

**DEDICATED GRANT MECHANISM  
FOR INDIGENOUS AND LOCAL COMMUNITIES IN NEPAL (DGM Nepal)**

**Implemented by  
RURAL RECONSTRUCTION NEPAL-RRN**



**GRANT OPERATIONS MANUAL (GOM)**

**May 5, 2023**

## ABBREVIATIONS

CBA	Community-based Adaptation
CBO	Community-based Organization
CIF	Climate Investment Fund
CPS	Country Partnership Strategy
EOI	Expression of Interest
ESA	Environment and Social Assessment
ESCP	Environmental and Social Commitment Plan
ESMF	Environment and Social Management Framework
ESMP	Environmental and Social Management Plan
ESSs	Environmental and Social Standards
FCPF	Forest Carbon Partnership Framework
FIP	Forest Investment Program
FM	Financial Management
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GOM	Grant Operating Manual
GRM	Grievance Redress Mechanism
LC	Local Communities
M&E	Monitoring and Evaluation
NEA	National Executing Agency
NGO	Nongovernmental Organization
NRM	Natural Resources Management
NSC	National Steering Committee
PAD	Project Appraisal Document
PDO	Project Development Objective
POM	Project Operational Manual
REDD+	Reduced Emissions from Deforestation and Forest Degradation Plus
RRN	Rural Reconstruction Nepal
SEP	Stakeholder Engagement Plan
SFM	Sustainable Forest Management
SIS	Safeguard Information System
SMEs	Small and Medium Enterprises
TOR	Terms of Reference
WB	World Bank

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## SECTION I: ABOUT THE GRANTS OPERATIONS MANUAL

The DGM Nepal Project has a Project Operations Manual (POM) detailing the procedures for and roles and responsibilities of various stakeholders in implementing the Project. The Grants Operations Manual (GOM) provides detailed procedures for operating two grant allocations:

1. Scholarship Grants (Sub-Component 1.1 )
2. Competitive Grants (Sub-Component 2.1)

The GOM complements the POM.

The GOM contains the details of the approaches, requirements, and procedures for managing: (i) scholarship grants; and (ii) competitive grants for forest-relevant activities. The GOM will guide Rural Reconstruction Nepal (RRN) -the National Executing Agency (NEA) and National Steering Committee (NSC) with grant-making and management. The manual provides details on the grant process, including beneficiaries' eligibility for both grant types, detailed procedures for selecting beneficiaries of the grants, and details on the administrative and legal requirements for beneficiaries. The GOM also outlines the process and timelines for each grant type.

This manual is to be used by the NSC and NEA as well as other persons or entities engaged by NEA in the grant process to ensure the effective operation and achievement of the grant objectives. The Manual is a living document; hence it will be reviewed and amended to adapt to any new requirements, criteria, lessons learned, and experiences of the DGM Nepal project. The GOM will be available on DGM Nepal's website at [www.dgmnepal.org](http://www.dgmnepal.org) and also at RRN ([www.rrn.org.np](http://www.rrn.org.np)). Any changes to the GOM will need to be reflected in the POM (and vice-versa) to ensure consistency and complementarity. This GOM and any changes thereof will only be effective after receiving No-Objection from the World Bank.

## SECTION II: SCHOLARSHIP GRANTS

### 2.1 Purpose and Objective

Sub-Component 1.1 (iii) of the DGM Nepal Project will provide scholarships to individuals from vulnerable and marginalized Indigenous Peoples (IPs) and Local Communities (LCs), including women, for technical and vocational training colleges to enhance their technical skills to enable them to be employed in forest-relevant sectors or run their own businesses/microenterprises. DGM Nepal Project provides support for the following:

- Short courses or training on setting up or improving forest-based businesses/micro-enterprises such as carpentry, wood/bamboo-based furniture making, etc.
- Short courses or training related to, e.g., sustainable forest management, REDD+, agro-forestry, plant nursery management, and sustainable forest management.
- Short courses or training that provides specialized /skilled human resources required to set up/run the micro-enterprises such as juice making/packing and refining, herbal ghee and oil making/packing refining, etc. and

The scholarship grants will be used for attending courses or training opportunities in Nepal. However, scholarships for attending courses or training outside Nepal will also be provided to those seeking to acquire unique skills and not yet available in Nepal.

The scholarship support will aim at enhancing the technical skills of the beneficiary with the objective that he/she will be employed in forest-relevant businesses (including agriculture) or run their own forest-relevant small businesses or enterprises. The scholarship beneficiaries will be expected to contribute to forest-relevant small and medium enterprises in the country.

## 2.2 Eligibility

Scholarship grants for attending courses or training opportunities mainly in Nepal will be provided to Indigenous Peoples and Local Communities (IPs & LCs), particularly youth and women from vulnerable and marginalized IPs & LCs, primarily from Madhesh and Lumbini Provinces, and also open to IPLC individuals from other provinces too. Successful beneficiaries must have a Letter of Recommendation from the Local Government or an associated IPs & LCs group or organization.

## 2.3 Grant Size and Duration

During the lifetime of the DGM Nepal project, a total amount of US\$400,000 has been budgeted for scholarship grants. Scholarship grants will not exceed US\$7000 per beneficiary.

If a course or training costs exceed US\$7000, the beneficiary is responsible for covering the excess costs. Prior to approval of the scholarship by the NSC, the beneficiary would need to provide proof of the ability to cover extra costs to benefit from the scholarship offered by the DGM Nepal project.

## 2.4 Selection Process

The selection process for the scholarship grants is presented in figure 1. Each step is described in sub-chapters (i) – (v).

Figure 1. Scholarship Selection Process



### (i) Call for Scholarship Applications

NEA will submit the request to NSC to set aside a budget envelope for scholarships for the fiscal year<sup>1</sup>. The NSC will approve the budget envelope and advise NEA to issue a call for applications and manage the selection process as per the agreed procedures below. NEA will communicate the call for scholarship applications using multiple media. The call will contain the following information: scope of the scholarship (i.e., topics, thematic focus); eligibility criteria; scholarship size; documentation to be submitted; submission deadline; and the address (e-mail or physical address) where the application needs to be sent to. NEA will list potential course or training providers (not exhaustive) as part of the call for applications.

### (ii) Scholarship Application Submission

The applications would need to be sent to NEA by e-mail or regular mail. The application needs to contain the following documents:

- 1- Scholarship application form (see annex 1 for template);

<sup>1</sup> to be reflected in the Annual Work Program (AWP).



- 2- Letter of Recommendation from the relevant Local Government (Gaupalika/Nagarpalika) or, as applicable, an IPLC organization or group. The basis of selection and recommendation should be the contents of the training program, which will be available at the time of announcement or call for application.
- 3- In case the costs of the course or training exceed US\$7000, provide proof that the potential beneficiary can cover excess costs;
- 4- CV of the potential beneficiary.

### (iii) Shortlisting

NEA will review and assess the submissions against the following criteria:

- Relevance of the proposed course or training consistent with priority areas of support under the DGM Nepal project as approved by the NSC;
- Relevant professional background of the potential beneficiary;
- Availability of Letter of Recommendation from the Local Government or, as applicable, an Indigenous People and Local Communities (IPLCs) organization or group; and
- If applicable, availability of proof that the potential beneficiary can cover excess costs (if the course or training costs more than US\$7000).

Based on the assessment of the applications, NEA will develop a ranked shortlist consistent with the budget envelope agreed upon by the NSC.

### (iv) NSC Approval of Scholarship Shortlist

The shortlist and supporting documentation will be submitted by NEA to the NSC for review and approval. The NSC decision will be recorded in the minutes of the NSC meeting and published on the DGM project website. NEA will inform the individuals with the approved scholarships by e-mail or regular mail within 5 business days of the NSC decision. NEA will also notify applicants not shortlisted by e-mail or regular mail within 10 days of the NSC decision.

### (v) Contract Signing and Fund Transfer

The selected beneficiary/candidate will sign a contract with NEA (see annex 2 for template) which specifies the course or training the beneficiary will attend, eligible expenditures, and mandatory reporting requirements and conditions such as participation in course sessions, test results, and a certificate of completion.

Funds will be transferred to the beneficiary's bank account as agreed in the contract under component 1 of the financing agreement to finance the scholarships. NEA will disburse training fees directly to the service provider based on installment, while other reimbursable expenses will be paid to the scholarship recipients on installment basis for costs related to accommodation, travel, stationery, and other logistic arrangements as specified in the agreement. NEA will ensure that these costs will be reasonable and allowable. Reporting

Each beneficiary of a scholarship grant will submit to NEA a Final Scholarship Use Report (see annex 3 for template) within 10 days of completing the course or training. The certificate of completion of the course or training needs to be annexed to the report.



## 2.5 Supervision

NEA will supervise the scholarship beneficiaries to ensure the funds disbursed are used for the intended purpose. It is anticipated that NEA will contact (by e-mail or phone) the beneficiary at least once during the course/training period to get a brief update from the beneficiary on the status of course content, completion, and the scholarship.

## 2.6 Suspension and Termination of the Scholarship

In case information on the misuse of funds becomes available, NEA will conduct an inquiry and determine whether the beneficiary is in breach of the contract. Suppose there is evidence of a breach of contract, in that case, NEA will either suspend (i.e., corrective measures need to be identified and agreed on by the beneficiary to continue the contract) or terminate the scholarship (i.e. corrective actions were not implemented or the offense warrants the termination right away) with the beneficiary. If a contract, the beneficiary must pay back the scholarship amount in full to NEA. Once the contract is terminated, NEA will inform the representative of the Local Government or the organization/groups who recommended the applicant that the beneficiary did not complete course with reasons for their incompleteness.

If a beneficiary cannot complete the course or training due to personal reasons (i.e., illness), NEA will close the contract and not pursue the recovery of the already spent resources. For example, an authorized document such as medical reports could be used to verify evidence against illness.

# SECTION III: COMPETITIVE GRANTS

## 3.1 Purpose and Objective

Subcomponent 2.1 of the DGM Nepal project operates a competitive grant scheme. The objective of the competitive grants is to finance IPLC-led, Sustainable Forest Management (SFM)-based, income-generating sub-projects, including sub-projects empowering women that reduce deforestation and forest degradation, support sustainable forest management, and enhance forest carbon stocks.

These grants aim to finance sub-projects supported by IPLC beneficiaries that are already involved or interested in forest-relevant climate change adaptation activities, SFM, forest-based Small and Medium Enterprises (SMEs), nature-based solutions, forest ecosystem services, promotion of indigenous traditional skills and livelihoods, and enhancing local partnership. The grants will support the common interests of IPs and LCs and are consistent with the DGM Nepal project objective. This component will target beneficiaries in 50 municipalities across 10 districts in Madhesh and Lumbini provinces (the list of municipalities is in Annex- 19).

## 3.2. Eligibility

Eligible beneficiaries for accessing the competitive grants are legally registered IPLC groups and organizations and individuals from Madhesh and Lumbini Provinces which are associated with a legally registered IPLC group or organization, including those which have no Permanent Account Number (PAN) or Value Added Tax (VAT) Number.

Potential beneficiaries may include (illustrative list) but are not limited to:

- Agro-forestry-based cooperatives or farmers' groups;
- Non-governmental organizations (NGOs);
- Indigenous People's Organizations (IPOs);

- Community Forest User Groups (CFUGs)
- Family Forest Owners and Natural Resource Managing Women's Groups
- Agro-forestry based technology development/research institutes;
- Private sector companies working on value addition of agro-forest products and marketing of agro-forest-based products; and
- Consortia of organizations that can promote collaboration have a more significant impact on the DGM Nepal Project grant<sup>2</sup>.

No grants will be awarded to government institutions or institutions with government membership. However, the project will provide grants to eligible beneficiaries working in partnership with national, provincial, and local governments to (i) take advantage of matching funds opportunities; (ii) create an enabling environment for addressing deforestation and forest degradation, supporting forest management and enhancing forest carbon stocks, and (iii) support the implementation of strategic partnerships in the context of the implementation of the Forests for Prosperity project and the Emissions Reductions (ER) Program in the Terai Arc Landscape.

NSC members, their respective organizations, and NEA, as the implementing agency for the DGM Nepal Project and its sister organizations are not eligible to apply for funding. However they may be eligible by declaring the conflict of interest.

#### ***Conflict of Interest:***

*Current members of the NSC may become beneficiaries of the grants, provided they recuse themselves from the grant award decision-making process for the particular round/quarter, and they must notify the NSC selection committee in advance of the decision-making process. Such members shall also recuse themselves from any other decision that may affect or benefit them or any other organization or entity with whom they are affiliated. In the case that an NSC member represents an association or federation of organizations, and the applications are coming from the grass-root level, member organizations of the federation or association are not restricted from applying for grants. All applications will be reviewed and shortlisted based on the primary application criteria by the IPLC specialist of the NEA; thereafter, a shortlist will be provided to the NSC for decision-making. All grant and scholarship proposals will be anonymous, incorporating only general information about the application (including province, municipality, community or individual, number of people in the community, gender, age, and theme of the proposed grant). The grant selection will also be streamed live to ensure transparency in the selection process. The representatives from the Social Welfare Council and/or any other government-related agency and the World Bank may join the grant selection processes as observers.*

The eligible beneficiary must have sufficient capacity to effectively and timely implement the proposed sub-project.

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<sup>2</sup> The consortia should clearly define its lead organization in the EOI and if successful, the lead organization would be responsible for the grant agreement for the sub-project. RRN will deal with the lead organization, which will coordinate with its partners within the coalition. The fiduciary responsibility and legal accountabilities for the grant lies with the organization signing the grant agreement with RRN.

Group and organization beneficiaries will have to complete a “Due Diligence Questionnaire” (see annex 8 and 9) and provide necessary information including, but not limited to:

- The basis for the legal establishment of the group or organization and registration certificates along with the registration with the Inland Revenue Department (IRD) of the Government of Nepal.
- Annual budget (last completed year, current year) with latest tax clearance certificate.
- Administration, accounting, and internal control procedures.
- Procurement practices for purchasing goods, works, and services.
- Structure of the company or organization, including names of governing body members, officers, and key personnel.
- Business and market feasibility analyses if the grant will be used for business improvement or new development.

Individual beneficiaries must be and show proof of being:

- a member of a legally registered group or organization;
- recommended by the affiliated legally registered group or organization.

### **3.3 Grant Size, Duration and Co-financing**

During the lifetime of the DGM Nepal project, a total amount of US\$ 1.7million is budgeted for competitive grants. An additional US\$ 0.4million has been budgeted for technical assistance to eligible IPs & LCs that responded to Request for Expression of Interest (REoI) and received clearance of their Expressions of Interest (EoIs) to enhance, as needed, their technical and project management capacities through organizing training and capacity development workshops to develop their ideas into full proposals eligible for funding. NEA’s AWP will reflect the budget for competitive grants for the year.

The DGM Nepal Project intends to issue a total of 6 REoI (the last REoI would be issued by no later than the mid-point of Year 4 the of DGM Nepal project implementation) and support about 200 sub-projects throughout the DGM Nepal project implementation period. The average implementation period for a sub-project is expected to be 1-2 years but should not exceed 3 years.

Depending on demand and REoI theme, grants may range between US\$5,000 and a maximum of US\$45,000 per beneficiary. NEA will review the proposed costs for the sub-projects during the screening of the EOI and the detailed budget during the assessment of the full sub-project proposals.

If the budget for a sub-project exceeds US\$45,000, the beneficiary is responsible for securing co-financing resources for the sub-project. In this case, the beneficiary would need to submit, together with the full sub-project proposal, a co-financing letter from the funding source confirming the amount, and approval status. The letter should indicate the type of co-financing – in-cash or in-kind (i.e. labor and materials).

NEA will disburse the installment amounts to the sub-project beneficiaries on submission of the statement of expenses as specified in their agreement with NEA. The installment percentage should be progressive so that the recipients may not face financial difficulty in funding the sub-projects. The sub-project beneficiaries may provide their share of financing also in-cash or in-kind if required. Sub-projects that leverage additional resources are encouraged as this will enhance ownership and sustainability of the results. Depending on the theme of the EoI (e.g., business improvement or development), an EoI may specify the expected co-financing ratio the potential beneficiary would need to meet for the sub-project.

### 3.4 Selection Process

The grant-making process is presented in figure 2 below. Each step is described in corresponding sub-chapters (i) - (viii).

**Figure 2: Grant-Making Process**



The decision flow chart is presented in Annex 5.

#### (i) Request for Expression of Interest (REoI)

During its regular meeting, the NSC will consider and agree on (i) the topic(s) for an upcoming REoI and (ii) related budget envelope<sup>3</sup>. The NSC will request NEA to issue the REoI and manage the grant-making process as described below.

NEA will announce the REoI on its website, through social media and newspapers, inviting interested individuals, groups, and organizations to apply (see annex 6 for REoI template). The call (in Nepali and English) will contain the following information: scope of the grants (i.e., topics, thematic focus); eligibility criteria; individual grant size; documentation to be submitted (i.e. expression of interest, the profile of proponent); access to the template (see annex 7 for EoI template); submission deadline; and address (e-mail or physical address) where the EoI needs to be sent to. EoIs can be submitted either in Nepali or English language.

The REoI will be published on the NEA/DGM Nepal Project website. NEA will also conduct outreach activities to inform potential beneficiaries about the REoI the process and invite them to express interest.

#### (ii) EoI Submission and Screening

The EoI consists of (i) the completed EoI template and (ii) the profile of the proponent. NEA will collect all EoIs and keep a simple electronic logbook on proponents, submission date, and screening results.

NEA will review the EoIs against the criteria listed below and any additional criteria identified in the REoI.

NEA will screen all EoIs using a standard set of criteria to ensure consistency. For each EoI, NEA will complete and save a checklist recording the screening results (see annex 8 for the EoI screening checklist). The EoI screening will be done according to the following criteria;

- Completeness of EoI submission (yes/no);
- Eligibility of proponent (yes/no);
- Submission by the deadline (yes/no);
- Relevance of the EoI related to the REoI (relevant/not relevant);
- Check of EoI whether the proposed idea is on Environment and Social Management Framework (ESMF) Negative List/exclusion List (yes/no)

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<sup>3</sup> Consistent with approved AWP.

- Profile of the potential beneficiary
- Environmental and Social Risks as per the ESMF

The EoI template also contains a section where applicants can indicate the need for training or capacity development for developing a full project proposal. For proponents with EoIs that passed the screening requirements, NEA will review the identified capacity development and training needs and offer workshops to address the identified needs (see sub-section (iv) for more detail).

The World Bank will review the cleared EoIs and issue a no-objection.

### (iii) Invitation to Submit a Full Proposal

After the EoI screening has been completed, NEA will contact the potential beneficiaries who have passed the EoI screening and invite them to submit a full proposal (see annex 10). For EoIs that did not meet the screening criteria, NEA will inform the applicant by e-mail or regular mail no later than 5 days after the EoI screening process has been concluded.

### (iv) Support for Proposal Writing (as needed)

Once NEA has identified the capacity development and training needs for project development at the EoI screening stage (sub-section (ii)), NEA will assist in targeted training and capacity building of the shortlisted applicants.

NEA will organize an orientation meeting on the following aspects:

- Introduction to the DGM Nepal project
- Proposal development, including results-framework
- Business plan (if applicable)
- Environmental and social risk management requirements
- Project and financial reporting

As needed, additional training and capacity-building events will be offered. NEA will determine whether the proponent needs follow-up action, including technical assistance, to write a full proposal.

A proponent is eligible to receive technical assistance if he/she meets the following criteria:

- Cleared EoI;
- For additional training beyond the orientation meeting, RRN has confirmed limited capacity to develop a full proposal, including a results framework and financial plan.

Proponents will be informed of the location of NEA's field offices which can provide additional information and guidance on project proposal development.

### (v) Full Proposal Submission

The full project proposal (in English or Nepali) would need to be sent to NEA by e-mail or regular mail. The full project proposal needs to contain the following documents:

- 1- Cover letter
- 2- Project Proposal (see annex 10);
- 3- For business improvement or development proposals, a financial questionnaire needs to be submitted;

- 4- Co-financing letters (as applicable); and
- 5- Beneficiary profile (CV for individuals; profile for groups, organizations, and businesses)

Invited proponents must apply the deadline indicated in the proposal invitation letter from NEA.

Full project proposals received after the deadline will not be considered for that particular round, however, the proposal may be considered for selection in the next round if the proposal is consistent with the REoI topic or theme.

NEA will keep a log of all full project proposal received, including the proponent and submission date. NEA will send a short correspondence to the proponent acknowledging the receipt of the full project proposal.

#### (vi) Shortlisting and Field Visits

NEA will review and assess the submissions according to the following criteria:

- Cleared EOI;
- Completeness of documentation;
- Fit of the proposed project with the REoI;
- Relevant professional background of the potential beneficiary;
- Project proposal:
  - Innovation of the proposal;
  - Quality of presentation;
  - Technical design and feasibility;
  - Financing plan;
  - Sustainability;
  - Environmental and social risk management;
  - Additional information as required and indicated in the invitation letter; and
- Legitimacy of identified co-financing

NEA will use a review sheet (see annex 11 for template) and document all comments from the reviewer for the entire project proposal. As needed, the reviewer may reach out to a proponent to request further information and clarification on the proposal; and ask for a re-submission.

Based on the assessment of the full project proposals, NEA will develop a ranked shortlist consistent with the budget envelope agreed by the NSC. The shortlist should also present a reserve list that would list the three top-ranking proposals that are not short-listed.

For all short-listed proposals (incl. the proposals on the reserve list) within the established envelope, NEA will conduct field visits, as needed, to validate the proposal and work with the proponent to refine the proposal. NEA will also transfer knowledge to and train the proponents during field visits, workshops, or other on-demand capacity-building activities.

#### (vii) NSC Discussion and Approval of Shortlist

Once the shortlist has been finalized, NEA will inform and organize a meeting with NSC to review the shortlist and make a decision. The project will prioritize women applicants so as to ensure that at least 50% of grant recipients (or beneficiaries) are women with inclusion of excluded and marginalized IPLC

community and preferences for people with disabilities. The scholarship may for both short term and long-term courses as the beneficiaries identified in all Nepal. Five business before to the NSC meeting, the NSC members and observers will receive from NEA a summary report on the REoIs with statistical information and the shortlist of proposals within the agreed envelope. The NSC members and observers may request access to the entire proposal.

The NSC members will decide on the shortlist (not individual projects) during the meeting. Before discussing the shortlist, NSC members with a potential conflict of interest (Col) (i.e., proponent is a member of the entity the member represents), need to declare the Col in front of the meeting. Since the NSC will approve the short-list but not the individual full project proposals, all members will be part of the decision. However, if a NSC member has a reservation with a proposal on the short-list, wishes to discuss the proposal in more detail, and ultimately removes the proposal from the short-list. If an NSC member has a Col regarding the proposal in question, the member will not be part of the decision on the proposal in question. If a proposal is removed from the shortlist, the top-ranking proposal on the reserve list will be added to the shortlist.

The decision will be recorded in the NSC meeting minutes and posted on the DGM Nepal project website. NEA will inform the proponents of the approved proposals (now: beneficiaries) by e-mail or regular mail within 5 business days of the NSC decision. NEA will also inform proponents who were not shortlisted by e-mail or regular mail within 10 days of the NSC decision and the reason why the proposal was not short-listed.

#### (viii) Grant Agreement Signing and Fund Transfer

The approved beneficiaries will sign grant agreements<sup>4</sup> with NEA (see annex 12 for template), which specify the legal conditions for the project, including requirements for reporting.

Consistent with the NSC decision, NEA will inform the applicants of approved proposals and process a grant agreement for the sub-project. Negotiations may be possible as they relate to the fund release schedule. The grant agreement will include specific financial management requirements as follows:

- Grantee agrees to provide financial reports to RRN consisting of a comparison of actual expenditures to the approved budget and explain variances, if applicable. Financial reports are to be accompanied by acceptable evidence of expenditures.
- Grantee allows NEA's internal and external auditors access the financial records to determine whether funds were used for the intended purposes.
- Grantee agrees to provide reports on progress with the implementation of activities and achieving the intended results (against the agreed results framework) to accompany the financial report.

The draft of the agreement will be sent to the grantee for review. Once the grantee agrees with the Terms and Conditions, the grantee will sign at least 2 copies of the agreement. The two original copies will be signed by the beneficiary first and countersigned by the DGM Nepal Project Team Leader once it is returned. One copy of the signed agreement will be sent to the beneficiary for filing, and one will be retained by NEA for its records.

Once the grant agreement is signed by both parties, the fund transfer will be initiated consistent with the grant agreement. The fund transfer will be done on an installment basis, as mentioned in the grant

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<sup>4</sup> RRN will use a grant agreement template based on the existing good practices with some adjustments to reflect WB requirements.



agreement. The maximum amount for the first installment (usually upon signing the agreement) will be 30% of the total budget based on the agreed work plan and budget. The minimum amount for the last installment will be 10% of the total budget, and it will be made available upon submission and approval of the Final Financial Report and Final Narrative Report

### **3.5 Accounting**

Each beneficiary must keep accounting records. The bookkeeping must enable a third-party expert to gain an overview of the beneficiary's business transactions and financial situation within a reasonable time. Organizations must use an accounting system that meets national standards. In addition, the organization must submit the audit report and tax clearance certificate during the grant application submission must be identifiable and verifiable; grant recipients should be prepared to present documentation in the case of a financial audit. Expenditures must be detailed in accounting records, backed by supporting evidence (e.g., invoices, receipts, contracts, time sheets, etc.), and in accordance with the generally accepted accounting standards and its usual accounting practices. Expenditures must be reasonable, justified and in line with the principle of sound financial management.

Individuals must keep records of the use of funds backed by evidence (e.g., bank statements, invoices, receipts).

### **3.6 Environmental and Social Risk Management**

NEA (RRN), in consultation and with the strategic support of the NSC and in collaboration with sub-project proponents, will have the responsibility to monitor, identify and report on compliance with Environmental and Social management framework (ESMF) provisions and implementation of Stakeholder Engagement Plan (SEP), Labor Management Procedure (LMP) and sub-project specific Environmental and Social Management Plans (ESMPs). To ensure the sustainable implementation of subprojects, all potential subprojects implemented by DGM Nepal Project will undergo an environmental and social screening process to determine the nature, scope and magnitude of risks and impacts that may arise, in line with the process outlined in the ESMF. During the proposal selection stage, screening of the proposal against the Negative List/Exclusion List of ESMF (Annex 9) will be conducted by NEA (RRN) in collaboration with sub-project proponents, and any proposed activities falling within the Negative List will not be considered for grant.

The potential sub-grantee, after screening, if required, will develop an Environmental and Social Management Plan (ESMP) in coordination and consultation with NEA (RRN). Screening of Sub-Project Activities will be done by the sub-grantee and ESMP will be prepared as outlined in the ESMF. Subproject grantees will be responsible for ensuring that project activities are carried out in line with their developed ESMPs, with oversight provided by the NEA and NSC. The ESMPs will be living documents for subproject grantees and the ESMP will be regularly reviewed and revised/updated as necessary. The potential sub-grantee will also be responsible for reporting on status and progress of implementing ESMPs to the NEA.

The NEA will ensure equal access of IPs & LCs to the DGM Nepal project. Outreach and communication strategies will help to ensure wide coverage, reach and equal access of IPs & LCs. Stakeholder engagement will need to be participatory, inclusive and transparent, and carried out throughout the project lifecycle.

In addition, the environmental and social teams of the World Bank will also supervise the implementation of ESMF and sub-project specific ESMPs by NEA and beneficiaries.

### 3.7 Monitoring, Reporting and Supervision

Sub-project implementation will be monitored by the beneficiary in line with the agreed results framework. Beneficiaries will develop technical and financial reports which will be submitted to NEA for review. NEA will supervise the beneficiaries and verify information in the reports during field visits.

Technical and financial performance of the sub-project will be monitored based on a cumulative analysis of the following six sources of information.

- (i) Semi-annual and project completion reports submitted by respective beneficiaries;
- (ii) Project stakeholders' monitoring, recommendations, suggestions and decisions;
- (iii) Reports of sub-project monitoring and supervision visit by the NEA/NSC;
- (iv) Complaint redressal logbook maintained at NEA;
- (v) Management Information System established by the project to monitor the project indicators, activities, sub-projects, and other interventions of DGM Nepal Project;
- (vi) Financial monitoring of sub-projects; and
- (vii) Compliance of ESMF, SEP, LMP and ESMPs

#### (i) Progress and Financial Monitoring and Reporting

Each beneficiary receiving a grant is mandated to submit a progress report semi-annually, and a project completion report (see annex 11 for sub-project review and progress report template and annex 13 for Project Completion Report templates). A financial report will accompany the progress report. These reports will be analyzed against the results framework and milestones completed. The beneficiary must submit a financial and narrative progress report to NEA, in the format provided as part of the grant agreement for the sub-project. The reporting requirements will be based on the schedules of reporting mentioned in the grant agreement. The reporting should be done before each payment following the first installment for the sub-grants. NEA will review the report and ensure the financial and procurement compliance; reporting of the project result with appropriate evidence and with the satisfactory submission of all other reporting requirements prior to disbursement of the grant amount.

Prior to disbursement of the grant amount, NEA will review the report to ensure the financial and procurement compliance of the DGM Nepal project with appropriate evidence, as well as all reporting requirements for satisfactory submission. NEA will present a cumulative monitoring/progress report of all sub-grants annually to the NSC.

#### *Progress Report*

The progress report will be brief, and it will sum up the key points of the sub-project and implementation. The report would include the following basic information:

- Reporting Date
- Budget and disbursement
- Progress Summary
- Results (including indicators and targets)
- Key issues
- Good practices and lessons learned

- Identified Risk or Obstacles
- Report on implementation and compliance with the ESMF, SEP, LMP, and sub-project-specific ESMPs (Annex 14)

The Monitoring and Evaluation personnel shall review and record the sub-project results and other information in the Project Database.

The M&E system for the sub-projects will be guided by the Result Framework of the DGM Nepal Project. The framework contains specifics on the indicators to be monitored, baseline and target values, frequency of monitoring, sources of data, and instruments for data collection.

NEA will also fund to conduct field-level research activities in consultation with NSC in order to identify various issues related to small business promotions, market and value chain studies, baseline studies in the sub-project locations, beneficiary satisfaction surveys, and other studies as per the needs. The collected information and data will be analyzed and used for overall project monitoring.

#### *Financial Monitoring and Reporting*

The overall financial transactions will be monitored, recorded, analyzed, and reported in line with the NEA's Financial Policy. With a view to enhancing the transparency of the approved project budgets and expenditures, sub-project grants will be shared with relevant parties. Payment will also be based on the achievements of the agreed outputs or results articulated in the agreement documents. The NEA procurement team will collect market price information from various vendors and local service provide yearly for goods and services which are to be supported or used by the project. This will ensure to cross-checking and verification of the procurement market prices for the project and the sub-projects.

The advance payment paid by NEA from the designated account will only be documented with World Bank after the expenses are incurred by the grantee. NEA will review reports and conduct monitoring to ensure that the grantee has reported only eligible costs incurred under the grant. NEA will verify the accuracy and completeness of financial information, bills, records, supporting documents, and test of expenditure details before processing the payment.

Information collected from all the above-mentioned sources will be documented by NEA in the prescribed format (Annex 6-Form 3). Information received from each source will be tabulated in the form. NEA will examine the authenticity and reliability of collected information, verify the status of the sub-project and DGM Nepal Project interventions, and identify the actual stats of the project. Assessment will be carried out on a quarterly basis. Based on the findings, recommendations will be drawn for further implementation of the activities.

The financial report provided by the beneficiary will be reviewed by NEA, which will verify the information against the supporting documents. NEA will verify the procurement of goods and services as per quoted specifications (if applicable) and will visit the project sites to verify the information contained in the financial report. Funds will be released on the basis of the agreed work plans and budgets mentioned in the sub-project agreement.

During sub-project implementation, NEA will regularly monitor the financial transaction of the beneficiary. Upon signing the grant agreement with the beneficiary, NEA will provide capacity-building training

regarding the reporting requirements, financial compliance of the project, and environmental and social safeguards.

PMU will conduct an internal financial audit along with each sub-project's supervision mission. In the case of mismanagement or misuse of funds or fraud the project finance section will immediately investigate the issues and report the findings to the DGM Nepal Project team leader for further actions. The grantee will be required to use the following financial reporting forms during the sub-project implementation period:

- FORM 1: Advance Application Form (Annex 15.1)
- FORM 2: Monthly Financial Reporting Form (Annex 15.2)
- FORM 3: Sub-Project Completion Financial Reporting Form (Annex 16)

In order to minimize the risk of mismanagement of funds and to ensure accurate reporting from the grantees, PMU will take the following measure:

- Assess the financial capacity and financial management practices of the grantees prior to the selection process in order to understand the likely financial risk;
- Provide financial and progress reporting, DGM Nepal Project compliance training to all the grantees after signing the agreement of sub-grants;
- Cross-check the financial records and other documents during the visit with a view to oversee the financial management practices being followed; and
- Provide disbursement of installments only after the grantees meet the reporting requirements and successful submission of all the supporting documents, with the achievements of the deliverables mentioned in the sub-project agreement.

## (ii) Supervision

The DGM Nepal Project will regularly organize supervision missions to track the status of project implementation and progress in ongoing sub-projects. A template will be used for the project's supervision reporting (see annex # for template) to ensure consistent data and information collection from the field. NEA may invite other stakeholders to join supervision missions, e.g. representatives from the NSC, WB, Local Governments, and other stakeholders, as appropriate.

NEA will review field supervision reports submitted by the project staff and the field offices, and analyze them as a mandatory activity. Each sub-project will be supervised and monitored by the project staffs at least once every year and at least three times during the sub-project lifetime.

## 3.8 Evaluation

With a view to assess whether a sub-project has achieved its objectives and results, the project will conduct one mid-term and one final evaluation in line with the standard evaluation criteria. NEA will develop detailed terms of references and hire an external consultant for both the mid-term and final evaluation.

The process and performance evaluation will be undertaken internally by NEA with the support from experts, as necessary. Process and performance evaluation will review the reports, MIS data and assess the status of the project, provide ways to improve the project implementation process adopted, and assess the performance of implementers and suggests if new strategies should be adopted.

### **3.9 Grievance Redress Mechanism**

NEA will establish a grievance redress mechanism (GRM) to address public grievances and dissatisfaction with the project activities. Complaints outside the control and / or capacity of CSO/CBO, IPs & LCs will be handled as per the GRM mentioned in the Project Operation Manual (POM) at the national level under the responsibility of NEA. All complaints can be submitted through the SMS/internet mechanism, offline and through phone calls designed for the DGM Nepal Project. NEA will provide ns to file complaints at the ward office and project office at a provincial level in a prescribed format (Annex XI-Form 1). For complaints pertaining to government policies, NEA may request assistance from the NSC or any other relevant government agency to assist in handling the complaints.

NEA will prepare a table of all the complaints in a GRM complaint log (Annex 18). The complaint handling process will be started no later than 30 days after the complaint has been received, and a decision will be taken no later than 60 days after the complaint has been received assuming that its resolution is entirely within the control of NEA and/or NSC.

### **3.10 Management Information System**

The DGM Nepal Project will establish MIS to store and share the data of for each sub-project, including beneficiary information, budget, project implementation period, key activities of the project, sub-project targets, and status of the achievements of the targets.

### **3.11 Modification, Suspension and Termination**

#### **(i) Modification of Grant Agreement**

The grant agreement for a sub-project can be amended at a “no additional cost” basis for adjustments, such as extending the closing date of the project or improvements in the sub-project, based on a discussion between NEA and the beneficiary. The amendment process will be based on the needs identified by the beneficiary upon which NEA will initiate the review process. The beneficiary would need to submit a request letter (see annex # for template) and supporting documents. Once the proposed change has been approved, NEA will issue an amendment to the grant agreement and send it to the beneficiary for signature. All changes will be documented in the sub-project database.

Time extensions will be granted based on the ability of the beneficiary to provide a reasonable explanation why delays have occurred or other reasons why the project closing date needs to be extended. The explanation should also clarify whether the delays are beyond the control of the beneficiary. The request letter should discuss how a non-extension would impact the sub-project completion. The provisions for time extension will be specified in the terms and conditions of the grant agreement.

The time extension requests should discuss:

- Request extending the sub-project closing date and justification;
- List of activities affected by the aforementioned issue;
- Number of additional days or months requested with a revised schedule or work plan;
- Evidence of progress (report, photographs, or pictures) made by the sub-project till the extension request date; and
- Future actions proposed by the beneficiary to ensure the completion of the sub-project within the new timeframe.

## (ii) Suspension and Termination of the Grant Agreement

In case information on misuse of funds or low performance becomes available, NEA will conduct an inquiry and determine whether the beneficiary is in breach of the grant agreement.

NEA may suspend the implementation of a sub-project and inform the beneficiary to halt the implementation process. Reasons for suspension may include:

- the sub-project is not implemented as planned or fails to meet its responsibilities outlined in the agreement and its work plan/ results framework;
- if there is a sudden threat to environment that was not foreseen;
- disputes, issues, or conflicts related to sub- project delivery;
- if the activities fall under the negative list or non-eligibility criteria as mentioned in the PAD;
- if there is misuse or misappropriation of the grant support; and
- if the sub-project has not followed the ESMF Safeguard.

Grantees will be notified to correct the issues within the allocated period. If the corrections are done within the given time, NEA will withdraw the suspension. If the issues are not corrected, the sub-project will be closed and the grant agreement will be terminated.

NEA may terminate a grant agreement for the following reasons:

- When each party fails to perform its duties successfully as per the grant agreement, then the grant agreement is terminated as a matter of law.
- When the grantee becomes unable to continue and complete the sub-project, or when unforeseeable events occur leading to inability to continuing the sub-project activities.
- When one party breaches the terms of the grant agreement or fails to perform activities as agreed in the grant agreement.
- When one party intentionally misleads the other party, and it is referred to as "fraud in the inducement."

NEA reserves the right to stop work prior to taking more drastic remedy of termination if the sub-project is not proceeding in accordance with the grant agreement. Prior to termination, NEA will give a 7-day written notice to the beneficiary in question and issue a termination letter (see annex 17 for template) if needed.

If a grant agreement must be terminated, the beneficiary is obliged to pay back to NEA the sub-project amount in full. Once the grant agreement is terminated, NEA will inform the representative of the organization/groups who recommended the beneficiary that he/she did not successfully implement the sub-project with reasons for incompleteness.

In case a beneficiary is unable to finalize project implementation due to personal reasons (i.e. illness), NEA will terminate the grant agreement and not pursue the recovery of the already spent resources.

## 3.12 Sub-Project Completion and Close-out

Once the beneficiary has completed all activities and disbursed the allocated sub-project resources in line with the grant agreement, the sub-project will enter the final phase of grant close-out. Once NEA receives the sub-project completion report and financial report; a review of the sub-project progress against the targets, beneficiary data, and other necessary management requirements will be conducted. Upon

satisfactory outcomes from the review, NEA will issue a grant completion letter (see annex 16 for template).



## Annex 1: Scholarship Application Form

### A. Personal Information

Applicant Full Name:	Address: City: District: Province:
Birthdate:	Gender:
Ethnicity:	Citizenship number:
E-mail address:	Mobile Number:
Emergency Contact Person:	Contact Number:

### B. Training and Education Information

Highest Degree:	Name of College/University:
Major Study:	Intended Training Course:
Duration of the Course	Name of Institution (School/Institute):
Total Course Fees:	<i>Intended Amount for Scholarship:</i>
Contact Details of Training Providers	
E-mail address:	Mobile Number:
<i>Provision of Additional Funds (if any):</i>	
<i>Reason for Attending the Course:</i>	
<i>Community Activities and Honors (if any):</i>	

### C. Extras

Have you ever received a grant and scholarship for the similar course?

(a) YES (b) NO

Do you have any physical disability?

(a) YES (b) NO

Are you belong to any particular indigenous groups?

(a) YES (b) NO

Do you intend to start any business or social enterprise after finishing the course?

(a) YES

(b) NO

Do you have recommendation from local government or IPLCs network?

(a) YES

(b) NO

**Application Statement**

To the best of my knowledge, the information provided in my application is accurate and full, and I am aware that making false representations on this form will disqualify me from consideration for the scholarship. I.....offer the DGM Nepal Scholarship Program my consent to distribute to any college or school any information required to process my application to the Program.

**Applicant's Signature:**

**Summary TO COMPLETE THIS APPLICATION YOU MUST:**

1. Send a one-page (500 word) typed statement outlining your motivation for applying for the scholarship, your qualifications, and your educational and professional aspirations along with this completed application.
2. Provide two recommendation letters. At least one should be from local IPLCs network.

## Annex 2: Scholarship Contract

### SCHOLARSHIP AGREEMENT BETWEEN DGM NEPAL PROJECT AND GRANTEES

This Agreement is made on the dated ..... between DGM Nepal Project on one part, and the .....(Grantees) on the other part.

#### WHEREAS

##### Introduction of DGM Nepal Project

The DGM Nepal is a five-year project under a grant of \$4.5 million which will operate in 50 municipalities of Madhesh and Lumbini Provinces. It focuses on improving the capacity of Nepal's IPLCs to participate in national, regional, and global initiatives to reduce greenhouse gas emissions from deforestation and forest degradation (REDD+) and promote sustainable forest management and forest carbon stocks. It will also help to create livelihood opportunities and increase the income of forest-dependent communities in Madhesh and Lumbini provinces. The Project will be implemented by Rural Reconstruction Nepal (RRN) as the national executing agency (NEA).

##### Background of grantee

Name:	Address:
Highest degree:	Name of intended course:
Training Provider:	Duration:
Total Cost:	Business/Enterprise (if any):

##### Purpose of agreement

The DGM Nepal Project's Sub-Component 1.1 (iii) will award scholarships to people from marginalized and at-risk IPs and LCs, including women, so they can attend technical and vocational schools to advance their technical skills and find employment in the forest-related industries or start their own businesses or microenterprises.

Name/types of training program.....

Duration /name of training institution and location.....

##### Terms of Condition

1. Scholarship grants for attending courses or training opportunities mainly in Nepal will be provided to Indigenous Peoples and Local Communities (IPs & LCs), particularly youth and women from vulnerable and marginalized IPs & LCs, primarily from Madhesh and Lumbini Provinces and also open to IPLC individuals from other provinces.

2. Scholarship grants will not exceed US\$7000 per beneficiary. If the cost for a course or training exceeds US\$7000, the beneficiary is responsible to cover the excess costs. Also, grantee needs to provide proof of the ability to cover the excess cost to benefit from the scholarship offered by the DGM Nepal project.
3. Grantee need to provide details of the institutions, organizations or training Centre with full disclosure of the cost of the tuition, training, or any applicable course fees along with their payment details (i.e. bank account, organization name address, etc.) and which will be transferred electronically. In no circumstance will cash be involved for disbursing the scholarship grant.
4. Grantee need to provide an official Letter of Recommendation from the Local Government or an associated IPs & LCS group or organization to be eligible for the scholarship grant.
5. The tuition, training, or any applicable course fees will be directly disbursed to the service provider based on installment or one off according to the fee format disclosure.
6. The logistic expenses related to accommodation, travel, stationery, and other will be reimbursed to the grantee as per actual to the grantee's personal bank account.
7. The grantee needs to ensure the completion of the course or training as per the schedule in the application and, or institution's timely schedule.
8. Grantee will submit to NEA a final Scholarship Report within 10 days of completing the course or training. The certificate of completion of the course or training needs to be annexed to the report.
9. In order to conduct supervision, verifications, or program evaluations that the NEA may deem necessary, grantee will promptly provide any other additional information, reports, and documents as requested. Grantee will also send and permit NEA and its representatives to have reasonable access to files, records, accounts, or personnel that are associated with this grant during regular business hours.
10. In case of inability to complete the course due to illness, grantee shall submit independent medical documentation of a physical or mental health *disability*, or personal circumstances, including a terminal *illness*.
11. NEA will conduct an inquiry and determine whether the beneficiary is in breach of the contract. If there is evidence of breach of contract, NEA in consultation with the NSC will either suspend (i.e., corrective measures need to be identified and agreed on by the grantee to continue the contract) or terminate the scholarship (i.e. corrective measures were not implemented or the offense warrants the termination right away) with the grantee.
12. If the NEA determines, that such action is required, it retains the right to cancel this agreement, discontinue, amend, or withhold any payments to be made under this grant award, or to require a whole or partial repayment of any grant funds: The NEA may withhold funds for any of the following reasons: (i) because the grantee has not fully complied with the terms and conditions of this grant; (ii) to protect the grant's goals and objectives; (iii) to uphold any laws or regulations that apply to the grantee, The DGM Project, or this grant.
13. If a contract must be terminated, the beneficiary is obliged to pay back to NEA the scholarship amount in full. Once the contract is terminated, NEA will inform the representative of the Local Government or the organization/groups who recommended the applicant that the grantee did not complete course with reasons for their incompleteness.
14. In the case of grantee's inability to reimburse the scholarship amount due to termination, NEA will have accounted either Local Government (Gaupalika/Nagarपालिका) or, and as applicable, an

IPLC organization or group that recommended the individual applicants to assist NEA in obtaining resources.

15. Even after this Agreement is terminated, the obligation to provide NEA with information about the use of funds and the execution of programs shall remain in effect. Reporting specifications could alter as needed to maintain. Any modifications will be as soon as possible communicated to the grantee.

16. The grantee agrees to the terms and conditions stated above.

**17. Effective Date & Signatures:**

- This Agreement shall be effective from the date of signature by the DGM Nepal Project and grantee.
- The maximum budgets indicated in Annex-1, which forms an integrated part of this Agreement.
- In consideration of the payments to be made by the DGM project to the grantee as hereinafter mentioned, the grantee agrees with DGM Nepal Project to perform the services in conformity with the provisions of this Agreement.
- The DGM Nepal Project hereby agrees to pay the grantee in consideration of the performance of the status of the grantee.
- In witness hereof, the undersigned representatives have signed this Agreement on behalf of DGM Nepal Project and the Agreement on the date indicated.

I thus attest that I am authorized to enter into this agreement and that I have read, understood, and accepted the terms and conditions listed above for The DGM Nepal Project grant.

Signed by DGM Nepal Project

Signed by Grantee

.....

.....

Name:

Name:

Team Leader

**Witnessed by**

Signed by DGM Project

Signed by grantee

.....

.....

Name:

Position

Date:

Date:

### Annex 3: Scholarship Progress Reporting Form

- At the time of contract signing, a generic reporting template will be provided.
- The grantee will be required to submit a progress report as well as a certificate and financial information (bills and receipts)

### Annex 4: Due Diligence Assessment

Applications and proposals that pass the screening requirements may be the focus of a due diligence assessment. The DGM Nepal Project staff will visit the relevant institutions as part of this procedure, and they will examine the following papers:

Description	Yes	No	Remarks
<b>Verification of personal information:</b> <ul style="list-style-type: none"><li>• A copy of the legal documents, citizen, PAN, driving license, voter list card (with parents)</li><li>• Contact details (home address)</li></ul>			
<b>Verification of academic information:</b> <ul style="list-style-type: none"><li>• School documents, character certificate, transcript sheet, application letter</li><li>• The name, address, and contact details of any educational agencies.</li></ul>			
<b>Verification of Referees:</b> <ul style="list-style-type: none"><li>• A copy of Palika's or ward's reference letter</li><li>• A copy of the reference letter from one of the IPLC associations/groups/cooperatives, etc.</li></ul>			
<b>Verification of Personal Character:</b> <ul style="list-style-type: none"><li>• Self-declaration that the applicant has never been convicted of any financial malpractice.</li><li>• Declaration of any legal claims/ pending legal actions, or issues currently faced by the that may have an adverse impact on future operations.</li></ul>			
<b>Verification of Financial Status:</b> <ul style="list-style-type: none"><li>• Palika's declaration of poverty and income level</li></ul>			

Review by

Name and signature

1

2

3

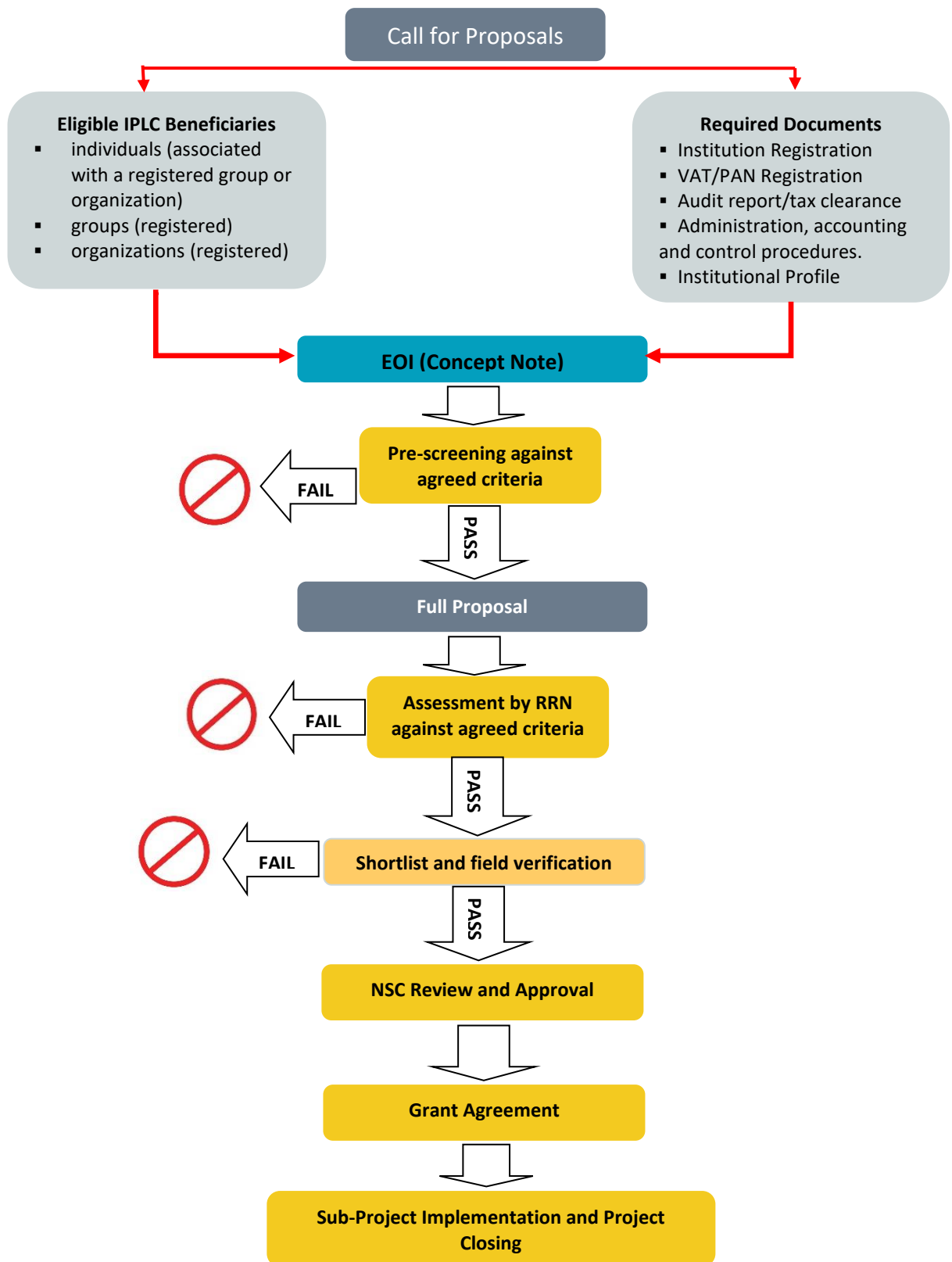
Approved by

Name and signature

Team Leader



## Annex 5: Competitive Grants Decision Flow



## Annex 6: Request for Expression of Interest (REoI Template)

### **Dedicated Grant Mechanism for Indigenous Peoples and Local Communities in Nepal (DGM Nepal) Project**

#### **Call for Proposals**

Rural Reconstruction Nepal has received a grant from the World Bank under the Component 2 of the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities in Nepal (DGM Nepal): Competitive Grants, Sub-component 2.1: Demand-Driven IPs and LCs Sub-projects in Madhesh and Lumbini Provinces.

The DGM Nepal project will provide small grant support to the forest-dependent IPs and LCs for green jobs and income generation activities. The small grants will be provided to promote the forest dependent IPs and LCs for the development and promotion of SMEs on agro-forest-based schemes. The small grants will complement the activities supported under the Forests for Prosperity project and that will: (a) improve people's livelihoods; (b) strengthen the participation of IPs and LCs in Sustainable Forest Management (SFM); (c) generate multiple additional benefits, such as climate change mitigation and adaptation, biodiversity conservation and other nature-based solutions or ecosystem services; (e) be socio-economically feasible; (f) reach multiple beneficiaries; (g) have evidenced broad community support; (h) promotion of indigenous traditional skills and livelihoods; and (i) be innovative. The Project intends to apply part of the proceeds of the grant to the eligible applicants to carry out demand driven income generating activities resulting from SMF in the 50 municipalities out of 10 districts of Madhesh and Lumbini Provinces. Therefore, the Project now invites application from (specify eligible applicants) for (*mention different grant categories*). The applicants should note that:

- The application form and other related formats are available at NEA office or can be downloaded from the project website ([www.dgmnepal.org](http://www.dgmnepal.org)) or RRN's website ([www.rrn.org.np](http://www.rrn.org.np)).
- The application should be addressed to the Team Leader, DGM Nepal Project.
- The application should reach the NEA on or before (*mention date and time*).
- If the last date of submission of the application falls on public holiday, it will be carried over to the next working day. Applications received after the deadline will not be considered for this round.
- The standard forms provided by the Project must be used for submitting applications.
- All the applications will be subjected to due diligence, documentary, technical, managerial, social & environmental, and financial checking.

- The decision on the approved application will be posted on NEA notice board and the Project's website where the list of approved as well as rejected applications will be displayed.
- The Project reserves the right to approve or reject the application without assigning any reason what-so-ever.
- For further information the applicant may contact the NEA, Kathmandu (Phone No. +977-1-4004976/4004988) or visit the website given above.

## Annex 7: Application Form (EoI Template)

Date

The Team Leader  
Project Management Unit (PMU)  
DGM Nepal Project  
Rural Reconstruction Nepal (RRN)  
National Executing Agency (NEA)  
Gairidhara, Kathmandu, Nepal

### **Subject: Grant Application for [*Business Name*]**

Dear \_\_\_\_\_ Sir/Madam,

With reference to the call for proposal published on \_\_\_\_\_, I would like to request for assistance from the DGM Nepal Project's Grant Facility to support [*Applicant's Organization*] in order to enable us to effectively implement the business activities described in the attached business plan and annexes. We have estimated a total value of Rs\_\_\_\_\_, and [*Applicant's Organization*] agrees to contribute goods and services valued at Rs\_\_\_\_\_ to the business, while we request DGM Nepal Project to provide us the fund of NRs..... The project duration will be of \_\_\_\_\_ months from the date of final approval. I have neither received grant from any other source for this business nor have any such business being run through grant.

Thank you for considering this application.

Sincerely,

\_\_\_\_\_

[Name]

[Title & Organization]

Address

Attachment

- Grant applicant's profile
- Business Plan
- .....

### Annex 7.1: Applicant's Profile

Name of the business			
Type of business structure		Cooperative entrepreneur Farmers group NGO, CBO	
Date of Registration			
Business Address		Province	
		District	
		Municipality	
		Ward No.	
		Business contact	
Name(s) of responsible person(s) and contact details		Name:	
		Phone	
		Email	
Taxation Registration Number (VAT/PAN):		Yes / No:	
Bank account details:		Name of Bank:	
		Address:	
		Account holders name:	
		Account number:	
Applicant's experience and capacity (human resource, equipment, facilities, network, etc.)			
Any other information the applicant wishes to furnish (not exceeding one page)			
Number of IPs and ICs involved in the business			
Name of members	Male/Female	DAG/IPs/ICs	Total land area under production

## Annex 7.2: Self-declaration

Please mark -

Our organization has no Staff or any of its line agencies, including enterprises with shares or equity involvement of individuals (or their relatives) in the public sector and its contracted service providers, and their family members.	
Our organization is not registered as a political organization, foreign-owned and government institutions, or religious groups nor affiliated with any of those.	
Our organization, its members, or our business activity have not been administered by a court under the laws and regulations of Nepal or any other country.;	
Our organization and its members have no cases of being bankrupt or being wound up, or having their affairs administered by the courts, or has entered into an arrangement with creditors, nor has suspended business activities or is subject to court proceedings in relation to those business activities.	
Our organization and its members have not been convicted of any offence concerning professional conduct, fraud, corruption, involvement in a criminal organization or any other illegal activity by a judgment that has the force of res judicata (against which there is no right of appeal);	
We are not guilty of grave professional misconduct proven by any means that the Project can justify;	
We have fulfilled obligations relating to the payment of taxes or social security contributions provided for in the laws and regulations of Nepal.	
We declare not to be in breach of contract for failure to comply with contractual obligations in connection with any procurement or grant procedure similar to that offered by the Project.	
We will not try to influence the Project staff in the process of evaluation of grant application.	
We have not received grants from any other organizations for the proposed business.	

We declare that, if we found guilty of misrepresentation in supplying the above information in the DGM Nepal Project grant application, we are ready to accept penalty as per the laws and regulations.

Signature  
Organization Stamp

## Annex 8: EoI Screening Checklist

1	Has the applicant submitted the application within the deadline and time?	Yes	No
2	Is the applicant eligible to apply for the call for proposal	Yes	No
3	Has the applicant submitted all the legal registration documents and renewed timely? (Look for supporting documents, registration, Tax certificate, tax clearance, etc.)	Yes	No
4	Does the project align with one or more of the DGM Nepal Project's Strategic Objectives?	Yes	No
5	Is the project duration of 3 years or less? (DGM Nepal Project will fund grants that may be implemented in a maximum period of three (3) years, unless indicated differently for specific grants or projects in the agreements. Generally, the DGM Nepal Project encourages the sub-project durations of up to 2 years)	Yes	No
6	Is the requested funding amount between USD 5000 and USD 40,000?	Yes	No
7	Does the budget designate for operational cost of 15% of the total budget?	Yes	No
8	Does the project allocate a minimum of 25 % of the total budget as a matching fund or in-kind co-financing?  (In rare cases, with full justification in the concept note, projects over USD 40,000 can be considered).	Yes	No
9	Will this intervention reduce social and environmental vulnerabilities to climate change?	Yes	No
10	Will this intervention generate societal benefits in the context of climate change adaptation to IPs and LCs?	Yes	No
11	Will this intervention restore, maintain and/or improve ecosystem health?	Yes	No
12	Will this intervention support equitable governance and enhance capacities?	Yes	No
13	Will government partner(s), if any, receive any funding through the proposed project?	Yes	No
14	Is the applicant legally able to implement the project and has provided all the supporting documentation?	Yes	No
15	Does the project fall under any of the negative or exclusion list of ESMF?	Yes	No



## Annex 9: DGM Nepal Project Exclusion List

The sub-grant or other project activities of DGM Nepal Project is not eligible for the following activities (Negative List). Inclusion of one or more of these activities within work-plan will cause rejection of proposal.

SN	Negative list/Exclusion list	Yes	No	Remarks
1	Any sub-projects or activities related to new settlements or expansion of settlements within conservation forests, protected areas, and Parks.			
2	Any activity that can potentially lead to and/or result in conversion, deforestation or degradation or any other alteration of natural forests or natural habitats including, inter alia, conversion to agriculture or tree plantations.			
3	Any sub-project or activity that can potentially lead to or result in the conversion of primary and/or critical natural habitats; has significant risks and adverse impacts on biodiversity and requires biodiversity management plan			
4	Any sub-project requiring new construction or expansion of existing facilities.			
5	Any sub-project or activity involving large-scale displacement and resettlement.			
6	Any sub-project or activity that can cause soil erosion;			
7	Any activity or sub-project that can harm cultivated/arable land.			
8	Any sub-project or activity for production or trade-in wood or other forestry products other than from sustainably managed forests and customary forests.			
9	Any sub-project or activity that stimulates poaching and/or trade of protected animals and plants.			
10	Land acquisition and purchase of land			
11	Any sub-project or activity that can potentially cause degradation and reduction of the quality of drinking water.			
12	Any sub-project or activity related to purchase of substances and/or activities that may pose health risks.			
13	Any sub-project or activity associated with purchase of and/or use of hazardous chemicals including but not limited to pesticides that are classified as IA or IB by WHO and GoN regulations.			
14	Any sub-project or activity that is associated with removal of alternation of any physical cultural property (includes sites having archeological, paleontological, historical, religious, or unique natural values).			
15	Any sub-project or activity that causes negative impacts on women, elderly people, and children including IPs & LCs.			

## Annex 10: Full Project Proposal

### 1. Summary

• Sub-Project Title:	
• Applicant Name:	
• Address:	
• Contact Person	
• Address:	
• Brief description of business activities:	
• Total Cost of Sub-Project:	
• Present Activities:	
• Challenges and Opportunities:	
• Proposed Sub-project objectives and areas:	
• Proposed major activities	
• Total cost of the business:	
• Grant requested from DGM Nepal	
• Applicant Matching Cost	
• Time period of sub-project	

### 2. Organizational Objectives, Business aspects and Strategy

#### 2.1 Organizational Objectives

#### 2.2 Description of Business Aspects

#### 2.3 Experience of Organization in Present Business

#### 2.4 Ownership of the business and business control

### 3. Business Description

#### 3.1 Brief Description of Business

- Background and Justification of the proposed business, Challenges and Opportunities of the business.
- Short Description of the proposed activities including  
**Production Plan: Describe the product and explain the production process,** Description of the products or services, Description of the production process, and facilities, equipment and labor involved, Sources and annual quantity of inputs and raw materials (including procedures to ensure safety, quality, and sustainability of supply), Quantity of annual production.
- Proposed Infrastructure and Design
- Marketing Plan: Describe how the product is marketed, Sales plan (history and forecast), Buyers: description, location, status (confirmed or potential), Distribution process,

Pricing plan, Competitive strategy (competing products and businesses, quality management, differentiation)

- Management Plan : Describe how business will be managed, Sub-Project Implementation Committee/Team, Management structure (brief description of positions and roles, name(s) of top management), Workers (description of jobs, number of full-time and part time; mandatory: plan for employment of local people), Sources of Contractors, Advisors (if required), Group or business members consultation: mandatory (at a minimum, the applicant must hold a meeting with members; minutes of the meeting signed by members attending the meeting must be included in the application), Compliance (permits or other written evidence from planning and regulatory authorities or local government approving business operations and any planned civil works)
- Monitoring, Evaluation and Reporting
- Operation and maintenance Plan
- Linkage Coordination and Collaboration
- Social Corporate Responsibility:

#### 4. Proposed Budget and Cost Sharing Plan

The cost sharing in the sub-project is to be included after the meeting of the concern stakeholders. The meeting minute copy should be included with the concept note.

S.N	Proposed Activities	Unit	Quantity	Rate	Cost		
					Total Cost	DGM Nepal Project Grant	Applicant's share

##### A Capital Investment

Constructions

Machinery and

equipment

Technology

....

Capacity Building

Cost

Trainer

Remuneration

Tea/Snacks

Training Materials/

Stationary

Training Hall rent

.....

Sub-Total A

**B Running Capital**

Office Rent

Accountant

Remuneration

Office Utilities

Communication

.....

**Sub-Total B**

Total A+B

C. Contingency (5%)

Total

**Grand Total**

## 5. Work Plan

Activity	Year 1				Year 2			
	M1	M2	...	...	M1	M2	...	...
Meeting and Orientation								
Capacity Building Training								
Purchasing committee formation								
Purchasing of goods and materials								
Production of materials								
....								
.....								
Monitoring and evaluation								
Reporting								

## 6. Logical Framework

Descriptive summary	Indicator on subject wise	Means of verification	Risk and assumption
Goal of Sub- Project:			
Objective of Sub- Project:			
Outcomes of Project:			
Project Outputs			
Project Activities			

	Budget Input

## 7. Financial Plan

### a. Cost Estimate

S.N.	Proposed Activities	Unit	Quantity	Rate	Investment Total Cost	DGM support	Applicant Contribution	Others
------	---------------------	------	----------	------	-----------------------------	----------------	---------------------------	--------

A. Capital Investment

Total of  
Capital  
Investment

B. Running Capital

Total of  
Running  
Investment

Total (A+B)

### b. Sales Revenue Projection

S.N.	Product	Particular	Year 1	Year 2	Year 3	Year 4	Year 5
------	---------	------------	--------	--------	--------	--------	--------

1

Total Revenue

### c. Variable Cost

S.N.	Particulars	Unit	Quantity	Rate	Total
B.	Running Capital	0	0	0	0

Total of Running Investment

**d. Fixed Cost**

S.N.	Particulars	Unit	Quantity	Rate	Total
A.	Capital Investment				

Total of Capital Investment

**e. Fixed Assets**

S.N.	Particulars	Unit	Quantity	Rate	Total
A.	Capital Investment				

Total of Capital Investment

**f. Profit Loss Projection**

S.N.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
A	Income					
B	Expenditure					
	Operating Expenses					
	Depreciation					
	.....					
	<b>Total Expenditure</b>					
	<b>Net Income (A-B)</b>					

**g. Cash Flow Projection**

Particulars	Baseline Year	Year 1	Year 2	Year 3	Year 4	Year 5
A. Projected Income						
Sub-Total Income (A)						
B. Projected Expenses						
Expenses on Fixed Assets						
Expenses on Variable Assets						

Sub-Total Expenses  
(B)  
Net Cash flow (A-B)  
Total Cash Flow

#### h. Expenditure Plan

S.N.	Activities description	Total	Shift			
			First	Second	Third	Fourth
A	Investment in Fixed capital					
B	Investment in Variable Capital					
C	Investment on .....					
	Total Investment (A+B+C+D)					
	Matching Cost in Percent	Grant Installment (.....%)				
		Applicant (.....%)				

#### i. Projected Balance Sheet

Description	Year 1	Year 2	Year 3	Year 4	Year 5
Property					
Cash					
Equipment and Machineries'					
.....					
Total					
Liabilities and Equity					
Account due					
Share Capital					
Profit					
.....					
Total					

#### j. Investment Return Assumption

Year	Net Cash Flow	Total Cash Flow	Remarks
0			
1			
2			
3			
4			
5			
Pay Back Period = ..... Years			

**k. Profit investment ratio calculation**

Year	Investment	Profit	Discount rate	Present Investment Cost	Present Profit value
0					
1					
2					
3					
4					
5					
Total					
Benefit Cost Ratio (B/C) =Present Investment Cost/Present Profit Value = .....					

**l. Internal Rate of Return**

Year	Cash Flow
0	
1	
2	
3	
4	
5	
Internal Rate of Return (IRR) = .....%	

**j. Investment, Machineries, Equipment, raw material Specification**

Particulars	Description (Specification)



#### k. Materials and Service Purchase

Material	Quantity/Number
Service	Quantity

#### 8. Risk Management

Business Impact	Nature	Extent	Management Strategy

#### 9. Environmental & Social Management Plan

Activities	Effects	Impacts in minimization	Cost of minimization	Monitoring Indicator	Remarks

#### 10. Business Development Plan: Describe the plan and costs to develop the business in future

##### Annex 10.1: Potential Project Activities

- Green jobs for Income Generating Activities for IPs and LCs
- Thakal (Palmae) Processing and Valuz'e Addition
- Riverbed farming for resource poor households
- Bee-Keeping (bee breeding, honey production and processing)
- Sitake and other Mushroom Cultivation and Processing
- Hug plum (Lapsi) (*Choerospondias axillaris*) Processing
- Indian gooseberry or *amala* (*Embllica officinalis*) processing
- Incense Stick (Agarbatti) Production
- Rattan (Bet) Furniture Production
- *Kuriolo* (*Asparagus racemosus*) wild Cultivation and Processing
- Jam/Jelly, Ginger and Lapsi Candy production
- Organic Pesticide Enterprises Establishment
- Organic/Bio-fertilizer Enterprises Establishment
- Ganoderma and other Mushroom Cultivation
- Goat Farming
- Sericulture (Silk farming)
- Vegetable production
- Herbal Soap Production
- Promotion of traditional livelihoods skills of IPs and LCs e.g., formation of IPs and LCs managed Cooperatives

- Promotion of Traditional knowledge and skills-based as of IGA/Enterprises of IPs and LCs
- Traditional leaf plates Production (Tapari, Duna, Bota)
- Homestay establishment for forest dependent communities who are residing nearby the conservation areas, national parks or community forest areas.
- *Moonj* and *Kans* (Thatch grass) Basketry
- *Vetiver cultivation for conservation and restoration of degraded lands and ecosystem and micro enterprise promotion.*
- Green jobs based on forest-smart products (e.g., operation of forest-based enterprise
- Innovative solutions to human-wildlife conflicts (e.g., develop compensation mechanism, education, and public awareness campaign, cultivate fruits/crops in community forests for wild animals)
- Innovative solutions to Non-Timber Forest Product (NTFP) value addition
- Nepal Pepper (*Zanthoxylum armatum* DC), Timur Processing
- Timur Oil (Rukum, Rolpa, and Pyuthan districts having high altitude)
- Grading and Packaging of Timur
- Value added Bamboo Products (Handicraft and Furniture)
- Lokta Paper Making
- Broomgrass Cultivation
- Allo Fibre Processing and Product Development
- Cultivation of Medical and Aromatic Plants for local traditional healers from Tharu and Magar Community.
- Babiyo (*Eulaliopsis binata*) Rope enterprise
- Nigalo (*Arundinaria falcate*) production and value addition
- Nettle leaf (*Sisno*) drying and processing
- Grant for soft technical skills development e.g., proposal writing, project development, preparation of business plans
- Grants for management technical skill development including sustainable harvesting of NTFP, participatory forest landscape management, and environmental conservation
- Water harvesting pond/conservation pond
- Water Source Protection
- Construction of Plastic Ponds
- Forest regeneration demo plot
- Eco-Trail promotion
- Land Rehabilitation (Degraded Slush, barren land into stable agro-forestry through Sloping Agricultural Land Technology (SALT) technology and through plantation of nitrogen fixing plants, fodder trees, intercropped with Banana, Pineapple or other plants)
- Promotion of Improved Cooking Stove and Metal Stove
- NTFP (Lemon grass, citronella, Palmarosa, black pepper) plantation in community forest
- Support to agroforestry (*Nursery, plantation, and management*)
- Plant Nursery
- Fruit Nursery (avocado, plum, dragon fruit, guava, orange, etc.)
- Support Seed Bank establishment
- Model Family Forest Development

- Indian Bayleaf (*Cinnamomum tamala* (Buch.-Ham.) Nees and Eberm), Tejpatta
- Cinnamon oil Production
- Rani Bel (*Aegle marmellous*) Production and Processing
- Bio-Briquettes Production using forest killer weed (Banmara Jhar)
- Human Wildlife Conflict Management
- Building predator-proof corrals to prevent livestock loss by predators at night,
- Plantation of crops that are unpalatable to wildlife, such as peppermint, citrus fruit, turmeric etc.
- Establishment of endowment funds such as the 'Rahat Kosh', in Community Forest, National Park/ Buffer Zone, in order to compensate for losses incurred due to human wildlife conflict.
- Seed and seedling production for the conservation of native and threatened species and varieties
- Agroforestry production systems and agro-ecological tillage practices
- NTFPs/Medicinal and Aromatic Plants (MAPs)-sustainable consumption, production, processing, marketing and value addition
- Value chain development and inclusive business of high value forest and agricultural commodities
- Promotion of green enterprises targeting to youth and migrant returnees.
- Promotion of indigenous and traditional water, soil, and landscape management practices, including recovery of degraded areas and protection of water sources
- Promotion of renewable energy through biogas and improved stoves
- Traditional farming and cultivation practices that enhance local agro-biodiversity
- Women's economic empowerment activities

## Annex 10.2. Applications checklist

Application	
Institution Registration Certificate	
VAT/PAN Registration Certificate	
Land ownership document	
Agreement for market/vendors (if any)	
Business Plan	
Others ( <i>please specify</i> )	

Verified by.....

Name.....

Position.....

## Annex 11: Sub-Project Review and Reporting Template

### Annex 11.1: Template of Narrative Progress Report

Project Title	
Organization Name	
Reporting Period	
Amount Installment Received	
Total Grant Amount	

#### Section 1: Summary

*Please describe the summary of project progress*

#### Section 2: Project Component and Progress

*Please describe the project components, its deliverables and detailed progress update. List major business activities completed during the reporting period. Specify the types of services provided, particularly, those services identified as priority services under this grant*

#### Section 3: Challenges and Issues

*Please describe the challenges and issues encountered during activity implementation. How does your organization overcome it?*

#### Section 4: Incoming Activities and Plan

*Please describe your incoming activities within the project components and your implementation plan, List major activities planned for next reporting period*

Prepared by

Signature

Date

#### **Annex 12: Grant Agreement Template**

**The consultant will create a standard template for grant agreements, which will be submitted for approval to the World Bank.**

#### **Annex 13: Project Completion Report Template**

- **At the time of contract signing, a generic reporting template will be provided to the grantee**
- **The grantee will be required to submit a progress report along with financial information (bills and bharpai)**

## Annex 14: Environmental and Social Report

This report should be submitted together with the Narrative Report on ESMF/ESMP implementation as per the requirements prescribed in the ESMF

**Table 25: Environmental and Social Management Plan (ESMP) Template**

SN	Impacts and Risk			Mitigation Plan			Monitoring Plan**			Who	Budget
	Sub-project activity	Impact and risk	Significance*	Mitigation action	Where	When	What to monitor	Where	When		

\*Significance- Low, medium, and high

\*\*Details of monitoring of ESMP and ESMF is given in Chapter 10 of ESMF

## Annex 15: Financial Report

### Annex 15.1: Advance Application Form

Project Title	
Organization Name	
Reporting Period	
Amount Installment Received	
Total Grant Amount	

Description	Estimated expenditure	
	Grant	Matching
Activity 1		
Activity 2		
.....		

<b>Total Budget Release:</b>	<b>Total Expense:</b>
Bank Balance: Advance Due:	Actual Expense after due advance deduction:
Bank Name:	Account No:

### Annex 15.2: Financial Reporting Form

Description	Total Budget			Budget Released			Expenditure		
	Grant	Matching	Total	Grant	Matching	Total	Grant	Matching	Total
<b>Budget Remaining</b>			<b>Budget for Next reporting period</b>						
Grant	Matching	Total	Grant	Matching	Total	Grant	Matching	Total	

Total Budget Release:	Total Expense:
Bank Balance: Advance Due:	Actual Expense after due advance deduction:
Bank Name:	Account No:

### Annex 15.3: Sub-Project Completion Financial Reporting Form

Grant Number:	
Sub-Grant Title:	
Grantee	
Business Manager:	
Business Start Date:	
Business Completion date:	
Total Budget:	
Agreement date:	

Activities	Total Approved Budget		Total Budget released		Total Expenditure		Advance balance		Budget balance	
	Grant	Matching	Grant	Matching	Grant	Matching	Grant	Matching	Grant	Matching
Activity 1										
...										
Sub total										
Overhead %										
Contingency %										
Sub Total										

Tax %										
Grand Total										

## Annex 16: Grant Completion letter

Date

(Company)

(Address)

Subject: Successful Completion of Sub-project (Grant title.....)

Dear Sir/Madam,

DGM Nepal Project team congratulates upon your successful completion of the grant ..... (Grant title). We appreciate your active support and participation during the implementation of the sub-project and commend you on your commitment for sustainable forest management and generating increased income activities along with increasing income in your community. Our records indicate that all the committed grant amount has been fully utilized and all the proposed activities has been completed.

We declare that the sub-project grant is closed, and any findings noted in your audit report will be the responsibility of the ..... (Company name).

We congratulate you once again and look forward to working with you in the future.

Sincerely,

.....

Team Leader

## Annex 16.1: Amendment or Time Extension Request Form

Grant Number:	
Sub-Grant Title:	
Grantee:	
Business Manager:	



Business Start Date:	
Business Completion date:	
Total Budget:	
Agreement date:	

The (*organization*) hereby requests sub-project grant Amendment

From:

To:

Time Extension:

From:

To:

Main reasons for amendment	
Sub-project grant budget expenses till date;	Grant : NRs Matching NRs
Proposed Activities for amendment;	
Newly proposed work plan/ schedule	
Please provide justification for amendments, provide specifics changes in sub-project.	
Please provide the details of revised budget	
Please provide plan to mitigate further sub-project delays along with other resources required to complete the sub-project.	

Signature

Name

Position

### Annex 17: Sub-Project Contract Termination/Suspension Letter

To MR/Mrs .....

(Organization Name)

(Address)

Dear Sir/Madam

The letter issued by NEA, based on the decision taken by NEA/NSC conforms that your contract on *(name of the business)* signed on *(insert contract agreement date)* with the NEA has been terminated/suspended for cause, effective immediately.

The DGM Nepal Project grant you have been awarded for *(name of the business)*, as discussed during the termination/suspension meeting, is being terminated/suspended because of violation of the *((mention the cause(s) or default)* you committed after being informed by both the NEA team, that the Project would not support your business unless the defaults corrected. You are given *(insert period)* time to correct the default failing after which your contract will be terminated.

The due payment for your accrued expenses will be included in your final payment. We hope for the continuity of your business activity even after the termination of grants

Regards,

*Team Leader*

#### Annex 18: GRM and Complaint Registration

Name:

Address:

Complaint information:

Sensitivity of complaint: <i>(circle or highlight one)</i>	Low	Medium	High
Description of complaint:			
Description of expected outcome/response			

By signing and submitting this complaint, I agree to abide by the procedure through which complaints will be processed and dealt with. I have been informed of the terms for appeal.

*to be filled in by staff*

Signature:.....

Date:

Name:

Position

Response/remedy to the complaint:

Response/remedy was: *(Please tick the appropriate)* Accepted/Not appealed/Appealed to:

Signature:.....

Date:

Complaint Redresser Staff name:

.....

RECEIPT.....

Complaint number (unique code):

Expected date of response:

Place to receive response:

Complaint Entry Staff signature:

Date:

### Annex 18.1: Complaints log

Name:

Sub-grant number:

Location:

Contact Person:

S.N.	Name of complainant	Date	Complaint type# (from list of categories)	Details of complaint	Person reported to	Sensitivity level	Action taken (escalation, resolution etc.)	Completion date
1								
2								
3								

#### #Complaint Categories

- Graft (corruption)
- Favoritism
- Work Delayed
- Non-transparency
- Misbehave

- Social discrimination
- Environmental negligence

#### Annex 19: List of Target Municipalities for Component 2

SN	Districts	Municipalities
<b>Madhesh Pradesh (Province 2)</b>		
1	Saptari	1. Hanumannagar Kangalini 2. Tirhut 3. Mahadeva
2	Siraha	4. Navarajpur 5. Aurahi 6. Bariyarpatti
3	Dhanusha	7. Janakpurdham 8. Mithila Bihari 9. Laxminiya
4	Mahottari	10. Jaleswor 11. Bardibas 12. Ekdara
5	Sarlahi	13. Parsa 14. Bramhapuri 15. Haripurwa 16. Hariban
6	Rautahat	17. Durga Bhagawati 18. Rajdevi 19. Madhav Narayan
7	Bara	20. Pacharauta 21. Devtal 22. Suvarna
8	Parsa	23. Birganj 24. Jagarnathpur 25. Paterwa Sugauli
<b>Lumbini Pradesh (Province 5)</b>		
1	Nawalparashi West	1. Sunawal 2. Sarawal
2	Rupandehi	3. Sainamaina 4. Kanchan 5. Devdaha 6. Lumbini Sanskritik
3	Palpa	7. Baganashkali 8. Tinau 9. Rainadevi Chhahara
4	Kapilvastu	10. Shivaraj 11. Buddhabhumi 12. Banganga

5	Argakhachi	13. Shitganga 14. Panini
6	Pyuthan	15. Sarumarani
7	Rolpa	16. Runtigadhi
8	Dang	17. Ghorahi 18. Lamahi 19. Rapti 20. Banglachuli
9	Banke	21. Kohalpur 22. Baijanath 23. Khajura
10	Bardia	24. Bansgadhi 25. Badhaiyatal