

**GHANA RESEARCH AND ADVOCACY PROGRAMME
TECHNICAL ANNEX**

Joint Programme Memorandum

***Draft for Discussion
January 2004***

Summary

The Ghana Research and Advocacy Programme (G-RAP) is a pooled funding mechanism for supporting the institutional development of Research and Advocacy Organisations (RAOs) in Ghana. It will offer multi-annual core funding to a group of the most established RAOs, selected on a competitive and needs-assessment basis, together with once-off grants and technical assistance to emerging RAOs.

DFID, DANIDA, the Royal Netherlands Embassy and CIDA (hereafter, the Participating Donors) have made commitments in principle to G-RAP totalling US\$7 million over five years. The Programme will last for an initial three years, with the intention of extension up to five years, and will be open to new entrants over the life of the programme.

The Participating Donors have developed G-RAP as a follow-up to their move towards a Multi-Donor Budgetary Support (MDBS) approach. MDBS entails greater reliance on government systems of policy making and resource allocation. To ensure that these systems deliver pro-poor policy, the Participating Donors recognise the need to strengthen and broaden the range of inputs into the policy process, in particular from civil society, based upon robust data and analysis.

Ghana has a network of RAOs built up over the past decade, with a proven track record of carrying out evidence-based research in support of development policy and holding government to account for its policy choices and its use of public resources. However, the development of RAOs to date has been hampered by the short-term, projectised nature of their funding base.

G-RAP will deliver a substantial increase in the efficiency of aid allocation to the sector, lowering transaction costs for both donors and RAOs. It will strengthen the institutional capacity and the autonomy of RAOs to engage actively in the policy process and to advocate on behalf of the poor and socially excluded in Ghanaian society.

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Abbreviations

CIDA	Canadian International Development Agency
DAC	OECD Development Assistance Committee
DANIDA	Danish International Development Agency
DFID	Department for International Development
DPs	Development Partners
GPRS	Ghana Poverty Reduction Strategy
G-RAP	Ghana Research and Advocacy Programme
MDBS	Multi-Donor Budgetary Support
MPs	Members of Parliament
NDPC	National Development Planning Commission
PMT	Project Management Team
RAO	Research and advocacy organisation

1. BACKGROUND

a) *Context*

1.1 The successful democratic transition following the elections of 2000 and the subsequent reforms implemented by the Government has made Ghana one of the most open and stable political systems in the region. Political liberalisation has been accompanied by one of the strongest rates of overall poverty reduction in Africa. The level of income poverty declined by more than 10 percent during the 1990s, while the proportion living in extreme poverty fell from a third to just over a quarter. There have been significant improvements in the number of households able to access basic services such as clean drinking water, sanitation and electricity.

1.2 However, within the overall trend of poverty reduction, there has been a widening of disparities between different regions in Ghana and an increase in vulnerability and exclusion among certain social groups. The incidence of poverty remains disproportionately high among subsistence farmers and female-headed households, while poverty rates have been increasing in the Central Region and the three northern regions. Infant and child mortality rates are significantly higher in the north, and access to education, while improving, is lower than in other areas.

1.3 To achieve the Millennium Development Goals, Ghana needs to sustain economic growth of 7 percent *per annum*. This is hampered by economic structures, which have changed little since independence in 1957. Ghana remains dependent on the export of a few primary products such as cocoa, gold and timber with little or no value-added, leaving the economy vulnerable to price fluctuations and endangered by unsustainable exploitation of natural resources. Manufacturing output has contracted steadily throughout the past decade in the face of sluggish rates of investment.

1.4 Although macroeconomic management has improved since the 2000 elections, Ghana has a tradition of excessive public sector spending and boom-bust economic management, particularly during pre-election periods, leading to high inflation and interest rates and continuous depreciation of the cedi.

b) *Government Policies*

1.5 The Ghana Poverty Reduction Strategy (GPRS) adopted in February 2002 provides a policy framework aimed at transforming economic structures, accelerating poverty reduction and protecting the vulnerable and excluded within a decentralised, democratic environment.¹ The GPRS has a strong analytical base, and its targets are broadly consistent with the Millennium Development Goals. While the development partners share various concerns

¹ *Ghana Poverty Reduction Strategy 2003-2005: An Agenda for Growth and Prosperity*, 19 February 2003.

regarding the GPRS,² they consider it an important policy initiative with the capacity to develop over time.

1.6 However, successful implementation of the GPRS will require sustained improvement in the quality of government systems for formulating and implementing policy. It will require a stronger budget planning process to reflect GPRS priorities, together with significant improvements in public finance management. GPRS implementation is undermined by weak administrative capacity at all levels of government, which will need to be addressed through systematic public-administration reform and an effective process of decentralisation. It will also require a broadening of the democratic process, in particular by strengthening the demand for public services among the poor and socially vulnerable and ensuring that their voices are heard in the policy process.

c) Donor Policies

1.7 Development Partners in Ghana have been working towards the co-ordinated provision of external assistance. This is consistent with Development Assistance Committee (DAC) Guidelines on the development of joint programming and common financing mechanisms, the standardisation of procedures and management systems and synchronised budgeting. In 2003, some ten Development Partners (DPs) joined together to provide Multi-donor Budgetary Support (MDBS) to the Government of Ghana (GoG), providing up to US\$500 million over the next three years. The MDBS mechanism is conditional on sound macroeconomic management and adequate progress in the implementation of the GPRS. A Policy Matrix and set of triggers has been developed, together with a framework for regular, structured dialogue between the DPs and the Government.

1.8 DPs have identified that an MDBS approach must be balanced by close attention to ensuring that Government budgetary and policy-making systems deliver appropriate pro-poor policy. Targeted activities already underway include the strengthening of GoG's ability to monitor the implementation of the GPRS through the National Development Planning Commission (NDPC), building the capacity for Poverty and Social Impact Assessment. However, DPs recognise that their own interventions with the Government, while supportive, are not sufficient to ensure the development and implementation of adequate pro-poor policy. There is a need to strengthen public accountability and broaden the inputs into the policy process from across Ghanaian society. Strengthening the capacity of civil society to engage the Government in active dialogue has become a key objective for DPs, and Participating Donors in particular.

² DFID, *Ghana Country Assistance Plan*, April 2003, page 2.

d) *Civil Society and the Role of RAOs*

1.9 Participation of civil society in the policy process is required in order to give voice to the poor and socially vulnerable groups (e.g. subsistence farmers, female-headed households, people living with HIV/AIDS), to mainstream social policy issues and to engage the public in the formulation of development policy. Civil society also plays a key role in ensuring the transparency of government and holding it to account for its policies and use of public resources.

1.10 Ghana has a relatively vibrant range of civil society organisations and activities, assisted by a favourable political and regulatory environment. In particular, Ghana is fortunate to have an active community of Research and Advocacy Organisations (RAOs), built up over the past decade. These RAOs have a solid track record of engaging the Government on its policy choices and holding it to account for its actions.

1.11 However, one factor which has limited the impact of RAOs in Ghana has been the fragmented and short-term nature of their funding base, which has hampered them in developing their own agendas and institutional capacity. Donor support to RAOs in Ghana has generally been short-term and project-related, with little or no co-ordination among the donors. This has resulted in high transaction costs for both RAOs and donors. In addition, the absence of a predictable source of core funding has made it difficult for RAOs to develop their institutional capacity and to attract, retain and invest in human resources. This has reduced their impact on the policy process.

2. PROGRAMME RATIONALE

a) *Approach*

2.1 The Ghana Research and Advocacy Programme (G-RAP) programme is consistent with the wider moves towards donor co-ordination and the MDDBS approach. It is designed to create a more predictable funding base for established RAO. Its objectives are to cement their autonomy, strengthen their institutional capacity and create more political space for them to engage in the policy process.

2.2 RAOs are able to engage with the policy process in a variety of ways. These include;

- i) Information: RAOs increase the pool of information available to Government on development issues. The DPs recognise that there is a shortage of robust data (including statistical and qualitative research, participatory assessments, impact evaluations of particular policies) concerning the political, economic and social (human security) environment in Ghana, particularly at the local level, and that this information is an essential input into the GPRS process and broader development

policy. G-RAP places particular emphasis on the importance of evidence-based research.

- ii) Analysis and evaluation: RAOs provide evaluation and feedback on existing policies and programmes. Implementation of an ambitious policy framework such as the GPRS requires that policies and programmes be kept under constant review, to enable them to increase their efficacy over time.
- iii) Accountability: RAOs provide concrete information on the functioning of particular public institutions, in areas such as the budgetary process, public finance management, public service provision, and access and equity at local level. Making this information available both to government and the general public creates a framework for continuous improvement in governance processes.
- iv) Technical expertise: RAOs contribute directly to the formulation of policy proposals. In Ghana, where policy capacity at both central and local level remains relatively weak, RAOs are an important source of technical expertise. There is already evidence of the Government drawing on policy proposals and expert personnel from the RAOs to supplement its own capacity.
- v) Public information: RAOs help to strengthen pressures on government through the democratic process, thereby enhancing the demand side of the policy process. They do this by providing information to the general public, particularly through the media, on development and governance issues. This creates an information-rich political and policy process and increases the pressure on public institutions to engage with the most pressing social, economic and political issues. It also helps to ensure that Government is held publicly to account for its response to these issues.
- vi) Voice: RAOs help to give voice to poor and marginal groups in society. This may take place through research and advocacy on issues affecting these social groups, and speaking on their behalf in the policy process. RAOs can also help these social groups to participate directly in the policy process by building networks and coalitions among local communities and community-based organisations and helping to link them into the democratic process.

2.3 The Participating Donors recognise that RAOs represent only one of various inputs into the policy process that will need to be strengthened in order to improve the efficacy of development policy. There are two areas in particular that will need to be the focus of additional attention on the part of Participating Donors, in order to balance and complement G-RAP.

2.4 First, there needs to be a similar, co-ordinated approach to supporting the development of community-based and social mobilisation organisations. RAOs operate primarily in central government circles in the capital, and are by their nature self-appointed in their efforts to represent the poor. A funding strategy which focuses exclusively on RAOs risks distancing them from their constituencies in Ghanaian society, by creating the reality or perception of an exclusive elite. G-RAP partially mitigates for this by encouraging RAOs to develop links with community-based organisations, developing coalitions for evidence-based research, public information and advocacy. However, this alone is not sufficient unless it is balanced by the development of additional, separate mechanisms to support community-based organisations and social movements.

2.5 Second, the Participating Donors recognise that the contribution of RAOs to the policy process is limited by the absorption capacity of the executive and legislative branches at central, regional and district level. If the Government is unable to take up the information and ideas generated by RAOs and incorporate it into its policy-formulation process, RAOs may end up having little impact, or engaging exclusively in dialogue with donors. G-RAP needs to be balanced by mechanisms to build further policy capacity within Government and Parliament, such as strengthening GPRS Monitoring and Evaluation and strengthening research and analytical capacity within constitutional bodies such as the Parliament, the Commission on Human Rights and Administrative Justice and the Serious Fraud Office.

b) Purpose

2.6 The **goal** of G-RAP is to secure stronger pro-poor policy in Ghana. The **purpose** of G-RAP is to enhance the capacity of RAOs to carry out evidence-based research on economic, social, political and security issues, and to make an autonomous contribution to the policy process through dissemination of research, advocacy and coalition-building. A logical framework is attached at Annex A.

2.7 The scope of activities supported by G-RAP will include:

- i) Evidence-based research: Research based on robust primary sources and generating hard information on social, economic, political and security issues. This includes research on social and economic conditions (e.g. macroeconomic performance, regional development patterns, causes of poverty), on the performance of particular public institutions and processes (e.g. budgetary analysis, expenditure tracking, targeting of social services, citizen participation in the democratic process, corruption), the outcomes of particular government policies and projects (e.g. monitoring of GPRS implementation), and issues affecting the development of the region (e.g. trade patterns; migration).

- ii) Public awareness and information: Dissemination of information on economic, social and political issues to inform policy making and encourage a content-rich political process.
- iii) Dialogue and coalition-building: Building coalitions and networks for advocacy on social, political and economic issues, organising public fora for the discussion of public policy issues, and organising strategic alliances such as the Anti-Corruption Coalition.

2.8 RAOs have different areas of specialisation within these wider categories. G-RAP is designed to allow them the autonomy to develop their own agendas and strategies, while encouraging them to develop mutually reinforcing research and advocacy strategies.

2.9 However, in order to maximise the impact of G-RAP resources, applicant RAOs will be required to articulate their own goals, strategies and approaches, which will be used as the basis for assessment of applications and subsequent performance. Annual reviews of funded organisations will encourage continuous improvement and innovation.

3. IMPLEMENTATION

a) *Grant Making*

3.1 G-RAP will offer multi-annual core funding on a competitive basis to RAOs with an established track record of achievement and influence, which are able to demonstrate a funding gap in achieving their institutional development goals. To reduce the fiduciary risk, applicants will be required to undergo an institutional audit in order to determine the adequacy of their financial and management systems before qualifying for core funding. G-RAP will offer grants of a sufficient size to allow the beneficiaries a degree of financial security and assist them in developing their institutions. Individual grants will be tailored to the needs and absorption capacity of each successful applicant, and will range between 25% and 40% of the institution's total budget. It is anticipated that most individual grants will fall within the range of US\$100,000 to US\$250,000 *per annum*. Core funding will be offered for periods of three years, with a possibility of extension to five years, subject to annual audits and assessments of performance and institutional development.

3.2 To avoid creating an elite club of RAOs, G-RAP will also offer once-off institutional support to promising RAOs, to encourage and support new entrants into G-RAP. Applicants which are assessed as promising but which do not qualify for core funding will receive detailed feedback on their identified institutional shortcomings, and will be offered needs-based institutional grants and technical assistance to help address them. Organisations which receive support of this type will then be eligible to re-apply for core funding.

b) Management Arrangements

3.3 G-RAP implementation will take place through a Ghana-based Project Management Team, contracted by DFID on behalf of all G-RAP funders. The PMT will manage all aspects of the grant-making procedures, institutional assessments, financial management and reporting. It will also contract short-term Technical Assistance to support RAOs where required. The PMT will report to a Funders Committee (FC), which will comprise all DP signatories to the Framework Memorandum, with a rotating chair and secretarial support from the PMT. An eminent Ghanaian will also be appointed onto the FC, and an RAO representative will attend as an observer, as will other non-funding donors. The FC will make all decisions relating to the disbursement of grants, based upon recommendations by the PMT.

3.4 The FC will be guided by a six-person Advisory Board drawn from civil society, government and donors. The chairpersons of the Finance and the Public Accounts Committees will be invited to participate on behalf of the GoG. Other appointments will be nominated by RAOs and donors. The Advisory Board is central to the functioning of G-RAP. It will advise on policies and priorities. It will take the lead in developing regular dialogue and effective communication among RAOs, and between RAOs and the Participating Donors. It will lead on developing the external relations of G-RAP, including links with Government and Parliament. It will perform annual reviews of G-RAP operations, including the portfolio of funded organisations, and make recommendations to Funders Committee on revision of structures, procedures and eligibility criteria.

3.5 The PMT will act as the secretariat to the Funders Committee and the Advisory Board. In addition it will facilitate a Convention of RAOs, which will meet at least annually. The Convention will be open to all RAOs, whether or not they are beneficiaries of G-RAP funds, and to other state and non-state actors. This will be a forum for sharing knowledge and lessons learned, developing the RAO sector, creating alliances and networks among RAOs and maximising the impact of RAO activities on the broader public policy process. The Convention will elect two representatives to the Advisory Board on an annual basis.

3.6 Details of the governance and management arrangements and TOR for the PMT, FC and Advisory Board are annexed.

c) Monitoring and Evaluation

3.7 The outputs and effectiveness of G-RAP against its goals and objectives will be evaluated periodically through two separate mechanisms.

- i) Annual Reviews: The Advisory Board will undertake an annual review of G-RAP, leading to recommendations to the Funders Committee. Annual Reviews will cover G-RAP structures, procedures and eligibility criteria, and will assess whether the

balance of organisations funded by G-RAP is appropriate. It will also assess the impact of G-RAP on the external policy environment and progress towards achieve its goals and objectives.

- ii) Mid-term External Review: An external review of the G-RAP mechanism will be commissioned by the Funders Committee at mid-term (i.e. after 18 months), including an Output to Purpose Review to assess the performance of G-RAP against its goals and objectives. Amongst other things, the Mid-term External Review will make proposals concerning an exit strategy for G-RAP and the graduation of individual grantees from G-RAP funding. It will also consider whether to introduce project funding for non-core-funded RAOs, and the criteria on which project funding decisions should be made. Its recommendations will be considered jointly by the Funders Committee and the Advisory Board.

d) Contracting and Procurement

3.8 The contracting of the Project Management Team and any other consultants (e.g. for the purposes of financial audit or monitoring and evaluation) under G-RAP will be undertaken by DFID on behalf of all Participating Donors, in accordance with its own rules and tendering procedures. Any procurement required for G-RAP will be carried out by the Project Management Team or by a registered Procurement Agent in accordance with DFID procurement regulations.

e) Accounting

3.9 All funds contributed to the pooled funding mechanism under G-RAP will be accounted for by the Project Management Team in accordance with its Terms of Reference (annexed). These Terms of Reference have been approved by the Participating Donors, and constitute the sole financial reporting requirements and processes for G-RAP.

3.10 The Project Management Team will arrange for annual external audits of the G-RAP for the attention of all Participating Donors.

3.11 The Participating donors will make periodic disbursements into the pooled funding mechanisms in accordance with their own rules and procedures. In DFID's case, disbursements will be made twice yearly.

3.12 Disbursement to participating RAOs will be made in accordance with each Framework Arrangement, which will contain rules and procedures regarding financial report requirements and annual external audits. The eligibility criteria will require applicants to demonstrate adequate financial controls prior to any disbursement under G-RAP.

f) Timing

3.13 G-RAP will operate for an initial period of three years, with the possibility of extension to five years and subsequent renewal.

3.14 It is intended to complete contracting of the Project Management Team by March 2004, and to conduct the application procedure and first round of institutional assessments in time for the first disbursement of grants in June 2004.

g) Inputs

3.15 The G-RAP funding mechanism is a flexible arrangement, which will allow other donors to join during the life of the programme.

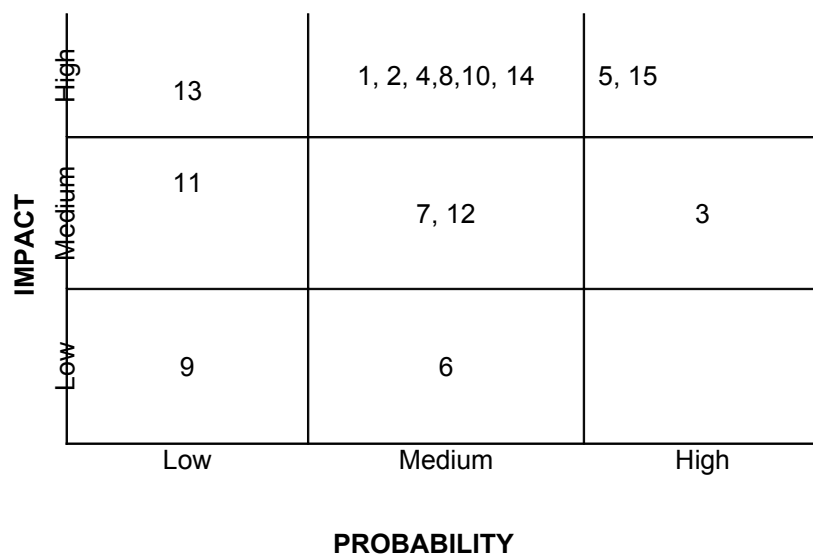
3.16 DFID, DANIDA, the Royal Netherlands Embassy and CIDA have made commitments in principle to G-RAP totalling US\$7 million over five years. An indicative budget is annexed.

4. RISKS

a) Risk Assessment

4.1 This risk of this project not achieving its purpose should be seen as medium.

Risk		Probability	Impact
External impact			
1	RAOs unable to participate actively in policy process	Medium	High
2	RAO activities do not support donor development priorities	Medium	High
3	Government of Ghana unable to make effective use of RAO output	High	Medium
RAO operations			
4	RAOs unable to absorb new funds	Medium	High
5	Fiduciary risk	High	High
6	Funding decisions seen as arbitrary, politically motivated or compromise independence of RAOs; allegations of favouritism	Medium	Low
7	G-RAP creates elite club of RAOs	Medium	Medium
8	G-RAP develops an exclusive Accra focus	Medium	High
9	Competition for funds inhibits collaboration between RAOs	Low	Low
10	RAOs become dependent on G-RAP funding	High	Medium
11	RAO activities generate political opposition to G-RAP; donors politically embarrassed by RAO activities	Low	Medium
12	Transition of funding mechanisms results in hiatus in flow of funds and activity	Medium	Medium
Donor partnership			
13	Donor Partnership collapses	Low	High
14	Donors fail to deliver on funding commitments	Medium	High
15	No exit strategy for donors	High	High



b) Key Mitigating Measures**Fiduciary risk. 5.**

Grants management will be through a contracted independent consultant. Funding decisions will be made by a committee where donor partners are in the majority. The G-RAP mechanism will be subject to annual external audit. Partners' internal accounts procedures will be verified as part of eligibility criteria for funding. Each partner organisation will be subject to an annual review of procedures and accounts.

Exit Strategy. 15.

An exit strategy will be required. Funders will need to be clear about the term of the grants to RAOs. The PMT will recommend processes for exit, and the Funder's Committee will address this as an explicit responsibility.

Impact on the Policy Process. 1, 2, 3, 8, 7

Eligibility and Performance criteria encourage RAOs to produce constructive & policy relevant outputs, in appropriate forms for Government and Parliament. G-RAP is complimented by donor-funded Public Service Reform and GPRS processes that enable government to make policy better. Eligibility and review criteria specify that RAOs will be assessed on their ability to develop regional and local policy agendas and activities, and networks and alliances with other actors across Ghana. The Advisory Board and Annual Convention mechanism will encourage G-RAP donors and other stakeholders to create political space for RAO participation, particularly in current policy debates and processes such as the GPRS. G-RAP compliments other mechanisms for civil-society support focused on grass-roots organisations that are under development. The G-RAP funding portfolio will be kept as broad and open as possible, rewarding innovation.

Funding 4, 10, 12, 14,

Funding commitments will be set out by donors on signature of MoU, who will commit to a minimum three year rolling commitment. Donors will ensure that they do not cease existing funding prior to G-RAP disbursements, and the PMT contracting process is initiated prior to final decision by all funders to allow rapid implementation on final approval. Project funding will continue to be available from donors. The initial RAO will take account of their ability to absorb funds, with Core grants capped at 40% of previous year's budget. Framework Arrangements will specify the term of RAO funding under G-RAP.

Annex A G-RAP Logical Framework

<i>Narrative Summary</i>	<i>Objectively Verifiable Indicators</i>	<i>Means of Verification</i>	<i>Important Assumptions</i>
<p>GOAL</p> <p>Effective pro-poor policy adopted and implemented</p>	<ol style="list-style-type: none"> 1. GPRS policy framework strengthened 2. GPRS priorities reflected in budget 3. GPRS translated into specific pro-poor policies and projects at central and District level 	<ol style="list-style-type: none"> 1. Monitoring and Evaluation mechanism within GPRS process 2. Regular dialogue between Participating Donors and Govt through MDBS mechanism. 3. Budget monitoring and expenditure tracking. 4. Verified progress in implementation of MDGs 	<p>Government commitment to tackling poverty is genuine</p> <p>Open policy environment sustained before and following Dec 2004 elections</p>
<p>OVERALL PURPOSE</p> <p>To enhance the capacity of research and advocacy organisations (RAOs) to carry out evidence-based research and advocacy activities in support of pro-poor policy</p>	<ol style="list-style-type: none"> 1. RAOs engage in active policy dialogue with government 2. RAOs generate information and analysis which supports formulation of pro-poor policy 3. RAOs promote content-rich public debate on development issues 4. New networks and alliances help to give voice to poor and socially vulnerable 	<ol style="list-style-type: none"> 1. RAO publications 2. RAO reports of dissemination, coalition-building and advocacy activities 3. Debates in media and parliament 4. Government policy statements 	<p>Civil society activities promote pro-poor policies</p> <p>RAOs adequately give voice to poor and socially vulnerable</p> <p>Government capable of engaging productively in dialogue with RAOs.</p>

<i>Narrative Summary</i>	<i>Objectively Verifiable Indicators</i>	<i>Means of Verification</i>	<i>Important Assumptions</i>
<p>OBJECTIVES</p> <p>1. Institutional development of established RAOs</p>	<p>1. Improved organisational, administrative & financial capacity of funded RAOs</p> <p>2. Commitment to innovation and continuous improvement in core RAO activities</p> <p>3. RAOs able to attract, retain and develop human resource base</p>	<p>1. Baseline institutional assessment performed by PMT</p> <p>2. Annual assessment of funded RAOs</p> <p>3. External mid-term review.</p>	<p>RAOs have capacity to absorb additional funds</p>
<p>2. Development of additional RAOs supported</p>	<p>1. New RAOs develop their organisational, administrative and financial capacity</p> <p>2. New entrants qualify for G-RAP core funding</p>	<p>1. G-RAP annual reports</p> <p>2. Annual Review by Advisory Board</p>	<p>Human capital available to support new RAOs</p>
<p>3. RAOs gain increased autonomy from Government and donors</p>	<p>1. RAOs articulate and pursue their own research & advocacy agendas</p> <p>2. RAOs able to effectively challenge & influence Government & donor policy choices</p>	<p>1. Annual Review of G-RAP mechanism</p> <p>2. RAO Strategic Plans</p> <p>3. RAO publications</p>	<p>Sufficient political space available for RAOs to challenge Government policy choices</p>
<p>4. Knowledge base on public policy priorities increased</p>	<p>1. RAOs generate high quality evidence-based research based on robust primary sources</p>	<p>1. RAO publications</p> <p>2. RAO activity reports</p> <p>3. Government policy statements</p> <p>4. Media reporting</p>	<p>Government policy-makers have capacity to make effective use of information</p>

<i>Narrative Summary</i>	<i>Objectively Verifiable Indicators</i>	<i>Means of Verification</i>	<i>Important Assumptions</i>
5 An active community of RAOs is established	1. RAOs meet regularly and share knowledge and lessons learned	1. Reports of Annual RAO Convention 2. Annual Reviews of G-RAP	Competitive grant allocation process does not inhibit RAO collaboration
6. RAOs build up networks and local constituencies	1. RAOs involve community-based organisations in research and advocacy 2. RAO agendas encompass local and regional issues	1. RAO activity reports 2. RAO annual assessments	RAOs willing and able to co-operate effectively with community-based organisations
7. More efficient allocation of aid to RAO sector through pooled funding mechanism and multi-annual core funding	1. Common programming, procedures, reporting rules etc. among participating donors 2. More predictable funding base for RAOs 3. Lowered transaction costs for RAOs and donors	1. G-RAP activity and financial reports 2. Individual RAO accounts and activity reports	Donors meet commitments to provide predictable, multi-annual funding

<i>Narrative Summary</i>	<i>Objectively Verifiable Indicators</i>	<i>Means of Verification</i>	<i>Important Assumptions</i>
<p>ACTIVITIES</p> <ol style="list-style-type: none"> 1. Multi-annual core funding to established RAOs selected on a competitive basis 2. Institutional shortcomings of participating RAOs identified and addressed through detailed institutional assessments and dialogue with PMT 3. New RAOs supported with technical assistance and once-off institutional grants 4. RAOs participate in development of G-RAP through an Advisory Board 5. Community of RAOs developed through annual RAO Convention 		<p>Annual reports and audited accounts of G-RAP</p> <p>Annual Reviews of G-RAP activities conducted by Advisory Board</p> <p>Mid-term Output to Purpose review</p>	

Annex B Governance & Management Arrangements

1. OVERVIEW

1.1 Responsibility for funding through G-RAP will lie with a Funders Committee (FC), which will comprise all DP signatories to a Framework Memorandum. An eminent Ghanaian will also be appointed onto the FC, and an RAO representative will be able to attend as an observer, as will other non-funding donors. The Funders Committee will make all decisions relating to the disbursement of grants, based on recommendations by the Project Management Team, which will assess applicants' eligibility for grants and the conduct periodic reviews of funded organisations against the eligibility criteria.

1.2 The Funders Committee will be guided by a six-person Advisory Board drawn from civil society, government and donors. The chairpersons of the Finance and the Public Accounts Committees will be invited to participate on behalf of the GoG. Other appointments will be nominated by RAOs and donors. The Advisory Board is central to the functioning of G-RAP. It will advise on policies and priorities. It will take the lead on the external relations of G-RAP, including links with Government and Parliament. It will perform annual reviews of G-RAP operations, including the portfolio of funded organisations, and makes recommendations to Funders Committee on revision of structures, procedures and eligibility criteria. Overlapping membership of the Funders Committee and Advisory Board will be the primary vehicle for ensuring mutual transparency and structured communication between the two bodies. In addition, the chairpersons of the Funders Committee and the Advisory Board may agree to call an extraordinary joint meeting of the Funders Committee and Advisory Board, where required in order to decide jointly on the institutional development or strategic direction of G-RAP.

1.3 G-RAP management will take place through a Ghana-based Project Management Team, contracted by DFID on behalf of all G-RAP funders. The PMT will manage all aspects of the grant-making procedures, institutional assessments, financial management and reporting. It will also contract short-term Technical Assistance to support RAOs where required. The PMT will be report to the Funders Committee, with contractual responsibility to DFID's Procurement Department in the UK.

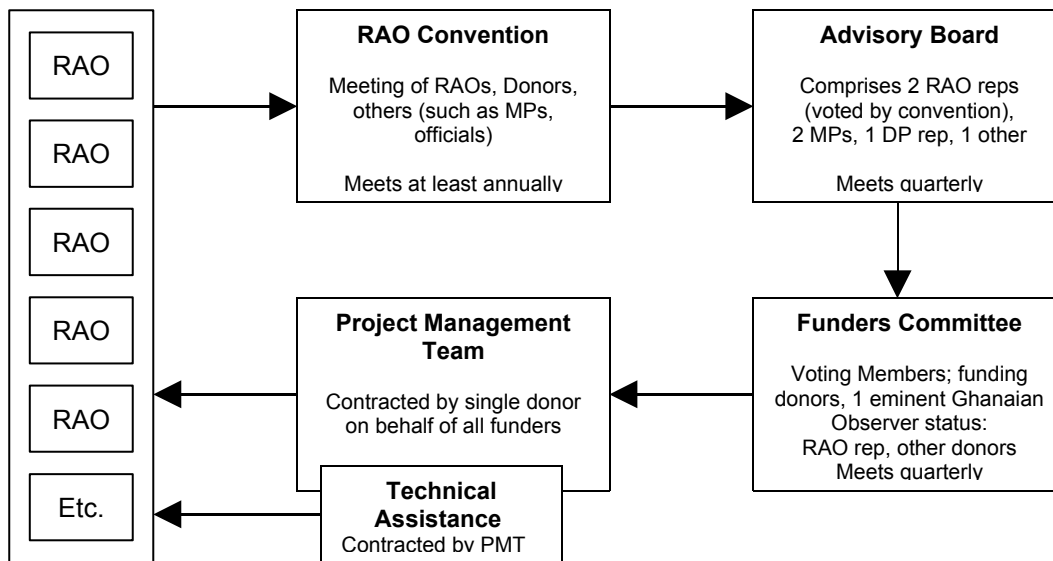
1.4 The PMT will act as the secretariat to the Funders Committee and the Advisory Board. In addition it will facilitate a Convention of RAOs which will meet at least annually. This will be a forum for sharing knowledge and lessons learned, developing the RAO sector and creating alliances and networks among RAOs. RAOs will also elect two representatives to the Advisory Board on an annual basis.

1.5 G-RAP will be subject to Annual Reviews by the Advisory Board, producing recommendations to the Funders Committee on the development of the G-RAP structures, funding portfolio and eligibility criteria. The Funders

Committee will also arrange for a mid-term External Review to assess G-RAP output to purpose.

1.6 Details of the TOR for the PMT, FC, and Advisory Board are annexed.

Summary of Governance Arrangements



<p>RAO CONVENTION</p> <ul style="list-style-type: none"> • Annual convention of participating and non-participating RAOs, donors, others (such as MPs, officials) • Forum for development of RAO sector • Shares information on activities and performance across the RAO sector • Identifies emerging areas of common interest and priorities for influencing policy process • Elects Advisory Board of RAO representatives who may be funded and non-funded RAOs or others (single vote per attending RAO) 	<p>ADVISORY BOARD</p> <ul style="list-style-type: none"> • Advises Funders Committee on strategic and policy questions, including development of exit/graduation strategy following mid-term review • Performs periodic review of, and makes recommendations on, G-RAP governance structure and eligibility criteria • Promotes the development of dialogue and co-operation among RAOs, and between RAOs and donors. Acts as a linking body between RAOs and wider Civil Society • Seeks to ensure linkages of RAOs into key policy processes • MP members proposed to be the Chairs of the Finance Committee and Public Accounts Committee • Nominates one eminent Ghanaian to sit as a voting member on the Funders Committee • Appoints one RAO Representative to attend Funders Committee as observer
<p>PROJECT MANAGEMENT TEAM</p> <ol style="list-style-type: none"> 1. <i>Project Management Team</i> <ul style="list-style-type: none"> • Makes technical assessments of applicants against set criteria • Monitors annual performance based on criteria • Manages G-RAP funds • Concludes RAO Framework Arrangements • Contracts Technical Assistant as required • Disburses <ul style="list-style-type: none"> - Core funding grants - Institutional grants • Facilitates dialogue and information sharing between RAOs and participating Donors, including proposing additional meetings as required 2. <i>Technical Assistance</i> 	<p>FUNDERS COMMITTEE</p> <ul style="list-style-type: none"> • Decides funding strategies, priorities and grants • Decides the balance of how funds are spent each year: core grants; technical assistance; institutional grants • Makes grant allocation decisions based on <ol style="list-style-type: none"> a. <i>Policy and strategy recommendations of the Advisory Board</i> b. <i>Recommendations of the Project Management Team arising from assessment against eligibility criteria</i> • Commissions external reviews (such as at mid-term) • Seeks to mobilise further funding as appropriate • Observer status for non-participating donors

- | | |
|---|-------------------------|
| • Provides technical assistance as required | and RAO representatives |
|---|-------------------------|

2. GRANTS

2.1 Three mechanisms for assistance are envisaged under G-RAP

- i) Core Funding Grants
- ii) Institutional Development Grants
- iii) Technical Assistance for capacity building of RAOs, which will be sourced by the PMT directly.

a) *Grant Application Procedure*

2.2 The PMT will invite (under the guidance of G-RAP funders), receive and manage applications for the G-RAP. Applicants will be expected to meet a set of minimum criteria:

- i) the organisation is legally registered in Ghana;
- ii) there is an annual statement of accounts audited by a suitably qualified external auditor; and
- iii) the organisation's primary aim is to engage in research and advocacy activities on a not-for-profit basis (an applicant may undertake some activities for profit where required for financial sustainability, provided its primary aim is not profit).

2.3 The PMT will undertake assessments of all applicants that meet the basic criteria for G-RAP against a detailed set of management, administrative and financial pre-conditions and model organisational competencies (attached). In the first instance, the PMT will use the criteria developed during the programme design for this assessment. These criteria may be modified in future under the guidance of the G-RAP Advisory Board and approval of the Funders Committee.

2.4 The assessment process is seen as a key developmental activity. The assessment is not intended to be mechanistic, and the PMT will require the skills to apply the assessment framework to the specific activities and circumstances of each organisation. Assessments for funding will be made by the PMT in dialogue with prospective grantees on the basis of documentation, evaluation of financial and management systems and demonstrable organisational behaviour. Scoring of applicants will be transparent and discussed with applicants prior to submission for decision by the PMT to the Funders Committee.

2.5 Applicants who do not qualify for multi-year core funding Framework Arrangements may be eligible for once-off institutional development grants or defined technical assistance (TA) in order to meet organisational deficiencies identified during the assessment. The type and duration of such support will be discussed by the PMT with applicants. The PMT will assist prospective

grantees to develop proposals for institutional grants or technical assistance, and make recommendations for funding to the Funders Committee.

b) Core Funding Grants

2.6 Core funding grants will be provided for periods of three years, with a possibility of extension to five years, as set out in a Framework Agreement, subject to favourable annual audits and performance assessments.

2.7 The level of funding for each Core Grant will be set by the Funders Committee, and will relate to the partner RAO's current budget and the resources already available to them to implement their institutional development plans. For the first year, 2004, funding partners propose Core Funding Grants of between \$100,000 to \$250,000 *per annum*. It is intended that each Core Funding Grant will make up no more than 40%, and no less than 25%, of the total previous year's turnover of the benefiting RAO, depending on the particular needs and strategic plans of the applicant.

2.8 In addition to reporting requirements, specific provisions may be applied to the utilisation of the Core Funding Grants. These include specific expectations for increased institutional performance.

2.9 Whilst participating RAOs will be offered Core Grants on a multi-annual basis under a Framework Arrangement, yearly renewal of funding is not automatic. Continued funding will be conditional upon demonstrable improvement against key organisational competencies and continuous impact on the policy process.

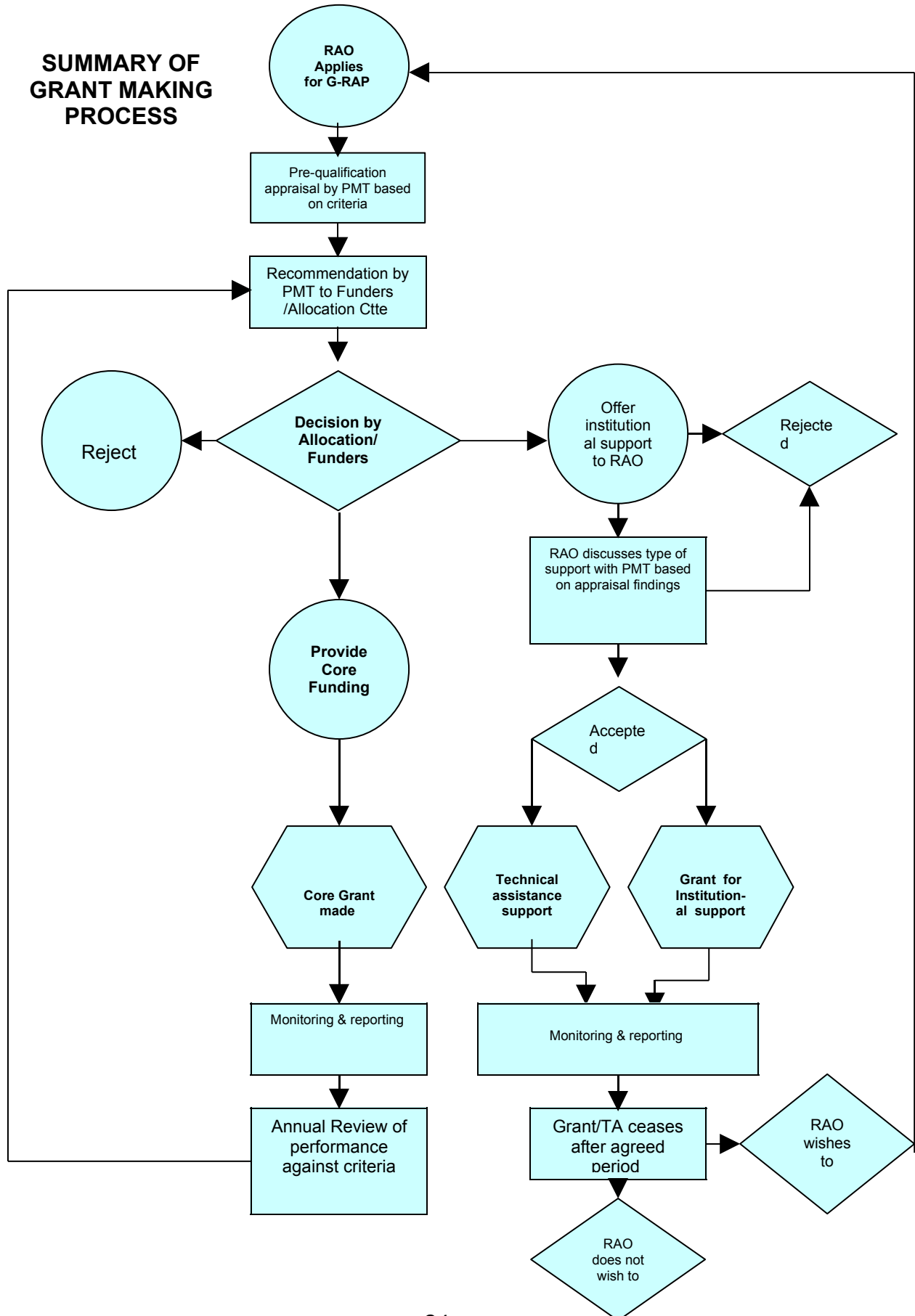
c) Institutional Development Grants

2.10 Institutional Development Grants will be given for a set time period, usually for one year only (whether such grants will be paid in tranches will be dependent on need, to be determined by the PMT). The number and level of Institutional Development Grants will be determined each year by the Funders Committee, based upon the resources available and the quality of applications received. They are intended to be used for specific activities that seek to strengthen the institutional capacity of RAOs (such as training and development, the provision of financial management assistance etc.). Institutional Development Grants may also support particular research and advocacy projects, where this is considered an appropriate means of building the capacity of a grantee. These activities will be agreed between the grantee and the PMT, and set out in a Plan of Activity which forms part of the Grant Arrangement. Individual grants for institutional development must be accounted for on the conclusion of the Plan of Activity, and additional reporting requirements may be incorporated into the Grant Arrangement.

d) Technical Assistance

2.11 Technical assistance may also be provided for a limited period. It is intended to support partner RAOs in developing specific skills or overcoming

identified organisational shortcomings. The PMT will contract TA as required, subject to discussion with individual RAOs.



3. FUND MANAGEMENT ARRANGEMENTS

a) *G-RAP Fund Bank Account*

3.1 Each donor will contribute to a common G-RAP Fund Bank Account, established on behalf of all signatories to the Framework Arrangement.

3.2 The exception will be DFID, which will directly contract the Project Management Team (PMT) out of its financial commitment, the remainder of the DFID funds being transferred to the GRAP Fund Bank Account.

3.3 The PMT will manage, and be accountable for, the GRAP Fund Bank Account on behalf of all funders. The PMT will maintain full records for the operation of G-RAP.

3.4 Transfers from the GRAP Fund Bank Account will be in one of three ways;

- ι i) To RAOs as Core Funding Grants,
- υ ii) To RAOs as Institutional Development Grants
- iii) To purchase Technical Assistance for support to RAOs, which will be sourced by the PMT directly.

3.5 Interest accruing on the GRAP Fund Bank Account will be retained in the Account and added to the GRAP Fund.³

b) *Partnership Grant Arrangements*

3.5 *Partnership* Arrangements will be concluded with all RAOs who receive core funding under GRAP. The *Partnership* arrangements provide for core funding over three to five years, as determined by the Funders Committee, but provide that continued funding will be conditional on annual assessments by the PMT and approval by the Funders Committee.

3.6 Grant Agreements will be concluded with RAOs who receive Institutional Development Grants, and will apply for the period of time required to complete the Plan of Activity annexed to the Grant Agreement.

3.7 The PMT will be authorised to conclude *Partnership* and Grant Arrangements on behalf of the contributing donors.

c) *Audit*

3.8 All G-RAP financial systems and documents will be audited annually by a suitably certified external auditor, in accordance with international standards to the satisfaction of contributing donors. This auditor will be appointed by the Funders Committee, and its provision facilitated by the PMT.

³ Danida will withhold some funding in 2008 to ensure that the total Danish contribution including interest accrued, does not exceed 10 million DKK.

3.9 As a pre-condition for funding, each partner RAO must be able to produce two consecutive annual audited statements of accounts certified by a suitably qualified auditor and supported by bank account records for the same period.

3.10 Under the Partnership Arrangement with grantees, the PMT will have the authority to conduct investigations or audits of RAO finances and activities at any time.

d) *Financial reporting Requirements from PMT*

3.11 The PMT will be required to provide the following reports to the Funders Committee:

- i) Quarterly progress and financial reports;
- ii) Annual detailed performance and financial report against overall objectives;
- iii) Annual presentation of audited accounts of the G-RAP joint funding mechanism, including internal control systems and a full compliance audit, in accordance with DAC guidelines and conducted by a suitably certified auditor;
- iv) Bank statements attached to release requests to donors in line with donor's individual requirements.

4. *Exit*

4.1 It has not been possible to incorporate an exit strategy into the programme documentation at the outset, as there is no clarity on the time period for which G-RAP will operate. Development of an exit strategy for G-RAP and graduation of individual grantees is therefore referred to the Advisory Group and the Funders Committee for determination as part of the mid-term review.

Annex D Eligibility Criteria

Eligibility for the G-RAP funding is assessed in two parts.

1. pre-qualification criteria; and
2. organisational competencies.

Assessment is meant to be a developmental process. Whilst pre-qualification criteria will be required for successful applicants, it is not expected that all grantees demonstrate excellence for all organisational competencies.

Assessments will be performed by the Project Management Team (PMT) in dialogue with prospective funders and will be transparent.

1. Pre-qualification Criteria

This section specifies the minimum criteria that must be satisfied in order to qualify for core funding.

Formal requirements	Yes	No
Is the organisation legally registered?		
Is there an annual statement of accounts audited by suitably certified person or body?		
Is the organisation's primary aim to engage in research and advocacy activities on a not-for-profit basis?*		
Does the organisation have a multi-annual strategic plan?		
Has the organisation established that it faces a funding gap in implementing its multi-annual strategic plan?		

*** The applicant may carry out some activities for profit in order to achieve financial sustainability, provided that this does not compromise its primary, not-for profit orientation.**

Organisational, administrative & financial capacity	<i>Fully demonstrated</i>	<i>Partially demonstrated</i>	<i>Not demonstrated</i>	Score
ORGANISATIONAL CAPACITY	25			
Is there a clearly set out organisational structure? Are people clear about the structure?	5		0	
Are responsibilities for all the key functions/processes of the organisation clearly allocated?	5		0	
Is there a clear division of executive responsibility and oversight?	5		0	
Are the roles and responsibilities of individuals clear and agreed? Do up-to-date job descriptions exist?	5		0	
HUMAN RESOURCE MANAGEMENT	20			
Are there clear recruitment procedures with transparent selection criteria?	5		0	
Are sufficient posts filled to enable the RAO to perform its aims?	5		0	
Is performance management effective? (Annual performance reviews, disciplinary procedures)	5		0	
Are processes in place for human resource development?	5		0	
PLANNING	10			
Are there annual and medium-term plans with clear targets?	5		0	
Are periodic processes for planning activities in place & adhered to?	5		0	

FINANCIAL MANAGEMENT	60			
<p>Are the following key accounting records in place and suitably maintained?</p> <ul style="list-style-type: none"> • General ledger • Payroll • Accounts receivable • Accounts payable • Bank statements • Petty cash book • Fixed assets register 	20		0	
<p>Are sufficient controls in place over?</p> <ul style="list-style-type: none"> • Petty cash funds • Procurement • Cash/cheque disbursement & receipt of funds • Fixed assets 	20		0	
Does the organisation have a good track record of financial management?	20		0	
Minimum required				80
Total Achieved				

2. ORGANISATIONAL COMPETENCIES

Competency	Measured through	Weight	Score
<i>Clarity of vision and purpose</i>		5	
<i>Behaviour</i>			
<ol style="list-style-type: none"> 1. Clearly articulated goals and vision as to how the activities of the organisation influence the policy process 2. Activities are consistent with the vision 3. Targets for outputs and advocacy activities are clearly defined 	Strategic documents Annual plans Budget reports		
<i>Evidence based research of appropriate quality</i>		20	
<i>Behaviour</i>			
<ol style="list-style-type: none"> 1. Research seeks to answer current or future policy challenges 2. Research is based on robust data and information 3. Use of primary sources e.g. from original research, grassroots partners 4. Credible and high quality presentation of research results 5. Quality analysis and application of research results 6. Explicit policy recommendations 	Specific outputs over preceding 12-24 months (publications; events; campaigns)		
<i>Innovation</i>		15	
<i>Behaviour</i>			
<ol style="list-style-type: none"> 1. Organisation demonstrates concern to develop innovative research agenda and methods 2. Research seeks to identify and address future policy challenges for Ghana 3. New alliances, networks created 4. Activities expand existing knowledge base, information sources 	Activities Reports and outputs Events and networking activities Plans		
<i>Communication and dissemination</i>		10	
<i>Behaviour</i>			
<ol style="list-style-type: none"> 1. Publications and B accessible to Ghanaian society 	Dissemination plans Distribution lists		

<i>Influence</i>		20	
<i>Behaviour</i>			
<ol style="list-style-type: none"> 1. Policies of key targets (government, civil society, private sector and donors) influenced by R&A activities 2. Organisation's key themes placed on policy agenda or enter public debate 3. Creation of allies and popular constituencies in support of advocacy agenda 	Feedback from Peers and independent observers Activity Reports		
<i>Linkages and networking</i>		20	
<i>Behaviour</i>			
<ol style="list-style-type: none"> 1. Organisation committed to sharing information on activities, research outputs and experience of policy processes with other stakeholders. 2. Organisation builds and effectively utilises links with government/political parties/donors 3. Organisation participates in civil society coalitions/networks 4. Organisation actively promotes links with grassroots organisations across Ghana 	Feedback from Peers and independent observers Activity Reports		
<i>Organisational development</i>		10	
<i>Behaviour</i>			
<ol style="list-style-type: none"> 1. Development plan clearly related to achievement of mission 2. Development plan represents a credible growth strategy 3. Development plan facilitates continuous improvement in performance 	Development Plan Budget Reports		
Total		100	

Annex E Indicative Budget**Current Commitments****Income**

Funder	Total	Term	Status	2004	2005	2006	2007	2008
DFID	\$2.30	5	Committed	\$0.36	\$0.50	\$0.55	\$0.56	\$0.33
DANIDA ⁴	\$1.45	5	Committed	\$0.23	\$0.32	\$0.34	\$0.35	\$0.21
Netherlands	\$2.20	5	Committed	\$0.35	\$0.48	\$0.52	\$0.54	\$0.31
CIDA ⁵	\$1.10	5	Committed	\$0.22	\$0.22	\$0.22	\$0.22	\$0.22
Total	\$7.05			\$1.16	\$1.52	\$1.63	\$1.67	\$1.07

All figures in \$m. The EU may also contribute at a later stage.

All figures in \$m

Assumes Programme disburses from June 2004

N.B.PMT activities will have to be front loaded into the first year of the programme

⁴ Danida will need to withhold some funding in 2008 to ensure that the total Danish contribution including interest accrued, does not be more that 10M DKK.

⁵ CIDA funds will be channelled through DFID on the basis of a bilateral agreement.

Annex F Information on RAO budgets

Name of organisation	Year founded	Current staffing levels				Budget 2002 (US\$)			Indicative grant level (US\$)	
		Prof.	Admin	Temp.	Total	Core	Project	Total	25%	40%
African Security Dialogue & Research (ASDR)	1999	9	4	1	14	87,900	222,600	310,500	77,625	124,200
Centre for Policy Analysis (CEPA)						-	1,000,000	1,000,000	250,000	400,000
Ghana Centre for Democratic Development (CDD-Ghana)	1998	11	3	2	16	108,000	612,700	720,700	180,175	288,280
Institute for Democratic Governance (IDEG)	1997	1	2	2	5	-	40,000	40,000	10,000	16,000
Institute of Economic Affairs (IEA)	1989	12	14	6	32	-	600,000	600,000	150,000	240,000
Institute of Statistical, Social and Economic Research (ISSER)	1962	14	20	10	44	48,000	206,000	254,000	63,500	101,600
Integrated Social Development Centre (ISODEC)	1995	47	33	0	80	-	813,700	813,700	203,425	325,480
Third World Network Africa (TWN-Africa)	1995	15	5	3	23	527,000	800,000	1,327,000	331,750	530,800
Institute for Policy Alternatives	2002					-	-	-	-	-
Policy Research Institute	not yet registered					-	-	-	-	-

Annex G Sample Partnership Arrangement

This Annex contains a sample cover letter, Partnership Arrangement (for core funding) and Grant Arrangement (for once-off institutional grants).

Sample cover letter

<Date>
<Name and title>
<Name of Grantee>
<Address>

Re: Partnership/ Arrangement <code>

Dear <name>

For Patnrship Arrangement

The G-RAP Programme Management Team have the pleasure to award to <name of Grantee> core funding of US\$ <grant amount> for a period of <length of grant> years, commencing on <Commencement Date>. Annual renewal of the core funding is conditional on satisfactory annual audits and institutional appraisals, carried out by the Project Management Team and the Funders Committee under the Partnership Arrangement

For Grant Arrangement

The G-RAP Programme Management Team have the pleasure to award to <name of Grantee> an institutional grant of US\$ <grant amount>, to be used for the purposes set out in the attached Partnership Arrangement

Please indicate your acceptance of this Arrangement by signing all of the attached copies, retaining one for your files and returning the remaining copies to the Project Management Team.

Sincerely,

<PMT>

Attachments:

Partnership Arrangement

Sample Partnership Arrangement

Partnership Arrangement No. <Code>

between

<Grantee name & address>

hereafter “the Grantee”

and

the G-RAP Programme Management Team

<Date>

1. Purpose of the Partnership Arrangement

- 1.1 This Partnership Arrangement governs the provisions of the Grant awarded to the Grantee under the Ghana Research and Advocacy Programme (“G-RAP”).

2. Definitions

- 2.1 In this Partnership Arrangement, the following terms have the meanings indicated.

“**Financial Year**” means the year ending 31 December.

“**Grant Period**” means the period referred to in paragraph 3.1.

“**Participating Donors**” means the signatories to the Ghana Research and Advocacy Programme Framework Memorandum.

“**Project Management Team**” or “**PMT**” means the entity contracted under the Paragraph **X** of the Ghana Research and Advocacy Programme Framework Memorandum.

3. The Grant

- 3.1 The Programme Management Team on behalf of Participating Donors will provide a Grant of US\$ <grant amount> *per annum* to the Grantee for a period of <X> years, commencing on <commencement date> (“the Commencement Date”).

3.2 The Grant will be paid in quarterly instalments beginning on the Commencement Date and upon receipt of a summary financial statement for previous quarter.

3.3 The Grant must be used for activities consistent with the goals and purposes of the Grantee as disclosed to the Participating Donors in the grant application.

4. Financial reporting

4.1 The Grantee will maintain full and complete records and books of accounts in accordance with applicable accounting standards.

4.2 The Grantee will provide the PMT with quarterly summary financial statements.

4.3 The Grantee will arrange for an annual audit by a legally certified person or entity for each Financial Year of the Grant period. The audit report will be submitted to the PMT as soon as completed, and not later than two months following the end of the Financial Year.

4.4 The Grantee will ensure that appropriate corrective actions are taken in response to any recommendations contained in the audit report as soon as possible.

5. Continuous improvement

5.1 The Grantee will take steps to address any institutional shortcomings identified during the application procedure, in consultation with the PMT. **[Additional specific undertakings or provisions may be added here.]**

6. Co-operation with PMT

6.1 The Grantee agrees to allow the PMT unrestricted access to its records and accounts at any time, including for the purpose of conducting extraordinary financial audits.

6.2 The Grantee will respond promptly to any requests by the PMT for information on its finances and activities, and co-operate with any investigation of its activities.

7. Annual Assessment

7.1 An Annual Assessment of the financial controls, management systems and activities of the Grantee will be carried out by the PMT.

8. Warrantee

8.1 The Grantee warrants that all information provided to the PMT in connection with the grant application and the administration of the G-RAP is accurate and complete, in default of which the Participating Donors may terminate this Framework Agreement and recover any moneys paid under it.

9. Special provisions

9.1 The Participating Donors may suspend or terminate this Framework Agreement in the event that:

- a) the PMT determines that the Grant funds have been used for any purpose inconsistent with this Framework Agreement;
- b) the Grantee persistently fails to co-operate with the PMT in accordance with this Framework Agreement; or
- c) the Grantee ceases to engage in the activities for which the Grant was awarded.

9.2 In the event that the Partnership Arrangement is terminated under paragraph 9.1, the Grantee will promptly repay any Grant funds determined by the PMT to have been used in breach of this Framework Agreement. In addition, any unspent funds should be returned to the PMT.

9.3 The Grantee agrees that neither the Participating Donors nor the PMT may be held liable for any act or omission carried out in discharge of their functions under the G-RAP.

9.4 The Grantee and the Participating Donors agree that any problems or disputes arising under this Partnership Arrangement will be resolved through the following process:

- a) dialogue and negotiation conducted through the PMT;
- b) attendance of the Grantee at a session of the Funders' Committee;
- c) if necessary, referral of the matter to an independent mediator nominated by the G-RAP Advisory Board.

Signed on behalf of **<Grantee name>** by:

Signature: _____

Name: _____

Title: _____

Date: _____

Signed on behalf of the Programme Management Team by

<PMT signatory>

Sample Grant Arrangement

Grant Arrangement No. <Code>

between

<Grantee name & address>

hereafter “the Grantee”

and

the Programme Management Team

<Date>

1. Purpose of the Grant Arrangement

- 1.1 This Grant Arrangement governs the provisions of the Grant awarded to the Grantee under the Ghana Research and Advocacy Programme (“G-RAP”).

2. Definitions

- 2.1 In this GrantArrangement, the following terms have the meanings indicated.

“**Financial Year**” means the year ending 31 December.

“**Grant Period**” means the period from the Commencement Date to the completion of the Plan of Activity.

“**Participating Donors**” means the signatories to the Ghana Research and Advocacy Programme Framework Memorandum.

“**Plan of Activity**” means the plan of organisational development activities agreed with the Project Management Team and attached to this Grant Agreement.

“**Project Management Team**” or “**PMT**” means the entity contracted under the Paragraph X of the Ghana Research and Advocacy Programme Framework Memorandum.

3. The Grant

- 3.1 The Programme Management Team on behalf of Participating Donors will provide a Grant of US\$ **<grant amount>** to the Grantee commencing on **<commencement date>** (“the Commencement Date”).
- 3.2 The Grant must be used for the purposes and activities set out in the Plan of Activity, which forms part of this Grant Agreement.
- 3.3 Payment of the Grant will take place in accordance with the Plan of Activity.

4. Reporting

- 4.1 The Grantee will maintain full and complete records and books of accounts in accordance with applicable accounting standards.
- 4.2 The Grantee will arrange for an annual audit by a legally certified person or entity for each Financial Year of the Grant period. The audit report will be submitted to the PMT as soon as completed, and not later than two months following the end of the Financial Year.
- 4.3 The Grantee will ensure that appropriate corrective actions are taken in response to any recommendations contained in the audit report as soon as possible.
- 4.4 The Grantee will provide quarterly summary financial reports and progress reports concerning its activities under the Grant.
- 4.5 On completion of the Plan of Activity, the Grantee will provide a final report on its activities and expenditures under the Grant.

5. Co-operation with PMT

- 5.1 The Grantee agrees to allow the PMT unrestricted access to its records and accounts at any time, including for the purpose of conducting extraordinary financial audits.
- 5.2 The Grantee will respond promptly to any requests by the PMT for information on its finances and activities, and co-operate with any investigation of its activities.

6. Warrantee

- 6.1 The Grantee warrants that all information provided to the PMT in connection with the grant application and the administration of the G-RAP is accurate and complete, in default of which the Participating Donors may terminate this Grant Arrangement and recover any moneys paid under it.

7. Special provisions

- 7.1 The Programme Management Team may suspend or terminate this Grant Agreement in the event that:
- a) the PMT determines that the Grant funds have been used for any purpose inconsistent with this Grant Agreement;
 - b) the Grantee persistently fails to co-operate with the PMT in accordance with this Grant Agreement; or
 - c) the Grantee ceases to engage in the activities for which the Grant was awarded.
- 7.2 In the event that the Grant Arrangement is terminated under paragraph 9.1, the Grantee will promptly repay any Grant funds determined by the PMT to have been used in breach of this Grant Agreement. In addition, any unspent funds will be returned to the PMT.
- 7.3 The Grantee agrees that neither the Participating Donors nor the PMT may be held liable for any act or omission carried out in discharge of their functions under the G-RAP.
- 7.4 The Grantee and the Participating Donors agree that any problems or disputes arising under this Grant Agreement will be resolved through the following process:
- a) dialogue and negotiation conducted through the PMT;
 - b) attendance of the Grantee at a session of the Funders' Committee;
 - c) if necessary, referral of the matter to an independent mediator nominated by the G-RAP Advisory Board.

8. Period of Grant Agreement

- 8.1 This Grant Agreement comes into operation upon signature by the Grantee and terminates upon satisfactory completion of the Plan of Activity.
- 8.2 The Grantee remains eligible to apply for further grants under the G-RAP.

Signed on behalf of **<Grantee name>** by:

Signature: _____

Name: _____

Title: _____

Date: _____

Signed on behalf of the Programme Management Team by

<PMT signatory>

Attachment

Plan of Activity, agreed between Grantee and PMT, setting out organisational development activities supported by the Grant, payment modalities, completion timetable, additional reporting requirements.