



GRANTS POLICY

The Southern Africa Trust provides grants in a targeted manner that promotes regional civil society integration and strengthens the impact of the voices of the poor in policy dialogue. The primary focus of the Trust's support of better policy processes will be to create the conditions to sustain and improve the livelihoods of the poor in a sustainable manner. The Trust therefore intends to support partner initiatives in the region that have an impact on improving the material conditions of the poor.

The process of grant making is conducted in a transparent fair and developmental manner. This grants policy is available to all partners and prospective applicants. The policy will be improved and revised as the Trust gains more experience in providing grants to initiatives in the region.

Grants are channelled to support priorities that are informed by the Trust's engagement with civil society organisations in policy learning processes. Civil society organisations will therefore jointly increase their impact on policies to end poverty.

The Trust approach to grant making is one which recognises that local and regionally based organisations are best placed to determine their development needs and priorities. The Trust plans to add value to these institutions by making resources available through its targeted grant making process. Although the Trust has defined certain parameters for its grant making, the focus of regional programmes will be determined and directed by regional institutions with support from the Trust.

The Trust intends developing a partnership relationship with organisations that it supports in the region. In terms of this relationship regional organisations bring their expert analysis and capacity to the partnership and the Trust its financial and other policy resources.

So as to inform and guide grant-making outcomes (especially proposals solicited through closed calls and unsolicited proposals), the Trust will develop written sector strategies that will be updated annually.

To give effect to this approach the Trust will provide three funding windows to provide funding to institutions in the southern African region.

Solicited Proposals

The first window and the more substantial in terms of resources will be through solicited proposals which will have an "open call" as well as a "closed call" process. The open call process will involve a public call for proposals published in the region. The closed call process will involve the Trust soliciting proposals from certain targeted organisations whose work fits in with the priority areas identified by the Trust.

The Trust will ordinarily issue two open calls for proposals annually, the first in May and the second in November. Depending on the particular circumstances the Board can decide to issue more calls or reduce the number.

The Trust will normally allocate a minimum of 85% of its annual grant budget to solicited proposals, to be determined annually by the Trust's board during its approval of the annual budget. The board will determine the specific split of grant allocations between open and closed calls on annual basis to ensure that it enables the mission and objectives of the Trust.

Unsolicited Proposals

The second window will create space for organisations in the region to approach the Trust for unsolicited support to programmes that have a regional impact.

Normally not more than 10% of the Trust's grant allocations will be provided to unsolicited proposals. The board will determine the specific proportion of grant allocations to unsolicited proposals on annual basis to ensure that it enables the mission and objectives of the Trust.

Discretionary Support

The third window is a discretionary facility to support unexpected situations for which partners require a quick response. Such support will only be available to organisations with which the Trust has an existing partnership.

Normally not more than 5% of the Trust's grant allocations will be provided in discretionary support. The board will determine the specific proportion of grant allocations to discretionary support on annual basis to ensure that it enables the mission and objectives of the Trust.

Grant Management

The grant management cycle of the Trust will be managed by a Grants Manager who will take responsibility for a Grants Facility located in South Africa. The facility will utilise an electronic grants management and tracking system to ensure the process is efficiently managed. The capacity of the grants department will be reviewed periodically to ensure adequate capacity is in place to manage the process effectively.

Language Policy

The general office operational language of the Trust will be English. However grant proposals will be accepted in English or French or Portuguese only. Communication with partners will be in English. The Trust will ensure that its staff complement as a whole has competence in all of the three languages.

Risk Management

The Trust is committed to ensuring that the resources at its disposal are utilised to effectively promote pro-poor policy processes and practices in the southern African region. As a result of this, the Trust will ensure an effective risk management system is put in place to ensure that resources are not wasted, abused or mismanaged. Before contracting takes place all partners will have to demonstrate that they have the capacity to implement the projects/programmes that they have the necessary governance and financial management systems in place to account for the resources provided.

The Executive Director of the Trust will take overall responsibility for managing the risks of the Trust. The scope of the responsibility will include, ensuring that due diligence exercises are carried out in regard to partners that are new, not well known or for any reason require closer scrutiny. Due diligence assessments will especially consider the financial management systems of applicant organisations. Because risks are not only financial the Trust will ensure that all projects consider their risk factors.

Risks are generally higher when dealing with coalitions/loose networks/alliances etc because in these forms of organisation it is difficult to hold any one party accountable and because they may not be formed into a separate legal entity. In these cases the Trust will require a lead organisation to contract with. Each organisation participating in a campaign or programme will be required to commit themselves in writing to the programme and to being accountable for the deliverables and resources.

In exceptional circumstances, the Trust will promote the development of new forms of civil society organisation through grant support, always working through at least one legally constituted partner organisation.

Monitoring and Evaluation

The Trust will put in place a monitoring and evaluation system to ensure that all projects are on track and that they make the impact they intend to make. The system will also ensure that experiences and

learning is properly documented and utilised to continuously improve policy and practise. Although the Trust does not have the resources to monitor every project it supports closely, the following will be put in place:

- All project reporting formats will be designed to ensure key learnings are adequately documented,
- All project reports will be scrutinised and learnings collated and documented,
- Periodically convening forums to discuss and debate developments and learnings,
- Site visits will be conducted with at least 50% of all partners in any twelve month cycle.
- All projects proposals will be required to contain progress and impact indicators/milestones to ensure effective ongoing evaluation,
- All projects will be required to demonstrate that they have mechanisms in place to ensure ongoing monitoring and evaluation of their projects

The Trust will conduct external impact evaluations as it deems fit on an ongoing basis.

Finances and Budgeting

The Trust utilises a resource accounting method for reporting on expenditure. To ensure that expenditure is accounted for in the period in which the related activities actually occur, the milestone table attached marked annex B2 is compulsory for all projects.

Budgeting must be done in line with the budget template provided marked annex B3. No other budget format will be accepted.

A maximum of four funding instalments and a minimum of one instalment will be released to partners annually, depending on the nature, duration and risks associated with the project.

All partners will be required to submit their general annual external financial audit statement, which must include the opinion of the external auditors regarding the management and use of funding provided by the Southern Africa Trust. Partners who receive funding for multi-year programmes or projects must submit their general audit at the end of each financial year. The Trust reserves the right to require specific project audits to be conducted where the need arises. Financial reporting and audit requirements will be stipulated in the contract with each partner.

Reporting

All partners will be required to report against their project outputs and in accordance with the forms marked Annexes C1, C2, and C3. A minimum of one report will be required from each project annually. The Trust may in some cases require more than the two aforementioned reports. The reporting requirements for each project will be stipulated in the contract with each partner.

Eligibility Criteria

There are two sets of eligibility criteria, relating to:

- organisations that can apply for a grant, and
- programmes for which a grant may be allocated.
- 9.1 Eligibility of Applicants: Who Can Apply?
- In order to be eligible for a grant, applicant organisations or lead organisations in an alliance/coalition/network with other organisations must:
- be a civil society organisation/ alliance/coalition/network rooted and governed in the southern African region; and
- be willing to enter into a partnership agreement with the Southern Africa Trust; and
- be engaged in programmes that have a southern African regional impact on policies related to poverty reduction.

Governmental and intergovernmental agencies (including public corporations and other parastatal organisations but excluding research institutes and statutory agencies such as commissions) will not be eligible under the open call process. However, they can participate through the closed call and unsolicited grant processes.

The Trust will enter into partnerships with private sector organisations however; the ownership of any products developed from such partnership shall be shared by the organisation and the Trust with the proviso that:

- The products may not be used by the organisation for financial gain without the consent of the Trust; and
- Funds provided by the Trust will not be used to finance the organisation's commercial activities.

The Trust only contracts with legally constituted institutions. In cases where applications are received from alliances, coalitions, networks etc that are not legally constituted and registered, the Trust will contract with a lead organisation and require written commitment from the other members of the coalition/network/alliance. All contracting organisations will be required to submit one or more supporting documents as proof of their legal status. These will include but not be limited to:

- Trust Deeds
- Constitutions
- Company Registration Certificates
- Other forms of registration

Eligible Projects: Projects for Which an Application can be submitted

Amount

There are no restrictions on the total cost of programmes. However, the maximum grant applied for from the Southern Africa Trust must be within the limits set by the specific call for proposals from the Trust.

Duration

The duration of a project may not exceed 36 months, unless otherwise agreed with the Trust or indicated in the specific call for proposals.

Geographical Location

Only programmes whose terrain of activity is within the southern African region or whose activities will have a direct impact on the southern African region will be eligible.

Sectors, Sub-sectors and Themes

To be determined by the specific call for proposals.

Type of Activities that are not eligible

The Trust does not exclude any specific types of activities except party-political campaigning activities. Priority will be given to innovative activities.

Number of Proposals and Grants per Applicant

An applicant may not submit more than one proposal in a specific call for proposals, unless indicated in the relevant call for proposals.

An applicant may not be given more than one grant under a specific call for proposals, unless otherwise indicated in the specific call for proposals.

What the Trust Funds

Under the open calls process the Trust provides project funding to partners. Funding for staff salaries, office space, telephone/fax and other administrative costs will be provided only if they are directly related to the implementation of the proposed project. However, for closed calls, unsolicited proposals, and discretionary funding, non-project-related salary and administrative costs may be considered for funding. The Trust will not fund the purchases of land or buildings.

Funding Windows

Solicited Proposals

The Trust has two options for solicited proposals:

Through the Open Call process the Trust will through its grants facility, issue (i.e. publish through mass media in English, French and Portuguese) calls for proposals setting out:

- The focus of the call for proposals,
- The process for application,
- The eligibility and relevance criteria,
- The budgetary considerations
- The format, deadline and place for applications to be lodged etc.

Through the Closed Call process the Trust will determine strategic areas that it intends pursuing. The Trust approaches organisations in the region and requires them to submit proposals in line with the strategic priorities.

Unsolicited Proposals

The Trust will accept uninvited proposals from organisations that believe that their programmes will add value to the mission and objectives of Trust. Proposals that have merit, are of strategic importance to the Trust, and comply with the eligibility criteria will be supported if funding is available to do so. These proposals will be assessed through the process outlined in section 9 above.

Discretionary Funding

Recognising that organisations often require quick-response support in the course of implementing their programmes, the Trust will make small grant support available for this purpose. The grants will be limited to a maximum of ZAR50 000,00 per grant and will be allocated at the discretion of the Executive Director of the Trust who will account to the board Grants Committee for expenditure under this budget line. A budget of not more than 5% of total grant allocations by the Trust will be allocated by the board for discretionary funding on an annual basis.

Application Process for Solicited Proposals

Step 1: For open calls the Trust publishes the call for proposals setting out the focus, objectives, requirements and process for the submission of applications. For closed calls the Trust approaches organisations to submit proposals

Step 2: For open calls, organisation/network/ alliance submits concept paper in the format supplied

Step 3: For open calls the Trust's Grants Manager in consultation with the Executive Director shortlists organisations on the basis of the concept papers and requests selected organisations to submit full proposals

Step 4: For open and closed calls, short-listed organisations complete the proposal form (Annexes B1, B2, B3, and B4) making sure that all the necessary information is provided and compliance with the limits set (e.g. length, amounts, etc)

Step 5: For open calls the Trust evaluates full proposals through a two stage process:

1. The Proposal Appraisals Committee reviews proposals, evaluates them according to the specified format (annex B5) and makes recommendations to the Grants Committee, and
2. The board Grants Committee considers the final recommendations from the Proposal Appraisals Committee and makes a final decision on grant allocations.

Step 6: For closed calls, the board Executive Committee and the executive director considers the proposals and makes a final decision on grant allocations

Trust office staff make contact with approved organisations and negotiate contracts including all financial and reporting requirements

Assessment of Applications

Open Calls

After long-listed proposals are selected by the Trust's grants manager in consultation with the Executive Director, an assessment will be made by a proposal appraisals committee made up of the Executive Director together with a minimum of two and a maximum of four external experts in the area that the call focuses on. The appraisals committee will assess applications in terms of the following general criteria (as set out in annex B5):

- Compliance with administrative and technical requirements set by the Trust
- Programme design
- The eligibility of the applicant organisation
- Feasibility of costs
- Substantive concerns of the Trust, including:
 - Integration of cross-cutting issues (HIV/AIDS, gender, and the Millennium Development Goals)
 - Regional scope of the project
 - Potential impact on poverty
 - Focus on policy aspects
 - Participation of voices of the poor in the project
 - Strategic importance for the Trust
- General impression made by the proposal as a whole

The second stage involves an evaluation by the board Grants Committee which makes final decisions on grants on the advice of the Proposal Appraisals Committee. The Grants Committee will either comprise the full board or a sub-committee delegated by the board to make the final decisions on behalf of the board.

Closed Calls and Unsolicited Proposals

All applications under these two windows will first be considered by the Trust's Grants Manager in consultation with the Executive Director, who will make recommendations to the board's Executive Committee and the Executive Director for a final decision on grant allocations (by agreement between the Executive Director and the Executive Committee).

Assessment of proposals received through these grant windows will be done according to the format prescribed in annex B5.

Conflicts of Interest

Assessors, staff or board members will have a conflict of interest if they stand to gain personally from any grant allocated by the Trust or if they are in a position to unfairly advantage or prejudice one applicant over others that have applied, by virtue of being connected to the organisation or any member of such an organisation.

To avoid any conflicts of interest from developing the Trust will require all outside assessors to sign a declaration of interest before participating in any grant assessments. Staff members and board members will be required to sign a general declaration of interest which will cover the grant assessment processes.

After such declarations have been made the Committee considering the applications will consider the extent of the conflict and the appropriate measures to deal with the situation. The measures taken could include the recusal of the affected member from the application in question or for the entire process.

Also, applicants will be excluded from participation in calls for proposals or the allocation of grants if, at the time of the call for proposals, they have attempted to obtain confidential information or influence the appraisals committee or grants committee of the Trust during the grant decision-making process.

Administrative and Technical Compliance

In submitting an application in response to a call for proposals, applicant organisations will be required to supply all the information requested. Applications not completed in the format requested will be disqualified from participating in the process. The Grants Facility of the Trust will assist with any queries that may arise from potential applicants before the submission of proposals.

Compliance at this stage of the process will require that applicant organisations complete all sections of the application forms (annexes A1 for concept notes or B1, B2 B3, and B4 for full proposals) and supply the supporting documentation requested.

Where and How to Send the Applications

Applications must be received in a sealed envelope addressed to the Grants Manager and sent by registered mail, courier or by hand-delivery to the addresses provided in the specific call for proposals (for open calls) or the addresses provided on the Trust's website for closed calls and unsolicited proposals. Applications submitted to any other addresses may not be considered by the Grants Committee.

Applications sent by any other means (e.g. by fax or by e-mail) will not be accepted.

Applications (application forms, budget, and supporting documents) must be submitted in one original and one copy.

The outer envelope must bear the call reference number as well as the full name and address of the applicant.

Applicants should verify that their application is complete by comparing it with the checklist in section nine of the application form.

Deadline for Receipt of Applications

A strict deadline for the receipt of applications will be provided with the call for proposals and the request for submission of full proposals. Any application received after the deadline will not be considered by the Grants Committee.

Further Information

Questions of clarification may only be raised before the deadline for receipt of proposals.

Acknowledgement of Receipt

Following the opening of the proposal, the Trust will send an acknowledgement of receipt to all applicants, indicating whether or not their application was received prior to the deadline.

Notification of the Grants Committee's Decision

Applicants will be informed in writing of the decision of the Trust's Grants Committee concerning their application. A decision not to award a grant will be on the following grounds, amongst others:

- the application was received after the deadline;
- the application was not relevant (e.g. the proposed activities were not within the scope of the thematic areas or strategic intent given in the call for proposals)
- the application did not meet the requirements of the call for proposals (e.g. the project exceeds the maximum duration allowed; the requested contribution is higher than the maximum allowed, etc);
- the operational capacity (e.g. number of staff members, equipment, venues, etc) of the applicant to administer the project is deemed insufficient;
- the application compared unfavourably against other applications received in competition for a limited total amount of grant allocations available under the call.

The Grants Committee's decision to reject an application or not to award a grant will be final and no correspondence will be entered into.

The date on which the Trust will announce the Grants Committee's decision following the completion of the proposal appraisals procedure will normally be four months after the deadline for the submission of concept notes. However, this time-frame is only indicative and may vary depending on the particular circumstances of a specific call for proposals.

Administrative Information

The minimum details that the Trust requires in order to be able to contract with any organisation are as follows:

- Title of the project
- Name of the lead applicant organisation
- Names of all other organisations in any partnerships
- Status of the organization (registration certificate, fundraising number, structure of the organization)
- Postal and physical address, telephone and fax numbers as well as an e-mail address (if available) for lead organisation
- Name of contact person for the project
- Name of authorized financial officer
- Name and contact details of external auditors
- List of board members or Trustees
- Name of bank account
- Names of bank account signatories
- Bank branch name and code
- Physical address of bank
- Bank account number
- Type of bank account

Financial Documentation

The financial documents which must accompany applications include the following:

Audited financial statements of the applicant organisation:

A certified copy of the last annual audited financial statement of the lead applicant organisation must accompany the submission of a full proposal application. In the event that there is no previous annual audited financial statement, the organisation must submit a letter from an external auditor that confirms the financial status of the organisation.

Annual Report: A copy of the most recent general annual report should accompany the submission of a full proposal application.