and evaluation;
 - (c) that if any circumstances should occur which may impair the developmental value of the Project, Access to finance for the Poor Programme and the Organisation will consult about any actions that may be required. In such circumstances, Access to Finance for the Poor Programme reserves the right to modify or terminate the Grant;
 - (d) that the Grant is specifically given to the Organisation and the Organisation's rights and obligations under this Agreement may not be transferred by the Organisation to a third party without the prior written consent of Access to Finance for the Poor Programme;
 - (e) that the Grant will not be used for any purposes (including the specified expenditure lines) other than those set out in the Project described in Annex C without the express written consent of Access to finance for the Poor Programme/Louis Berger, as management consultant for;
 - (f) that reports will be provided to Access to finance for the Poor Programme as stipulated in Annex B;
 - (g) that Equipment purchased for the Project should remain the unencumbered property of the Organisation, unless prior written permission is provided by Access to Finance for the Poor Programme;
 - (h) that in the event that the funding agency; DFID determines to establish the Access to Finance for the Poor Program as a legal entity or Trust, party to this agreement may be transferred and assigned from Louis Berger to that entity.
 - (i) Add conditions of IAP

Right to Withdraw Grant funds

13 AFPCF through Louis Berger reserves the right to withdraw Grant funding immediately if the Organisation fails to comply with the conditions and requirements set out in this Agreement and its Annexes and in these circumstances may, at its discretion, require the Organisation to return all or any part of the Grant.

Due Diligence

14. In utilising the Grant the Organisation will exercise the same care in the discharge of its functions under this arrangement as it exercises with respect to the administration and management of its own resources and affairs. The Organisation shall co-operate fully with any due diligence assessment by Louis Berger, AFPCF or its agents, of the Organisation own internal controls and systems. These assessments should be completed prior to project implementation and will last for 3 years, unless there is a significant change to the Organisation's procedures and controls or operating environment.

15. Additionally the Organisation shall take the necessary steps at the commencement of the project and at regular intervals throughout the implementation to assess the internal controls and systems of any implementing partners. These assessments will be shared with AFPCF, upon request and should determine, relative to programme risk:
- Reliability and integrity of the Implementing Organisation's financial controls, systems and processes
 - Effectiveness and efficiency of their project operations
 - Procedures for safeguarding project assets, and;
 - Compliance with national legislation, regulation, rules, policies and procedures

Fraud and Corruption

16. Access to finance for the Poor Programme and the Organisation will immediately and without undue delay inform the other participant of any event which interferes or threatens to materially interfere with the successful implementation of the project, whether financed in full or in part by DFID, including credible suspicion of or actual fraud, corruption or any other financial irregularity or impropriety.
17. DFID has an expert fraud investigation unit, that should be contacted in the first instance at fraud@dfid.gov.uk or +44 (0)1355 84 3747 and also inform to the NRB, Bank and Financial Institutions Regulation Department simultaneously. All suspicions will be treated with the upmost confidentiality. In addition, Louis Berger has its own hot-line: +1 877 315 9932 or www.tnwgrc.com/louisberger.
18. Access to finance for the Poor Programme/Louis Berger, DFID and the Organisation **shall** have a zero tolerance approach towards fraud and fraudulent behaviour that may lead to the misuse of funds and agree in principle to recover such funds. The Organisation will, at first, take timely and appropriate action to investigate credible allegations of fraud, however both participants will fully co-operate with investigations into such events, whether led by the Organisation or Access to Finance for the Poor programme.
19. In the event of any credible indications that AFPCF funds may have been subject to fraud, DFID may, at any time during the period of this arrangement and up to five years after the end of the programme, arrange for additional fraud investigations, on-the spot checks and / or inspections to be carried out. These may be carried out by Access to Finance for the Poor programme, or any of its duly authorised representatives.
20. DFID reserves the ability to recover Grant funds that have been subject to a proven fraud and will work with the Organisation to do so. Where fraudulent or unethical activity is alleged, DFID reserve the ability to suspend or terminate funding with immediate effect, in preference to the standard notice period and irrespective of any contractual requirements.

Termination

- 21 Subject to the authorization of DFID, Access to finance for the Poor Programme may terminate this Agreement at any time by giving notice in writing (90 days written notice in advance) to the Organisation. In such an event, the Organisation will be entitled to claim all costs properly and necessarily incurred and paid in connection with the Project prior to the date of termination, together with all costs properly and necessarily committed and paid beyond the date of termination, provided that such commitments are made prior to receipt of the notice of termination. The Organisation shall be obliged to agree the schedule of costs incurred and committed with Access to finance for the Poor Programme before these can be claimed. Only costs to be covered by the grant can be claimed. Those costs to be covered by the Matching Funds are not reclaimable.

22 Access to finance for the Poor Programme may immediately terminate this Agreement and shall be under no obligation to pay all or any part of the Grant and may, at its discretion, require all or any part of the Grant to be repaid if:

- (a) without the prior written consent of Access to finance for the Poor Programme a change is made in the Project which Access to finance for the Poor Programme considers substantial;
- (b) any claim for the Grant is based on misleading information or falsified documentation or is made in respect of costs which have not actually been incurred after the date on which this Agreement was made, and discharged by payment by the Organisation on or before the date of claim;
- (c) the Organisation fails to inform Access to finance for the Poor Programme in writing of any other funding received in relation to the Project to assist towards or otherwise defray the costs of the Project in addition to those already disclosed to Louis Berger;
- (d) the Organisation at any time during the Project goes into liquidation, is dissolved or enters into any arrangements with its creditors;
- (e) the Organisation, without the consent in writing of Access to finance for the Poor Programme, assigns or transfers or causes to be assigned or transferred, whether actually or as a result of a take-over, merger, change of ownership or control, or other change in identity or character of the Organisation, this Agreement or any part, share or interest therein;
- (f) the Project is terminated without having been satisfactorily completed;
- (g) the Organisation either directly or through its servants, agents or sub-contractors commits any material breach of its obligations under this Agreement or the Organisation fails to comply with any terms of this Agreement;
- (h) the Organisation uses the funding for any purpose other than the purposes set down in this Agreement; and
- (i) the Matching Funds become no longer available

23 Any unspent funds remaining at the scheduled end of a project, must be returned to Access to finance for the Poor Programme and AFPCF unless specifically decided between the Organization and Access to finance for the Poor Programme with the approval of DFID, in writing.

Publicity

24 The Organisation agrees to acknowledge DFID's support in its annual report and accounts covering the period of the Project, and in any publicity materials relating to the Project.

25 The Organisation agrees to follow the guidelines with respect to the representation of DFID set out in DFID's leaflet "UK Aid Branding Guidance June 2014)" and attached as Annex D to this Agreement.

26 DFID may refer to the Organisation and/or the Project in its publicity material, but will be sensitive to situations where confidentiality is a particular issue.

Confidentiality

27 The Organisation undertakes not to disclose any information that Access to finance for the Poor Programme/ has specified to the Organisation as confidential, or which ought reasonably to be considered as confidential, without Access to finance for the Poor Programme/ prior written consent.



Indemnity

28 Neither Louis Berger nor DFID will bear no responsibility in respect of any loss or damage incurred by the Organisation or any third party as a result of the Organisation undertaking the Project or as a result of any activity undertaken or investment made as part of the Project. Neither Access to finance for the Poor Programme/Louis Berger nor DFID shall not be responsible for the employment of any person engaged by the Organisation whether as an employee or a consultant in connection with the Project including any costs incurred by the Organisation in terminating the employment or engagement of such person nor shall Access to finance for the Poor Programme/Louis Berger or DFID be responsible for the activities of or injuries to any such person.

29 The Organisation shall defend and indemnify Access to finance for the Poor Programme/Louis Berger and DFID in respect of any claims, loss or damage (including legal costs incurred in defending such claim, loss or damage) made by any party against Access to finance for the Poor Programme/Louis Berger or DFID, including but not limited to any claim made by an employee of the Organisation whether relating to person injury, property damage, redundancy, unfair dismissal or otherwise, arising in connection with the Project.

Intellectual Property Rights

30 All reports, software, documentation and other materials prepared by the Organisation that are funded by this agreement and/or for the purposes of the Project ("the Project Materials") and the intellectual property rights therein shall be the property of the Organisation.

- a. The Organisation hereby grants to DFID a world-wide, non-exclusive, irrevocable, Royalty-free licence to Use the Project Materials and any intellectual property rights therein.
- b. For the purpose of this clause 22, "Use" shall mean the use, reproduction, publication and transfer of or other dealing with the Project Materials and the intellectual property rights therein, including the production and sale of products incorporating the same for use by any person or entity in the Project Materials or for sale or other dealing anywhere in the world.
- c. DFID shall be entitled to sub-licence any intellectual property rights in the Project Materials licensed to it under the Clause 22 to any person or entity on any terms DFID thinks fit.
- d. DFID shall be entitled to enforce the provisions of this clause 22 in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

Entire Agreement

31 This Agreement includes the entire understanding of the parties with respect to the subject matter hereof and all prior agreements with respect to such subject matter have been merged in it. No representations or warranties have been made other than those expressly provided for in this Agreement.

Applicable Law

32 The construction, validity and performance of this Agreement shall be governed in all respects by the laws of England.

Disputes and Arbitration

33 The parties agree to use their best efforts to settle amicably all disputes arising out of or in connection with the Agreement and the interpretation thereof.



34 In the event that a dispute arises between Access to Finance for the Poor Programme/ Louis Berger and the Organisation that cannot be settled amicably and by agreement between the parties, the dispute shall be referred to arbitration by a single arbitrator to be appointed by the parties. In the absence of agreement on the appointment, the arbitrator shall be nominated by the President of the Law Society for the time being, of England and Wales.

Acknowledgement

35 The Organisation should confirm its acceptance of the terms and conditions of this Agreement (including Annexes) by signing both copies and returning one to Access to Finance for the Poor Programme/Louis Berger within 30 days from the date of this Agreement set out in clause 3 above.

For and on behalf of Access to Finance for the Poor Programme

Name: _____

Position: _____

Signature: _____

Date: _____

For and on behalf of the (name of Organisation)

Name:

Position:

Organisation

Signature: _____

Date: _____



Attachments

Annex A	Accounting and Payment Terms and Conditions
Annex B	Reporting Instructions
Annex C	Application and updates to the application (letters of clarification, updated budgets and disbursement requirements, updated implementation plans)
Annex D	Corporate Identity and Publications Guidelines (DFID)



Annex A – Accounting and Payment Instructions

Financial Instructions

How to Claim the Grant

A-1 Claims for reimbursement of expenditure or payment of advance funding should be sent to (Name and Address of Louis Berger or its agent), using the format specified in the attached Expenditure Claim Form.

Currency to be used

A-2 The claim and any accompanying statements of expenditure must be in Nepalese Rupees.

Statement of Accounts

Payment in Arrears

A-3 The Organisation's request for payment must be accompanied by a statement of account as set out in the Expenditure Claim Form. The statement must present a detailed account of total actual Project expenditure the Organisation incurred during the quarter in question. It should also show any advance paid for that period. Any shortfall or surplus to be carried forward into the next quarter should be clearly identified.

A-4 For the final quarter of each financial year ending **31 March**, the Organisation **must** submit the claim by **20 March** to allow Louis Berger to issue payments by **31 March**.

Payment in Advance

A-5 For all payments in advance, a statement of total estimated Project costs must accompany the Organisation's request for that quarter as set out in the Expenditure Claim Form. For requests for payment in advance for the first and second quarters of the Project implementation period **only**, there will be no requirement to submit a statement of account showing actual expenditure incurred by the Organisation and its Consortium partners. However, for requests for payment in advance for the third and subsequent quarters, each request **must** be accompanied by a statement of account showing a detailed breakdown of the actual expenditure the Organisation and its Consortium partners have incurred during the last but one quarter. This statement of account should also show any advance paid for the last but one quarter and the last quarter. Any shortfall or surplus from the last but one quarter and any anticipated shortfall or surplus from the last quarter should be clearly identified and taken into account when calculating the advance payment. For example, if the Organisation makes a request for payment in advance for the third quarter, it will be required to provide a statement of account showing a detailed breakdown of the actual expenditure the Organisation and its Consortium partners incurred during the first quarter in addition to the statement of total estimated Project costs for the third quarter. If there were payments in advance for the first and second quarters, any surplus or shortfall from the first quarter and any anticipated surplus or shortfall from the second quarter should be clearly identified and taken into account in calculating the advance payment for the third quarter. For the final quarter of each year actual expenditure must be accounted for by 30 April (see A-8).

Certification

A-6 A responsible full time senior management officer of the Organisation as designated by the Organisation must certify each statement using the following wording:

"I certify that all the amounts detailed above have been actually and necessarily expended under the Grant, in accordance with the terms and conditions outlined in the accounting instructions; and matching funding have been secured for this period."



If an advance payment is requested the following should also be included:

"..... and, the estimated figures are a realistic forecast of the payments likely to be made to the end of the current period."

Name _____

Designation _____

Signature _____

Date _____

A-7 Statements so certified will be accepted as a proper discharge for the moneys provided from the Grant and documentary evidence of the various payments made by the Organisation will not normally be required. However, the Organisation and its consortium partners shall keep all such documentary evidence and Access to Finance for the Poor Programme reserves the right to call for and examine such evidence.

ALL STATEMENTS MUST BE IN AN ORIGINAL FORMAT (FAXED OR COPIED DOCUMENTS WILL NOT BE ACCEPTED)

End of Financial Year

A-8 At the end of each financial year on 31 March, the actual expenditure to the latest date consistent with submitting a claim by 20 March (c.f. paragraph A-4) must be accounted for by 30 April (if the Organisation has any problems, it should contact Louis Berger or its agent). Any funds unaccounted for will be deducted from the next Financial Year's Grant.

A-9 If the Organisation has not accounted for all Grant funds at the **end of the Project**, Louis Berger can ask for the Organisation to reimburse the unaccounted portion.

Balances

A-10 Any unspent balance at 31 March will be deducted from the first claim in the new Financial Year and be regarded as a claim on the next Financial Year's Grant.

A-11 Any unspent balance from the Grant on **completion** of the Project must be refunded to Louis Berger, **unless otherwise agreed in writing by Louis Berger**.

Annual Audited Accounts

A-12 The Organisation must submit its annual audited accounts for each of the Financial Years covered by the Grant. If a separate entity has been established to implement the Project, the entity must submit its annual audited accounts for each of the Financial Years covered by the Grant.

A-13 These accounts should show the **Grant and the Matching Funds** as separate items of income, and should bear a certificate signed by the Organisation's auditor to the effect that the Grant was expended in



accordance with the terms of this Grant Agreement. Two copies should be submitted, each bearing original signatures.

A-14 If it is not possible to show the Project as a separate item in the accounts, two signed copies of the annual audited accounts, prepared as above, should be submitted along with an auditor's certificate confirming the total income and expenditure in respect of the **Grant and Matching Funds**.

A-15 Annual audited accounts and, if not included within the annual audited accounts, the auditor's certificate confirming total income and expenditure in respect of the Grant and Matching Funds, should be submitted within four (4) months of the end of the Financial year of the Organisation to Louis Berger. Where this is not the same as the AFPCF Financial Year (April to March), an auditor's certificate confirming total income and expenditure in respect of the Grant and Matching Funds must be completed for both periods.

A-16 The Organisation and its Consortium partners are solely responsible for all audit costs associated with the Project. Louis Berger and its agents have no liability in this regard nor can the costs of audit be met from the Grant.

A-17 The Organisation must keep proper and accurate accounts of all expenditure incurred in connection with the Project and preserve such accounts for a period of six (6) years from the completion of the Project.

Audit Inspection

A-18 The UK National Audit Office, DFID's own Internal Audit Department and Louis Berger reserve the right at any time to inspect the books and accounts relating to the Project. In addition the UK National Audit Office may carry out examinations into the economy, efficiency and effectiveness with which the Organisation has used its resources in discharging its functions under the AFPCF.

Repayment of Funds

A-19 The whole or part of any funds disbursed under the Grant shall be repaid on the demand of Access to Finance for the Poor Programme/Louis Berger if the Audited Accounts show to the satisfaction of Access to Finance for the Poor Programme/Louis Berger, that funds given in the Grant have been directly or indirectly misapplied or misappropriated by the Organisation and its Consortium partners or agents employed by the Organisation and its Consortium partners.

Equipment

A-20 An inventory of all equipment costing the equivalent [Pounds Sterling 500] or more at the time of purchase and wholly or partly funded by the Grant or those under this threshold but termed attractive goods (i.e. electronic goods) should be maintained and provided to Louis Berger if required. Entries of the inventory must include the following:

- (a) description,
- (b) specific identification (e.g. serial number),
- (c) date of purchase,
- (d) original value (including VAT if paid),
- (e) location and/or user, and
- (f) person responsible.

A-21 Equipment must remain the unencumbered property of the Organisation and be allocated to the Project and should not be changed, replaced or otherwise disposed of during the period of this Agreement without the prior written agreement of Access to Finance for the Poor Programme.



A-22 Payment will be made direct to the Organisation's bank account using automated electronic transfer. This system is quicker and safer than issuing cheques. Payments can only be made into a bank account bearing the Organisation's name and which requires more than one signatory duly authorised for every withdrawal. Details of the Organisation's Bank Account Name, Bank Account Number and sort code are set out below. If during the lifetime of the Project, any of these details are modified, any changes should be confirmed in writing to Access to Finance for the Poor Programme by a duly authorised representative of the Organisation. A separate notification of the amounts credited by Louis Berger to the account will be issued to the Organisation each time a payment is made.

I confirm that I fully understand and accept the conditions stipulated in this Agreement.

I also confirm:

- (a) the (name of Organisation) financial year ends on _____
- (b) the (name of Organisation) reporting year for the Project is from _____ to _____
- (c) Name of Organisation
- (d) Postal address of Organisation
- (e) Bank Account Name
- (f) Bank Account Number
- (g) Name and Postal Address of the Organisation's Bank
- (h) IBAN/SWIFT Code of the Organisation's Bank
- (i) Organisation's banker's preferred corresponding bank in [UK/US] and its SWIFT code

Signed

Name in BLOCK letters

Position

Organisation

Date



Expenditure Claim Form

Sakchyam CF Quarterly Expenditure Claim Form

Organisation:
 Vendor ID: Address:
 Project Name: Project Number:
 Project Start Date (Month):
 Current Project Year (PY) Number (1 to 3): Claim for Project Quarter (PQ) Number (1 to 12) :
 Project Quarter Start Date: Project Quarter End Date:
 Expenses incurred during this quarter are being claimed in advance or in arrears?:

Budget Headings	A. Total Programme Budget			B. Cumulative Programme Budget (for the request quarter)			C. Actual Cost charged to the Project (Cumulative)			Actual Expenditure position Compared to Budget
	Approved Sakhyam Contribution	Approved Partner Contribution	Total Budget	Total Expenditure Budget	Budgeted Contribution by Partner	Budgeted Contribution from Sakhyam	Total Expenditure	Actual Contribution by Partner	Actual costs paid from Sakhyam Grant	
Human Resource Costs	-	-	-	-	-	-	-	-	-	-
Other Operating Costs	-	-	-	-	-	-	-	-	-	-
Project Specific Costs	-	-	-	-	-	-	-	-	-	-
Investment in Assets	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

Budget Headings	D. Planned Expenditure for the grant requested quarter (s)			E. Total Budget for the grant requested quarter (s)		F. Claim for Sakchyam's Contribution		G. Requested Claim		
	Total Expenditure	Planned Contribution by Partner	Planned Sakhyam Contribution	Bidder's Contribution	Sakhyam Contribution	Grant already Claimed from Sakhyam	Grant Claim for earlier quarter(s)	Advance Claim for the request Quarter (s)	Foreign Exchange Adjustment	Total Claim Amount
Human Resource Costs	-	-	-	-	-	-	-	-	-	-
Other Operating Costs	-	-	-	-	-	-	-	-	-	-
Project Specific Costs	-	-	-	-	-	-	-	-	-	-
Investment in Assets	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

Claim in USD

I certify that the actual expenditure detailed above has been actually and necessarily incurred on the Project as specified in our application and agreed by Louis Berger. I further certify that the estimated expenditure for the current quarter detailed above

Signed:

Name:

Designation:

Date:



Narrative Report to be Included with Expenditure Claim Form

A narrative report should be prepared to submit with the Expenditure Claim Form covering the following areas:

1. Progress Against Workplan for last but one Quarter

[Include details of the progress against work-plan for the last but one quarter. These outputs and activities described will relate to the expenditure items for the last but one quarter included in the quarterly expenditure summary above.]

2. Changes to Work-plan arising from progress in last but one Quarter and any further changes anticipated

[Include details of any changes to the work-plan arising from progress during the last but one quarter. Any further changes anticipated arising from progress in the last quarter should also be included here.]

3. Expected Progress Against Work plan for the Current Quarter

[Include details of the expected progress against work-plan for the current quarter. These outputs and activities described will relate to the expenditure items for the current quarter included in the quarterly expenditure summary above.]

I certify that the actual expenditure detailed above has been actually and necessarily incurred on the Project as specified in our application and agreed by Louis Berger.

I further certify that the estimated expenditure for the current quarter detailed above will be actually and necessarily incurred on the Project as specified in our application and agreed by Access to Finance for the Poor Programme/Louis Berger.

Signed:

Name:

Designation:

Date:

Annex B - Reporting and Monitoring & Evaluation Instructions

Introduction

The wording of this Annex is given as a general example of what is likely to be required. Each Project will have its own reporting requirements and specifications. These should replace any areas of text that are inappropriate.

In particular, for each project it will be necessary to set down the detailed contents framework for evaluation in the section on **Evaluation Reports**.

All reports should be forwarded to (insert name and full postal address and contact details of AFPCF Challenge Fund Manager).

B-1 Whilst Access to Finance for the Poor Programme accepts that, as Projects progress, there will often be reasons for changing some elements of the Project, it is essential that Access to Finance for the Poor Programme is kept fully informed in writing and in advance of the Organisation making any changes to the Project. Any significant changes must be brought to Access to Finance for the Poor Programme attention at the earliest opportunity and should not be left until the next reporting date.

B-2 The Organisation is responsible for ensuring that the following progress reports and evaluation reports on the Project are provided to Access to Finance for the Poor Programme:

- (a) quarterly (within 15 days of the end of each quarter);
- (b) annually (the report for the quarter ending the Financial Year submitted within 30 days of the year end);
- (c) audited annual accounts within six (6) months of Organisation's financial year end;
- (d) within four (4) months of completion of implementation of the Project (the Project Completion Report); and
- (e) within 30 days of 12 months after the completion date of the Project (the Post-completion Report).

Progress Reports

B-3 Quarterly reports should contain details of:

- (a) the name of the Organisation and the Project;
- (b) the period covered by the report;
- (c) a brief review of progress made in relation to the activities and objectives stated in the Application;
- (d) a brief report on any significant issues and problems that have arisen during the quarter, their impact on the project and how they are being addressed;
- (e) any other matters of relevance to the Project that the Organisation considers appropriate; and
- (f) the completed Expenditure Claim Form in the prescribed format



B-4 Where the terms and conditions for the Project require that the Project achieves specified milestones and other deliverables as a pre-condition for continuing funding, the Organisation is obliged to ensure that the relevant quarterly report documents and demonstrates that the pre-condition(s) have been satisfied. Failure to do so will lead to the automatic suspension of funding until the milestone is achieved or the matter is otherwise resolved to Louis Berger's satisfaction.

B-5 Annual reports should contain the same details as the quarterly report, together with a more detailed review and commentary covering the full period of the report.

Evaluation Reports

B-6 Project Completion and Post-completion Reports are intended to focus on evaluating Project performance and impact. In particular, these reports should measure the level of achievement of the key indicators of performance set out in Annex C.

Audited Accounts

B-7 If Access to Finance for the Poor Programme does not receive the Organisation's audited accounts within 6 months of the Organisation's financial year - end, Access to Finance for the Poor Programme will ask for an explanation. Unsatisfactory responses may result in suspension of funding.



Annex C – Project Application

Complete copy of the Full Application with annexes



Annex D – Corporate Identity and Publications Guidelines

DFID's current corporate identity and publication guidelines

WWW.SAKCHYAM.COM.NP

info@sakchyam.com.np

House #267, Chundevi Marg, Maharajgunj, Kathmandu
Tel: 4721284 / 4721269 / 4721181