

# **ETHIOPIAN DIASPORA TRUST FUND**

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## **ELIGIBILITY AND PROJECT SELECTION CRITERIA**

UNDER THE CALL FOR PROJECTS  
ETHIOPIAN DIASPORA - PARTNERSHIP TO IMPROVE SOCIAL AND ECONOMIC  
WELLBEING OF ETHIOPIANS IN NEED

EDTF SECRETARIAT  
JULY 2019, ADDIS ABABA

**E D T F**

# PART ONE

## GENERAL INFORMATION AND OVERVIEW OF THE PROJECT SELECTION PROCESS

### BACKGROUND

Responding to the call for action by Prime Minister Dr. Abiy Ahmed to the Ethiopian diaspora and in support of his message of love, forgiveness, reconciliation, unity and peace, the Ethiopian Diaspora started to contribute at least 1 US dollar a day to fund vital economic and social development projects in Ethiopia. The Ethiopian Diaspora Trust Fund (EDTF) was established as a mechanism for collecting and channeling the financial contributions of the Ethiopian diaspora community and improve the lives of poor and disadvantaged people in Ethiopia through creative and entrepreneurial project interventions.

In its strategic orientation and day to day operation, the EDTF is committed to fulfil the broader vision of achieving a durable solution to Ethiopia's socio-political and economic challenges that meets the legitimate aspirations of all of Ethiopians, irrespective of ethnicity, language, religion, and gender.

EDTF promotes:

- A life of dignity, freedom, equality, and justice;
- Equitable and inclusive social development and economic opportunity;
- Social cohesion, cooperation and respect for diversity.

EDTF is guided by principles of inclusiveness, accountability, transparency and maximum impact and transparency in its operation.

The EDTF secretariat based in Addis Ababa is mandated to ensure the optimal utilization of resources raised through individual diaspora contributions and other development partnership development initiatives. Accordingly, the EDTF secretariat has launched its first call for project proposals with the aim of financing need-based, high impact and replicable projects. The call for projects is open to all eligible applicants that meet the criteria listed under “**Basic Eligibility Criteria**” section of this document.

### OBJECTIVE

The primary objective of the EDTF is to improve the lives of poor and disadvantaged people of Ethiopia through people-focused, innovative and result-based social and economic development projects. The Fund aims to finance projects that meet critical needs and selected based on their potential to make the highest positive impact on disadvantaged groups and communities. In this first phase of operation EDTF's funding will focus on health, education, water and sanitation facilities, habilitation and rehabilitation of persons with disabilities, small-holder farmers, technology, youth focused-small-scale entrepreneurship and other income and employment generating projects.

### PURPOSE

This project eligibility and selection criteria is prepared to document the guidelines used by EDTF in the decision making process of reviewing, assessing, scoring and selecting projects that are submitted for

funding under the call for project “Ethiopian Diaspora Trust Fund: Ethiopians Supporting Ethiopians” launched by the EDTF.

## **FINANCIAL VALUE**

The total amount of funds availed by the EDTF under this call for projects is ETB equivalent of USD 4,000,000. The minimum amount that will be granted per project is ETB equivalent of USD 200,000. The maximum value per project is ETB equivalent of USD 350,000. The total available funds will be distributed among projects selected by a thorough and transparent and comprehensive review process which evaluates submitted proposals for critical need, project design, practicality of implementation, financial soundness and other factors. EDTF reserves the right to reject any applications that do not meet its funding criteria.

The maximum number of projects that will be financed per applicant is one per call for proposal. However, applicants can submit more than one project proposals.

## **OVERVIEW OF THE PROJECT SELECTION PROCESS**

All projects submitted for EDTF funding will undergo three stages of review:

### **Step One: Completion of Submission and Meeting Application Deadline**

In the first stage of the review process, all submitted projects will be checked for completeness of the application against the list of mandatory documents specified in Annex 9 of the document ‘Guidelines for Applicants’

Project proposal submissions that do not meet the EDTF deadline will not be considered.

Incomplete submissions will not progress to the next step of assessment.

### **Step Two: Basic Eligibility Check**

In the second stage of review, the project applications will be subjected to a basic eligibility check as set forth in Part Two of this document. If the application fails to meet the basic eligibility criteria in full, it will not progress to the next appraisal step.

### **Step Three: Full Project Review and Scoring**

Project proposals that passed the second stage (eligibility check) will be reviewed and scored against a set of EDTF project selection criteria approved by the EDTF Board of Directors. This step constitutes the following three parts:

- a. Technical appraisal of projects: The EDTF will first conduct a technical review of the proposed project according to the criteria detailed in Sec 9 – Technical Appraisal Criteria and assigned a score between 0 and 100. Project submissions must score a minimum of 75 points to be considered ‘technically fit’. Only technically fit project applications will be advanced for review of institutional capacity.
- b. Assessment of institutional capacity: Once projects are qualified as ‘technically fit’ by scoring 75 points and above in the technical review step, the applicant’s institutional capacity will be assessed out of a total score of 60. This review aims to ensure the applicant has the technical capability, institutional arrangements and necessary infrastructure to successfully implement the project. Applicants need to earn at least 40 points in the institutional capacity assessment to remain competitive in the selection process. The institutional capacity assessment may include visits to the office/ facility or previous and ongoing project sites of the applicant as deemed necessary by the EDTF.

- c. Assessment of budget proposal: Projects that scored 75 points and above in the technical appraisal and 40 points and above in the institutional capacity assessment will be subjected to budget review process. The budget appraisal will be scored out of a total score of 40 points. The EDTF reserves the right to negotiate budgetary items with applicants. This negotiation aims to ensure optimal and cost-effective solutions are proposed in the budgeting of the project as well as raise the project submission's budget appraisal score.

Projects will be ranked by a combined score of technical project appraisal, assessment of institutional capacity and assessment of budget proposal. Depending on the number of qualified projects and available funds, the EDTF project appraisal team will select the maximum possible number of projects with the highest scores. The finalist projects will be presented to the EDTF Board of Directors for final consideration and approval. An application will receive funding only after it is approved by the EDTF Board of Directors. In order to ensure impartiality “blind review” will be exercised.

## **GUIDING PRINCIPLES OF EDTF**

The following guiding principles are followed in reviewing and evaluating submissions to EDTF call for proposals:

1. EDTF is impartial to any political, religious, ethnic or other related considerations in its decision making and operations. This principle is manifested in EDTF's structure of accountability, transparency and institutional independence.
2. EDTF is an inclusive platform that works with civil society organizations, public sector institutions and the private sector on equal bases. All EDTF partners are treated equally in project review, evaluation and financing.
3. EDTF promotes non-traditional or unique perspectives and innovative problem-solving approaches that offer realistic, tangible and lasting solutions to critical problems of the beneficiary groups.
4. EDTF believes in empowering people. To that end, EDTF projects aim to remove barriers and equip communities with the tools, resources and skills to plan, implement and sustain prioritized development projects.
5. EDTF project awards are merit-based and depends on the quality of project proposal submitted. However, in the project selection process, EDTF shall ensure equitable geographical distribution of EDTF financed projects throughout all regions of Ethiopia.
6. EDTF will exercise due diligence to avoid potential or actual conflict of interest at an individual or institutional level in all aspects of its decision-making operations.
7. In the selection, evaluation, funding or implementation of EDTF projects, all the concerned EDTF organs, including Implementing Organizations, shall take all prudent measures to ensure they periodically review their internal operational standards to avoid being used as a vehicle for corruption, money laundering or terroristic activities.

# PART TWO

## PROJECT SELECTION CRITERIA

The following criteria is applied equally and objectively to all projects submitted.

### COMPLETION OF SUBMISSION AND ADHERENCE TO APPLICATION DEADLINE

- Applicants must submit a duly filled-out standard project application form, including the required annexes (result based matrix, budget, monitoring and evaluation plan of the project, communications plan, and a short cover letter summarizing the project proposal in not more than 500 words).
- Mandatory supporting documents listed in annex 9 of the 'Applicant's Guideline' should be submitted together with the application.
- Applications must be submitted before the stipulated deadline of **16 September 2019, 17:00 East African Time**
- Incomplete applications and late submissions will not be reviewed by the EDTF.
- Applications rejected due to incompleteness or for not meeting the application deadline can be resubmitted for consideration in the next call for proposal of EDTF.

### BASIC ELIGIBILITY CRITERIA

The following basic eligibility criteria must be met by all project applications:

- **Legal and institutional form of the applicant:**
  - Applicants should be entities legally incorporated in Ethiopia.
  - Local nongovernmental organizations (LNGOs), civil society organizations (CSOs), federal, regional and local government entities can apply for EDTF grant.
  - Private sector organizations incorporated under the Ethiopian law and investing in programs that will bring positive social impact are eligible for EDTF grant.
  - The applicant institution should have a bank account in Ethiopia opened in its name.
  - The applicant institution should have an office
- **Consortiums and Partnerships:**
  - Consortium of non-governmental NGOs and associations that are direct implementers of projects on the ground can apply for an EDTF grant.
  - Partnerships can be formed for the application and implementation of specific EDTF financed projects in which one of the partnering bodies has to be identified as the lead applicant. Other partnering entities can be recognized as co-applicants.
  - International NGOs with registered branch offices in Ethiopia can participate in the call for project proposal as co-applicants in projects submitted by local entities.

▪ **Alignment with EDTF Priority areas and objectives:**

Proposed projects should be within the priority areas identified by EDTF. These are:

- Improving access to and the quality of health services
- Improving access to and the quality of education
- Improving access to and providing clean water and sanitation facilities
- Habilitation and rehabilitation of persons with disability
- Improving agricultural productivity and expanding agri-business
- Supporting and nurturing innovation and expansion of technologies that will improve productivity, create jobs and facilitate youths' engagement in entrepreneurial activities
- Small scale entrepreneurship and other income and employment generating projects that create opportunities for women and youth.
- Projects that cater to the reestablishment of Internally Displaced People (IDP)

## TECHNICAL APPRAISAL CRITERIA

All projects submitted for EDTF funding and passed the first two steps of assessment are assessed according to the following generic project appraisal criteria and the corresponding maximum score.

No.	Criteria	Description	Maximum Score
1.	Coherence	<ul style="list-style-type: none"> <li>▪ The project is coherently designed and presented in a result framework matrix with each level of intervention logically contributing to achieving the intended level of results.</li> </ul>	10
2.	Relevance	<ul style="list-style-type: none"> <li>▪ The need and justification for the proposed project are well established, described and backed with credible evidence.</li> <li>▪ The solutions and measures proposed by the project are relevant and practical.</li> </ul>	10
3.	Innovation and creativity	<ul style="list-style-type: none"> <li>▪ The proposed project uses new or modified approaches and new opportunities to beneficiaries.</li> <li>▪ Proposed new approaches are easy for adoption or adaptation</li> <li>▪ The proposed project builds up on and enhances existing knowledge/experiences</li> </ul>	7
4.	Partnership	<ul style="list-style-type: none"> <li>▪ The project fosters positive partnership among diverse actors and stakeholders.</li> </ul>	3
5.	Effectiveness	<ul style="list-style-type: none"> <li>▪ The project proposal has identified and discussed methods, tools and systems that will reliably lead to the desired result.</li> <li>▪ The project is coherently designed and presented in a result framework matrix with each level of intervention logically contributing to achieving the intended level of results.</li> </ul>	5
6.	Cost Efficiency (Value for Money)	<ul style="list-style-type: none"> <li>▪ The project is realistically costed and can achieve the maximum possible outputs, outcomes, and impacts with the minimum possible inputs.</li> <li>▪ The project costing has opted for the lowest possible cost of achieving the desired results.</li> </ul>	5

No.	Criteria	Description	Maximum Score
7.	Impact	<ul style="list-style-type: none"> <li>▪ The project proposal demonstrates concrete and tangible benefits of social and economic development and contributes to long term positive changes. The social and economic development benefits resulting from the project are primary utilized by the intended beneficiaries of the project.</li> </ul>	15
8.	Sustainability	<ul style="list-style-type: none"> <li>▪ The application has provided sufficient evidence of financial, operational, environmental and social sustainability of the project is illustrated.</li> <li>▪ Assurance of the continuity of the project benefit after the end of the project implementation phase is guaranteed.</li> <li>▪ Institutional structure(s) are already in place or will be established in due course of the project implementation phase to maintain continuity of the project and/or the benefits arising from it.</li> </ul>	20
9.	Contribution to crosscutting themes	<ul style="list-style-type: none"> <li>▪ The project shows clearly how women, youth and disadvantaged/marginalized members of the society are involved and participated in project design and implementation.</li> <li>▪ The project and its results framework clearly show that women, children as well as marginalized and disadvantaged groups will benefit from the project intervention.</li> <li>▪ The project is consistent with the 'Do no Harm' principles of aid and promotes environmental sustainability and protection.</li> </ul>	7
10.	Scalability	<ul style="list-style-type: none"> <li>▪ The project demonstrates potential for replication in other contexts and other places within Ethiopia.</li> <li>▪ The project approaches can be replicated at affordable cost</li> <li>▪ Knowledge, skills and experiences from the project can be easily transferred in diverse contexts</li> </ul>	10
11.	Monitoring	<ul style="list-style-type: none"> <li>▪ A clear and functional project monitoring system is in place.</li> <li>▪ The result matrix of the project demonstrated Simple, Measurable, Attainable, Relevant and Time bound (SMART) indicators that will enable monitoring of results.</li> </ul>	5
12.	Communication	<ul style="list-style-type: none"> <li>▪ The project proposal has a designed communication plan that will facilitate communication among the implementer, EDTF and other stakeholders of the project.</li> </ul>	3
	<b>Total Score</b>		<b>100</b>

## INSTITUTIONAL CAPACITY ASSESSMENT CRITERIA

No.	Criteria	Description	Maximum Score
1.	Knowledge, skill and attitude	<ul style="list-style-type: none"> <li>▪ The applicant organization has adequate knowledge and technical skills in the area of the proposed project.</li> <li>▪ The relevant staff of the organization possess adequate level of expertise and experience in relation to the project proposed.</li> </ul>	10
2.	Experience	<ul style="list-style-type: none"> <li>▪ The applicant organization has strong track record of engaging in and successfully implementing social and economic development projects of similar or related nature.</li> </ul>	10
3.	Managerial and administrative Capacity	<ul style="list-style-type: none"> <li>▪ The organization has well-established project and organizational management system and clear administrative processes and control mechanisms.</li> <li>▪ The organization has standard procedure to procure goods, services and works on a transparent and competitive manner.</li> <li>▪ Key management staff have been trained on project management methodologies.</li> </ul>	10
4.	Infrastructure and equipment	<ul style="list-style-type: none"> <li>▪ The institution possesses logistical infrastructure and equipment necessary to implement the project (office, furniture, computing equipment, ICT infrastructure, means of transportation etc.).</li> </ul>	5
5.	Financial management capacity	<ul style="list-style-type: none"> <li>▪ The organization has proven ability to ensure appropriate management of funds</li> <li>▪ Clear policies and procedure for managing finance and control of transaction are in place.</li> <li>▪ The organization has clear assignments of duties and responsibilities that ensures transparency and accountability</li> <li>▪ The organization has a regular budget cycle</li> <li>▪ The organization maintains accurate and informative accounts</li> <li>▪ The organization has proper financial recording and reporting practices</li> </ul>	10
6.	Auditing	<ul style="list-style-type: none"> <li>▪ The organization has established internal and external audit practices.</li> <li>▪ All or part of the organization's financial management has been audited externally.</li> <li>▪ External audit results of the organization are unqualified. In case of "qualified" audit the management has taken appropriate measures as per management letter of the auditor.</li> </ul>	5
7.	Leadership and Governance	<ul style="list-style-type: none"> <li>▪ The organization has clearly defined governance structure and mechanisms that ensures accountability, transparency and appropriate use of organizational resources.</li> </ul>	10
	<b>Total Score</b>		<b>60</b>

## BUDGET REVIEW CRITERIA

No.	Criteria	Description	Maximum Score
1.	Budget planning	<ul style="list-style-type: none"> <li>▪ All project activities are attached to a budget line and source of budget is identified.</li> <li>▪ Budget estimates are made based on realistic assessment of the cost of goods, services and works reflected in the budget line.</li> <li>▪ There is deliberate effort to maximize communities' benefit and increase impact.</li> </ul>	15
2.	Realistic Costing	<ul style="list-style-type: none"> <li>▪ All budget lines are reasonably costed and ensure value for money.</li> </ul>	15
3.	M&E and Communication budget	<ul style="list-style-type: none"> <li>▪ Monitoring and evaluations and communication activities are clearly defined and adequately budgeted for.</li> </ul>	5
4.	Matching Fund	<ul style="list-style-type: none"> <li>▪ The applicant has demonstrated proof of securing a matching fund no less than 15% of the total project cost.</li> </ul>	5
	<b>Total Score</b>		<b>40</b>

## SCORING SYSTEM

All projects will be scored out of 200 points. The quality threshold is 150 points or 75%. Projects that do not score at least 75% of the total points available will not be considered for support. A score equivalent to 75% or above does not guarantee funding, as shortlisted applications will be scored and ranked, and the appropriate amount of funding will then be allocated to the highest-ranking projects. However, those projects, which scored 75% or above but not funded because of shortage of fund can be resubmitted for future EDTF call for project proposals.

## PROJECT SELECTION AND NOTIFICATION OF AWARD

The Project review team established by the EDTF secretariat will evaluate the submitted projects as per the outlined criteria. The project review team consists qualified experts with the relevant skills, expertise and experience to review the projects. In order to ensure impartiality “blind review” process will be exercised. Only projects that passed the basic eligibility criteria will be short-listed and proceed to the next step of evaluation.

Projects will be ranked by a combined score of technical project appraisal, assessment of institutional capacity and assessment of budget proposal. Depending on the number of qualified projects and available funds, the EDTF project review team will select the maximum possible number of projects with the highest scores for a particular round of funding. The finalist projects will be presented to the EDTF Board of Directors for final consideration and approval. An application will receive funding only after it is approved by the EDTF Board of Directors. Up on the decision of the Board of Directors applicants of the projects selected or funding will be notified of the result.

EDTF reserves the right to reject funding for selected projects or to terminate funding and demand refund of disbursed funds at any time if information provided by the applicant is proved to be falsified or

modified to misguide the projects review process. In such cases the project fulfilling the quality threshold and next inline of the ranking would be awarded funding.

Please note that there is no automatic right for funding through EDTF. Final funding decision is made by the EDTF Board of Directors. There is no appeal of the decision of the Board of Directors.

## **CONTRACTING**

As a basis for implementing the project, a Project Agreement (Contract) will be signed between the EDTF secretariat and the Implementing Partner Organization. Contracts will be prepared and signed in line with the financial rules and procedures of EDTF. All budgets must be submitted in Ethiopian Birr taking into consideration current exchange rate. The detail final project proposal including the budget will be an integral part of the Funding Agreement.

EDTF strives to select the best projects and implementing partners. EDTF invests its funds to nurture relationship and develop long-term partnership through networking, sharing of knowledge and experience and capacity development efforts.

## **IMPLEMENTATION AND REPORTING**

The selected projects will start according to the agreed operation plan and timetable to be drawn by the parties signing the Project Agreement. The stipulated timeline for each project is a maximum of 24 months. All project related activities must be completed at or before the end date of the project stated in the project proposal.

Throughout the project implementation phase the implementing partner has to provide quarterly progress and financial reports to the EDTF Secretariat. These reports must be in line with the project's Results Framework, M&E guidelines and the standard EDTF report template. All terms and conditions including specific sanctions, in case the implementing partners fails to perform as per the agreed project implementation schedule and operational modality, will be specified in the implementation contract that will be signed between EDTF and the selected Implementing Partner.

## **COMMUNICATION**

Constant communication and publicizing of the project activities is an integral part of the project, and as such, the project implementers must regularly provide communication materials such as photos, videos, interviews clips and reports, articles, success stories etc. to EDTF. Implementing partner shall also take actions that increase visibility of EDTF and the contribution made by the diaspora community through their communication materials, posters, press releases and media engagements.

Implementing partners agree the EDTF shall use, without limitation, their names and institutions in EDTF promotional materials and publicity. EDTF encourages full transparency and accountability of implementing partners so that they share and communicate success stories but also difficulties, failures and learnings. Implementing partners should allow and facilitate full access to project site and project information for EDTF and EDTF affiliated institutions whenever needed.