**GLOBAL ENVIRONMENT FACILITY SMALL GRANTS PROGRAMME OPERATIONAL PHASE 7**

**MOLDOVA**

**APPLICATION GUIDELINES**

***August 2020***

# Table of Contents

[TABLE OF CONTENTS……. ...2](#_bookmark0)

[INTRODUCTION 4](#_bookmark1)

1. [MISSION OF GLOBAL ENVIRONMENT FACILITY SMALL GRANTS PROGRAMME 4](#_bookmark2)
2. [PROGRAMME STRUCTURE 4](#_bookmark3)
3. [PROGRAMME STRATEGIC AND RELATED INITIATIVES UNDER OPERATIONAL PHASE 7 5](#_bookmark4)
4. FINANCIAL ASSISTANCE AND CO-FINANCE……………………………………………….8
5. [FINANCING REQUEST AND APPROVAL PROCEDURES](#_bookmark5) 11
   1. [ELIGIBILITY 1](#_bookmark6)1
   2. [PROJECT PROPOSAL EVALUATION 12](#_bookmark7)
   3. [SELECT PROJECTS FOR FINANCING 13](#_bookmark8)
6. [PROJECT DEVELOPMENT 15](#_bookmark9)
7. [PROJECT MANAGEMENT 15](#_bookmark10)
8. [AMENDING AND STOPPING THE FINANCING 15](#_bookmark11)
9. [MONITORING AND EVALUATION 16](#_bookmark12)
10. [REPORTING REQUIREMENTS 17](#_bookmark13)

[ANNEX 1 18](#_bookmark14)

**ABBREVIATIONS AND ACRONYMS**

NC – National Coordinator

NSC – National Steering Committee

CV – Curriculum Vitae

GEF – Global Environment Facility

OP – Operational Phase

IDNO – State Identification Number

COs – Community organizations

NGO – Non-Governmental Organization

UN – United Nations

CSOs – Civil society organizations

PNUD – United Nations Development Programme POPs – Persistent Organic Pollutants

SGP – Small Grants Programme

USA – Untied States of America

UNOPS – United Nations Office for Project Services

**INTRODUCTION**

## MISSION OF GLOBAL ENVIRONMENT FACILITY SMALL GRANTS PROGRAMME

Small Grant Programmes (SGP) of the Global Environment Facility (GEF) was established in 1992, embodying the very essence of sustainable development by "thinking globally, acting locally". By providing financial and technical support to projects that conserve and restore the environment while enhancing people's well-being and livelihoods, Small Grants Programme demonstrates that community action can maintain the fine balance between human needs and environmental imperatives.

SGP participates in solving environment and sustainable development issues by providing small grants to communities, community organizations to implement projects in accordance with the strategic priorities of the Global Environment Facility and sustainable development principles. The initiatives supported by GEF are crosscutting the poverty reduction actions and communities’ capacities.

Participation, democracy, flexibility, and transparency are key approaches of Small Grants Programmes.

## PROGRAMME STRUCTURE

The Programme is financed by Global Environment Facility, implemented by the United Nations Development Programme (UNDP) and is executed by the United Nations Office for Project Services (UNOPS). Established in 1991, the Global Environment Facility represents a partnership of 182 member states – international institutions, civil society organizations (CSOs) and private sector – to approach global environment issues.

Central Programme Management Team of GEF SGP located in New York, is responsible for general programme management and ensures necessary support to programmes in different countries.

The United Nations Office for Project Services provides programme implementation services, including administrative, financial, operational, and legal and procurement services on behalf of SGP.

SGP is decentralized and is focused on the needs of every country through the National Coordinator and National Steering Committee (NSC), with the financial and administrative assistance provided by the UNDP Country Office. National Steering Committee ensures general coordination of national programme and contributes to strategies’ development and implementation to support the national programme sustainability.

NSC is overseeing the examination, selection and approval of projects, guaranteeing technical quality and the content in accordance with the strategic objectives of the SGP. NSC members may take part in project pre-selection and monitoring/evaluation visits.

Step-by-step grant application process consists of the following:

* 1. **Contact SGP National Coordinator**. First, the project initiator has to contact the National Coordinator in the country to discuss the details of the SGP National Strategy, including priorities set forth by the National Steering Committee. NC will provide the initiator with application guidelines and forms.
  2. Initially, the project idea can be presented on the project concept form. However, this is not a mandatory requirement, as applicants have the option to submit the actual project proposal.
  3. The project concept is a mandatory document for those who would like to obtain a Grant for the elaboration of the project proposal. The amount of the grant for the elaboration of the project proposal for an ordinary grant is up to USD 500.00 (if the grant value <USD 25,000.00), up to USD 1,000.00 (if the grant value> USD 25,000.00) and up to USD 5000 for strategic grants. The grant for the elaboration of the project proposal can be offered only after the approval of the project concept. Applying for a grant for the drafting of the project proposal is not mandatory and is requested only in cases where this need is unavoidable and will improve the drafting of the project proposal. Obtaining a grant to develop the project proposal does not ensure that the applicant will obtain the grant; one of the mandatory results of the Grant for the development of the project proposal is for the applicant to develop and submit a project proposal. Project concepts can be submitted at any time (no deadlines are set for submitting Project Concepts).
  4. **Project proposals are developed** by the applicant or applicant’s partners.
  5. **NSC evaluation of project proposals.** The first step of the evaluation process will consist in the verification of the compliance with the general GEF SGP rules. Eligible project proposals are submitted for examination to the NSC. NSC examines the proposals accepting, rejecting or returning them for improvement. NC will communicate the NSC decision on the project within 10 working days from the date of signing the minutes by the NSC President.

In case of conditional approval of project proposals by the NSC, the applicant is obliged to reflect these conditions in a certain timeframe set by the NC, but not longer than 2 weeks from the date of receiving the information on NSC decision.

* 1. **Project implementation**. Grant applicants will sign funding agreements with UNDP Moldova on behalf of SGP. The grant is normally paid in three installments: an up-front payment to initiate the project; a mid-term payment upon receipt of a satisfactory progress report; and a final payment upon receipt of a satisfactory project completion and final reports. NC will participate actively in overseeing project implementation, as well as its monitoring and evaluation.

For additional information on SGP and GEF, refer to [http://sgp.undp.org](http://sgp.undp.org/) and <http://www.thegef.org/gef/>

1. ***PROGRAMME STRATEGIC AND RELATED INITIATIVES UNDER OPERATIONAL PHASE 7***

GEF SGP in its operational phase 7 focuses on the development of the following initiatives:

* Community-based conservation of threatened ecosystems and species;
* Co-benefits of access to low carbon energy;
* From local to global coalitions for chemical management and waste management;
* Catalysis of sustainable urban solutions;
* Community-based adaptation;
* Strengthening social inclusion;
* Monitoring and evaluation, as well as knowledge management.

Each field provides for the implementation of projects that will contribute to the outcomes described in the Table below.

**Table no.1 Strategic targets of the GEF Small Grants Programme and the targets of the Country Programme Strategy in the Operational Phase 7**

|  |  |
| --- | --- |
| **OP7 Project components** | **Strategic targets** |
| Component 1 of SGP OP7:  *Community-based conservation of threatened ecosystems and species*: | * 50 hectares of terrestrial landscapes improve management to bring benefits to biodiversity (new forest plantations, grasslands) * 40 ha of the network of fortified protected natural areas (including nuclei, ecological corridors, protection strips of water basins) * 2 community-based protected areas * 10 endangered species protected by the local community * 50 hectares of land landscapes receive sustainable land management in production systems * 20 small farmers supported to achieve national targets for land degradation neutrality * Studies or management plans for 5 natural areas and protected areas * Thematic studies to increase soil quality |
| Component 2 of SGP OP7:  *Co-benefits of access to low carbon energy* | * 2 technologies of locally adapted and community-oriented energy access solutions, with demonstrations of success or extension and replication. * 100 KW of installed capacity of renewable energy from local technologies (eg based on low capacity photovoltaic and / or wind technologies). * 10 ha of energy crops (forests and non-forest lands with the restoration and consolidation of carbon stocks initiated) * 30 households that obtain energy access, with estimated and valued co-benefits |
| Component 3 of SGP OP7:  *From local to global coalitions for chemical management and waste management* | * 5 communities are working to raise awareness and promote the sound management of chemicals, waste and mercury. * 5 tons of persistent liquid and solid organic pollutants, materials and products containing POP and mercury removed or eliminated (basic indicator GEF 9.6). * 50 hectares of degraded / polluted agricultural land are restored   100 m3 of decontaminated productive soil, including for agricultural needs. |
| Component 4 of SGP OP7:  *Catalysis of sustainable urban solutions* | * 5 communities with improved capacities to promote community-led integrated solutions for resilient and low-emission urban development. * 5 community-based urban solutions / approaches (including chemicals and waste management, energy, transport, ecotourism, river basin protection, ecosystem services and biodiversity) are implemented. * 2 public-private partnerships for access to low-carbon energy in marginalized communities |
| Component 5 of SGP OP7:  *Community-based adaptation (Grantors+):* | * 5 local communities with increased capacities to adapt to extreme climatic conditions * 2 concrete models for adapting local communities to climate change. |
| Component 6 of SGP OP7:  *Strengthening social inclusion (Grantors+):* | * 500 direct beneficiaries disaggregated by gender as a co-benefit of the GEF investment. * 100 representatives from the social inclusion group (natives, women, young people, people with disabilities, farmers, other marginalized groups) supported with important participation in dialogue platforms. * 50% of SGP projects led by women and / or integrate concrete mechanisms for increased participation of women. * 50% of projects contribute to closing the gender gaps related to access and control over natural resources * 50% of projects improve women's participation and decision-making in natural resource governance * 50% of projects aim at socio-economic benefits and services for women * 50% SGP projects that have support aimed at natives in terms of programming and management at the country level. * 25% SGP projects that demonstrate appropriate models of youth involvement. * 10% SGP projects that demonstrate models of involvement of people with disabilities and the elderly. * 2 dialogues agreed between CSOs-Government-Private Sector to support the voice and representation of the community in the development of national / sub-national policies. |
| Component 7 of SGP OP7:  *Monitoring and evaluation, as well as knowledge management (Grantors+):* | * 100% projects that operate with management methods based on results in the design and implementation of the program, as well as in decision making using participatory mechanisms. * Quarterly update of the SGP database for efficient data collection, management and analysis, supporting the benefits of program performance and learning.   2 south-south exchanges at global and regional level for knowledge transfer, replication of technologies, tools and approaches on global environmental issues. |

GEF SGP projects are based on **local community initiatives and actions** and will involve the communities at most project phases, from the idea and design to project implementation, monitoring and evaluation. Based on such participation, the members of the communities will learn in practice how to design a project proposal, how to apply for financing, how to implement a project, and by owning the outcomes generated in this process – the efficiency and continuity of activities initiated by the project will be ensured.

Each project will contribute to the **implementation of the sustainable development principle**, by integrating the environment protection actions in local social-economic development. Hence, the projects will contribute to the achievement of some alternatives of sustainable economic development in communities by promoting and achieving income generating activities based on sustainable use of natural resources (for instance, eco/agro-tourism; collection, processing and sale of mushrooms, forest berries, honey, medicinal plants, etc.), renewable energy sources, etc.

Projects will start with a well-assessed **baseline** and will show the evolution achieved through activities suggested in solving environment-related problems (socio-economic, etc.) compared with the baseline. The baseline (needs to be detailed in the project) is an aggregation of data related to the status of the area of interest before the intervention, which describes the situation requiring the project intervention and will serve as a starting point for project performance evaluation (by means of indicators), with an important role in the monitoring process.

GEF SGP encourages **active cooperation and partnership** between various institutions and organizations: national and international NGOs, community organizations (COs), local communities, central and local administration, high education institutions, private companies, other GEF SGP and UNDP projects, as well as other national and international programmes and donors. The partnership between the organization requesting the financing and community/local organizations in the area of project implementation is especially encouraged.

NGOs will seek to ensure the **continuity of project activities and outcomes** through additional financing, capacity development and knowledge of local partners, as well as by developing income generating activities, active cooperation and participation of communities.

Projects should demonstrate the **replication and outcome dissemination** potential in other localities or regions. Replication means the possibility to implement the vision, experience, practices, services, etc. in other localities of the country.

To measure the outcomes, the projects must use one or more indicators for each project activity. **At least one** of the applied indicators should be found among the reference indicators of the Programme.

The CSOs are encouraged to contribute to both dialogue development and maintenance between the CSOs and the Government or local public administration and to approach social inclusion in the project.

1. **FINANCIAL ASSISTANCE AND CO-FINANCE**

Maximum amount of a **grant provided** is **USD 50,000**, considering the implementation capacity of the grantee and partners. For **strategic projects** that are covering few communities and more NGOs/COs, the maximum amount provided is **USD 150,000**.

One organization cannot receive more than USD 50,000 in one operational phase, irrespective of the number of projects. The project initiator may submit next project proposal only after successful completion of the initial project.

The branches of an organization are considered separate organizations, if separately registered and having different state identification numbers (IDNO).

To prove project’s local support and outcomes sustainability, **the project should ensure co-financing in the amount of at least 50% of total project costs.** The co-financing may be in cash or in-kind (own contribution of the organization that is requesting the funding and/or partner organizations, other donors, municipalities, private sector, etc.). **Out of the total co-financing,** about **50% should be in cash and 50% in-kind**.

The project initiator will include the amount of the project development grant in the total amount of project proposal, which will not exceed USD 50,000 (the category of financial sources allocated by GEF SGP) for which co-financing is mandatory.

**IMPORTANT:** If the amounts are supported by proper supporting documents (for instance, copies of payment orders, invoices, receipts, etc.), and respective expenditures are made during the project implementation period, then this type of **co-financing** is considered **cash**. If the amounts are not supported by supporting documents, but by a letter from co-financing institution/organization that explains the calculation method of respective co-financing (see Annex 1), then the **co-financing** is considered **in-kind**.

**The evidence of the co-financing received should be submitted as an Annex to the project proposal.** If the case of obtaining GEF SGP funding, cash and in-kind co-financing shall be reported per co-financer in both interim and final reports based on supporting documents. If the interim reports show that expected co-financing has not been received, the total grant amount/subsequent grant installments will be amended accordingly (in percentage). GEF SGP reserves the right to award an amount lower than the amount requested in the project proposal.

The evidence of co-financing consists in the decision of the management body of the entity offering co-financing, which mentions the value of the co-financing and its nature (both cash and in-kind). For example, in case of co-financing from local public administration, the funding application will enclose the decision of local Council. If the local Council does not meet during the preparation of project proposal, a statement of the Mayor stating co-financing provided may be enclosed. If the project proposal is a winner, the signing of the co-financing agreement is conditioned by the enclosed Decision of the local council.

**GEF SGP does not finance:**

* Re-granting activities;
* Participation in seminars/symposiums/conferences, **if** these are not directly related to project implementation;
* Building construction;
* Land, vehicle, building procurement;
* Payment to employees of public institutions, state companies, departments and private companies who are project partners (for instance, municipalities, Moldsilva etc.). **IMPORTANT: The Project contribution related amounts of the employees of public institutions, state companies, departments, private companies, etc. may be quantified during the project as cash or in-kind co-financing on behalf of respective partner institutions/companies of the project;**
* Expenditures related to **foreign** consultants/experts, including firms/companies;
* Bonuses, entertainment and alcoholic beverages;
* Office equipment; Rent of office or other buildings; Utilities; Communication services (telephone, internet, etc.)[[1]](#footnote-1)

**GEF SGP can finance:**

* 1. ***Project Management***

Payment for the work performed by the persons managing the project (project manager and accountant / project assistant), appointed during the project implementation period, **can be provided from SGP sources up to 20% of the project SGP grant amount, but encourages these costs to be covered by co-financing.**

* 1. ***Equipment/materials***

Procurement of equipment and necessary materials for project activities implementation, provided that the selection of the supply company is made in accordance with the procurement procedures of the Programme that can be found in the Implementation and Reporting Guidelines[[2]](#footnote-2).

The purchase of office equipment, the total value of which does not exceed 4% of the value of the grant and the selection of which has been made in accordance with the above regulations, is also allowed in this category, based on a reasoned justification.

* 1. ***Training/seminars/workshops/business trips***

Costs for organization/support of seminars, conferences, training, meetings, etc., as project components (for example: rent of a venue, rent of equipment, costs for participants: transport, accommodation, catering). Costs for coffee break cannot exceed 5 USD per person, while for lunch break – not more than 10 USD per person.

This category will include travel costs (accommodation and transportation on the territory of Moldova only) of persons involved in project implementation (including volunteers), as well as costs of monitoring and evaluation activities, with community’s participation.

Transport costs incurred by personal or organizational car may not exceed 4.5 MDL per km (fuel and depreciation costs included).

* 1. ***Contract services***

Consultancy, studies and expertise contract (technical, financial, planning, business, and others) will be signed **only** with consultants/experts/companies/firms **from Moldova**. Value of consultancy costs should not exceed 25% of the grant.

Research/studies activities (applied - practical research, if required for the project), data and information collection and analysis.

Expenditures for goods’ manufacture and service provision (in case of an income-generating project). Contracting services for the project (only by observing Programme’s procurement procedures). This category includes design, printing, and distribution of information, awareness, promotion materials (publications, brochures, stickers, posters, T-shirts, audio/TV spots, etc.), in compliance with the Branding guidelines for communications and promotional materials of GEF SGP.

Each project funded by GEF SGP will have to develop a banner, a video spot or a story in images to show the activities and results obtained within the project. Stickers will also be developed which will be placed on the goods procured from the SGP GEF sources.

**The audit is mandatory for projects requesting more than US $ 10,000. The project audit can be funded from the grant (no more than 3% of the grant amount).**

* 1. ***Other expenditures***

If a planned expenditure cannot be included under any budget item, list it under “Other expenditures” budget line and provide an explanation of what this money will be spent on.

In the same category, include **3%** of grant value as **“Contingencies (Unforeseen)”**. This amount will cover occasional costs of meetings/training organized at **programme level,** as well as unexpected expenditures that will result from the project implementation, provided that these expenditures are approved beforehand by the NC. The remaining unspent funds from this budget line may be allocated during the last project implementation period, with prior approval of the NC for the implementation of activities that would contribute to the final project outcomes. Bank commissions may be financed in the amount not exceeding 1% of the grant.

* 1. ***Miscellaneous***

Specify other forms of support requested from the SGP that are not included in the budget. The requested support may cover technical or administrative issues **but should not** **relate** to additional financing (for example: technical consultancy; procurement procedure support, etc.).

**When the budget is drafted, please consult the Implementation and Reporting Guidelines. Some procurements require placing advertisements in newspapers with national coverage. Implementation guidelines may be found on the webpage of the SGP Moldova** [**http://sgpmoldova.org/ro/proposals**](http://sgpmoldova.org/ro/proposals)

**Co-financing**

Cash co-financing may be ensured by the applicant and/or any other partners and may be provided under any budget line.

In-kind co-financing may be ensured by the applicant and/or other partners and may include salaries, volunteering, materials, equipment, premises, land, etc. The calculation of in-kind co-financing value is done in accordance with the recommendations of Annex 1. Financial documents shall be kept for 7 (seven) years after the end of the project and will be provided at the request of GEF SGP.

**Project duration**

The implementation period of a project financed by the GEF SGP is 12-18 months, but this should be determined in consultation with NC, without exceeding the period of **24 months**.

1. **FINANCING REQUEST AND APPROVAL PROCEDURES**

## ELIGIBILITY

**Organizations that are eligible to directly apply to the GEF SGP are non-government organizations (NGO) and community organizations (COs) legally registered in Moldova, with at least one partner in project implementation area that would carry out project activities.** Previous partnership experience of the direct applicants, especially with local partners in the project implementation area and/or with local communities in the project’s area is seen as an advantage.

The NGO and CO that carry out their activities in different areas, provided that their interests correspond to the goals and principles of GEF SGP, may lodge financing applications.

**Direct applicants should prove the capacity to implement the proposed project. I**n this regard, they need to demonstrate the following:

* + Previous experience in project design, implementation and evaluation;
  + Human resources experience in priority areas of GEF SGP;
  + Project implementation logistics (office space, computers, telephone line, internet access, etc.).

**Also, direct applicants need to demonstrate:**

* + That they are legally registered in Moldova, in accordance with the legislation in force (enclose copies of registration certificate, statute, certificate of statistical codes and bank certificate);
  + that they are non-profit, autonomous and independent organizations;
  + that they are not subordinated to a government institution.

**In all cases, the funds received from the GEF SGP should be used locally in the project implementation area.**

Direct applicants cooperate in project design, implementation and evaluation with various **partners** who provide their insights (financial or other) in achieving project objectives. The partners can be:

* + local public authorities;
  + representatives of local communities;
  + national and local government institutions (ministries, research institutions, agencies, etc.);
  + other NGOs and/or COs, professional associations, landowners’ associations, farmers associations, etc.;
  + private companies;
  + social and education institutions (hospitals, retirement homes or orphanages, community centers, institutions for persons with special needs, as well as schools, universities, etc.).

**Proposals submitted by two (2) or more applicants will be rejected if any of the following is discovered:**

1. have at least one partner as auditor, director or member in common; or
2. any of them receive or have received a direct or indirect subsidy from another one; or
3. have the same legal representative for this call for proposals, or
4. have a relation with another one directly or through third parties, placing it thus in the situation to have access to information on or influence on proposal of another applicant regarding this process;
5. are each other’s contractors or a subcontractor in a proposal submitted through another proposal on behalf of or as a main applicant;
6. an expert suggested in the applicant’s team, participates in more than one proposal received for this call. This condition does not apply to subcontracts included in more than one proposal;
7. implementation units and NGOs that participate in public institutions’ duties based on contracts concluded between them.

Project proposals will be developed in the format approved and in accordance with Project Proposal Development Guidelines.

**The documents shall be sent electronically to the e-mail address:** [**denis.parea@undp.org**](mailto:denis.parea@undp.org)

**The offers will be marked: ‘GEF SGP, 2020, [name of the applicant NGO]’**

After receiving project proposals, the NC will verify the conformity with the general rules of GEF SGP:

* The Project should be relevant in one or more priority fields of GEF,
* The Project should reflect the needs of the community or communities and/or parties involved,
* The Project should include marginalized, poor and vulnerable communities, especially, if there are no other donors and where the initial development conditions are not met,
* The Project should reflect the needs of the Country Programme Strategy of GEF SGP,
* Every project proposal should contain the CVs of the persons who will implement the project,
* If the project proposal foresees contracting, the project should include the Terms of Reference for each planned contract,
* Every project proposal should include a monitoring and evaluation plan,
* Every project proposal should include a summary in English,
* The co-financing share should be 50% or as the NSC decides. The general requirement of GEF SGP is to get co-financing in the amount of USD 1:1 for each grant dollar,
* No grant beneficiary can receive funds exceeding USD 50,000 during one operational phase.

After receiving project proposals, NC may request additional information and documents. The applicant should provide additional information in maximum 5 days after the NC request.

## PROJECT PROPOSAL EVALUATION

Once received, the eligibility criteria and all documents of the project proposals should be verified. If additional information is necessary, the NC may ask the organization to provide missing data in a period set by the NC and accepted by the project initiator. To be able to start the evaluation, the organization will provide all the information in accordance within the set period.

Eligible and complete project proposals are evaluated by NSC members based on the following evaluation criteria:

* + Compliance with the thematic areas of GEF SGP and immediate objectives;
  + Share of co-financing of at least 50% of total project value;
  + Conformity with expected outcomes at project level and by using corresponding indicators in thematic and related areas;
  + Accuracy of evaluation and description of the baseline as well as estimated contribution of the project to the achievement of the GEF SGP Programme objectives;
  + Extent to which the project contributes to public awareness on environmental matters with global impact;
  + Extent to which the project develops the capacities of local communities to participate in decision-making;
  + Extent to which the project promotes sustainable lifestyles by generating benefits for local communities;
  + Extent to which the project contributes to poverty reduction in the community of intervention (for instance, implementation of income generating activities through sustainable use of natural resources);
  + Extent to which the project involves local community in project implementation, including in monitoring and evaluation activities;
  + Extent to which the project involves women from community, the youth and vulnerable groups;
  + Replication potential (repeat in another location) and/or project extension (application at a larger scale);
  + Project continuation;
  + Dissemination of learned lessons and best practices;
  + Cooperation and partnership between different organizations and institutions during all project phases;
  + Correct justification of the budget.

## SELECT PROJECTS FOR FINANCING

The selection of projects eligible for financing is done by the National Steering Committee. The Committee members evaluate each project and give a score according to evaluation grid, considering the following evaluation criteria:

1. Compliance with the thematic areas of GEF SGP and specific objectives;
2. Share of co-financing;
3. Partnership quality;
4. Experience and capacity of direct applicant;
5. Project objectives;
6. Impact and expected outcomes of the project and use of proper indicators for thematic and related areas;
7. Consulting interested parties, including community members in project proposal development;
8. Accuracy of evaluated and described baseline;
9. Estimated project contribution in achieving objectives;
10. Ensured synergies with other projects implemented in the respective locality;
11. Involvement of women, youth, poor, and/or other vulnerable groups;
12. Promote activities that contribute to capacity building of local communities;
13. Promote and implement income generating activities through sustainable use of natural resources with impact on poverty reduction;
14. Project multiplication and/or extension potential (applied at a larger scale);
15. Project’s sustainability;
16. Dissemination of experience and best practices;
17. Cooperation and partnership between different organizations and institutions during all project phases;
18. Project implementation period;
19. Budget justification.

Final decision on project financing should be taken by consensus in a joint meeting. In this meeting, the NSC may invite independent experts (without the right to vote) to assist with the evaluation of discussed projects or may take into account their written opinion.

If the NGO representative tries to influence the opinion of one or more members of the NSC, during the evaluation period, this application is automatically rejected.

The Committee may take the following decisions regarding a financing proposal:

* Approve the project for financing (with or without conditions);
* Reject the project;
* Return the project to the applicant with recommendations to amend/supplement in order to resubmit. The NSC decision with recommendations of amendments/supplements does not guarantee project approval. The NC will communicate in written form the NSC decision, as well as its motivation to the applicant.

If the project proposal is selected for financing by the NSC, a funding Agreement will be signed. If the approval was conditioned, the agreement will be signed **only after** all conditions are met.

Financing is given usually in three installments:

* first installment **(50%)** after signing the financing agreement;
* second installment **(40%)** after the submission and approval of the first interim report;
* third installment **(10%)** after the submission and approval of the final report.

If the project characteristics and implementation of activities require another distribution of payments, the applicant may suggest another payment scheme by providing a strong motivation. During the evaluation, the NCC may approve or reject this scheme.

After finalizing the project activities, the organization that received the funds must draft the **final report,** which includes the entire project implementation period.

Amounts from the financing agreement are expressed in USD, but the transfers are made in Moldovan lei at the official exchange rate of the UN in the month of payment. The amounts constituting the financial assistance of the GEF SGP within the contract are transferred to the organization that implements the project through a dedicated account for grant administration (the initial balance in the account will be 0 lei).

The estimated period between final project proposal and first payment approval during the SGP funding is about one month – this thing should be considered when developing the project work plan.

1. **PROJECT DEVELOPMENT**

## PROJECT MANAGEMENT

**Non-governmental or community organizations that applied and obtained funding from GEF SGP are directly responsible** for the implementation of all project activities, in accordance with the work plan, for the use of funds accordingly, as well as for the timely presentation of complete reports to the GEF SGP Office.

**Organizations will observe the GEF SGP regulations and national legislation in force.**

**Organizations financed by GEF SGP will conclude partnership contracts with project partners**, contracts that would clearly define the role of every partner in the implementation of project activities, resources, reporting method to the NGO that received the financing, etc. Partners will submit progress reports on the activities implemented to the financed organization. These reports will be enclosed to the reports submitted by the grantee to the GEF SGP.

If necessary, the **financed organizations may hire sub-contractors by** observing the procurement procedures of the GEF SGP and national legislation in force. Procurement procedures are detailed in the Implementation and Reporting Guidelines. ***The Programme will not refund the expenditures made by not observing the requirements stipulated in the Implementation and Reporting Guidelines.*** The Implementation and Reporting Guidelines may be accessed on the webpage [http://sgpmoldova.org/ro/proposals](http://sgpmoldova.org/ro/proposals%20) or requested from the SGP team.

Wage payment to public institutions, state companies, departments and private companies’ staff, who are project partners (for instance, municipalities, Moldsilva etc.), as well as procurement of goods/services for them do not represent eligible costs for GEF SGP grants. These amounts can be declared as **cash or in-kind** co-financing of respective project partner institutions/companies.

When developing and disseminating **all** promotional materials and information developed during the project implementation (books, brochures, leaflets, articles, banners, webpages, films, T-shirts, stands, etc.), the **Branding Guide**, which is available in the Implementation and Reporting Guidelines, shall be strictly observed.

**Before publication, the texts and graphic presentation of all promotional materials and dissemination of information will be submitted for approval to the National Coordinator of GEF SGP.** Publication of materials can be done only after the approval of NC. If this condition is not fulfilled, the GEF SGP may refuse to cover the costs of publication, even if these costs were included in the approved project budget.

**The Project manager must maintain permanent liaison with the NC,** informing about the status of the project implementation, planned seminars/meetings, and other important events under the project.

## AMENDING AND TERMINATION OF FUNDING

During the project implementation, the *activity plan or project budget* might need adjustments. If the adjustment exceeds 10% per budget line, the project manager should request and justify the proposed amendments to the NC. The procedure is the same for amendments regarding the action plan. The amendments will be operated after the approval of the NC. If the action plan and/or revised budget imply amendments of the reporting period or project implementation period, an amendment to the funding agreement describing the amendments should be concluded.

Prior approval of the NC is necessary for **any expenditure** under the contingencies budget line (3% of the amount financed by GEF SGP).

The Project manager will inform the NC about any other modifications in the implementation of the approved project, including the value of co-financing. When the co-financing is inferior to the one planned in the project proposal, next grant installments should be reduced proportionally.

GEF SGP has the right to terminate the financing agreement and stop the payment of the funds, if modifications are made without prior approval of NC, the reports are not submitted on time, or monitoring/evaluation confirms that the organization does not implement the project properly or spends improperly the GEF SGP funds. **In case of reporting illegible expenditures to the GEF SGP, the corresponding amount will be returned to GEF SGP or deducted from the next financing installment, when necessary.**

All GEF SGP funds that are not spent at the end of the project will be refunded through bank transfer into the UNDP account, unless there is another agreement based on the consultation with and approval by the NC.

## MONITORING AND EVALUATION

Permanent monitoring of activities and costs, periodic project progress evaluation and introduction of new corrective actions when necessary are key duties of the project manager during project implementation.

To reduce the risk of not observing the planning, alternative and contingency plans are doubled, activities with unsure elements are monitored and good communication is ensured between project team members, partners, key representatives of the community who participate in project implementation, etc.

GEF SGP recommends active involvement of communities in project development and implementation, and its monitoring and evaluation. The NGOs/COs will include in the budget **necessary resources** for the implementation of monitoring and evaluation activities with the participation of the community. The evaluation process recommends and encourages the participation of the representatives of other categories involved directly or indirectly in the project, such as: local authorities, private sector, educational institutions, etc.

The monitoring and evaluation process measure the project’s achievements based on objectives stipulated in the project proposal, using at least one indicator for each of the categories: environment, poverty reduction and community empowerment. Each indicator will be monitored and reported on:

* 1. initial value (from the baseline);
  2. value proposed to be achieved by the project;
  3. real value achieved for respective indicator at the time of monitoring (to be completed during project implementation).

In order to be valid and useful in the project monitoring and evaluation, the indicators must meet the following qualities:

* Clarity in defining the criteria to measure the success of the project;
* Importance or relevance of the project goals;
* Plausibility – there should be a link between what is to be measured and the means of illustration.

Considering that the environment effects are often observable only after a year or more, the financed organizations should plan evaluation methods for such effects at a later stage.

## REPORTING REQUIREMENTS

It is recommended to consult the reporting guidelines when developing project proposals to anticipate possible costs or aspects regarding the procurement procedures. The reporting guidelines can be accessed at <http://sgpmoldova.org/ro/proposals>.

**Annex 1**

**CALCULATION OF IN-KIND CONTRIBUTION**

|  |  |
| --- | --- |
| **Activity** | **Calculation of in-kind contribution** |
| Cost of labor force (professionals, experts, project staff) | Adequate use of rates/day/person valid/used in the country or region, calculated per days or months. |
| Use of office equipment | Linear depreciation of the total cost of equipment is calculated for 5 years and is considered as share in the project, depending on its use in the project. For instance, an equipment which value is 5000 $/per unit shall be depreciated over 5 years = 1000 $/year. If used for six months in the project, the in-kind contribution will be 500 $. |
| Use of software | The following may be applied: |
| - cost of software license during the project, if possible; |
| - or similar calculation by using the equipment, but the depreciation period is considered 3 years. |
| Use or supply of materials or components where cost cannot be recovered (for instance, the product will not be sold) | The market price of supplied materials/components is used. |
| Use or supply of data/license/patent for NGO/CO | If data already exists but not in public field, the following can be used: |
| - cost of time/labor force necessary to obtain the data; |
| - equivalent cost for data procurement; |
| - or data are considered ‘rented’ for the entire project period and the cost is calculated based on 3-year period of depreciation.  Databases/knowledge created before the beginning of the project and that are accessible free of charge are not considered in-kind contribution. |
| Use of land | - If the land is administrated or donated for project activities for a period that is sufficient to achieve the planned results and impact, the total price of the land may be shown by being proved by official supporting documents (statistics department, cadaster, land deed, sale-purchase contract, etc.). |
| - if the land is given or lent for project activities only during the project, the official monthly rental price multiplied by the number of months shall be used. The price calculation must be supported by an official document and/or rental agreement. |
| Use of buildings/premises | - If the buildings/premises are administrated or donated for the project activities, for a period that is sufficient to achieve the planned results and impact, and will remain in the property of the NGO, the total price of the building may be shown by being supported by official documents proving the price (land deed, cadaster, sale-purchase contract, etc.) or a document signed by the owner/donor. |
| - If the buildings/premises are rented only for the project activities during the project implementation, the official price for monthly rental multiplied by number of months shall be used. Price calculation should be supported by an official document and/or rental agreement. |
| Vehicle | If the vehicle (private or of the NGO) is borrowed for the needs of the project: |
| - an average monthly or daily official price for car rental should be used (specific for respective locality) multiplied by used days/months. |
| - depreciation cost in case of rented vehicle is calculated as follows: the fuel cost/km is deducted from the official UN rate for km of transportation with the personal car in Moldova, and this value is multiplied by the approximate number of km driven during the project. |
| ⁻ If the fuel is provided as in-kind contribution (not financed by SGP or other partners and no receipt is submitted), use total cost of official UN rate for transportation with personal car, multiplied by the approximate number of driven km during the project. |
| Volunteers | Contribution of volunteers is calculated per day or month by filling up forms and attendance lists for volunteers. One of the following methods will be applied: |
| - volunteering is calculated based on the official rate for such activities, if such rate is available; |
| - convenient average rate/day used in the country or region; |
| - official minimal monthly salary in the economy (divided by 22 and multiplied by the number of worked days). |

1. Such procurements will be accepted only in well-reasoned exceptional cases, based on the objectives of the project, within the limit of 4% of the amount of the GSP grant; [↑](#footnote-ref-1)
2. <http://sgpmoldova.org/ro/proposals> [↑](#footnote-ref-2)