



# Operating Guidelines for the Cashew Matching Grants Fund



**Published by:**

Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ)

Dag-Hammarskjöld-Weg 1 - 5

65760 Eschborn, Germany

T +49 61 96 79-0

F + 49 61 96 79-11 15

I [www.giz.de](http://www.giz.de)

**Registered offices:**

Bonn and Eschborn

Germany

**Place and date of publication:**

Ghana, June 2019

**Responsible editor:**

Rita Weidinger (Executive Director)

GIZ/ Competitive Cashew initiative)

H/No. 313A, Cotonou Street

East Legon Residential Area - Accra, Ghana

T + 233 207 70 54 01

F + 233 302 77 13 63

**Contact:**

[cashew@giz.de](mailto:cashew@giz.de)

**Photo:**

© GIZ/ComCashew

# Operating Guidelines for the Cashew Matching Grants Fund

This publication is the result of contributions from various persons (GIZ/ComCashew past and present staff and partners) and organizations. Main contributors are: Florian Winckler, Rita Weidinger, Mary Adzanyo, Ernest Agbavito, Barbara Adu Nyarko and Vanessa Langer.

A GIZ/Competitive Cashew initiative publication in cooperation with





# **Operating Guidelines for the Cashew Matching Grants Fund**

© Copyright: GIZ/ComCashew 2019

GIZ/ComCashew encourages fair use of this material. Proper citation is requested.

## Foreword

In 2009, when the GIZ/Competitive Cashew initiative (GIZ/ComCashew) then African Cashew initiative (ACi) begun its operations, merely a few medium scale processors were ready for further engagement with farmer linkage programs. There was also little experience on farmer-linkage programs in cashew within the processing industry. Hence, GIZ/ComCashew focused strongly on building up the processing industry and training farmers, linked on a limited scale to existing processors. It was essential to find effective linkage mechanisms and incentives, allowing processing companies to buy up to 60% of its RCN stock directly from farmers or farmer organizations.

GIZ/ComCashew management and funding partners therefore conceived the idea of a matching fund grant to elicit contributions of both public and private partners and enhance their interest in closer supply chain linkages. In the second phase of the project, which commenced in September 2012, GIZ/ComCashew established the Cashew Matching Fund Grant to help accelerate the development of the cashew industry in the five project countries of Benin, Burkina Faso, Cote d'Ivoire, Ghana and Mozambique. Sierra Leone joined in 2017 as the sixth country at the recommendation of the Federal Ministry of Development Cooperation.

The grant scheme was designed using various experiences from developmental Public-Private-Partnership programmes, as also implemented by German cooperation (e.g. develoPPP). The design took into account specificities of the sector under the ambitious goal of a harmonised and transparent support mechanism to private and public actors. Innovative aspects for the Cashew Matching Grant Scheme were designed as follows:

- (1) Linking two private company's agencies in order to overcome the de-linked and non-transparent business practices and deep knowledge gap with the actors.
- (2) Link private companies with an implementing agency in order to professionalise implementation of farmer support.
- (3) Offer grant schemes to government agencies to entice their commitment and engagement for the cashew sector and to bridge governments funding gaps.
- (4) Bring various funders together for transparent and synergetic grant approval and technically guided implementation process.
- (5) Engage technical experts and partners (ACA and founders) in project design and review, thus reaching realistic and manageable projects.

The Cashew Matching Fund Grant brings together private sector partners (buyers, processors) and selected public sector partners (e.g. research) and farmers to build closer supply chain linkages. As a result, ComCashew activities are directly implemented by its partners.

This manual presents information on the Cashew Matching Fund Grant, objectives of the grant; eligibility for participation, contributions, amounts involved, contributing partners, guidelines for application and implementation of the fund.

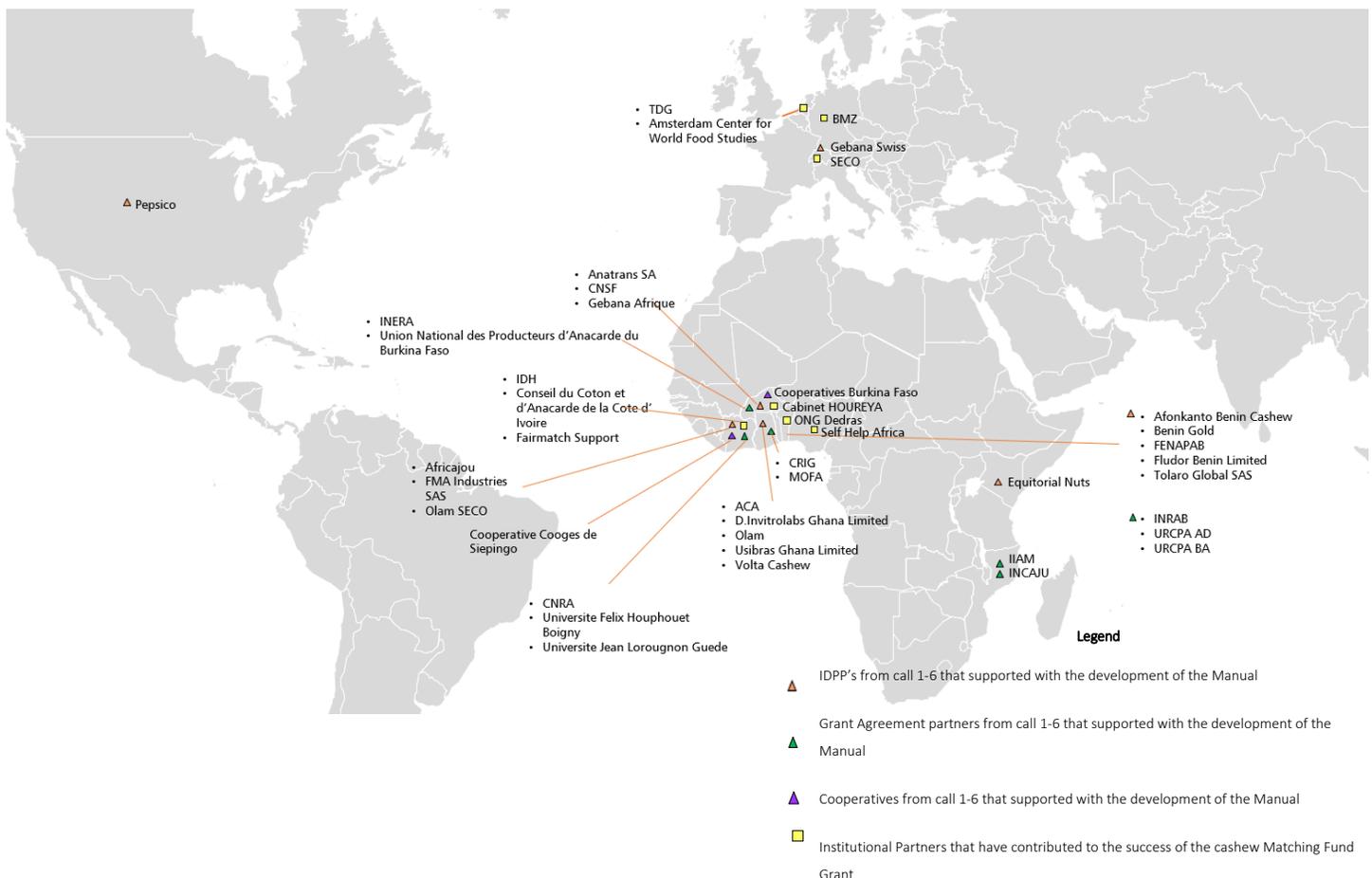
The manual also serves as a resource material and reference book for potential applicants of the Cashew Matching Grant Fund as well as interested funding partners.

Dr. Ulrich Sabel-Koschella,  
GIZ/Agricultural Value Chains for Sustainable Development (GIZ/A4SD).

## Acknowledgements

GIZ/ComCashew would like to acknowledge its various partners and everyone who has contributed to their knowledge and expertise in the preparation of this manual. This manual is built on our shared learning over the years. We especially appreciate the support of our collaborators:

- Partners from Calls 1 to 6 whose contributions, experiences and knowledge were used in the development of this manual.
- Institutional partners that have contributed to the success of the Cashew Matching Grant Fund to date.



We also acknowledge all present and former staff of GIZ/ComCashew that have worked on the Matching Fund and contributes to the knowledge gained: Ernest Mintah (Matching Fund Manager (2012-2016), Ernest Agbavito (Matching Fund Manager (2016-2017); Rita Weidinger (Executive Director); Dr. Ulrich Sabel-Koschella (Head, Agriculture Value Chains), Helene Widmer (Project Manager), Astrid Kothe; Vanessa Langer (Finance Manager); Hannah-Lisa Jahn; Dr. Bernard Agbo, Mohamed Issaka Salifou, Youssoufou Soré, Caroline Coulibaly, Maria Schmidt, Julius Abagi Abila; Nana Adowaa Boateng, Agyarko Mintah, Ernestina Amponsah, Sylvia Pobee, Nunana Addo and Alain Adingra (Matching Fund Advisor: 2012 – 2015)

## Table of Contents

Foreword .....	iii
Acknowledgements .....	v
Table of Figures .....	vii
List of Tables .....	vii
Abbreviations .....	viii
Chapter One.....	1
<b>The Cashew Matching Grant Fund</b> .....	1
<b>Introduction</b> .....	1
<b>Rationale for the setting up of Cashew Matching Grant Fund</b> .....	2
<b>Key Activities funded by the Cashew Matching Grant Fund</b> .....	2
<b>Expected Results</b> .....	4
<b>Eligibility for the Fund:</b> .....	6
<b>Eligible implementing Partners or Service Providers</b> .....	7
<b>Limit of the Fund</b> .....	8
<b>Eligible Cost for funding</b> .....	9
<b>Technical Assistance and Monitoring of Matching Funds</b> .....	9
<b>When to Apply for the Cashew Matching Grants Fund</b> .....	10
<b>What are the Application and Implementation Processes Involved?</b> .....	11
<b>What is an example of a Matching Fund Project?</b> .....	15
Chapter Two .....	16
<b>Types Of Matching Fund Agreements</b> .....	16
<b>Four main types of Matching Fund Agreements available</b> .....	16
<b>The Competitive Cashew initiative (GIZ/ComCashew)</b> .....	24

## Table of Figures

Figure 1: Showing Key Project Focus Areas .....	1
Figure 2: Expected Results of Projects Approved under Matching Fund .....	4
Figure 3: Matching Fund Interventions and Outcomes .....	5
Figure 4: Cost Structure of a Typical Matching Fund .....	8
Figure 5: A Typical Process of a Project under the Matching Fund.....	11
Figure 6: Financial Reporting Process .....	14
Figure 7: An Example of a Typical Matching Fund Project.....	15

## List of Tables

Table 1: The Expected Results, Eligible Countries and the Funding Partner.....	7
Table 2: Eligible Cost for Funding .....	9

## Abbreviations

ACA	African Cashew Alliance
ACi	African Cashew initiative
ANADER	Agence Nationale d'Appui au Développement Rural
BF	Burkina Faso
BJ	Benin
BMGF	Bill and Melinda Gates Foundation
BMZ	German Federal Ministry for Economic Cooperation and Development
CNRA	Centre National de Recherche Agricole
CNSF	Centre National des Semestre Forestière
CIV	Cote d'Ivoire
ComCashew	Competitive Cashew Initiative
FBOs	Farmer Based Organisations
FENAPAB	Fédération National des Producteurs d'Anacarde du Benin
GH	Ghana
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IDH	Sustainable Trade Initiative
INCAJU	Instituto de Fomento do Caju
INERA	Institut de l'Environnement et Recherches Agricoles
INRAB	Institut National des Recherches Agricoles du Bénin
MZ	Mozambique
NGO	Non-Governmental Organization
RCN	Raw Cashew Nut
SECO	Swiss State Secretariat for Economic Affairs
SL	Sierra Leone
TDG	Trade and Development Group
UNPA BF	Union national des Producteurs d'Anacarde du Burkina Faso
URCPA AD	Union Régional Producteurs d'Anacarde d'Atakora – Donga
URCPA BA	Union Régional Producteurs d'Anacarde de Borgu Aligori
VAT	Value Added Tax

# Chapter One

## The Cashew Matching Grant Fund

### Introduction

The Cashew Matching Fund Grant was launched in September 2012 to leverage contributions from processors, FBOs and buyers and/or retailers, as well as public research institutions, for the implementation of specific interventions towards the development of the cashew sector in Benin, Burkina Faso, Cote d'Ivoire, Ghana and Mozambique and recently in Sierra Leone. The fund, a unique public private partnership model is the first of its kind and so far the only such fund in the cashew sector.

Matching Fund Grant projects implemented in the first five calls, have contributed in increasing nut quality and ensuring sustainable growth in production and consequently in promoting sustainability in the cashew supply chain. Thirteen projects approved in the sixth call are currently in the implementation stage.

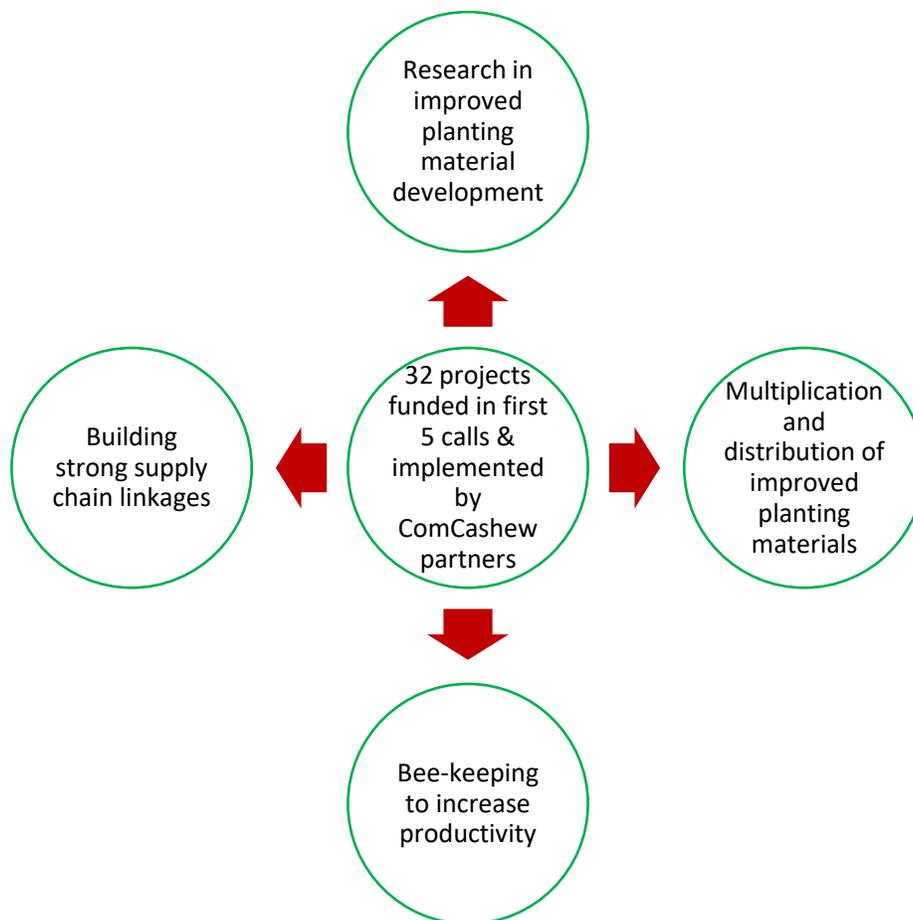


Figure 1: Showing Key Project Focus Areas

## ***Rationale for the setting up of Cashew Matching Grant Fund***

The Matching Fund Facility was set up to:

- allow both private and public partners to participate in the design and implementation of interventions that contribute to the achievement of their vision and that of GIZ/ComCashew.
- engage private sector partners (buyers, processors and retailers) and public sector partners (e.g. research) in the implementation of project activities related closely to their own and GIZ/ComCashew's objectives.
- create the opportunity for the private and public sector to gradually assume ownership of the development and consolidation of the cashew value chain, where GIZ/ComCashew plays a facilitating rather than implementing role.
- establish an instrument that allows for a shared responsibility in the identification and delivery of win-win solutions for addressing poverty reduction, which might not be the primary aim of a private entity or research institution.
- leverage resources from the private and public sector for the delivery of project interventions and thereby enhance trust building between them and the target beneficiaries.
- establish a sustainable relationship between different actors (private and public) that assures benefits beyond the project duration
- establish an instrument that allows for effective and efficient scalability of GIZ/ComCashew interventions.

## ***Key Activities funded by the Cashew Matching Grant Fund***

Two main activity areas are currently funded under the matching fund grant, namely, ***Improved Planting material Development*** and ***Sustainable Supply Chain Linkage***.

1. **Improved Planting material Development:** There are two different project types that can be undertaken:
  - a. *Development of appropriate planting material by national research institutes:* Here the applicant shall be a research organization providing governmental funds to develop further varieties and scion gardens. This includes activities such as breeding, selection, genetic improvements as well as development of further varieties, scion and polyclonal gardens.
  - b. *Multiplication and dissemination of improved planting material by private businesses – mainly processors, but also by traders:* Here the private business multiplies the scions at a privately-owned nursery and disseminates the seedlings to farmers that supply their company. This can be used as an incentive for linking farmers to processing companies. In this case, the project can be implemented by

a private company together with a farmer-based organization (where the research organization is interested in using the private company as an outlet in disseminating research knowledge to farmers). Alternatively, the private business can also develop scion gardens from which farmers can harvest scions for the establishment of new farms or clonal gardens.

- 2. Sustainable Supply Chain Linkage:** Processor/Buyer/Retailer/Farmer Based Organization partnerships undertake specific activities to enhance the productivity of farmers who supply them raw materials as well as to build strong and long-lasting supply chain linkages throughout the whole supply chain. Examples include: Farmer trainings in topics such as Good Agricultural Practices (GAPs), post-harvest technologies, economics, income generating activities, quality control and improvement, nut quality analysis, price negotiation, contracting and product certification processes, bee-keeping for increased productivity, etc. Farmer organizations are also supported with trainings in governance, management, accountability, marketing, cashew market dynamics and improvement of soil nutrition and biological pest control etc.

These activities can be implemented either by staff of a processing company or by sub-contracted third parties (consultancies or NGOs). Training materials prepared under the guidance of GIZ/ComCashew shall be used for these activities. In order to guarantee high quality knowledge transfer, an accreditation or training process for the implementing staff/ agency is instituted.

*\*Training Materials are freely shared with partners and can also be downloaded on the GIZ/ComCashew website. Visit [www.comcashew.org/downloads](http://www.comcashew.org/downloads)*

## Expected Results

Projects approved under Matching Grant Fund shall result in:

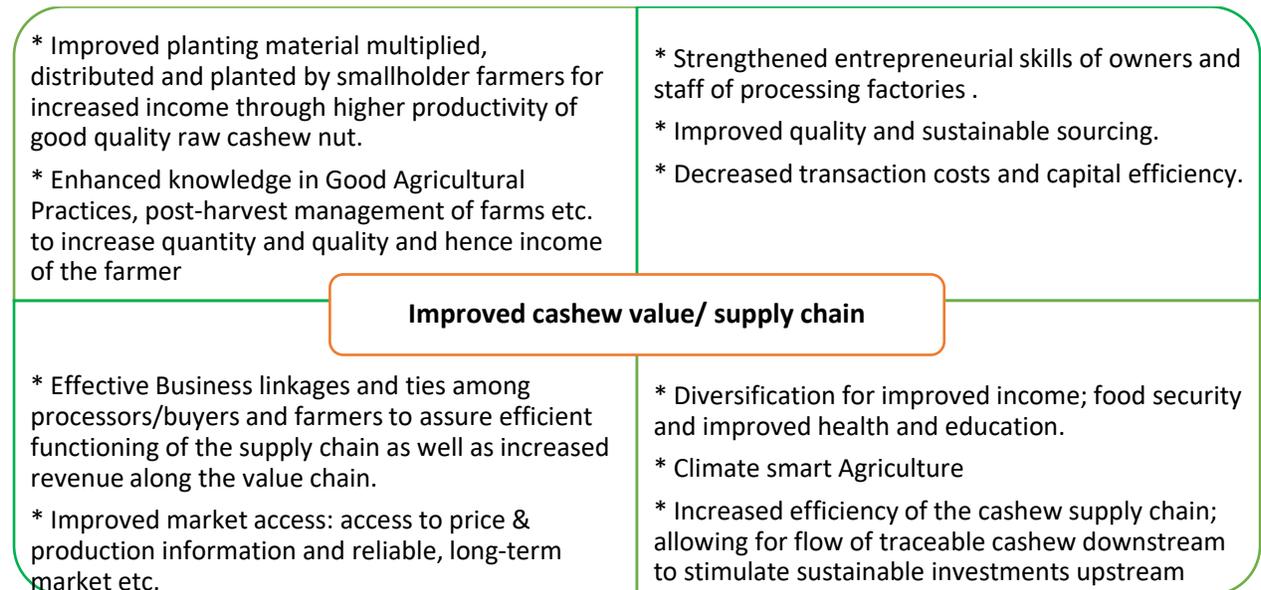


Figure 2: Expected Results of Projects Approved under Matching Fund

## Matching Fund Interventions and Outcomes

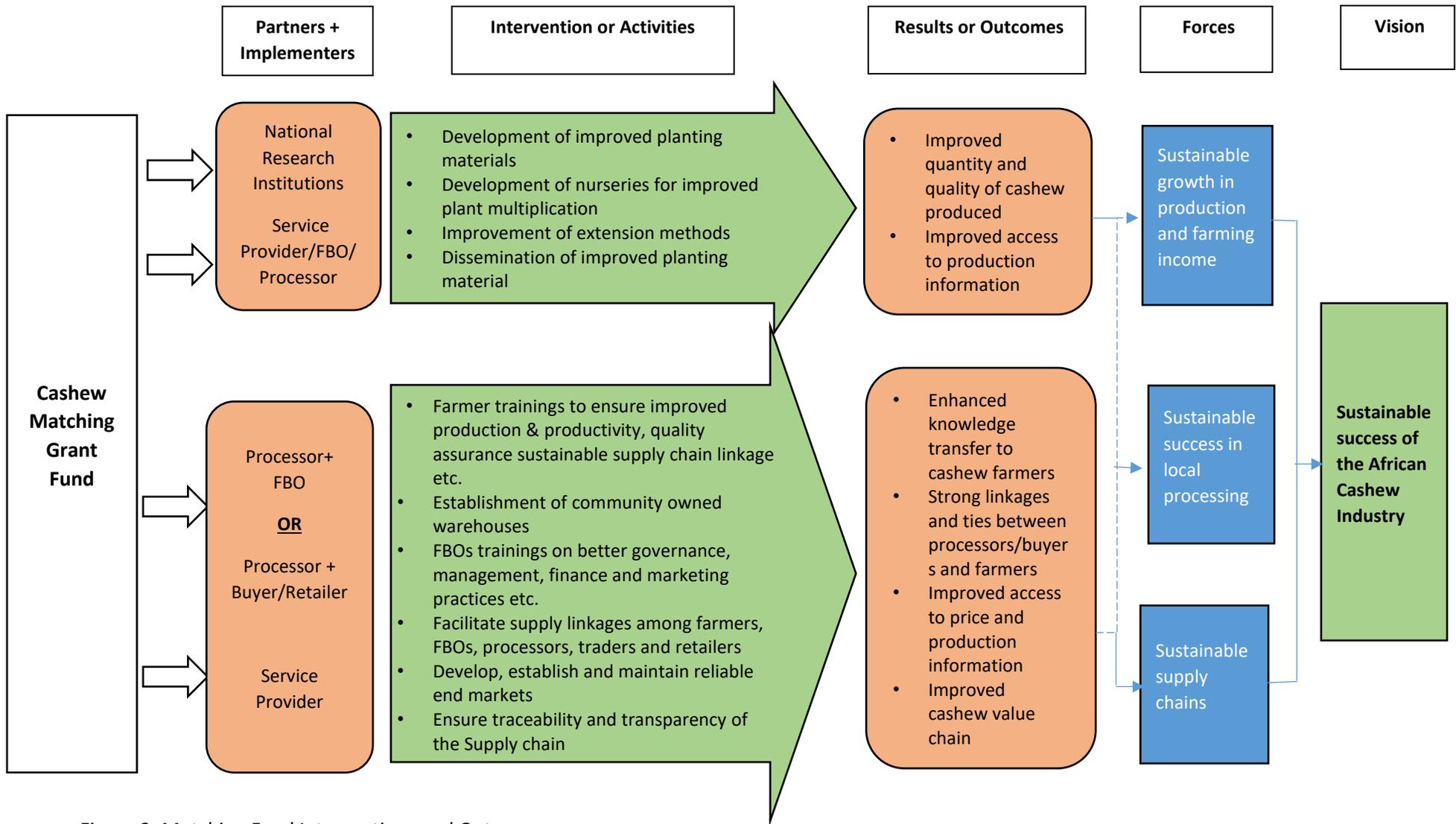


Figure 3: Matching Fund Interventions and Outcomes

### ***Eligibility for the Fund:***

Eligible entities that can partner to apply for the Cashew Matching Fund Grant are:

- I. processors of cashew nuts and apples
- II. farmer based organizations
- III. buyers/traders who purchase cashew kernels or apple produce from Africa
- IV. international kernel buyers/retailers
- V. private sector foundations
- VI. research organizations (including public organizations)
- VII. national extension organizations (including public organizations)

The general eligibility criteria shall be as follows:

- An application can be made by at least two entities in the private sector (example, a processor with a buyer or a retailer for a specific project) to enhance private cooperation along the supply chain. In the case of government organizations, research or national extension agencies can apply alone, but are however also encouraged to work jointly with a private entity.
- Where application is made by two or more entities, one company shall take the lead in the implementation and contracting.
- Preference will be given to companies who are already involved in business transactions with the African Cashew Alliance (ACA) at the time of application, however, other companies are encouraged to apply.
- Buyers and processors applying for Cashew Matching Grant Fund shall show evidence of making annual cash contributions (including membership fee) to the African Cashew Alliance.
- Processors who apply should at least meet AFI standards and should report on progress regularly.
- The partnering entities must have existing operations in Africa and in cashew processing or in buying/retailing kernels from Africa at the time of their application.
- Eligible projects shall be implemented in the six ComCashew project countries (Benin, Burkina Faso, Ivory Coast, Ghana, Mozambique and Sierra Leone) under BMZ and in Ghana for SECO funding. However, funds contributed by other funders could be used Africa-wide as appropriate. In addition, the terms and requirement of the other funds, which differ from the proposed Cashew Matching Grant Fund, shall be announced to potential applicants as and when those become available.

The table below is an example of expected results, eligible countries and the funding partners for Matching Fund projects.

*Table Error! Bookmark not defined.: The Expected Results, Eligible Countries and the Funding Partner*

<b>Result</b>	<b>Countries</b>	<b>Funders</b>
Improved planting material multiplied, distributed and planted by smallholder farmers	Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mozambique and Sierra Leone	BMZ, SECO
Enhanced knowledge transfer to cashew farmers	Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mozambique and Sierra Leone	BMZ, SECO
Strong linkages and ties between processors/buyers and farmers (Effective Business linkages with farmers)	Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mozambique and Sierra Leone	BMZ, SECO
Foster business linkages among cashew actors along the value chain	Ghana	SECO
Improved market access (access to price and production information, etc.) Improved cashew value/supply chain	Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mozambique and Sierra Leone	BMZ, SECO
Diversification	Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mozambique and Sierra Leone	BMZ, SECO
Climate Smart Agriculture	Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mozambique and Sierra Leone	BMZ, SECO

*\*SECO funding is Ghana Specific*

***Eligible implementing Partners or Service Providers:***

The use of an implementing partner or service provider is required in all cases except where the applicant is a public institution.

The implementing partners or service providers will be pre-selected by the Board of the Matching Fund using among others the following general eligibility criteria as a guide, not excluding partners applying for matching funds to proposing their own service providers:

- Evidence of being a legally registered entity or recognized government institution (e.g. farmer extension department of a government).
- Demonstrated knowledge of the cashew value chain.

- Evidence of possessing technical expertise and delivery methodology in an intervention area relevant to the Cashew Matching Grant Fund.
- Prior experience in effective implementation and management of development projects.
- Knowledge of and experience in monitoring and evaluation of projects.
- Evidence of possessing local knowledge of the intervention area or target group.

Examples of the qualified service providers include:

- FairMatch Support
- ONG Dedras
- Self Help Africa
- TechnoServe
- Extension Services of the Ministry of Food and Agriculture of Ghana
- ANADER, Cote d'Ivoire
- Cabinet HOUREYA, Burkina Faso
- Union National des Producteurs d'Anacarde du Burkina Faso – UNPA-BF
- Federation National des Producteurs d'Anacarde du Benin – FENAPAB
- Instituto de Fomento do Caju – INCAJU
- Union Regional Producteurs d'Anacarde d' Borgo Aligori
- D.Invitrolabs Ghana Limited

### ***Limit of the Fund***

The contribution provided by GIZ/ComCashew to the Matching Grants Fund partners differs in ratio depending upon the partner's legal status. For private sector partners GIZ/ComCashew contributes a maximum of 40% to the overall project sum. As for public sector partner, the maximum GIZ/ComCashew contribution amounts to 50% of the overall project sum.



*Figure 4: Cost Structure of a Typical Matching Fund*

*\*GIZ/ComCashew applies the EU limit of 221k Euros per project as contribution from the public funder. Amounts exceeding 221k Euros needs approval from EU.*

### **Eligible Cost for funding**

The table below indicates costs that are eligible for funding and those that are not. Further details on eligible costs for funding can be found in “Guidelines on eligible costs” and can be provided upon request.

*Table **Error! Bookmark not defined.**: Eligible Cost for Funding*

<b>Items/Activities eligible for funding</b>	<b>Items/Activities <i>not</i> eligible for funding</b>
Cost of external technical staff/ implementing partner providing specific services on the indicated activities.	Purchase of land
Travel and subsistence costs of the above-mentioned technical staff, where such travel is relevant for the execution of the project activities.	Taxes, including VAT
Cost of conference, seminars, workshops and other facilities emanating from the project.	Items already financed by the Cashew Matching Fund or another Fund
Cost of research and dissemination of information, printing etc.	Debts and provisions for losses
Direct travel expenses in relation to the product development and marketing.	Transport of goods, insurance and bank transaction costs
Machinery and equipment needed to demonstrate a skill.	
Expenses in relation to pilot testing of a product.	
Auditing of final project accounts.	
Cost of training materials	
Contingency (not exceeding 5% to be justified prior to usage)	

### **Technical Assistance and Monitoring of Matching Funds**

In order to guarantee good quality of all implemented activities under the matching grant

fund, GIZ/ComCashew shall provide obligatory technical assistance in two ways:

1. Through a prior accredited service provider and financed with a minimum of 50% of the project contribution to the matching grant fund. Private project partners can select the implementing partner out of a list of eligible service providers. This technical assistance will encompass:
  - To buyers and Processors: Advising the preparatory stage of the project under the matching fund
  - To buyers and processors: Mediating with farmer organizations regarding the fulfillments of buying / supply agreement.
  - To processors/farmers extension units: Training staff (training of trainers) on extension methodology and content using ComCashew training materials.
  - To consultant and NGOs who implement projects for private sector: Extension methodology and content (training of trainers) value chain mechanisms.
  - To farmer organizations: Organizational support to become reliable partners with processors, training on management of organization, accountability, bulk selling and warehouse management, communication, negotiation, market trends and dynamics
  - To all supply chain partners in the project under matching fund: Process monitoring and advising during and after the implementation.
  
2. By Internal ComCashew staff: who support applicants of the Matching fund by
  - reviewing all applications and concept notes to ensure alignment with the objectives of the grant
  - providing technical support during implementation to assure that key milestones are met
  - providing training on specific issues that might arise, such as webinars of finance reporting, field visits to orient partners where required etc
  - evaluation bi-annual reports to assure the reports are in line with approved proposals and contracts
  - responding to queries and suggestions of partners

### ***When to Apply for the Cashew Matching Grants Fund***

Depending on the availability of funds provided by development partners, the Matching Grants Fund will make one to two calls for Concepts per year. The process entails:

1. Call for Concept note
2. Approval of Concepts
3. Full Proposal preparation and Submission
4. Proposal Evaluation and Approval

5. Contracting and
6. Implementation

The announcement for the Call for Concept note shall be sent by email to all partners and it shall be put on the GIZ/ComCashew website. Visit <http://comcashew.org/>

The Call for Concept shall be followed by the submission of a full proposal by successful applicants. The Call for Concept have a deadline of fourteen calendar date while full proposal submission deadline is 21 calendar days. Different Calls or deadlines may however be announced for different topics.

The Concept and/or the Proposal should be sent (hand delivered) to the GIZ/ComCashew Country Offices in Burkina Faso, Cote d’Ivoire and Ghana, or mailed to:

GIZ/ Competitive Cashew Initiative,  
 313A Cotouno Street  
 East Legon,  
 Accra, Ghana

Additionally, applicants should send electronic copies to: [cashewfund@giz.de](mailto:cashewfund@giz.de)

***What are the Application and Implementation Processes Involved?***

The diagram below shows a typical process of a project under the matching fund mechanism:

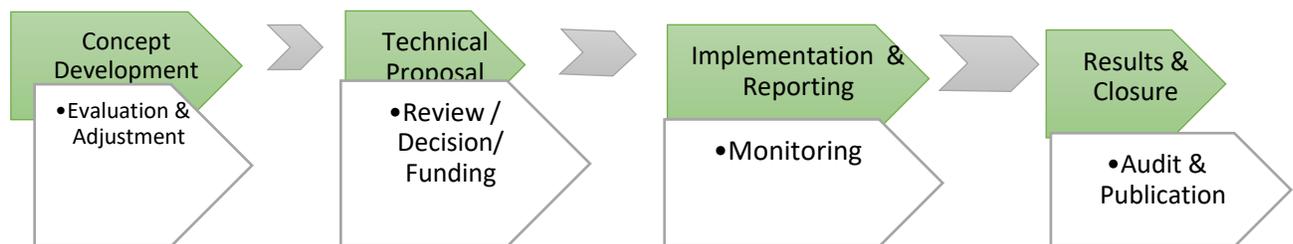


Figure 5: A Typical Process of a Project under the Matching Fund

- i. **Concept Call:** Mechanism, content of fund, and deadline for first round of applications is announced to actors in the African value chain. However, different deadlines/ rounds can be announced for the different topics.
- ii. **Concept Development and Submission:** Interested beneficiaries (Farmers and Research Institutions), wishing to apply for funds, are requested to first submit a Concept Note

using a standard Application Form. Applicants shall submit detailed technical proposals only after this preliminary stage has been evaluated and approved (first by the ComCashew technical team, with a final decision by the Matching Fund Board), with adjustments where necessary. The Technical Team will evaluate the concepts based on the following criteria;

1. Vision and Objectives of the project (alignment with purpose of Matching Fund)
2. Relevance of Action/Project
3. Implementing Capability
4. Financial Capability
5. Scalability and Replicability
6. Sustainability

- iii. **Submission of Proposal:** The technical proposal shall be prepared using specifications in the Application Form and submitted to GIZ/ComCashew, for review and recommendation to the Board of the Matching Grants Fund. The submission of the detailed Proposal as well as decision making on the proposal shall not exceed eight (8) weeks.
- iv. **Proposal Review and Decision Making:** The Matching Grants Fund Board shall meet on set dates to take decisions on the submitted proposals. Following approval by the Board, a project implementation contract shall be prepared between GIZ and the applicants.
- v. **Funding and Implementation:** The agreed funding shall subsequently be released to the beneficiary and the relevant service provider to implement the approved activities, according to the agreed schedule of disbursement. The duration for implementation of funded activities shall be between 12 and 24 months. The applicant shall be fully in charge of the project implementation. In case of difficulties and for information exchange, they will consult regularly with the Fund Manager & Technical Assistant Unit.
- vi. **Reporting:** The Beneficiary shall submit semi-annual reports to the Facility Manager. The soft copies of the reports will be pre-checked by the GIZ/ComCashew finance team and matching grants fund technical team. Feedback will be sent to the beneficiaries. The reviewed report will be sent as hard copy to either GIZ Eschborn (public partner) or the respective GIZ country Office (private partners), who will give a summary report to the Board, who in turn reports to the GIZ/ComCashew Board.
- vii. **Monitoring:** GIZ/ComCashew internal (advisors) and external monitoring shall be applied to the projects under matching grant fund. A joint evaluation of the GIZ/ComCashew staffs undertaken together with the private and public partners (Fund Management and Technical Assistance Unit).
- viii. **Audit and Closure:** At the end of the implementation period, the beneficiaries shall report on the results/outcomes and submit a project account. The Project Management

& Technical Unit shall audit the accounts, publish the results/outcomes and close the project funding.

# Financial Reporting Process

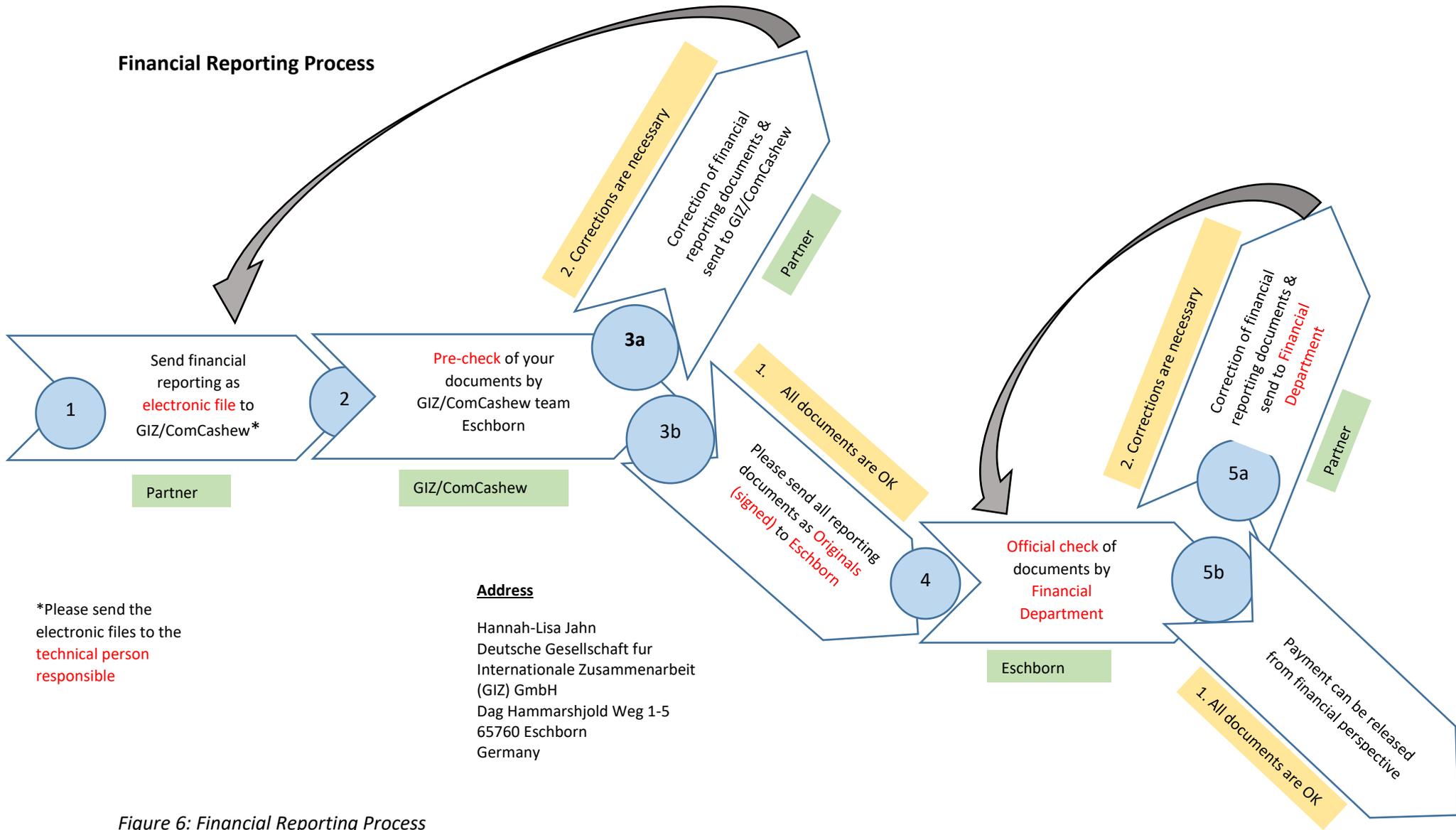


Figure 6: Financial Reporting Process

**What is an example of a Matching Fund Project?**

Applicant

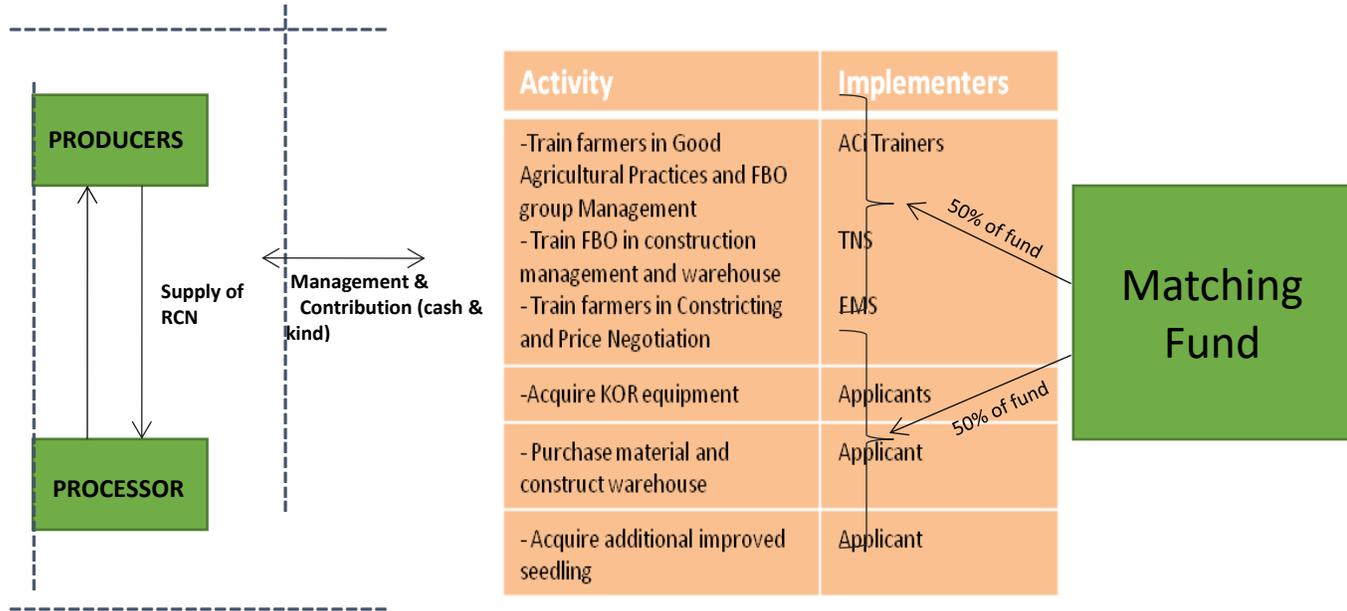


Figure 7: An Example of a Typical Matching Fund Project

## Chapter Two

### Types of Matching Fund Agreements

**Four main types of Matching Fund Agreements are available:**

- 1. Grant Agreement:** this is for non- profit-oriented partners such as NGO's and governmental institutions. For grant agreements, the grant recipient must;
  - Be a legal person with public-benefit status
  - Have the required capacity to plan and implement the project
  - Be based outside Germany
  - Not be the project implementing partner

Note: Consider the GIZ award procedures for services and supplies in case of subcontracting:

- a. For contracts above 100.000 Euro:
  - Documents to be submitted to contract departments during the contracting phase;
    - Project proposal (Annex 1)
    - Budget (Annex 2: Schedule of Estimated Expenditures)
    - Documentation on commercial Suitability
    - Bank information (Special account or sub- account)
    - Contract draft
    - Other annexes (e.g. reporting templates)
  - Documents to be submitted to contract department after contracting phase;
    - Schedule for financial requirement
    - Call for disbursement

- b. For contracts below 100.000 Euro:

**New**: Contracts below this threshold will be concluded via the country offices and not the head office in Eschborn. This requires new contract templates and annexes yet to be determined.

**After the project period**: value of capital goods should be depreciated or handed over to a non-profit organization. The grant agreement handing over process is stated explicitly in Article 4.5 in the contract.

#### **Audit Requirements for contracts**

For contracts above 100.000 euros:

- where less than 125.000 euros: **One audit** at the end of the project period is agreed; statements of expenditure will be checked by GIZ.
- where more than 125.000 euros but less than 250.000 euros: **One audit** at the end of contract term (with final invoice statements of expenditure to be checked by

external auditor). Audit commissioned by GIZ with agreement of contract partner. Audit company predefined by GIZ; **audit cost is not shared** and the audit contract not part of Matching Grants Fund contract.

- where more than 250.000 euros: **audit is conducted annually** and at the end of contract.

For contracts below 100.000 euros:

- The private company shall commission a public auditor that is accepted by GIZ. Costs of audit will be split according to the overall agreed ratio (max. 1.500 euros/audit in total).
- Audit requirement: Audit is conducted annually and at the end of contract term (with final invoice) by external auditor (independently from partner contribution).

## **2. Financing Agreement:**

The grant recipient in this case must be a project implementing partner or downstream partner structure.

- a. For contracts above 100.000 Euro: These contracts will be concluded via GIZ Eschborn.
- b. For contracts below 100.000 Euro: These contracts will be concluded via the country offices. This requires new contract templates and annexes that are yet to be determined.

## **3. Development Partnership with the Private Sector (iDPP's)**

Here, the partner must be a private company and contribute at least **60%** of the total project costs.

Documents to be submitted to contract departments during the contracting phase;

- Project proposal (Annex 1)
- Budget (Annex 2: Schedule of Estimated Expenditures)
- Documentation on commercial Suitability
- Bank information (Special account or sub- account)
- Contract draft
- Other annexes (e.g. reporting templates)
- Documentation on contract award

Documents to be submitted to contract departments are after contract;

- Call for disbursement

**After the project period:** value of capital goods should be depreciated or handed over to a non-profit organization. This is stated explicitly in Article 7.6 in the special agreement of the iDPP contract.

For iDPP's greater than 221, 000 euros, EU- wide public tender according to EU- regulations is necessary.

**Audit Requirements:**

- The private company shall commission a public auditor that is accepted by GIZ. Costs of audit will be split according to the overall agreed ratio (max. 1.500 euros/audit in total).
- Audit requirement: Audit is conducted annually and at the end of contract term (with final invoice) by external auditor (independently from partner contribution).

**4. Cooperation Agreement (in- Kind contributions from both partners)**

This is when both GIZ and private partner have complementary abilities that will reinforce each other if combined in a common project. Here, GIZ and private partner are both implementing agencies with joint responsibility for implementation but separate performance.

General Criteria for this type of agreement are as follows:

- Partner is a private company
- No payments between the contractual partners
- GIZ and the cooperation partner independently provide the contractually agreed contributions
- GIZ contributions are provided **in-kind** (e.g. Trainings)
- Content and personnel monitoring is taken over by the partners themselves for their own contributions.

## Annex

### Matching Fund Evaluation Guideline

Criteria No.	Technical Area Evaluated	Not Acceptable	Minor Weaknesses	Acceptable	Exceptional	Comments
		4	3	2	1	
	<b>1. Alignment with Purpose of Matching Fund</b>					
1	Fit of Proposal/Concept with Vision and Objectives of the Cashew Matching Grant Funds	Does not contribute to the achievement of any of the objectives of the Matching Fund	Proposal does not clearly indicate the alignment with objectives of the Matching Fund though the link could be properly defined with further support	The proposal demonstrates clear attainment of at least one key objective of the Matching Fund	The proposal demonstrates clear attainment of at least two key objectives of the Matching Fund, and there is proven previous experience involving applicant	Projects approved under the matching grant fund shall result in sustainably increasing income for cashew farmers by: <ul style="list-style-type: none"> <li>• Improved quality and quantity of cashews produced</li> <li>• Enhanced knowledge transfer to cashew farmers</li> <li>• Strong linkages and ties between processors/buyers and farmers</li> <li>• Improved access to price and production information</li> <li>• Improved cashew value/supply chain</li> <li>• Establishment and promotion of food security for cashew producers (regulatory</li> </ul>

						tasks, actor-linkages, organization of the sector, etc.) <ul style="list-style-type: none"> <li>Improved frame conditions and regulatory services</li> </ul>
	<b>2. Relevance of Action/Project</b>					
2	Evidence of clear and logical link between solutions/actions proposed and the identified needs or problems to be addressed	No clear and logical link between proposed actions and identified needs/problems	Lack of clarity in establishing a logical link between actions/solutions and the needs to be addressed	Clear evidence of the proposed solutions contributing to significantly address the identified problems or needs	Strong convincing evidence, backed by previous experience, indicating that proposed solutions/actions address identified needs /solutions	
3	Clarity and <b>SMART</b> ness of stated objectives	Objectives are neither clear nor SMART	Objectives are SMART though there is no logical linkage with the objectives of the Matching Fund	Objectives are SMART and clearly contribute to addressing the objectives/vision of the Matching Fund	Strong link with the objectives of the Matching Fund	SMART objectives are Specific, Measurable, Attainable, Realistic and Time bound

4	Consistency of the proposed activities/strategies in relation to expected results	Expected results do not derive from Proposed activities or strategies	Some lack of consistency between proposed activities/strategies and expected results.	Clear consistency and linkage between proposed activities /strategies and expected results	Exceptionally strong evidence of causality between the proposed strategies and the expected results	
5	Sufficiency of the project approach/ methodology and work plans (tasks, responsibilities, timing, milestones, deliverables) for achieving the set objectives of the project	Approach is unclear and workplans are unattainable or do not realistically contribute to achievement of set objectives	Approach is clear but overly ambitious, and workplans require some improvement	Clear elaboration of approach, with realistic workplans	Exceptionally clear approach/strategy and very convincing work plans	
	<b>3. Implementing Capability</b>					
6	Evidence of the formation of a project team, including the assigning of responsibilities	No Team formed or Team has no clearly assigned roles	Team exists but with no clear assignment of roles	Team formed, members clearly identified and assigned specific roles and responsibilities	Strong evidence of Team cohesion and awareness of their roles and responsibilities	
7	Capability of the project team to effectively implement projects, report on progress, and support Monitoring and Evaluation of the Project.	Team has very limited expertise and practical project management experience	Some weakness in the competence of some Team members, with potential to affect effective project implementation	Submitted Profile of Team members demonstrates capability in managing proposed project	Team has strong practical project management experience and composed of members of <b>known</b> expertise and competence	
	<b>4. Financial Capability</b>					
8	Evidence of having financial resources to meet own contribution (Applicants must contribute 60% of the project cost, half of which must be in cash)	No evidence of own in-kind and or verifiable cash contribution to match the Fund's contribution	Evidence of in-kind and verifiable cash contribution exist, but insufficient to match Fund's contribution	Evidence of in-kind and verifiable cash contribution exist, and is sufficient to match Fund's contribution	Strong evidence of in-kind and verifiable cash contribution exists, and is in excess of required matching contribution	

9	Cost efficiency and Reasonability of budget and cost estimates	Budget and Cost estimates are unreasonable and or appear inflated	Budget and cost estimates appear reasonable, but with computational errors	Budget and cost estimates appear reasonable and properly computed	Estimates appear reasonable and supported by verifiable invoices	
10	Capability of the project team to effectively manage funds	Team has no proven competence or experience in financial management. Known case of financial impropriety by Team member	Some weakness identified in ability of Team, but can be corrected or strengthened through technical assistance	Background of project team suggest adequate capability to effectively manage funds	Strong financial management capability with proven record of effectively managing similar funds	
	<b>5. Scalability and Replicability</b>					
11	Ease, effectiveness and cost efficiency in the scaling up of the project or use of the approach and methodology in other similar circumstances	Approach does not appear to be easily replicable, and is tailored as a one-off solution	Approach is replicable but under conditions of unreasonably high cost	Approach is easily replicable under cost efficient conditions	Strong evidence from similar project of the replicability of the project under highly cost-efficient conditions	
	<b>6. Sustainability</b>					
12	Ability of outcomes (or certain recurrent activities) to be realized beyond the period of financial support from the Matching Fund	Sustainability Plan does not clearly how project outcomes will be achieved in the absence of further Matching Funds	Sustainability Plan shows that outcomes are possible beyond funding from the Matching Fund, but resources needed for some activities cannot be guaranteed	Proposal clearly shows contingency measures put in place to assure the realization of expected outcomes and the performance of relevant activities needed beyond the end of Funding	Sufficient arrangements put in place to assure outcomes and ensure achievements of set objectives. i.e. Some arrangements already brokered with Institution likely to continue with the project.	In the context of the Matching Fund, a project is sustainable if the outcomes and impact can be assured to manifest, after the termination of activities funded by the Matching Fund. Evaluators should refer to applicants' Sustainability Plan (i.e. Plan indicating how project activities will

						continue (implementation, funding, monitoring, etc.) where needed, in the absence of the Matching Fund. Usually, it is best if a more permanent institutional arrangement exists to continue with the project.
--	--	--	--	--	--	--

## **The Competitive Cashew initiative (GIZ/ComCashew)**

The Competitive Cashew initiative (GIZ/ComCashew), formerly African Cashew initiative (GIZ/ACi) presents a new and innovative model of broad-based multi-stakeholder partnership in development cooperation. GIZ/ComCashew is a private-public partnership programme under the implementation of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, with funding from the German Federal Ministry for Economic Cooperation and Development (BMZ) as well as Cooperation Partners from the private and public sector.

GIZ/ComCashew's main objective is to increase the competitiveness of African cashew smallholders, processors and other actors along the value chain to achieve a lasting reduction of poverty in the project countries Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mozambique and Sierra Leone. GIZ/ComCashew aims at ensuring that by 2020, each of the 580,000 cashew farmers trained will earn an average additional annual family income of at least US\$600.

Beyond increasing farmers' direct income, the initiative aims at improving cashew processing capacity in Africa, developing sustainable supply chain linkages and supporting a better organization and coordination of the cashew sector. GIZ/ComCashew also strengthens initiatives in the cashew sector and responds to questions regarding investment and processing.

It is time to accumulate and share the valuable experience and knowledge gained in the cashew sector from farm to fork with policy makers, industry as well as potential investors in the cashew sector.