SRF, Operations Manual

Last update: April 2024

Presentation

The Sahel Regional Fund (SRF) is a regional humanitarian NGO fund governed by NGOs and donors. It strives to deliver high-quality, value for money, principled protection and humanitarian assistance in Sahel hot spots for the most vulnerable people (outcome), particularly women, girls, elders and persons with disabilities, who are among those most affected by the crisis. The SRF's unique added value is to invest in four drivers, which are key to improving the response to this regional crisis:

1 Predictable, flexible and long-term funding.
2 Strategic and inclusive engagement with local stakeholders, first responders and endogenous systems to respond to small scale displacements.
3 Data/evidence and capacity in coordination forum for a more principled and effective response
4 A regional mechanism led by NGOs.

DRC has received an Accountable Grant (hereinafter referred to as the Main Grant) from the UK's Foreign, Commonwealth and Development Office, or FCDO, (hereinafter referred to as the 'Donor') for management of the Sahel Regional Fund to Support Projects in Sahelian Countries (hereinafter referred to as the "SRF"), under donor grant agreement reference 300943-105.

DRC has obligations under the Main Grant to establish the Fund Management Unit (FMU) of the SRF. The FMU will be responsible for, among other things, developing the SRF Strategy, soliciting and screening proposals for SRF funding, monitoring and evaluating SRF project implementation, overseeing financial and narrative reporting and disbursing SRF funds. The FMU is accountable to DRC Senior Management and the SRF Board, governed by the FCDO and several leading INGOs and NNGOs, that will select the winning SRF grant proposals and lead governance of the SRF throughout the Project period. For more detail on the governance arrangements of the SRF, please refer to the SRF Operations Manual.

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1. Introduction to the SRF Operations manual

1.1. Objectives and Scope

1. This manual shall apply to the Sahel Regional Fund (hereafter: “SRF”) Board and governance, committee, staff, and partner members, unless a special exception has been granted.
2. The SRF operations manual provides guidelines and information on the operational and contractual requirements of the SRF and procedures to be respected by all actors involved in the implementation of the SRF.
3. All information related to the governance and the internal functioning of the SRF are included in the Governance document which can be found on our website (www.sahelregionalfund.org)

1.2. Validation, revision & implementation of the manual

4. The SRF operations manual is formally approved by the FCDO and DRC HQ.
5. The Fund Management Unit (FMU) ensures a formal annual review, to check if any updates of the SRF operations manual is needed. This will be an opportunity to formally collect updates and suggestions from the partners about any needed changes/updates. Any substantial change/update of the SRF operations manual should be approved by the FCDO and DRC HQ and communicated in a timely manner with sufficient time for partners to adapt prior to the implementation of the changes.
6. The FMU will ensure the organisation of a comprehensive induction session with the partners, to provide clear understanding about the different requirements enumerated herein. This introduction session will be organised within the first month of the project, following the Project Start Date.

2. The SRF Tier Approach

7. The SRF has developed a tiered approach to assign risk levels to SRF partners, which will determine both the *amount* and *terms* of funding they can receive. The tiered approach is divided into three categories: *low, medium, and high*, which will imply the conditionalities and oversight procedures applied by the SRF in the partner’s grant agreement. The risk level of each partner will be assessed during the Due Diligence Assessment and reviewed periodically based on their achievements and challenges.

3. Language

8. The official language of the SRF is English. All the reporting addressed to the contributing donors to the SRF such as the narrative report, the audit report or the midterm evaluation will be in English.
9. As the activities will be implemented mostly in French speaking areas, partners who request it can deliver their proposals and reports to the FMU in French.
10. All SRF documents are both accessible in English and French on our website at the following address: https://www.sahelregionalfund.org/en/ressources/documentation/

4. Accountability

11. The SRF is committed to upholding the principles, standards and values of accountability and transparency, as contained in the Sphere Humanitarian Charter and the Core Humanitarian Standard. The SRF will ensure the principles of integrity and transparency are respected in every aspect of its financial and grant management and the way its funds are used.

12. The SRF ensures the implementation of a strong Accountability Framework encompassing both accountability to affected populations, donor(s) and relevant stakeholders and in all undertaken activities. The FMU expects the highest standards of integrity from all SRF board members and partners. From this perspective, the FMU and SRF partners will:

CHS	Respect core values conveyed by CHS
IASC	Abide by IASC's Six Core Principles related to Sexual Exploitation and Abuse
Reporting mechanism	Ensure that all grant recipient organisations possess a solid internal complaint reporting mechanism in line with DRC standards.
Feedback mechanisms	Ensure that community-based feedback mechanisms are set across all areas of projects' interventions, integrating a "do no harm" core approach as well as considering specific vulnerabilities.
Participation	Ensure that affected populations and communities are at the centre of the assistance (needs-based and people centred approach). They should participate and be consulted throughout the project cycle, be informed, and offered the possibility to share feedback and raise complaints.
Investigations	Maintain a right to externalise full administrative investigations when deemed necessary.
SRF Charter	Uphold the SRF Charter as a contractual commitment to inscribing Accountability to Affected Populations at the forefront of all SRF's actions.
Aid Diversion	Commit to a zero-tolerance approach towards Aid Diversion, including any associated inappropriate behaviour. All parties will fully co-operate with investigations into such events, whether called by the Board, FMU, the donor or any other third party.
Code of Conduct[1]	Commit that certain minimum standard of behaviour regarding fraud[2], corruption, sexual exploitation and other abuse of persons, are to be observed by the FMU and all SRF partners.

13. Non-compliance with any of the above standards should be communicated to the FMU immediately after coming to the partner's attention at the following address: ethics@sahelregionalfund.org. It will be the partner's responsibility to assess the facts, areas of non-compliance and to take any corrective actions or steps required to rectify the situation, while keeping the FMU duly informed of the process. Further, the FMU is bound to inform the SRF Board of all non-compliance situations vis a vis the above standards.

14. Regarding investigations into serious misconduct allegations presenting high risks to the SRF, the FMU maintains the right to launch an additional external investigation when finding the partner's investigation to be either falling short of investigative due process standards or to be unsatisfactory in its overall conclusions or systemic recommendations.

15. Any proven misconduct allegations shall be considered grounds for potential suspension and/or termination in line with the terms of the partner's Grant Agreement.

[1] The DRC Code of Conduct documentation will serve as the reference in this regard, unless the partner's related documentation has been duly vetted.

5. Vetting & Due diligence

16. The FMU performs vetting of partners, suppliers and contractors against open databases containing prohibited entities and debarment lists.

17. The FMU will also undertake a due diligence assessment of each lead partner, which will require their cooperation. The assessment will review, amongst other criteria, the partner's systems, policies and procedures to ensure compliance with the standards stated in the Grant Agreement and this Operations Manual.

18. The documents and information gathered and compiled through the Due diligence process will allow the FMU to evaluate the residual risk associated with the envisioned partnership and categorise the Partner based on the following Tier Levels: *low, medium* or *high*. Depending on the evaluated level of risk, different procedures will apply, which are described through this Operational Manual.

19. As the level of funding allocated to the SRF partner has a direct impact on the residual risk, partners with a high residual risk might be asked to reduce their budget to lower their residual risk.

20. Following a satisfactory due diligence assessment, the FMU will grant the partner the possibility to use their own internal guidelines. However, if the FMU identify some shortcomings or irregularities within the partners guidelines during the Due Diligence process, it might be necessary according to the situation to:

    - Request to the partner to improve or create some specific guidelines before the signature of the grant.
    - Use the host guidelines until the partner has developed its own.
    - Adapt the budget and the activities of the partners to exclude those for which the implementation represents a concern for the FMU.

21. The FMU reserves the right to invalidate a DDA if some specific key topics within the Due Diligence are considered to pose a high or very high risk to the SRF.

22. A lead Partner will be responsible for undertaking suitable due diligence assessments of its own Downstream Partners given that they respect the SRF's standards[3].
    - In the case of a Consortium application, completing the assessment before submitting the consortium application along with a capacity strengthening plan defined in the relevant section of this manual will be an asset for project evaluation. In any case, all the Due diligence processes should have been initiated and provide enough information to set up at least a draft of a capacity strengthening plan. Furthermore, conducting the DDA is mandatory before any contracting can occur.
    - Only partners assessed as *low risk* partners can lead a consortium.

23. Partners that have already gone through a DDA process with another donor can be exempt from this process mentioned in the above-mentioned article if the following conditions are met:
    - The previous DDA document respects SRF minimum standards, is signed by the donor and is submitted to the FMU. A letter of eligibility does not constitute a DDA document.
    - This DDA process has been performed no longer than 3 years before the partner's application.
    - If the DDA has been undertaken at HQ level, the FMU will need to verify that the applying partners' process and guidelines are the same at local level through an Organisational Assessment.

[3] Due-Diligence-Guide-External-partners3.odt (live.com)

24. The validity of the SRF partners' DDA will be of 3 years unless the SRF has reasons to believe the situation has evolved during this lapse of time. The partner can also request a new DDA if they believe substantial improvements on their side have been achieved that could result to a lower residual risk. A new assessment of the partner can be conducted if:
    - ➢ There are major changes in the partner organisation, such as project portfolio or management.
    - ➢ There are major changes in the partnership, such as a significant increase in funding amount.

6. Grant Management

6.1. Reporting frequency and requirements

25. Each partner is required to submit their reports using the template found in annex 1. All reports need to be submitted to the following address: reporting@sahelregionalfund.org.

26. The FMU will provide feedback to the partner within 15 days of receipt. Alongside the partner's reviewed documents, the partner will receive a *Feedback Letter* that reconciles feedback on the abovementioned documents.

27. The final report should be submitted to the FMU in the following 60 days after the end of the project (based on the ending date agreed in the Grant Agreement/ Memorandum of Understanding). The submission in time and with all the requested documents is the responsibility of the Partner.

28. Except under special circumstances that would permit a derogation to the number of reports to submit, partners are expected to provide the exact number of reports agreed in their contract.

29. When requesting payment, the partner will complete the Partner Payment Request Form and submit it to reporting@sahelregionalfund.org along with their financial report.
30. The report should consist of a narrative section and a financial section, each consolidating the achievements and financial data for every partner. The information presented in both sections must align perfectly.

Reporting Table				
	Risks levels of Tier Approach			**Submission date**
Report types	Low	Medium	High	
Intermediate Report	Every 6 months	Every 3 months	Every month Every 3 months, with a monthly situation update	30 days after reporting period for non-consortia ---------------------- 60 days after reporting period for consortia
Annual Report	After 12 months	After 12 months	After 12 months	60 days after the end of the year of implementation
Final Report	Upon completion of the project	Upon completion of the project	Upon completion of the project	60 days after the end of the project
Performance Tracking Matrix	Every 6 months	Every 3 months	Every 3 months	30 days after reporting period for non-consortia ---------------------- 60 days after reporting period for consortia

31. The reporting periods and number of deliverables required for each project will be specified in the Partner's Grant Agreement.
32. The following documents need to be submitted alongside the reports:

	Intermediate	Annual	Final
Risk register	If modified during period	Yes	Yes
Performance Tracking Matrix	Yes	Yes	Yes
Asset register	No	Yes	Yes
Finance Report along the Payment Request Form	Yes	Yes	Yes

33. Upon request, partners are required to aid with the development of a Delivery Chain document that will map the allocated funds to each sub partner, alongside any associated risks.

6.2. Modification Requests – (No-cost extensions and project changes)

34. The SRF makes a distinction between essential changes, which require approval from both parties, and non-essential changes, which do not require formal approval but a notification from the partner to the FMU.

35. Below are the changes deemed ***essential*** which require prior approval by the SRF:
    - Modification (addition or removal) of co-Partner(s)
    - Financial modification exceeding 10% on any budget heading.
    - Implementation period
    - Conditions and deadlines for submission of reports and payment requests
    - Objectives, results, and indicators
    - The number and type of beneficiaries:
        - Prior approval is not needed when the partner expects an increase in the number of beneficiaries that will be reached if this increase does not affect other conditions or elements of the contract with the signing authority.
        - On the contrary, prior approval is needed when the partner expects that the number of beneficiaries will not be reached.
    - Country and/or region of implementation
    - Cash and Voucher modalities.

36. The partner can approach the FMU to discuss changes to the initial approved project that are not listed in the above points. These changes will be discussed between the FMU and the partner and shall be settled within fifteen (15) days maximum.

37. Changes in the approved project and/or the logical framework, i.e. *essential changes*, that could affect the expected results (impact, outcomes, outputs) shall be agreed in writing with the FMU before the modification takes place. Approved changes must be explained in the next report.

38. No-Cost Extension (NCE) requests will be considered on a case-by-case basis, depending on the reasons justifying the request and evidence of progress collected through narrative and financial reports (i.e progress/interim), or through field monitoring visits and financial spot checks. Modification Requests should be submitted at least 45 days prior to the end of the implementation period. Later submissions will not be considered.

39. If a partner requests a No-Cost Extension (NCE), the FMU reserves the right to request additional reports depending on the length of the request.

40. Request for modification for ***non-essential*** modifications:
    - The non-essential changes can be introduced in the interim report in the section 'Changes and Amendments'.
    - The SRF does not need to give its approval to these changes except if some of the changes introduced concern the ***essential*** modifications category or might have a major impact on the initial approved proposal.

41. Request for modification for ***essential*** modifications:

- The partner needs to fill the *Modification Request Template,* available on request and on the SRF Website, and fill in the required sections for the request.
- The FMU will analyse the scope of the modifications and provide feedback to the partner within 15 days. The FMU reserves the right to refuse the modification request if it is determined that the changes are not justified.
- The FMU will issue a formal addendum to the original Grant Agreement signed with the partner, which will enter into force upon signature by both parties.

6.3. Interruption or reduction of the activities

42. If an external or internal event leads to an interruption or reduction of activities, the partner needs to inform the FMU by email immediately. This first communication will enable the tracing of the start date of the interruption or reduction of activities.

43. Under special circumstances where the Partner faces difficulties with the implementation of activities as per their contractual obligations, the Partner can submit an ***interruption of the activities* request** to the FMU. The partner will provide information in the *Modification Request Template* on:

- The reasons for the interruption
- The dates for the resumption of the activities
- The financial implications of the interruption

4. Contingency line

44. Contingency planning is a process that includes:

- Analysing potential emergencies;
- Analysing the potential humanitarian impact and consequences of identified emergencies;
- Establishing clear objectives, strategies, policies and procedures and articulating critical actions that must be taken to respond to an emergency, and;
- Ensuring that agreements are recorded and necessary actions are taken in order to enhance preparedness.

1. 1**161.** A contingency budget can be added to some projects to help partners quickly respond to unexpected urgent needs, even if they are outside the original project scope. This budget cannot be more than 4% of the total project cost, not including the contingency amount.

1. **162.** This budget is not for covering overspending or changes to the original project. It is specifically for new, urgent, and unforeseen needs.
1. **163.** You need written approval from the FMU (via email first and then the Modification Request Form) to use this budget. Inform the FMU about the new needs and how you plan to use the budget as per the instructions in the Modification Request Form. They will review and approve, if appropriate, within 72 hours.
1. **164.** You must explain how you used this budget in your reports. If you don't use it, or only use part of it, the remaining amount must be refunded during the final financial reporting and audit, following standard procedures.

2.

7. Risk Management

44. All aspects of the processes and tools related to risk management are defined in the Risk Management framework document which can be found at the following address: https://www.sahelregionalfund.org/en/ressources/documentation/.

45. Along with their proposal, applicants will be required to submit a completed risk register that identifies risks associated with their proposed project, assesses their likelihood, and evaluates mitigation options and residual risk levels. The SRF Risk Register template shall be used to facilitate the collation of risks across the SRF by the FMU (annex 04).

46. Once the risks have been identified within the Risk register, the partner should define mitigation measures to lower them. These mitigation measures might require additional costs that can be reflected in the budget (whether as additional assets, human resources, supervision, trainings, or insurance etc.).

47. The Risk register will be reviewed alongside the results of the due diligence assessment - which will determine the tier (See point *2. The SRF Tier Approach*) of the Partner - and will follow with a discussion between the SRF partner and the FMU. This discussion will consist of a review of the activities to be implemented by the partner, any associated risks and mitigation measures, the eventual budget for these mitigation measures, and/or any associated capacity strengthening needs.

48. If any modifications have been observed during the project period, the partner will be responsible for submitting an updated Risk Register as an annex of the relevant report.

8. Capacity strengthening

49. The SRF supports strengthening the organizational capacity of its partners that sit within both the '*medium*' and '*high*' risk tiers. The objective of this is to support SRF partners to improve their practices, so they can achieve the established minimum standards related to their core organisational functions.

50. The SRF partners in the *low-risk* tier will be expected to provide organizational and technical capacity-strengthening support to their national and local partners (*see point 70*).

51. The capacity strengthening plan should be developed by the SRF partner by assessing their own capacity strengths and weaknesses and should be annexed to their proposal package. This plan will include the topics covered and the number of staff involved.

52. The capacity strengthening plan will be jointly reviewed by the SRF partners and the FMU and adjusted based on the Due Diligence findings and available resources.

53. The forecasted technical related expenses to capacity strengthening should be included within the partners' budget but should not exceed 3-5% of the total budget. The identification of their sub partners and/or service providers providing technical strengthening support will be the responsibility of the SRF partner.

54. The forecasted organisational related expenses to capacity strengthening will be included within the FMU's budget. Indeed, the FMU will map potential service providers and NGOs with relevant expertise, identify common needs and ensure joint coordination of efforts and resources. The FMU will directly fund those expenses within the limit of 3% of the total budget dedicated to the specific funding window.

55. SRF partners will monitor and document technical capacity strengthening efforts on an ongoing basis. The FMU will monitor and document outcomes of the organisational capacity strengthening efforts.

56. Technical strengthening needs should be integrated into the SRF partners’ work plans

	Organisational Capacity	Technical Capacity
Development	By the Partner during the Proposal Stage	
Review	During the DDA, between the FMU and the partner	
Budget	Within the partners’ budget but should not exceed 3-5% of the total budget.	Within FMU’s budget
Monitoring	FMU’ responsibility	Partner’ responsibility

9. Financial Management

9.1. Eligible expenses

57. The funding amount is to be used solely for costs included as part of the budget agreed with the FMU for the delivery of the outputs and outcomes set out in the Grant Agreement. Expenses can only occur during the Project period stipulated within the Grant Agreement, which means that:

- The payment and delivery of all purchases should be made within the partners’ contract period
- The period of service mentioned in a service contract should be within the partners’ contract period

58. The following costs are explicitly ineligible across all budget categories:

- Activities which may lead to civil unrest or discriminate against any group on the basis of age, gender reassignment, disability, race, colour, ethnicity, sex and sexual orientation, pregnancy and maternity, religion or belief.
- Gifts.
- Statutory fines, criminal fines, penalties and associated legal costs.
- Payments for works or activities that are fully funded by other sources whether in cash or in kind.
- Activities in breach of EU legislation on State Aid.
- Bad debts to related parties.
- Payments for unfair dismissal and associated legal costs.
- Replacement or refund of any funds lost to fraud, corruption, bribery, theft, terrorist financing or other misuse of funds.
- Inflation or foreign exchange contingency.
- Contingency or risk premium.
- Costs incurred prior to a formal agreement being executed including those associated with preparing bid or grant proposals.

59. Partners should seek to obtain any local tax exemptions and, if not granted, must provide proof of all attempts to secure such derogations and formal refusal by host governments for the taxes to be deemed eligible.
60. All expenditures should be documented with a valid invoice and proof of payment clearly labelled with:
    - Date of purchase.
    - Name, stamp, address of supplier, tax identification number per country legislation
    - Clear denomination of expenses with unit price and total price (and clearly specified currency).

61. Upon request from the FMU, payment vouchers will be made available with all related documentation of expenses . Original documents, scan or hard copy, will be retained by the SRF partners and should be archived in full for audit and spot-check for no less than five (5) years.
62. See below for budget guidance and the related required documentation for each category:

Project Activities	
Budget guidance	Activities should be separated per sectors: cash, food security & livelihood, protection, health, nutrition etc. The "other" category is available to include: - The visibility budget (in accordance with the visibility chapter of this Operations Manual) - All other project activities not directly linked to sectors mentioned. - Capacity strengthening for National and Local Organisations.
Required documentation	Depends on the type of expenditure, for instance for distributions of materials to beneficiaries it would be invoices for purchased items, proofs of payment, list of distribution, for meetings and events similarly attendance sheets & ToR or programme.

Asset	
Budget guidance	Assets are tangible items acquired by donor funding such as specialist equipment, standard and off-road motor vehicles and any other project related equipment. Any aspect of assets included must be fully justified as contributing to the sustainable outcome of the project. Depreciation is not an allowable expense.
Required documentation	Purchase documents as stated in guidelines

Staff Costs (including taxes and benefits)	
Budget guidance	This category includes individuals working under an employment contract, a direct contract (consultant), sub-contractors and secondees. Each staff member listed should be assigned a job family from the following list: **1. Programme management** - Staff fully allocated to the management of the project (Category Activity) **2. Technical advisor** - Staff allocated fully or partially to the project who provides technical expertise related to the project deliverables. (Category Activity) - MEAL staff allocated fully or partially to the project. (Category MEAL) **3. Programme support and administration** - HR, IT, logistics, finance, administrative or other support staff allocated fully or partially to the project (Category Support) - Organisation's Management and Directors allocated partially to the project (Category Support) Budgeted amounts should cover the cost of salary remuneration and benefits including superannuation (pension), taxes and any other lawfully required social contribution. If the cost is that of a sub-contractor, a fee rate should be indicated which will cover the total invoiced cost chargeable to the project. List each salaried core staff member on a separate

	line but an aggregate financial line is acceptable for support staff of the same category (with a detailed BOQ). We will not cover any repatriation or termination costs except where termination costs are a statutory requirement in the operating country. Training, conferences, and workshops relating to staff learning and development including hire of venues are eligible costs, however these should be included within the capacity strengthening chapter under project costs.
Required documentation	Signed contract, job description and organogram (once). All non-salary remuneration should be backed with official internal documentation. Monthly payslips, proof of transfer and timesheets (only required for employees that are not working 100% on the project). For income tax and other legal obligation, the proof of transfer and details of the calculation are required. Training costs should be justified by an invoice and proof of attendance.

Travel, subsistence and accommodation	
Budget guidance	For travel undertaken by all staff, sub-contractors and consultants in relation to business, including; air, rail, car hire/purchase and other travel costs, hotel and accommodation costs, subsistence, travel management fees and travel documentation costs. The budget detail should provide sufficient detail of the nature of the travel, and the departure and arrival locations. Travel, subsistence and accommodation costs associated with monitoring and evaluation, if applicable and appropriate, should be included within the budget under monitoring and evaluation. All journeys by rail or air will be budgeted by a class of travel that is no more than "standard economy" unless higher travel classes are representative of improved value for money or are required to adhere to specific legislation, for example the Equality Act 2010. No travel should be booked in a class higher than "standard economy" without written permission. First class travel will not be permitted under any circumstances. Alcohol and tobacco are not allowable subsistence items. Where existing vehicles and capital items can be used to implement SRF activities, we accept a running and maintenance cost for the use of these to be included in the budget
Required documentation	All travel expenditure will need to be justified by duly validated terms of reference or other internal document, explaining the reasons for the movement. Per diem should be paid based on shared internal policy or national standards. For the use of a vehicle that is shared across multiple projects, reimbursement for fuel expenses will be granted upon submission of a gas invoices and a vehicle logbook. This documentation must include evidence of travel specifically related to the SRF project.

Monitoring and evaluation costs	
Budget guidance	Each partner is requested to provide a substantial MEAL budget (recommended 2 to 5% of the total budget) to support adequate MEAL staffing and activities. The SRF will focus on a high-quality MEAL follow up to guarantee good quality programming. MEAL staff, surveys (baseline, mid-term, endline, evaluation), routine data collection, independent or internal project reviews etc.. There is no specific ceiling for monitoring and evaluation costs; however, an assessment will be made to determine whether the costs indicated are appropriate for the proposed project.
Required documentation	A specific BOQ will be required in the budget in a separate sheet to review forecasted expenses related to this MEAL budget category.

Office Costs	
Budget guidance	A proportion of regional, country or local office costs are eligible to be included as direct costs, where the office is directly involved in project delivery. Any resources for the sole use of the funded project can be costed in their entirety against direct costs. If offices are split between several different projects, the costs should also be split by the same proportion. For example, if the SRF-funded grant represents 20% of the project spend in that office, then 20% of the costs should be included in the direct costs. Ineligible costs (such as fundraising) should be deducted from the total. Any apportionment model should be agreed

	with the FMU and evidence should be retained that can be viewed if needed. Please include office equipment and refurbishing other than assets in this category.
Required documentation	Country office costs that are shared with several projects should be backed with the proper invoices as well as key documentation explaining the split between these projects.

Capacity Building	
Budget guidance	Training delivered to frontline staff (e.g. case workers, psychosocial staff, nurses), or hiring of consultants for organizational development, can be considered under this category. This can include hires of venues and provision of meals. Technical and organizational capacity strengthening plans must be aligned with the recommendations of the DDA. The investment in capacity strengthening activities should not exceed 6% of the overall budget.
Required documentation	

Overhead Cost	
Budget guidance	Overhead costs should not exceed 7% of the total direct costs. Each partner should be receiving the full 7% overheads calculated on their part of the budget. Consortium leads are not allowed to apply overheads on pass-through funding
Required documentation	The overhead costs will not require any documentation for the organisations that go through an annual organisation audit.

63. The FMU will not be responsible for any ineligible expenditures incurred by SRF partners. These expenses will be deducted from the next advance request for funds and must be paid from the partner's own source of revenues.

64. If additional expenses should be considered ineligible during the external audit or a specific investigation, FMU will reserve the right to review its assessment of previously validated reports. In this case, the FMU will either subtract the ineligible funds from the next payment request or ask the partner for a direct reimbursement. The lead partners should work on the same basis with its implementing partners within a consortium.

9.2. Community financial support mechanism

Xx. The **Community Financial Support Mechanism** is designed to empower community groups by providing them with financial resources to address local needs and priorities. This approach promotes local agency and decision-making, enabling community groups to implement activities that benefit their communities.

xx. **Funding recipients**: This financial support mechanism is exclusively for community groups, which can be formal or informal. Formal groups may include community-based organizations, while informal groups could be temporary collectives formed around specific causes.

xx. **Funding Amount**: Typically ranges from $1,000 to $5,000 USD per community group.

xx. **Cash Delivery**: The mechanism for delivering cash is decided jointly by DRC and the community group, considering access, preference, and safety.

xx. **Documentation and Reporting**:

- **Narrative and Financial Reporting**: Simplified reporting formats, with flexibility for community groups to use alternative formats like videos.
- **Procurement and Financial Documentation**: Community groups are encouraged to procure items themselves, with simplified documentation requirements. Receipts are preferred but not mandatory for all expenses.
- Partners must outline in their proposal **several mechanisms to ensure transparency, accountability, and effective monitoring** in order to guarantee that the financial support provided is used effectively and transparently, benefiting the community while maintaining accountability to donors and other stakeholders.

9.3. Currency and exchange rates

65. Payments will be made to the Grantee in GBP pound sterling. All reporting and budgets must likewise be provided in GBP pound sterling.
66. For costs and expenses incurred in other currencies, partners must follow the daily exchange rates issued from OANDA (https://www.oanda.com/fx-for-business/historical-rates) on the date on which the purchase has been registered or booked in the system, unless their exchange rate system has been approved during the due diligence assessment stage.
67. The partner is responsible for monitoring and managing any exchange rate fluctuations across the life of the project. Where significant exchange rate gains or losses are being accumulated, the partner, the FMU, and the donor will jointly decide how these are managed.

68. For partners who only have a bank account in the country of implementation, the budget will be developed in the local currency (F.CFA or CFA). Forecased costs and expenses will then be converted using the OANDA exchange rate. Since the project generates all cash flow in local currency (F.CFA or CFA), but payments are made in GBP pound sterling, significant exchange rate fluctuations may affect the project's financial stability. These partners are expected to closely monitor exchange rate fluctuations throughout the project's duration, and the FMU will support them in managing such risks

9.4. Bank accounts

69. The Fund Management Unit will receive the funds from the donors in its bank account located at its headquarter, which will be used for the management of the SRF funds. This account will also be used to transfer the relevant funds to the different partners.
70. If a partner does not wish to open a specific bank account dedicated to the SRF, it should be able prove a strong and transparent system of tracking the SRF funds with official banking documentation.
71. The FMU can refuse to transfer funds to a banking establishment that does not provide sufficient financial security, or apply inacceptable transfer or management rates.
72. During the annual financial audit, each partner can be requested to present its bank statements to demonstrate the proper receipt of the funds related to the project funded by the SRF, and also to validate any expenses related to the implementation of the project funded by the SRF. The fact that the bank account is pooled and/or used for other projects or activities should not be, in any way, a valid reason for refusing to provide/ show copies of bank statements and transcripts.

9.5. Financial reporting & advance request

73. Financial reporting will be done through the *SRF Financial Template* ***(annex 2)*** which includes:

- ➢ A detailed financial follow up with a forecast that will need to be updated.
- ➢ A Partner Payment Request (PPR) directly linked to the forecast.
- ➢ A simplified "donor" follow-up linked to the detailed financial follow up that will enable the FMU to aggregate data from all the SRF partners.

74. The expenditures included in the budget follow up will be directly linked to an extract of the partner ledger specific to the SRF project. All expenditures should have a unique reference mentioned both on the ledger and the voucher documents for easy checking.

75. In case of a consortium application, each partner will need to develop a detailed budget that will be combined automatically in a global detailed budget.

76. While constructing their budget, partners will be asked to select a category for each financial line, aiding the SRF in assessing the VfM quality. These categories should be selected in the first column of the budget from a drop-down list and are listed here below:

- ➢ Direct Assistance to beneficiaries (DB): Services delivered, and material assistance/resources invested for affected populations to access services that contribute to covering the basic needs of the affected population. This can be extended to HR costs for frontline staff who provide services to the affected population. (e.g. case workers, psychosocial staff, nurses).
- ➢ Other Direct Costs (ODC): resources used for activity preparation, direct activity costs (e.g. transactional costs for cash assistance) and quality assurance purposes.
- ➢ Support (SU): All costs not directly linked to the implementation of the project but necessary to support it.
- ➢ Capacity Building
- ➢ Overheads: Unrestricted funds according to the guidelines defined in the eligibility expenses chapter

77. The reporting frequency and associated advance payment will be subject to the Tier Approach assessment of the partner, and will follow the table here below:

Result of DDA		Low risk	Medium risk	High risk
Financial Reporting		Every 6 months	Every 3 months	Every month, an extract from the ledger and report every 3 months
Advance Request	**Frequency**	6 months	3 months	3 months
	First	At the start of the project based on the forecast provided with the application	At the start of the project based on the forecast provided with the application	At the start of the project based on the forecast provided with the application
	Second	After 5 months, based on a revised forecast	After 2 months, based on a revised forecast and an extract of their ledger	After 2 months, based on a revised forecast and an extract of their ledger
	Following	Amount based on the revised forecast provided with the financial report	Amount based on the revised forecast provided with the financial report	Amount based on the revised forecast provided with the financial report

78. The SRF partners will have thirty (30) days after the end of a reporting period to submit their report. However, partner implementing projects within a consortium will have up to sixty (60) days to submit their report.

79. In case the financial report has a low burn rate or key activities have not been implemented, partners should clarify the situation in their narrative report along with any relevant mitigation measures.

80. A financial overview of the entire grant will be presented at each SRF Board meeting, which will include key financial data and ratios to give a comprehensive overview of the financial position. However, all financial reports will be available upon request from the SRF board for consultation or formal presentation.

81. Each project funded by the SRF has a liquidation period of ninety (90) days, following the end of the project (based on the ending date agreed in the Grant Agreement/Memorandum of Understanding).

82. To prevent liquidity retention, the balance of the previous advance will always be deducted from the partner's payment request. Any expenses still in dispute at the submission deadline will be removed from the partner's financial report and thus, from the balance as well. A template for the partner payment request will be provided to the SRF partners, and another template for aggregating these requests will be made available to the leading partners.

83. A Consortium Lead Partner is responsible for transferring the necessary amounts of money to each partner within its consortium, based on the information submitted to the FMU through the *Partner Payment Request* form.

84. In case of any delay in the submission of a Partner Payment Request form, the Partner will be fully responsible for any issues that occur in terms of liquidity. It cannot be expected, in any way, that the SRF will start advancing funds to solve a potential liquidity crisis

85. For each advance request, an amount equivalent to 5% of the total requested funds will be withheld by the FMU as a provision for any potential ineligible expenses until the results of the final audit are received. This amount will be deducted from the overhead costs and transferred once the final audit confirms the accuracy of the partner's final financial reporting.

9.6. Spot check

86. The objective of the spot check is to pre-identify, before an audit, potential ineligible expenses or issues in the partner's internal processes. This identification provides an opportunity for the partner to correct its internal functioning, gather missing documents or adjust its procedures. It could also detect potential fraud or wrongdoings that could lead to further investigation or specific audit mission.

87. Spot-checks will be carried out by the FMU on a sample of transactions selected at its own discretion for which the partner should send the relevant supporting documents within 5 days of the request. The selection of transactions will be divided into 3 categories:

- Priority Check, expenses where we will focus our attention and most likely require the documents at each occurrence (large tenders, cash transfer, daily workers, etc.)
- Cycle Checks, expenses from sensitive categories that will vary from one period of reporting to another (Mission and transportation, human resources, asset, office costs, workshop & trainings, etc.)
- Concerning checks, expenses selected upon a rapid analysis of the report that could raise concerns (Expenses that present a strong incoherence with the previous months spending or forecast and for which a rational explanation can't be found in the narrative report, large quantity of expenses with the same supplier, etc.)

88. Spot checks will be organized at each reporting period but will not exceed a selection of 15 transactions per partner, to avoid unnecessary additional workload.
89. If the FMU has concerns about eligibility or the validity of documents from the sample, it will request additional documents from a new sample set until it is satisfied that the partner's documentation meets both the vetted procedures and the guidelines outlined in this Operations Manual. The FMU will exclude any expenses lacking proper documentation submitted in a timely manner or still under eligibility discussion at the donor reporting deadline.
90. If the FMU suspects ineligibility may be linked to potential fraud or wrongdoing, it will refer the matter to the SRF Board, potentially leading to further investigations.

9.7. Flexibility

91. SRF partners are authorized to make budget variations not exceeding 10% on budget categories of the approved project budget. Any variations exceeding 10% on any one budget category shall be subject to prior approval by the FMU.
92. Additional financial lines can be created during the implementation phase, on the condition that it has been communicated with and approved by the FMU. These modifications can include, but are not limited, to new activities, geographical area, staff or equipment. According to the impact of these modifications, the FMU will request the partner to fill the ***Modifications Request Template*** if the requested modifications apply to the points described in *section 5. Grant Management.*
93. While using the flexibility opportunity, SRF partners should be careful to respect the ratio (Program/Support - Direct to beneficiaries) validated during the approved initial proposal.

9.8. Audit

94. The FMU will organise the terms of reference, the selection and the contracting of the organisation responsible for auditing the projects implemented within the SRF. The FMU will make sure to share the audit planning with the SRF partners.
95. The FMU will organise one final audit for all projects as well as one midterm audit for every project of a 24-month duration and above.
96. The FMU reserves the right to carry out additional audits if there are any concerns about a partner’s operation. Should an additional audit by the FMU reveal any misconduct or misappropriation, the cost of the audit will be transferred to the partner.
97. All partners will be required to provide all the documentation related to their project which are requested by the auditors, whether it is before, during or after the audit mission.
98. The financial audits can be done mainly at distance (by using scans), but physical visits will be requested, at least in the main offices of the partners. Visits to the field will be done only with the due approval of the Safety & Security Departments of the consortium partners. In case the visit on site is challenging, a joint meeting will be organized between the partner, the audit firm and the FMU. According to the type of contextual challenge, several options will be discussed such as the postponement of the visit, virtual meetings, further digital scans of documents etc. The selected option will be documented through an official document signed by all parties.
99. Each audit report will be formally shared by the FMU to the SRF Board.

9.9. Return of Funds

100. The Grantee will return any unspent funds remaining at the end of the Grant Agreement within 14 days of receiving a request from the FMU, unless otherwise agreed by the FMU in writing. At any time when returning funds, the Grantee must quote the relevant Grant reference number.

10. Logistic management

10.1. Procurement

101. All purchases should be conducted in a transparent, fair, and open process to ensure all economic actors are treated equally. Staff must declare any conflicts of interest, or offers of gifts, advantages or hospitality to their supervisor, as soon as they arise. Any conflict of interest should be treated immediately to avoid compromising the impartiality of the selection.

102. Partners will be allowed to use their own procurement guidelines if they have been approved during the due diligence process and with the limitations mentioned in the Vetting and Due Diligence chapter.
103. Records of all procurement activity must be kept by the partner for a minimum of five years from the Project End Date and made available to auditors and the FMU upon request.
104. The Partner will undertake all its purchases in accordance with local requirements. For sensitive items such as drugs, vaccines, supplements, seeds etc., the partners will ensure that procurement, storage and distribution are appropriate with local laws and regulations. The partner will also ensure that safe and secure storage, handling and delivery systems are in place, including safe disposal of unused or expired items.

10.2. Asset management

105. Equipment and supplies purchased in part or fully from SRF funds are considered as project assets if they have a useful life of more than one year; and either (1) the purchase price or development cost of an individual asset is in excess of £500 or equivalent in local currency; or (2) is a group of lower value items that are mobile and considered attractive (e.g. mobile phones, cameras, laptops, tablets, satellite phones, vehicles, food, pharmaceutical products, relief packs, etc.) with a combined purchase price or development cost in excess of £500 (or equivalent in local currency). Food and pharmaceutical products, which are usually considered as consumables, should only be included in the asset list if these items are not distributed by the end of the project.

106. The partner will establish and maintain an inventory of all such assets and will ensure that a physical check of all assets takes place on at least an annual basis. The partner should use the inventory template provided in *annex 3* which should be shared with the FMU with every annual report and will be reviewed during the annual audits.

107. The partner is responsible for the appropriate use of any asset purchased with SRF funds. The donor will retain ownership of all assets unless a specific written decision regarding the transfer of ownership has been granted. Partners should address the asset final allocation proposition to the FMU at least 3 months before the end of their Grant Agreement. The FMU will consult the respective donor and give written feedback before the end of the project to the partners.

108. Assets lost, stolen or damaged, must be registered in an official write off document and approved by the director's partner. The partner will also need to check if this asset situation falls under the duty to report for aid diversion. The write off document should cover:

- A short summary of the case and why the need for a write-off has arisen e.g., equipment damaged, lost or stolen.
- The amount to be written off – this includes the replacement value of any equipment.
- Attempts made at recovery and outcomes (e.g. police reports).
- Actions taken or planned to prevent reoccurrence.
- Transaction details e.g. the component, budget centre and account code.

11. Visibility

11.1. Responsibilities of SRF partners

109. Partners receiving SRF support have a contractual obligation to provide visibility to and communicate about the SRF funding toward humanitarian assistance they receive. If the following items have been included in their budget, the partner must ensure compliance with the visibility requirements:

110. :

- Educational materials: T-shirts, jackets, caps, streamers, bags, stickers, flags, including printing for training and awareness-rising activities.
- Goods: Material distributed to local partners and beneficiaries such as a cool box (vaccination)
- Building signage: health centers, distribution points, hangar, safe spaces, women centers, one-stop-shops,
- Clothing for specific events or specific staff
- Vehicle (According to the partners' assessment of security relevance)
- Communication & awareness tools: Banners, flyer, kakemonos, brochures, and posters, local media, radio spots, workshops,
- Training materials: Guidance, training modules, training kits, training tools
- Publications: narrative reports, evaluation reports & research reports
- Press releases, briefings materials and presentation (external media related)

111. The following items will not require any visibility: NFI distributed to households, everyday stationery, office equipment used for implementing the project, office furnishings and any minute items.

112. In case it would jeopardise the implementation of the project or the safety of staff involved, exemptions from visibility requirements may be allowable, but must be agreed to in writing by the FMU. This request should be made before the Grant Agreement between the SRF and the partner is signed.

113. When recognizable persons are depicted in a photograph or film, partners are required to have a statement of these persons giving their permissions for the described use of their images.

114. For publication, the following disclaimer can be used: ''This material has been funded by the Sahel Regional Fund with UK Aid; however, views and opinions expressed are those of the author(s) only and do not necessarily reflect those of the Sahel Regional Fund.''

115. Partners are expected to make full use of their social media accounts and incorporate SRF-related posts throughout the life cycle of projects to provide followers with an interactive or ''real time''

experience. Partners should tag and refer to the SRF as the Sahel Regional Fund or the SRF on the SRF's social medial platforms: @SahelRegionalFund on X (formerly Twitter).

11.2. Responsibilities of the FMU

116. The FMU will be responsible for sharing photos, success stories and results from the SRF's partners to enhance positive visibility among donors and the public.

117. The FMU will provide the partners with a graphic of the SRF logo at the beginning of the projects.

12. International Aid Transparency Initiative (IATI)

118. The Partner will publish to the International Aid Transparency Initiative (IATI) standard on all its SRF funding within six months of the start of this arrangement. The intention of this commitment is to allow traceability throughout the delivery chain. For further advice please go to: https://www.sahelregionalfund.org/en/ressources/iati/

119. The Partner shall refer to DRC as the funding organisation in their IATI publication, using the organisation name Danish Refugee Council and the IATI organisation identifier: DK-CVR-20699310.

120. The Partner gives consent for this agreement (and any subsequent amendments) and associated funding information to be published on DRC, SRF and FCDO's websites.

13. Monitoring, Evaluation, Accountability and Learning framework

13.1. Objectives and scope of the MEAL Framework

121. The SRF has been built on a high-level theory of change (TOC) including key dimensions of change (e.g., capacity change, partnership level change, policy change) so that results can be mapped across different intervention areas, sectors and key dimensions of change. This TOC, combined with a solid MEAL plan, will form the roadmap on which the SRF will build, to demonstrate the results achieved. It is the basis for demonstrating proof of concept of the SRF's relevance, effectiveness and impact.

122. The purpose of the MEAL framework is to monitor expected results, as well as systemic evolution and change, in line with the SRF's terms of reference. The MEAL framework will include key learning questions to support an adaptive management strategy for the collective management of the SRF. It will also enable SRF partners to demonstrate their cumulative efforts, as well as illustrations of some broader outcomes, in a coherent and inclusive way. The MEAL framework will be divided into 2 parts:

- The FMU MEAL approach that will give an overview of FMU MEAL responsibilities. Details on FMU MEAL activities, processes, tools and roles and responsibilities are available in the governance document available on our website.
- The partners' MEAL Guidance that will concentrate on orientation to partners on how to ensure high quality programming through a robust MEAL system that will promote proper

project monitoring, evidence based on evaluation, innovation, accountability to affected populations and learning.

13.2. FMU MEAL Approach

13.2.1. Monitoring

123. Monitoring is the ongoing and systematic tracking of data and information relevant to the SRF projects. The analysis of monitoring data will inform progress towards anticipated results, efforts to manage strategic adaptation and promote accountability between fund partners. It will mainly consist of:

124. Partners' progress monitoring in delivering project activities and expected results. The main tools used will be the Progress Tracking Matrix (PTM), which is a harmonized tool **(Annex 5)** designed to collect at the project level all SRF core and project-specific indicators. See details on Indicators and Performance Tracking Matrix (PTM) below section.

125. Project review meetings with partners will be conducted with the SRF partners quarterly (or monthly, depending on the monitoring need for the partner) to discuss topics such as; access challenges, risks, programmatic changes/adaptation needs, progression against set targets (milestones), financial burn rates, coordination within consortia and other actors, advocacy needs, and any other challenges.

126. Monitoring field visits to partner projects will be conducted quarterly by the FMU, combining programmatic and financial reviews. These visits aim to facilitate the understanding of the partners' intervention context, and interact with the various stakeholders, including beneficiary communities. This will help identify corrective actions and program adaptations, while mitigating red flags and potential conflicts of interest. The SRF will organize quarterly visits per country, ensuring that each partner receives at least one visit per year.

127. Third-party monitoring will be conducted by a separate entity to reinforce FMU monitoring effort. This approach will be prioritised for organisations classified as medium and high risk after the DDA process, and operating in hard-to-reach areas where the FMU have limited access. This will help provide independent and in-depth verification, oversight and risk mitigation for projects executed in hard-to-reach, insecure, remote areas.

13.2.2. Evaluation

128. The FMU will organize and conduct **mid-term evaluations**. Evaluations will assess the functioning of the fund (the governance system) and evaluate the relevance, coherence, effectiveness and efficiency in the management of funds. The evaluation will contribute to assessing if the SRF is progressing toward its goal by identifying changes which can be attributed to the SRF, identify areas of improvement, suggest recommendations, and capitalize learning. The following questions will be used to guide the evaluation:
    - Does the SRF contribute to improving the quality and effectiveness of humanitarian action in Sahel hot spots?
    - Have the supported partners gained more financial stability and programmatic/preparedness capacity to scale and adapt in a cost-effective way, enabling them to respond to the most acute humanitarian and protection needs and emerging crisis in a sustainable manner in Sahel hot spots?

- Is the SRF collectively influencing policy and humanitarian system reform in the Sahel?

129. The evaluation will be conducted by an external consultant using approved research methods such as process tracing, contribution analysis and/or documentation review. The result of the evaluation will contribute to the revision of the SRF strategy and operational frameworks and will request the support and collaboration of implementing partners.

13.2.3. Learning

130. To demonstrate that the SRF programmatic approach can be an asset in improving the humanitarian response in the Sahel, a strong *Learning* system will be put in place. The system will document innovation, learning, adaptation, anticipation, and policy dialogue based on evidence generated throughout the project. Learning will also support the revision of the SRF frameworks, tools, and strategy.
131. The Learning will rely on qualitative approaches, using participatory methods, document reviews and process based on: Monitoring reports, project review meetings, project reports, project evaluations, operational research, and others.
132. The Fund Management Unit will facilitate formal annual reviews with the SRF board and partner representatives at the regional level, with the aim to share annual learning, discuss and share best practices and check if there is any need to update the SRF strategic framework.

13.2.4. Value for Money

133. Value for money (VfM) is a framework that supports organisations to *Maximise the impact of every pound/krone/euro spent in a programme to improve the lives of the affected communities we work for and with.* To ensure that the optimal use of resources can achieve a programme's intended outcomes, Value for Money analysis is guided by four pillars known as the 4 E's: Economy, Efficiency, Effectiveness and Equity.

134. The SRF will assess value for money of partners at the beginning, during the implementation and during evaluations.
135. VfM analysis will rely on the SRF VfM framework, which includes indicators and parameters required for uniform analysis within the SRF and among its partners.

13.3. Partners MEAL Guidance

136. This section is designed to support partners' MEAL staff, project managers, program officers and technical coordinators to know what is expected from the SRF in terms of MEAL standards. It does not intend to replace the SRF partners' internal MEAL guidelines but aims to support high-quality MEAL actions to improve the performance of SRF funded projects.

137. It is mandatory for partners to develop a Result Framework and a MEAL Frameworks in their project proposition to demonstrate a strong and robust quality insurance.
138. Outcome level indicators to be used in the result framework are detailed in the Global Indicator Reference Sheet (GIRS as Annex 5). If deemed necessary, partners can add other outcomes, outputs

and performance indicators in the result framework. TheSRF encourages partners to use standardized Global indicators[4] to allow aggregation and comparison across countries and partners.

139. Result framework should be shared as a separate annex, using the template provided by the SRF.

140. The MEAL plan is included in the project proposition template as a section and should include a description of MEAL staffing and resources, including a summary of the MEAL budget and a MEAL workplan (to be presented as an Annex). Detailed information and approaches included in the MEAL Plan are outlined in the below sections.

141. SRF recommend partners to budget at least 1 to 3% of the total budget to MEAL activities and staffing. Digitalisation of processes and tools is highly encouraged.

13.3.1. Monitoring

The Monitoring approach of the MEAL Plan should outline how the partner's monitoring system, will ensure effectiveness and efficiency of the intervention to provide the expected result at the end. This includes describing how field activities will be monitored for adherence to plans, quality, and standards, allowing for identification of gaps and improvement opportunities.

142. Partners should demonstrate how performance indicator data and other quantitative or qualitative information/data will be collected, analysed, presented, and reviewed to track implementation progress and achievement of expected results

143. It is expected from the partners to expend on the contextual monitoring, and to identify on time any external constraints and factors likely to affect the implementation and performance of activities. Project data and other monitoring products should also be used for project adaptation.

144. Partners are expected to carry out context monitoring to identify external factors impacting project performance and adapt accordingly. In challenging environments with limited access and security risks, regular on-site monitoring may not be feasible. Partners should devise a remote monitoring strategy using appropriate methods and tools to ensure activity effectiveness and accountability to affected populations are maintained. This approach should be regularly updated alongside the risk register.

145. The monitoring approach should also demonstrate how the capacity strengthening of partners (if applicable) will be monitored. For this purpose, it is expected from the partner leading capacity strengthening to share within the five first months of the project a capacity strengthening plan with the FMU. This plan should be based on gaps observed during the vetting process and during the first months of the activities' implementation.

13.3.2 Evaluation Approach

146. Evaluations play a significant role in meeting the SRF commitment to ensure the effective and efficient use of resources as a tool for accountability and learning. Each field intervention grant proposition should include an evaluation approach that gives details on the types, timelines and themes of evaluation/assessment that will be conducted.

147. Partners rated as *low risk* after vetting, with a project of more than 24 months, are expected to plan, budget and conduct three surveys during the project. A baseline, mid-term, and end-line survey evaluating the project performance, and a mid-term evaluation evaluating the project as a whole.

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[4] Home | Indicator Registry (hpc.tools)

148. For partners rated *medium* and *high risk*, with project lengths equal to or less than 24 months, only a baseline survey will be required-with the aim of collecting reference values for project indicators. The SRF will conduct an evaluation at the end of the project through a third party. Baseline surveys will,at the beginning of the project, collect baseline values of indicators included in the Result Framework. The baseline survey should be taken at the earliest, depending on the accessibility of the areas, but not later than three months (03) after the beginning of the intervention. Mid-term and endline surveys will focus on outcome indicators or any other indicators requiring surveys as measurement method. Comparisons will be made between baseline values and those collected during mid-term and endline surveys.
149. Partners will share with the FMU terms of reference of the survey, describing the scope of work and the FMU can make potential recommendations prior to data collection.
150. Mid-term evaluations to be conducted by partners should focus on the project as a whole and should evaluate the management and governance of the project, procedures (financial, supply chain, grant management, etc.), value for money, SRF support, sub-partner participation and capacity improvement. Partners can reference OECD/DAC[5] evaluation questions, selecting the questions that are most relevant.
151. This evaluation should be carried out by an external consultant and the scope of work should be developed in close collaboration with the FMU.
152. The evaluation report must be submitted to the FMU together with all sources of verification (including the updated PTM).

13.3.3. Accountability to affected populations (AAP)

153. The SRF strategy of implementing a new response model in the Sahel, combining a needs based and people centred approach, needs to rely on a strong accountability to conflict and displacement affected populations. SRF partners are required to adhere to the Core Humanitarian Standard and IASC AAP Commitments, and should clearly demonstrate their commitment in the implementation of the project:
    - How the affected population, including marginalized and/or vulnerable groups, will participate and play an active role in decisions related to the activity design and implementation.
    - Which specific mechanisms are in place to make information available and accessible to affected populations.
    - Which mechanisms are in place to receive and respond to beneficiary feedback and/or complaints throughout the duration of the activity.
    - How mechanism sets are safe, accessible, and transparent to collect complaints on a confidential basis.
    - How feedback is collected, considered, and acted upon in a timely and structured fashion.
    - How feedback will be incorporated into activity implementation, monitoring and evaluation of progress, and designing course corrections as needed.
    - How mechanisms will be monitored to ensure that they are appropriate, functioning and trusted by the community.

[5] https://www.oecd.org/dac/evaluation/daccriteriaforevaluatingdevelopmentassistance.htm

Key performance indicators for some community feedback mechanisms are developed in the GIRS to support partners in monitoring the performance of the accountability system, ensuring it is safe, accessible, child- and gender-sensitive, inclusive, and functional.

13.3.4. Learning

154. Monitoring, evaluation and accountability materials and information generated should be used to generate evidence and learning. Partners are encouraged to promote learning through: (1). Generating evidence from data collection and analysis; (2). Documenting best practices and success stories; (3). Project review; and other learning approaches, ensuring that learning takes place to support continuous improvement in organisational learning and change.
155. The annual review is mandatory for each project and should be the opportunity to assess where the project lies in terms of coordination, including relations between partners; access strategy and acceptance; targeting of most in need areas, information sharing; decision making; reaction to leadership, and support of the FMU. At the end of the review, partners should share a report to the SRF and can request modifications of their activities based on gaps or best practices identified.
156. The SRF MEAL team will gather lessons and evidence collected by all SRF funded entities for dissemination across the SRF partners and to a wider audiences, in order to support advocacy and policy dialogue.

13.3.3. Performance Tracking Matrix (PTM)

157. The PTM serves to articulate and monitor the progress of the intended results of the activity and how it will be monitored. The PTM will be used as a data collection tool for the SRF, to track performance of consortia and aggregate consortia data. It should be shared in the first quarterly report using the template in annex 5 ~~1~~. Guidance on the information to be provided is in the template.
158. Targets must be provided for all indicators. Baseline value should be provided for each applicable indicator before the end of the first quarter of project implementation. Partners should rely on baseline surveys to collect baseline values of all the indicators.
159. Partners are free to adapt the template based on their monitoring needs. But the template should be shared on a quarterly basis with the FMU. When sharing information with the FMU, the data should respect all the disaggregation criteria mentioned in the GIRS, and with one sheet per country covered.

14. Annexes

Annex 1. Template Narrative Report and annual programmatic reporting
Annex 2. SRF Financial template
Annex 3. Asset management
Annex 4. Risk Register Template
Annex 5. Performance Tracking Matrix (PTM)

15. List of definitions & acronyms

15.1. Definitions

Sexual Exploitation: Sexual exploitation: any actual or attempted abuse of a position of vulnerability, differential power, or trust for sexual purposes. Includes profiting momentarily, socially, or politically from sexual exploitation of another. Under UN regulations it includes transactional sex, solicitation of transactional sex and exploitative relationship.

Sexual abuse: the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions. It should cover sexual assault (attempted rape, kissing / touching, forcing someone to perform oral sex / touching) as well as rape. Under UN regulations, all sexual activity with someone under the age of 18 is considered to be sexual abuse.

Fraud: Fraud is defined as the taking, or obtaining by deception, money or any other benefit when not entitled to that benefit or attempting to do so. In simple terms, fraud is theft hidden by deception. Fraud includes, but is not limited to:

- Submission of false invoices or receipts through the post account. (e.g. inflated claims or charges)
- Unauthorised release of tender information in return for personal financial reward
- Acceptance of bribes or other forms of payment in return for favours (e.g. the promise of a visa)
- Acceptance of any gift or hospitality in return for the promise of business or any other service from the FCDO
- Any personal or official claim from public funds that a person submits but is not entitled to (e.g. inflating an overtime claim, a travel claim or not declaring entertainment received), or;
- Evading a liability to the FCDO, such as evading a payment to the FCDO (e.g. non-declaration of personal calls on an officially provided mobile phone)

15.2. Acronyms

DRC: Danish Refugee Council
EU: European Union
EUR: Euro currency
FCDO: Foreign, Commonwealth & Development Office
FCRM: Feedback and Complaint Response Mechanisms
FMU: Fund Management Unit
GBP: British pound currency
GIRS: Global Indicators Reference Sheet
GC: Grievance Committee
MEAL: Monitoring, Evaluation, Accountability and Learning
MOU: Memorandum of understanding
NCE: No-cost Extension
PTM: Progress Tracking Matrix
SRF: Sahel Regional Fund
TPM: Third-party monitoring
ToC: Theory of Change
VfM: Value for Money
XOF: West Africa currency