



2021

# AGriDI Grants Operations Manual

Version 1.0

icipe

## Accelerating Inclusive Green growth through Agri-based Digital Innovation in West Africa (AGriDI)

### Introduction

This manual is a reference document for AGriDI grantees and icipe on the requirements and implementation of the grants. The manual largely draws from the provisions of the special and general conditions of the contract between icipe, the European Union Commission and the Organization of African, Caribbean and Pacific States (OACPS) the contracting authority, Grant contract number *FED/2020/420-491* that governs the contractual relationship between icipe and the parties. It is also based on the *icipe* institutional financial and grant management policies and procedures.

The Manual covers all aspects and procedures involved in the implementation and management of the competitive grants scheme of the AGriDI project including but not limited to the award process, financial management, reporting and overall grants' project monitoring.

The Manual is a living document that may be updated from time to time as needed.

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## List of Acronyms

AGriDI- Accelerating inclusive green growth through agri-based digital innovation in West Africa, herein the project

ACP- African, Caribbean and Pacific

LPO- Local Purchase Order

OACPS- The Organization of African, Caribbean and Pacific States

PMC- Project Management Committee

RBM- Result Based Matrix

TAC- Technical Advisory Committee

## 1. Overview of the AGriDI Project

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The 'Accelerating inclusive green growth through agri-based digital innovation in West Africa (AGriDI)' initiative supports innovations to address key challenges related to climate change, sustainable use and management of biodiversity as well as responsible production and consumption among farming communities in West Africa. It is funded under the ACP Innovation Fund of the Organization of African, Caribbean and Pacific States (OACPS) financed by the European Union (EU), and led by the [International Centre of Insect Physiology and Ecology \(icipe\)](#), under its Regional Coordination Unit of the [Regional Scholarship and Innovation Fund \(RSIF\)](#), in partnership with the University of Abomey Calavi (Benin), Agropolis Foundation (France) and Gearbox Pan African Network (Kenya).

AGriDI aims at strengthening innovation systems and fostering adoption of agri-based digital technologies in West Africa over a period of 48 months (2021-2025). Digital technologies make it easier and more efficient for farmers and small business owners, especially women and youth, to produce and market their goods and services. AGriDI will increase identification, adaption and uptake of agri-based digital technologies by farmers and SMEs especially women and youth, strengthen linkages between research communities, industry and policy actors, and improve the policy environment for scaling agri-business digital innovations in West Africa.

### 1.1 Global objective

AGriDI aims at strengthening innovation systems and fostering adoption of agri-based digital technologies in West Africa. Digital technologies make it easier and more efficient for farmers and small business owners, especially women and youth, to produce and market their goods and services.

### 1.2 Desired Outcome

The desired outcome of AGriDI is enhanced inclusive green growth through the application of agri-based digital innovations, especially for women and youth farmers in West Africa, and in particular;

- (i) increased uptake of agri-based digital technologies by farmers and SMEs, especially women and youth in West Africa;
- (ii) strengthened linkages between research communities, industry and policy actors in digital innovations in the region and;
- (iii) a strengthened policy environment for scaling agri-business digital innovations in the region.

### 1.3 AGriDI Target Groups and Eligible Countries

AGriDI targets scientists and researchers in universities, research institutes, agri-business owners and proprietors of legally incorporated small and medium enterprises, innovators working in technology-based hubs with affiliations to a university, policy makers in national STI ministries, departments and agencies, including those responsible for rural development, gender and social inclusion, farmers in cooperatives based in the eligible countries. The final beneficiaries are agripreneurs (farmers and agroprocessors), especially women and youth.

Eligible countries are 15 ECOWAS countries including Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo.

## 2 Project Management and Governance

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### 2.1 *icipe* and the Organization of African, Caribbean and Pacific States (OACPS)

*icipe* and its consortium partners were competitively selected by the ACP Innovation Fund financed by the European Union and managed by the OACPS as the contracting authority under Grant contract number *FED/2020/420-491* to implement the AGriDI Project. *icipe* as the Lead Coordinator of the Project is responsible for overall project implementation in line with the approved proposals, management, and accountability of funds to the OACPS Secretariat in accordance with the and terms and conditions of the signed contract agreement. *icipe* provides the necessary technical and administrative support, including human resources management, financial, legal and other services required for the successful implementation of the Project.

### 2.2 Project Management Committee (PMC)

The PMC comprises of representatives of the coordinator and other consortium members, namely, University of Abomey Calavi (Benin), Agropolis Foundation (France) and Gearbox Pan African Network (Kenya). The PMC will guide implementation of the Project, including coordinating external stakeholder engagements and ensure visibility nationally, regionally, and internationally.

### 2.3 Technical Advisory Committee (TAC)

The TAC consists of five (5) independent external members who will provide support in the review and selection of proposals and provide technical advice in the implementation of the grant projects. The TAC will conduct the final evaluation and take decisions on proposals that have been reviewed by Independent expert reviewers. The TAC will comprise of members with expertise in areas relevant to support the project implementation and who have not applied for or are not implementing any of the AGriDI grant projects. The TAC will meet physically at least once a year although more regular virtual meetings may be held to review progress with implementation of projects.

### 2.4 The Independent Expert Reviewers

Independent expert reviewers are identified from time to time to support the technical review and evaluation of full proposals. Expert/peer reviewers are internationally recognized individuals with experience in ICTs including AI, digital technologies, agricultural and environmental science, social science, innovation policy and commercialization of knowledge. They also have experience in one or more of the following areas:

- a. Competitive projects evaluation;
- b. Use of research funding for technological projects focused on solving development challenges in agriculture, engineering and the environmental sciences;
- c. Innovation capacity development and commercialization of knowledge;
- d. Science and innovation policy

### 2.5 Grantees

Grantees receive grants competitively awarded and implement their projects per the proposal selected. They are responsible for effectively delivering on the expected outputs indicated in the result matrix of the AGriDI Project. Each grantee will provide a contact person who will be the Project Leader to oversee implementation of the grant project in the duration of implementation.

The grantee(s) are responsible for;

- a. Ensuring that the project delivers the proposed experiments/goals and generate the anticipated results, thereby contributing to the overall objectives and outcomes of the AGriDI;
- b. Routine management of the project implementation;

- c. Preparing project work plans, progress and financial reports, and ensuring timely submission to the RCU;
- d. Maintaining valid and accurate records of their project;
- e. Preparing summary briefings on the project for use during monitoring and evaluation exercises;
- f. Working closely with the icipe on dissemination of project activities;
- g. Addressing challenges within the project;
- h. Performing any other activity that ensures the smooth operation of their project.

### 3 The Competitive Grants Mechanism

#### 3.1 Nature of AGriDI grants

AGriDI provides competitive grants to enhance capacities of academic scientists, science policy advisors/officials in diverse areas of digital technologies and agro-ecological systems, and strengthen synergies with the private sector, civil society, and other community-based organisations. The grants support the development of tangible digital solutions that address real challenges for the farmers and ‘agripreneurs’ and enhance digital literacy for use of the technologies especially among women and youth to increase opportunities for jobs and income in the region.

#### 3.2 The Grants Categories

Grant Category	Overview and key objective	Amount
<b>Category 1-</b> Digital Innovations for agricultural productivity enhancement	These grants support co-development and adaptation of digital innovative solutions to enhance agricultural productivity. They support the co-development and adaptation of innovative-digital solutions for agricultural productivity enhancement with an objective of strengthening linkages between research communities, industry and policy actors in digital innovations in the region.	Min EUR 150,000 and Max EUR 300,000 per project
<b>Category 2-</b> Digital Innovations for market linkages	These grants support digital innovations for establishing market linkages for farmer’s produce. The main objective is to increase uptake of agri-based digital technologies by farmers and SMES especially for women and youth in the region.	Min EUR 150,000 and Max EUR 222,500 per project
<b>Category 3-</b> Policies for digital innovation	These grants will support development of policies for digital innovation, they aim to achieve a strengthened policy environment for scaling agri-business digital innovation in the region.	Min EUR 150,000 and Max EUR 160,000 per project

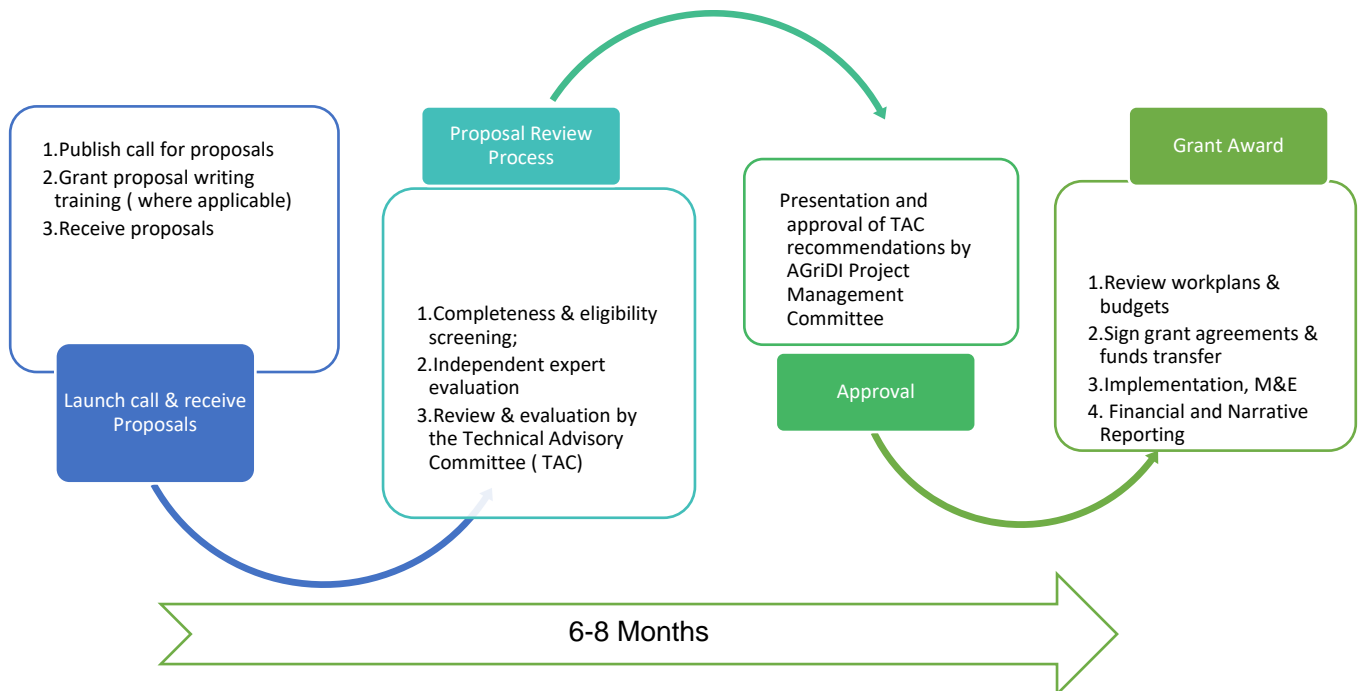
More details on the eligibility requirements of the grants are provided in the Call for Proposal document.

#### 3.3 The process and procedure for selection of grant proposals

AGriDI will follow a one-stage process for selecting successful projects for award. The steps and processes involved in the competitive grant scheme from the point of call for proposals through to final funding are schematically indicated in Figure 1:



Figure 1: The processes and procedures for the selection of the competitive grants for funding<sup>1</sup>



### a) Proposal Development

Applicants will be required to submit full proposals (Annex 1 to the Call for Proposal document) in response to the specific grant category they would like to apply for. The proposals will be screened for eligibility and compliance by the AGriDI Project Coordinating Unit before being assessed by independent expert reviewers on technical and scientific contents. During the grant award phase, applicants of projects selected for funding might be asked to further adjust their proposals and the corresponding workplans and proposed budgets in line with the terms and conditions of the grant. The final negotiated workplans and budgets will be used as the part of the Contractual agreement.

### b) Guidelines for proposal selection

Generally, applicants should demonstrate clear linkages among the various innovation actors in providing inclusive innovative digital solutions and policies that deliver gender-responsive positive results for farmers and agripreneurs in a sustainable way.

The specific criteria for review may change depending on the category of grant, however the essential criteria for review and selection of projects shall include:

- i. Relevance of the proposal to objective and outcomes of AGriDI intervention
- ii. Alignment with national development plans
- iii. Technical feasibility of the proposed activities
- iv. Potential for impact and innovativeness
- v. Quality of joint activities
- vi. Institutional capacity and experience

### c) Decision for funding

Funding decision will be based on recommendations of the Technical Advisory Committee and subsequent approval by the Project Management Committee. Selected project teams will then sign a project grant agreement with *icipe* for funding by the AGriDI project upon negotiation of workplans

<sup>1</sup> Estimated timelines may vary based on circumstances beyond control of *icipe*

and budgets.

**d) Project Grant Agreements- conditions for engagement**

A Grant Agreement is signed between *icipe* and the Grantee. It states the roles and responsibilities of each party in respect to the grant project being implemented. The Grantee reviews the agreement and if acceptable, signs and returns it to *icipe* for signature on its part. The grant agreement becomes effective with signatures by all parties.

The signatories to the grant agreement shall be the Director General of *icipe* and heads of the implementation partner organization or their designees.

**e) Grant project management and partnerships**

An organization may include other legally established organizations or individuals and list them as ‘collaborators’. However, a grant agreement will be signed with only one organisation, the lead organisation. Winning projects will be required to clearly demonstrate how they will closely collaborate and incorporate the key innovation actors within the country in the implementation of their projects. Collaborators will not directly receive funds from the grant except for travel related costs.

In the case where the Project Leader is unable to continue with the project activities for such reasons as retirement, resignation of any other cause, the grantee must notify *icipe* and a substitute Project Leader will be appointed by the grantee. *Icipe* will require that the replacement has the experience to lead the project to a successful conclusion in accordance with the outlined proposal and agreement terms and conditions.

**3.4 Ethical considerations**

The grantee is responsible for addressing ethical issues relating to the project including completing the necessary due diligence in regard to ethical approval from a relevant regulatory body and securing free, explicit, and informed consent from any individuals who participate in the project. Ethical issues should be interpreted broadly and may encompass, among other things, relevant codes of practice, the involvement of human participants and any other issues in the conduct of the research that may result in damage to the environment and the use of sensitive economic, social or personal data.

In the process of preparing the project proposal, the Applicant is obliged to observe ethical principles and rules and describe how ethical issues in the application will be addressed. The applicant should indicate plans to obtain ethical approval from relevant bodies if the project proposal involves human or animal subjects.

## **4 Project Implementation**

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**4.1 Commencement of Project Implementation**

Project implementation commences after the signing of the grant agreement with *icipe*. *icipe* disburses the first instalment of funds to the grantee upon signing the grant agreement, for starting up initial activities of the project, based on the approved yearly plan of activities (format for yearly plan of activities/annual work plan will be provided). *icipe* shall record the actual commencement of every project for management and monitoring/evaluation purposes.

**4.2 Project inception meeting**

A project inception meeting should be held when the grant agreement has been signed and the grantee has made adequate preparations in terms of project inputs (such as facilities, project sites and related arrangements). The Project Leader shall notify the Project Coordination Unit in writing about the date, venue, agenda as well as list of participants of the project inception meeting.

*icipe* will hold a grant management training to all successful applicants to provide guidance on overall project implementation, compliance and reporting practice. This meeting will be done after grant agreements have been signed.

If, within three months after signing the grant agreement, the project has not embarked on any of the planned activities, the grantee will report to *icipe*, stating:

- a. Reasons for the delay in start-up;
- b. Any preparatory activities that are nevertheless underway;
- c. Measures that are being taken, or could be taken, to commence activities;
- d. Any revision of the detailed workplan that appears necessary because of the delay.

If within a further three months there is still no progress, *icipe* will bring the matter to the attention of the and Project Management Committee for deliberation on immediate action.

#### 4.3 Communications and Publications

The European Union and the OACPS attaches great importance to the dissemination of results and all grantees are expected to widely disseminate the results of their grant projects. Grantees shall take all necessary steps to publicize the fact that the European Union has financed the grant project. Such measures shall comply with the communication and visibility requirements for the European Union External Actions laid down and published by the European Commission that can be found at [http://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions\\_en](http://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions_en)).

Grantees must give adequate visibility to the ACP Innovation Fund and acknowledge the origin of the funds. A clear reference must be made in all publications, e.g. the project websites or project-related printed publications such as newsletters, leaflets, etc., to the fact that the project is receiving a grant under the ACP Innovation Fund that belongs to the OACPS Research and Innovation Programme which is implemented by the OACPS Secretariat and financed by the European Union.

All information material, reports, and publications and other media-related information produced as part of the implementation of a project funded by the ACP Innovation Fund should include the following phrase:

*"ACP Innovation Fund, OACPS Research and Innovation Programme. A programme implemented by the Organisation of African, Caribbean and Pacific States, with the financial contribution of the European Union".*

The Grantees should use their normal stationery and letterheads, but the phrase above should be added (e.g. in the footer) as well as the three logos which are an integral part of the Programme's graphic identity.

The graphic identity of the OACPS and the one of the EU (see below) must enjoy an equally prominent place and size. The OACPS Research and Innovation Programme has its own visual identity. The logos below should always be integrated in the documents produced within the framework of the implementation of projects financed by the Programme.

**The Programme**



**The Contracting Authority**



**The European Union**



*icipe* reserves the right of access to all unpublished papers, records, or collections resulting from the work carried out under an award, some of which may be required to be deposited with AGriDI. Similarly, AGriDI reserves the right to use information on the outcome of the grants in annual reports, strategic plans, and for scientific and financial audit, and may from time to time require current and former award holders to provide detailed information on the results of work funded.

In case natural, recognizable persons are depicted in a photograph or film, the grantee shall submit a statement of these persons giving their permissions for the described use of their images in the narrative progress reports to *icipe*. The above does not refer to photographs taken or films shot in public places where random members of the public are identifiable only hypothetically and to public persons acting in their public activities.

#### **4.4 Intellectual Property Rights**

It is the responsibility of the grantee and all parties engaged in the project to make every reasonable effort to ensure that the intellectual assets obtained during the project implementation whether protected by intellectual property rights or not, are used to the benefit of society. Project outcomes should be disseminated to research and more widespread audiences to inform potential users and beneficiaries of the project.

The grantee shall ensure that it has all rights to use any pre-existing intellectual property rights necessary to implement the grant project.

Unless otherwise stated in the Grant Agreement, ownership of, and title of intellectual and industrial property rights to the grant project results, reports and other documents relating to it shall be vested in the grantee(s). In case of joint applications, partners shall have the joint right to determine the commercial exploitation and disposition of such intellectual property, and partners shall enter in good faith discussions in order to make joint applications for the registration of the same. Before any registration or commercialization of any intellectual property takes place, the partners agree to reach a separate agreement covering issues such as exploitation rights and revenue sharing. Any publication regarding such intellectual property shall only be possible with the prior written consent of all partners, with the understanding that such consent should not be unreasonably withheld.

Without prejudice to the aforementioned, the grantees shall give *icipe* and the funders the right to use freely and in particular to store, modify, translate, display, reproduce, publish or communicate by any medium all documents deriving from the project provided it does not hereby breach existing industrial intellectual property rights.

## **5 GRANTS FINANCIAL MANAGEMENT**

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### **5.1 Financial Management**

Sound financial management is essential for the effective and efficient implementation of projects. AGriDI's financial management activities will be carried out within the financial and administrative framework of *icipe* and contractual provisions between the donors and *icipe*. These provisions will, by extension, apply to grantees. It is incumbent upon *icipe* and the grantees to ensure that the Program's financial resources are correctly and effectively used for the Project.

### **5.2 Project Budget**

The proposed costs represent the best estimate of the necessary costs to achieve project results, and therefore must be well-developed and realistic. Budget notes/ justifications are included in the approved budget to further clarify what eligible costs or activities are being included under each line item in the budget.

### 5.3 Project Budget Adjustments

During project implementation, it may come to pass that planned activities may have to change or be rescheduled, cancelled, or altered, based on needs on the ground. Programmatic and activity changes may have corresponding budgetary implications, thereby necessitating revisions. In all such cases, any change to the project budget must be reviewed and approved by icipe. *icipe* must be notified in advance of any proposed changes and will advise on whether changes are allowable and the procedure by which they must be submitted for approval.

The reallocation of expenditures between expenditure categories in the project budget that are below 10% of the affected expenditure line items are permitted without any requirement for pre-approval by icipe. Such allocations affecting any line item by 10% or more must be approved in advance by icipe.

### 5.4 Eligible Project Costs and Budgeting

Eligible costs are those that are budgeted, approved and incurred as expenses in implementing the Project and must meet the following criteria:

#### 5.4.1 Cost eligibility criteria

- a. They are incurred during the project duration, in particular;
  - i. Costs relating to services and works that relate to activities performed during the implementation period. Signature of a contract, placing of an order, or entering into any commitment for expenditure within the implementation period for future delivery of services, works or supplies after expiry of the implementation period do not meet this requirement. Cash advances to partners or project team members may not be considered as costs incurred
  - ii. Costs incurred should be paid before the submission of the final reports. An exception is made for costs relating to final reports, including expenditure verification, audit and final evaluation of the project, which may be incurred after the implementation period of the project.
- b. they are indicated in the estimated overall budget for the project;
- c. they are necessary for the implementation of the project;
- d. they are identifiable and verifiable, in particular being recorded in the accounting records of the grantee and determined according to the accounting standards and the usual cost accounting practices applicable to the grantee.
- e. they comply with the requirements of applicable tax and social legislation;
- f. they are reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

#### 5.4.2 Eligible direct costs

The following direct costs of the grantee shall be eligible if they fit the eligibility criteria described above:

- a. the cost of staff assigned to the project, corresponding to actual gross salaries including social security charges and other remuneration-related costs (excluding performance-based bonuses); salaries and costs shall not exceed those normally borne by the grantee unless it is justified by showing that it is essential to carry out the project;
- b. travel and subsistence costs for staff and other persons taking part in the project, provided they do not exceed those normally borne by the grantee according to its rules and regulations. In addition, the rates published by the European Commission at the time of contract signature may never be exceeded;
- c. purchase costs for equipment (new or used) and supplies specifically dedicated to the purposes of the project, provided that ownership is transferred at the end of the project as per section 8 below
- d. depreciation, rental or leasing costs for equipment (new or used) and supplies specifically dedicated to the purposes of the project;

- e. rental costs related to project office, when a project office is foreseen, duly justified and described in the description of the Project budget.
- f. costs of consumables;
- g. costs of service, supply and work contracts awarded by the grantee for the purposes of the project.
- h. costs deriving directly from the requirements of the contract (dissemination of information, evaluation specific to the project, audits, translation, reproduction, insurance, etc.) including financial service costs (in particular the cost of transfers and financial guarantees where required according to the contract)
- i. duties, taxes and charges, including VAT, paid and not recoverable by the beneficiary(ies), unless otherwise provided in the agreement terms and conditions.

#### 5.4.3 Disbursement of Funds

Subject to the continued availability of grants funds from the donor for the support of the AGRIDI Project, *icipe* will disburse funds to the grantee subject to continued compliance with the terms of all the grant documents and the continued satisfaction of all conditions precedent to disbursing the Grant fund under the Grant Agreement.

##### a) Initial Disbursement

Initial disbursement of funds by *icipe* to the grantee will be contingent upon:

- a. Disbursement to *icipe* from the OACPS Secretariat and upon approval of AGRIDI yearly activity plans and the budget thereof;
- b. The grantee's fulfilment of requisite requirements, including:
  - i. Signed project grant agreement,
  - ii. Approved workplan and budget,
  - iii. Valid bank account or the equivalent thereof, and
  - iv. Satisfactory completion of a partner's institutional/ financial and administrative assessment form.

##### b) Subsequent Disbursement

Subsequent fund disbursements will be contingent upon:

- a. Approved activity plan and budget for the implementation period, in line with the agreed project milestones;
- b. A satisfactory technical and financial report to account for the previous advance;
- c. Approved cash request by the project leader and *icipe* thematic budget holder

##### c) Final Disbursement

*icipe* will make the final disbursement of funds upon receipt of the last bi-annual progress report and a justified request for payment, considering the costs foreseen in the last Yearly Planned Activities necessary to complete the project. An amount equivalent to 10% of the last half-year budget will be retained by *icipe* until satisfactory final technical and financial reports are submitted. The grantee shall return to *icipe* any unused funds within one month of submission of the final reports

##### d) Withholding Fund Disbursements

*icipe* may withhold the disbursement, wholly or in part in the following circumstances:

- a. Loss of focus on the main objective(s).
- b. Occurrence of substantial deviations from the project plan and budget.
- c. Failure to deliver reports and to meet reporting schedules as agreed.

*icipe* shall, however, initiate discussions with the concerned grantee, before taking such a decision. In case of substantial deviation from project plans and budgets presented in the grant agreement, *icipe* may recover the disbursed amount, wholly or in part, from the affected grantee(s).

### **5.5 Interest earned on project funds**

Any interest earned while Project Funds are in deposit at the grantee's bank, whether in a separate Project account or in a general account, shall be fully credited to the Project and reported as earnings in Project financial reports. Such Project earnings shall be applied to the Project with *icipe's* approval.

### **5.6 Transfer of funds to other collaborating organizations**

As part of enhancing innovation capacity development among, grantees can form collaborations with other organizations or individuals. Such collaborators play a real role in the project but may not receive funding from the grant, except for per diem or travel costs to facilitate their participation in project related activities. The project proposal will clearly describe their role in the project towards supporting the achievement of project objectives.

### **5.7 Financial Reporting.**

The project's financial information will be frequently reviewed to ensure that it satisfies the grant's reporting requirements and facilitate managing of project operations. There shall be periodic comparison of project activities against plan, and actual expenses against budget, to enable *icipe* and project teams to assess the quality and performance of the projects.

#### **a) Use of Project Funds**

- i. Management of grant funds and authorization of expenditure are the responsibility of the Grantee. Expenditure of funds must comply with the terms of the grant agreement, and the Grantee's financial management policies and procedures;
- ii. All funds for this grant received by the Grantee must be accounted for in a separate bookkeeping process as part the Project financial records;
- iii. The funds shall be used solely for the Project, and in accordance with the approved budget. *icipe* may suspend any payments of funds if the Grant Agreement is not complied with;
- iv. Funds allocated to one budget category shall not be transferred to another budget category without the express prior approval of *icipe* Budget reallocations of not more than 10% on each budget item are allowed without prior approval of *icipe* without exceeding the total budget allocation; (see section 5.3)
- v. The Grantee shall take every precaution against any unauthorized use of the funds and shall always keep up-to-date and full accounts of the expenditures incurred by the Project. *icipe* may at any time request a financial statement from the Grantee accompanied by certified balances;
- vi. Funds remaining unutilized after the completion of the Project shall be remitted to *icipe* in the contract currency within one month of the specified Project completion date, and without separate request unless their use is otherwise approved by *icipe*.

#### **b) Financial Reporting Requirements**

Financial reporting will be carried out biannually based on the budget and activity plans for the reporting period and comply with all applicable accounting standards.

The following will constitute a biannual financial report:

- i. A summary financial report duly signed and as per the official standard reporting template including matching funds (where applicable);
- ii. An expense listing of the amounts reported in the financial reports;
- iii. Certified copies of supporting documents relating to all figures reported including matching funds (where applicable);
- iv. An updated inventory list of assets procured under the project;
- v. A copy of the bank statement reconciled showing funds received;
- vi. Variance explanations for a specific budget line that are over or under 10% require explanations. They should represent the most accurate and transparent explanation for

under- or over-spending in a particular budget line item during the reporting period and an explanation of remedial action to be taken.

- vii. Any other relevant documentation as may be requested from time to time.
- viii. Financial reports MUST be signed by the authorized officers of the Grantee.

All the grantees will prepare and send certified copies of original documentation, as well as a soft copy, of their financial reports to icipe. Upon receipt of a financial report, icipe shall notify the grantee in writing, of any errors, omissions or clarification required in the report, in which case any outstanding payment will be withheld until the report is deemed acceptable. Templates for financial reporting will be provided upon signing of grant agreement.

### Reporting Schedule

Biannual technical and financial reports shall be sent to the *icipe* as per the schedule below:

Report Type	Reporting Period	Reporting Due date
Financial and Technical	July 1 <sup>st</sup> to Dec 31 <sup>st</sup>	Jan 31 <sup>st</sup>
Financial and Technical	Jan1 <sup>st</sup> to June 30 <sup>th</sup>	July 31 <sup>st</sup>

### 5.8 Auditing

The grantee should ensure the proper preservation of supporting documentation relating to expenses incurred to implement the project, including those of its Subcontractors, ultimate recipients, or collaborating partners. *icipe* can conduct audits at their own expense as may be considered necessary using audit staff selected by the European Union. A risk-based approach and assessment of the project will determine the scope, timeline, nature and extent of the audit activities.

The grantee shall allow and facilitate access by auditors appointed by either the Donor or *icipe* to project sites and to relevant records for the purposes of monitoring, evaluating and audit of the project. *icipe* will endeavor to provide reasonable advance notice to the grantee.

*icipe* may request the grantee's authorized representatives to confirm the total income and expenditure in respect to the Grant for a period as maybe requested by the *icipe* external auditors.

As part of the European Union grant contract requirements, all expenditure incurred by the grant will undergo an annual expenditure verification by an external auditor appointed by the donor. The auditor shall examine whether the costs declared by the beneficiary(ies) and the revenue of the project are real, accurately recorded and eligible under the signed contract. The expenditure verification process will be coordinated by *icipe* as the lead coordinator of the project.

Following an audit, all costs classified as disallowable or questionable by internal or external auditors appointed and instructed by *icipe* or the Donor must be returned to *icipe* within 30 calendar days of receipt of the repayment notice in ~~the~~ either of the following forms:

- Deposit of equivalent amount of funds to *icipe*'s bank accounts
- Adjustment of previously reported expenses by the project for an equivalent amount or deduction of similar amount from the next disbursement.

The following is a general guiding audit checklist:

- a. Reporting is in accordance with grant agreement conditions;
- b. Activities for which funds were awarded have been implemented;
- c. Costs stated in accounts agree with actual supporting documentation and/or examined reports from grantee;



- d. Reported expenses are adequately supported including adequate procurement procedures;
- e. The matching funding (if applicable) component has been accounted for correctly;
- f. The organization has signed an agreement(s) with the collaborating partners (if applicable);
- g. The grantee has a separate bank account or equivalent arrangement for managing funds and that transactions with it are signed by a minimum of two individuals in the grantee;
- h. Received and accrued interest on funds is accounted for correctly.

### 5.9 Financial Records Management

The creation and maintenance of records is integral to the implementation of project activities. Proper documentation must be filed and made available to support each transaction that is reported in the financial reports. These records must be preserved and classified for ease of access, reference, and to facilitate a paper trail (supporting documentation) and production of financial reports.

The supporting documents include, for example:

- a. Payment vouchers
- b. Supplier's/provider's invoices
- c. Delivery note/receipts
- d. Quotations
- e. Purchase order
- f. Goods received notes
- g. Service delivery reports
- h. Field trip reports
- i. Training reports
- j. Confirmation of payment from the paying institution
- k. Acknowledgement receipt of payment from the receiving institution.

NB: It is important to ensure the following in the above documents:

- a. Legible narration of what the expense relates to;
- b. Relevant dates
- c. Relevant requesting, approving, and authorizing signatures
- d. Clearly stated amount
- e. Relevant stampings, for example "PAID".
- f. A numbering or reference in the payment vouchers that identifies the expense in the ledger and excel reporting template

The chart below provides a breakdown of the **minimum** required supporting documentation for the various categories of eligible project costs.

<b>Expense Category</b>	<b>Required Supporting Documentation</b>
<b>Project Personnel</b>	<ul style="list-style-type: none"> <li>• Signed letter of offer or contract, indicating salary, employment period, and paid and time off benefits</li> <li>• Timesheets supporting time claimed</li> <li>• Invoices for services provided, with proof of payment</li> <li>• Evidence of salary payments</li> </ul>
<b>Travel Costs</b>	<ul style="list-style-type: none"> <li>• Travel request form</li> <li>• Tickets, boarding passes, airport tax receipts and other proof of travel</li> <li>• Signed vehicle rental agreements and logbooks for vehicle usage</li> <li>• Disclosure of exchange rate used for currency conversion</li> </ul>

### **Meals and Accommodation**

- Travel request form or stay arrangement form
- Accommodation invoices and receipts
- Receipts/ per-diem as per Grantee travel policy provided the rates don't exceed rates published by the European Commission on this link [Documents library | International Partnerships \(europa.eu\)](#)

### **Procurement of Goods and Services (including consultant costs)**

- Procurement of goods and services request form
- Documentation supporting an adequate procurement process, as applicable e.g quotations, procurement committee minutes, LPOs etc
- Invoices for goods or services, as applicable, with proof of payment
- Consultancy report

### **Training Expenses/ Conference and Workshop Costs**

- Documentation supporting the objective of the activity
- A copy of the training/ workshop/ conference report
- A list of participants
- A record of attendance
- Signed terms of employment of the trainer, if applicable
- Original invoices for services provided, as applicable, with proof of payment

### **Other direct operational Costs**

- Documentation supporting the cost allocation to this grant
- Invoices for amount charged, as applicable, with proof of payment

### **Indirect costs**

- Institutional Policy/ Document showing % charged on total eligible direct costs

## **5.10 Record Keeping**

The grantee shall keep all records, accounting and supporting documents related to the grant agreement for five years from the end date and in any case until any on-going audit, verification, appeal, litigation or pursuit of claim by icipe or the donor, if notified to the grantee, has been finalized. The grantee shall make available all relevant financial information (original or copies) related to the project agreement and any procurement contracts and other agreements for financial support.

## **5.11 Foreign Transactions and Exchanges in Local Currency**

*icipe* shall make payments to the grantee's bank account as provided in the signed grant agreement, which allows the identification of the funds paid for purpose of the project. Payments will be made in the currency set in the grant agreement.

Reports shall be submitted in the currency set out in the grant agreement and may be drawn from financial statements denominated in other currencies, based on the grantee's applicable legislation and applicable accounting standards. In such case and for the purpose of reporting, conversion into the currency set in the grant agreement shall be made using the rate of exchange at which each disbursement was recorded in the grantee's accounts. If at the end of the project, a part of the expenses is pre-financed by the grantee (or by other donors), the exchange rate of the last instalment received from icipe will be applied.

Unless otherwise provided for in the grant agreement, costs incurred in other currencies than the one used in the grantee's accounts for the project shall be converted according to its usual

accounting practices, provided they respect the following basic requirements: (i) they are written down as an accounting rule, i.e. they are a standard practice of the grantee, (ii) they are applied consistently, (iii) they give equal treatment to all types of transactions and funding sources, (iv) the system can be demonstrated and the exchange rates are easily accessible for verifications.

In the event of an exceptional exchange-rate fluctuation, the parties shall consult each other with a view to amending the grant agreement to lessen the impact of such a fluctuation. Where necessary, the icipe may take additional measures such as terminating the contract.

Grantees should closely monitor exchange gains/ losses during implementation, exchange gains can be used to scale up project activities, after approval by icipe. Cases of adverse losses which may significantly affect delivery of project outputs and deliverables should be brought to the attention of *icipe*.

## 5.12 Procurement Guidelines

Procurement of goods, works, and services shall be in accordance with the grantee's institutional procurement policies, guidelines, and procedures. These processes must be transparent, fair, cost-effective and allow for competition respecting the following basic principles;

- The grantee shall fairly evaluate offers received against objective criteria and which takes into account the prices;
- Where the grantee does not invite and open tender, it shall justify the choice of tenderers that are invited to submit and offer;
- The grantee shall keep sufficient and appropriate records with regards to procedures applied, which justify the decision on the pre-selection and award decision

**Nationality rule:** Participation in tender procedures managed by the grantee is open on equal terms to all nationals or legal persons of an ACP member state <sup>2</sup>or eligible country. Tenderers must state their nationality in the tenders and provide usual proof of nationality

## 6 PROJECT MONITORING AND REPORTING

### Introduction

icipe aims to ensure that funding provided under the AGriDI grants are used as efficiently as possible, to achieve the desired impact. Thus, it is necessary for all actors to implement a continuous and rigorous system of monitoring, evaluation and learning (MEL). Each project is required to have a results-based management (RBM) framework that has clear outputs and outcomes, as well as indicators. icipe shall ensure that project outputs and outcome indicators are well structured and project performance monitored bi-annually. The results from the bi-annual monitoring exercise will inform icipe and the donor on the project's continuity.

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<sup>2</sup> Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo, Burundi, Comoros Islands, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Mauritius, Rwanda, Seychelles, Somalia, Sudan, Tanzania, Uganda, Cameroon, Central African Republic, Chad, Congo, Democratic Republic of the Congo, Equatorial Guinea, Gabon, Sao Tome and Principe, Angola, Botswana, Eswatini, Lesotho, Malawi, Mozambique, Namibia, South Africa<sup>2</sup>, Zambia, Zimbabwe, Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, Cook Islands, East Timor, Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Papua New Guinea, the Solomon Islands, Samoa, Tonga, Tuvalu, Vanuatu, Austria, Belgium, Bulgaria, Czech Republic, Croatia, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom<sup>2</sup>.

## 6.1 Project Monitoring and Review

### a) Monitoring by Grantees

All project teams shall have an in-built monitoring system, to assess progress towards achieving their objectives. This may involve setting up a monitoring and evaluation unit. Implementing the monitoring system shall be part of the annual workplans and in accordance with the results-based management framework of the project. Results of the monitoring shall be incorporated in the progress reports submitted to *icipe*.

### b) Monitoring by icipe

*icipe* shall monitor the outcome indicators and performance targets bi-annually, to help track progress towards realizing AGriDI's objectives. *icipe* uses information in the consolidated projects' technical and financial reports in the monitoring exercise. Additionally, *icipe* shall make field visits (where necessary), to collect relevant indicator data.

*icipe* shall also conduct periodic project review missions to project sites. These will include visits to, and interaction with, Project teams and heads of their organizations, as well as other stakeholders. The aim of the review mission is to assess progress with implementation of project activities, as per the approved project annual workplans and budgets. The review missions cover technical and financial aspects of project implementation. Photographs and videos may be taken during the review missions, and may be used in AGriDI publications, to document success stories and for archiving in a photo library.

### c) Project technical Reports

Drafting and submitting accurate, timely, informative, and results-based reports is a critical component of the management of the project. The reports may contain visual materials, e.g. graphs, diagrams, pictures, and audio-visual clips.

The main reports include

- i. technical progress reports;
- ii. financial reports, and
- iii. End of project report.

### d) Technical Progress Reports

A Technical narrative report is a structured, written presentation of activities, results and impact. There are four primary purposes for the project technical narrative reporting;

- To communicate results achieved in terms of what has been planned and what has been achieved in a particular timeframe
- To provide an organizational record of progress, results, budget, successes, challenges, and lessons learned
- To validate requests for future funding
- To serve as an audit and evaluation trail

Technical Progress reports shall be prepared by the grantee biannually (every 6 months) and submitted alongside the financial reports to *icipe* by **31<sup>st</sup> Jan and 31<sup>st</sup> of July**. A format for preparing progress reports will be provided by *icipe*. The technical progress report shall sufficient information for *icipe* to determine the progress of the project as well as the contain appendices such as manuscripts, publications, images or other technical information that explains the scientific results, findings, products, and so on, of a project.

### e) End of Project Report

The purpose of the end of project report is to record all the relevant information regarding the project. The completion report summarizes the main outputs of the project and the extent to which the objectives have been achieved. It also includes a summary of the resources used. The format for the end of project reports will be provided. The project team may hold a final Project Results and Experience-sharing Meeting.

The Grantee shall submit the end of project report within **one month** after the end date of the project as per the grant agreement.

A project is officially closed when *icipe* have accepted and approved the completion report. The financial closure is marked by the acceptance of the final financial report, and by the reimbursement of any unused funds and disposal/transfer of capital goods by the implementing organization.

### f) Special Reports

If at any time the grantee discerns that achievement of the project's objectives is significantly endangered by unexpected external events, or by failures in any part of the detailed work plan that the project team is not able to rectify, it shall immediately report the situation to *icipe* with an analysis of the issues and recommendations.

*icipe* shall commence a special review to assess the situation together with the grantee; and, if necessary, with the representatives of the TAC and PMC. If funds are committed, it will also promptly report the situation to the donor. Grantees have flexibility to adjust the format of the special report to accommodate their reporting needs.

*icipe* may also request on a regular basis project updates as may be required before the biannual reporting time. to inform management decisions.

## 7 OWNERSHIP AND TRANSFER OF ASSETS

The equipment, vehicles and supplies paid for by the budget for the project shall be transferred to the final beneficiaries of the AGriDI project, at the latest when submitting the final report unless otherwise clearly described in the project's grant agreement.

If there are no final beneficiaries of the project to whom the equipment, vehicles and supplies can be transferred, the grantees may transfer these items to:

- local authorities
- local beneficiary(ies)
- or retain ownership of these items

In such cases, the grantee shall submit a justified written request for authorization to the *icipe*, with an inventory listing the items concerned and a proposal concerning their use, in due time and at the latest with the submission of the final report.

In no event may the end use jeopardize the sustainability of the project or result in a profit for the grantee.

Copies of the proofs of transfer of any equipment and vehicles for which the purchase cost was more than EUR 5000 per item, shall be attached to the final report. Proofs of equipment and vehicles whose purchase cost was less than EUR 5000 per item shall be kept by the grantee for control purposes.

## 8 PROJECT SUSPENSION AND CLOSE OUT

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### 8.1 Project Suspension and Termination

In cases where there is clear violation of the project agreement (fraud, waste, neglect, or mismanagement), or where it appears that the conditions surrounding the project have changed and the successful completion of the specific project is unlikely, *icipe*, in consultation with the donor, may suspend project activities and disbursement of funds pending review. There shall be no further disbursement and/or use of funds during suspension. Furthermore, the grantee shall compile a list of outstanding obligations as at the time of suspension and submit to *icipe*. The grantee shall keep all assets acquired under the project in safe custody. The outcome of the review shall determine whether the suspension is lifted, or the project is terminated. The project may also be terminated and wound up in accordance with the relevant article in the grant agreement.

### 8.2 Project Close Out

*icipe* will initiate closure of the project after:

- a. Approval of the end of project report;
- b. Receipt of satisfactory final financial reports;
- c. Receipt of the unused funds, if any, from the grantee;
- d. Payment of outstanding balances, if any, to the grantee; and
- e. Transfer of ownership of assets acquired under the project to the implementing organization.

The AGRiDI Project is collaboratively implemented by the following partners



Further enquiries can be sent to [agridigrants@icipe.org](mailto:agridigrants@icipe.org) or [agridi@icipe.org](mailto:agridi@icipe.org).

AGriDI Project Manager  
International Centre of Insect Physiology and Ecology (*icipe*)  
P.O Box 30772-00100 GPO  
Nairobi, Kenya