

ECONOMIC COMMUNITY OF
WEST AFRICAN STATES



COMMUNAUTE ECONOMIQUE
DES ETATS DE L'AFRIQUE
DE L'OUEST

COMUNIDADE ECONOMICA DOS
ESTADOS DA ÁFRICA OCIDENTAL

ECOWAS GRANT MANUAL

ECOWAS Community

July 2021

TABLE OF CONTENTS

1 GLOSSARY	1-6
1.1 ACTORS INVOLVED.....	1-6
1.2 TERMINOLOGY OF THE CALLS FOR PROPOSALS.....	1-7
1.3 TERMINOLOGY THE CONTRACTS.....	1-7
1.4 CONCERNING ECOWAS	1-8
1.5 THE FINANCIAL TERMINOLOGY	1-9
1.6 OTHER TERMINOLOGY	1-11
2 INTRODUCTION.....	2-12
2.1 PURPOSE OF THIS MANUAL	2-12
2.2 APPLICATION.....	2-12
2.2.1 <i>In case of alternative grant arrangements</i>	<i>2-12</i>
2.3 REVISION.....	2-13
2.4 LEGISLATIVE & REGULATORY FRAMEWORK.....	2-13
2.5 LEGAL REVIEW.....	2-13
2.6 LANGUAGE AND CURRENCY.....	2-13
2.6.1 <i>Language</i>	<i>2-13</i>
2.6.2 <i>Currency</i>	<i>2-13</i>
3 ABOUT GRANTS.....	3-14
3.1 PURPOSE AND DEFINITION OF GRANT.....	3-14
3.1.1 <i>Awarding procedures for grants</i>	<i>3-14</i>
3.1.2 <i>Definition and characteristics of an Action grant.....</i>	<i>3-14</i>
3.1.3 <i>Definition and characteristics of an Operating grant.....</i>	<i>3-15</i>
3.1.4 <i>Who can be eligible to become a grant beneficiary?</i>	<i>3-17</i>
3.1.5 <i>Differences between grant contract and procurement contract.....</i>	<i>3-18</i>
3.2 AGREEMENTS AND DECISIONS FOR GRANTS.....	3-19
3.3 PARTNERSHIP AGREEMENTS AND FRAMEWORK PARTNERSHIP	3-19
3.4 WHAT IS NOT TO BE CONSIDERED AS A GRANT	3-20
3.5 GENERAL PRINCIPLES APPLICABLE TO GRANTS.....	3-20
3.5.1 <i>Principle of transparency and equal treatment.....</i>	<i>3-20</i>
3.5.2 <i>Principle of no-cumulative award.....</i>	<i>3-21</i>
3.5.3 <i>Principle of non-retroactivity.....</i>	<i>3-21</i>
3.5.4 <i>Principle of co-financing</i>	<i>3-22</i>
3.5.5 <i>Principle of no-profit</i>	<i>3-23</i>
3.6 VISIBILITY	3-24
4 CALL FOR PROPOSALS.....	4-24
4.1 PUBLICITY	4-24
4.1.1 <i>Information sessions</i>	<i>4-25</i>
4.2 METHODS OF SUBMISSION AND TIMING	4-25
4.2.1 <i>Two stages or one stage call for proposals.....</i>	<i>4-25</i>
4.2.2 <i>Timing allowed for submission</i>	<i>4-26</i>
4.2.3 <i>Timeline of call for proposal.....</i>	<i>4-27</i>
4.2.4 <i>Additional information before the deadline for submission of proposals</i>	<i>4-28</i>
4.2.5 <i>Corrigendum</i>	<i>4-28</i>
4.2.6 <i>Division in lots</i>	<i>4-28</i>
4.2.7 <i>Deadline for submission of proposals</i>	<i>4-28</i>
4.3 CONTENT OF CALL FOR PROPOSALS	4-29
4.3.1 <i>Drafting and contents of the guidelines for applicants</i>	<i>4-30</i>
4.3.2 <i>Financial allocation defined in the Guidelines</i>	<i>4-30</i>

4.3.3	<i>Eligibility criteria</i>	4-31
4.3.4	<i>Exclusion criteria</i>	4-31
4.3.5	<i>Selection criteria</i>	4-33
4.3.6	<i>Award criteria</i>	4-33
4.4	ELIGIBLE COSTS.....	4-34
4.4.1	<i>Cost eligibility criteria</i>	4-34
4.4.2	<i>Eligible direct costs</i>	4-34
4.4.3	<i>Non-eligible costs</i>	4-35
4.4.4	<i>Performance based financing</i>	4-35
5	DRAFTING PROPOSAL BY THE APPLICANTS	5-36
5.1	DRAFTING THE APPLICATION FORM	5-36
5.1.1	<i>Documents to be attached to the application form</i>	5-36
5.2	DRAFTING THE ESTIMATED BUDGET OF AN ACTION	5-36
5.2.1	<i>The budget must be detailed and balanced</i>	5-36
5.2.2	<i>Expenditure</i>	5-37
5.2.3	<i>General criteria for eligibility of costs</i>	5-37
5.2.4	<i>Drafting the estimated budget</i>	5-37
5.2.5	<i>Determination of the final amount of the grant</i>	5-45
5.3	THE EVALUATION ENTITY.....	5-46
5.4	THE EVALUATION COMMITTEE	5-46
5.4.1	<i>Composition</i>	5-46
5.4.2	<i>Presence of Observers during the Evaluation Process</i>	5-47
5.4.3	<i>Use of assessors</i>	5-48
5.4.4	<i>The Role of the Secretary</i>	5-48
5.4.5	<i>Impartiality and confidentiality</i>	5-48
5.4.6	<i>Particular Situations</i>	5-49
5.4.7	<i>Responsibilities of the evaluation committee</i>	5-49
5.5	THE REVIEW COMMITTEE	5-50
5.5.1	<i>Responsibilities of the Review Committee</i>	5-51
5.6	THE PROCESS OF EVALUATION OF CALL FOR PROPOSALS.....	5-51
5.6.1	<i>Receipt and registration of proposals</i>	5-51
5.6.2	<i>The three steps of the evaluation</i>	5-52
5.6.3	<i>The first step</i>	5-52
5.6.4	<i>The second step</i>	5-53
5.6.5	<i>The third step</i>	5-54
5.6.6	<i>The evaluation committee conclusions</i>	5-55
5.6.7	<i>Special provisions for low-value grants</i>	5-56
5.6.8	<i>Financial support to third parties by grant beneficiaries (sub-granting)</i>	5-57
5.6.9	<i>Award of procurement contracts by grant beneficiaries</i>	5-58
5.6.10	<i>Cancelling a call for proposals procedure</i>	5-58
6	AWARDING GRANT CONTRACTS	6-59
6.1	NOTIFICATION TO THE APPLICANTS	6-59
6.1.1	<i>Standstill Period</i>	6-59
6.1.2	<i>Debriefing of unsuccessful applicants</i>	6-59
6.2	CONTRACT PREPARATION AND SIGNATURE	6-59
6.2.1	<i>Contract dossier of the call</i>	6-59
6.2.2	<i>Contract preparation and circuit of signatures</i>	6-60
6.2.3	<i>Conserving the documentation of the contracts</i>	6-60
6.2.4	<i>Characteristics of the standard grant contract</i>	6-60
6.3	MODIFYING GRANT CONTRACTS.....	6-61
6.3.1	<i>General principles</i>	6-61
6.3.2	<i>Preparing an addendum</i>	6-62
6.4	SPECIAL CONTRACTS	6-63

6.4.1	<i>Grants to organisations whose pillars have been positively assessed by international organisations</i>	6-63
6.4.2	<i>Grants awarded to other national public bodies from Member States</i>	6-63
7	GRANT CONTRACT EXECUTION	7-63
7.1	COMPOSITION OF THE CONTRACT AND ANNEXES.....	7-63
7.1.1	<i>Grant contract and special conditions</i>	7-64
7.1.2	<i>General conditions for grant contracts</i>	7-65
7.1.3	<i>Contract value</i>	7-65
7.1.4	<i>Advance payment security</i>	7-65
7.1.5	<i>Acceptable form of security</i>	7-66
7.2	PAYMENTS PROCEDURES	7-66
7.2.1	<i>Financial and narrative reports</i>	7-67
7.2.2	<i>Submission of final reports</i>	7-68
7.2.3	<i>Payment requests</i>	7-68
7.2.4	<i>Payment deadlines</i>	7-68
7.2.5	<i>Suspension of the period of payments</i>	7-69
7.2.6	<i>Interest on late payments</i>	7-69
7.2.7	<i>Modalities of payment</i>	7-69
7.2.8	<i>Audited expenditure verification reports</i>	7-69
7.2.9	<i>Detailed breakdown of expenditures</i>	7-70
7.2.10	<i>Right of access</i>	7-70
7.2.11	<i>Record keeping</i>	7-71
7.2.12	<i>Final amount of the grant</i>	7-72
7.2.13	<i>Recovery</i>	7-72
7.2.14	<i>Rules for currency conversion</i>	7-73
7.2.15	<i>Direct payment to subcontractors</i>	7-74
7.2.16	<i>Pledging the contract</i>	7-74
8	COMPLAINTS AND DISPUTES	8-74
8.1	COMPLAINTS TO THE CONTRACTING AUTHORITY (EVALUATION PROCESS).....	8-74
8.2	OPTIONS OF DISPUTE RESOLUTIONS	8-74
8.3	COMPLAINT RESOLUTION MECHANISMS	8-75
8.3.1	<i>Complaint procedures</i>	8-75
8.4	DISPUTES RESOLUTION AND SANCTIONS.....	8-76
8.4.1	<i>Contract Disputes</i>	8-76
8.4.2	<i>Sanction Committee</i>	8-76
8.4.3	<i>Referral to the competent authority</i>	8-77
9	ETHICS CLAUSES & CODE OF CONDUCT	9-77
9.1	ETHICS CLAUSES	9-77
9.1.1	<i>The grant beneficiary as impartial and faithful adviser; absence of conflict of interest</i>	9-77
9.1.2	<i>The grant beneficiary, respect of human rights, environmental legislation and core labour standards</i> 9-77	9-77
9.1.3	<i>The grant beneficiary and payments</i>	9-78
9.1.4	<i>The grant beneficiary and professional discretion</i>	9-78
9.1.5	<i>The grant beneficiary, anti-corruption and anti-bribery</i>	9-78
9.1.6	<i>Consequences of non-compliance with the ethical clauses and code of conduct</i>	9-78
9.2	CONFLICT OF INTERESTS.....	9-78
9.2.1	<i>Conflict of interest for the Contracting Authority</i>	9-79
9.2.2	<i>Grave professional misconduct by the grant beneficiary</i>	9-79
9.2.3	<i>Involvement in drafting call for proposals and distortion of competition</i>	9-79
9.2.4	<i>Professional conflicting interest</i>	9-80
LIST OF ANNEXES		9-81

1 GLOSSARY

1.1 Actors involved

‘The applicant’ is the organisation or individual that submits an application for a grant.

In case an application is submitted jointly by several bodies, **‘lead applicant’** defines the leader of the association and **‘co-applicant’** defines all other partners. If awarded the grant contract, the lead-applicant will become the grant beneficiary.

‘Co-applicants(s)’ (if any)-become the co-beneficiaries following the award of the grant.

Co-applicant(s) participate in designing and implementing the action, and the costs they incur are eligible for reimbursement under the grant in the same way as those incurred by the lead applicant.

Only the lead applicant and co-applicant(s) (if any) will become parties to the grant contract.

For the purposes of this Manual, the lead-applicant and co-applicant(s) are hereinafter referred to as **‘the applicant’**.

“Coordinator” is the interlocutor of the contracting authority and acts on behalf of the co-beneficiaries and coordinates the design and implementation of the action.

“Affiliated entities” (if any) are entities having a structural link with ‘the applicant’, in particular legal or capital link. The structural link shall be pre-existent with respect to the call for proposal and remain valid after the end of the action. The structural link shall be neither limited to the action nor established for the sole purpose of its implementation.

Affiliated entities participate in the design and in the implementation of the action and the costs they incur (including those incurred for implementation contracts and financial support to third parties) shall be eligible, provided they comply with all the relevant rules already applicable to the beneficiaries under the grant contract.

Affiliated entities must satisfy the same eligibility criteria as the lead applicant and the co-applicant(s) and not fall within one of the situations of exclusion referred to in Article 34 (1) in the ECOWAS Procurement Code.

“Associate organisations” are other organizations or individuals that maybe involved in the action **on a no-cost basis**. Such associates play a real role in the action but may not receive funding from the grant and will be not part of the grant agreement. There is no requirement with respect to eligibility criteria for associates.

“Grant beneficiary”, is the body signing a grant contract and should be understood as:

- (i) the only beneficiary of the grant (in case of mono-beneficiary grants);
- (ii) all beneficiaries of the grant (in case of multi-beneficiary’s grants).

“Target groups” are the groups or entities who will be directly and positively affected by the action at the Project Purpose Level.

“Final beneficiaries” are those who will benefit from the action in the long term at the level of society or sector at large.

“Contractors”. In the framework of the implementation of the grant contract, the grant beneficiaries and their affiliated entities are permitted to award procurement contracts. Applicable procurement rules shall be established in the grant contract. **‘Affiliated entities’** or **‘associates’** cannot be also contractors in the project to avoid conflict of interests.

Other “third parties”. If allowed under the relevant grant contract, grant beneficiaries may award financial support to third parties (also called sub-grantees). These third parties are neither affiliated entities nor associates or contractors.

“Consortium”. A grouping of eligible natural and legal persons or public entities which submits an application in response to a call for proposals. It may be a permanent, legally established grouping or a grouping which has been constituted *ad hoc* for a specific call for proposals. All members of a consortium (i.e. the leader and all other partners) are jointly and severally liable to the contracting authority.

1.2 Terminology of the calls for proposals

“Call for proposals”. A public invitation by the contracting authority, addressed to clearly identified categories of applicants, to propose operations within the framework of a specific programme. In this manual the word “Call” should be intended as Call for Proposals.

“Application documents”. The set of documents forming part of a grant application indicated in the Guidelines for Applicants.

“Corrigendum”. Correction of a guidelines already published. Corrigendum shall be made public with the same mean of diffusion of the Call, in order to reach all potential applicants in due time.

“Applicant”. A natural person or an entity with or without legal personality or a consortium who has submitted an application in a grant award procedure.

“Admissible”. An application which is suitable, not irregular or unacceptable.

“Concept note”. It is a succinct document (max 5, 6 pages) produced in response to a call including (i) a summary of the action with the (indicative) financing and the percentage sought from ECOWAS and the duration, (ii) the description of the action, (iii) The relevance of the action including the problems/needs the action intend to address, the target group and final beneficiaries and the particular added value elements.

“Full application” is the complete set of documents required by the Guidelines of the Call, including also the Concept Note.

“One stage calls for proposals”. Is a call for proposals where the Contracting Authority requires the submission of the full application.

“Two stages call for proposals”. Is a call where the Contracting Authority requires the submission of the sole Concept Note. After a process of preselection, the full application will be required only from the applicants which Concept Note have been positively assessed.

“Division in Lots” means to divide the call and further the contracts into several lots due to economic, financial or technical reasons. A call for proposals can be divided in lots. Note that for grants the same evaluation committee shall evaluate all lots.

“Award procedure” a grant award procedure to select entities implementing ECOWAS funds.

“Suspension clause” is a clause inserted in the advertisement of a call, clearly asserting that the call is conditioned to the approval of the related budget by the contracting authority.

1.3 Terminology the contracts

“Contract”. An agreement, between two or more persons or entities. A grant contract with all its annexes is establishing specific terms and conditions to implement the action (action grant) or the workplan (operating grant).

“Addendum”. A document modifying the terms and conditions of a contract agreed between the parties, being enforceable and with the same value of the initial contract.

“Eligibility” spells out whether a natural person or a legal entity can participate in the contracting process with the Community or its Institutions.

“Direct award”. The award of a grant contract without organising a competitive call for proposals. A direct award is only appropriate under certain special circumstances and must always be the subject of an evaluation report.

“Contract budget”. In the case of grants, the contract budget shows **an estimate** of the eligible costs and the total costs. The final value will be defined after the **final clearance** after verification of eligible costs incurred by the beneficiary.

“Budget breakdown” The schedule which breaks down the grant contract value according to predefined items, stating out costs, unit prices and lump sums or simplified costs options for each item.

“Implementation period” The period from the signature, or alternative date if specified in the special conditions, until all project activities have been carried out.

“Execution period” The period from contract signature until final payment; in no event can this period last longer than 18 months after the end of the implementation period.

“Clearance”. The amount of expenditure incurred in accordance with the grant contract which the contracting authority, after examination of the expenditure verification report and/or the supporting documents, accepts as eligible for financing under the contract.

“Pre-financing payment” any payment effected by the contracting authority for a grant contract out of the final payment.

“Final payment”. The final payment effected by the contracting authority after clearance.

“Public Contract” means written contract for pecuniary interest entered into by a procuring entity and a contractor or contractors for the supply of goods, the execution of works or services; Grant beneficiary(ies) are entitled to conclude public contracts in the framework of the execution of the grant.

1.4 Concerning ECOWAS

“Treaty” means the Revised ECOWAS Treaty of 1993 as amended.

“Head of Institution” means the head of any ECOWAS Institution as defined in the specific protocol of each Institution.

“Institutions of the Community” are entities established in accordance with Article 6 of the Revised ECOWAS Treaty and they include:

- The ECOWAS Parliament;
- The Community Court of Justice;
- The Commission, its Agencies and Offices;
- The ECOWAS Bank for Investment and Development (EBID)
- The West African Health Organisation (WAHO);
- The Intergovernmental Action Group Against Money Laundering in West Africa (GIABA);
- Economic and Social Council (ESC); and
- Any other Institutions of the Community as may be established in accordance with the provisions of the ECOWAS Treaty;

The word ‘Institution(s)’ is used interchangeably with ‘ECOWAS’

“Contracting Authority” means the President of the Commission or any other person the President delegates to commit the procuring entity and ensure execution of the contract;

“Authorising Officer” shall be the functionary of ECOWAS endowed by delegation of the President with the power to conduct grant operations and implement the application of the Grant Code and the provisions of this manual.

“Evaluation Entity” means a committee or person in charge of examining all proposals and awarding the contract in conformity with the provisions of the Grant Code and this Manual.

“Evaluation committee” means an ad hoc committee appointed by the Contracting Authority for the evaluation of proposals, the negotiation and assessment of direct agreement with the Beneficiary and the negotiation of addendum(a) for on-going contracts.

“Review Entity” means the person or Committee in charge of verifying the conformity and compliance of the recommendation made by the Evaluation Entity and deciding on the need to refer them back or clear the recommendation for contract award and signature.

“Review Committee” means the entity responsible for the final review of grant processes conducted by the Community any time its intervention is required.

“Assessor(s)”. An independent individual expert with an in-depth knowledge of the issues covered by a grant programme who is engaged by the contracting authority to carry out a detailed written assessment of grant applications using the published evaluation grids or grant in direct agreement. He/she cannot be a member of the evaluation/negotiation committee but may attend the meetings of the evaluation committee as observer to inform the evaluators about the result of his/her work.

“Consultant” means a natural or legal person under contract with a procuring entity to provide intellectual services; They may be used by the contracting authority to design call for proposals or other related services.

“Grant Manual” means the enabling procedures developed by ECOWAS for the implementation of the Grant Code;

“ECOWAS Website”. <http://www.ecowas.int/>

“Annual grant plan” or “Annual grant programme” is a planning document made public by the contracting authority with the purpose to (i) ensure the availability of the budget envelope for each grant action, following its approval and (ii) to provide basic information to the potential applicant about upcoming opportunities.

1.5 The financial terminology

Information and instructions on how to compile the budget for a grant proposal is given in Section 5.2.1 of this manual.

“Eligible Direct Costs” are those costs which are identifiable as specific costs directly linked to the performance of the action and which can therefore be attributed to it directly.

In the formulation of the budget, they are divided under 7 main headings:

1. Human resources
2. Travel and Transports
3. Equipment and supplies
4. Running costs for Local office
5. Other costs and services
6. Other (depending on the peculiarity of the action)
7. In-kind contribution

‘Eligible Indirect Costs’ presented as a lump sum, are meant to cover general administrative costs – overhead costs incurred in connection with the eligible direct costs of the action. They are calculated up to a maximum of 7% of the above 7 headings.

Eligible Indirect Costs shall not be included in the budget of an operating grant.

'Provision for Contingencies reserve' is a reserve of funds not allocated to a specific heading meant to be used in case of unforeseeable events during the execution of the action required to increase one of the headings (or sub-headings) of the budget. This provision can be included in the budget up to a maximum of 5% of the direct eligible costs.

Contingencies reserve shall not be included in Operating grants budget.

"Total Eligible costs" is the sum of Eligible Direct Costs, Eligible Indirect Costs and Contingency Reserve. The contracting authority's contribution usually covers only a certain percentage of these costs, according to the rules set out in the guidelines of the call.

"Simplified cost options (SCO)" are meant to simplify the administrative management of the grant. They can apply to one or more of the direct cost headings of the budget (i.e. cost headings 1 to 6 composing the Eligible Direct Costs), or to sub-cost headings or to specific cost items within these cost headings.

They may take the form of:

- **unit costs:** these cover all or certain specific categories of eligible costs which can be clearly identified (to be indicated in the budget at proposal stage) and are expressed in amounts per unit.
- **lump sums:** these cover in global terms all or certain specific categories of eligible costs which can be clearly identified (to be indicated in the budget at proposal stage).

Lump sum SCO are considered **output or result based** SCO.

- **flat-rates:** this covers specific categories of eligible costs which can be clearly identified (to be indicated in the budget at proposal stage) and are expressed as **a percentage** of other eligible costs.

"Contribution in kind" is defined as a provision of goods or services by the grant beneficiary or by a third party free of charge to the action subject of a grant contract. Contributions in kind do not therefore involve any expenditure for the grant beneficiary but can be considered as co-financing.

'Volunteers' work' is another form of contribution in-kind. 'Volunteers' work' or free of charge staff working can be provided in favour of the action by the grant beneficiary or by third parties.

"Contribution in kind" can be inscribed as Eligible Costs entering to be part of the entire cost of the action.

Note. The acceptance of contribution in kind is the sole prerogative of the Contracting Authority and the specific provision shall be set in the guidelines. The definition of the value is subject to strict rules and instrument to verify that the contribution has been really provided to the action.

"Taxes" means all taxes the beneficiary(ies) may be called to pay in the country where the action is implemented. They include Value Added Tax, any other form of sales tax, import taxes for goods, etc. Are excluded social and pension contributions or any other tax related to the personnel imposed by the local laws (to be budgeted and accounted under heading 1. Human resources). Taxes are eligible costs for the action subject to the specificity of the action.

"Expected source of funding" is the identification of each source of funding contributing to the total value of the action. It includes: (i) the contribution sought from ECOWAS, (ii) the contribution of the applicant own funds, (iii) the eventual contribution(s) from other donors, (iv) the revenue from the action (if any, see below in the manual for more) and (v) the contribution in kind (if allowed).

The sum of the above items defines the **"Expected total contribution"**.

"Revenue from the action". Although it is not frequent that the action generate revenue, when this revenue is justified and measurable, shall be accounted and included in the Expected source of funding.

The “**Expected total contribution**” should balance the “**Total Eligible Costs**”.

1.6 Other terminology

“**International organisation**” means an international public-sector organisation set up by international agreement, and specialised agencies set up by such organisations – these organisations may have a worldwide, continental or regional scope. Entities created under national law are not international organisations (e.g. a national NGO with several regional or country offices).Organisations such as the United Nations and its agencies and specialised entities, the World Bank, the Organisation for Economic Cooperation and Development, the Word Trade Organisation, the International Monetary Fund, the Organisation for Security and Cooperation in Europe, the European Bank for Reconstruction and Development and the International Organisation for Migration clearly fall under the definition of ‘international organisation’. In cases of doubt, to ascertain whether an organisation is covered by the definition, the nature of the organisation must be determined mainly on the basis of its legal founding documents (for instance, its statutes and/or the intergovernmental agreement setting it up). Other non-profit organisations can be assimilated to international organisations by a contracting authority decision.

“**Day**” if not otherwise specified means ‘calendar day’

“**Emergency situations**” are those where there is the need of immediate intervention for victims of natural or man-made disasters such as those associated with climate changes, terrorist attacks, war or insurrections declared or not, epidemic outbreak and health emergencies, failure in critical infrastructures, displacement of people and humanitarian or food crisis.

“**Urgency**”, is a situation requiring immediate action, but which is not caused by external or unforeseen factors, and which cannot trigger the use of procedures applicable in “**Emergency situations**”.

“**Force majeure**”. The term force majeure covers any unforeseeable events, not within the control of either party to the contract and which by the exercise of due diligence neither party is able to overcome such as acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars whether declared or not, blockades, insurrection, riots, epidemics, pandemics, landslides, earthquakes, storms, lightning, floods, washouts, civil disturbances, explosion. A decision of ECOWAS to suspend the cooperation with the partner country is considered to be a case of force majeure when it implies suspending funding under any contract.

2 INTRODUCTION

2.1 Purpose of this manual

This manual is aimed at providing detailed guidance to:

1. ECOWAS Directors, grant managers and practitioners, consultants, procurement and financial managers involved in the conduct of the procedures of selection and administration of grant contracts.
2. Grant applicants, potential beneficiaries and grant beneficiaries' managers and administrators in charge of the administration and technical conduct of the action grants or operating grants financed by the ECOWAS funds.

It is based on the provisions set out in the Grant Code and Financial Regulation in use within the ECOWAS Community and it is aimed to apply the requirements of the EU Pillar Assessment Pillar 4.

2.2 Application

This manual applies to the scope defined in article 6 of the Grant Code 2019.

However, the Grant Code allows the use for **alternative grant arrangements** if agreed with other partners in particular in the framework of joint operations in partnership with international donors, international financing institutions, bilateral donors, Member States and other similar communities of States to jointly finance and implement jointly regional and international programs.

In any case the use of the partners' grant arrangement shall not prevent ECOWAS from conducting financial and technical audits of the programme to safeguard its interests and objectives.

Furthermore, ECOWAS entities may delegate the implementation of their programmes or projects to Implementing Agencies present in the Member States, provided they have the technical capacity and human resources to do so. These **delegated Implementing Agencies** shall be bound to use provisions and templates provided by this manual.

This manual is designed to:

- a) provide detailed guidance on grant processes for both, the grant management staff within ECOWAS and the Counterparts competing for a grant, executing and implementing the actions or the workplan when attributed a grant;
- b) provide uniformed measures and compliance with the grant principles in all operations, and consistent with the ECOWAS Grant Code;
- c) promote the best practices of grant management in line with international standards
- d) ensure the best use of funds of the ECOWAS entities.

2.2.1 In case of alternative grant arrangements

Whenever the use of alternative grant arrangements is accepted by ECOWAS in the framework of a co-financed operation with one or more partners, the Community must be reassured that the proceeds are not in conflict with the objectives of ECOWAS. While neither the procedures nor standard grant templates documents will be used, ECOWAS shall require the respect of ECOWAS principles for grants: Transparency and equal treatment, non-cumulative award, non-retroactivity, co-financing and no-profit.

2.3 Revision

Periodically this Manual will be revised with the inputs generated by its practical application. In this regard, the ECOWAS procurement and grant capacity building portal will provide a platform and forum to raise issues, gather suggestions and engage in discourse. This ECOWAS Grant Manual 2021 is a new introduction the same as the Grant Code entered into force on 01 January 2019.

2.4 Legislative & Regulatory framework

The ECOWAS legislative framework governing this manual are:

- a) The ECOWAS Grant Code version 01/01/2019
- b) The ECOWAS Financial Regulation 2019
- c) The ECOWAS Procurement Code and Manual.

The templates provided in annex to this manual shall be considered as integral part of it.

2.5 Legal review

This Grant Manual and the templates attached to it, have been reviewed and vetted by the legal bodies of ECOWAS. The Grant Manual cannot be changed without legal review, among other reviews. By default, the guidelines for applicants contain two sections that cannot be changed without legal review, which are the Standard contract and the General Conditions of Grant Contract.

2.6 Language and Currency

2.6.1 Language

1. Any documents written, published, and provided to applicants or produced by them shall, in accordance with Article 87(2) of the Revised Treaty, be prepared in at least one of the working languages of the ECOWAS Community.
2. Calls for proposals shall be:
 - a. for local calls for proposals in one working language of the Community.
 - b. for regional and international calls for proposal in at least two working languages of the Community.
3. Responding proposals shall be in one of the three working languages of the Community.
4. Contracts shall be signed in the language of the proposal.
5. Contracts shall not be signed in more than one language.

2.6.2 Currency

1. The calls for proposals shall indicate that an applicant may quote the price of his/her proposal in the currency of any Member State of the Community and/or in any convertible currency. An applicant wishing to submit a bid/proposal denominated in several currencies, including convertible currencies, may do so provided the number does not exceed three.
2. For the purpose of the evaluation, proposals shall be compared using the ECOWAS official exchange rate.

3 ABOUT GRANTS

3.1 Purpose and definition of grant

A grant is a financial donation/non-commercial payment by an ECOWAS Institution to finance activities or work programmes consistent with the objectives of the ECOWAS Treaty.

There two forms of grant: **action grant and operating grant**.

Both forms of grant are subject to the same principles and rules for grant formulated in section 3.5, transparency and equal treatment, non-cumulative rule, no retroactivity effect, co-financing and no-profit for the beneficiary(ies) with the exceptions and derogations formulated therein.

Both forms of grant are subject to the same level of technical and financial control by the Contracting Authority by the means stipulated in the grant agreement (periodical and final reports, financial reports, independent audits or any other form of control considered necessary for the specific grant to preserve the interest of the ECOWAS).

3.1.1 Awarding procedures for grants

1. Grants may be awarded in two ways:
 - a) direct award without call for proposals;
 - b) award following a publication of a competitive call for proposals, evaluation and decision of award by the Contracting Authority.

3.1.2 Definition and characteristics of an Action grant

An Action Grant is a financial support granted by the Contracting Authority to finance an action or a series of actions in the framework of the execution of a wider programme..

Its duration is determined by the duration of the action itself and cover the number of months or years necessary for its completion.

Action grants are normally attributed following a competitive procedure where, based on the guidelines issued by the contracting authority, the proposals of the potential beneficiaries are examined and ranked. The attribution is then determined according to several criteria including but not limited to: the budget available, the non-duplication of similar actions in favour of the same target group, the necessity to reach all the target groups and final beneficiaries.

This means that among several proposals for similar actions in favour of the same target group or final beneficiaries, only the best can be chosen and other proposals, despite their quality, excluded from financing. (No-duplication of actions)

This means also that a proposal can be chosen because it is the only one directed to a target group or final beneficiaries that is of high interest for the contracting authority and cannot be ignored.

Without prejudice to the principle of transparency and equal treatment, the contracting authority has always the prerogative to attribute the grant to the highest ranked proposals that best fit and responds to the **widest objective** of the scope of the grant operation.

The detailed procedures on how to conduct a competitive call for proposals is given in section 4 of this Manual.

The conditions under which Direct Agreement can be made are listed under 1- 6:

1. In “Emergency Situations” as defined in the Glossary Art. 1 of the Grant Code.
2. In case of Special Grants as defined in Art. 24 of the Grant Code. In particular:

- a) Where the financial contribution is provided in a Community Legal Text or decision and are sourced from Community Levy;
 - b) Where the grant beneficiary and the amount of the grant to the grantee is included in a Grant Agreement with an external Donor.
3. Where the grant is awarded to a body with a *de jure* or *de facto* monopoly, duly substantiated in the award decision. '*De facto*' or '*de jure*' monopoly means that the grant beneficiary(s), (it may also be a consortium):
- a) has exclusive competence in the field of activity and/or geographical area to which the grant relates pursuant to any applicable law; or
 - b) is the only organisation: (i) operating or (ii) capable of operating in the field of activity and/or geographical area to which the grant relates by virtue of all considerations of fact and law.
4. Direct awards are allowed also in the case of (i) low-value grants in the meaning of Article 23 of the Grant Code to human rights defenders to finance urgent protection actions and (ii) subject to certain limitations, grants to finance actions in the most difficult conditions where the publication of a call for proposals would be inappropriate and inconsistent with the necessity to respond quickly to a contingent situation requiring a rapid intervention.
5. In case of research and technological development, to bodies identified and agreed on bi-lateral or multilateral agreements with Member States or other Donors and on condition that the nature of the action does not allow or justify recurring to a call for proposals. (i.e. only one body, research or technological institution can perform the action in that field).
6. For actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power, on condition that the actions concerned do not fall within the scope of a call for proposals.

Use of an Evaluation Committee for the attribution of an action grant in Direct Agreement.

For the sake of transparency and where there are no constraints of time, although not compulsory, it is recommended that an evaluation committee is constituted to attribute a direct agreement action grant.

Grant beneficiary should present its own detailed proposal in the same format and with all annexes and supporting documents as any other competitive call, this documentation will be examined by the evaluation committee.

The role of this evaluation committee shall be to:

- Justify the recurrence to a direct agreement instead of a competitive call for proposals.
- Justify the choice of a particular grant beneficiary instead of other possibilities (if any).
- Verify the eligibility criteria and technical capacity of the selected grant beneficiary.
- Negotiate with the selected grant beneficiary all conditions (technical, financial, time schedule, reporting, audit and monitoring) under which the action should be carried out.
- Elaborate the conclusion and formulate the recommendation of award based on the final work and financial plan at the finalisation of the negotiation.

A dedicated template is given in annex 29 to this manual.

3.1.3 Definition and characteristics of an Operating grant

An operating grant is a working capital fund given to a nonprofit organization to support its general mission and pay for overhead expenses (such as rent, salaries, furniture, and other day-to-day costs of running a business) to implement a specific “work programme” consistent with the objectives of

the ECOWAS Treaty.

The attribution of an Operating Grants is not subject to competition.

The attribution can be decided by the Statutory management of the ECOWAS Institutions for various reasons going from the necessity to support a work programme of a beneficiary body with financial support, the contribution and visibility of ECOWAS in a specific intervention sector, any other opportunity and convenience consistent with the objectives of the ECOWAS Treaty.

The duration of an operating grant may not exceed 12 months. The contract for an operating grant must be awarded within 4 months from the start of the beneficiary's financial year and the period covered should coincide with the fiscal year of the beneficiary body. It can be renewed/extended under specific circumstances that shall be clearly indicated in the grant agreement.

The Operating Grant is submitted to the same level of control as per any other grant.

Costs eligible for financing may not have been incurred before the grant application was lodged nor before the start of the beneficiary's financial year. No grant may be awarded retroactively for actions already completed.

Also Operating Grant shall involve of co-financing and are subject to the principle of non-retroactivity.

The principal conditions of eligibility are nonetheless:

- a) To be a body whose objectives are consistent with the ECOWAS objectives, principles and policies; or
- b) To be an entity representing non-profit bodies active in one of the Member States, promoting the same principles policies and objectives of ECOWAS.

For operating grants above UA 50 000 equivalent, the lead applicant must provide an audit report produced by an approved external auditor where it is available, and always in cases where a statutory audit is required by ECOWAS or national law. That report must certify the accounts for up to the last 3 financial years available. In all other cases, the applicant must provide a self-declaration signed by its authorised representative certifying the validity of its accounts for up to the last 3 financial years available.

The audit obligation does not apply to international organisations nor to public bodies.

Depending on its risk assessment, the contracting authority may waive the audit requirements for secondary and higher education and training establishments and any other relevant sector.

The applicants must indicate the sources and amounts of funding received or applied for the same work programme or part of the work programme or for its functioning during the same financial year as well as any other funding received or applied for the same work programme.

Use of an Evaluation Committee for the attribution of an operating grant in Direct Agreement.

In the sake of transparency, although not compulsory, is recommended to use an Evaluation Committee to attribute a direct agreement operating grant.

Grant beneficiary should present its own detailed proposal in the same format and with all annexes and supporting documents as any other competitive call. Instead of the "description of the action" a "work programme" shall be presented based on a twelve-month period (eventually with the option of being renewed/extended for other period of twelve months if allowed by the contracting authority). This documentation will be the basis of the negotiation.

The role of this Evaluation Committee shall be to:

- Justify the recurrence to a direct agreement operating grant
- Justify the choice of a particular grant beneficiary instead of other possibilities (if any).

- Verify in-depth the correspondence to the principal conditions of eligibility as well as the financial standing of the grant beneficiary.
- Verify the eligibility criteria and technical capacity of the selected grant beneficiary.
- Negotiate with the grant beneficiary all conditions (technical, financial, time schedule, reporting, audit and monitoring) under which the work plan should be carried out.
- Elaborate the conclusion and formulate the recommendation of award based on the final work and financial plan at the finalisation of the negotiation.

The same template in annex to this manual as per action grant can be used.

Why to recur to an Operating Grant instead of an Action Grant?

An Operating Grant is most recommended in favour of no-profit foundations or other no-profit organisations in the Member States active and experienced in some activities related with (as non-exhaustive examples) the promotion of cultural dialogue and cohesion, the cultural interchange, the promotion and enhancement of the living conditions of women and youth, the promotion of cultural events in the field of art, literature and theatre, the creation of Forum and discussion platform, the realisation of contests and the attribution of prizes and any other activity aimed at strengthening the perception of “Community” among the ECOWAS Member States and citizens.

With this instrument ECOWAS may delegate to a specialised body with a specialised background the conduction of those activities for which it may not have in its organogram a specific work-force.

Unlike the budget for an action grant, the budget for an operating grant shall be presented with the same format but omitting any indirect cost and provision for contingencies. In-kind contribution may be accepted as co-financing and considered eligible costs in the same way as in action grants.

For all Operating Grants is always recommended to foresees co-financing sourced by the beneficiary own funds or sourced by other Donors (or a combination of both).

3.1.4 Who can be eligible to become a grant beneficiary?

Beneficiaries can be natural or legal persons.

a) Legal persons

Legal person can be a single body, or a consortium or temporary association created *ad hoc* to implement an action in one or several member states. In case of consortium or temporary association, the leader must be clearly identified, and the Authorising Officer shall treat the consortium or association as the sole beneficiary. There are no restriction concerning the nationality of the grant beneficiary provided that: (i) a consortium always includes at least one resident body active in one of the member states (ii) the action is implemented in the ECOWAS Community.

b) Natural person

In case of Low Value Grant with the meaning of Art. 23 of the Grant Code and as determined by the nature or characteristics of the action or the objective pursued by the Contracting Authority, grant beneficiary(s) can also be a natural person provided that they have the capacity to undertake legal obligations and offer sufficient guarantees for the protection of the ECOWAS Community financial interests equivalent to those offered by legal persons.

The eligibility criteria shall be established in the Guidelines for Applicants.

In case of grant operations of high value and complexity, the guidelines may target international non-profit bodies with a high financial and organisational capacity with the imposition to constitute a consortium in partnership with one or more national body(s). This solution will facilitate transfer of knowledge to local organisations while preserving the financial interest of ECOWAS.

3.1.5 Differences between grant contract and procurement contract

It is important to summarize the differences between a procurement contract and a grant contract in view of the different criteria applicable in evaluation, attribution and management of the award contracts.

Grant contract

1. The contracting authority, by means of specific Guidelines, defines the global and specific objectives of the programme, the priority issues the grant programme intend to address, the target group(s) and the final beneficiaries.
2. The applicant can be a single body, or a consortium with co-applicants created *ad hoc* for such purpose with a lead applicant clearly identified. If awarded the grant contract, both the lead applicant and the co-applicant(s) (if any) become grant beneficiary(ies).
3. A grant is awarded for an action which falls within the normal framework of the applicant's activities, **conceived, designed and proposed** to the Contracting Authority **by the applicant**. **The grant beneficiary is responsible for implementing the action and owns the results.**
4. The standard grant contract recognizes **the beneficiary's independence of action** and lays down simplified management rules accordingly. In particular, it allows the grant coordinator to adapt or modify the action without the prior consent of the contracting authority provided that the modifications are not substantial (i.e. they do not vary the grant award conditions of the contract) and do not result in a change of more or less than 25 % to any budget heading.
5. A grant beneficiary generally contributes to the financing of the action unless full ECOWAS financing is mandatory for the action to be carried out. ECOWAS finances only a part of the costs which are considered eligible under the conditions set forth in the Guidelines. The grant beneficiary(ies) or another donor finance the other part. Grant shall involve always a co-financing except in cases described in section 3.5.4 of this Manual.
6. No grant may give rise to profits unless the objective is to reinforce the financial capacity of a beneficiary or generate income (i.e. it must only balance income and expenditure for the action and eventual profits should be reinvested in the action becoming part of the beneficiary(ies) contribution) or in alternative cases may be deducted by the ECOWAS contribution. The no-profit rule applies to the action or the work programme and not necessarily to the grant beneficiary's other activities. Exceptions are described in section 3.5.5 of this Manual.
7. During the contract assessment after the award and prior to the signature of contract, **the Contracting Authority may impose minor variations** for some aspects of the planning of the actions and modification to the budget if considered necessary provided this will not alter the competition (i.e. not to duplicate actions already proposed by other applicants and financed under other contracts or adjusting some costs proposed if considered not congruous or pertinent).
8. During the execution of a grant contract, costs are always considered "**estimated**" with a ceiling that can be defined by a maximum amount of the contribution and a maximum percentage of eligible or accepted costs. **The final value of a grant is determined in the final clearance**, after verification of all reports, achievement of results, financial supporting documents and final audit (where required).

Procurement contract

1. The purpose of a procurement contract is to acquire supplies, works and services.
2. **The contracting authority defines its needs** by means of detailed technical specifications, terms of reference or bill of quantities depending on the nature of the procurement.
3. **The contracting authority owns the results.**
4. The amount of a procurement contract represents a price fixed in accordance with competitive bidding rules. The contracting authority bears 100% of the costs.
5. Profit is allowed.

3.2 Agreements and decisions for grants

1. Every single grant shall be covered by a written agreement (grant contracts are also called grant agreements).
2. In cases where a grant (or several grants) are to be used in addressing a particularly complex situation or emergency in one of the Member States, a decision by the President of the Commission may be used instead of a grant contract.

In situation of crisis or emergency when a quick intervention became necessary in one of the Member States, the decision by the President of the Commission to attribute grant(s) is an alternative instrument that can be used instead of signing contract(s) with grant beneficiary(ies). For the sake of transparency and to back up the decision of the President it is advisable to convene a committee with the purpose of:

- Identifying the potential grant beneficiary(ies) and justify the choice by reason of their capacity to solve the problems that arise on the field.
- Negotiate with them whenever possible the drafting of an action plan identifying the target group, final beneficiaries and the modality of the delivery of the support.
- Define all the administrative aspect related with, reporting monitoring and disbursement.

3.3 Partnership agreements and framework partnership

Grant contracts may take the form of financial framework partnership agreements with a view to establishing a long-term cooperation between ECOWAS and beneficiaries implementing ECOWAS funded activities. Specific grants for actions and operating grants may form part of a framework partnership.

1. A framework partnership may be established as a long- term cooperation mechanism between an Institution of the Community and the beneficiaries of grants. It may take the form of a framework partnership agreement or a framework partnership decision.
 - a) The framework partnership agreement or decision shall specify the common objectives, the nature of actions planned on a one-off basis or as part of an approved annual work programme, the procedure for awarding specific grants, in compliance with the principles and procedural rules of the Grant Code, and the general rights and obligations of each party under the specific agreements or decisions.
 - b) The duration of the partnership shall not exceed four years, except in special cases where the nature and subject of the framework partnership justify an extension.
 - c) Authorising Officers shall not make unjustifiable use of framework partnership agreements or decisions or use them in such a way that the purpose or effect is contrary to the principles of transparency or equal treatment of applicants.

2. Framework partnerships shall be treated as grants with regard to programming, ex ante publication and award.
3. Specific grants based on framework partnership agreements or decisions shall be awarded in accordance with the procedures laid down in those agreements or decisions, and in compliance with the Grant Code.
4. They shall be subject to the ex post publication procedures as laid down in Article 31 of the Grant Code.

Financial framework partnership agreements should only be envisaged if their use has a clear extra value. For example, if only one specific grant is foreseen, financial framework partnership agreements are not the appropriate modality.

Templates of framework partnership agreement and specific contract for action and operating grant in the framework of partnership agreement are provided in annex 26, 27 and 28 to this manual.

3.4 What is not to be considered as a grant

1. The following do not constitute grants within the meaning of the Grant Code and this manual:
 - a) expenditure on the staff of the ECOWAS institutions; (this should not be incorporated into the Grant conditions).
 - b) all public contracts as referred to in the ECOWAS Procurement Code;
 - c) financial instruments, as well as shareholdings or equity participation in international financial institutions such as the ECOWAS Bank for Investment and Development (EBID) or other similar institutions;
 - d) contributions paid by the Commission or other ECOWAS Institutions as subscriptions to bodies of which they are a member, partner or associated;
 - e) contributions to specialised ECOWAS agencies made by virtue of each agency's constitutive act, supplementary act or decision;
 - f) repayment of travel and subsistence expenses incurred by, or where appropriate any other indemnities paid to, persons invited or mandated by the institutions;
 - g) prizes given as reward following a contest.

3.5 General principles applicable to Grants

1. Grants shall be subject to the principles of transparency and equal treatment.
2. Grants shall not be cumulative, except for the Special Grants described in Art. 24 of the Grant Code.
3. Grants shall not be awarded retrospectively.
4. Grants shall involve co-financing without prejudice to the specific rules laid down in Art. 14, 15 and 64 of the Grant Code.
5. Grants shall not have the purpose or effect of producing a profit for the beneficiary.

3.5.1 Principle of transparency and equal treatment

General prior information notice for grant operations

The contracting authority must publish all information related to the grant programmes it intends to carry on during the year not later than at the end of march of each year, in order to enable the potential applicants to obtain timely and general information on the actions being undertaken by the ECOWAS institutions. This prior information notices shall contain at least: (i) the title of the programme (ii) the

State (or group of States) or region(s) where the action(s) shall take place, (iii) the target group(s), (iv) the final beneficiaries, (v) the purpose of the grant operation in general terms (i.e. the problem(s) or constraint(s) it intends to solve/address), (vi) the indicative financial envelope that will be available, (vii) the estimated date when the call will be launched.

This requirement of prior publication shall not apply for grant operations in Emergency situation and for grants attributed in Direct Agreement without a call.

Ex-post publication of grant awards

All grants awarded in the course of a financial year must be published the following year on the ECOWAS Website and, if relevant for visibility reasons of ECOWAS operations, in other appropriate media, using the dedicated template provided as annex 2.

For the sake of transparency, also grants attributed in direct agreement or under emergency situation should be part of that list. For reason of confidentiality and security, the contracting authority may omit the value of the grant or other sensitive information.

Equal treatment

The concept of equal treatment embraces several aspects:

- a) No preferential treatment may be given to any potential beneficiary. This rule applies not only to the process of identifying and selecting beneficiaries, but also during the implementation of the action.
- b) Guidelines for grants shall be designed to ensure equal opportunities for men and women. Gender-based selection criteria shall be avoided except in duly justified cases.
- c) Ethnic based selection criteria shall be avoided too, except when the target group(s) are vulnerable ethnic group(s) in most need or danger or in others duly justified cases.
- d) All grants that imply procurement of goods, services and infrastructures intended for the use of persons, whether external public or staff of the grant beneficiary, must include in their technical specification accessibility requirements **for persons with disabilities** following a "design-for-all approach", except in duly justified cases or for security reasons.
- e) Environmental issues must be considered from the initial stage of design of calls for proposals. This might result in more environment-friendly guidelines suggesting increased use of information technology and increased use of "green" sources of energy, provided this does not lead to a reduction or distortion of the competition.

3.5.2 Principle of no-cumulative award

In case of action grant, each beneficiary may not be attributed more than one grant per action, except where otherwise justified in exceptional circumstances and for Special Grants as described in Article 24 of the Grant Code.

In case of operative grant, each beneficiary may not be attributed more than one grant for a financial year.

The applicant must specify in the application form any applications and awarded grants relating to the same action or to the same work programme.

Under no circumstance shall the same costs be financed twice by the ECOWAS budget.

3.5.3 Principle of non-retroactivity

For Action Grants

ECOWAS funding may not be used to finance actions that have already been completed and which

have therefore proved achievable without financial support from the ECOWAS.

Exceptions

A grant may be awarded for an action which has already begun provided that the applicant demonstrates the need for starting the action prior to signature of the grant agreement or notification of the grant decision.

In such cases, costs eligible for financing shall not have been incurred prior to the date of submission of the grant application.

This situation may occur in case of actions linked with the seasonal calendar (i.e. the action must start before the raining season, the action is related with the harvesting period of some crops, etc.)

Other exception is allowed in the event of emergency situations required for crisis management aid, civil protection operations and humanitarian aid operations, or in situations of imminent or immediate danger threatening to escalate into armed conflict or to destabilize a state, whereby an early engagement by the Community would be of major importance in promoting conflict prevention.

These occurrences must be clearly provided for into the grant agreement or grant decision.

For Operating Grants

The contract for an operating grant must be awarded within 4 months from the start of the beneficiary's financial year. Costs eligible for financing may not have been incurred before the grant application was lodged or before the start of the beneficiary's financial year.

It is not allowed awarding an operating grant for work programmes carried out in previous financial years of the beneficiary.

3.5.4 Principle of co-financing

As a general rule, a grant may not finance the entire cost of the action or the entire operating work programme of a beneficiary.

The principle of co-financing is justified by

Co-financing may take the form of:

- the beneficiary's own financial resources,
- financial contribution from other Donors
- income generated by the action or work programme, or
- in-kind contributions from the beneficiary itself or third parties.

The minimum and maximum percentage of co-financing allowed per each Call for Proposal **is decided by the Contracting Authority** based on principles of reasonableness, well considering the real financial capacities of the potential applicants target of the call. Especially when the call is targeting applications from no-profit organisations notoriously with low capacity of rising funds to contribute to the action, the required co-financing should be maintained low and reasonable.

The criterion of choice should be expounded with caution (higher requirements of co-financing may discourage small entities to apply, reduce consistently the competition and miss the objectives of the grant programme. Those percentage shall be mentioned in the Guidelines under 1.3 Financial allocation).

For action grant are reasonable percentage like 70/30, 80/20, 90/10, 95/5 (for small no-profit organisations).

For operating grants higher co-financing may be required like 50/50, 60/40 etc. being the counterpart supposed to have a more consistent financial standing.

Contributions in-kind as co-financing

The contracting authority may accept contributions in-kind as co-financing, if considered necessary or appropriate and defined in the guidelines.

Only if specifically provided for in the guidelines, contribution in kind **can be valued and treated as part of the co-financing** by the grant beneficiary. The value of ‘Contribution in kind’ **may not exceed 30%** of the co-financing provided by the grant beneficiary.

‘**Volunteers' work**’ is another form of contribution in-kind. ‘Volunteers' work’ or free of charge staff working can be provided in favour of the action by the grant beneficiary or by third parties.

Only if specifically provided for in the guidelines, volunteers' work’ **can be valued and treated as part of the co-financing** by the grant beneficiary. Volunteers' work **may not exceed 50 %** of the co-financing provided by the grant beneficiary.

The value of ‘contributions in kind’ proposed by the applicant and accepted by the contracting authority must not be subject to subsequent changes once the contract signed.

Exceptions

In particular situations, the Contracting Authority may choose the option to allow to finance in full an action (**full financing**). The choice should be taken prior to launch of the call and, for the sake of transparency in front of community levies, be described and motivated in a specific Decision. The Decision shall be valid and applicable for all potential beneficiaries applying to the call who may individually require full financing.

The financing of an action in full may be authorised in the following cases:

- a) humanitarian aid, including assistance for refugees, displaced persons, rehabilitation and mine clearance, reintegration of rebels and returning migrants in the civil society, post war situations in general;
- b) aid in emergency situations declared or not;
- c) actions to protect health or the fundamental rights of people
- d) actions co-financed with other international organisations;
- e) where it is in the interests of the ECOWAS to be the sole donor to an action, and in particular to ensure visibility of an ECOWAS programme.
- f) When the potential beneficiary(ies) targeted manifestly do not have any financial capacity.

The option to accept request of financing in full shall be mentioned in the guidelines.

3.5.5 Principle of no-profit

Grants must not have the purpose or effect of producing a profit **within the framework of the action or the work programme** of the beneficiary.

This means that the beneficiary can have source of profit coming from other activities it is carrying out in other activities.

Profit is defined as a surplus of the receipts over the eligible costs approved by the contracting authority when the request for payment of the final balance is made. They may include income generated by the action.

In case a profit is made, the contracting authority has the right to reduce the final amount of the grant by the percentage of the profit corresponding to the final ECOWAS contribution to the eligible costs actually incurred approved by the contracting authority.

Exceptions

The no-profit rule does not apply to:

- a) actions which objective is the reinforcement of the financial capacity of a beneficiary. Where applicable, this must be specified in Article 7 of the special conditions of the grant agreement;
- b) actions that generate an income to ensure their continuity after the period ECOWAS financing provided for in the grant agreement. Where applicable, this must be specified in Article 7 of the special conditions of the grant agreement;
- c) study, research, training or education support paid to natural persons or other direct support paid to natural persons most in need, unemployed persons and refugees.
- d) actions implemented by non-profit organisations;
- e) grants in the form of financing not linked to costs of the relevant operations
- f) low value grants in the context of Art. 23 of the Grant Code (i.e. value equal or less than UA 50 000)
- g) special grants in the meaning of Art. 24 (1) a) of the Grant Code sourced from Community Levies.

3.6 Visibility

1. Unless otherwise provided or agreed by the ECOWAS, all ECOWAS partners, whether contractors, grant beneficiaries or entities managing funds on behalf of the ECOWAS, must ensure the visibility of ECOWAS financing. If requested by the Guidelines for applicants, a communication plan must be submitted for approval to the Contracting Authority.
2. ECOWAS logo cannot be used in the head letter of the beneficiary(ies), but can be used in footer with the mention “A project financed by ECOWAS”
3. If so provided by the guidelines, visibility costs are eligible expenses

4 CALL FOR PROPOSALS

Before initiating any procedure, the funds must be available. Calls may exceptionally be launched with a suspension clause if the approval of the related budget by ECOWAS is imminent. The call is then launched before the financing decision is adopted with a suspension clause and the call is cancelled if the financing decision is not subsequently adopted. Contracts cannot be signed until the funds are available.

4.1 Publicity

In order to ensure the widest possible participation and the requisite of transparency, every call for proposals must be accompanied by guidelines for applicants.

The guidelines for applicants with all annexes shall be published on the ECOWAS Website.

Since the cost of publishing the entire guidelines for applicants in the local press might be very high, the template given as annex 1, prescribes the minimum information that is required for local publication. The notice published will give clear information on how to obtain the full set of documents.

Call for proposal are intended to reach the largest number of potential applicants to obtain a genuine competition. While the ECOWAS website remains the preferred channel of dissemination, adequate publication should also be done on the regional press (i.e. two publications per Member State in two most widely circulated newspapers). Publications on the press, after giving general information about

the call being launched, shall make reference to the ECOWAS Website where all documents shall be available for downloading.

Distribution of paper printed documents is not suitable for calls, except when the potential applicants/beneficiaries targeted manifestly may have difficult access to Internet. In this case the documents for the call can be made available in the office of ECOWAS present in each of the Member States following publication on the local press.

4.1.1 Information sessions

It is also strongly recommended, after the launch of the call for proposals, to hold one or more information sessions that all the potential applicants can attend. Such information sessions must take place at the latest 30 days before the deadline for submission of the concept notes. Any presentation/documentation to be delivered in the information sessions must also be uploaded on the ECOWAS Website/ECOWAS Institutions Website. The information about venues and time when those information sessions will be held can be given while publishing the press advertisement of the call and the publication on the ECOWAS Website/ECOWAS Institutions Website.

The information to be disseminated in all targeted regions must be harmonised in a non-discriminatory way and presented in the language of the country(ies).

4.2 Methods of submission and timing

4.2.1 Two stages or one stage call for proposals

The method of submission shall be defined in the Guidelines. Methods of submission may be:

- a) Submission in two stages:

In the first stage applicants shall be asked to submit only a **Concept Note**. The instructions for drafting the Concept Note will be provided by the contracting authority with the template of application form (see templates annex 9 and 10) together with the Guidelines. These templates include also a check list that **must be filled** by the applicant and attached and a model of declaration by the lead applicant to be provided at concept note stage. The evaluation grid that will be used by the evaluation committee to assess the Concept Note will be provided as part of the set of documents attached to the call for proposal. See template annex 30 to this Manual.

Only the applicants who have been shortlisted based on the criteria set in the evaluation grid above are invited to submit a full application.

The method of submission in two stages is recommended where the call is expecting a high number of applications (i.e. grant of medium/low amount). This allow the contracting authority to perform a first screening based on the data provided excluding the applications not falling in the scope of the grant operation or applicants not having the requisites of eligibility. This avoid also the applicants with limited financial capacity to afford the costs of preparation and transmission of a full application.

- b) Submission in one stage:

All applicants are asked to submit a full application. In this case, a Concept Note must still be submitted with the full application. The evaluation process is carried out always in three steps with the first shortlisting based on the Concept Note.

This method of submission in one stage is recommended where, because of the high value of the grant sought, the potential applicants are organisations with high financial standing that can afford the preparation and submission of the full proposal.

The arrangements for the submission of grant applications shall be determined by the authorizing officer responsible, who may choose the method of submission based on the above criteria of convenience.

4.2.2 Timing allowed for submission

The deadline for submission must be long enough to allow for high-quality proposals.

For two stages calls:

- The minimum period between the date of publication of the guidelines for applicants and the deadline for submission of the Concept Note shall be not less than 45 days. It can be more if Information sessions are foreseen in different dates and different locations.
- Once notified their concept note has been positively assessed for further evaluation, the applicants shall have not less than another 45 days to submit the full application.

For one stage calls:

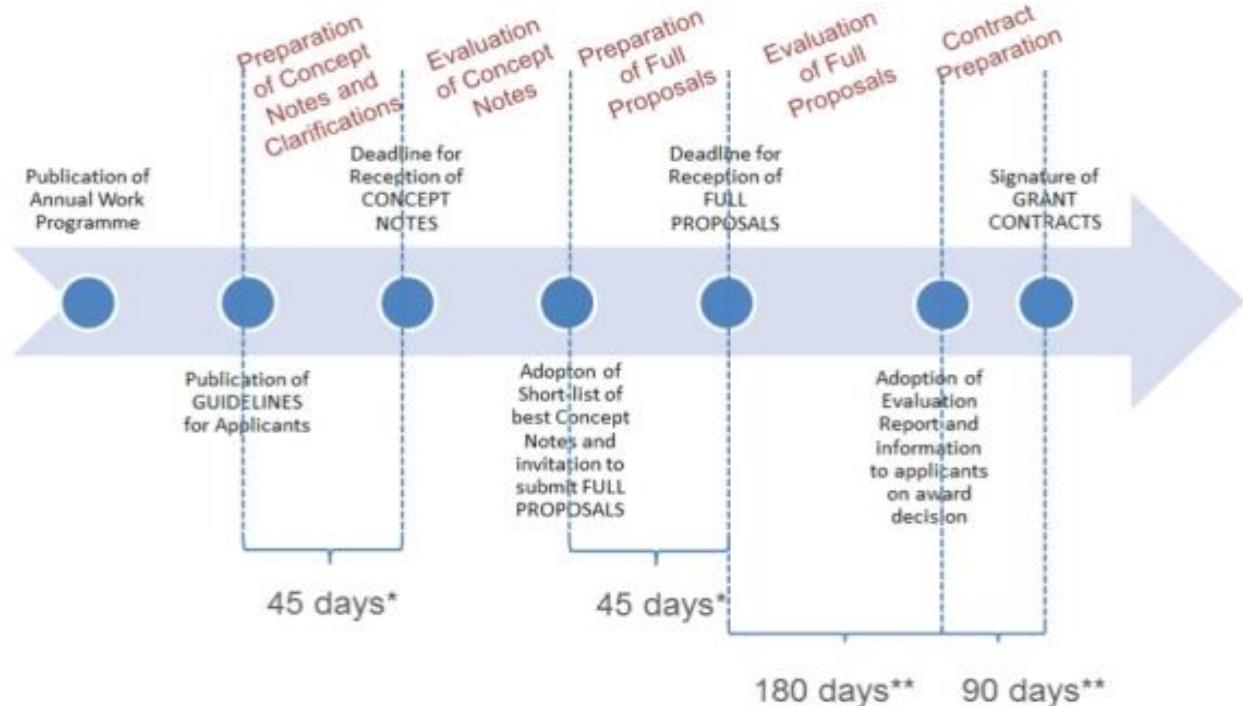
- The minimum period between the date of publication of the guidelines for applicants and the deadline for submission of the full application shall be not less than 90 days.

Too short deadline may prevent potential applicants from submitting proposals or cause them to submit incomplete or ill-prepared proposals with consequent administrative costs by the side of the contracting authority for asking clarifications, provide complementary supporting documents etc. and difficulties in conducting the evaluation.

4.2.3 Timeline of call for proposal

The timeline and the different stages of one stage and two stages of calls for proposals can be summarised as follows (indicative data):

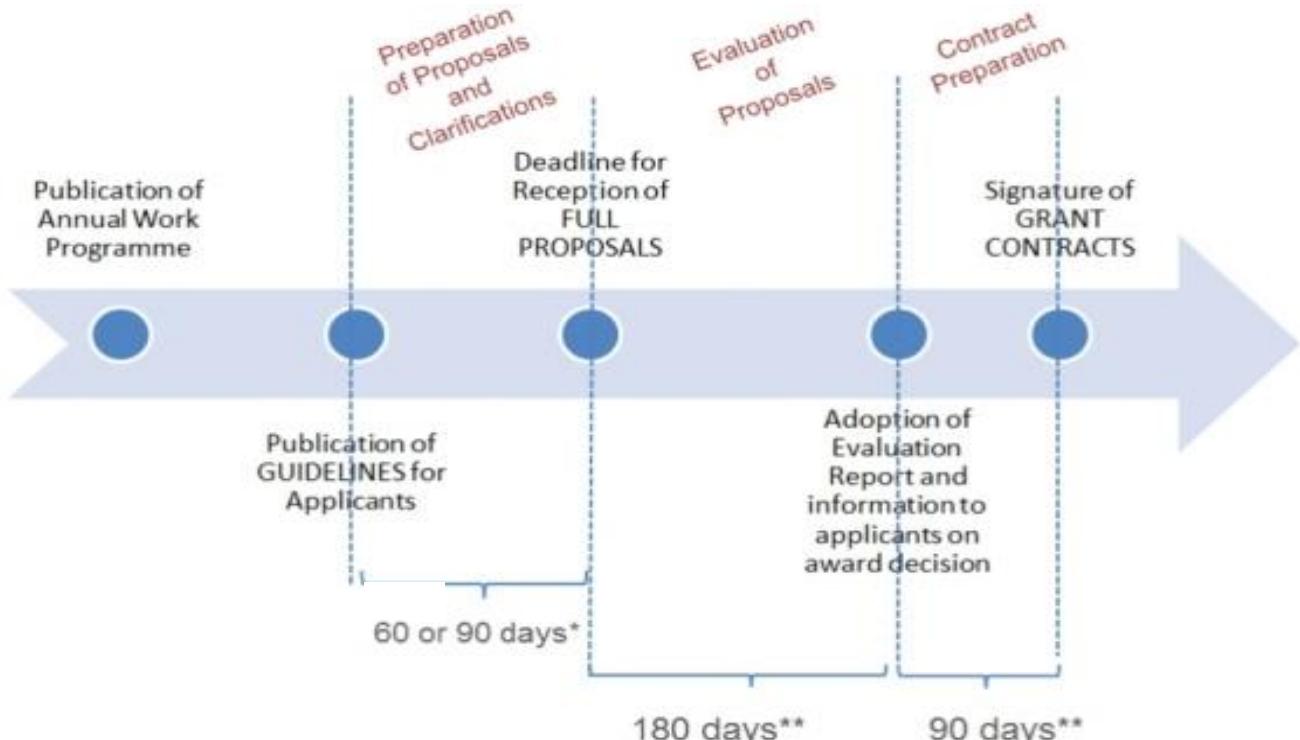
TIMELINE OF A TWO STAGES CALL FOR PROPOSALS



* These periods may be extended by the contracting authority

** These periods do not apply in the case of complex actions or where a large number of proposals have been received

TIMELINE OF A ONE STAGE CALL FOR PROPOSALS



* These periods may be extended by the contracting authority

** These periods do not apply in the case of complex actions or where a large number of proposals have been received

4.2.4 Additional information before the deadline for submission of proposals

During the time between publication and the deadline for the submission of proposals, in addition to any information session held (see Section 4.1.1.), applicants should be able to ask questions to help them fill in the forms and put together their applications. The contracting authority should therefore provide a contact point (i.e. e-mail address dedicated to the call) to which questions may be addressed. Lead applicants may submit questions in writing up to 21 days before the deadline for the submission of proposals. The contracting authority must reply to all such questions at least 11 days before the deadline for submission of proposals.

In the interest of transparency and equal opportunities, any answer provided to an applicant must be made available to all applicants.

Replies will be published on the ECOWAS Website in a document containing all the questions and answers provided. This document must be updated regularly until 11 days before the deadline for submission of proposals.

In the interest of equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of an applicant, an affiliated entity, an action or specific activities.

4.2.5 Corrigendum

If the contracting authority, either on its own initiative or in response to a request for clarification amends information in the call for proposals, a corrigendum with the changes must be published subject to the same publicity conditions as those for the call for proposals. The corrigendum may extend the deadline to allow potential applicants to take the changes into account.

4.2.6 Division in lots

In order to make more efficient use of funds available, the Contracting Authority may decide to divide a call in several lots. The criteria for the division in lots can be by various: per geographical area(s), per target(s) groups, per final beneficiaries, per field and nature of the action etc. Division in lots shall be mentioned in the guidelines.

4.2.7 Deadline for submission of proposals

Proposals must be submitted and reach the Contracting Authority at the address and by the date and time, indicated in the guidelines for applicants.

Exceptionally the Contracting Authority may accept to receive proposals or concept notes from applicants that can show their application have been sent by courier before the deadline, provided it reach the Contracting Authority office before any evaluation process have started.

This clause of flexibility in accepting proposals after the deadline, is inserted taking into account that applicants in some particular situation may not have means to afford the costs of rapid courier, or the applicant is located in remote and not well served regions in term of postal services or internet. It is the discretion of the Contracting Authority to apply or not that clause, depending on the applicants targeted for the specific grant programme.

Submission by electronic means (only concept notes)

Applications may only be submitted by electronic means if this is provided for in the Guidelines.

In this case, the Contracting Authority must provide for a dedicated e-mail with the necessary supervision. The applicant should send the document **only** in PDF format or image format (jpg, png, tiff). Documents not submitted in these formats shall not be accepted. The quality and readability of the documents remain the entire responsibility of the applicant showing legible stamps, signatures and dates of the said documents. The Contracting Authority shall always have the right to ask for paper printed version or original of some or all the documents.

Language of the supporting documents

If the supporting documents are not written in one of the official languages of the ECOWAS Community or (if applicable) of the country of implementation of the action, a translation into the language of the call for proposals of the relevant excerpts of these documents showing proof of the applicants' eligibility must be provided by the applicant for the purposes of evaluating the proposal.

Audit reports

For action grants exceeding UA 500 000 and for operating grants above UA 50 000, the lead applicant must provide an audit report produced by an approved external auditor where it is available, and always in cases where a statutory audit is required by ECOWAS. That report must certify the accounts for up to the last 3 financial years available. In all other cases, the applicant must provide a self-declaration signed by its authorised representative certifying the validity of its accounts for up to the last 3 financial years available.

Exceptions to the presentation of audit reports

- The audit obligation does not apply to international organisations or to public bodies.
- The audit obligation does not apply to international no-profit organisations having their account certified and made public via their Websites.
- Depending on its risk assessment, the Contracting Authority may waive the audit obligation for secondary, higher education, training, and any other relevant sector.
- Audit reports shall not be asked for low value grant with the meaning of Art. 23 of the Grant Code.

The applicants must indicate the sources and amounts of ECOWAS funding received or applied for the same action or part of the action or for its functioning during the same financial year as well as any other funding received or applied in the same action.

4.3 Content of Call for Proposals

The main documents of the call are the Guidelines.

Together with the Guidelines the following annexes shall be provided by the Contracting Authority:

Documents to be completed by the applicants

Annex A: Grant application form (Word format) (templates annex 9 and 10)

Annex B: Budget template (with three worksheets in Excel format) (template annex 11)

Annex C: Logical framework (Word format) (template annex 12)

Annex D: Identification of the legal entity(ies) (one per each entity co-beneficiary) (templates annex 13, 14 and 15)

Documents provided for information

Annex F: Standard grant contract and special conditions (template annex 17)

- Annex II – The General Conditions applicable to grant contracts (template annex 18)

- Annex IV – A summary of the procurement rules the beneficiary must apply when purchasing (goods, services or works) in the framework of the execution of the grant. (see template annex 19 to this Manual)
- Annex V - Standard request for payments (template annex 20)
- Annex VI – Models of interim and final narrative and financial reports (templates annex 21a and 21b)

Note. The “Description of the Action” (including the logical framework and the concept note of the project) will become Annex I to the contract and the Budget of the action provided by the applicant (in three worksheets: budget, justifications and source of funding) will become Annex III to the contract.

If required by the call:

- Annex VII - Terms of reference for an expenditure verification and model report of factual findings (template in annex 22)
- Annex VIII – Model of financial guarantee for advance payment (template in annex 23)
- Annex IX - Standard template for transfer of asset ownership (template in annex 24)

Calls for proposals shall specify the planned date by which all applicants shall have been informed of the outcome of the evaluation of their application and the indicative date for the signature of grant agreements or notification of grant decisions.

Those dates shall be fixed on the basis of the following periods:

- a maximum of six months from the final date for submission of complete proposals, for informing all applicants of the outcome of the evaluation of their application,
- b) a maximum of three months from the date of informing applicants that they have been successful, for signing grant agreements with applicants or notifying grant decisions to them.

Those dates may be reasonably extended in case of operations for which it is forecasted to receive a large number of proposals.

4.3.1 Drafting and contents of the guidelines for applicants

The guidelines for applicants that include the application form and the annexes listed above explain the purpose of the call for proposals, the rules on eligibility of applicants, the types of action and costs that are eligible for financing, the evaluation, selection and award criteria (see annex 7 and 8 templates guidelines for applicants). They also contain instructions on how to fill in the application form, what to attach to it and what procedures to follow for applying. They give information on the evaluation process that will follow including an indicative timetable. They provide also for information the contractual conditions applying to successful applicants.

The guidelines for applicants should set out very clearly and in detail the objectives and priorities of the call for proposals and give particular attention to the eligibility criteria.

It is advisable to clarify and limit the priorities and objectives of calls and to clearly explain the eligibility criteria for applicants and actions to ensure that only adequate applications will be submitted.

4.3.2 Financial allocation defined in the Guidelines

The Guidelines for applicants define the financial allocation for the specific grant operation. It is the sole discretion of the Contracting Authority to define all the following parameters:

1. The overall **indicative** amount made available under the call for proposals.

The statement: “The Contracting Authority reserves the right not to award all available funds” should be included into the guidelines.

2. In case of lots: Indicative allocation of funds by lot or by geographical distribution.

If the allocation indicated for a specific lot cannot be used due to insufficient quality or number of proposals received, the Contracting Authority reserves the right to reallocate the remaining funds to (an)other lot(s).

3. The size of grants is in absolute value (minimum and maximum value of the eligible costs)
4. The minimum and maximum percentage of the eligible costs of the action that can be financed by ECOWAS.
5. The grant may cover the entire eligible costs of the action if this is deemed essential to carry it out. If that is the case, the lead applicant must justify full financing in Section 2.1 of Part B of the grant application form. The validity of the justification provided will be examined during the evaluation procedure. The absence of any justification may lead to the rejection of the application.

4.3.3 Eligibility criteria

The eligibility criteria determine the conditions for participating in a call for proposals. They must be drafted with due regard for the objectives of the action and be transparent and non-discriminatory.

The eligibility criteria concern two different aspects:

1. Eligibility of the applicants

This refers to the applicants' legal and administrative status.

- i. In general, participation to grant procedures are open to all natural and legal persons who are nationals and effectively established in a Member State of the ECOWAS Community.
- ii. This criterion can be set and also extended to legal persons of **any country** providing that one or more co-applicant(s) are nationals and effectively established in a Member State of the ECOWAS Community.
- iii. In case of jointly co-financed actions / shared management / trust funds: where actions are co-financed jointly with a partner or other donors or implemented through a Member State in shared management, or through a trust fund established by the Community, natural and legal persons from countries which are eligible under the rules of that partner, other donor or Member State or determined in the constitutive act of the trust fund are also eligible.

If a call for proposals relates to actions that might or need to be implemented by several entities, the minimum, maximum or the recommended number of entities and the eligibility criteria applicable to each entity or to all together may be specified in the Guidelines.

2. Eligibility of the action

This refers to the types of activities, sectors or themes and geographical areas covered by the call responding the general and specific objectives announced therein.

4.3.4 Exclusion criteria

An applicant will be excluded from participation in grant procedures if:

- a) It is bankrupt, subject to insolvency or winding-up procedures, where its assets are being administered by a liquidator or by a court, where it is in an arrangement with creditors, where its business activities are suspended, or where it is in any analogous situation arising from a similar procedure provided for under national laws or regulations;

- b) It has been established by a final judgment or a final administrative decision that the economic operator is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law of its country;
- c) It has been established by a final judgment or a final administrative decision that the economic operator is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the economic operator belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes a wrongful intent or gross negligence, including, in particular, any of the following:
 - i. fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract;
 - ii. entering into agreement with other economic operators with the aim of distorting competition;
 - iii. attempting to influence the decision-making process of the Contracting Authority during the grant procedure;
 - iv. attempting to obtain confidential information that may confer upon it undue advantages in the grant procedure;
- d) it has been established by a final judgment that the economic operator is guilty of any of the following:
 - i. fraud against the financial interest of the ECOWAS Community
 - ii. corruption involving officials of the ECOWAS Community or officials of Member States
 - iii. conduct related to a criminal organisation
 - iv. money laundering or terrorist financing
 - v. terrorism-related offences or offences linked to terrorist activities
 - vi. child labour or other forms of trafficking in human beings
- e) The economic operator has shown significant deficiencies in complying with main obligations in the performance of a contract financed by ECOWAS, which has led to the early termination of a legal commitment or to the application of liquidated damages or other contractual penalties or which has been discovered following checks and audits or investigations by an authorising officer or the Auditor General;
- f) it has been established by a final judgment or final administrative decision that the economic operator has committed an irregularity against the ECOWAS financial interests
- g) it has been established by a final judgment or final administrative decision that the person or entity has created an entity under a different jurisdiction with the intent to circumvent fiscal, social or any other legal obligations of mandatory application in the jurisdiction of its registered office, central administration or principal place of business.
- h) it has been established by a final judgment or final administrative decision that an entity has been created with the intent provided for in point (g).

In cases referred to in points c), d), f), g) and h) in the absence of a final judgment or a final administrative decision, or in the case referred to in point e), the Contracting Authority must exclude an economic operator on the basis of a preliminary classification in law having regard to established facts or other findings it may know.

The Contracting Authority must exclude the economic operator where:

- a natural or legal person who is member of the administrative, management or supervisory body or has power of representation, decision or control on the economic operator is in a situation listed in points c) to h);
- a natural or legal person who is essential for the award or for the implementation of the legal commitment and is in a situation referred to in point c) to h).

The Contracting Authority **must not** exclude an applicant where:

- i. it can demonstrate that adequate measures have been adopted which ensure its reliability, except in the cases listed in point d);
- ii. where the exclusion would be disproportionate

4.3.5 Selection criteria

The selection criteria are used to assess the lead applicant's **financial capacity** as well as the lead applicant's and the co-applicant(s)'s **operational capacity** to complete the proposed action:

1. The lead applicant must have stable and sufficient sources of funding to keep operating throughout the action implementation period and to participate, where appropriate, in its funding;
2. Applicants and their affiliated entity(ies) (if any) must have **altogether** the necessary experience, professional competencies and qualifications to complete the proposed action.

The financial capacity always has to be verified as the financial interests of the ECOWAS entity have to be protected in any case.

The only exception is where the beneficiaries are: natural persons in receipt of scholarships, natural persons most in need and receiving direct support, public bodies, international organisations, international no-profit organisations having their balance published.

Assessments are made on the basis of the supporting documents submitted in the context of the call for proposals. These may include external audit reports of the lead applicant, the profit and loss account and the balance sheet for the last financial year for which the accounts have been closed. In case of doubts about the capacity of the applicants, the evaluation committee may ask for additional proof.

For framework partnership agreements, the verification of the financial capacity takes place before entering into the framework agreement.

4.3.6 Award criteria

The award criteria are used to assess proposals against the set objectives and priorities, so that grants are awarded to actions that maximise the overall effectiveness of the call for proposals. They should enable the Contracting Authority to select proposals that will comply with its objectives and priorities and guarantee the visibility of the ECOWAS financing.

The award criteria relate, in particular, to the relevance of the action and its compatibility with the objectives of the grant programme under which the call for proposals is being financed; the quality, expected impact and sustainability of the action, and its cost-effectiveness.

All eligibility and evaluation criteria specified in the call for proposals must be applied as specified in the guidelines and **cannot be changed in the course of the procedure**. The criteria should be precise and non-discriminatory.

Selection and award criteria are duly reported and detailed in the evaluation grids templates provided with the call for proposal documents.

4.4 Eligible costs

4.4.1 Cost eligibility criteria

Eligible costs are actual costs incurred by the beneficiary(ies) which meet all the following criteria:

- a) they are incurred during the implementation of the action (as specified in Article 2 of the special conditions – Implementation period of the action). In particular:
 - i. Costs relating to services and works shall relate to activities performed during the implementation period. Costs relating to supplies shall relate to delivery and installation of items during the implementation period. Cash transfers between the coordinator and/or the other beneficiary(ies) and/or affiliated entity(ies) may not be considered as costs incurred.

Signature of a contract, placing of an order, or entering into any commitment for expenditure within the implementation period for future delivery of services, works or supplies **after the expiration of the implementation period** do not meet this requirement.

- ii. Costs incurred should be paid before the submission of the final reports. They may be paid afterwards, provided they are listed in the final report together with the estimated date of payment;

An exception is made for costs relating to final reports preparation, including expenditure verification, audit and final evaluation of the action, which may be incurred after the implementation period of the action;

- iii. Procedures to award contracts may have been initiated and contracts may be concluded by the beneficiary(ies) before the start of the implementation period of the action, provided the provisions of Annex IV – Procurement rules for grant beneficiaries, have been respected.
- b) they are indicated in the estimated overall budget for the action;
- c) they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary(ies) and determined according to the accounting standards and the usual cost accounting practices applicable to the beneficiary(ies);
- d) they comply with the requirements of applicable tax and social legislation of the country of the beneficiary;
- e) they are reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

4.4.2 Eligible direct costs

Subject to the provisions of the previous section and, where relevant, to the provisions of Annex IV being respected, the following direct costs of the beneficiary(ies) shall be eligible:

- a) the cost of staff assigned to the action, corresponding to actual gross salaries including social security charges and other remuneration-related costs (excluding performance-based bonuses, see following section); salaries and costs shall not exceed those normally borne by the beneficiary(ies), unless it is justified by showing that it is essential to carry out the action;
- b) travel and subsistence costs for staff and other persons taking part in the action, provided they do not exceed those normally borne by the beneficiary(ies) according to its rules and regulations.
- c) purchase costs for equipment (new or used) and supplies specifically dedicated to the purposes of the action, provided that ownership is transferred at the end of the action. The process of transfer of the purchased equipment should be stated in the Grant agreement.

- d) depreciation, rental or leasing costs for equipment (new or used) and supplies specifically dedicated to the purposes of the action.
- e) rental costs related to project office, when a project office is foreseen, duly justified and described in the description of the action and in the justification's worksheet of the budget;
- f) costs of consumables;
- g) costs of service, supply and work contracts awarded by the beneficiary(ies) for the purposes of the action. This includes the costs for mobilising expertise to improve the quality of the logical framework (e.g. accuracy of baselines, monitoring systems, etc.), both at the beginning and during the implementation of the action.
- h) costs deriving directly from the requirements of the contract (dissemination of information, Creation and maintaining of Websites, evaluation specific to the action, audits, translation, reproduction, insurance, etc.) including financial service costs (in particular the cost of transfers and the costs for obtaining financial guarantees where required according to the contract);
- i) In-kind contributions with the modality and values approved by the Contracting Authority
- j) overheads (only in the case of an operating grant).

4.4.3 Non-eligible costs

The following costs **shall not be considered eligible**:

- a) duties, taxes, and charges, including VAT or other sales tax, unless otherwise provided in the Special Conditions.
- b) debts and debt service charges (passive interests);
- c) provisions for losses, debts or potential future liabilities;
- d) costs declared by the beneficiary(ies) and financed by another action or work programme receiving a grant from other donors or another ECOWAS grant.
- e) purchases of land or buildings, except where necessary for the direct implementation of the action and according to the conditions specified in the special conditions; in all cases the ownership shall be transferred at the latest at the end of the action;
- f) currency exchange losses;
- g) credits to third parties, unless otherwise specified in the special conditions;
- h) salary costs of the personnel of national administrations, unless otherwise specified in the special conditions and only to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the action were not undertaken;

i.e. staff hired by a national administration on temporary bases for the sole purpose of the execution of the action.

- i) performance-based bonuses included in costs of staff.

4.4.4 Performance based financing

A grant can be **partly or entirely** linked to the achievement of results measured by reference to previously set milestones or through performance indicators.

Such performance-based financing is not subject to other conditions, provided the relevant results and the means to measure their achievement is clearly described in Annex I. – Description of the Action of the grant contract.

The amount to be paid for each achieved result shall be set out in the Budget (annex III to the contract). The method to determine the amount to be paid for each achieved result shall be clearly described in Annex I. – Description of the Action of the grant contract, taking into account the principle of sound financial management and avoid double-financing of costs.

The beneficiary(ies) shall not be obliged to report on costs linked to the achievement of results. However, the beneficiary(ies) shall submit any necessary supporting documents, including where relevant accounting documents, to prove that the results **triggering the payment** as defined in Annex I and III have been achieved.

Result based financing (entire grant or part of it) imply also that the payment at the completion of the tasks and attainment of the set milestones or results, is not linked to the provision of the following section 7.2 about Payments. Result based financing is not subject to expenditure verifications and to the no-profit rule.

5 DRAFTING PROPOSAL BY THE APPLICANTS

5.1 Drafting the application form

Two templates of the Application Form are for call for proposals are given in annex 9 (two stages) and 10 (one stage) to this manual.

The templates contain all instructions on how to fill them and the required documents and declarations to be attached.

5.1.1 Documents to be attached to the application form

Where applicable according to the text of the call for proposals:

Co-applicants must provide a letter of mandate, authorising the coordinator to submit the proposal and, if the proposal is accepted for funding, to sign the grant agreement with the Contracting Authority on its behalf. In addition to the information provided in the application form, co-applicants must also provide a signed **letter of commitment** explaining the nature of their involvement in the implementation of the action – the way they are financially engaged should be detailed in the project budget.

Affiliated entities must provide a signed letter of commitment, explaining the nature of their involvement in the implementation of the action. They must also provide a document demonstrating their legal or capital link with the parent organisation (lead applicant or co-applicant). No letter of mandate is required.

Associate organisations must provide a signed letter of commitment, explaining the nature of their involvement in the action or any other type of support to it. No letter of mandate is required.

Third parties (i.e. other donors) that only make a cash contribution to the action should provide a signed letter of commitment **stating the amount** of their contribution.

5.2 Drafting the estimated budget of an action

5.2.1 The budget must be detailed and balanced

Grant applications must include a detailed estimated budget presented in the currency established in the call.

The budget estimate must be properly balanced: the two totals (sources of funding and expenditure) must be equal, since the available income (including the grant requested from the ECOWAS) will have to finance the planned expenditures.

5.2.2 Expenditure

Expenditure must include the estimated costs **exclusively** for the implementation of the action.

5.2.3 General criteria for eligibility of costs

1. In order to be eligible for ECOWAS funding, costs must meet the following criteria:
 - a) **be incurred by the beneficiary during the implementation of the action**, with the exception of costs relating to final reports and audit certificates;
 - b) **be indicated in the estimated overall budget of the action** attached to the grant agreement;
 - c) **be necessary for the implementation of the action** which is the subject of the grant;
 - d) **be identifiable and verifiable**, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is/are established and according to the usual cost-accounting practices of the beneficiary;
 - e) **comply with the requirements of applicable tax and social legislation in cases where provided for in special conditions of the Grant agreement**;
 - f) **be reasonable, justified and comply with the principle of sound financial management**, in particular regarding economy and efficiency.
2. If applicable under the call for proposals, costs incurred by ‘affiliated entities’ to a beneficiary will be eligible provided:
 - a) the concerned entities are identified in the grant agreement and their role and intervention is defined in the description of the action;
 - b) they abide by the rules applicable to the beneficiary under the grant agreement with regard to eligibility of costs and rights of audits by ECOWAS.
3. Value added tax (VAT) or other sales taxes are considered as eligible if provided for in the Guidelines and the Special Conditions of the Grant agreement.
4. Contribution in-kind is considered eligible if provided for in the guidelines.

The beneficiary's internal accounting and auditing procedures **must permit a direct reconciliation** of the costs and revenue declared in respect of the action with the corresponding accounting statements and supporting documents.

Documentation justifying costs must be kept by the beneficiary for seven years following ECOWAS final payment.

Expenditure eligible for financing may not have been incurred before the grant application was submitted. Please note that the call might specify a reference date for the eligibility of costs.

5.2.4 Drafting the estimated budget

The template for the compilation of the budget is given in annex 11 to this manual.

The file in Excel ® comprises three worksheets.

The first worksheet: Budget for the action

The description of items must be sufficiently detailed, and all items broken down into their main components. The number of units and the unit value must be specified for each item depending on the indications provided. The budget has to include costs related to the action as a whole, regardless of the part financed by the Contracting Authority.

The worksheet has two set of columns: the budget for the entire operation and the budget for the first year. The budget for the first year will be the basis to define the value of the first advance payment for actions lasting more than one year.

If the action last one year or less, the second set of columns should be left empty.

Eligible direct costs

The eligible direct costs for the action are those costs which, provided that they satisfy the criteria of eligibility set out above, are identifiable as specific costs directly linked to the performance of the action and which can therefore be attributed to it directly.

Extra costs associated with the participation of people with disabilities are also eligible. These costs may be required to cover the use, for example, of special means of transport, personal assistants or sign language interpreters.

The reimbursement of eligible costs is established on the basis of:

- actual costs incurred by the grant beneficiary(ies)
- one or more simplified cost options

Eligible direct costs are at their turn divided in “**Direct Eligible Costs of the action**” presented under the main headings:

1. Human resources
2. Travels, accommodation and subsistence allowances (per-diem)
3. Equipment and supplies
4. Local office
5. Other costs and services
6. Other (depending on the peculiarity of the action)
7. Contribution in-kind

Applicants may add lines with sub-headings entering in the above categories as requested by the action. Heading 6 can be expanded adding eligible costs not entering in the above categories if need be for the specific characteristics of the action.

Heading 1 -Human Resources

1. The costs of personnel working under an employment contract with the beneficiary or an equivalent appointing act and assigned to the action, comprising actual salaries plus social security contributions and other statutory costs included in the remuneration, provided that these costs are in line with the beneficiary's usual policy on remuneration; those costs may also include additional remunerations, including payments on the basis of supplementary contracts regardless of the nature of those contracts, provided that they are paid in a consistent manner whenever the same kind of work or expertise is required, independently from the source of funding used.
2. The costs of natural persons working under a contract with the beneficiary other than an employment contract may be assimilated to such costs of personnel, provided that the following conditions are fulfilled:

- (i) the natural person works under the instructions of the beneficiary and, unless otherwise agreed with the beneficiary, in the premises of the beneficiary;
- (ii) the result of the work belongs to the beneficiary; and
- (iii) the costs are in line with the costs of staff performing similar tasks under an employment contract with the beneficiary.

Conversely, the cost of any work to be performed by external experts must not be included in staff costs but under services (see Heading 5)

3. The salary costs should not exceed the rates corresponding to the beneficiary's usual policy on remuneration for staff of equivalent level.
4. The costs of personnel of national administrations may be considered as eligible to the extent that they relate to the cost of activities which are additional and which the relevant public authority would not carry out if the project concerned was not undertaken. (i.e. personnel hired on a temporary basis for the sole purpose of participating in the action).

IMPORTANT NOTE

Should the proposal be financed by ECOWAS, only the real costs (i.e. actual salaries paid) will be considered eligible costs. For personnel costs to count as eligible direct costs there must be a real and verifiable transfer of funds from the beneficiary and the assignment of the staff in question **must be genuine, necessary and reasonable** in relation to the activity being subsidised and to the duration of the action.

To fill the budget form, add as many sub-headings as necessary for each position(s)

Indicate the profile or category of the staff according to their role in the project (Coordinator, Project manager, etc.) and the number of persons in each category.

The names of individuals are not required and should not be indicated.

Indicate the types of employment (permanent/temporary) and work patterns (full-time/part-time) indicate how many of each type.

Indicate the daily (or monthly) rate for each category of staff taking care of including gross actual salaries + social security charges + other statutory costs+ paid leave (as per local legislation), any other contribution foreseen by the local legislation.

The actual time spent on the action must be recorded on a regular basis using timesheets or an equivalent time registration system established and certified by the employer. Timesheets must be dated and signed by the individual concerned and validated by the employer.

Timesheets should not be sent to ECOWAS, except if specifically requested. For instance, when submitting the request for final payment, the beneficiary might be requested to provide pay slips and timesheets justifying the actual staff costs declared, as well as the basis for the calculation of daily rates and workable days.

Heading 2 – Travels, accommodation and subsistence allowances (per-diem)

1. Costs of travel and related subsistence allowances are eligible provided that they are in line with the beneficiary's usual practices on travel.
2. Journeys must be carried out by the most direct and economic route. Economy class fares will be used as the benchmark for analysing air travel costs. Travel cost in business class are not eligible for reimbursement.

3. For other modes of transport, the benchmark is the first-class rail fare. (First class rail fares are eligible for reimbursement).

Car travel should be accounted under Heading 4 – Local office

In any case subsistence allowances (per-diem) cannot be higher than the per-diem paid by ECOWAS for its personnel in regard to their level and position.

The beneficiary should provide for the conservation of any document (tickets, boarding passes, rail tickets) proving that the travel has been done effectively in the date declared. These documents shall not be sent to ECOWAS except if expressly requested.

Please note that ECOWAS cover the travel and subsistence costs of their own officials when they participate in an event organised by the beneficiary/ies and these should therefore not be included in the budget estimate.

Heading 3 – Equipment and supplies

The implementation of a project may require the buying of goods and equipment for the purpose of the action. The simplified rules governing procurement actions by the grant beneficiary are given in annex IV to the contract and they are applicable also for services and works.

Note that procurement operations between entities involved in the action with the beneficiary/ies **is not allowed** to avoid any conflict of interests. (i.e. the coordinator buying from a co-beneficiary or an affiliated entity or from an associate entity)

Add sub-heading as necessary and list all the equipment needed with quantity, unit price and total price.

The principles of **the best value for money** or, as appropriate, **the best price-quality ratio** shall always be respected.

In addition, the beneficiary shall ensure that the conditions applicable to itself under the articles of the General Conditions to the Grant Agreement related to liability, conflict of interests, confidentiality, ownership and use of results (including intellectual and industrial property rights), checks, audits and evaluation are also applicable to the contractors.

The beneficiary must undertake the necessary arrangements to ensure that the contractors waive all rights in respect of ECOWAS under the agreement.

Within the context of these principles, the beneficiary/ies may organise the award of contracts according to its usual practices.

Where the value of the procurement contract to be awarded exceeds UA 50 000, the Contracting Authority may request beneficiaries to apply specific rules of procedure which are based on the ECOWAS Procurement Code and determined with due regard to the principles of proportionality and simplification taken into account of the estimated value of the contracts concerned, the relative size of the ECOWAS contribution in relation to the total cost of the action and the management risk.

If specific conditions are imposed, these will be indicated in the text of the guidelines for each specific call and **will be considered conditions for the eligibility of costs** and will, therefore, be inserted in the grant agreement (under "Other special conditions"). At the time of the final payment the compliance of the rules may be checked in order to guarantee the eligibility of costs.

Note that assets of value above UA 3 000 purchased in the framework of the execution of a grant contract may be disposed or transferred according to the modalities agreed in the Grant agreement.

Heading 4 – Local office

Heading 4 comprises four main sub-headings:

- 1 4.1 Vehicle costs

- 2 4.2 Office rent
- 3 4.3 Consumable - office supplies
- 4 4.4 Other services for the office (telephone, internet, electricity, water, maintenance, insurance etc.)

Each of these sub-headings can be expanded and detailed according to needs.

In case vehicles are not purchased but rented for the action, the cost can be accounted under 4.1.

In case the beneficiary already rent an office for other activities out of the action, the portion of office dedicated to the action can be costed proportionally under 4.2.

Heading 5 – Other costs and services

This heading comprises several sub-headings that can be developed according to needs.

The implementation of a project may require the contracting of services in order to carry out specialised tasks that beneficiaries cannot do themselves (i.e. translations, production of documents, web site creation, informatics support, accountancy, catering, etc.). This does not involve outsourcing of parts of the action directly related to the main objectives of the action. The related contracts are known as "Implementation contracts".

The beneficiary should have the operational capacity to carry out the activities related to the main objectives of the proposed action. Nevertheless, if the staff do not have all the skills required, where justified and necessary, specific tasks that are part of the action (except the core tasks defined in the call document) may be executed by another person or organisation by means of a contract between one or more of the beneficiaries and a subcontractor. This is known as "subcontracting of tasks forming part of the action".

The core tasks of the action **cannot be sub-contracted** as the selection of the beneficiary was based on its capacity to execute them.

For each of the following items, a precise definition of the composition of the costs must be given in the worksheet 2 of the budget template – ‘Justifications’ in order to allow the evaluation committee to formulate their opinion about their congruity and reasonableness.

- 5.1 Publications (when fully subcontracted)
- 5.2 Studies, researches (when fully subcontracted)
- 5.3 Expenditure verification & audit
- 5.4 External Monitoring & Evaluation costs (internal M&E shall be costed under Heading 1)
- 5.5 Translation & interpretation services (when fully subcontracted)
- 5.6 Financial services (bank guarantees, etc.)
- 5.7 Costs for workshops, conferences, seminars
- 5.8 Visibility actions (elaboration of a visibility plan, production of visibility material, banners, brochures, newsletters etc.) if fully subcontracted.

Heading 6 – Other

Under this heading, the applicant should list the services not falling under the above heading 5 and peculiar to the nature of the action.

As not exhaustive examples:

- *For an action targeting the quality improvement of the production of an agricultural product (coffee, cocoa, mangoes, etc.), the intervention of a quality certification body to conduct a quality audit in order to certify the final beneficiaries at the conclusion of the action.*

- For an action intervening in a situation of high epidemiologic risk, the vaccination of all the staff of the beneficiary.
- For an action focused on improvement of agricultural crops, the production and distribution of improved seedlings. The costs of establishing and registering value chain actors' associations.
- Always in the field of agriculture: the rehabilitation of storage facilities, material and tools for the farmers, equipment and material for community level small processing units, special training for women to be included in the production process, etc.

Heading 7 – Contributions in-kind (by the beneficiary or third parties)

If provided in the formulation of the call, the value of contributions in-kind shall be included to be part of the Eligible costs of the action and at the same time shall be part of the co-financing provided by the beneficiary.

Given the difficulty of evaluating contributions in kind if accepted as co-financing, the Contracting Authority should accept contributions in kind as co-financing only when well defined and measurable (quality, quantity, value on the market, other measurable criteria), subject to possible re-evaluation by the evaluation committee. In particularly difficult situations, the Contracting Authority may exert its discretion and apply more flexible criteria.

As non-exhaustive examples:

- *In an area hit by natural disaster, the Red Cross has constituted a stock of first aid and relief items for the affected population, but do not have the logistic capacity to organise a capillary distribution in a wide region. The applicant agrees with the Red Cross to provide for the distribution in the framework of a call launched by ECOWAS. The value of the stock (in this case Contribution in kind by third parties) can be taken as eligible cost and co-financing of the beneficiary for the value certified by the Red Cross.*
- *The beneficiary, after fund raising or with its own resources, has in stock items (food, cereals, valuable item to improve living conditions in the villages etc.) but does not have the means to distribute them, or train the users and the nature of those items fall in the scope of a call for proposals launched by ECOWAS. The value of the stock or part of it (in this case Contribution in kind by the beneficiary) can enter as eligible cost and co-financing for the value supported by the purchasing invoices of the beneficiary.*
- *The beneficiary owns the office located where the action is supposed to take place and two vehicles that can be used for the action. The portion of the office that will be dedicated to the action can be brought as contribution in kind (valued according to the prevailing cost of rent for that space within that location) and only for the duration of the implementation of the action. The depreciation of the vehicles during the period of implementation can also be brought as contribution in kind. This situation requires the presentation of accurate supporting justification to be acceptable by the Contracting Authority.*
- *The objective of a call is to ensure food security for children at the village level for the primary schools in a specific area. The applicant agrees with the chiefs of village that maintaining the stock and every day cooking will be ensured by the teachers and by the women of the village free of costs for the beneficiary. In this case we have volunteer' work provided by third parties. As it is unlikely to have supporting documents for the estimation of costs and the successive real performance of the task' of such volunteers, the Contracting Authority should exert the necessary judgement about the request of supporting documents as the main objective is “to feed conveniently the children”.*

Simplified cost option

It is discretion of the applicant to recur or not to simplified cost options.

Simplified cost options can apply to one or more of the direct cost headings of the budget (i.e. cost headings 1 to 6), or to sub-cost headings or to specific cost items within these cost headings.

They may take the form of:

- **unit costs:** these cover all or certain specific categories of eligible costs which can be clearly identified (to be indicated in the budget at proposal stage) and are expressed in amounts per unit.

Some examples of **unit costs** in SCO

- unit cost per working month for supporting staff (including all together drivers, assistants, secretaries, etc.) based on internal policies and average payroll costs; Cost x months supporting staff <amount>.
 - unit cost per working month for small local transportation or other expenses in rural areas often in expense categories with many small value items and/or with poor documentation.
 - unit cost per working month for per diem or travel allowances paid to supporting staff in accordance with the beneficiary staff rules
- **lump sums:** these cover in general terms all or certain specific categories of eligible costs which can be clearly identified (to be indicated in the budget at proposal stage).

Some examples of **lump sum** in SCO

- general cost for the organisation of an opening event,
- general cost for the production of information videos and printed training material
- general cost for the diffusion of radio announces, discussion forum, etc.
- general cost for the creation and maintenance of Website dedicated to the action

Lump sum SCO are considered **output or result based** SCO.

- **flat-rates:** this covers specific categories of eligible costs which can be clearly identified (to be indicated in the budget at proposal stage) and are expressed as **a percentage** of other eligible costs.

Some examples of **flat-rate** in SCO

local office costs and related expenses (cleaning and maintenance, security, a shared car, insurance of the building, consumables/office supplies, other services, electricity, water supply etc.) charged as a percentage of staff costs (i.e. Local office cost = 3% of staff cost).

They are fixed during the contracting phase and are meant to simplify the management of the grant.

It is obligation of the applicant recurring to **simplified costs options** to provide in the justification sheet of the budget template:

- a) Description of the methods used to establish the amounts of **unit costs** (i.e. payroll of staff, rules for per diem and travel allowances);
- b) Description of the methods used to establish the amounts of **lump sum** (i.e. Specific costs related to the organization of an event: number of participants at the event * total cost per participant etc.);
- c) Description of the methods used to establish the percentage of **flat-rate**.

Applicants can propose simplified cost options at proposal stage. The evaluation committee will decide whether such costs can be accepted during the contracting phase on the basis of the budget submitted and the justifications provided. The Contracting Authority will base its decision on an analysis of the budget presented against the conditions set in the guidelines. The evaluation committee will assess if the budget includes the appropriate level of detail.

In case the evaluation committee and the Contracting Authority are not satisfied with the quality of the justification provided, reimbursement-based on actual incurred costs is always possible. In this case the budget shall be adapted accordingly.

Once simplified cost amounts (as specified in the action budget) have been assessed and approved by the evaluation committee and incorporated into the contract, such costs will not be subject to an ex post verification of actual underlying cost data. Hence, auditors will not be required to check supporting documents to verify the actual costs incurred.

Concerning **lump sum for result based SCO**, the auditor will check that the results have been achieved and completed before declaring eligible the related cost based on the supporting documentation provided by the beneficiary (i.e. attendance list of events, Website in place and maintained, other substantial proof that the task has been completed as described in the action plan).

Eligible indirect costs

Indirect costs are general administrative costs – overhead costs incurred in connection with the eligible direct costs of the action.

They are limited to a maximum flat-rate of 7% of the total eligible direct costs for the action. (the sum of heading 1 to 7 of the eligible direct costs). As this percentage is calculated also including contribution in-kind, the indirect costs include also the costs of storage, handling and distribution of contribution in kind as well as management costs and control of volunteers' works that cannot be costed separately.

Such costs do not need to be supported by accounting documents.

Indirect costs shall not be added to the budget of operating grants.

Provision for Contingencies reserves

The purpose of Contingencies reserves is to allow for adjustments necessary in light of unforeseeable changes of circumstances on the ground requiring adjustment to the main headings or modifying/adding subheadings.

Contingencies reserves can be included up to a maximum of 5% of the above seven headings of the direct eligible costs.

The use of contingencies reserves is submitted to the prior approval of the Contracting Authority.

Contingencies reserves shall not be added to the budget of operating grants.

In case the beneficiary needs to recur to contingencies reserves, it should introduce a request to the Contracting Authority with a concise narrative explanation and the revised budget highlighting the changes introduced. The use of re-allocated fund is allowed from the date of the approval of the Contracting Authority.

The sum of eligible direct costs of the action, eligible indirect costs and contingencies reserves constitute the **Total Eligible Costs** of the action.

The second worksheet: Justification

The scheme of the second worksheet shall be adapted by the applicant reflecting all the headings and sub-headings eventually added or modified in the first worksheet using with the same label.

Each line should clearly indicate a justification for the costs proposed, when needed based on clear and understandable calculations or other historical data of the applicant.

The evaluation committee will examine in depth the justifications provided per cost. Weak, inconsistent or non-sufficiently justified costs may lead to the rejection of the entire application.

The third worksheet: Expected source of funding and summary of estimated costs

“**Expected source of funding**” is the identification of each source of funding contributing to the total value of the action. Total income must balance total expenditure.

It includes:

- The contribution sought from ECOWAS;
- The beneficiary's contribution: the **direct monetary contribution** from the applicant's own resources (i.e. an effective expenditure for which a financial flow can be traced in the accounts);
- Any financial contributions given by third parties (other Donor, etc.) to a beneficiary **specifically assigned** by the third parties to the financing of the eligible costs of the action;
- The revenue generated by the action (if any): any income expected to be generated by the implementation of the action (i.e. the yield from sales of publications, conference registration fees, etc.)

Note. The following cannot be accepted as co-financing:

Generic financial contributions by third parties to the beneficiary, **not specifically assigned** to the action, if they may be used to cover costs other than the eligible costs under the agreement.

The sum of the above items defines the “**Expected total contribution**”.

The contribution sought from ECOWAS / the total eligible costs x 100 defines the percentage of the ECOWAS Contribution to the action.

These two values shall be comprised between the minimum and maximum value for each parameter given in the guidelines.

At the end of the compilation, we will have two parameters:

1. The maximum amount of the ECOWAS contribution expressed **in absolute value**.
2. **The maximum percentage** of ECOWAS contribution to the “Total Eligible Costs”.

5.2.5 Determination of the final amount of the grant

The ECOWAS final grant is calculated on the basis of the actual eligible expenditures by applying the "double ceiling" rule and verifying compliance with the non-profit rule.

Application of the "double ceiling" rule limiting ECOWAS contribution both to the percentage of the eligible costs and to the maximum amount in absolute value mentioned in the grant agreement

1. If the actual expenditure **turns out to be lower** than the estimated budget, the ECOWAS contribution will be calculated on the basis of the percentage of total eligible costs foreseen anticipated in the grant agreement.
2. If the actual expenditure **turns out to be higher** than the expenditure budgeted, the ECOWAS contribution will not be increased above the maximum amount in absolute value foreseen in the grant agreement.

Verification of compliance with the no-profit rule

The grant may not have the purpose or effect of producing a profit within the framework of the action for the beneficiary (with the exception described in section 3.5.5).

Profit is defined as a surplus of the receipts over the eligible costs incurred by the beneficiary, at the time the beneficiary requests the payment of the final balance.

The receipts referred to above shall be limited to income generated by the action up to the date on which the request for payment of the balance is drawn up by the beneficiary as well as financial contributions specifically assigned by the donors to the financing of the eligible costs.

Any income of the action must be indicated in the estimated budget (worksheet 3) and the final financial statement.

In case a profit is made, the Contracting Authority has the right to reduce the final amount of the grant by the percentage of the profit corresponding to the final ECOWAS contribution to the eligible costs actually incurred approved by the Contracting Authority, following the application of the "double-ceiling rule" indicated above.

A mere forecast of expenditure does not give entitlement to ECOWAS contribution. This is why the exact amount of the final grant **cannot be calculated** until ECOWAS has received the final activity report and the final statement of expenditure. The expenditure that is committed to the implementation of the action must be justified by invoices or equivalent supporting documents, in order to be accepted as actual expenditure. It must also relate to actual rather than budgeted costs.

IMPORTANT NOTE

The total value of a grant includes ECOWAS contribution + beneficiary or other sources contributions. (Except otherwise specified).

In signing the contract, the grant beneficiary accepts that the whole amount of the grant (ECOWAS contribution + beneficiary or other sources contributions) constitute the grant. This means that the use of **all** funds should follow the rules set out in this manual.

(i.e. the grant beneficiary cannot claim that part of the budget, being its own contribution is used following different rules).

This is a common misunderstanding from grant beneficiary and often leads to disputes and claims.

5.3 The Evaluation Entity

The Evaluation Entity in the context of Grants, shall always have the form of Evaluation Committee entrusted by the Contracting Authority pursuant to the provisions of Art. 5.4 of this Manual.

5.4 The Evaluation Committee

Proposals shall be evaluated by an evaluation committee appointed by name by the Contracting Authority.

The intervention of the Evaluation Committee is required also during the negotiation and assessment of Direct Agreement grant with the Beneficiary and the negotiation of addendum(a) for on-going contracts.

5.4.1 Composition

- a) The Evaluation Committee shall comprise three or five evaluators, which must include representation of the User Department in charge of managing the grant operations and the

Direktorate in charge of Procurement. There shall be an alternate for each evaluator. The Directorate in charge of procurement (or grants) shall serve as a secretary to the Committee.

- b) Quorum for the Evaluation Committee shall be as follows:
 - (i) For a committee of three: Two evaluators.
 - (ii) For a committee of five: Three evaluators.
- c) The functional level of the evaluators and their alternates shall be adequate to the complexity and value of the proposals under scrutiny.
- d) The Contracting Authority shall ensure appropriate representation of the User Department in charge of managing the grant operations of the proposals under scrutiny.
- e) The evaluators must possess the technical and administrative capacity necessary to give an informed opinion on the proposals. They must have a reasonable command of the language in which the proposals are submitted.
- f) The Contracting Authority will appoint alternate evaluators with the same functional level for each procedure to prevent delays in case of unavailability.
- g) Evaluation committee members must attend all meetings. Any substitution due to unavailability with the alternates must be recorded in the evaluation reports.

Note that the evaluation committee, the secretary and the voting members are appointed for the call for proposals as a whole, (i.e. there may not be different committees, secretaries or voting members for different lots or part of the same call).

- h) The Contracting Authority shall make sure that evaluators (and/or alternates) are available during the scheduled evaluation period to prevent delays in case of unavailability. Evaluators must be provided with adequate information regarding the planned timetable and the workload that the evaluation implies.
- i) A member who withdraws definitively from the evaluation committee for whatever reason must be replaced by a substitute named by the Contracting Authority. This decision and any other decision relating to the replacement of a committee member must be recorded in the evaluation report.

All the members of the Evaluation Committee shall be collectively and individually accountable for any decision and recommendation made by the Evaluation Committee.

In case a high number of proposals is being evaluated and when the Contracting Authority has decided not to have recourse to assessors, the assessment of proposals may be split among the voting members. In this case, each concept notes or full application must be assessed independently by **at least by two** voting members. Neither the chairperson nor the secretary may assess concept notes/full applications.

The committee has the right to perform re-evaluations in the case of substantial discrepancies between the opinion of two evaluators. The committee must re-evaluate the application concerned with the participation of all voting members.

5.4.2 Presence of Observers during the Evaluation Process

- a) The Contracting Authority may authorize the presence of observers during the evaluation process. The observers shall have no voting powers.
- b) Observers may be from other Departments/Directorates/Agencies internal to the Institution/Community, be designated by the donor who eventually is financing the contract or be members of Technical Assistance Teams supporting ECOWAS.
- c) Observers do not take part in the evaluation decision and shall not intervene unless their opinion is requested by the Chairperson.

- d) The presence of the Observers is not mandatory for each session of the Committee.
- e) The participation of observer should be recorded by name and entity they represent in the evaluation reports.
- f) Observers are bound by the same obligations of impartiality and confidentiality as Evaluation Committee members and must sign the correspondent declaration.

5.4.3 Use of assessors

Where the applications received are particularly numerous or highly technical, it may not always be possible for the evaluation committee to examine each one in detail. If necessary, the assessment of all applications, or part thereof, may be carried out by external or internal assessors so that the evaluation committee may conduct its deliberations on the basis of their assessments. Usually, the same assessors will be used for the different steps of evaluation.

Internal assessors are to be understood as internal to the Contracting Authority staff.

External assessors are external experts contracted by the Contracting Authority for the specific task. The external assessors must have an in-depth knowledge of the issues covered by the grant programme concerned. Their expertise should be checked against their CVs. A minimum of 5 years of experience in the particular field/issue should be absolutely required when drafting their terms of reference. A model of terms of reference for recruiting Assessors is provided in annex 5 to this Manual.

Different assessors may be appointed for different lots that require different expertise.

Assessors work under the supervision of the evaluation committee.

Assessors may attend the meetings of the evaluation committee **as observers** to present the results of their assessments and answer any questions from the evaluation committee members.

All assessors must sign the declaration of impartiality and confidentiality.

5.4.4 The Role of the Secretary

- a) The role of the Secretariat shall be assumed by the Procurement unit.
- b) The Secretary shall participate in the evaluation and in addition contribute to the evaluation process in relation with the procedures, principles and regulations contained in the Grant Code, this Manual, and any other legal document applicable to the specific procedure.
- c) The Secretary shall be responsible for carrying out all administrative tasks connected with the procedure, including but not limited to preparing/circulating the declarations of impartiality and confidentiality; keeping the reports of all meetings, attendance lists and relevant records and documents. At the end of the process, (s)he shall compile the evaluation report with annexed supporting documents in the required format.

5.4.5 Impartiality and confidentiality

All members of the evaluation committee and any observers and assessors must sign a declaration of impartiality and confidentiality (see template in annex 4 to this Manual) and the document filed with the documents of the call. Any evaluation committee member or observer who has or might have an actual or potential conflict of interest with any applicant must declare it and immediately withdraw from the evaluation committee.

There is a conflict of interests where the impartial and objective exercise of the functions of a financial actor or other person, as referred in the previous paragraph, is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with the beneficiary (see in detail special section for conflict of interest in Section 9.2 in this Manual).

Should the conflict of interests be proven, the member or observer will be excluded from participating further in any capacity in the evaluation meetings.

Acts likely to be affected by a conflict of interest may, inter alia, take one of the following forms:

- (a) granting oneself or others unjustified direct or indirect advantages;
- (b) refusing to grant a beneficiary the rights or advantages to which that beneficiary is entitled;
- (c) committing undue or wrongful acts or failing to carry out acts that are mandatory.

A conflict of interest must be presumed to exist if an applicant is a member of staff covered by the ECOWAS Staff Regulations, unless her/his participation in the procedure has been explicitly authorised in advance by the Contracting Authority after verification of absence of conflict of interests.

During the grant award procedure, all contacts between the Contracting Authority and applicants must be transparent and ensure equal treatment. Those contacts must not lead to any amendment to the conditions of the contract or the terms of the original call for proposal.

No information about the examination, clarification, or evaluation of proposals, or decisions about the award of a contract, may be disclosed before the evaluation report is approved by the Contracting Authority.

Any attempt by an applicant to influence the process in any way (whether by making contact with members of the evaluation committee or otherwise) will result in the immediate exclusion of its proposal from further consideration and might lead to the exclusion from future award procedures.

For calls for proposals, the proceedings of the evaluation committee, from the opening of proposals to the conclusion of the work of the evaluation committee, are conducted *in camera* and are confidential.

In order to keep the proceedings confidential, attendance at evaluation committee meetings is strictly limited to the committee members and to any authorised observer, including assessors in the case of call for proposals.

Apart from the copies given to the assessors, the proposals must not leave the room/building in which the committee meetings take place before the conclusion of the work of the evaluation committee. They must be kept in a safe place when not in use.

5.4.6 Particular Situations

- a) In duly justified cases, for instance when the members/experts/observers are in another country, proceedings may be done using videoconference systems. The system to be used has to support end-to-end encryption and this option has to be enabled by the IT Department.
- b) Any electronic transfer of information and documents needed under this modality must also guarantee its confidentiality.
- c) Such occurrence shall be recorded in the Evaluation Report.

5.4.7 Responsibilities of the evaluation committee

The Evaluation Committee as a whole is responsible for coordinating the evaluation process in accordance with the procedures in the Grant Code and this manual and for ensuring its impartiality and transparency. The voting members of the evaluation committee have collective responsibility for decisions taken by the committee.

Any request for clarification requiring communication with the applicants during the evaluation process must be conducted in writing. Copies of any such communication must be annexed to the evaluation reports.

If a proposal infringes the formal requirements, the evaluation committee may use its discretion to decide whether or not it will still be considered during the rest of the evaluation process, while ensuring equal treatment of applicants and upholding the principle of proportionality. Whatever the Evaluation Committee decides, this must be fully recorded, and reasons given in the evaluation report.

Proposals should not be rejected in the following cases:

- If they are submitted in fewer than the number of copies required.
- If they are submitted in the correct format and provide the requisite information, but the document is organised incorrectly.
- If they have not been signed or contain a scanned signature (the signature can be requested later – but if it is not obtained or if the original document provided later is not exactly the same as the one received earlier, the application must be rejected).
- If applicants can demonstrate that a required document is not available (e.g. under national law, duplicates of a given lost document cannot be obtained from the issuing administration), provided that an acceptable alternative is obtained (e.g. a declaration by the said administration that the document for applicant is still valid but no duplicate can be issued).

5.5 The Review Committee

1. The Review Committee is appointed:
 - a) For the Commission by the President,
 - b) For Institutions, Field Agencies and Offices by the Head of Institution by delegation.
2. The President can also refer to the Review Committee any specific procedure.
3. For the Commission, the Review Committee shall be composed of the Director Legal, a Director from any User Department and shall be chaired by the Director Financial Reporting. For other Institutions, Field Agencies and Offices the composition of the Committee shall have the same functional composition.
4. The President or Head of Institution has the power at any time to revoke and/or substitute members if he/she judges necessary to preserve the interests of the Community.
5. The quorum for deliberations shall be two (2) out of three (3) members.
6. All members of the Review Committee shall be free of conflict of interest as defined in Article 9.2 of this Manual. The members and the observers shall sign a Declaration of Impartiality and Confidentiality using the standard template in use for the Evaluation Committees.
7. When a member becomes aware that he/she is in a situation which might generate a potential conflict of interest, he/she shall notify the Review Committee by giving details of the particulars that created the potential conflict of interest and recuse him/herself from further participating in the meetings or decisions in relation with that particular grant process. Such circumstances shall be recorded in the report of meetings.
8. The Secretariat shall be the responsibility of the Director in charge of procurement for the Commission or any Officer with equivalent function for other Institutions, Agencies and offices. In case of absence, the Director shall be substituted by the Head of Procurement (P5) for the Commission or any other officer with equivalent function for other Institutions, Agencies and offices.

9. The Secretariat of the Review Committee has no voting rights and shall be responsible for distributing the documents to be reviewed, organizing logistics of the meetings, recording the deliberation and decision, securing the signatures of all members, and maintaining the records and archives

5.5.1 Responsibilities of the Review Committee

1. The responsibilities of the Review Committee shall be:
 - i. In general, the Review Committee shall conduct reviews as spelt out below and come up with one of the following:
 - a) Issue a “No Objection” if it is determined that a given grant exercise complied with the applicable provisions of the Grant Code and this Manual, or
 - b) Issue an “Objection” if it is determined that one or more applicable provisions of the Grant Code or this Manual were not followed.
 - ii. In specific, the Review Committee shall:
 - a) Review the recommendations for award/cancellation formulated by the Evaluation Entity to determine if said recommendation followed the grant process as spelt out in the approved Grant Code and this Manual.
 - b) Review that the recommendations of the Evaluation Committees, as reflected in the evaluation report, to determine if it followed the Grant Code and this Manual with respect to the qualification, evaluation and award criteria indicated in the Guidelines for applicants.
 - c) Determine if the principles of grant as stated in Chapter 2 of the Grant Code are respected and applied in all procedures proposed in the Grant Plan.
 - d) Determine if addenda to existing contracts are opportune, justifiable and in the interest of the Community and comply with the provision of Section 6.3 of this Manual.
 - e) Determine if the requests for using direct grant awarding are justifiable pursuant to Section 3.1.2 of this Manual.
 - f) Determine if any derogation from using the standard application documents is necessary and in the interest of the Community.
2. The Committee neither approve nor reject recommendations of the Evaluation Committee. Any rejection or objection on an application document or evaluation report shall be duly substantiated with reference to the dispositions of the Grant Code and this Manual including suggested corrective measures.
3. Reviews shall be done in a period not exceeding the fifteen (15) calendar days from the day following the day of submission to the Review Committee.

5.6 The process of evaluation of call for proposals

5.6.1 Receipt and registration of proposals

Note: The submission by e-mail can be allowed by the Contracting Authority for the Concept Notes and Full applications.

On receiving proposals, the Contracting Authority must register them and provide a receipt for those delivered by hand (see template annex 42). The envelopes must remain sealed and be kept in a safe place until they are opened. The outer envelopes of proposals must be numbered in the order they were received (whether or not they are received before the deadline for submission of proposals).

The register of concept notes/proposals received should contain the following information:

- the registration number of the concept note / full proposal in order of reception (this registration number shall remain valid all long the evaluation process and shall be the one used by evaluators to refer to the application).

- the date of submission

- the lead applicant's name, address and other contacts (telephone, e-mail).

In case the call allows sending the Concept Notes by mail, the lead applicants who submitted online should be sent an e-mail of acknowledgement of reception.

For each proposal:

- the original is kept safely in the archives of the Contracting Authority;

- copies are disposed to be distributed to the evaluators and, where applicable, to the assessors.

Concept Notes and full applications received by e-mail (if allowed) should be printed in the necessary number of copies. One copy to be conserved in the archive of the Contracting Authority.

It always advisable to conserve in a secured archive one original (and one copy of the applications sent by mail) to which the Contracting Authority may always refer to.

5.6.2 The three steps of the evaluation

The process of evaluation of call for proposals shall be realised in **three steps** for both methods of submission (one stage or two stages submission).

At the end of each step:

1. The evaluation committee will provide for an evaluation report with all relevant annexes.
2. The applicants will be informed about the result of their application.

Although foreseen in the Grant Code, a public opening session is not recommended for call for proposals for several reasons:

1. The difficulty for most of the applicants (eventually from different country) to afford the cost of travel to attend or to nominate a local representative.
2. The impossibility for the committee to form instantly an opinion about the eligibility of the action proposed
3. The administrative and logistic costs the Contracting Authority should have to afford to organise and conduct such public opening in case of high number of proposals.

In any case the Contracting Authority may decide to have a public opening session if a limited number of applications is expected given the nature of the call for proposals. In this case the only information that can be given shall be: "The application has been received in time and contain all required documents, the amount sought for ECOWAS financing is...all this subject to further analysis about the eligibility of the action and the applicant".

5.6.3 The first step

In the first step the evaluation committee will perform the **opening & administrative check and the concept note evaluation**.

The following shall be performed by the evaluation committee (and eventual assessors if needed):

1. Check that the deadline for submission of applications has been met
2. Check that the concept note/full application satisfies all the criteria specified in the checklist of the grant application form. This includes also an assessment of the eligibility of the action.

3. Evaluate the concept notes using the given evaluation grid and rank them.

In case of high number of concept notes/proposals to be assessed, the evaluation committee can recur to assessors. For the evaluation of concept notes and full applications, assessors must use the published evaluation grids (see template evaluation grids) to give scores and provide comments. At least two assessors must assess each concept note and each proposal, working independently of each other.

The evaluation of the concept notes concerns **the relevance and design of the action**, using the evaluation grid provided with the application form. The overall assessment is based on the scores obtained under each subheading, added up by heading. If assessors are delegated to assess the concept notes, the final score is the arithmetical average of the scores given by the assessors. If assessors are used. The completed evaluation grids for each concept note must be sent to the evaluation committee

4. List of the concept notes/proposals recommended with the total amount of ECOWAS contribution been sought.

The secretary draws up a list of all the concept notes, ranked by score. As a first step, only the concept notes that receive a score of at least 30 points in the evaluation are considered for pre-selection. Concept notes that reach the above threshold will then be ranked by score.

In this step the evaluation committee should recommend concept notes even if the total required contribution exceeds the available budget for the call. It is recommended to reach at least twice the available budget for the call. In the subsequent steps, proposals will be reduced according to the final ranking in line with the available budget.

5. Lists the concept note rejected specifying the reason.

Templates for evaluation reports step 1, one for one-stage submission and one for two-stages submission are annexes 32 and 33.

Following the evaluation of the concept notes, the Contracting Authority informs all lead applicants in writing of the results of the evaluation and whether or not they passed the opening and administrative checks. Lead applicants who did not provide an email address will be informed by post.

Template of letters to be sent to the applicants after step 1 are provided in annex 32 and 33.

5.6.4 The second step

In the second step the evaluation committee will perform the **full application evaluation**.

The following shall be performed by the evaluation committee (and eventual assessors if needed):

1. (For two stage submission). Check that the deadline for submission of full applications has been met
2. Check that the full application satisfies all the criteria specified in the checklist (Section 7 of Part B of the grant application form). This includes also an assessment of the administrative compliance.
3. Evaluate and rank the full applications having passed the administrative compliance using the given evaluation grid

The quality of the full applications is assessed using the evaluation grid provided in the call (see annex 31) containing the selection and award criteria. Comments are made for each subheading on the basis of the questions and criteria used for that heading. In addition, there must always be a check of consistency between budget items and the description of the action. The overall assessment is based on the scores obtained under each subheading, added up by heading. If assessors are used to

assess the full applications, the final score is the arithmetical average of the scores given by the assessors. The completed assessments for each proposal must be sent to the evaluation committee.

4. Established a list of provisionally selected proposals pending other eligibility check based on the available budget.

The secretary draws up a list of all the proposals, ranked by score. The highest scoring applications will be pre-selected **until the available budget for the call for proposals** is reached.

5. Establish a reserve list of eligible applications (in case some application do not pass further checks)
6. Establish a list of full applications not recommended for awarding a grant contract with justification (rejected).

Templates for evaluation reports of step 2, one for one-stage submission and one for two-stages submission method are in annex 36 and 37 of this Manual.

Following the evaluation of the full applications, the Contracting Authority informs all lead applicants in writing of the results of the evaluation, whether or not they passed the opening and administrative checks and whether they have been provisionally selected according to their score. Those whose proposals have been provisionally selected will be invited to supply the required supporting documents/complements to be examined during step three. Lead applicants who did not provide an email address will be informed by post.

Template of letters to be sent to the applicants after step 2 are provided in annex 36 and 37.

5.6.5 The third step

In the third step the evaluation committee will perform the **Final Eligibility Checks** using the provisionally selected applications and the reserve list from step 2.

The evaluation committee (and assessors if used) shall use the declarations by the lead applicants (Section 8 of the grant application form), the checklist (part 2 of Section 7 of Part B of the grant application form) and the assessment form (Section 9 of the grant application form) to assess the eligibility of the provisionally selected applicants and their affiliated entity(ies), and cross-check them with the supporting documents provided.

This assessment is carried out using the declaration by the lead applicant, the required supporting documents and the criteria set out in the guidelines for applicants. Under no circumstances may assessors or members of the evaluation committee change the declaration.

The questions the evaluation committee should answer are:

1. Is the declaration by the lead applicant in conformity with the supporting documents requested?

Any missing supporting document or any inconsistency between the declaration and the supporting documents is sufficient to reject the proposal. However, the evaluation committee may use its discretion in deciding whether the concerned applicants should be allowed to submit a missing document or correct the relevant information, having regard to the principles of equal treatment and proportionality. Whatever the evaluation committee decides, this must be fully recorded, and reasons given in the evaluation report.

2. Eligibility: are the applicants (and any affiliated entity(ies)) eligible?

This is assessed according to the criteria set out in the guidelines for applicants.

The eligibility checks may be carried out by members of the evaluation committee or by assessors. Each proposal may be examined by one person.

The above checks for conformity and eligibility may be extended also for applicants in the reserve lists in order to maintain such list ready in case one of the awarded applicants is not in condition later to sign the contract.

In the interest of good administrative practice, the evaluation committee can check and then exclude applicants at any stage of the evaluation if it is obvious that the latter do not meet the eligibility criteria.

If the members of the Evaluation Committee do not carry out the assessment themselves, the evaluation committee must review the conclusions of the assessors using their completed grids. To facilitate the evaluation committee's review of the assessments, the secretary must ensure that one list containing all the ineligible proposals is drawn up. Reasons must be given for the ineligibility of each entry on the list.

During this evaluation step the evaluation committee may ask the awarded applicants, if needed, the reformulation of the budget, if in the meanwhile some of the initial conditions have changed, (i.e. the duration of the action need to be reduced/increased, etc.). The applicant shall provide those reformulations following strictly the instructions given to them within a reasonable deadline.

At the conclusion of this exercise, the evaluation committee will draw again 3 lists:

1. The first list shall include the full applications (ranked) recommended for awarding a grant.

In this case the total amount requested for ECOWAS contribution should be contained within the available budget for the grant operation (and for each lot in case the call is divided in lots).

2. A reserve list of eligible applications (by rank) falling out from the available budget.

Experience shows that during the evaluation of the proposed budgets for the actions, some proposals will have to be revised/reduced and this may leave room for additional awards. Hence the need for a reserve list of eligible applications.

3. A list of applications definitively found ineligible.

The template for evaluation report step 3 (for both, one-stage and two-stages submission method) is in annex 40 to this Manual.

Template of letter to be sent to the applicants after step 3 are provided in annex 41.

5.6.6 The evaluation committee conclusions.

The evaluation committee drafts its recommendations after the assessors have examined all the proposals. It **must not change the assessors' scores** or recommendations and must not alter the evaluation grids completed by the assessors.

1. The evaluation committee may decide to approve the ranking drawn up by the secretary on the basis of the assessors' report. Or
2. The evaluation committee may disagree and not accept the scores awarded by the assessors to a specific proposal (where for instance there is a significant difference or clear discrepancies between the scores awarded by the assessors)

The committee then has to fill in a new evaluation grid collectively for the proposal concerned.

Such a re-evaluation may not be entrusted to external assessors.

A new list will be produced on the basis of the scores from the new evaluation, which replaces those given by the assessors. The new evaluation may also cover only one or more parts of the evaluation (for example, where the evaluation committee decides to re-evaluate only the relevance of the action).

All such decisions must be recorded and fully substantiated in the evaluation report. The evaluation grids completed by the members of the evaluation committee must be kept with those completed by the assessors.

The evaluation committee's decisions are taken independently and in an advisory capacity. The evaluation committee must ultimately draw up a list of the proposals selected for financing, indicating the score obtained by each proposal, the requested amount of the proposed grant and the proportion of the eligible costs proposed to be financed. Subject to the following considerations, this list is made up of the proposals obtaining the best scores, ranked by order, within the limits of the funds available under the call for proposals (or per lot in case the call is divided in lots).

The responsibilities of the Evaluation Committee include also the following:

1. The Evaluation Committee may recommend the selection of a proposal under certain conditions that should be met prior to contract signature. Any such conditions, however, should not call into question the grant award decision or be contrary to the equal treatment of applicants.
2. The evaluation committee may decide not to allocate all the available funds if it finds that there are too few proposals of the quality required to receive a grant. In other words, the mere availability of funds should not lead to the award of proposals that do not reach the necessary level of quality.
3. The evaluation committee may draw up a list by subject or geographical area according to the guidelines for applicants.
4. The evaluation committee may reject a proposal if it has selected another that is **of a similar nature** but has been awarded a higher score.
5. Where several proposals submitted by the same lead applicant are selected for financing, but the lead applicant does not have the financial and operational capacity required to implement all the actions together, the committee may reject the proposals that have been awarded a lower score and select the proposals that the lead applicant has the capacity to implement.

The evaluation committee may also draw up, in the same conditions, a ranked reserve list comprising a limited number of proposals that obtained the best scores after those selected for financing. This reserve list is valid for the period stated in the evaluation report. The proposals included in that list are likely to receive a grant if funds become available under the call for proposals (if the eligible costs of the selected proposals decrease, or it is impossible to sign a contract with the selected applicants, etc.).

The final evaluation report (of step three), covering the eligibility checks, is drawn up following the final meeting of the evaluation committee. It must be signed by all members of the evaluation committee.

Once the approvals have been given, the Contracting Authority will begin awarding the grants (see Section 6).

Unsuccessful proposals have to be kept by the Contracting Authority for three years from the submission deadline of the call.

5.6.7 Special provisions for low-value grants.

Low-value grants are those defined in Article 23 of the Grant Code.

In case of low-value grants specific simplifications apply:

1. In-kind co-financing shall be generally accepted (except when the evaluation committee find them not congruent, not realistic or not pertinent to the action, providing a justification in the evaluation report)

2. No need for the applicants to submit the declaration on honour that they are not in one of the exclusion situations.
3. No supporting documents are requested. (except the sufficient documentation allowing the draft of the contract)
4. The pre-financing guarantee shall not be requested.
5. The no-profit rule does not apply.
6. Accounting records and supporting documents must be kept by the grant beneficiary **only for 3 years** after the payment of the balance.

5.6.8 Financial support to third parties by grant beneficiaries (sub-granting)

If the action requires financial support to be given to third parties, it may be given on condition that:

1. The possibility is clearly defined in the guidelines of the call
2. Before awarding the grant, the Contracting Authority has verified that the grant beneficiary offers appropriate guarantees as regards the recovery of amounts due ECOWAS. This is due to the fact that the grant beneficiaries remain financially responsible vis-à-vis the Contracting Authority for the correct use of the financial support.
3. The following conditions for giving such support are strictly defined in the grant contract to avoid the exercise of discretion by the grant beneficiary. By default, the applicants shall include this information in their applications:
 - a) The objectives and results to be obtained with the financial support;
 - b) The different types of activities eligible for financial support, on the basis of **a fixed list**;

Where no specific activities are supported (e.g. unconditional cash transfers to refugees or other persons most in need to support their living or to human right defenders to support their work in general) this must also be specified. In this case, the grant beneficiary does not have to demonstrate that the financial support has been used by the recipients of financial support for a specific purpose.

- c) The types of persons or categories of persons that may receive financial support;
- d) The criteria for selecting these entities and giving the financial support.

In case the grant beneficiary, as part of the execution of the actions, foresees to launch at his turn a call for proposals to select third parties entitled to receive financial support. The Contracting Authority should be assured that the beneficiary complies with certain principles and/or procedures justified by the specifics of a call (e.g. where large amounts will be redistributed through sub-calls for proposals), this should be set forth in the guidelines for applicants.

For example, the guidelines could foresee that, when launching calls for proposals for the award of financial support, beneficiaries may use their own procedures provided these procedures comply with the principles of proportionality, sound financial management, equal treatment and non-discrimination, ensure transparency with adequate publication of calls for proposals and prevent conflict of interests throughout the entire award procedure.

- e) The criteria for determining the exact amount of financial support for each third entity
- f) The maximum amount that may be given per third party

The maximum amount of financial support that can be paid must not exceed UA 30 000 per third party.

Where the Contracting Authority wants to apply a total ceiling for the giving of financial support (i.e. the available envelope for the applicants in this regard), this needs to be specified in the guidelines for applicants.

Applicants may also be invited in the guidelines for applicants to propose the necessary documents to be kept by third parties to demonstrate that the financial support has been used in accordance with the grant contract.

In the current context where grants of a large amount are encouraged to avoid the multiplication of small contracts, financial support to third parties can be an effective way to fund grass-roots organisations or person most in need, within the above described limits. Rules on financial support apply only where a beneficiary provides this support to a third party.

5.6.9 Award of procurement contracts by grant beneficiaries

If the implementation of an action or work programme requires the procurement of services, supplies or works by the grant beneficiary, the rules specified in Annex IV of the grant contract must be applied for each procurement contract. Should the grant beneficiary fail to comply with Annex IV, the related expenditures will not be eligible for ECOWAS funding.

Special waivers can be decided by the Contracting Authority in case of emergency situation or other situations of crisis when the necessity of disposing of the equipment/service is of vital urgency for the start/continuation of the action.

This derogation will take the form of a decision of emergency situation (in a specific country, region or geographical area) notified to the all grant beneficiaries operating in such country, region or geographical area).

Such request for waiver can be also introduced by the grant beneficiary to the Contracting Authority in good enough time providing justifications.

Procurement contracts cannot be the principal object of an action grant. They should be functional and limited to the execution of the action and represent a limited portion of it.

5.6.10 Cancelling a call for proposals procedure

The Contracting Authority may decide to cancel the call for proposals procedure at any stage, but particularly in the light of the evaluation report, if:

1. the call for proposals has been unsuccessful, (i.e. no worthwhile proposal has been received or there were no or insufficient responses);
2. the economic or technical data of the grant programme have been fundamentally altered;
3. exceptional circumstances or force majeure render the normal implementation of the planned actions impossible;
4. there have been irregularities in the procedure, in particular where these have prevented equal treatment.

If a call for proposals is cancelled, all lead applicants must be notified of the cancellation by the contracting authority but **will not be entitled to compensation**.

A cancellation notice shall be published on the same media where the call was published.

6 AWARDING GRANT CONTRACTS

6.1 Notification to the applicants

After the Contracting Authority has given its official approval of the final list of grants to be awarded, it notifies all successful lead applicants in writing that their applications have been selected.

Letters to successful lead applicants must be sent within 15 days of the award decision.

A template is provided as annex 41 to this Manual providing for the possibilities of (i) negative answer, (ii) application put in reserve list, (iii) positive answer.

6.1.1 Standstill Period

1. A standstill period of fifteen (15) calendar days from the date of notification of award must be respected before signing a contract.
2. The standstill period is not a requirement in case of negotiated or direct grant award or if only one proposal was submitted after competition.
3. The standstill period may be extended by the Contracting Authority when deemed necessary.

6.1.2 Debriefing of unsuccessful applicants

Unsuccessful lead applicants must be informed that they have not been selected (including the reasons why they were unsuccessful) within 15 days from notification to the successful lead applicants.

Unsuccessful applicants may receive, at their request, further information regarding the evaluation of their own proposal (any weakness, poor or insufficient description of the action, budget not matching the proposed activities, overall lack of consistency, etc.).

6.2 Contract preparation and signature

6.2.1 Contract dossier of the call

The purpose of this contract dossier is to compile a full historical process of the call for proposal intended for future internal or external audit checks that may be required by the Contracting Authority itself or by other donors in case the grant operation is co-financed.

The contract dossier shall have the following structure:

- a) explanatory note. The explanatory note includes a narrative description of the entire operation, including the description (summarised) of the evaluation, the list and value of the grants awarded, etc).
- b) copy of the financing decision authorising the project (putting at disposal the required budget)
- c) copy of the call (work programme, guidelines for applicants, evaluation reports, list of grants to be awarded, and any other relevant information)
- d) the originals of the proposed contracts, which is based on the standard contract

Special care should be taken to incorporate all minutes of meetings, questions and answers during call opening period, clarification requests by the evaluation committee and any other correspondence with applicants into the contract intended for signature. The standard contract annexes including the general conditions, forms and other relevant documents must be reproduced unchanged in every contract as presented in the initial launch of the call. Only the special conditions (and eventually the budget) need to be completed by the Contracting Authority.

6.2.2 Contract preparation and circuit of signatures

In preparing grant contracts for each of the successful applicants on the final list, the Contracting Authority must follow the following steps:

1. Sign and date all originals of the contract and initial all pages of the special conditions and most relevant annexes including the grant budget.

In the case of grants, the contracts must be signed within three months from the date of notification of the evaluation results, save in exceptional cases:

- for complex actions involving the preparation of a very high number of contracts of low value
- where there have been delays attributable to the applicants.

2. Send the signed originals of the contract to the successful applicant, who **must** countersign them within 30 days of receipt.
3. The grant applicant keeps one original and returns the other(s) to the Contracting Authority (together with any financial guarantee(s) if necessary and required) in the contract. If the successful applicant fails to do this within the specified deadline or indicates at any stage that it is not willing or able to sign the contract, the applicant cannot be awarded the contract.

In this case, the contract will be offered to the highest-ranking applicant on the reserve list, provided the financial contribution sought by this applicant remain within the budget available. In case the contribution sought by this applicant exceeds the available budget, the contract shall be offered to the highest-ranking proposal remaining within the budget. The contract preparation will restart for this grant applicant from point 1.

IMPORTANT: On receipt of the signed original(s) from the successful applicant, the Contracting Authority checks that it/they correspond(s) strictly to those sent originally and no alteration has been introduced to the text or in the annexes.

4. The Contracting Authority checks that the natural person who signs the contract for the successful legal entity has the power to represent that legal entity.

The contract takes effect on the date of the last signature. The contract cannot cover costs incurred prior to the signature date, unless in duly substantiated exceptional cases described in section 3.5.3

6.2.3 Conserving the documentation of the contracts

Contracting Authority must retain all documentation relating to the award and execution of the contract for a **minimum period of 7 years** after payment of the balance and up to the date of prescription of any dispute under the law governing the contract.

During and after this period, the contracting authorities will treat personal data in accordance with their privacy policy.

6.2.4 Characteristics of the standard grant contract

If awarded the grant contract, the applicants will become the grant beneficiary(ies) and party(ies) to the grant contract. In particular, the lead applicant will become the beneficiary identified in the special conditions as the coordinator.

1. The ‘coordinator’ is the main interlocutor of the Contracting Authority. It represents and acts on behalf of any other co-beneficiary (if any) and coordinates the design and implementation of the action.

2. The costs eligible for financing are the costs incurred by the grant beneficiary (or beneficiaries in case of multi-beneficiary grants). Costs incurred by affiliated entities to a beneficiary may also be accepted as eligible costs.
- 3. The standard grant contract recognises the beneficiary's independence of action and lays down simplified management rules accordingly. In particular, it allows the coordinator to adapt or modify the action without the prior consent of the Contracting Authority provided that the modifications are not substantial (i.e. they do not put into question the conditions of award of the contract) and do not result in a change of more or less than 25 % to any budget main heading.**

Where the amendment to the budget and/or description of the action does not affect the basic purpose of the action (i.e. Overall Objective and/or Specific Objective), and the financial impact is limited to a transfer between items within the same main budget heading including cancellation or introduction of an item, or a transfer between main budget headings involving a variation of 25% or less of the amount originally entered (or as modified by an addendum) in relation to each concerned main heading for eligible costs, the coordinator may amend the budget and/or description of the action and inform the Contracting Authority accordingly, in writing and at the latest in the next report.

4. In awarding any procurement contracts required for the purposes of the action, the beneficiary must comply with the rules set out in Annex IV to the contract.

6.3 Modifying grant contracts

Contracts may need to be modified if the circumstances of project implementation have changed since the contract was signed. However, the subject matter of the contract cannot be altered. Contracts can only be modified during their execution period. Any changes to the contract must be made officially by means of an administrative order or an addendum in accordance with the general conditions. Substantial changes to the contract must be made by means of an addendum.

Changes like amendments of one of the main headings of the budget over 25 %, modification for in-kind contributions, use of contingency reserve, modification of the indirect costs or rates of simplified cost options defined in the initial contract will need an addendum

Changes in Description of the Action and the Logical Framework that do not impact the basic purpose of the Action (i.e. outputs, all indicators at output, outcome and impact level and the related targets, baselines and sources of verification) shall be agreed in writing, and before the modification takes place, with the Contracting Authority. Approved changes must be explained in the next report.

Changes of address, bank account or auditor may simply be notified by the coordinator. However, in duly substantiated circumstances, the Contracting Authority may oppose the coordinator's choice.

The Contracting Authority reserves the right to require that the auditor referred to in Article 5.2 of the special conditions be replaced if considerations which were unknown when the contract was signed cast doubt on the auditor's independence or professional standards.

6.3.1 General principles

The following general principles must always be complied with:

1. Contracts cannot be amended after the end of the execution period.

Note that the execution period of the contract is generally longer than the implementation period. See definitions in the Glossary.

2. Any modification extending the period of implementation must be such that implementation and final payments can be completed before the expiry of the funding (budget line) under which the initial contract was financed.
3. A contract can be amended through an administrative order or addendum under the conditions provided for in the contract itself. In exceptional circumstances, the amendment may have a retroactive effect provided the execution period has not expired. See section 3.5.3 of this Manual.

The grant beneficiary bears the financial risk of any costs incurred before the addendum or administrative order has been issued, because the Contracting Authority has the right to refuse to sign the addendum or issue the order. Only once the addendum or order enters into force may grant beneficiary claim payment for the costs.

4. No changes to the contract may alter the award conditions prevailing at the time the contract was awarded.
5. The purpose of the addendum or administrative order must be closely connected with the nature of the project covered by the initial contract.
6. Requests for contract modifications must be made (by one contracting party to the other) early enough to allow the addendum to be signed by both parties before the expiry of the execution period of the contract.

A request for changes to the contract (by one contracting party to the other must not automatically be accepted). There must be justified reasons for modifying a contract. Both parties must examine the reasons given and reject requests that are not fully substantiated.

6.3.2 Preparing an addendum

The Contracting Authority drafts an addendum as follows:

1. Use the templates for an addendum (provided as annex 43)

Any addendum modifying the budget must include a replacement budget showing how the full budget breakdown of the initial contract has been modified by this (and any previous) addendum

2. Prepare a dossier comprising the following items:
 - a) an explanatory note (see the template provided in annex 44) providing the technical and financial reasons for the modifications in the proposed addendum;
 - b) a copy of the request for (or agreement to) the proposed modifications;
 - c) the originals of the proposed addendum, which is based on the standard addendum and includes any revised annexes.
3. Sign and date all the originals of the addendum and initial all pages of annexes including the revised grant budget.
4. Send the signed originals of the addendum to the grant beneficiary, who must countersign them within 30 days of receipt and return one original to the Contracting Authority
5. On receipt of the signed originals from the grant beneficiary, the Contracting Authority checks that it/they correspond(s) strictly to those sent originally.

The addendum takes effect on the date of the last signature.

6.4 Special contracts

6.4.1 Grants to organisations whose pillars have been positively assessed by international organisations

1. If the beneficiary of a grant (i.e. the coordinator in a multi-beneficiary contract) is an organisation whose pillars have been positively assessed by an international organisation, this organisation **will not sign a grant contract, but a contribution agreement** based on the related template annex 27 and 28.

However, the special and general conditions of the contribution agreement will be supplemented by standard templates published with the call for proposals, (i.e. the budget (Annex B) and the logical framework (Annex C)). The description of the action (Annex I to the contribution agreement) will be drawn from the application form submitted by the organisation

For grant contracts in direct awards, the organisation and the Contracting Authority may agree to use other templates (e.g. the templates of the organisation) as long as these templates comply with the provisions of the contribution agreement.

Concerning the financial reports, where the contribution agreement results from a call for proposals, the template for financial reports attached to this manual (Annex 21c) shall be used.

For the narrative reports, the organisation may use its own templates as long as these templates comply with the relevant provisions of the contribution agreement.

In this case additional provisions may be incorporated under Article 7 of the special conditions.

2. Where the lead applicant is not a pillar assessed organisation, but one or more co-applicant are international organisations whose pillars have been positively assessed **the standard grant contract shall be signed.**

6.4.2 Grants awarded to other national public bodies from Member States

Grants awarded to national public bodies from Member States or third donor countries whose pillars **have not been positively assessed** by the International organisations must follow the normal grant rules and procedures set out in this manual and **the standard grant contract will be signed.**

However, national public bodies may benefit from special rules applicable to public-sector bodies (for instance, being allowed to waive the financial guarantee).

7 Grant contract execution

7.1 Composition of the contract and annexes

The grant contract shall be composed as follows:

The first page identifying the parties: the Contracting Authority and the beneficiary(ies).

The Special conditions

Annex I: The description of the action, including the logical framework and the concept note provided by the applicant in its application (including the correspondence exchanged during the evaluation process if having contractual implications);

Annex II the General Conditions for grants financed by ECOWAS;

- Annex III the Budget (the three Excel worksheets) provided by the applicant in its application (amended and corrected if the Contracting Authority required so during the evaluation);
- Annex IV the Procurement Rules for grant beneficiaries;
- Annex V The model of standard request for payment with the financial identification form stating the account where the beneficiary will receive the funds (or other way of payment as agreed by the parties);
- Annex VI The models of narrative and financial report (interim and final)
- In case the grant contract foresees expenditure verification
- Annex VII Terms of reference for an expenditure verification of an ECOWAS financed grant contract and model report of factual findings
- In case the grant contract foresees a bank guarantee for the advance payment:
- Annex VIII Model of financial guarantee (in case provided by a banking institution)
- In case the grant contract foresees a transfer of assets to final beneficiary at the end of its execution
- Annex IX Template for transfer of assets ownership

7.1.1 Grant contract and special conditions

Two templates (one for action grants and one for operating grants) are provided in annex 17 and 25 of this Manual.

The first page identifies the parties. The lead beneficiary should be clearly identified and became the ‘coordinator’. The co-beneficiary identification follows for as many as they are (if any).

Note that the co-beneficiary should have signed a mandate (power of attorney) entrusting the ‘coordinator’ to represent them during the submission and evaluation of the proposal and for the signature of the grant contract. This document is required by the application form template. See section 5.1.1

Article 1 defines the purpose of the contract with the title of the action, the acceptance by the beneficiary of the contractual conditions and undertaking the responsibility to carry out the action.

Article 2 defines the timing of the action: the start of the action, the duration of the implementation period in months. The execution period is left open when the payment of the final balance is made (but not later than 18 months from the end of the implementation except is postponed in accordance with article 12.5 of the General Condition)

Article 3 concerns the financing of the action. The data in this article must correspond to the data provided in Annex III – Budget. The total eligible costs are by definition “estimated”. The financing of the Contracting Authority is defined: as maximum in absolute value and in percentage of the maximum eligible costs. None of them shall be trespassed. For action grant only, this article provides also for the inclusion of indirect costs (up to a maximum of 7% of the eligible costs).

Article 4 concerns reporting and payment arrangements and should be completed following the instruction provided in the template(s).

Article 5 set out the contact addresses of both parties. Furthermore, in case the contract foresees expenditure verification, the body indicated by the beneficiary to conduct such verification.

Article 6 list all annexes integral part of the contract and the precedence of the annexes.

Article 7 leaves space to include all other specific conditions applying to the contract:

- the identification of the “affiliated entities”,

- if envisaged in the action, the financial support to third parties (sub-granting) with eventually all conditions and ceilings to carry out this financial support.
- The eligibility (or not) of contribution in kind and volunteers' work under "eligible costs"
- The exchange rate to be applied to the contribution by the beneficiary (or other third parties)
- The dispositions for interests due for late payments
- The application (or not) of the no-profit rule
- Other specific conditions applicable to the contract

Follow the signature section, where only the 'coordinator' and the Contracting Authority shall sign.

In accordance with the mandate conferred on the coordinator, the coordinator signs the contract also on behalf of the other beneficiaries, who, therefore, do not need to individually sign the contract to become parties to it.

7.1.2 General conditions for grant contracts

The General Conditions are given as an unmodifiable file and cannot be changed in any way. The amendments to this document are made via the Special Conditions for each contract.

General conditions for grant contract are provided in annex 18 of this manual.

7.1.3 Contract value

The value of a grant contract is expressed by the following parameters:

- a) The maximum absolute value of Eligible costs for ECOWAS financing
- b) The maximum percentage (of eligible costs) for ECOWAS financing

All these parameters are considered "estimated" and the final value of the contract shall be determined in the final balance after presentation of all supporting documents, expenditure verification report (if required) and acceptance by the Contracting Authority.

7.1.4 Advance payment security

Advance payment security shall be asked for values above UA 50,000 with the following exceptions:

- a) Public bodies in one of the Member states (ministries, department of the ministries and similar bodies)
- b) International organisation
- c) Low value grants

At its discretion of the Contracting Authority may waive the presentation of the advance payment security for:

- d) Academic and training institutions in Member States
- e) Other beneficiary that manifestly cannot provide such guaranty, provided the interest of ECOWAS are always protected. (i.e. payment of the advance can be split in several instalments)

Note that the financial costs for obtaining the financial guaranty can be brought as "eligible costs" in the budget of the grant contract.

The guarantee shall be denominated in in the currency of the Contracting Authority, conforming to the model in Annex VIII in case it is provided by a banking institution.

7.1.5 Acceptable form of security

1. Securities are submitted in the form of an irrevocable bank / insurance guarantee, or a joint and several guarantees, payable on first demand issued by a reputable bank or a non-bank financial institution, located in an ECOWAS Member State.
2. The securities provided for under this Chapter may be replaced by joint and several guarantors whereby a third party undertakes to pay to the Contracting Authority any sums owed by the grant Beneficiary in respect of the contract up to the amount posted as guarantee.
3. The joint and several guarantors shall be chosen from approved reputable banks or a non-bank financial institution, located in an ECOWAS Member States.
4. The joint and several guarantees shall be in a format specified by the Contracting Authority. The form shall contain an undertaking to pay on first demand, any amount owed by the grant Beneficiary up to the amount guaranteed.

During the execution of the contract, if the natural or legal person providing the guarantee (i) is not able or willing to abide by its commitments, (ii) is not authorised to issue guarantees to Contracting Authorities, or (iii) appears not to be financially reliable, or the financial guarantee ceases to be valid, and the grant Beneficiary coordinator fails to replace it, either a deduction equal to the amount of the pre-financing may be made by the Contracting Authority from future payments due to the grant Beneficiary coordinator under the contract, or the Contracting Authority shall give formal notice to the grant Beneficiary coordinator to provide a new guarantee on the same terms as the previous one. Should the coordinator fail to provide a new guarantee, the Contracting Authority may terminate the contract.

This provision shall not apply if the coordinator is a non-profit organisation, an organisation which has signed a framework partnership agreement with ECOWAS, a government department or public body, unless otherwise stipulated in the special conditions.

7.2 Payments procedures

Payment procedures are defined in article 15 of the General Conditions to the grant contract as amended by article 4 of the General Conditions.

In drafting the Special Condition, the Contracting Authority may choose among three options:

1. **Option 1:** Actions with an implementation period of 12 months or less or grant of UA 50 000 or less.
 - (i) an initial pre-financing payment of 80% of the maximum amount (referred to in Article 3.2 of the special conditions) after deducting the contingencies;
 - (ii) the balance of the final amount of the grant.
2. **Option 2:** Actions with an implementation period of more than 12 months and grant of more than UA 50 000 UA.
 - (i) an initial pre-financing payment of 100 % of the part of the estimated budget financed by the Contracting Authority **for the first reporting period** (normally the first year of implementation) **with the exclusion of contingencies** and calculated applying the maximum percentage established in the contract. (special conditions article 3.2);
 - (ii) further pre-financing payments of 100 % of the part of the estimated budget financed by the Contracting Authority for the following reporting period (excluding unauthorised contingencies):

The **reporting period** is intended as a twelve-month period unless otherwise provided for in the special conditions. When the remaining period to the end of the action is up to 18 months, the reporting period shall cover it entirely.

Within 60 days following the end of the reporting period, the coordinator shall present an interim report or, if unable to do so, it shall inform the Contracting Authority of the reasons to provide at least a summary of progress of the action.

- if at the end of the reporting period the part of the expenditure actually incurred which is financed by the contracting authority is less than 70 % of the previous payment, the further pre-financing payment shall be reduced by the amount corresponding to the difference between the 70 % of the previous pre-financing payment and the part of the expenditure actually incurred which is financed by the Contracting Authority;
- when the part of the expenditure actually incurred which is financed by the Contracting Authority is more than 70 % of the previous payment, the coordinator may submit a request for further pre-financing payment before the end of the reporting period,

In this case, the following reporting period starts anew from the end date of the period covered by this payment request;

- the total sum of pre-financing payments **may not exceed 90 %** of the maximum amount in absolute value that the Contracting Authority undertake to finance (Special conditions art. 3.2) excluding unauthorised contingencies.

(iii) the balance of the final amount of the grant.

3. Option 3: All actions

- (i) the final amount of the grant.

7.2.1 Financial and narrative reports

The beneficiary(ies) shall provide the Contracting authority with all required information on the implementation of the action. The report shall describe the implementation of the action according to the activities envisaged, difficulties encountered, and measures taken to overcome problems, eventual changes introduced, as well as the degree of achievement of its results (impact, outcomes or outputs) as measured by corresponding indicators. The report shall be laid out in such a way as to allow monitoring of the objective(s), the means envisaged or employed and the budget details for the action. The level of detail in any report should match that of the description of the action and of the budget for the action. The coordinator shall collect all the necessary information and draw up consolidated interim and final reports. These reports shall:

- a) **cover the action as a whole**, regardless of which part of it is financed by the Contracting Authority;
- b) consist of a narrative and a financial report drafted using the templates (21a and 21b) provided in Annex VI;
- c) provide a full account of all aspects of the action's implementation for the period covered;
- d) include the current results within an updated table based on the logical framework matrix including the results achieved by the action (impact, outcomes or outputs) as measured by their corresponding indicators; agreed baselines and targets, and relevant sources of verification;
- e) determine if the intervention logic is still valid and propose any relevant modification including regarding the logical framework matrix;
- f) be drafted in the language of the contract;
- g) include any relevant report, publications, press releases or other materials produced and disseminated in the framework of the execution of the action.

Note that: The Contracting Authority may request additional information at any time but not beyond three years in the action closure. The coordinator shall provide this information within 30 days of the request, in the language of the contract.

7.2.2 Submission of final reports

The coordinator shall submit the final report to the Contracting Authority no later than **three months** after the implementation period established in the Special Conditions.

The deadline for submission of the final report is extended to **six months** where the coordinator does not have its headquarters in the country where the action is implemented.

The submission and approval by the Contracting Authority of the final report, give ground to the payment of the **remaining 10%** of the maximum amount in absolute value that the Contracting Authority undertake to finance under the contract. (Deducting eventually the non-eligible expenses the expenditure verification report may have identified, for contract that require expenditure verification).

Additionally, the final report shall:

- a) cover any period not covered by the previous reports;
- b) include the proofs of the transfers of ownership (if any)

7.2.3 Payment requests

For the purposes of the initial pre-financing payment, the signed contract serves as payment request. A financial guarantee shall be attached to the letter of request for payment if required in the special conditions.

The payment request shall be drafted using the model in Annex V (template annex 20) and shall be accompanied by:

- a) a narrative and financial report
- b) a forecast budget for the following reporting period in case of request for further pre-financing;
- c) an expenditure verification report or a detailed breakdown of expenditure if required by the contract

Note that costs for audits and expenditure verification are considered ‘eligible costs’

Payment shall not imply acceptance of the recognition, regularity, authenticity, completeness and correctness of the declarations and information provided.

7.2.4 Payment deadlines

The initial pre-financing payment shall be made within **30 days** of receipt of the payment request by the Contracting Authority.

Further pre-financing payments and payments of the balance shall be made within **60 days** of receipt of the payment request by the Contracting Authority.

The payment request is deemed accepted if there is no written reply by the Contracting Authority within the deadlines set above.

7.2.5 Suspension of the period of payments

The time-limits for payments set in the section above **may be suspended** by notifying the coordinator that:

- a) the amount indicated in its request for payments is not due, or;
- b) proper supporting documents have not been provided, or;
- c) modifications or additional information to the narrative or financial reports are needed, or;
- d) there are doubts on the eligibility of expenditure and it is necessary to carry out additional checks, including on-the-spot checks or an audit to make sure that the expenditure is eligible, or;
- e) it is necessary to verify whether presumed breach of obligations, irregularities or fraud have occurred in the implementation of the action, or;
- f) it is necessary to verify whether the beneficiary(ies) have breached any substantial obligations under the contract, or;

The suspension of the time-limits for payments starts when the above notification is sent to the coordinator. The time-limit starts running again on the date on which a correctly formulated request for payment is recorded. The coordinator shall provide any requested information, clarification or document within 30 days of the request.

If, notwithstanding the information, clarification or document provided by the coordinator, the payment request is still inadmissible, or if the implementation of the grant proves to have been subject to irregularities, fraud, or breach of obligations, then the Contracting Authority may suspend payments, and in the cases foreseen in Article 12 of the general conditions, terminate accordingly the contract.

In addition, the Contracting Authority may also **suspend payments as a precautionary measure** without prior notice, prior to, or instead of, terminating the contract to conduct further investigation.

7.2.6 Interest on late payments

When payments have not been made within the period set forth above in section 6.2.1, the coordinator is entitled to the payment of interest from the expiry date for payment at a rate based on the discount rate adopted by the central bank of the member state where the contract is being executed, increased by one point.

Interests on late payment will be paid to the coordinator **only upon demand** submitted within two months of receiving late payment.

This disposition does not apply if the coordinator is a Member State, including regional and local government authorities or other public body acting in the name and on behalf of the Member State for the purpose of the contract.

7.2.7 Modalities of payment

Payment can be made by means of cheque or bank transfer in accordance with the provision of the ECOWAS Financial Regulations and the choice indicated by the beneficiary in the financial identification form submitted with its application and attached to the contract.

7.2.8 Audited expenditure verification reports

The coordinator must provide an expenditure verification report for any final report in the case of a grant of more than UA 50 000.

The auditor in charge of the execution of this report shall be indicated by the beneficiary in its application. The Contracting Authority may object the choice of the beneficiary indicating possible alternative.

The expenditure verification report shall conform to international standards (see template 22).

The auditor shall examine whether the costs declared by the beneficiary(ies) and the revenue of the action are real, accurately recorded and eligible under the contract. The expenditure verification report shall cover all expenditure not covered by any previous expenditure verification report.

Where the coordinator is a government department or a public body, the Contracting Authority may accept to substitute the expenditure verification with a detailed breakdown of expenditure.

The expenditure verification report shall not be provided by the coordinator if the verification is directly done by the Contracting Authority's own staff, by the ECOWAS Commission or by a body authorised to do so on their behalf. This provision shall be set in the Special Conditions.

7.2.9 Detailed breakdown of expenditures

Depending on the nature, duration and risk assessment of the grant, an expenditure verification conducted by an auditor may not be required for pre-financing payments after the first advance payment. This provision is to be set in the Special Conditions of the contract.

If no expenditure verification is required with requests for pre-financing payments, a detailed breakdown of expenditure covering the preceding reporting periods not already covered, shall be provided for every other request for further pre-financing payment

The detailed breakdown of expenditure shall provide the following information for each cost heading in the financial report and for all underlying entries and transactions: amount of the entry or transaction, accounting reference (e.g. ledger, journal or other relevant reference) description of the entry or transaction (detailing the nature of the expenditure) and reference to underlying documents (e.g. invoice number, salary slip or other relevant reference). It shall be provided in electronic form and spread sheet format (excel or similar) whenever possible.

The coordinator shall ensure that all financial reports can be properly and easily reconciled to the accounting and bookkeeping system and to the underlying accounting and other relevant records. For this purpose, the beneficiary(ies) shall prepare and keep appropriate reconciliations, supporting schedules, analyses and breakdowns for inspection and verification.

The detailed breakdown of expenditure shall be supported by **a declaration of honour** by the coordinator that the information in the payment request is full, reliable and true and that the costs declared have been incurred and can be considered as eligible in accordance to the contract.

The final report shall **in all cases** include a detailed breakdown of expenditure **covering the whole action**.

The Contracting Authority may require scanned copies of all supporting document mentioned in the detailed breakdown of expenditures from the coordinator.

7.2.10 Right of access

The beneficiary(ies) shall allow verifications to be carried out by ECOWAS, the Auditor General of the ECOWAS Institutions and any external auditor authorised by the Contracting Authority. The beneficiary(ies) have to take all steps to facilitate their work.

The beneficiary(ies) shall allow the above entities to:

- a) access the sites and locations at which the action is implemented;

- b) examine its accounting and information systems, documents and databases concerning the technical and financial management of the action;
- c) take copies of documents;
- d) carry out on the-spot-checks;
- e) conduct a full audit on the basis of all accounting documents and any other document relevant to the financing of the action.

7.2.11 Record keeping

The beneficiary(ies) shall keep all records, accounting and supporting documents relating to this contract **for five years** following the payment of the balance and for **three years** in case of grants not exceeding UA 50 000, and in any case until any on-going audit, verification, appeal, litigation or pursuit of claim has been disposed of.

They shall be easily accessible and filed so as to facilitate their examination and the coordinator shall inform the Contracting Authority of their precise location.

All the supporting documents shall be available either in the original form, including in electronic form, or as a copy.

Those documents include:

- a) Accounting records (computerised or manual) from the beneficiary(ies)'s accounting system such as general ledger, sub-ledgers and payroll accounts, fixed assets registers and other relevant accounting information;
- b) Proof of procurement procedures such as tendering documents, bids from tenderers and evaluation reports;
- c) Proof of commitments such as contracts and order forms;
- d) Proof of delivery of services such as approved reports, time sheets, transport tickets, proof of attending seminars, conferences and training courses (including relevant documentation and material obtained, certificates delivered) etc.;
- e) In case volunteers' work is included in the contract, the personal identifications documents of such volunteers, the presence sheet with the number of days of work and a summary of the tasks that have been delegated to them.
- f) In case contribution in kind is anticipated in the contract: the nature of the contribution and proof that it has been delivered/provided to the final beneficiaries.
- g) Proof of receipt of goods such as delivery slips from suppliers;
- h) Proof of completion of works, such as acceptance certificates;
- i) Proof of purchase such as invoices and receipts, including tickets and boarding passes for travels.
- j) Proof of payment such as bank statements, debit notices, proof of settlement by the contractor;
- k) For fuel and oil expenses, a summary list of the distance covered, the average consumption of the vehicles used, fuel costs and maintenance costs;
- l) Staff and payroll records such as contracts, salary statements and time sheets. For local staff recruited on fixed-term contracts, details of remuneration paid, duly substantiated by the person in charge locally, broken down into gross salary, social security charges, insurance and net salary.

Failure to comply with the obligations set forth above constitutes a case of breach of a substantial obligation under the contract.

The Contracting Authority may in particular suspend the contract, suspend the payments or the time-limit for a payment, terminate the contract and/or reduce the grant for the value of the expenditures not duly supported by appropriate documentation.

7.2.12 Final amount of the grant

Final amount

The grant may not exceed the maximum ceiling in Article 3.2 of the special conditions either in terms of the absolute value or the percentage stated therein.

If the eligible costs of the action at the end of the action are less than the estimated eligible costs as referred to in Article 3.1 of the special conditions, the grant shall be limited to the amount obtained by applying the percentage laid down in Article 3.2 of the special conditions to the eligible costs of the action approved by the Contracting Authority.

This means that the application of the maximum percentage of eligible cost prevail on the maximum absolute value stated in the contract.

If the action is implemented poorly or partially - and therefore not in accordance with the description of the action in Annex I - or with unjustified delay, the Contracting Authority may, by a duly reasoned decision and after allowing the beneficiary(ies) to submit its observations, reduce the initial grant in line with the actual implementation of the action and in accordance with the terms of the contract.

In case of breach of obligations, fraud or irregularities the Contracting Authority may also reduce the grant in proportion of the seriousness of breach of obligations, fraud or irregularities, limiting its contribution to the task effectively implemented and verified.

This is without prejudice to terminate the contract if the seriousness of the breach requires so.

No profit

The grant may not produce a profit for the beneficiary(ies), unless specified otherwise in Article 7 of the special conditions and in special case described below.

In case the action generates incomes not expressly anticipated in the Special Conditions the final amount of the grant shall be reduced by the percentage of the profit corresponding to the final ECOWAS contribution to the eligible costs actually incurred approved by the Contracting Authority.

The provisions above do not apply if specified in the Special Condition under Article 7 in the following cases:

- a) actions the objective of which is the reinforcement of the financial capacity of a beneficiary;
- b) actions which are supposed to generate an income to ensure their continuity beyond the end of the contract;
- c) actions implemented by non-profit organisations;
- d) study, research or training scholarships paid to natural persons;
- e) direct support paid to natural persons most in need, such as unemployed persons and refugees;
- f) low value grants equal to or below UA 50 000.

7.2.13 Recovery

If any amount is unduly paid to the coordinator, or if recovery is justified under the terms of the contract, the coordinator undertakes to repay the Contracting Authority these amounts.

In particular, payments made do not preclude the possibility for the Contracting Authority to issue a recovery order following an expenditure verification report, an audit or further verification of the payment request.

If a verification reveals that the methods used by the beneficiary(ies) to determine unit costs, lump sums or flat-rates are not compliant with the conditions established in the contract, the Contracting Authority shall be entitled to reduce the final amount of the grant proportionately up to the amount of the unit costs, lump sums or flat rate financing.

The coordinator undertakes to repay any amounts paid in excess of the final amount due to the contracting authority within 45 days of the issuing of the debit note, the latter being the letter by which the Contracting Authority requests the amount owed by the coordinator.

Offsetting (Compensation)

Amounts to be repaid to the Contracting Authority may be offset against amounts of any kind due to the coordinator, after informing it accordingly. This shall not affect the parties' right to agree on payment in instalments.

This means that the Contracting Authority, after having verified that some of the expenses detailed in the breakdown of the expenses and supporting documents produced by the coordinator to support a payment of a further pre-financing instalment are not eligible or insufficiently justified, can deduct the corresponding amount from the further pre-financing or from the final payment.

Bank charges incurred by the repayment of amounts due to the Contracting Authority shall be borne entirely by the beneficiary(ies).

The guarantee securing the pre-financing may be invoked in order to repay any amount owed by the beneficiary(ies), and the guarantor shall not delay payment nor raise objections for any reason whatsoever.

Without prejudice to the prerogative of the contracting authority, if necessary, the ECOWAS may, as donor proceed by itself to the recovery **by any means**.

7.2.14 Rules for currency conversion

The Contracting Authority shall make payments to the coordinator to the bank account provided to in the financial identification form in Annex V or by cheque if this option has been chosen. The Contracting Authority shall make payments in the currency set in the special conditions.

Financial reports

Reports shall be submitted in the currency set out in the special conditions and may be drawn from financial statements denominated in other currencies, on the basis of the beneficiary(ies)'s applicable legislation and applicable accounting standards.

In such cases and for the purpose of reporting, conversion into the currency set in the special conditions shall be made using the rate of exchange at which each Contracting Authority's contribution was recorded in the beneficiary(ies)'s accounts.

Costs incurred in currencies other than the one used in the beneficiary(ies)'s accounts

Costs incurred in currencies other than the one used in the beneficiary(ies)'s accounts for the action shall be converted according the usual accounting practices of the beneficiary(ies) provided:

- (i) they are a standard practice of the beneficiary,
- (ii) they are applied consistently,
- (iii) all transactions and funding sources are treated in the same way
- (iv) the system can be demonstrated, and the exchange rates are easily accessible for verifications.

Conversion rate of the co-financing by the beneficiary(ies) (if any)

Conversion rate of the co-financing provided by the beneficiary(ies) or other donors in a currency different from the currency of the contract can be set in the special conditions according to the beneficiary(ies)'s usual accounting practice.

Exceptional exchange rate fluctuations

In the event of an exceptional exchange-rate fluctuation, the parties shall consult each other with a view to amending the action in order to lessen the impact of such a fluctuation.

Depending on the impact of the fluctuation on the implementation of the action, different remedial actions may be envisaged:

1. amending the action – (i.e. a project component can be removed/modified)
2. suspension or termination of the contract
3. use of the contingency reserve

7.2.15 Direct payment to subcontractors

Direct payment to sub-contractors by the Contracting Authority is not anticipated in the framework of the administration of a grant contract. The beneficiary is solely responsible of payments *vis-à-vis* the subcontractors.

7.2.16 Pledging the contract

Pledging the contract is not anticipated in the framework of the execution of a grant contract.

8 Complaints and disputes

8.1 Complaints to the Contracting Authority (evaluation process)

Without prejudice to other remedies and, in particular, where an applicant believes she/he has been adversely affected by an error or irregularity allegedly committed as part of a selection, or that the procedure was vitiated by any maladministration, she/he may file a complaint to the Contracting Authority.

The Contracting Authority will endeavour to investigate the complaint and respond within 15 working days. Alternatively, if the applicant is not satisfied with the answer received, she/he may refer to subsequent steps of dispute resolution.

8.2 Options of dispute resolutions

Contracts should be clear enough and the responsibilities and obligations of both the grant beneficiary and ECOWAS must be clearly defined in order to minimize the possibility of disputes and disagreements.

No subcontract can create contractual relations between any subcontractor and the Contracting Authority. The Contracting Authority must not be held responsible for any failure by the grant beneficiary to honour its contract with the subcontractor. In case of disagreement regarding the implementation of that contract, the subcontractor must address itself to the grant beneficiary and/or to the respective jurisdiction competent to hear such litigations.

The option of dispute resolution shall be defined in the General Conditions of the contract. They may comprise:

1. Conciliation (amicable settlement of disputes)

Amicable settlement is the first step in a dispute resolution process. All negotiations undertaken to reach amicable settlement are based on openness to compromise since this is often less costly than alternative methods of dispute resolution. ECOWAS must strive to always solve disputes through conciliation.

Conciliation is a dispute resolution process that involves **building a positive relationship** between the parties of dispute. Conciliation is a method employed in civil law countries and is a more common concept than mediation. The “conciliator” is an impartial person agreed by the parties who assists the parties by driving their negotiations and directing them towards a satisfactory agreement. It is unlike arbitration in that conciliation is a much less adversarial proceeding; it seeks to identify a right that has been violated and searches to find the optimal solution.

2. Mediation

Mediation is a dispute resolution method where a neutral and impartial third party, the mediator, facilitates dialogue in a structured multi-stage process to help parties reach a conclusive and mutually satisfactory agreement. A mediator assists the parties in identifying and articulating their own interests, priorities, needs and wishes to each other. Mediation is a “peaceful” dispute resolution tool that is complementary to the existing court system and the practice of arbitration.

3. Arbitration

Arbitration is a dispute resolution method where the disputing parties involved present their disagreement to one arbitrator or a panel of private, independent and qualified third party “arbitrators.” The arbitrator(s) determine the outcome of the case and the parties shall be bound by their decision. The parties should be aware that this solution has costs implications for both parties.

4. Adjudication

Adjudication is the legal process by which a court judge reviews evidence and arguments, including legal reasoning set forth by opposing parties to come to a decision which determines rights and obligations between the parties involved. Also, this solution has costs implications for both parties.

8.3 Complaint resolution mechanisms

1. The purpose of the Complaint Resolution Mechanism is to conduct inquiries, investigate complaints and allegations of violations of the Grant Code and this Manual with a view to settling the issues raised during the procurement process before the award of contract.
2. Additional procedures on the Complaints Resolution Mechanism, are spelt out in the Procurement Manual.
3. For grant procedures the following cannot be challenged:
 - a) All the criteria established by the Contracting Authority in the guidelines including selection and award criteria, the minimum and maximum value of a grant and the total amount available.
 - b) A decision by the Contracting Authority to cancel a call for any reason whatsoever.

8.3.1 Complaint procedures

1. The ECOWAS Commission response to all protests, regardless of who they are addressed to, is always prepared and executed by the Director of Administration and General Services (DAGS) and for other Institutions, Agencies and Offices, the response will be provided by any Officer with equivalent function.
2. An unsuccessful applicant that wishes to protest an award must inform the Director Administration and General Services in writing to explain the basis of the protest within fifteen

- (15) calendar days (the “Notice Period”) of the issuance of the solicitation, addendum, notice of award or other action related to the solicitation.
3. Protest notifications that are submitted after the 15-day Notice Period or without a basis for the protest are not entertained.
 4. Upon receipt of a written protest from an unsuccessful applicant, the Director Administration and General Services or for other Institutions, Agencies and Offices, the response will be provided by any Officer with equivalent function shall:
 - i. Provides the protestor with a written acknowledgement.
 - ii. Initiates a review of the protestor’s allegations; and
 - iii. Following the conclusion of the review, provides the protestor with formal written notification of the decision and the basis upon which it was made.
 5. A decision will be final and conclusive unless, within fifteen (15) calendar days from the date of receipt of the decision, the protestor files a written appeal with the Contracting Authority. The determination by the Contracting Authority shall be final and conclusive.

8.4 Disputes Resolution and Sanctions

8.4.1 Contract Disputes

1. The parties shall make every effort to amicably settle any dispute which may arise between them.
2. Upon failure of the parties to reach amicable settlement, a party may request settlement through Alternative Dispute Resolution in line with the applicable provisions in the contract.
3. Upon failure of Alternative Dispute Resolution, a party may request settlement through arbitration in line with the applicable provisions in the contract.
4. Dispositions for Alternative Dispute Resolution shall be given in the General Conditions eventually amended by the Special Conditions.

8.4.2 Sanction Committee

1. There is hereby established a Sanctions Committee with the power to pronounce sanctions, including exclusions, according to the provisions of the Grant Code and this Manual against any natural person or legal entity in any grant or contracting process, found in violation of any provisions of the Grant Code or this Manual. ECOWAS staff involved in this grant or contracting process shall be sanctioned in accordance with the ECOWAS staff regulation.
2. The Sanction Committee composed of three (3) or five (5) members shall make decisions by consensus.
3. The chairperson and Members of the Committee shall be appointed by the President.
4. All members of the Sanction Committee shall be free of conflict of interest as defined in Section 9.2.
5. The Sanction Committee shall be supported by the Director in charge of Procurement in the Commission or in case of absence of the Director by the Head of Procurement Division in the Commission. The Secretariat is in charge of distributing the documents to be reviewed, organizing logistics of the meetings, recording the deliberations and decisions, securing the signatures of all members on the Committee decisions, and maintaining the records and archives.
6. After deliberations, the Sanction Committee shall propose sanctions to the Commissioner General Administration and Conference. The Commissioner General Administration and Conference shall decide on sanctions and shall communicate his decision to the concerned parties i.e. the President of the Commission, the Head of the Institution, if applicable, and the sanctioned party.

7. The sanctioned party has ninety (90) calendar days to appeal to the President of the Commission. At his/her own discretion, the President may establish an ad hoc committee to provide clarifications and justifications to support his decision.

8.4.3 Referral to the competent authority

Where, based on the decisions of the Sanctions Committee, there is *prima facie* evidence of a criminal offence on the part of any person, natural or legal, the Chairperson shall refer the matter to the Competent Authorities of the host Member State.

9 ETHICS CLAUSES & CODE OF CONDUCT

Ethics clause & Code of conduct are extensively treated in the Procurement Code in Art. 117, 118 and 119, and detailed in the Procurement Manual under Section 3 Ethics and Code of Conduct. The following is an integration dedicated to the peculiar aspects of a grant operations conducted by ECOWAS.

9.1 Ethics clauses

Grant contracts include a code of conduct laying down ethical clauses the respect of which is considered as a contractual obligation.

The contractual obligations referred to in the present section must also apply to all members of a consortium, to any sub-contractors and capacity providing entities, to lead applicants, co-applicants, associates and affiliated entities.

ECOWAS Code of Ethics provides detailed information. Furthermore:

9.1.1 The grant beneficiary as impartial and faithful adviser; absence of conflict of interest

The grant beneficiary must at all time act impartially and as a faithful adviser in accordance with the code of conduct of its profession. It must refrain from making public statements about the project or services without the Contracting Authority's prior authorisation. It may not commit the Contracting Authority in any way without its prior written consent. The contractor must refrain from any relationship likely to give rise to a conflict of interest compromising its independence or that of its staff. If the contractor ceases to be independent, the Contracting Authority may terminate the contract at all times.

9.1.2 The grant beneficiary, respect of human rights, environmental legislation and core labour standards

The grant beneficiary and its staff must comply with human rights in particular and in accordance with the applicable legislation of the country where it is based. They must comply with the environmental legislation including multilateral environmental agreements, and with the core labour standards as applicable in their countries.

Zero tolerance for sexual exploitation and sexual abuse

Physical abuse or punishment, or threats of physical abuse, sexual abuse or exploitation, harassment and verbal abuse, as well as other forms of intimidation must be prohibited. Such prohibition applies inside and outside the working hours and the working place. Should the grant beneficiary become aware of any breach of the above-mentioned ethical standards, it must report in writing to the Contracting Authority.

9.1.3 The grant beneficiary and payments

The grant beneficiary may not accept any payment connected with the contract other than that provided for therein. The contractor and its staff must not exercise any activity or receive any advantage inconsistent with their obligations to the Contracting Authority.

9.1.4 The grant beneficiary and professional discretion

The grant beneficiary and its staff are bound to maintain professional secrecy for the entire duration of the contract and after its completion. All reports and documents drawn up or received by the contractor during the performance of the contract are confidential.

9.1.5 The grant beneficiary, anti-corruption and anti-bribery

The grant beneficiary must comply with all applicable laws and regulations and codes relating to anti-bribery and anti-corruption.

ECOWAS reserves the right to exclude from the evaluation and suspend or terminate the contract, if corrupt practices of any kind are discovered at any stage of the award process or contract implementation and if the grant beneficiary fails to take all appropriate measures to remedy the situation.

For the purposes of this provision, 'corrupt practices' are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the evaluation of a proposal, award of a contract or implementation of a contract already concluded with the Contracting Authority.

Corrupt practices may also include unusual commercial expenses that are not mentioned in the contract.

Grant beneficiaries found to have paid unusual commercial expenses on projects funded by ECOWAS are liable, depending on the seriousness of the facts noted, to have their contracts terminated or to be excluded from receiving further ECOWAS financing.

ECOWAS may carry out whatever documentary or on-the-spot checks it deems necessary to find evidence in cases of suspected unusual commercial expenses.

9.1.6 Consequences of non-compliance with the ethical clauses and code of conduct

Failure to comply with the aforementioned contractual obligations constitutes a breach of the contract that may lead to suspension or termination of the contract.

A serious breach of the obligations under the code of conduct and ethical rules can amount to grave professional misconduct that may lead to immediate termination of the contract without prejudice to further administrative sanctions and exclusion from future calls for proposals.

A grave professional misconduct is not only constituted by violations of applicable laws or regulations or ethical standards of the profession to which the grant beneficiary belongs, but also encompasses any wrongful conduct that has an impact on the professional credibility of the grant beneficiary and refers to conduct that connotes a wrongful intent or gross negligence.

9.2 Conflict of interests

The term 'conflict of interest' is used with different meanings in different contexts. Four cases can be distinguished:

1. Conflict of interest for the Contracting Authority;
2. Grave professional misconduct by the grant beneficiary
3. Involvement in drafting call for proposals and distortion of competition
4. Professional conflicting interests.

9.2.1 Conflict of interest for the Contracting Authority

A conflict of interest exists where the impartial and objective exercise of the authorising officer (and any actor at any level involved in the process of evaluation or attribution of a contract) is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other direct or indirect personal interest.

In grant procedures, the situation of conflict of interest applies to persons in charge of the design of the call as well as to persons involved in the opening and evaluation phases.

A conflict of interest may arise where, for instance, a member of the evaluation committee or someone in the Contracting Authority's office or others involved in the procedure grant themselves, or others, unjustified direct or indirect advantages by influencing the outcome.

Special care should be taken in cases where external experts are involved in the evaluation committee (as non voting members or assessors). Indeed, the authorising officer responsible must ensure that these external experts satisfy the obligations concerning conflict of interests and confidentiality.

9.2.2 Grave professional misconduct by the grant beneficiary

A grave professional misconduct refers to all wrongful conduct that connotes a wrongful intent or gross negligence. It encompasses the violation of applicable laws or regulations or ethical standards of the profession to which the grant beneficiary belongs, and any wrongful conduct that has an impact on the professional credibility of the grant beneficiary

There are specific situations for beneficiary(ies) that qualify as 'grave professional misconduct' and not as conflict of interests:

- where the operator attempts to unduly influence the decision-making of the Contracting Authority during a grant procedure at any stage;
- where the operator enters into agreement with other operators in order to distort competition;
- where the operator tries to obtain confidential information that may give it undue advantages in the procedure.

Cases of grave professional misconduct as described above are a basis to reject/exclude the beneficiary(ies) concerned from the call.

9.2.3 Involvement in drafting call for proposals and distortion of competition

There are cases where the Contracting Authority uses external experts to help drafting the call for proposals. On this case, it is the responsibility of the Contracting Authority to ensure that such experts shall not be included in any proposals of the grant applicants.

The applicant/grant beneficiary can be rejected from the subsequent procedure when the grant beneficiary, its staff or subcontractors, such as expert(s), were involved in the preparation of the call for proposals and this entails an evident distortion of competition that cannot be remedied otherwise.

On this regard, please note the existence of a declaration of objectivity and confidentiality (template in annex 3) that should be completed by all persons involved in preparing documents relating to a call for proposals.

Burden of proof: it is up to the Contracting Authority to prove the distortion of competition and to prove that it has taken all possible measures to avoid the rejection of an applicant. The rejection of an applicant is subject to a contradictory procedure, so the applicant must be given the opportunity to prove that its prior involvement in the call for proposal cannot distort competition.

9.2.4 Professional conflicting interest

There are specific cases where the applicant (or single expert) under contract to perform evaluation and audit tasks of a given grant contract has a professional conflicting interest that can negatively affects its capacity to perform his/her duties.

Such a situation arises where an applicant (or single expert) could be awarded a contract to evaluate a project in which it has participated or to audit accounts that it has previously certified or contributed to prepare.

Where a conflict of interest might occur with regard to on-going contracts, the grant beneficiary must immediately inform the Contracting Authority and measures must be adopted to prevent or to resolve such a conflict.

LIST OF ANNEXES

N	Description	Name of the file
	<i>General templates</i>	
1	Newspaper publication for call for proposals	1_Publication_newspaper.docx
2	Publications of grants award	2_publication_of_grant_award.docx
3	Declaration of Objectivity & Confidentiality	3_declaration_objectivity&confidentiality.docx
4	Declaration of Impartiality & Confidentiality	4_declaration_impartiality&confidentiality.docx
5	Terms of reference recruitment of assessors	5_Terms_of_reference_assessors.docx
6	Guidelines for the assessors	6_guidelines_for_assessors.docx
	<i>Guidelines for grant applicants and annexes</i>	
7	Guidelines for applicants - two-stages call	7_Guidelines_call_two_stages.docx
8	Guidelines for applicants - one-stage call	8_Guidelines_call_one_stage.docx
9	Annex A Grant Application Form (two-stages)	9_Annex_A_appli_form_two_stages.docx
10	Annex A Grant Application Form (one-stage)	10_Annex_A_appli_form_one_stage.docx
11	Annex B Budget template (3 worksheets)	11_Annex_B_Budget_template.xlsx
12	Annex C Logical framework	12_Annex_C_Logical_Framework.docx
13	Annex D Legal Entity file (natural person)	13_Annex_D_legal_entity_natural_persons.pdf
14	Annex D Legal Entity file (legal body)	14_Annex_D_legal_entity_legal_body.pdf
15	Annex D Legal Entity file (Public law body)	15_Annex_D_legal_entity_public_law_body.pdf
16	Annex E Financial identification form	16_Annex_E_financial_ID_form.pdf
	<i>Documents for information</i>	(attached to the Guidelines)
17	Annex F Standard grant contract + special conditions (action grants)	17_Annex_F_contract_spec_condit_action_g.docx
	<i>Annexes to the contract</i>	
18	Annex II – General conditions for grant contracts – ECOWAS grant operations	18_General_conditions_grant_contrac.pdf
19	Annex IV – Procurement contracts award principles	19_Annex_IV_Proc_contract_award-rules.docx
20	Annex V – Standard request for payments	20_Annex_V_Request_payments.docx
21a	Annex VI – Model interim narrative report	21a_Annex_VI_Interim_narrative_report.docx
21b	Annex VI – Model final narrative report	21b_Annex_VI_final_narrative_report.docx
21c	Annex VI – model financial report (interim, final, use of contingencies)	21c_Financial_report+.xlsx
22	Annex VII - model report of factual findings and terms of reference for an expenditure verification of an ECOWAS financed grant contract	22_Annex_VII_factual_find-ToR_audit.docx
23	Annex VII – Model financial guarantee	23_Annex_VII_model_financial_guarantee.docx
24	Annex IX - standard template for transfer of ownership of assets	24_Annex_IX_transfer_assets.docx
	<i>Special contracts and agreements</i>	
25	Contract & special conditions operating grants	25_Contract+special_condit_operat_grant.docx
26	Partnership agreement + special Conditions and General Conditions	26_partnership_agreement+SpecCond+GenCond.docx
27	Model of contract for partnership agreement (action grant)	27_spec_agreement_FW-Partnership_action-grant.docx
28	Model of contract for partnership agreement (operating grant)	28_spec_agreement_FW-Partnership_operating-grant.docx
	<i>Evaluations</i>	

29	Negotiation report for Direct Award of grants (both, action and operating)	29_Negotiation_report_direct_award_of_grant.docx
30	Concept Note Evaluation Grid	30_Concept_note_evaluation_grid.docx
31	Full application evaluation grid	31_Full_applic_eval_grid.docx
32	Evaluation report Step-1, two-stages calls	32_Eval-report_step-1_two-stages_call.docx
33	Evaluation report Step-1, one-stage calls	33_Eval-report_step-1_on-stage_call.docx
34	Letter to applicants after step-1 two-stages calls	34_letter_step-1_two-stages-call.docx
35	Letter to applicants after step-1 one-stage calls	35_letter_step-1_one-stage_call.docx
36	Evaluation report Step-2, two-stages calls	36_Eval-report_step-2_two-stages_call.docx
37	Evaluation report Step-2, one-stage calls	37_Eval-report_step-2_one-stage_call.docx
38	Letter to applicants after step-2, two-stages calls	38_letter_step-2_two-stages_call.docx
38	Letter to applicants after step-2, one-stage calls	39_letter_step-2_one-stage_call.docx
40	Evaluation report Step-3 final eligibility checks (both, one-stage and two-stages call)	40_Eval-report_step-3_both.docx
41	Letter to applicants after step-3, (both, one-stage and two-stages call)	41_letter_step-3_both.docx
42	Receipt for applications hand delivered	42_receipt_applications_hand_delivery.docx
	<i>Other annexes</i>	
43	Addendum to a grant contract	43_addendum_grant_contract.docx
44	Explanatory note	44_explanatory_note_addendum.docx
45	Expenditure verification by the auditors	45_Expenditure_verification_auditors.xlsx