## Template 4: Due diligence on grant recipients

**Eligibility Checklist**

(to be filled in by the IFAD Sponsoring Division)

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| --- |
| 1.A **The grant applicant is:** (check the appropriate box)  The government of a developing member state of IFAD  A non-profit, non-governmental organization in an IFAD member state  An intergovernmental organization with more than one IFAD member state as a member.  A private sector entity or privately-managed Multi Donor Trust Fund (MDTF)  Other  Governments and government agencies of developed Member States and non-Member States are not eligible. Non-profit, non-governmental organizations in non-Member States are eligible only if a specific waiver is granted by the President.  If the grant applicant is a private sector entity, please complete section 7 below.  If the grant applicant is a privately-managed MDTF, please complete section 8 below.  Answers to sections 7 and 8. will be assessed by a private- sector development specialist, who will be deployed as a member of the Competitive Screening Evaluation Team (if the grant applicant is competitively selected) and as a Quality Assurance Reviewer.  1.B **Has the grant applicant provided a signed copy of the self-certification** (including Part II, if applicable)?  Yes  No  n/a |
| 2.A **If the grant applicant has previously received grant(s) from IFAD, has it provided all necessary progress reports and audited financial reports/statements?**  Yes  No  n/a  **If the answer is no, the grant applicant is not eligible.**  2.B **If the grant applicant has previously received grant(s) managed by your division, was its performance satisfactory?**  Yes  No  n/a  If the answer is no, please explain why the grant applicant should receive a new grant. |
| 3. **Is IFAD the prime beneficiary of the grant?[[1]](#footnote-1)**  Yes  No  **If the answer is yes, the grant proposal is not eligible.** |
| 4. **Will this grant support activities normally supported by other IFAD resources?[[2]](#footnote-2)**  Yes  No  **If the answer is yes, the grant proposal is not eligible.** |
| 5. **Will this grant support activities that duplicate efforts being financed by other donors?[[3]](#footnote-3)**  Yes  No  **If the answer is yes, the grant proposal is not eligible.** |
| 6. **Deviation from IFAD policies and procedures:** List any aspects of the grant that do not comply with IFAD’s current grant policy or procedures. |
| 7. **Due diligence on activities to be funded by private sector entities** (complete only if the grant applicant is a private sector entity)   1. What is the vision statement of the grant applicant, including shared objectives with IFAD? 2. Does the company have environmental and social policies in place for the communities where it works, and a good record in terms of practicing social and environmental standards? 3. Could the activities covered by the grant be financed through a loan? (if not, please explain) 4. Would the company have conducted the activities listed in the proposal even without the grant? (if yes, please explain why a grant should be provided to the grant applicant?) 5. Will the company have direct/indirect linkages with IFAD’s target groups[[4]](#footnote-4)as supplier or client? 6. Will the company provide matching resources in support of grant activities for a total amount of at least 20% of the total budget? If yes, also indicate amount. 7. Are IFAD grant resources being used for equity or capitalization of the company?   **If the response is yes, the grant proposal is not eligible**   1. Are IFAD grant resources being used to finance long-term operating costs of the company?   **If the response is yes, the grant proposal is not eligible**   1. Does the project demonstrate how the grant to the company will provide direct/indirect benefits to IFAD’s target groups? |
| 8. **Due diligence on activities to be funded by privately-managed Multi Donor Trust Funds** (complete only if the grant applicant is a privately-managed MDTF)   1. Is the MDTF co-financed by other donors? If yes, in what amount? 2. Are the activities or projects to be financed by the MDTF consistent with IFAD’s mandate and corporate priorities?   If not, please explain why a grant should be provided to the grant Applicant?   1. Does the MDTF demonstrate how its investments will provide benefits to IFAD’s target groups? 2. Will the MDTF report on the results of IFAD’s funds on IFAD’s target groups? 4   **If not, the grant applicant/MDFT is not eligible.** |

[Sponsoring Division/department]

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[Director]

[Name, title and date]**Self-certification of eligibility for IFAD grant financing**

(to be filled in by all grant applicants)

**Part I**

[Name and title of the Authorised Representative], as a legal representative of [Name of Grant applicant Institution], in relation with [Title of the Grant Proposal], (the “Project”), declare the following (If **confirmed**, please check the box):

No staff[[5]](#footnote-5) involved in the proposed Project and/or their immediate family members[[6]](#footnote-6), have a financial interest in the proposed Project[[7]](#footnote-7)

No staff involved in the proposed Project and/or their immediate family members received assistance from an IFAD employee to prepare the grant proposal (i.e. IFAD consultants or staff members) which might lead to actual or perceived preferential treatment[[8]](#footnote-8)

No staff involved in the proposed Project have immediate family members working for or at IFAD (as IFAD consultants or staff members)[[9]](#footnote-9)

No staff involved in the proposed Project, nor [Name of Grant applicant Institution], have ever been investigated, sanctioned for and/or convicted [[10]](#footnote-10) of fraud, corruption, collusion, obstruction,coercionor a related wrongdoing[[11]](#footnote-11)[[12]](#footnote-12)

No staff involved in the proposed Project, nor [Name of Grant applicant Institution], have ever been investigated, sanctioned for and/or convicted of sexual harassment, sexual exploitation and/or abuse[[13]](#footnote-13)

No staff involved in the proposed Project and/or their immediate family members, nor [Name of Grant applicant Institution], improperly benefit ,[[14]](#footnote-14) directly or indirectly, from an association with IFAD or with an enterprise or organization that, directly or indirectly, engages in business with IFAD.[[15]](#footnote-15)

[Name of Grant applicant Institution] will inform IFAD of any material changes to the information provided above in the course of carrying out their duties under the Grant Agreement

[Name of Grant applicant Institution] staff involved in the proposed Project are also required to provide IFAD, at all times, with any information and documentation IFAD may require in order to monitor actual, potential or perceived conflicts of interest or in connection with the certifications made herein

|  |  |  |
| --- | --- | --- |
| Name/Title/Role | Organization | Description of potential conflicts of interest |
|  |  |  |
|  |  |  |
|  |  |  |

The Grant Applicant has:

Read and accepted the Project Concept Note, the Grant Design Document template and the project Budget.

Read and accepted the [IFAD Policy on Sexual Harassment, Sexual Exploitation and Abuse](https://www.ifad.org/documents/38711624/40738358/SEA_e_web.pdf/85275c4d-8e3f-4df0-9ed8-cebaacfab128)

Read and accepted the [IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations](https://www.ifad.org/documents/38711624/40189363/fraudpolicy_eb86_e.pdf/e2ae80aa-e423-4d7c-a582-c01c1917b427)

Read and accepted IFAD’s Standard Grant Agreement Template, which include the General Provisions applicable to IFAD Grant Agreements[[16]](#footnote-16).

Read and accepted the provisions of the [IFAD Handbook for Financial Reporting and Auditing of IFAD-financed Projects](https://www.ifad.org/documents/38711624/39421009/IFAD+Handbook+for+Financial+Reporting+and+Auditing+of+IFAD-Financed+Projects/133b165d-15c7-4f79-8217-aef95b79dd67).

The Grant Applicant shall, if selected:

Comply with the following legal requirements[[17]](#footnote-17):

* 1. Provide evidence of legal registration in an IFAD Member State, not older than 90 days from date of submission
  2. Provide evidence of legal status and capacity of [Name of Grant applicant Institution] to enter into the Grant Agreement, accept the Grant and carry out the Project as well as evidence of the authority of the person who will sign the Grant Agreement on behalf of the Grant applicant

Provide Audited Financial Statements for the previous two years, signed and dated on Auditor’s letterhead.[[18]](#footnote-18)

Comply with the following procurement requirements:

* 1. Share with IFAD the most updated version of [Name of Grant applicant Institution]'s Procurement Guidelines. If the grant applicant does not have its own procedures, it shall use IFAD’s Procurement Guidelines or other procedures acceptable to IFAD.
  2. Prepare and share with IFAD a Procurement Plan where goods and services worth more than US$ 200,000 are to be procured under the Project.

[Grant applicant Name]

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[Name, title and date]

**Part II**

(to be filled in by the grant applicant, only in case the grant applicant is a private sector company or privately-managed Multi Donor Trust Fund (MDTF))

For MDTFs, please provide the relevant information below in respect of both the private management company as well as specific information regarding the MDTF itself, as requested in section C.

**A. Company profile**

Please provide the information listed below, and attach any related documents or provide the appropriate internet links.

1. Name of company and business address, including telephone, e-mail address or fax and web address if available.
2. Year established (include predecessor companies and year(s) established if appropriate).
3. Type of ownership, legal status of the company, and country where company is legally established.
4. If private or closely held company, provide list of shareholders and the percentage of their ownership.
5. List of directors and principal officers (e.g. president, chief executive officer, chief financial officer, vice-president(s), secretary and treasurer).
6. If grant applicant is a subsidiary, indicate if grant Applicant is a wholly-owned or partially owned subsidiary. Provide the information requested in items 1 through 5 above for the grant Applicant’s parent company(ies).
7. Project manager’s name, title, address, telephone, e-mail or fax.
8. Vision statement of the grant applicant, including shared objectives with IFAD.

**B. Company business practices**

B1. Provide verifiable basic summary information on the company’s history, objectives and size/coverage of its operations, and any other information/ documents that would help in assessing the company’s economic, financial, social and environmental standards including a copy of the prior year’s annual report, if available.

B2. In addition, respond to the following questions:

1. Is the company legally registered and does it meet all the legal requirements to operate as a private business and to implement the activities listed in the grant concept note/grant design document? Please provide a copy of the company’s registration.
2. Are there are any legal cases or lawsuits currently pending against the company? Has the company been the object of legal proceedings during the last seven years?
3. Does the company have environmental and social policies in place for the communities where it works, and a good record in terms of practising social and environmental standards?
4. Is the company compliant with the Guidelines on Cooperation between the United Nations and the Business Sector or the Global Compact's ten principles?
5. If the company has worked with farmers, please provide contact information for the farmer organizations with which it has dealt.
6. Is the company up to date on social security payments for all of its employees? Please provide verifiable evidence.
7. Does the company have appropriate health and safety standards? Please provide verifiable evidence.
8. Please provide a summary of the company's governance structure.

**C. MDTF profile**

Please provide the information listed below, and attach any related documents or provide the appropriate internet links.

1. Name of MDTF and business address, including telephone, email or fax, and web address.
2. Year established (include predecessor MDTF and year(s) established if appropriate).
3. Legal status of the MDTF and country where it is legally established.
4. List of co-financing donors and their respective shares.
5. List of senior managers (executive director, steering committee members, chairperson, etc.).
6. Does the MDTF meet all the legal/administrative/financial requirements to make the investments listed in the grant concept note/proposal? If not, please provide details.
7. Does the MDTF have sound investment plans with sustainable economic and financial objectives? Please provide verifiable evidence.
8. Is the MDTF in good standing under the law? Have there been any legal cases or lawsuits against the MDTF in the last five years and are there any one outstanding?
9. Does the MDTF have a sound background in terms of social and environmental standards? Please provide details.
10. Does the MDTF publish transparent annual performance reports? Please provide details.
11. Has the MDTF been evaluated by an external organization during the past two years? If so, please provide a copy of the evaluation.

[Grant applicant Name]

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[Name, title and date]

1. 23 If the answer to 3, 4 or 5 is yes, the grant does not comply with the IFAD Grant Policy. No waiver is possible. It is the responsibility of the Sponsoring Division (SD) Director or Department Head to confirm the eligibility of the grant applicant and the conformity of the grant with all aspects of IFAD’s policies and procedures. If the SD requests a waiver of any policy or procedure which is subject to being waived, it must be set forth below. [↑](#footnote-ref-1)
2. [↑](#footnote-ref-2)
3. [↑](#footnote-ref-3)
4. IFAD target groups include: small-scale farmers, rural SMEs, rural wage earners, rural landless or unemployed men and women, fisherfolk, small herders and livestock keepers, indigenous people, etc. [↑](#footnote-ref-4)
5. The term “staff” includes board members, staff and consultants of the Prospective Grant applicant. [↑](#footnote-ref-5)
6. The term “immediate family member” includes parents, spouses/domestic partners and children, mother, father, son, daughter, sister, brother, grandmother, grandfather, granddaughter, grandson, aunt, uncle, niece, nephew, first cousin, mother-in-law, father-in-law, stepmother, step-father, son-in-law, daughter-in-law, step-son, step-daughter, brother-in-law, sister-in-law, step-brother, and step-sister, as well as other relatives living in the same household as the person working for the Prospective Grant applicant. [↑](#footnote-ref-6)
7. If **not able to confirm**, please provide detailed explanation in writing. For example, the name and title/role of the person having a financial interest and describe the type of financial interest involved. If the financial interest relates to a role held in an organization, please provide the name of the organization, the role held at the organization (e.g., employee, consultant, Board member) and the dates during which the role was held. If the financial interest relates to an ownership interest, please specify the nature and amount of the interest owned, the duration for which the interest has been held and any other relevant information. [↑](#footnote-ref-7)
8. If **not able to confirm**, please provide the name and title/role of the person having received assistance; and the name, position and Division/Department of the IFAD employee having provided assistance. Please also specify the type/nature of assistance provided and the dates/occasions at which assistance was provided. This type of assistance includes, for example, potentially unfair support in competitive selection processes. [↑](#footnote-ref-8)
9. If **not able to confirm**, please provide name and title/role of the person working for [Prospective Grant applicant]; and the name, position and Division/Department of the family member working for or at IFAD. Please also specify the nature of the familial relationship (e.g., spouse, domestic partner, parent, sibling, niece, nephew, father, mother, brother, sister-in-law). [↑](#footnote-ref-9)
10. The term “sanction” refers to criminal convictions as well as civil and administrative sanctions, including sanctions such as conditional non-debarment or letters of reprimand. [↑](#footnote-ref-10)
11. The term “related wrongdoing” includes obstructive practices, such as witness intimidation or evidence tampering, and other sanctionable practices, such as theft or embezzlement, as may be applicable [↑](#footnote-ref-11)
12. If **not able to confirm**, please provide detailed explanation in writing. [↑](#footnote-ref-12)
13. If **not able to confirm**, please provide detailed explanation in writing [↑](#footnote-ref-13)
14. The term “benefit” is to be understood broadly and includes the gaining of any type of advantage, financial or non-financial. A non-financial advantage may include receiving potentially helpful information or designing the Project in a way that only a specific entity associated with the Grant applicant is capable of performing it. [↑](#footnote-ref-14)
15. If **not able to confirm**, please provide name and the title/role of the person benefitting and specify how the person benefits. If the person benefits from an association with an enterprise or organization engaging in business with IFAD, please further provide the name of the enterprise or organization and specify what type of engagement the enterprise or organization has with IFAD. [↑](#footnote-ref-15)
16. The model Grant Agreement is available on IFAD website. [↑](#footnote-ref-16)
17. United Nations agencies, MDBs and CGIAR Institutions are exempted from this obligation. [↑](#footnote-ref-17)
18. United Nations agencies, MDBs and CGIAR Institutions are exempted from this obligation. [↑](#footnote-ref-18)