GRANT ASSISTANCE FOR GRASSROOTS HUMAN SECURITY PROJECTS (GGP/KUSANONE)

Ministry of Foreign Affairs of Japan

FOREWORD

The Grant Assistance for Grassroots Human Security Projects (GGP/Kusanone) scheme aims to support economic and social development in the recipient countries based on the principle of human security, and provides the necessary funds for relatively small-scale projects that directly benefit the local population. Projects may be proposed by various organizations, non-governmental institutions and local authorities.

This document briefly describes the tasks, procedures and other requirements for obtaining assistance within the GGP scheme.

PURPOSE

The Kusanone program is a non-repayable financial assistance to non-governmental organizations, hospitals, schools, and other non-commercial organizations, and provides support for the realization of their human security and community development projects in the Basic Human Needs (BHN) sector.

POTENTIAL RECIPIENTS

Any non-commercial organization can apply for the Kusanone grant aid if its project aims at the development of the community.

Examples of the potential end recipients of the grant aid: local and international nongovernmental organizations (public or charity), municipal hospitals, schools, kindergartens, rehabilitation facilities, social welfare centers, and cooperatives.

Examples of the end recipients that are NOT eligible for the Program: cultural and sports institutions, children's creativity centers, student clubs, children's and youth sports schools (except for sports schools for persons with disabilities), art schools, studios, libraries, museums, cultural centers, any private institutions and commercial enterprises (in particular, private medical centers and private schools), as well as private individuals.

Higher education institutions can be recipients if they include hospitals, rehabilitation facilities, social assistance centers and other structural units listed in the examples of the potential end recipients; however, assistance to higher education institutions is usually outside the scope of the Program.

PROJECT AREAS

All projects aimed at development of local communities and fulfilment of basic human needs can be financed by the Kusanone program. However, the priority may be given to the projects in the following areas:

• HEALTHCARE AND REHABILITATION (including mental health, care for wounded soldiers, rehabilitation of veterans etc.)

- EDUCATION
- SOCIAL WELFARE (including IDP support)
- AGRICULTURE

PLEASE NOTE: Not all projects in above areas can be accepted due to the Program's focus on the provision of «hard components» (equipment and construction work).

Several examples (incomplete list) of acceptable projects: supply of medical equipment to hospitals or rehabilitation centers, repair/restoration works in public schools, provision of cooking equipment for school kitchens, repair of / provision of equipment for mental health centers, repair of bomb shelters, provision of agricultural equipment, etc.

Examples of past projects implemented in Ukraine can be found in the file "Chronology of Implemented Projects".

Information on the types of works and equipment that can be financed by the Kusanone Program can be found in the Frequently Asked Questions file (in Ukrainian only; section 3, "What does the Kusanone Program finance?")

The priority areas are determined each year in accordance with the development requirements of each specific country, as well as with the global tendencies, and are subject to change. The priority areas are periodically reviewed by the Embassy and the Government of Japan in accordance with the current situation.

AVAILABLE GRANT AMOUNT

Grant funds are provided annually on the competitive basis.

The average grant amount for one project is 10 million yen (as of January 2025, approximately 72 thousand US dollars; the exchange rate varies by year). The grant will be transferred to the recipient's bank account in UAH.

Exceeding the budget considerably, including a deficit into the project budget, or dividing one project that exceeds the maximum budget into several projects is not allowed.

The grant funds may only be used to pay for the cost of the equipment or services specified in the project (excluding VAT) and for the external audit of the project. Any other expenses pertaining to the implementation of the project (VAT, bank commission fees, other additional expenses) are to be covered by the recipient or by the partner organization.

The applicant should note that the following items <u>cannot be paid for</u> with the grant funds: salaries, transportation and daily expenses, other administrative expenses and operational expenses of the recipient organization.

The grant recipient accepts the obligation to pay bank commission fee for currency conversion (depends on the amount of the grant; approximately 10,000-20,000 hryvnias).

HOW TO APPLY

To take part in the competition, you need to send the filled out Application form (available in Ukrainian and English) and relevant additional documents to the Embassy of Japan in Ukraine - via e-mail **kusanone@kv.mofa.go.jp** or by post to the address below:

Embassy of Japan in Ukraine 34B, Velyka Zhytomyrska street, 04053, Kyiv, Ukraine

We encourage you to send your applications by email.

The Application form and additional information concerning the Kusanone program is available at the website of the Embassy of Japan in Ukraine: <u>https://www.ua.embjapan.go.jp/itpr_en/en_oda.html</u>

The Embassy may need to obtain additional information, so it is very important that you include your contact phone number (preferably a cell phone number) and a valid e-mail address.

When applying, please take into consideration the following:

1) When selecting the projects for financing, the Government of Japan will give preference to important and long-term projects that aim at solving the problems pertaining to the basic urgent needs related to life, health and safety of people in local communities. It is important to convince the Embassy that your project will have direct impact on getting such problems solved and will bring improvement to the life of the population of your community, as well as that your organization is able to skilfully manage long-term development projects.

2) As mentioned above, grant funds of the Kusanone program may not be used to pay salaries, bank commission fees and other additional expenses pertaining to the implementation of the project, so the applying organization needs to prove that they have sufficient funds to cover such expenses.

3) Each item or service that is to be funded by the Kusanone program should be substantiated by the cost estimates from three different suppliers.

March 1 of current year – last day of February of the following year	Acceptance of the applications
March – May	Registration of the applications
May – June, July – October	Examination of the applications (in 2 stages)
November – December	Notification about the results of the competition (The results are sent to all applicants via e-mail.)
January – March	Signing of the Grant Contracts with the winners and payment of the grant funds (no later than March 31)
12 months from the date of the signing of Grant Contract	Implementation of the project (conducting of construction/repair works, purchase of equipment) and reporting to the Embassy about

THE KUSANONE APPLICATION TIMELINE

	implementation and completion of the project
2 years after the date of completion of the	Project follow-up (visiting the site of the project
project	and/or conducting online interviews)
5 years after the date of completion of the	Period of monitoring of the effectiveness of the
project	project by the Embassy

PROJECT SELECTION PROCESS

The Government of Japan receives a lot of applications for grant aid. Therefore, the resources are allocated only to the most suitable projects after their detailed examination and assessment.

After the applications are received by the Embassy, the procedure is as follows:

- 1. **Examination of the project:** after the application is received, the Embassy staff examines the project, with special attention paid to the project aim, the compliance with the principle of basic needs, the compliance with the rules and limitations of the program, the number of potential beneficiaries (N of people who will be able to use the described equipment or services annually), the net cost of the project, the sustainability of the project, and the potential ability of the applicant to carry out the project. On this basis the potentially suitable projects for getting grant aid are selected.
- 2. **Online interview and/or Site visit:** the Embassy employee visits the site of the selected project or conducts an online interview about the details of the project with the applicants. The project selection is done in 2 stages: several projects are selected in spring/summer, and several more in autumn.
- 3. **Notification about the results**: After the examination of the applications and selection of projects is completed, notifications about the results of the contest will be sent to all applicants to the e-mail address stated in the application.
- 4. *Grant Contract:* The Embassy of Japan and the partner organization (NGO) of the end recipient sign the contract for provision of grant aid. The grant contract contains: name of the project, name of the NGO and the end recipient, clauses about the designated usage of the grant funds, list of the items to be purchased, and the exact grant amount to be provided for the project.
- 5. **Payment:** Grant funds will be paid to the bank account of partner NGO after the Grant Contract has been signed, in Ukrainian hryvnias according to the exchange rate on the date of conversion. After the grant funds have been paid, the implementation of the project is to be started in a timely manner.
- 6. **Project implementation:** Partner NGO and the end recipient are to conclude the equipment and/or service procurement contracts with respective contractors. Such contracts are thoroughly examined by the Embassy of Japan to ensure the prices and the budget are within the acceptable range. Grant funds must be used in due manner and exclusively to purchase the goods and/or services specified in the grant contract. The permission to use the grant funds for payment is granted by the Embassy only after the partner NGO has submitted all the necessary documents (official request to transfer the payment, contract with the supplier, invoice, etc.).

7. **Report:** The partner NGO may be required to submit an interim report during the implementation of the project. The final report is required at the end of the project. The final report must be accompanied by the financial statement and receipts that show how the grant funds have been utilized. After the completion of the project, an external audit is to be conducted, and the audit report submitted to the Embassy. The audit may be funded by the grant money (excluding VAT).

NECESSARY CONDITIONS

- 1. Grant funds must be used exclusively within the framework of the project. The Embassy of Japan reserves the right to temporarily suspend the payment of the grant assistance or to request for the grant funds to be returned in full in case the funds are used for the purposes other than those specified in the grant contract, or without the Embassy's permission.
- 2. Partner NGO will need to open a separate bank account (in hryvnias) specifically designated for the implementation of the project.
- 3. Regardless of the date of signing of the Grant Contract, grant funds will be paid by March 31.
- 4. If partner NGO and the recipient organization consider it necessary to adjust the project plan, they must consult with the Embassy and obtain the Embassy's consent to such changes in advance.

