Grant Implementation Guide

Version 1

October 2020

Grant Implementation Guide[1]

This Grant Implementation Guide shall help NGOs (grantees) to better understand the regulations that apply and provide guidance throughout the implementation of the project. The aim is to ensure a standard approach for each project and adherence to policies that safeguard Blue Action's projects and comply with donor requirements.

The first part will briefly reflect on the important phases in the lifetime of a project and point the grantee to the most important tasks and reporting requirements. The second part provides more detailed explanations and guidance on how to manage the grant and how to read Blue Action's requirements.

The Guide is a 'work-in-progress document' that will be improved regularly to provide the grantees with the optimal guidance and offer best practices throughout the period of their grants. Grantees/NGOs are invited to offer feedback on the appropriateness and usability of the policies, procedures and forms. In case you have any questions, do not hesitate to contact your grant manager.

[1] Info: A previous version of this document was titled 'Project Start Guidance'

Contents

Glossary

Annual report	A comprehensive technical report with some information on finances, covering the previous two work periods (= the past year).
Approved subcontractor	Shall mean a third party approved by Blue Action within the full proposal and listed in Annex 1 of the Grant Agreement (i) whose task within the project role and responsibilities are clearly defined and costs outlined in detail and assessed as economically viable as part of the project proposal, and (ii) with whom the grantee or a subgrantee enters into a contract to perform the defined task (Grant Agreement, Section 3.1).
Blue Action	Blue Action Fund
Contingency	The project budget includes a contingency line. This amount is a reserve for unforeseen expenses and/or possible fluctuations in exchange rates. It can only be used with the written consent of Blue Action following a written request submitted by the grantee (Grant Agreement, Section 8.9).
Cash flow advance	A cash buffer that is paid to the grantee after the Grant Agreement has been signed. It is intended to provide liquidity and cover project expenditures at the beginning of any work period prior to approval of the Funding Advance Request for that work period as well as possible overruns during the work periods (Grant Agreement, Section 5.2).
Direct beneficiaries	Direct beneficiaries are individuals that measurably benefit from project implementation, e.g. fishermen, and other users of marine resources (depending on the context of the project), employees of MPA management authorities, as well as their household members. For calculation, use the average household number in the country. If no current figures are available, an average household size of five people is assumed (see also ‘Beneficiaries Calculation Guideline’ in Annex 7).
Due diligence	A procedure by which Blue Action checks the legal and economic circumstances of potential grantees. This check will be finalised during full proposal elaboration. Blue Action will request several documents from the grantee to complete the check (Grant Procedures Manual, Section 3.8).
Final financial and technical review	In addition to the midterm review, Blue Action requires a final financial and a final technical review. The final financial review will be commissioned and paid by the grantee with the funds allocated for an external auditor in the project budget. The final technical review will be commissioned and paid by Blue Action. Exact dates for the reviews will be set several months in advance (Grant Agreement, Section 7.1).
Funding Advance Request	The financial part of the interim progress report. It consists of the work plan, budget report and a 6-monthly request for funds for the upcoming work period (Grant Agreement, Section 5.3 and Grant Implementation Guide, Section 2.2.2).
Grantee	An NGO receiving a grant from Blue Action and thus becoming the contractual partner.
Inception Phase	The first work period (i.e. usually the first six months) of a project (Grant

	Implementation Guide, Section 1.1.1).
Interim progress report	It consists of a financial part (Funding Advance Request) and a narrative report covering the previous work period (six months) (Grant Agreement, Section 6.3 and Grant Implementation Guide, Section 2.2.2).
Midterm financial and technical review	In addition to the final review, Blue Action requires a midterm financial and a midterm technical review. The midterm financial review will be commissioned and paid by the grantee with the funds allocated for an external auditor in the project budget. The midterm technical review will be commissioned and paid by Blue Action. Exact dates for the review will be set a few months in advance (Grant Agreement, Section 7.1).
Project update	A short (bullet points) report due in the middle of a work period, to update Blue Action on relevant developments and events (Grant Agreement, Section 6.4 and Grant Implementation Guide, Section 2.2.1).
Subcontract	A contract between the grantee and a service provider or vendor (e.g. a consultant, car dealer/equipment seller etc.). While for the grantee, this may simply be termed 'contract' or 'sales contract', from Blue Action's perspective, it is a 'subcontract', as the main contracting party for Blue Action is the grantee.
Subgrantee	Shall mean third parties identified by the grantee in the project proposal whose role and responsibilities are clearly defined in the project proposal, and whose respective costs are outlined in detail in the project proposal and overall budget. Subgrantees have to comply with all regulations of this Grant Agreement and are subject to audits and monitoring and evaluations (Grant Agreement, Section 3.1).
Work period	A project interval lasting six months (Grant Agreement, Section 5.1 and Grant Implementation Guide, Section 2.2.2).
Work plan	The work plan covers the entire term of the project, dividing workstreams into quarterly actions and deliverables. It is part of the Funding Advance Request. A template will be provided by Blue Action (Grant Agreement, Section 5.1 and Grant Implementation Guide, Section 2.2.2 on 'Funding Advance Requests').

1 Project Phases

1.1 Implementation of Project

The implementation of the project can be divided into three phases: The Inception Phase, the Implementing Phase and the Closing Phase. All three phases have specific tasks which are summarised here. For further details please refer to the relevant chapters.

1.1.1 Grant Opening and Inception Phase

After the Project Start Date, as defined in the Grant Agreement, Section 4, grantees may begin to implement the project. Within Blue Action, a designated staff member will coordinate management of the grant and be the main point of contact for grantees. With the start of the project, the Inception Phase begins. The Inception Phase usually covers the first six months of the project, in which important start-up work is carried out. The expected tasks to be completed within the Inception Phase are:

- Submitting an invoice/call for funds for the cash flow advance (any time after the signing of the Grant Agreement)[2].
- Submitting the work plan as part of the first Funding Advance Request (within 60 days of the project start date).
- No-objection of subcontract templates by Blue Action – if NGOs choose to use their own contract templates[3], as per Grant Agreement, Annex 4 ('Procurement Policy') please see Section 2.4 and Annex 2 of this Guide for further information (important: no-objection has to occur before the first use of the template).
- Submitting information for the production of the Grant Fact Sheet (as soon as possible after project start, see Annex 5 of this Guide).
- Establishing any baseline data or targets that are still missing and updating the project logframe with this information where necessary. Blue Action considers it crucial to collect any missing baselines at the beginning of the project; only with due justification can the period for baseline collection be extended.
- Developing and/or further advancing Environmental and Social Safeguards' tools.

1.1.2 Implementing Phase

The Implementing Phase is mainly marked by the implementation of the defined activities. During this phase grantees need to report on a regular basis back to Blue Action. At the midterm point and end of the grant, the project will also undergo an external financial audit and technical review. Reporting requirements are as follows:

- Twice a year, always in the middle of a work period, i.e. three months after the last interim progress report, the grantee will provide Blue Action with a short, bullet point style project update (see Section 2.2.1 of this Guide as well as Grant Agreement, Section 6.4).
- On a biannual basis, the grantee has to provide an interim progress report, consisting of
    - a technical (narrative) part, including a report on the ESMS
    - as well as the Funding Advance Request, including a report against the work plan, a

[2] Blue Action does not provide a standard invoice template. Grantees may use their own invoice/call for funds templates.
[3] There are three types of contracts: consultancy contracts, goods purchases and civil works. Only those contract templates that will be used in the project have to be no-objected, i.e. if a grantee will not procure any civil works, the corresponding template does not have to be no-objected.

report on the amounts spent per cost category and a forecast for the next six months. (see Section 2.2.2 of this Guide as well as Grant Agreement, Section 6.3)

- Once a year, the grantee will submit an annual report to Blue Action, consisting of a technical and financial part (see Section 2.2.3 of this Guide as well as Grant Agreement, Section 6.2).
- After the first half of the project, an external technical and financial midterm review will take place, whereby the financial review is commissioned by the grantee and the technical review by Blue Action (see Section 2.3 below as well as Grant Agreement, Section 7).
- Project visits by Blue Action will normally be conducted once within the project lifetime. The grantee will be informed in due time before such a site visit will take place (see Section 2.3.3 of this Guide as well as Grant Agreement, Section 7.2).
- In addition, grantees are expected to inform Blue Action about any significant developments and share communication opportunities on short notice.

1.1.3 Closing Phase

Approximately the last six months of the implementation of the project are characterised by the preparation of the project completion. For the grantee, the following are the most important steps to take and to bear in mind:

- The cash flow advance paid at the beginning of the implementation needs to be spent down (if not already done). It is important to remember that Blue Action will withhold the final payment (5% of total Blue Action funding) until the approval of the final reports; therefore, the grantee needs to pre-finance these 5%.
- Assets that have been purchased within the lifetime of the project need to be transferred to either the final beneficiaries or the NGOs after no-objection by Blue Action. Blue Action requires a detailed documentation of the purchased goods (see Section 2.6 of this Guide).
- The grantee needs to select and assign the Auditor for the final financial audit. Blue Action needs to no-object prior to contracting.
- In addition to preparing the annual report, preparation of the final report, covering the whole duration of the project, should be started (see section 2.2.4 of this Guide as well as Grant Agreement, Section 6.5).
- Apart from the final financial audit, grantees must not issue any payments after the project expiration date as defined in Grant Agreement, Section 4.

1.2 Grant Completion

After the official expiration date (Grant Agreement, Section 4) the grant is going to be closed once all required documents (final report) have been submitted and approved. Blue Action will verify that all deliverables have been completed and all progress, financial, and external review reports (financial, technical) have been reviewed and approved, and that the total grant amount has been reconciled. Important tasks in this phase are:

- Submission of annual and final report including financial audit by the grantee.
- Approval of reports: Blue Action will notify the grantee without undue delay about the approval of all deliverables and completion of the grant.

- Issue of final payment to grantee *or* return of unspent funds by grantee.
- The grantee needs to ensure that all relevant documents are retained for the next seven years.
- Important to keep in mind: Blue Action and its donors have the right to inspect and/or review the project for the next seven years.

1.3 Follow-up Projects

In case a grantee sees opportunities to scale up its work or achieve even more ambitious targets through follow-up work, grantees are welcome to approach Blue Action regarding possible follow-up work. This should not happen before the midterm review is finalised.

2 Guidance on Grant Management

2.1 Finance and Payments

2.1.1 Sound Financial Management

Grantees are required to have strong financial management and internal control systems. This includes adequate provisions for planning and budgeting, internal control and accounting, as well as funds, cash flow and assets management.

Grantees must:

- Open a separate bank account for the project or dispose of a subaccount, or a separate and internally tracked and traceable bookkeeping entry in the financial management system. This ensures transparency regarding financial transactions and renders financial reviews more efficient.
- Keep all grant funds, as far as possible, in Euro or USD (as stipulated in Grant Agreement Section 8.3) in the country of the grantee in order to avoid losses from currency devaluation and to allow retransfer at all times. Local currencies can only be paid according to a three-monthly requirement (in order to minimise currency exchange risks), (Grant Agreement, Section 8.3).
- Keep receipts and relevant documentation (e.g. for procurement) for seven years and must make them available upon request, e.g. for the midterm and final financial review (Grant Agreement, Section 6.6).
- Strive to always obtain receipts for purchases. In exceptional cases where this is not possible (e.g. food bought from street vendors etc.), self-issued receipts may be used using the Blue Action template for this, which you can find in Annex 1 of this Guide. If the grantee has its own template, this may be used instead, provided that it covers the information requested in the Blue Action template. The use of self-issued receipts must be kept to an absolute minimum – too many of these will raise serious questions during financial reviews and ultimately Blue Action may further restrict the use of self-issued receipts.
- Issue a Charitable Donation Certificate to Blue Action at the end of each year, detailing the funds received from Blue Action in that year (template to be provided by Blue Action).

2.1.2 Match Funding and In Kind Contribution

The grantee has to contribute at least 25%[4] of the total project costs as match funding to the project. Details on this are indicated in the project budget attached to the Grant Agreement. Match funding can be sourced from other donors (private or public). However, please note that match funding from public donors must not include any resources from the funders of Blue Action (i.e. German, Swedish or French government funding).

As the match funding is part of the project budget, the grantee has to report on the match funding as part of the regular financial reporting (see Grant Agreement, Section 6 and Section 2.2 of this Guide). Regarding the spending of match funding as compared to Blue Action funding, please note that Blue Action favours an even distribution of spending of the Blue Action contribution and of match funding across the lifetime of the project.

NGOs have the opportunity to declare up to EUR 50,000 of costs incurred specifically for the preparation of the full proposal as match funding to the project. These costs need to be included in the project budget and therefore also in the reports.

As outlined in the Procurement Policy (Annex 4 to the Grant Agreement), Blue Action procurement rules apply to all procurement using Blue Action's funds i.e. also procurement involving 'mixed' funds that are from both Blue Action and match funding. For procurement financed entirely (100%) through match funding, the grantee does not have to follow Blue Action's procurement rules.

With regards to the eligibility of measures, please note that grantees may not use match funding for measures that are deemed ineligible according to Blue Action's Grant Procedures Manual. Ineligible measures cannot be funded within the project at all – regardless of whether that would be with Blue Action funds or Match Funding.

Grantees may indicate 'in kind' contributions (e.g. use of office space or staff time or a vessel owned by the grantee) as match funding. For the purpose of reporting, the grantee needs be able to provide Blue Action or any third party reviewer with an appropriate calculation and documentation of these costs, upon request. We advise the following documentation for reporting of in kind contributions of staff time:

- A biannually signed document (for each completed work period) from the organisation from which the in kind contribution comes, stating the overall contribution through working hours
- The document should include the calculation of the overall sum, in an Annex or elsewhere, and should contain at least the following information:
    - Name and position of each person that worked on the project
    - Dates worked on the project by individual employee
    - Number of hours worked on the project on each of these dates by individual employee
    - Brief comment what kind of work was done (e.g. contribution to which activity etc.)
    - Salary of the employee
    - Calculation of hours worked times salary

The document does not have to be submitted to Blue Action, but it needs to be stored in the files of the grantee for potential review during financial audit (midterm and final).

[4] Should the project concern a 'country affected by conflicts' the required contribution to the total project costs might be reduced to 10%. These countries will be indicated in the call for proposals.

2.1.3 Cash Flow Advance

Once the Grant Agreement has been signed, Blue Action will pay out a cash flow advance (usually 5% of the grant amount). This advance payment aims to provide a cash buffer to cover project expenditures at the beginning of any work period, in case costs are incurred before the requested funds have been paid out. It is also intended to cover possible overruns during the work periods (i.e. if the grantee incurs more costs than was projected in the Funding Advance Request). To receive the cash flow advance grantees must send an invoice/call for funds.

2.1.4 Funding Advance Requests

The Blue Action grant is paid out in instalments, with the duration of the project being divided into 'work periods'. On a six-monthly basis, grantees have to submit a Funding Advance Request as part of the interim progress report (see Section 2.2.2 of this Guide for further details).

2.2 Reporting

Reporting to Blue Action is done in the following ways:

- FINANCIAL REPORTING is primarily done through the Funding Advance Requests.
- TECHNICAL REPORTING is done through the interim progress reports, project updates and through a comprehensive annual report.

2.2.1 Project Updates

Project Updates have to be submitted twice a year, in the middle of each work period. Since they are to be submitted in the middle of each work period, they always fall between the interim progress reports. The updates are intended to provide a brief overview of current developments, achievements or any highlights in the project. They should not exceed two pages and can be written bullet point style. These Updates are due 14 days after the middle of the work period.

2.2.2 Interim Progress Report

The interim progress report consists of a narrative report and a financial part, the Funding Advance Request.

There are two different work period timelines to which Blue Action-funded projects are assigned depending on their start date:

1. January to June *and* July to December
2. April to September *and* October to March

Interim progress reports are due within 30 days of the end of the last work period, i.e. for timeline 1, at the end of July and the end of January, and for timeline 2, at the end of October and the end of April.

Projects will be assigned to the timeline that is closest to their start date. This means that the first work period may be a bit longer or shorter than six months. For example, a project with a start date in February of any given year would likely be on the Jan-June/July-Dec timeline. A project starting in September would likely be on the Oct-March/April-Sept timeline. Once the project start date has been decided, grantees will be informed about their project's work period timeline.

a) Narrative report

The narrative report details project development in the previous work period (i.e. the previous six months) and references the work plan and the budget for the previous work period. It should include information about achievements, delays, and any changes in the project. For reporting on environmental and social risks and mitigation, grantees should fill in the 'ESMS Monitoring Checklist' and add it as an Annex to the interim progress report. If any Environmental and Social Safeguard tools have been updated in the past work period (e.g. the Stakeholder Engagement Plan), these shall be submitted together with the interim progress report.

b) Funding Advance Request

The Funding Advance Requests will include: a budget, the actuals spent for the previous work period(s) (for all periods after the first work period); an expense forecast for the upcoming work period according to cost category and the updated work plan.

Blue Action Fund provides a 'Funding Advance Request' template, which is an Excel file into which all necessary information for the request can be entered. It includes the following:

- The **INFO SHEET**, which explains how the Funding Advance Request file is to be used.
- The **OVERVIEW**, which shows a timeline of the project, including relevant deadlines for Funding Advance Requests, reports etc.
- The agreed upon **WORK PLAN** of the project, which shows workstreams divided into quarterly activities and deliverables. The workplan is used to track progress made over time (through a 'traffic light' colour-coded system). Every six months the grantee shall report against the project work plan to reflect actions and deliverables achieved as well as any necessary changes.
- The **FUNDING ADVANCE REQUEST SHEET**, which is the budget sheet showing funds already spent as well as projected expenses according to cost category. It furthermore shows the total amount requested from the Blue Action grant for the upcoming work period.
- The **PROCUREMENT SHEET**, which shows past and planned (sub)contracts for consultancies, purchases of goods, works and associated services above EUR 5,000 that have been or will be financed through the grant.

<u>Interim Progress Report Submission – Step by Step:</u>

1. Grantee submits interim progress report and associated documents within 30 days of the end of the last work period.
2. Interim progress report is reviewed by Blue Action.
3. If needed, Blue Action asks for clarification/provides feedback; grantee responds and submits revised interim progress report or relevant part of it. In addition, Blue Action might schedule a phone call to check in with the grantee and discuss the status quo of the project as well as upcoming work.
4. Once all points have been clarified, the interim progress report is approved by Blue Action's Management Board.
5. Blue Action informs grantee about the approval and asks for an invoice/call for funds for the approved amount.[5]
6. Once received, Blue Action transfers the requested amount and informs grantee when the payment has been made.

[5] Blue Action does not provide a template for invoices/call for funds. Grantees should use their own templates.

2.2.3 Annual Report

The annual report is due two months (60 days) after the end of the reporting period.[6] The annual report is a comprehensive progress report that contains a technical and financial section.

The technical portion should provide a detailed account of project progress in the previous year, including updates on progress made towards the project targets (i.e. updating the project logframe), operations, lessons learned and other important points.

Relation between interim progress report and annual report:

The interim progress report only covers the previous work period (i.e. six months) whereas the annual report covers two work periods (i.e. one year). The interim progress report for one of the two work periods in a given year and the annual report are thus usually due in close succession but not at the same time, since interim progress reports (incl. the Funding Advance Request) are due 30 days after the end of a work period and the annual report is due 60 days after the end of the annual reporting period; Because of the separate deadlines, they are to be submitted separately. However, information provided in the interim progress report can be reused for the annual report where necessary or useful.

The purpose of this report is a) to allow Blue Action to assess overall project progress and b) for Blue Action to feed this information into its own reporting to donors.

The financial portion of the report consists of the Funding Advance Request (usually already delivered with the interim progress report).

In addition, a tabular overview, with a list of expenditures itemised in reasonable detail according to cost category and related amount expended in Euro.

2.2.4 Final Report

The final report covers the entire project term. The report should show whether the targets in the project logframe have been reached (or to which extent they have been reached), and lessons learned, both with regards to the individual project as well as broader lessons and implications for marine conservation in the region or regarding particular topics such as access restriction to marine resources, designation of MPAs etc. The final report is due within four months after the expiration date.

2.3 Project Review

Blue Action-funded Projects need to undergo a midterm and a final review, consisting both of a financial and technical part to be conducted by external parties/experts.

2.3.1 Technical Review

The technical review will be commissioned and funded by Blue Action outside the grant budget.

The purpose of the midterm technical review is to assess project progress, analyse if the project is generally on track, take lessons learned into consideration for future work and provide input for any potential needed changes for the remainder of the project duration The information gathered through the midterm review can also provide a basis for potential follow-up funding to the current project.

The final technical review will focus on the extent to which the planned goals, outcomes and outputs have been achieved. It will furthermore also be used to collect lessons learned throughout the implementation of the project.

[6] The reporting period of the annual report is usually 12 months. However, in the first and last year of the project, the reporting period may be either a bit shorter or longer than 12 months, depending on the start and end date of the project. Grantees will be informed about reporting due dates once the grant enters into force.

2.3.2 Financial Review/Audit

The financial review will be conducted by an external Auditor in accordance with the Terms of Reference for project audits as set forth under Annex 2 of the Grant Agreement.

The grantee takes over the responsibility for selection and procurement of the Auditor but needs to get Blue Action's no-objection before contracting. Blue Action has to be designated as the beneficiary of the review. Blue Action recommends that you familiarise yourself with the TORs (Annex 2 to Grant Agreement) early on and start the procurement process in due time to avoid any delays.

2.3.3 Project Visits

Blue Action staff may visit projects in order to learn about the project on the ground and the grantee's work in the field. The intention is to discuss and evaluate progress made, to discuss potential needs to finetune certain aspects of the project or, in case the visit occurs in the Inception Phase, to inform and remind the grantee about Blue Action's priorities and requirements. Project visits conclude with a wrap-up meeting and minutes of the meeting agreed upon by all participants. Please see Annex 4 to this Guide.

2.4 Subcontracting – No-objection of Contract Templates

As stipulated in the Procurement Policy (Grant Agreement, Annex 4) prior to the first award of a subcontract, the grantee needs to inform Blue Action of the type of contract template to be used. Grantees have two options when subcontracting to third parties.

1) Using Blue Action's standard templates for a) consulting services, b) goods, purchases and c) civil works.
2) Using their own standard templates for these different contract types. In this case the standard templates have to be no-objected by Blue Action before being used (i.e. no-objection must happen before any subcontracts are signed).

Exemptions to the above are stipulated in the Grant Agreement, Annex 4. Blue Action's standard templates for contracts for consultants, contracts for goods and contracts for civil works will be provided to the grantee if they want to use these.

If the grantee chooses to use Option 2 (i.e. use their own templates), in order to obtain Blue Actions no-objection the grantee needs to complete a checklist (Form A, B and/or C) for each type of contract (i.e. consulting, purchase of goods and civil works (construction) as provided in Annex 2 of this Guide.

Completing Form A, B and/or C (i.e. the checklist for no-objection) involves the grantee identifying that its own agreement template does or does not contain provisions corresponding to the items listed in the checklist, and, if so, where in the grantee's agreement template such provisions are to be found. Each checklist contains references to the provisions of the Blue Action template where the listed provision can be found.

Blue Action staff subsequently reviews content, conformity and quality of the grantee contract templates and – depending on the outcome of the review – provides its no-objection.

> Please note:
> Only those contract templates that will be used during the project implementation have to be no-objected, i.e. if grantee will not procure any civil works, the corresponding template does not have to be no-objected.

2.5 Procurement Policy

Blue Action has a detailed Procurement Policy, please refer to Section 9 and Annex 4 of the Grant Agreement.

2.6 Transfer of Assets

At the end of a project (at the latest), assets (including goods and equipment) > EUR 5,000 purchased from Blue Action's contribution need to be transferred to the final beneficiaries or the grantee or sub-grantee, guaranteeing the continued use for the purpose of the project. Prior to handing over any assets, the grantee needs to gain Blue Action's no-objection.

To obtain approval/no-objection, the grantee needs to send a request for transfer of assets including a list of all assets/goods > EUR 5,000. Please use the Blue Action template provided as Annex 3 to this Guide.

2.7 Environmental and Social Safeguards

The grantee is required to diligently implement the project's Environmental and Social (E&S) Safeguards outlined in the full proposal during project implementation and will monitor the E&S performance of the project, which includes regular reporting. The ESMS, including all relevant templates, is available on Blue Action's website.

3 Communications

Communication is an essential part of Blue Action's projects. Grantees are asked to communicate about their projects and also put Blue Action into a position to communicate about them.

3.1 Use of Blue Action's Logo

Grantees should acknowledge Blue Action's support by adding the logo of Blue Action to publications, reports, banners, press materials and other products that the grants help produce. Before the use of the Blue Action name or logo, approval needs to be sought from Blue Action. If approval for a certain type of communications product has been given already, no further approvals are needed for future communications products of the same type. If appropriate, grantees are asked to ensure that easily legible signage displaying Blue Action's logo and full name is erected on the project site.

3.2 Grant Fact Sheet

Blue Action uses individual Grant Fact Sheets to provide an overview of each project's goals and activities. The Grant Fact Sheets will be uploaded to the Blue Action website and may be printed for events or other purposes (for examples, see the website). To gather the information and photographs needed for the Grant Fact Sheet, grantees are requested to fill in the Grant Fact Sheet info request template (Annex 5 to this Guide) and send it back together with four to five high-quality photographs as soon as possible after the project start. If the grantee provides a translation of the text into the target country's language, a version of the Grant Fact Sheet can usually be produced in that language (e.g. for local use in the project). Grant Fact Sheets are expected to be revised at the end of the project.

3.3 Before and After Photographs

Blue Action strongly recommends that grantees regularly send 'before and after' photographs of project interventions to visually highlight the developments and impacts of the funded projects over time (see Annex 6 to this Guide). Blue Action regards 'before and after' photographs as a powerful communication tool, among other purposes, to communicate project progress to its Supervisory Board.

3.4 Major Events or Publications

If you plan any major event – e.g. a launch of the project or a side event at relevant international conferences – or if there is any major announcement of a project achievement, e.g. declaration of a new Marine Protected Area, please provide early heads-up to ensure that Blue Action has the opportunity to inform its funders, including the relevant embassies, KfW offices etc. and to scope potential participation or contribution from Blue Action.

3.5 Social Media

While not the primary purpose, it is appreciated if you exploit communication opportunities to highlight the support of Blue Action and in particular its funders. For example, you might want to directly refer to Germany, Sweden and France as funders of Blue Action Fund, or tag them in social media (e.g. on Twitter @BMZ_Bund @SweMFA @AFD_en @KfW).

4 Feedback

Blue Action is open for constructive dialogue about its grant programme and procedures and welcomes grantees' feedback. Feedback can be provided as part of the progress reports or directly by email. Blue Action maintains a Grievance Mechanism for any complaints about its own operations.

List of Annexes

Annex 1	Self-Issued Receipt Template
Annex 2	Subcontract No-Objection Forms (A, B, C)
Annex 3	Request for Transfer of Assets
Annex 4	Project Visit Template
Annex 5	Fact Sheet Info Request
Annex 6	Before and After Photographs
Annex 7	Beneficiaries Calculation Guide

ANNEX 1 – Self-Issued Receipt for Project Expenditure[7]

Project number[8]:

Date:

City/Country:

Amount (local currency):

Amount (in Euro):

Recipient: *Name and Address[9]*

Reason for expenditure:

Reason for lack of receipt: *Full and detailed reasoning*

Place and Date:

Name of Issuer:

____

Signature of Issuer

Place and Date:

Name of Financial Officer/Project Manager:

____

Signature of Financial Officer/

Project Manager in charge

[7] Grantee staff may also use their own organisation's template (if available), provided that all information requested above is covered in that template.
[8] As per Grant Agreement
[9] Please provide if known.

ANNEX 2 – Subcontract No-Objection Forms (A, B and C)

FORM A: No-Objection Form for Consultancy Contracts Template

Name of grantee	
Name of Grant Agreement	
Grantee staff responsible for filling out the checklist	*Name of staff*
Date	*dd/mm/yyyy*

In connection with the above grant awarded to the grantee by Blue Action, the grantee confirms that it intends to use a contract template for a consultancy service in respect of which Blue Action has not issued a no-objection in the last five years. Accordingly, we are providing you with the following information in relation to the contract template we intend to use.

Item		***Grantee***			***Blue Action***
	Relevant Provision in Blue Action Template	*Yes/No*	*Para-graph/Page number in grantee contract*	*Comment*	*Check & comments*
General information, including information on country/project/no. relevant contracting parties, dates and duration	*Preamble, 1, 2, 7*	*Yes/No*			
Brief description of project type (e.g. pre-investment study, feasibility study, final draft, supervision of construction) or reference to TOR	*3*				
Provision for robust Terms of Reference (including clear deliverables, milestones and timelines)	*Annex 1 TOR*				
Organisation of consulting services: Single Consultant/Cooperation/Joint Venture/Subcontractor provisions	*Preamble, 3.2.9*				
Deadlines (any important dates before project/contract ends)	*Annex 1 TOR*				
Adequate identification of personnel (number, qualification, duration of	*Annex 1 TOR*				

Item		Grantee			Blue Action
	Relevant Provision in Blue Action Template	*Yes/No*	*Para-graph/Page number in grantee con-tract*	*Comment*	*Check & com-ments*
assignment on site – backstopping if any)					
Commitment to act in ac-cordance with highest standards, maintain clear and accurate records and comply with relevant laws	*3*				
Remuneration, payment conditions (down pay-ment, amount, due date, down payment guaran-tee, interim payments, fi-nal payment, price ad-justment/fixed price)	*5 and Annex 1 TOR*				
Confidentiality, corruption and fraud provisions	*4*				
Force majeure	*6*				
Copyright	*8*				
Conflict of interest	*9*				
Final provisions	*10*				
Consultant's declaration of undertaking to prevent corruption					

FORM B) No-Objection Form for Goods Contracts[10] Template

Name of grantee	
Name of grant	
Grantee staff responsible for filling out the checklists	*Name of staff*
Date	*dd/mm/yyyy*

In connection with the above grant awarded to the grantee by Blue Action, the grantee confirms that it intends to use a contract template for a purchase of goods in respect of which Blue Action has not issued a no-objection in the last five years. Accordingly, we are providing you with the following information in relation to the contract template we intend to use.

Item		***Grantee***			***Blue Action***
	Relevant Provision in Blue Action Template	*Yes/ No*	*Para-graph/Page number in grantee con-tract*	*Comment*	*Check & com-ments*
General Information					
Information on coun-try/project/no. relevant contracting parties, dates and duration etc.					
Duration					
Entry into force	*Contract Agreement Preamble*				
Blue Action specific					
Declaration of undertak-ing	*Appendix to GCs*				
Other contract condi-tions/terms					
Documents constituting the contract	*GC §2*				
Testing and taking over	*GC §26; SCC*				

[10] Non-standard goods

Item		Grantee			Blue Action
	Relevant Provision in Blue Action Template	*Yes/ No*	*Paragraph/Page number in grantee contract*	*Comment*	*Check & comments*
Contract language(s)	*GC §5; SCC*				
Force majeure	*GC §32*				
Arbitration procedure, location and language	*GC §10; SCC*				
INCO-Terms (supplies)	*GC §25; SCC*				
Liabilities of the employer and of the contractor					
Liquidated damages	*GC § 27; SCC*				
Exclusion of consequential damages	*GC § 30*				
Reimbursement clause	*Any warranty reimbursement can be made to the grantee and be used in the project. If not, it shall be repaid to Blue Action Fund*				
Insurance					
Transportation insurance	*GCC § 24*				
Defects Liability and Warranties/Guarantees for Technical Performance					
Material defects					
Warranty on material defects	*GC §28*				
Duration of defects notification period	*GC §28.3; SCC*				
Notification and remedy of defects	*GC §28.4*				

Item		***Grantee***			***Blue Action***
	Relevant Provision in Blue Action Template	*Yes/ No*	*Para-graph/Page number in grantee con-tract*	*Comment*	*Check & com-ments*
Penalty for failure to rem-edy	*GC §28.6*				
Technical performance					
Guaranteed technical performance (output quantity and quality, con-sumption of energy)	*SCC Sample provision §28.3*				
Penalty for underperfor-mance	*SCC Sample provision §28.3*				
Other technical warran-ties/guarantees	*No*				
Financial Bonds/Securi-ties and Retention Money					
During performance of contractual services	*GC §18; SCC*				
Performance bond	*Other Contract Forms*				
Retention money	*SCC §16.1*				
Payment terms					
Advance payments	*GC §16.1; SCC*				
Advance payment guar-antee (APG)	*Other Contract Documents APS*				
Adjustment of guarantee (reduction of APG based on reimbursements ef-fected)	*Other Contract Documents APS*				
Expiration or restitution of APG	*Other Contract Documents APS*				
Intermediate payments	*GC §16.1; SCC*				
Payment schedule	*GC §16.1; SCC*				

Item		***Grantee***			***Blue Action***
	Relevant Provision in Blue Action Template	*Yes/ No*	*Para-graph/Page number in grantee con-tract*	*Comment*	*Check & com-ments*
In case of pro rata pay-ment specification of pay-ment intervals	*GC §16.1; SCC*				
Other relevant infor-mation e.g. minimum amounts for IP, limitation of number of supply sub-lots, etc.	*GC §13; Schedule of Requirements*				
Final payment % of con-tract amount	*GC §16.1; SCC*				
Latest date (specify)	*GC §16.3*				
Payment procedure (di-rect disbursement, reim-bursement, letters of credit)	*GC §16.1; SCC*				
Price variation or fixed price	*Contract agreement; price sched-ules or other bidding docu-ments specify-ing the con-tract price*				
Taxes, duties (note, Blue Action does not finance custom duties, taxes and other levies).	*GCC §17*				

Form C) No-Objection Form Civil Works Contracts Template

Name of grantee	
Grantee staff responsible for filling out the checklists	*Name of staff*
Date	*dd/mm/yyyy*

[BLUE ACTION TEMPLATE FOR CIVIL WORKS IS STILL UNDER REVISION. IT WILL BE PROVIDED AS SOON AS POSSIBLE]

ANNEX 3 – Request for Transfer of Assets

Grantee/subgrantee	
Project code (Blue Action)	
Project code (grantee)	
Date of Grant Agreement	
Project duration	
Country/ies	
Request completed by	

We hereby make the following proposal for the use of equipment >EUR 5,000 acquired during the execution of the project:

#	Item & Brief Description	Receipt Number	Date of Purchase	Original Price (€)	Recipient(s)	Location of Item	Explanation of continued use[11]
1							
2							
3							
4							

[11] Please explain how and for what purpose the recipient intends to use the item in the future.

Therefore we kindly request Blue Action to approve the transfer of assets. We confirm that the items will continue to be used to advance marine conservation and sustainable livelihoods in coastal communities in the project's target country/ies.

____

Requested by: Given names, Surname & Date [Print]

____

Signature

____

Approved by: Given names, Surname & Date [Print]

____

Signature

ANNEX 4 – Guidance for Project Visits

Background: The following guidance provides grantees with a better understanding of the purpose, ambitions and logistical implications for site visits by Blue Action staff. It thus aims to facilitate the planning of such visits.

Purpose:

- Learn about the project on the ground and the grantee's work in the field.
- Inform and remind grantees about Blue Action's priorities and requirements.
- Discuss and evaluate progress made.
- Discuss potential need to finetune planning, based on information gained during the Inception Phase (e.g. on environmental and social management).
- Agree on next steps by signing minutes of the meeting.

Planning

- Grantees are asked to make a proposal for the site visit, including a detailed schedule that lays out sites and stakeholders visited and the link to the project (see also example structure in the Annex).
- Project visits should start with a longer meeting (half day) to meet the staff and go through the project plan (usually in the grantee's office).
- Project visits should also include a meeting to clarify questions related to Blue Action's procedures, such as procurement rules, Environmental and Social Management etc. It is highly desirable to have the relevant staffing at that meeting, finance officer, responsible staff for E&S Safeguards etc.
- Usually, the objective of the project visit is to get a firsthand understanding of the project, including the background, objectives, approaches, partners, technical staff, challenges, early successes etc. Blue Action is therefore keen to meet staff, colleagues, partners, stakeholders, beneficiaries, sites where infrastructure investment takes place, technical staff within administration etc. Please note that Blue Action might ask for changes which sites to visit on short notice.
- Blue Action is generally not interested in courtesy meetings with officials. Blue Action is happy to entertain such meetings if they help grantees to implement the project.
- On the second to last day, there should be some free time in the agenda for Blue Action staff to discuss the visit and prepare draft minutes of the meeting.
- The project visit should end with a final meeting (about two hours) to wrap up the visit. Blue Action will present draft minutes of the meetings and discuss any issues that might have come up. The meeting ideally ends with signing the minutes of the meeting, which include the agreed next steps (if needed the signing itself can be done later one).

Logistics:

- Blue Action will pay its staff all related costs for accommodation, food and travel (e.g. necessary domestic flights). It will do its own flight booking.
- Blue Action appreciates advice and help for accommodation (medium price range).
- Blue Action appreciates any other advice on how to ensure a smooth project visit.

Project visit

Dates:

Project:

Grantee:

Duration:

Grant:

Participants:

Objective:

Tools:

Background to detailed, daily schedule

- Reasoning for selection of sites to be visited
- Reasoning for selection of communities to visit
- Reasoning for section of stakeholders etc.
- Other options for visit etc.

Example of Daily Schedule

The following is just an example. Please provide as detailed information as possible.

Date	What & When	Purpose	Place	Who
Monday, dd/mm/yy	17:55 Arrival (names)			
	19:00 Check-in at the hotel		Name & address of hotel	
	20:00 Dinner	Meeting with XYZ, introduction, getting settled	Name & address of restau-rant	
Tuesday dd/mm/yy	9:00 Departure to XXXX			
	9:40 Arrival in XXXX			
	10:30 Check-in at the hotel			
	11:15-11:45 Introducing full project team			
	12:00-13:30 Lunch			
	14:00-15:30 Presentation about background to the project	Context setting: setting the scene, back-ground to the project etc.		
	15:30-17:30 Project review since inception	Blue Action project introduction, under-standing intervention areas and logic, re-viewing workplan and budget		

Date	What & When	Purpose	Place	Who
	17:30-18.00 18:30 Departure to restaurant (1/2 hr drive) 19:00-20:30 Dinner 21:00 Arrival at Hotel	Going through agenda for next day		
Sunday dd/mm/yy	9:00-12:30 Visit to XXX, one of the target fishing sites and communities (1/2 hour drive, one way)	Meet fishers and fish traders and understand community context for stakeholders relevant to several project activities (e.g. MPA design; data collection), (related to project output X). Meet the focal point XXX for community based monitoring of fish landings and fisheries effort in Príncipe (related to project output X). Review the different 'community ideas initiative' implemented in each community (related to project output X). Opportunity to see one of the three mangrove forests of the island (related to project output X).		

ANNEX 5 – Grant Fact Sheet Information Template

The purpose of Blue Action's Grant Fact Sheet is to provide key information on each funded project at a glance. This includes general information (project title, duration, etc.), a map of the project area, a brief summary of the project, pictures, 'key targets', and the main activities/areas of work. Please fill in the template and provide <u>four (or more) high-resolution photographs</u> of project activities/areas (including copyright information for each photograph file). The Grant Fact Sheets will be made available on Blue Action's website and may be printed or turned into posters for use at events etc.

1. General information

Project title	
Project duration	Month/Year – Month/Year
Country/ies	
Lead organisation	
Partners	Names of consortium members
Total project cost	€ XXXXXXX
Blue Action grant	€ XXXXXXX (XX%)
Match funding	€ XXXXXXXX (XX%)

2. Project summary

1. *Please provide a summary of the project (no more than 1500 characters, including spaces), highlighting the challenges faced in the project area(s), how the project addresses these and what it aims to accomplish. Please do not use bullet points.*
2. *Pull up quote (a short sentence highlighting a unique aspect of the project or summarising the approach, aims etc.; please do not repeat a sentence from the summary text)*

3. Key targets

Newly created MPA[12]	km²
Effectively managed MPA	km²
Number of beneficiaries[13]	

4. Activities/Areas of Work

Please indicate activities undertaken in your project. Please note that the priority indication of high,

[12] In line with Blue Action's Grant Procedures Manual, MPA here means areas that fall within IUCN's protected areas categories I to VI. 'Newly created MPA' can either mean completely newly created (i.e. there was no protected area there before) or the area moves up in the IUCN categorisation (e.g. from category V to I).

[13] Beneficiaries are people that measurably benefit from project implementation, e.g. employees of MPA management authorities, fishermen, and other users of marine resources (depending on the context of the project) as well as their household members. To get the total number of beneficiaries, multiply the number of e.g. MPA management staff, fishermen etc. with the average number of household members. If no current figures are available, multiply by five as an average household number (please see the 'Beneficiaries Calculation Guideline' in Annex 7). If you have questions about the calculation and seek further guidance, please contact your grant manager.

medium, low and n/a is not a value judgment but rather indicates whether the activity in question makes up a significant part of the project work (e.g. 'creating protected areas' would be categorised 'high' if the main goal of your project is to create a new PA, whereas e.g. 'protection of mangroves' would be 'low' if mangrove protection is in some way part of your project but not one of the main goals and activities).

Category	Activity	Priority of the activity within project: High – Medium – Low – n/a
MPA Governance	Creating protected areas	
	Creating MPA management plans (budgets, communication and monitoring plans)	
	Management plans adaptive to climate change	
	Management plans aim for climate change mitigation	
	Monitoring, control and enforcement of MPAs	
	Use of information & communication technology solutions	
	Data collection, mapping	
	Training of protected area staff	
	Support of protected area staff (equipment, salary supplements etc.)	
	Bottom-up management/Co-management approaches (LMMA, beach management units etc.)	
	Long-term funding for MPA	
	Awareness raising, education	
	Gender empowerment for MPA governance	
	IUCN Green Listing	
	New UNESCO World Heritage Site	
	New UNESCO Man and Biosphere Reserve	
	Community mapping	
Sustainable Livelihoods	Creating alternative employment opportunities	
	Job Training	
	Sustainable tourism	
	Saving clubs	
	Aquaculture	
	Reduction of post-harvest loss in fisheries	
	Economic empowerment of women	
	Initiatives to increase value added in supply chains	
	Community entrepreneurship	
Species Conservation / Sustainable Fisheries	Fisheries control and enforcement	
	Certification/Traceability	
	More selective/low-impact gear	
	Data collection on fisheries	
	Co-management of fisheries	
	Fisheries management (harvest control)	

Category	Activity	Priority of the activity within project: High – Medium – Low – n/a
Habitat Conserva-tion and Restoration	Conservation measures for seabirds	
	Conservation measures for turtles	
	Conservation measures for mammals	
	Conservation measures for other species	
	Protection of mangroves	
	Restoration of mangroves	
	Protection of coral reefs	
	Restoration of coral reefs	
	Protection of seagrass beds	
	Restoration of seagrass beds	

5. Photographs

Photographs need to be attached to the email when sending the completed template. Please name each photograph file as follows: title of photograph_copyright information, e.g. 'Local fishermen_c_Laura Werner'. For each photograph, please also provide a brief description below e.g.:

'Local fishermen_c_Laura Werner': The photographs shows local fishermen bringing in their catch in village XY, where NGO Z is working with the local community to established co-managed areas, including no-take zones."

6. Maps

Please provide us with a map of the project area that we can use as basis for the map in the Grant Fact Sheet.

ANNEX 6 – Before and After Photographs

Objectives:

- Demonstrate progress and impact of Blue Action's projects in an easily digestible manner.
- Showcase Blue Action's support to projects characterised by 'hands on the ground' and high impact;
- Support requests for additional contributions to Blue Action.

Examples of 'before and after' photographs can include, but are by no means limited to the following:

- Land before and after meeting space for co-management, or fisheries associations was built;
- Area before and after mangrove/coral reef restoration;
- Fishing vessel without and with cooling boxes;
- MPA before and after demarcation;
- Fisher before and after switching to more selective gear;
- Average catch per unit/average catch size before and after project intervention;
- Guards before and after being equipped with monitoring, control and enforcement tools, including patrolling vessels, binoculars etc.;
- Habitats or species (such as turtle nesting ground) before and after protection.

Example:

Target Audience: Donors of Blue Action, external stakeholders, i.e. persons and organisations interested in Blue Action's work.

Photograph Requirements:

- Minimum 300 dpi (usually translating into 2-3 MB per photograph)
- Common format: e.g. jpg, png

Additional information needed:

- Copyright information (insert in file name)
- Dates and place where taken
- One to two sentences describing what is shown and what has changed
- Title of the project

ANNEX 7 – Beneficiaries Calculation Guide

Background: One of Blue Action's Key Performance Indicators is the 'direct beneficiaries' of its grants. In addition, grants under the Ecosystem-based Adaptation in the Western Indian Ocean call – launched end of 2019 - are asked to also report on 'indirect beneficiaries'. The following guidance shall help grantees to better calculate, report on and verify the number of indirect and direct beneficiaries.

General points: Please do consider the following points carefully:

- Only people situated in the project target countries should count as beneficiaries;
- Double counting must be avoided, i.e. the same person receiving multiple types/instances of benefit only counts as one beneficiary (example, one person receiving two separate trainings, e.g. new fishing gear, and small financial support would only count as one beneficiary);
- Calculation must be done in a transparent manner;
- Calculation must be verifiable and therefore be properly documented;
- In case of questions, please feel free to contact Blue Action.

Direct Beneficiaries

Definition: 'Direct beneficiaries are individuals that measurably benefit from project implementation, e.g. fishermen, and other users of marine resources (depending on the context of the project), employees of MPA management authorities, as well as their household members. For calculation use the average household number in the country. If no current figures are available, an average household size of five people is assumed.'

	Beneficiaries	Details / Activities	Means of verification
1	People supported to adopt diversified, livelihood options (including aquaculture, agriculture, tourism, etc.)	Microgrants, support for business plans, start-up trainings etc. Example: Beneficiaries starting to work (or add to their income through activities) in sustainable agriculture or tourism.	Project documentation
2	People supported to adopt climate resilient livelihood options	Beneficiaries of sustainably managed fisheries; mangroves etc. (including fishers, and their supply chains, such as traders, shipbuilders in the project area). Examples: People benefitting from investments to reduce post-harvest losses, fishermen improving their ongoing fisheries activities through better practices, better	Stakeholder engagement plan

	Beneficiaries	Details / Activities	Means of verification
		organisational skills, data collection etc.)	
3	People benefitting from EbA management trainings and knowledge exchange	Trainings on co-management, options for EbA management, climate risk assessment, regional exchanges on how to make EbA an integral part of climate resilient coastal zone management. This can also include staff from MPA authorities, NGOs and other relevant organisations.	List of participants
4	People benefitting from awareness raising	Only people benefiting from clear and dedicated efforts should be counted, for instance from a dedicated training. General awareness raising activities for the public should NOT be counted (e.g. people watching a film or exposed to articles etc. will not be considered direct beneficiaries).	List of participants
5	People receiving salaries and other financial compensation from the project	Staff on the ground, including staff implementing NGOs <u>in the target countries of the relevant call</u> who work on the project, employees of MPA management authorities, other stakeholder receiving financial compensation through the project, e.g. community members for participation in restoration activities.	Project documentation
6	People receiving non-monetary compensation from the project	People receiving equipment, supplies, services, infrastructures.	Project documentation
7	People benefitting from climate related early warning systems and other risk reduction measures.	Users of information systems, people living within area which measurably benefits from reduced risk Example: Households using respective smartphone apps.	Project documentation

Indirect beneficiaries

Definition: 'Indirect beneficiaries comprise the total coastal population dependent on ecosystem services in the project areas.'

	Beneficiaries	Details/Activities	Means of verification
1	All inhabitants at the project sites and – in cases where relevant – surrounding areas (e.g. in areas behind mangrove areas).	No activity required for indirect beneficiaries.	Inhabitants register, official statistics, project documentation