

Background

Sida is the government agency that administers Swedish development cooperation. Sida grants financial support to projects and programmes (hereinafter called interventions) that contribute towards Sweden's objective for international development cooperation, including humanitarian assistance and reform cooperation in Eastern Europe and Eastern Partnership. The objective of Swedish international development cooperation is to create conditions that enable people who live in poverty and oppression to improve their lives.

The purpose of this leaflet is to briefly inform Sida's cooperation partners how incoming proposals and financed interventions are assessed and monitored. The leaflet contains two parts. Part one is about what Sida assesses before granting support to an intervention. Part two is about Sida's follow-up of an intervention that has been granted support.

1. Proposals for financial support

An application for financial support shall include a written proposal explaining the situation and motivation for the intervention. The proposal shall outline expected results, the financial situation including budget, identified risks and other relevant information about the cooperation partner's capacity to implement the intervention. Sida will verify that the cooperation partner has the legal capacity, i.e. the necessary rights and obligations to enter into agreement (sometimes cooperation partners will be asked to share a copy of their registration and statutes).

Sida emphasizes the cooperation partner's ownership of, and responsibility for, the planned intervention. As such, Sida encourages proposals to be designed and presented in a format that is appropriate for the cooperation partner; the agency does not provide any specific proposal format. Sida assesses the criteria below to decide whether Sida will grant support to an intervention or not.

Relevance

Relevance is assessed in relation to Swedish results strategies. Sida can only support interventions that contribute to achieving the results expressed in the strategies.

The cooperation partner's capacity

The cooperation partner's capacity to implement, monitor, and finalise the intervention is assessed. As part of this assessment the partner's capacity for internal control, including procurement and the ability to deal with corruption is considered. The partner's competence to analyse its context and interact with other relevant actors is taken into account. This is done to ensure that the cooperation partner has the ability to deliver the expected results..

Expected results and budget

Clear short- and medium-term results the intervention intends to achieve needs to be stated. As part of the assessment Sida considers how the results are expected to be achieved, i.e. whether it is feasible that planned activities and outputs will lead to the expected short and medium-term results. How the cooperation partner plans to measure collect, and report on results is also considered. The proposed budget must reflect all costs associated with the implementation of the intervention and specify how much Sida is expected to finance. Sida assesses if the cost levels are reasonable in relation to planned activities and expected results whether the intervention is reasonably cost-effective is also taken into account

Sustainability and ownership

This assessment ensures the intervention's potential to achieve results that last beyond the implementation period, including the cooperation partner's understanding of sustainability issues and the ability to sustain long-term outcomes. An important aspect is that the intervention is in line with the developing country's own plans and priorities, which needs to be considered by Sida's cooperation partners. Finally Sida assesses whether the intervention is consistent with the cooperation partner's other plans and priorities, and whether it is supported by relevant stakeholders.

Alignment and harmonization

Sida assesses if the intervention is aligned to and use locally owned systems. When relevant, Sida also considers whether there is a process for coordination and harmonization with other donors.

Forwarding of Funds

Sida needs to assess the cooperation partner's capacity to channel funds to other actors, ensuring compliance with Sida's assessment criteria, if parts of the intervention will be implemented by a legal entity other than the applying cooperation partner.

Risks

The bases for risk assessment are the risks the cooperation partner has identified as jeopardising the intervention's achievement of expected results. Sida will also assess how the cooperation partner works with risk analysis and risk management as part of the partner's capacity to implement the intervention. Sida's risk analysis is largely linked to the assessment of the partner's organisational capacity, however external risks and risks related to insufficient ownership and lack of sustainability will also be considered.

2. Monitoring of ongoing interventions with Sida support

When an intervention has been granted support Sida and the cooperation partner enters into an agreement, which includes conditions on the content of reports, reporting due dates and audit requirements and the results framework. Since Sida emphasize that the cooperation partner takes ownership of, and responsibility for, the reporting. Subsequently Sida does not provide a specific format for reporting; the reports can be in the format deemed appropriate by the cooperation partner.

During the implementation phase Sida assess and monitors:

Results

How are the results of the intervention progressing? Is the intervention on track to achieve its results or not? If not - why? Is there a need to change the design of the intervention to ensure that results are achieved? If there are any agreed interventions for improvement Sida monitors their implementation.

Risk

Has the risk analysis changed since the intervention was agreed? Sida monitors the implementation of agreed risk mitigation measures, if any.

Plan and Budget

Is the plan and budget for the coming period reasonable in order to achieve the planned results? If not - what adjustments are needed?

Financial reporting and auditing

Sida reviews if the financial report follows the agreed budget. Has any changes to the budget been reasonable in relation to the reported activities. Has the audit been done in accordance with the agreement and the Terms of Reference? Has it been performed by an accredited accountant? Is the audit clean or qualified? What were the Auditor's findings? Has the cooperation partner prepared a management response and an action plan specifying how the auditor's observations will be taken care of?