



**MINISTRY OF FINANCE AND
ECONOMIC MANAGEMENT**
GOVERNMENT OF THE COOK ISLANDS

**GRANT AWARD EVALUATION
PROCEDURE**

(For climate financing mechanisms)

2018

1. INTRODUCTION

This document describes the procedure used for the evaluation of grant requests by the Ministry of Finance and Economic Management (MFEM), and in particular the Development Coordination Division (DCD). It targets strengthening the capacities of the Ministry in the management of funds across different climate financing mechanisms, including, but not limited to, the Adaptation Fund and the Green Climate Fund.

The procedure will be updated as required based on the progress made and challenges related to the management of grants received. This document should be consulted together with the MFEM Grant Management Policy and Procedures, noting that this procedure relates specifically to climate grant funding.

2. SCOPE OF APPLICATION

This procedure was developed in the framework of establishing a Grant Award System for the MFEM. This document will be used as the main reference in the examination, evaluation and prioritisation of project proposals submitted to MFEM for climate financing grants, in combining with the MFEM Grant Management Policy and Procedures.

The MFEM shall use this procedure in the performing of its duties as a National Implementing Entity of climate funds.

This procedure is compatible with the following main documents:

1. Ministry of Finance and Economic Management Act 1995-1996;
2. Cook Islands Government Financial Policies and Procedures Manual;
3. Ministry of Finance and Economic Management Grant Award Policy and Procedures;
4. Ministry of Finance and Economic Management Environment and Social Safeguards Framework; and
5. Ministry of Finance and Economic Management Gender Policy and Tools.

3. CONTEXT

3.1. GENERAL POINTS

RECEIPT OF PROPOSALS

Requests shall be submitted in accordance with the requirements of the call for proposals. The MFEM (via DCD), defines the rules and terms of each call, which may be:

1. Time-bounded (deadlines will be fixed for submission of proposals); and
2. Open (submissions of proposals at any time).

In the case of open call for proposals, the call will set evaluation sessions during which the proposals will be assessed individually according to the order of arrival (with the 'rule of first come, first served' applied).

The MFEM may temporarily halt the receipt of applications during a call for proposals when its application assessment and processing capacity is maximised.

Applicants may be asked to submit their proposal in two stages. In this case, they will be first asked to submit a concept note. Applicants whose concept notes have been retained during the preliminary

evaluation shall be asked to further develop, complete and detailed proposals; including an Environmental and Social Assessment, Environmental and Social Commitment Plan and any other requirements to meet the MFEM environmental and social safeguards standards; and Gender Plan; and to present them for a second thorough evaluation.

THE GRANT AWARD EVALUATION COMMITTEE

Project proposals will be reviewed by an evaluation committee composed of at least three members representing three assessment aspects: Fiduciary and Administrative, Technical and Environmental and Social as stipulated in the Terms of Reference (TOR) of the Grant Award Evaluation Committee (Annex 1).

The members of the Grant Award Evaluation Committee shall:

- Review proposals in an objective and impartial manner and treat all requests equally;
- Commit to not disclose information other than that intended to be made available to applicants;
- Protect the confidentiality of information provided by the applicants; and
- Declare any direct or indirect conflict of interest and withdraw from the evaluation process in the case of such conflict.

All members of the Grant Award Evaluation Committee shall sign a declaration confirming the absence of any conflict of interest. In addition to signing the declaration of the absence of such conflict of interest, external Committee Members who are not part of the MFEM or Cook Islands Government, are required to sign a declaration of confidentiality.

PRELIMINARY EVALUATION (ELIGIBILITY CHECK) OF PROPOSALS

The eligibility criteria shall be clearly defined in the call for proposals and will serve to assess the quality of applications in light of the objectives and priorities set by the fund/financial partner. These criteria are given in Annex 2 (Phase 1).

In the case of a two stage submission plan, the eligibility check is performed during the first stage. In the second stage, the evaluators will verify that the eligibility conditions are still met.

Evaluators may ask for additional information or clarification regarding the concept note, provided that such information does not substantially change the proposal.

As required by the MFEM Grants Award Policy and Procedures, if the proposal is ineligible, a letter of rejection will be sent to the applicant, also clearly outlining the reasons for rejection, based on the evaluation criteria.

IN-DEPTH EVALUATION OF PROPOSALS

The Grant Award Evaluation Committee shall use the eligibility and evaluation criteria presented in Annex 2 (Phase 2) in order to assign a score to each of the three evaluation components:

- Fiduciary and Administration Component (score ranging from 0-5);
- Technical Component (score ranging from 0-10); and
- Environmental and Social Component (score ranging from 0-5).

The maximum overall score is therefore 20. In order to be considered for funding, the proposal must reach a score of 15 or above, without having 0 in one of the evaluation component. Thresholds may vary according to the call for proposals.

Proposals shall then be ranked and prioritised according to scores obtained.

An evaluation report will be prepared by the Committee. In addition to scores, the report shall contain the reviewers' comments or requests for clarification on certain elements of the proposal.

The evaluation report will be subsequently communicated to the National Sustainable Development Commission (NSDC), who act as the Grant Approval Authority for approval and signature by the NSDC Chair. The NSDC shall take into consideration the assessment made by the Grant Award Evaluation Committee, with particular emphasis on:

- The proposal is line with the objectives and priorities of the fund/financial partner;
- The proposal is line with the priorities of the Cook Islands and aligned to the National Sustainable Development Plan (NSDP), the JNAP II – Are we resilient (Joint National Action Plan for Climate Change and Disaster Risk Reduction, and the Green Climate Fund Country Programme.
- The costs and other budgetary aspects are rational and economical;
- The evaluation report is well justified and documented.

EVALUATION RESULTS

At the end of the evaluation process, validated and signed evaluation report will be submitted to the relevant fund/financial partner for final validation and decision. The MFEM's DCD shall notify in writing (official letter) all applicants about the status of their proposals.

For accepted proposals

Applicants shall be informed that their proposals have been submitted to the fund/financing partner for validation and final decision.

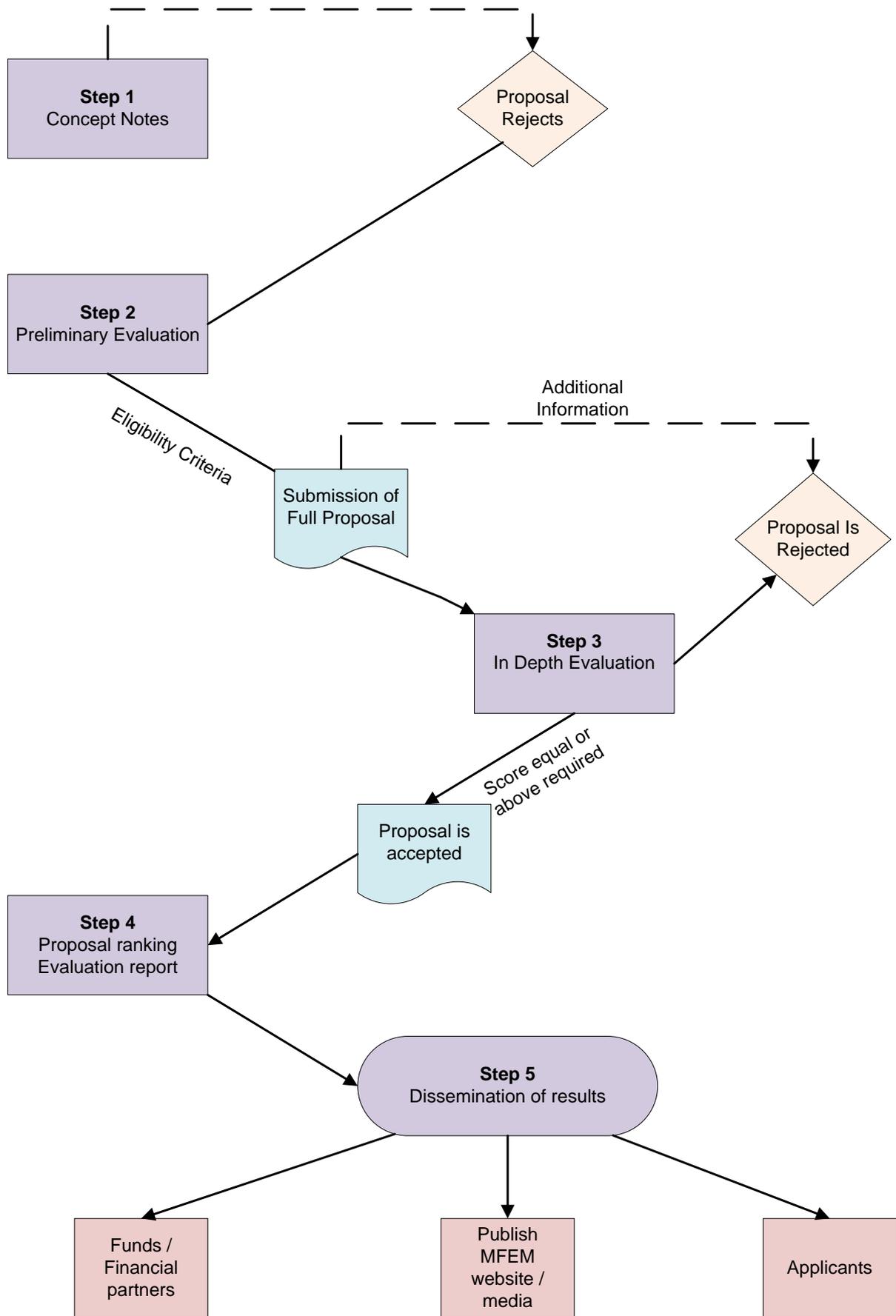
For rejected proposals

Applicants shall be informed that their proposals have been rejected. The notification letter shall indicate the reasons for rejection and/or the list of additional information requested by the Grant Award Evaluation Committee. Clarifications and additional information should reach the Committee via the Development Coordination Division of the MFEM, within 30 calendar days of receipt of notification letter. The Committee shall review the proposal accordingly.

The Committee shall publish the evaluation results on the MFEM website.

The evaluation results may be contested by the applicants. To file a complaint, the applicant shall refer to the External Communication Procedure of the MFEM. Complaints must reach the MFEM (via DCD), within 30 calendar days of receipt of the rejection notification letter.

3.2 PROCEDURE OVERVIEW



The table below details the implementation process of the Grant Award Evaluation procedure.

WHAT	HOW	WHO
Step 1. Receipt of proposals (concept notes)	<ul style="list-style-type: none"> • Design the call for proposals with or without deadline, content and specific conditions. • Publication of call for proposals on the MFEM website and/or other means of communication deemed appropriate. • Receipt of concept notes and sorting by day of arrival. • Facilitation of the Grant Award Evaluation Committee. 	DCD-MFEM
Step 2. Preliminary Evaluation (Eligibility Check)	<ul style="list-style-type: none"> • Meeting of the Grant Award Evaluation Committee. • Review the concept notes. • Decision making – rejection, or request for clarification, or acceptance and request for submission of full proposal. 	Grant Award Evaluation Committee
Step 3. In-depth evaluation	<ul style="list-style-type: none"> • Examination of the full project proposal per components (Fiduciary and Administration, Technical and Environmental, and Social). • Scoring and calculation of the overall score. • Preparation of a draft evaluation report including comments and requests for additional information for each component. 	Grant Award Evaluation Committee
Step 4. Ranking of proposal and validation of the evaluation report	<ul style="list-style-type: none"> • Ranking proposals according to overall score. • Validation and signature of the evaluation report. • Taking the final decision. 	Grant Award Evaluation Committee and NSDC
Step 5. Dissemination of results	<ul style="list-style-type: none"> • Sending the evaluation report to the fund/financial partner. • Sending the notification letters to applicant to inform them about the evaluation results along with the comments and requests for additional information. • Publication of the evaluation results on the MFEM website. 	DCD-MFEM

ANNEX 1

TERMS OF REFERENCE (ToR) FOR THE GRANT AWARD EVALUATION COMMITTEE

BACKGROUND

The Ministry of Finance and Economic Management (MFEM) is a government agency within the Government of the Cook Islands. Established under the Ministry of Finance and Economic Act 1995-1996, the Ministry's purpose is to:

- (a) To establish effective economic, fiscal, and financial management and responsibility by Government;
- (b) To provide accompanying accountability arrangements, together with compliance with those requirements;
- (c) To require the Government to produce:
 - (i) statements of economic policy;
 - (ii) confirmation of adherence to fiscal disciplines prescribed under this Act;
 - (iii) budget policy statements;
 - (iv) economic and fiscal forecasts and updates;
 - (v) financial management information;
 - (vi) comprehensive annual reports.

The Development Coordination Division (DCD) of the MFEM is charged with managing development partner assistance to the Cook Islands, including grants, loans, and technical assistance.

Given the Cook Islands position as a Small Islands Developing State (SIDs), that is extremely vulnerable to the impacts of climate change, the MFEM has been selected as the agency to facilitate access to funding allocated to the fight against climate change. In 2016, the MFEM was accredited as a National Implementing Entity (NIE) to the Adaptation Fund (AF), and is currently undertaking accreditation by the Green Climate Fund (GCF). Mechanisms for evaluation of project proposals, procurement rules and management and monitoring systems of the MFEM have been developed and consolidated to this end.

PURPOSE OF THIS TOR

These ToR describe the composition and the functioning of the Grant Award Evaluation Committee. This Committee will be in charge of reviewing project proposal submitted to the MFEM in order to receive climate financing (AF and GCF) and/or any other financial partners.

This Committee is created within the overall framework of establishing a Grant Award system for the MFEM, and in particular to cover the specific requirements related to climate financing.

COMPOSITION OF THE COMMITTEE

The Grant Award Evaluation Committee will be chaired by the Manager of the DCD within the MFEM and composed of staff from the MFEM, Office of the Prime Minister's (OPM) Policy and Planning Office Director, National Environment Service Director, Secretaries of the Ministry of Internal Affairs, Ministry of Health, and Ministry of Culture. They will be supported, if necessary by external experts. The Committee will operate based on three complementary components, outlined below:

1. Fiduciary and Administration Team

This team will examine elements related to the institutional and financial arrangements for the project proposal. It will mainly assess the following criteria: the project eligibility, the eligibility of the implementing agency and other project stakeholders, the financial resources and budget allocation, the project management system.

This team will be composed of the following MFEM staff, the Treasurer, the Budget Manager, Senior Procurement Officer and Development Program Manager.

2. Technical Team

This team will examine the elements related to the issues and themes addressed and the technical solutions proposed by the project. The following elements will be assessed: the conformity of the project objectives with the focus areas of the fund/financial partner, alignment to national priorities, compliance of activities and expected results with good practices and internationally recognised standards.

The core member of this team will be from the OPM Policy and Planning Office and depending on the themes to be addressed and the complexity of the proposal, the Chair may seek expertise from other relevant sectors of the Cook Islands Government, and/or seek external technical expertise.

3. Environmental and Social Team

This team will review the environmental and social impacts and risks related to the project activities. The team will be guided by the MFEM Environmental and Social Safeguards Framework and the Environmental and Social Safeguard Standards to ensure the proposals compliance and potential management of risks and impacts. The Screening Checklist for ESS2-9 will also assist.

The core members of this team will be from the National Environment Service, Director of the Policy Division, Gender Unit, Labour Unit from the Ministry of Internal Affairs, Ministry of Health, Ministry of Culture, if necessary, the Chair may seek recourse from external expertise.

FUNCTIONING OF THE COMMITTEE

Following receipt of a grant request, the Committee Chairman shall summon the members of the three teams to assess the compliance of the project proposal with the eligibility and evaluation criteria set by the fund/financial partner.

The Grant Award Evaluation Committee shall be guided by the MFEM Grant Evaluation Procedures for Climate Financing Mechanisms.

ANNEX 2

TABLE OF ELIGIBILITY AND EVALUATION CRITERIA

COMPONENT	CRITERIA	SCORE
PHASE 1. PRELIMINARY EVALUATION/ELIGIBILITY CHECK (CONCEPT NOTE)		
Fiduciary and Administration (F&A)	Availability of funds	N.A
	Eligibility of implementing agency	
	Eligibility of project (letter of endorsement from NDA)	
	Alignment of the project to Cook Islands priorities	
Technical	Compliance with the objectives of the fund/financial partner	
PHASE 2. IN-DEPTH EVALUATION (FULL PROPOSAL)		
Fiduciary and Administration	Re-verification of the F&A criteria of the Phase 1	0 - 5
	Rational and economical estimation of budget and allocation	
	Reasonableness of the Implementing Agency's management fees	
Technical	Compliance with NSDP, JNAP, GCF Country Programme	0 - 10
	Relevance of addressed issues and themes	
	Clarity of the project objectives and components	
	Promotion of new and innovative solutions	
	Compliance of proposed solutions with best practices and international standards	
	Integration of activities related to knowledge sharing and capacity building	
	Integration of monitoring and evaluation system	
Environmental and Social (E&S)	Compliance with the MFEM Environmental and Social Safeguards Standards	0 - 5
	Completion of the Environmental and Social Commitment Plan, and any other required documentation as per the Environmental Social Assessment	
	Consideration of Gender	