



Rules for support to International Organisations and Networks – Chapter/Item 160.75

including support via the allocation for women and gender equality
chapter/item 168.70

The rules have been drafted pursuant to section 6 of the Regulations on Financial Management in the Central Government and chapter 6 of the Provisions on Financial Management in the Central Government. The rules apply to Norad's management of grants to international organisations and networks according to chapter 160.75, and enter into force on 1 January 2010. The Regulations and Provisions on Financial Management in the Central Government have precedence over these rules.

1 Objective of the scheme

The objective of the scheme is that regional and international organisations and networks in the South shall have sound knowledge and competence to influence national, regional and international decision-making processes.

Support to international organisations and networks is granted within the framework of current policy guidelines, particularly the annual budget proposition (Proposition No. 1 to the Storting). Support is subject to annual fiscal budget allocations.

2 Target group for the grant scheme

Target group for the scheme: The allocation to international organisations and networks supports global and regional work under the auspices of international non-governmental organisations and networks, and transnational organisations outside the UN. Support shall be provided to civil society actors that, by means of their methods, knowledge, range of activities and networks, supplement other Norwegian development assistance channels¹. Support shall primarily be given to international non-governmental organisations and networks with a strong foundation in the South that are representative champions of the interests of poor and marginalised social groups. This condition can be met through the headquarter being located in the South and/or substantial participation from the South in the form of development partners, representation in governing bodies and participation in decision-making processes.

¹ Source: Guidelines for Norad's support to international non-governmental organisations and networks (revised December 2008).

Target group for the initiatives: The support is intended to strengthen the potential of South-based civil society actors for influencing international, regional and national decision-making processes. Importance shall be attached to projects conducive to strengthening capacity and competence in developing countries and promoting cross-border cooperation.

3 Criteria for achievement of objectives

Annual reports shall mainly refer to the most important products and services (output), results achieved for the users/user effects (outcome), any major deviations and risk management. Final reports shall assess sustainability, lessons learned and impact (if possible).

4 Allocation criteria

The annual budget proposition (Proposition No. 1 to the Storting) and the policy guidelines provided in the annual letter of allocation from the Ministry of Foreign Affairs to Norad define the framework for organisations with which cooperation can be entered into.

Allocation criteria pursuant to the Guidelines for Norad's support to non-governmental international organisations and networks²

The scheme shall contribute to reaching the overall goals and objectives of Norwegian development cooperation within the policy priorities set by Norway. Support shall be provided to actors from civil society who through their work methods, knowledge, range of activities and networks complements other channels of Norwegian development cooperation.³

1. Support will mainly be given to non-governmental international organisations and networks working globally or regionally in fields prioritised by the Norwegian government where there are few or no alternative channels and where supranational input is essential (for example through advocacy or policy development). Transnational organisations outside the UN may also receive support. Normally, Norad's support shall not be provided to organisations that are already receiving substantial support from other donors.
2. To be eligible for support, organisations shall have members (organisations, countries or board members) from more than two countries.
3. Support will preferably be given to organisations and networks with strong foundations in developing countries. This criterion can be fulfilled through the headquarter being localised in a developing country and/or substantial developing country participation in the form of partners, representation in governing bodies and participation in decision-making processes.
4. The support shall contribute to strengthening South-based civil society actors' ability to influence international, regional and national decision-making processes. Activities that strengthen capacity and competence in developing countries and facilitate co-operation across national boundaries will be emphasised.

² For the allocation for women and gender equality, see the Ministry of Foreign Affairs' rules for the scheme.

³ Source: Guidelines for Norad's support to international non-governmental organisations and networks (revised December 2008).

5. Organisations and networks that are selected for support should provide an added value within their selected areas in the form of relevant competence, resources and development impact, and contribute to filling niches that are not adequately filled by other actors. The applicant must be able to document relevant competence in the area of intervention, effective systems for implementation and evidence of results.
6. Applicants are required to focus on results and to implement corruption prevention measures. Regard shall be paid to cross-cutting considerations in accordance with the guidelines of Proposition No. 1 to the Storting.
7. If the organisations work at country or regional levels, their activities must be based on the principles of national ownership and of working within the framework of the developing country's planning documents. Exceptions may be made for organisations active in advocacy directed at national governments, for example in the field of good governance and human rights, including free media.
8. Support will preferably be given as core funding. Only international organisations (i) included in the OECD-DAC list of international organisations⁴ or (ii) whose activities are fully targeted at developing countries will be provided with core funding. Norwegian funding should be specifically earmarked for ODA countries whenever the organisations or networks in question also run activities in non-ODA countries.
9. Programme and project support may be provided where the intervention is considered to be of strategic importance in its sector or in the Norwegian priority. To minimize fragmentation of Norwegian support to international organisations and networks, Norad will seek to avoid support to small-scale activities.
10. The support shall contribute to strengthening Norad's knowledge base in areas where Norad takes part in the formulation and quality assurance of Norwegian development policy and assistance.
11. New recipients will normally enter into a one-year agreement with Norad. A multi-year agreement requires a prior, positive assessment of the organisation. Support for conferences/seminars, including travel allowance, can only be granted if included as part of a larger programme or scheme funded by Norad.

Administrative costs (overhead/indirect costs): Up to 8 per cent of the grant may be used to cover the grant recipient's administrative costs (overhead/indirect costs). Administrative costs that accrue at a local partner are regarded as project/programme costs and are not subject to the 8 per cent rule.

In excess of administrative costs, parts of the support may be used for technical follow-up of the programme. By technical follow-up is meant, for example, preparation of annual plans, objectives, indicators, training, etc. A cost defined as technical follow-up must provide a direct added value to the programme and be deemed necessary for implementing the programme and for achieving results in the programme.

⁴ DAC Statistical Reporting Directives (<http://www.oecd.org/dataoecd/36/16/31724727.pdf>)

In the case of core support recipients, no rate for administrative costs is specified, but Norad will assess the grant recipient's total administration budget.

Information that organisations must enclose in applications for support from Norad⁵

In the case of core support, Norad requires information concerning the organisation's or network's strategy. In the case of programme support, Norad requires information concerning objectives and expected results (outcome and outputs) of the programme/project.

For both types of support the following information is requested:

- plans for the application period
- budget and financing plan (including other donors) for the application period
- period applied for and requested amount for the year concerned
- baseline analysis, indicators for achievement of objectives, risk assessment and risk management, assessment of sustainability elements (e.g. gender, environment, conflict sensitivity, institutional capacity, etc.)
- a brief presentation of results of the organisation's work during the last three years (max. two pages)
- a description of the organisation's structure (departments, board members, decision-making procedures, number of employees, etc.)
- a description of the organisation's basis in the South
- a brief presentation of the organisation's networks and cooperation with other organisations

New applicants (organisations with no current contract with Norad) must enclose statutes (the rules of the organisation), strategic plan and audited accounts for the previous year.

5 Information for potential grant recipients

The scheme is exempt from the advertising requirement pursuant to section 6.4.2 (c) of the Provisions on Financial Management in the Central Government. Criteria and deadlines will be announced at Norad's website, to ensure transparency concerning the support.

6 Follow-up and control

The grant recipient is responsible for management of grants in accordance with the contract, from the date the grant is received until all conditions have been met.

Procedures: Applications shall be submitted electronically to Norad's archives before the application deadline, and be distributed for processing. Norad shall normally acknowledge receipt of applications in writing within two weeks.

Appeals: Since the support scheme is exempt from advertising pursuant to section 6.4.2 (c) of the Provisions on Financial Management in the Central Government, there are no procedures for consideration of appeals against decisions regarding the applications.

⁵ Source: Announcement text at www.norad.no/ingo.

Risk: For all initiatives under the scheme, risks shall be identified and counter-measures implemented.

Follow-up of grants: Reports shall be submitted annually, including a narrative report, audited accounts relating to the contract and any work plans. The final report shall normally be submitted six months after completion of the support period. The annual reports are mainly to assess the most important products and services (output), results achieved for the users (outcome), major deviations and risk management. The final report shall provide an account of sustainability and lessons learned and the long-term impact (if possible).

In accordance with the contract, the organisations shall submit reports and audited accounts by the date specified in the contract in the year following receipt of the grant. The audit shall be carried out by an authorised and independent auditor in accordance with current national and international auditing standards, in accordance with the contract, which is based on Norad's Guidelines for the Audit of Norwegian and International Organisations (February 2010). The report and accounts shall be considered by an official of Norad, and written comments and approval shall normally be provided in a separate letter to the organisation, normally within six weeks.

The grant is normally disbursed in advance in two instalments per year. Advance disbursements may maximally apply to a period of six months. The first disbursement normally takes place following the signing of the contract by both parties. Subsequent instalments are disbursed on the written request of the grant recipient based upon the financial needs. The second disbursement each year will take place after Norad has considered the report and audited accounts for the previous year (if applicable), normally before 1 October each year.

In the case of non-Norwegian actors, accrued interest is not reclaimed, and may be used for purposes agreed upon between Norad and the individual grant recipient during the Support period⁶. Upon completion of the Support period, any unutilised funds including unutilised accrued interest, shall be returned to Norad, unless the parties have agreed upon in writing on the utilisation of such funds (normally within six weeks into the next calendar year). In the case of continuous, multi-year agreements, unused funds during a calendar year, may be transferred within the Support period without reduction or reimbursement of funds, if agreed upon in writing between the parties.

Possible forms of sanction against grant recipients:

If the grant recipient breaches the obligations set out in the contract, for example, provides incorrect information, uses the grant for purposes other than prescribed in the contract, lacks agreed control systems, violates ethical guidelines etc., Norad will consider applying appropriate sanctions.

In cases where breach of contract is established, Norad may reject applications for new programmes, withhold or reduce future disbursements, demand (full or partial) reimbursement or terminate the agreement, cf. section 10 of the contract.

⁶ Cf. the consent of the Storting laid down in the annual budget proposition (Proposition No. 1 to the Storting).

When considering which form of sanction to apply, regard is paid, inter alia, to the seriousness of the breach of contract proportionate to the negative consequences of the sanctions for the grant recipient.

Norad practises zero tolerance of corruption. This means that the grant recipient is obliged to organise its activities in such a way that corruption, misuse of funds and irregularities are effectively combated throughout the organisational chain down to the end user. The grant recipient shall within a reasonable time notify Norad of any suspicion of corruption. Norad has established a special notification service enabling anonymous notification if so desired (see www.norad.no).

On suspicion of financial irregularities, Norad shall notify the Central Control Unit at the Ministry of Foreign Affairs in accordance with “the Guidelines for dealing with suspicions of financial irregularities in the Foreign Service and Norad” (January 2008) and “A practical guide for dealing with suspicions of financial irregularities in grant management” (September 2008).

7 Evaluation

Evaluations shall be conducted as necessary for the whole scheme or parts of it, or for cross-cutting topics/objectives/countries that cover two or more grant schemes.