

GRANT ASSISTANCE FOR GRASS-ROOTS HUMAN SECURITY PROJECTS (Kusanone Program)

Ministry of Foreign Affairs of Japan

Official Development Assistance

FOREWORD

Financial assistance to development projects offered by the Government of Japan aims at satisfying various needs in developing countries. This scheme known as GRANT ASSISTANCE FOR GRASS-ROOTS HUMAN SECURITY PROJECTS - referred hereinafter as the Kusanone Program - supports projects proposed by various organisations, non-governmental institutions and local authorities. The Kusanone Program gained strong reputation due to the fact that it provides flexible and fast assistance to important development projects.

This handout briefly describes the tasks, procedures and other requirements for obtaining assistance within the Kusanone Program.

PURPOSE

The Kusanone Program provides non-repayable financial assistance to non-governmental organisations, hospitals, primary schools, research institutes, and other non-commercial organisations in order to support the implementation of their development projects.

The funds of the Kusanone Program are provided by the Official Development Assistance (ODA) Program of the Government of Japan, and have the main goal of directly influencing the welfare of the society.

POTENTIAL RECIPIENTS

Any non-commercial organisation can be a Kusanone Program recipient. The only requirement is that this non-commercial organisation must implement important development projects.

Here are the examples of potential recipients: domestic and international non-governmental organisations (including third-country organisations based in Moldova), hospitals, primary schools, research institutes and other non-commercial organisations.

AREAS OF FUNDING

1) All small scale development projects can be financed by the Kusanone Program. However, the priority will be given to the projects in the following domains:

- healthcare
- education
- assistance to the underprivileged groups
- public welfare
- environment

Several examples (incomplete list) of priority projects:

- repair/restoration works and procurement of equipment for primary schools
- procurement of medical equipment for hospitals
- professional training for people with disabilities

Special attention is paid to **the projects aimed at involving women into public life.**

2) In every selected country, the priority funding areas are defined by the Embassy of Japan in accordance with the development needs of that country.

AVAILABLE FUNDING

Funding within the Kusanone Program is granted after the examination and assessment of each application. Grant projects have to be finalized within one year.

Concerning the volume of funding or any other issues, please contact the Political/Economic Section of the Embassy of Japan in Moldova (tel.: (373-22) 23-33-80, e-mail: kusanone@ci.mofa.go.jp).

Prospective applicants are to be aware that the following budget categories cannot be financed: salary of administrative staff, fuel, subsistence and other administrative and operating expenses of the organisation.

HOW TO APPLY

If your organisation complies with the above indicated requirements, and you wish to obtain Kusanone funding for the implementation of a development project, you should complete the application form **in English**. As we may require additional information, it is important that you state your contact telephone number (including mobile telephone number) and address in the application.

The application should be accompanied by a detailed project budget, master plan, feasibility study and, if available, leaflet and a copy of the statute of your organisation.

The application form and additional information concerning the Kusanone Program is available on the website of the Embassy of Japan in Moldova http://www.ua.emb-japan.go.jp/eng/bi_md/index.html, or you can call the Political/ Economic Section of the Embassy (opening times: Monday - Friday from 9 a.m. to 12.30 p.m., tel. (373-22) 23-33-80, e-mail: kusanone@ci.mofa.go.jp).

You can bring the completed application form and necessary documents to the Embassy of Japan in Moldova or send them by post or email:

Postal address:

Embassy of Japan in Moldova

National Business Center 5F,

73/1, Stefan cel Mare Blvd.,

MD-2001, Chisinau

Email: kusanone@ci.mofa.go.jp

Applications must be submitted by 31 March; for more details about the deadlines, please consult the Embassy of Japan. Grant contracts are typically signed during the next Japanese fiscal year, which is 1 April-31 March.

When applying, please take into consideration the following:

1) During the selection of the projects for financing, the Government of Japan gives preference to important and long-term projects. First and foremost, you have to convince the Embassy that your organisation is able to skilfully manage long-term development projects. Describe in detail the previous achievements of your organisation, as they will be taken into account when selecting the grant recipients.

2) As mentioned above, the Government of Japan cannot grant funding for paying wages to administrative staff and for covering other administrative expenses. Therefore, the project management is to be independently financed by your organisation. In order to convince the Embassy that you will be able to implement the project, you are to show that you have enough resources to cover operational expenses.

3) Every budget entry is to be supplemented by the cost estimate for us to provide funding. You must present cost estimates from three different suppliers. In some cases (e.g. in critical situations or when only one supplier is available) the Embassy may waive the requirement of presenting three cost estimates.

APPROVAL PROCEDURES

The Government of Japan receives a very high number of applications for financial assistance. Therefore, the funding is allocated only to the most suitable projects after their detailed examination and assessment.

After the application and accompanying documents are received by the Embassy, the procedure is as follows:

- 1) **Examination of the grant proposal:** after the application is received, the Embassy staff examines the project with special attention paid to the objectives, social and economic impact, and the total cost of the project. The potentially suitable projects for grant aid are selected based on these criteria.
- 2) **Site Visit:** the Embassy employee visits the site of the selected entity after which the decision concerning the allocation of grant assistance is made.
- 3) **Grant Contract:** the Embassy of Japan and the Grant Recipient sign a grant contract. The grant contract contains the title, objectives and details of the project, name of the recipient entity, a clause about the eligibility of expenditures, as well as the exactly defined maximum amount of the grant funds.
- 4) **Transfer of Grant Funds:** the Grant Recipient must sign procurement contracts with the corresponding suppliers of goods/ services. The contracts are thoroughly examined by the Embassy in order to verify the range of prices and the budget. After the Embassy approves the procurement contracts, the Grant Recipient submits the 'Payment Authorization' request to the Embassy, which has to approve it. After the 'Payment Authorization' is granted, the Grant Recipient is authorized to transfer the funds to the supplier of goods/ services.
- 5) **Project implementation:** Grant funds must be used in a due way and exclusively for purchasing goods and services necessary for the approved project. After the grant funds are allocated, it is expected that the project starts timely and in accordance with the approved schedule.
- 6) **Report:** At the discretion of the Embassy of Japan, the Grant Recipient may be required to submit an interim report of the project. The final report is required at the end of the project. The final report must be accompanied by financial report and receipts that show how the funding was used.

ADDITIONAL REQUIREMENTS

- 1) The granted funding must be used exclusively within the framework of the project. The Embassy of Japan has the right to require the termination of the grant aid if the funding is used for the purposes other than implementation of the project.
- 2) It is required that the Grant Recipient opens a separate bank account for the implementation of the grant project in order to ease the audit by the Embassy of Japan or its representatives.
- 3) Despite the date of the beginning of the project, the resources for the grant aid shall be allocated before March, 31 (end of financial year in Japan).
- 4) If the Grant Recipient wants to modify the project plan due the unforeseen circumstances, it must receive prior approval from the Embassy.

KUSANONE PROGRAM GRANT SCHEME

Action	Responsible Entity	Comment
Submission of the application/ grant proposal	Grant Applicant	Grant Applicant submits the application and necessary accompanying documents to the Embassy.
Approval of the application/ grant proposal	Embassy of Japan in Moldova Government of Japan	Embassy and the Government of Japan examine and approve the application/ grant proposal.
Signing the grant contract	Grant Recipient Embassy of Japan in Moldova	Grant Recipient and Embassy sign the grant contract
Transfer of funds	Embassy of Japan in Moldova	Embassy transfers the grant funds stipulated in the contract to the bank account of the Grant Recipient (NB! A separate bank account for the grant project should be opened)
Tender/ signing the procurement contract	Grant Recipient Embassy of Japan in Moldova Supplier of Goods/ Services	Grant Recipient organizes tender and signs procurement contract with supplier of goods/ services, after the Embassy examines the commercial offer and approves it.
Request of 'Payment Authorization'	Grant Recipient Embassy of Japan in Moldova	After the Embassy approves the results of the tender and corresponding procurement contract, Grant Recipient submits a 'Payment Authorization' request to the Embassy, in order to pay for the goods/ services stipulated in the contract.
Execution of Payment	Grant Recipient Supplier of Goods/ Services	After the Embassy approves the 'Payment Authorization' request, the Grant Recipient is authorized to transfer the funds from the grant project account to the Supplier of the Goods/ Services, according to the procurement contract.
Report	Grant Recipient Embassy of Japan in Moldova	Grant Recipient submits interim and then final report (together with financial report and receipts) on the implementation of the grant project to the Embassy.

NB! Steps marked by the sign { have to be repeated depending on the number of tenders/ procurement contracts.