

Seed Fund to Support the Upstream Development of JSDF Grant Proposals

Guidelines

Background. Japan Social Development Fund proposals for Project or Capacity Building Grants are required to be well defined and agreed with the recipients or other stakeholders (which often include community groups, NGOs, civil society organizations or local governments). However, sometimes the JSDF proposals are not fully agreed/discussed with the community groups¹ and/or NGOs, which often leads to delays in the submission/clearance of proposals, or in the implementation of the JSDF grants.

The objectives of the Seed Fund program, is therefore, to help with the upstream development and preparation of JSDF grant proposals, especially when the proposed:

- Activity framework has not been fully agreed with or discussed with the poorest community groups and institutions that are expected to be the initiators and developers of the program;
- Grant objectives have not been well defined;
- Targeted beneficiaries/community areas have not been fully explored by development partners. The expectation is that the consultation with targeted beneficiaries will afford the opportunity for the communities to select activities which they believe address their vulnerabilities and key development needs, which will ensure ownership, development results and sustainability.

The strategic rationale for establishing Seed Fund program is to facilitate the upstream development of a JSDF grant proposal before the components are discussed and finalized. Seed Funds may finance individual grants of up to US\$50,000. Also, in order to ensure inclusion of baselines in the results framework for JSDF grants, an additional allocation of up to \$25,000 may be provided for the inclusion of an M&E Expert [preferably Bank staff] as part of the consultations with targeted beneficiaries. The M&E Expert is expected to assist the task team to undertake readiness assessment of the implementing agencies to ensure that they have the necessary conditions [including the right skills mix] in place to carry out an effective M&E system. These include ensuring that the appropriate staff [incl. consultants] have the necessary capacities to support the process. If capacity is weak, the framework will be

¹ Communities must be able to mobilize themselves to access information, make choices and determine priorities, mobilize resources, request financing or other assistance, and implement and manage development activities. Community mobilization and capacity building techniques often need to be employed to assist communities in this process. In addition, communities are often not homogeneous and explicit measures often need to be taken to assure that programs are socially inclusive – giving voice and decision making responsibility to women, the elderly, youth, religious and cultural minorities, indigenous and other ethnic groups, and the disabled.

developed to ensure that capacity is strengthened in data assessment and collection methodologies, among others. Such capacity strengthening strategy will ensure that data sets are better developed and analyzed for use as baseline which is the starting point against which to monitor and evaluate the results and outcome of the JSDF activities. The use of the allocation may include the travel cost of the M&E expert; including the possible recruitment of local M&E consultant to help with the data collection process, etc.

Operating Procedures

Objective. *To support the upstream development of Japan Social Development Fund Grant proposals. The process must involve participatory discussions with civil society groups to design the JSDF proposal for maximum effectiveness and/or sustainability. The output should be a well developed JSDF Grant proposal which should include results framework with baseline M&E indicators; target values, etc.*

Country Eligibility. All low-income and lower middle-income countries as defined in the the World Bank group are eligible for seed fund grants.

Amount. There are no minimum amounts. The requests should be made for essential activities to develop the proposals with grant recipients/beneficiaries. The maximum amount that may be requested is **US\$50,000**, and an additional allocation of up to **\$25,000** for M&E work, when justified by the TTL.

Grant Implementation Period. The grant implementation period has a maximum term of 12 months² from the date of approval by Development Finance (DFi).

Eligible Grant Activities. The grant is to be used for activities that facilitate the process of consultation with stakeholders, NGOs, communities and/or local governments or promote collaboration and empowerment that are necessary for a well developed JSDF grant proposal. Activities for the participatory process may include provision of services to facilitate and promote consultations, collaboration and empowerment to: (i) define the objectives and components of the JSDF proposal, including strategies for strengthening results framework; (ii) formalize arrangements to manage the grant; and (iii) allow full consideration of the proposed JSDF grant activities and respective cost estimates with all the stakeholders. During the design of the proposed JSDF grant, consideration must be given to key design principles for civil society engagement or community-driven development programs.³

² On average it takes six to eight months and in some cases one year to: (i) organize and formalize a community association; (ii) conduct social assessments; (iii) consult with the community associations; (iv) develop a project plan and agree on it. It should be noted resources/time are also needed for establishing the administrative procedures (e.g., execution).

³ Ten principles have been identified to guide policy formulation and program design to enhance the effectiveness and sustainability of support to CDD. These principles are: (i) establish an enabling environment through relevant institutional and policy reform; (ii) make investments responsive to informed demand; (iii) build participatory mechanisms for community control and stakeholder involvement; (iv) ensure social and gender inclusion; (v) invest in capacity building of community based organizations; (vi) facilitate community access to information; (vi) develop simple rules and strong incentives, supported by monitoring and evaluation; (viii) maintain flexibility in design of arrangements; (ix) design for scaling up; and (x) invest in an exit strategy. In developing JSDF proposals, these principles must be applied to the extent possible.

Eligible Grant Expenditures. Eligible grant expenditures include: consulting services (including those from community consultation program experts); local consultation costs; and **incremental** Bank staff travel and subsistence. The emphasis of a seed fund application should be on the activities of NGOs and local community specialists related to conducting substantive and productive consultations with the communities. Thus, the costs of international consultants must be kept to a minimum.

Ineligible Expenditures. The following expenditures are ineligible: implementation of JSDF grant activities, salaries for civil servants in recipient countries hired as consultants or otherwise, Bank staff salaries, hiring of consultants to draft or write the JSDF grant application and hiring of consultants for technical expertise other than participation.

Bank Fiduciary Responsibility as Grant Administrator. Task Teams are required to comply with the Bank's fiduciary responsibilities, due diligence to economy and efficiency and with Bank policies. TTLs should be TLAP-accredited.

Schedule. JSDF seed fund grant requests can be submitted year-round. DFi would confirm decisions (approved or rejected) on proposals within two weeks of submission.

Application Processing Steps. The following procedures should be followed:

1. The Bank Group task team leader completes the seed fund request form using the Grant Funding Request (GFR) tool online⁴.
2. The task team leader seeks the clearance of the concerned Sector Director/Practice Manager, as appropriate. The Regional/Global Practice Trust Fund Coordinator must receive a copy of the request.
3. The complete application is submitted through GFR to the JSDF Team in DFi for approval.

Grant Execution Arrangements. Grants would be, without exception, Bank executed. Local community groups/experts' participation and NGO involvement is encouraged to the extent possible.

Reporting. (i) Project TTLs will be responsible for submitting a JSDF proposal within 12 months from approval of the seed fund grant. (ii) The TTL is required to submit a brief status report on the use of the grant funds within 6 months from approval, using the reporting template available on our website. (iii) In case the grant does not lead to a JSDF proposal, the TTL must submit an explanation of why a JSDF proposal was not submitted for consideration to the JSDF Team within 12 months from approval.

Review of Requests. Requests must be submitted in the proper format to the JSDF Team at DFi. The following criteria would be used to evaluate proposals:

⁴ Please type "gfr" in the URL to access the GFR website, and click on the "Access GFR" tab. After logging on, please proceed to the "Grant Funding Request" tab, and type "378" as the window number for the JSDF Seed Fund.

- The follow-up JSDF Grant is complementary to a Bank-financed project. That is, it should not substitute or supplement Bank financing.
- The follow-up JSDF grant will assist the poorest or most vulnerable groups.
- The objectives of the follow-up JSDF grant will fit within the JSDF's main purposes with results framework that defines the development objectives (PDO) and intermediate outcomes (IO) along with their measurement indicators, etc. The arrangements for results monitoring should report baselines and target values of PDO and IO indicators in multiple years.
- The follow-up JSDF grant will entail the participation of local communities, NGO or other civil society groups.
- The request demonstrates active involvement of local community groups and NGOs.
- The request does not substitute for regular Bank activities or tasks not related to the development of the JSDF proposal.

Administration. Once the seed fund application is approved, the Trust Funds Accounting Clearance Team (TACT) will set up a separate Trust Fund account for the seed fund grant.