

**Guidelines for Application
Grant Assistance for Grassroots
Human Security Projects
(GGP)**

***Consulate General of Japan
Karachi***

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INTRODUCTION

As part of the official development assistance (ODA) to developing countries, the government of Japan since 1989, offers a programme to support non-government organizations (NGOs), community based organizations (CBOs), Local Governments (LGs) and other non-profit organizations, that are working specifically for Basic Human Needs (BHN) in the socio-economic development sectors.

Grant Assistance for Grassroots Human Security Project (GGP) was known as for Grassroots Assistance Programme (GRA). This change reflects the Government of Japan's policy to highlight the concept of human security, a concept developed through a UN special commission.

GGP provides flexible and timely support to small scale development projects, which aim to improve the social well being of the people at the grassroots level.

In applying for support through the GGP programme, please read the following guidelines carefully and complete the application form for submission to Consulate General of Japan at Karachi in Pakistan.

CRITERIA OF FUNDING

All projects will be examined and evaluated on a project by project basis, on the basis of the following criteria:

1. Eligible Applicants:

Eligible applicants are all non-profit organizations implementing social development projects at grassroots level. It includes local/international NGOs, CBOs, Local Governments (LGs), non-profit institutions, schools, hospitals, etc.

Applicants must have more than two years experience.

Notice: GGP does not provide support to federal and provincial government bodies, universities, private institutions and industrial corporations (factories, business, farms, etc.).

2. Priority Sectors:

Priority is given to the following sectors:

- Basic education (pre-school to class eight, adult literacy)
- Primary health (population welfare, reproductive health)
- Vocational training/Skill development
- Special education (education/training for handicapped, orphans, etc.)
- Agriculture (irrigation system, training, small scaled dam, etc.)
- Public welfare/basic infrastructure (drinking water supply, sanitation, road, bridge, electricity, etc.)
- Environment

Please note that priority will be given to WID (Women in Development) projects.

Notice: GGP programme does not provide support to religious activities, research projects, legal assistance and high tech medical projects.

3. Selection Criteria

In order to identify good projects and to assure accountability, the following are the GGP's conditions and criteria in screening the submitted proposals:

- Capability of the recipient organization (track record, financial management capacity, implementation capability and monitoring system).
- **Necessity (1)**, urgency, appropriateness, feasibility, impact and sustainability of the proposed project.
- Appropriateness and cost-effectiveness of requested amount.
- Within priority/target areas of the Consulate.

4. Grant Amount

In principal, GGP funds one project up to **ten (10) million yen**. However, if the project falls within the program's high priority and the proponent has good track record(e.g. past GGP recipient with good performance), requests of more than the said amount can be approved.

(1)*Please note that necessity/relevance of the project should be based on survey study/feasibility and also supported by baseline data.

5. Contents of Assistance

The following items can be assisted under GGP:

- (1) Purchase of equipments, supplies, or vaccines necessary for the project implementation. (Purchase of vaccines will be done only one-time)
- (2) Construct buildings or undertake small scale infrastructure projects

6. Ineligible Items

- (1) Operating expenses:
 - (a) staff salary
 - (b) electricity and water consumption
 - (c) rent for home or office
 - (d) fuel/gas for vehicles
 - (e) consumables (supplies, etc.)
 - (f) equipment for proponent's office (e.g. photocopy machines, personal computer, printer, fax machines, telephones, etc.
- (2) Social preparation or mobilization expense.
- (3) Working Capital for livelihood or income-generation project.
- (4) Purchase of food and medicines except for emergency relief and/or medical operations
- (5) Animal dispersal
- (6) Purchase of land
- (7) Scholarships
- (8) Equipment for rent for purpose of income generation
- (9) Fund research and /or project conceptualization
- (10) Fund missionary projects, political activities or activities related to elections, commercial projects, and projects supporting specific doctrines or ideologies, or military projects
- (11) Payment for VAT, customs and duties, registration/license/certification fees etc.
- (12) Purchase of vehicles except for special-purpose (i.e. ambulance, garbage truck, fire engine, etc.)
- (13) Purchase of personal computers and books for any use.

7. External Auditing

For the purpose of accountability and to know if the grant was properly used and the project was implemented, the approved project has to undergo external auditing. GGP covers the cost for auditing fees.

(1) The type of projects required to undergo external auditing are:

For projects amounting more than three (3) million yen, the Consulate requires the recipient to undergo one-time external auditing (on fund use, procurement and installation) after the project implementation.

(2) The following are the procedures:

- (a) The proponent should get estimates on the proposed project from **three different** auditing firms or Certified Public Accountants (CPA)
- (b) Once the project has been approved, the recipient should make the negotiated contract within the approved amount for the service. The negotiated contract should include terms of reference and mode of auditing and payment.
- (c) After the implementation of the project, the auditing firm or CPA conducts necessary auditing; frequency will depend on the type of project as discussed in items number 1 and 2; and submit the report to the recipient.
- (d) Suggested terms of reference for auditing services:

- To check the financial report (especially if the appropriate official receipts are provided and the items purchased are according to the proposed budget items);
- To verify the procurement, installation and utilization of equipment purchased under GGP;
- To check the appropriate use of the soft component (training and administration cost).
- To verify whether the maintenance system of the granted equipment and facility is placed;
- To check the appropriate use of the soft component (training and administration cost)

HOW TO APPLY

To receive GGP funds for implementation of a development project, proponent organization must satisfy the conditions described above and must submit an application form to the Consulate General of Japan, Karachi. The following documents must be attached to the application form:

All organizations

- 1) Estimates for all equipments and construction costs from three suppliers and/or general contractors/auditors
- 2) Maps of the project site
- 3) Location map with guide route
- 4) Photos showing the project site
- 5) Audit and accounting reports (last two years)
- 6) Legal Registration
- 7) Organizational by-laws
- 8) Annual progress reports (last two years)
- 9) Design specifications for the project
- 10) Blueprints and construction plans
- 11) Applications concerning LGs, third party organizations, income generation projects, water system, training/education facility and IEC (Information, Education and Communication Project) should answer pertinent annex provided for.

Hospitals

- 1) Hospital data on patients and services
- 2) Inventory of equipment and facilities
- 3) List of regular professionals and employees

Schools

- 1) School data on students and teachers
- 2) Inventory of school building and/or facilities

Send your completed application form and supporting documents to:

GGP Unit Economic Section Consulate General of Japan, Karachi 6/2, Civil Lines, Abdullah Haroon Road, Karachi

Please ensure you have kept a photo copy of the application form and the relevant documents attached for your record and reference.

When submitting your application form, please bear the following in mind:

- 1) In selecting projects for funding, the Government of Japan places high priority on the impact and sustainability of each project. First and foremost, therefore, organizations must convince the Consulate that they are capable of soundly managing the proposed projects. Therefore, a detailed description of the past achievements of the concerned organizations would be appreciated.
- 2) It would also be helpful to provide in complete detail how the proposed project will be implemented especially those that would involve people's participation e.g. livelihood, micro-finance, agro-forestry, etc. a comprehensive implementation scheme or plan should be submitted along with the market study or profit-cost analysis.
- 3) As mentioned under the "Ineligible Items" heading, **the Government of Japan cannot provide funding for salaries and other recurring operational costs.** The operations of a given project must therefore be independently financed by the organization proposing that project. This being the case, the Consulate must be convinced that the proposed project can be maintained, which means that the proposing organization must show that it has sufficient funds to cover the operating costs of the project in question.
- 4) To ensure value for money, pro forma estimates must be supplied for each budget item. In addition, **all organizations are required to submit estimates for the items requested for funding from three different suppliers/contractors.** However, in certain circumstances (e.g. in emergency situations or in areas where there are only a limited number of suppliers) the Consulate may waive this requirement.

APPROVAL AND IMPLEMENTATION PROCEDURE

- 1) **The Consulate accepts application on a year-round basis.** After receiving applications, the Consulate informs the applicant its decision whether it accepts, rejects or asks for additional information on the proposal submitted. Please note that the Consulate receives many applications that it can possibly support. Funds are therefore provided only to those projects found to be most suitable after detailed examinations and evaluations have been performed. This means that even proposals which pass the requirements and examinations of the Consulate, it should still meet the high priority of Japan for its approval.
The examination process will take one to eight months to complete. During that time, a thorough background check on the requesting organization will be done including the veracity of the documents provided. To check the feasibility of the projects proposed, the Consulate may conduct appraisal visits to the project site/s.
- 2) Once a proposal has been screened by the Consulate, favorable proposals will be endorsed and sent to The Ministry of Foreign Affairs (MOFA) of Japan for final approval. When approved, the representatives of the recipient organization will be informed and asked to attend a grant-contract signing ceremony. The proponent will have to open a separate bank account exclusive for the GGP grant. **Sudden price increase or foreign exchange loss should be covered by the proponent.**
- 3) **The recipient organization must conclude negotiated contracts with relevant suppliers/contractors for the delivery of goods and/or services.** The negotiated contract should include the Terms of Reference and mode of payment. These contracts must be carefully examined by the Consulate to verify that the costs and budget items are appropriate. Once the Consulate has approved the costs and received a signed request for the payment from the recipient organization, the funds granted will be released in the form of a US dollar.
- 4) **The grant should be used properly and exclusively for the purchase of the products and/or services necessary for the projects approved.** If the Consulate finds that all or part of a grant has been used improperly, the recipient organization has to repay the grant in full. Moreover, all recipient organizations

must use the grants within one year upon the recipient thereof should, for any reason, **a recipient organization finds that it has to modify its project plan, it should consult with the Consulate and receive its approval prior to modifying the original plan.**

Each recipient organization must also agree to **place official stickers and/or plaques bearing the Japanese ODA logo or the flag of Japan on all its items purchased or buildings constructed or print the Japanese ODA logo or the flag of Japan to materials produced with Japanese ODA funds.**

- 5) **The recipient organization must submit an interim report during implementation and a final report once the project has been completed. These reports should also be accompanied with financial statements and recipients** showing how GGP funds were used for the period covered. Should overhead costs be equal to or exceed 30% of the total project cost, an audit will be conducted. If necessary, the Consulate will ask for a follow-up report or visit the project site/s for monitoring and evaluation purposes. After project completion, the proponent must also submit annual status reports for five years.
- 6) **GGP monitors the approved project for at least five years** after implementation to determine its sustainability and impact to the intended beneficiaries. All recipient organizations must keep the communication lines open with the Consulate for this purpose.
- 7) GGP does not reevaluate preciously rejected project proposals.

ANNEX

The Consulate refers to have more-detailed plans submitted for some types of projects. All applications are hereby asked to read each annex carefully to determine whether or not a particular annex pertains on their group or project. Should an annex relate to your group or project, please submit along with your application the information requested in that annex.

ANNEX I Local Governments

ANNEX II Third-Party Organization

ANNEX III Water System Project

ANNEX IV Training/Education Facility

ANNEX V Income Generating Activities

ANNEX VI Information, Education and Communication

Note: Applications are processed within the cycle of a Japanese fiscal year (April-March cycle). For those projects that are not considered favorably by the Consulate, the applicant will be informed accordingly at the end of the fiscal year (March) or sooner.

ANNEX I Local Governments (District/Tehsil/Municipality)

If your organization is a provincial, municipal or LG, please submit the following socio-economic profile of your jurisdiction. This profile can be submitted as a quantitative analysis or as a narrative report. If your LG lacks access to all the data requested, please submit a profile containing the data available to your LG.

1. General (population, number of households, average income per household, provide your LG's classification, its number of municipalities).
2. Development programs (priority areas, significant programs implemented recently and partner NGOs and organizations).
3. Economy
 - a) Industry (main industries and manufacturing businesses, main sources of livelihood, labor composition, number of banks, etc.)
 - b) Agriculture (wheat/rice production, vegetable and fruit production, livestock and poultry production, number of farms, number of warehouse and flour/rice/mills, number of co-ops, etc.)
 - c) Fisheries (last year's total catch, number of fishing boats, number of co-ops, etc.)
4. Social profile and social services
 - a) Education (literacy rate, number of primary, secondary and tertiary schools, number of teachers and students, enrollment and dropout rate, etc.)
 - b) Medical and health-care services (average life expectancy, number of health stations and/or rural health units, and referral hospitals, number of doctors, nurses and mid-wives, main causes of diseases and death, etc.)
 - c) Water and sanitation (availability of potable water, number of toilets, etc.)
 - d) Energy supply (main source of energy, electricity supply rate, etc.)
 - e) Transportation and communication (road networks, transportation systems, access to radio and television broadcasts, newspaper, land based telephone lines, cellular telephones, etc.)
5. Environment and natural resources (climate and vegetation, total land area, breakdown of land use, types of waste-management systems, etc.)

ANNEX II Third Party Organizations

If the project will be implemented in collaboration with a third-party organization, please answer the following:

1. Provide general information related to the third-party organization involved (name, legal status, address, name and title of contact person, etc.)
2. Describe your organization's relationship with the third party organization involved.
3. If the properties acquired through Japan's GGP program are to be transferred to the third party organization, please outline your plan for this transfer of properties and explain in detail any agreements that have been made to facilitate this action.

ANNEX III Water System Project

Water supply project can be funded under the GGP. The proponents are requested to describe the situation in the target area and the proposed water system. GGP prioritizes the people in need of water supply and support level I and II water systems at the moment. GGP does not support level III. Since the management of the water supply is crucial for the sustainable deliver of safe drinking water to the people, please provide us the following information.

1. Describe in detail the existing water system/s and its source/s in the area and its condition.
2. Describe the access of water target beneficiaries.
3. Describe if there is an existing water district or water association and their service area/s.
4. Describe the level of the proposed water system (level I : free flowing, artesian or deep wells; level II : communal faucets; etc.) and, who and how many will benefit from the project.
5. Explain how the beneficiaries are involved in the planning of the proposed project or the consultation done.
6. Explain the proposed management mechanism. (Who will manage the water system? Will you organize a water association, establish rules and guidelines, and collect water fees?)
7. Provide the income and expenditure projection of the proposed water system. State the target cost of water fees to be collected from the intended beneficiaries.
8. Describe water quality of the proposed water system (e.g. copy of water test)

ANNEX IV Training/Education Facility

GGP caters to establishing the necessary training or education facility to enhance the proponent's program. The proponent must explain the necessity and urgency of such facility and show its maximum use in line with the purpose of the project.

1. Describe the existing training/education program in detail.
2. Explain the purpose of the proposed training and expected impact to the community.
3. Provide schedule of programs after the construction of the facility.
4. Describe the proposed facility: the purpose/use of each room, accommodation capacity, floor area, among others.
5. Discuss how the facility would be managed and operated, and what existing and/or future relevant resources need to be established. Provide a detailed management or operation plan.

ANNEX V Income-Generating Activities

While the GGP program does not provide starting capital for income-generating activities, it does extend grants to group wanting to purchase equipment to start or enhance these activities. When applying for grants of this type, applicant organizations are requested to explain in detail the purpose and mechanisms of their proposed projects. In addition, proponent organizations must show that their proposed projects will meet the socio-economic needs of the residents of the project areas. Moreover, it must be shown that the proposed projects are viable and sustainable and that they will have many beneficiaries. To apply for a grant of this type, please provide the following information:

1. Explain the way in which the project was established, identify the group that will benefit from the project, and state clearly why the proposed project is necessary.
2. Describe the project.
 - a) Describe the techniques or technology that will be adopted for the project.
 - b) Explain/describe the production process.
 - c) State whether or not the raw materials used will be procured locally or abroad (state the source of this supply, whether or not your procurement of these materials will positively or negatively affect the environment, and whether or not this source will remain accessible).
3. Illustrate this project's profitability by providing information pertaining to its target market, market size, competition, selling prices, terms of sale, distribution strategy, market survey source, loss control mechanism, rate of return on investment, etc.
4. Name the person or group that will provide your organization with marketing advice and, if your organization does not already possess the necessary marketing skills, explain how you plan to improve your group's marketing capabilities.
5. Describe your main product/s and marketable by-products and estimate the length of your production cycle and the size of your monthly and yearly production.
6. State your project's capital requirements and explain how your organization or the target group plans to meet these requirements.

ANNEX VI Information, Education and Communication (IEC) Project or Component

For projects involving IEC, please provide the following:

1. IEC Plan and justify the necessity.
2. Specify the objective, content, form, target audience, number of copies for print materials, breakdown of all items including equipment to be requested under GGP.
3. Inventory of all equipment (specify functional and non functional items).
4. Provide estimates from three possible printing agencies (for print materials) and suppliers for other items for purchase and/or installation.

Please note that necessity/relevance of the project should be based on survey study/feasibility study and also supported by baseline data.