

Catalytic Fund (CATF)

Guidelines

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# Acronyms and Abbreviations

CA The Cities Alliance

CATF Cities Alliance Catalytic Fund

CAPAT Cities Alliance Programme Administration Team

CG Cities Alliance Consultative Group

CN Project Concept Note

CP Country Programmes

EEP Expert Evaluation Panel

EXCO Cities Alliance Executive Committee

FM Financial Management

FP Project Full Proposal

K+L Knowledge and Learning

M&E Monitoring and Evaluation

NGO Non-governmental Organisation

OECD Organisation for Economic Cooperation and Development

PMS Performance Monitoring System

PPD Cities Alliance Proposal/Project Database

SOP Cities Alliance Standard Operating Procedures

TM Cities Alliance Task Manager

TOR Terms of Reference

UCLG United Cities and Local Governments

UN United Nations

UNOPS United Nations Office for Project Services

WUF World Urban Forum

# Concept and Key Characteristics

1. The Catalytic Fund (CATF) is a Cities Alliance (CA) global funding instrument which provides grant support for innovative projects that strengthen and promote the role of cities in poverty reduction and in sustainable urban development.
2. The Catalytic Fund replaced the CA Open Access Grant Facility in 2010 as one of the core elements of a renovated CA business model under the revised Charter. First presented to the Cities Alliance Executive Committee (EXCO) in July 2010, the CATF model was discussed among members at the November 2010 Consultative Group meeting in Mexico City, and the final design of the CATF was adopted in January 2011.

## Principles

1. The Catalytic Fund (CATF) has been developed in accordance with the following principles:

* **Strategic relevance within the CA business model (Principle 1)**. The CATF was developed in harmonisation with the CA Results Framework and in complementarity and integration with other CA tools, namely Country Programmes (CP), Knowledge and Learning (K+L) and Communication and Advocacy.
* **Global reach (Principle 2).** The CATF is to maintain a wide geographical scope of the CA, much beyond the limited number of countries envisaged for CP. However, global reach is also intended thematically as to include a vast array of issues, and constituency-like as to include all the main stakeholders.
* **Demand orientation (Principle 3).** Cities with strong member support and engagement are at the centre of the CATF, and mechanisms will be in place to foster ownership and commitment.
* **Process optimisation and transparency (Principle 4).** The CATF will intend to systematically lower transaction costs for CA members and partners, while maintaining transparency in the selection process and increasing the developmental value of its projects.
* **Portfolio quality enhancement (Principle 5).**The CATF is to enhance the quality of the CA portfolio by selecting projects which are able to reflect CA comparative advantages and strategically leverage CA impact and learning.

## Objectives

1. The Catalytic Fund has two major and complementary strategic objectives in line with the Results Framework of the Cities Alliance. The first objective is oriented towards the specific local and national situation, while the second aims at the broader CA constituency.

* **Objective 1.** The Catalytic Fund aims to catalyse urban transformation processes that promote more inclusive cities by connecting cities and their innovative ideas to CA members[[1]](#footnote-1) (See Box 1);
* **Objective 2.** The Catalytic Fund aims to advance collective know-how on global urban challenges through the learning that can be distilled from the project experiences and shared among CA partners, members and beyond.

## Applicants and Recipients

**DEFINING CATALYTIC**

A catalytic effect has different aspects to it. As intended specifically by the CATF, it will:

* **Bring Impact.** A catalytic effect is about impact and change, and the action of a catalyst able to initiate and then mediate this process of transformation.
* **Shape a cooperation system.** A catalytic effect develops only through the building and development of a dense system of partnerships. Positive change in complex systems such as cities adapts to the idea of multiple drivers where different approaches, activities and competencies are being aligned for synergetic effects towards a common goal.
* **Innovate.** The catalytic effect is creative and value-added. It often relies on diverse combinations of inputs, alternative pathways and new solutions. Innovation will be measured in terms of new ideas, products and processes in the local city context.

**BOX 1**

1. Applicants and grant recipients may be any city, national association of cities, national government, CA member, civil society organisation, private sector company, foundation or academic institution, as long as the applicant has CA member support and meets other country and eligibility criteria as set out in the Charter, SOP and these Guidelines.

## Overview of Grant-making Process

1. The CATF builds around the following five major tenets:

* Grants are awarded in a competitive process intended to increase the quality and focus of the portfolio. (See *Principles 1, 2* and *5.*)
* The window for CATF support will be open at least once a year. Proposals will be processed in a batch, instead of appraising proposals individually throughout the year. This is a direct consequence of the need to evaluate proposals comparatively. At the same time, this simplified process will also contribute to the lowering of transaction costs (see *Principle 4*) and with it stimulate demand. (See *Principle 3.*)
* Call for proposals can be thematic specific to increase the overall focus and coherence of the CATF portfolio and fill crucial knowledge and strategic gaps. (See *Principles 1 and 5.*)
* An Expert evaluation panel (EEP) will be used in the selection process to aid the CA Secretariat (hereafter known as the Secretariat) in assessing the relevance and quality of proposals, and in supporting objectivity and transparency. The final decision will be taken by the Secretariat, while also considering the composition and characteristics of the overall CA portfolio. (See *Principles 4 and 5.*)
* The grant size will be limited to US$50,000 – US$250,000. The Secretariat is forecasting funding about 10 activities for each call (ca. US$2 million). Sponsorship by one or more Cities Alliance members is required. Multiple sponsors are strongly encouraged. (See *Principle 3.*)

1. The major steps of the envisioned selection process are outlined in Figure 1. Subsequent sections elaborate on the full details of this process and the tools needed.

**Figure 1: Process steps and timeline for proposal selection**

1. **Step 1:** At defined times[[2]](#footnote-2) the Secretariat will issue a Call for Proposals via the Cities Alliance website.
2. **Step 2:** Once this call has been issued, the Cities Alliance will accept submissions of project Concept Notes over a predetermined period of time, typically two months. The Concept Note*[[3]](#footnote-3)* is a concise outline of the intended project and will follow a simple format designed to answer the basic questions of who, what, why, whereand how much.
3. **Step 3:** The Secretariat screens the Concept Notes to ensure that they meet the minimum criteria for eligibility.[[4]](#footnote-4) The Concept Notes that pass the minimum threshold are referred to an independent EEP [[5]](#footnote-5), which evaluates them on a competitive basis using a predefined set of selection criteria. Following an assessment and validation process, the panel provides a ranked list of all scored Concept Notes to the CA for further consideration and processing.
4. The EEP list is reviewed by the Secretariat and modified if needed. During this process and in addition to the selection criteria, the Secretariat may also take into consideration additional strategic factors – such as theme, geography or member engagement and knowledge needs (defined as portfolio criteria[[6]](#footnote-6)) – in order to maintain the strategic balance of the overall Cities Alliance grant portfolio. Following a decision meeting, the Secretariat makes recommendations on which Concept Notes are eligible in principle for funding and qualified to proceed. The Cities Alliance Consultative Group (CG) examines the recommended Concept Notes to ensure that the proposed activities do not conflict with or duplicate Cities Alliance member activities and approves the recommendation.
5. **Step 4:** Once the evaluation process is complete, the Secretariat notifies successful applicants that their Concept Notes have been approved in principle for funding and invites them to revise and develop the Note into a Full Proposal, typically within a two-month timeframe. The Secretariat notifies also any eventual feedback on the project design and matters arising from an early fiduciary screening as well as recommendations by the CG and the EEP members.
6. **Step 5:** The Full Proposal[[7]](#footnote-7) is essentially an expanded version of the Concept Note incorporating the above inputs and providing further detailed information needed to process the grant. An application is not considered to be formally approved until a satisfactory Full Proposal is provided that meets the established standards. Full Proposals which are not submitted within the established time limit will be removed from consideration, and the applicant must restart the application process during the next Call for Proposals.
7. **Step 6:** Once a Full Proposal is received and meets the established standards for project design and fiduciary issues, it is formally approved by the Secretariat. Under special circumstances (decided on need basis), proposals could be referred to the CA Consultative Group for final endorsement on a no-objection basis. The process of evaluation and approval is expected to be 5 weeks.
8. **Step 7:** The Secretariat will then undertake the fiduciary and legal process to make the grant effective.

# Initiation

**Figure 2: The major steps for applicants**

Minimum Threshold Screening

1. The Catalytic Fund is a demand-driven tool. Access for applications to funding from the CATF follows two major steps. The first step refers to the period intervals, at least once a year, when the CA is open for submission of applications. When the window is open, interested applicants apply for funding to the CA by submitting project Concept Notes. (See Section 3.1.) In order to be further processed, the whole batch of received Concept Notes must be verified to be in full compliance with a set of eligibility criteria. (See Section 3.2.)

## The Call for Proposals

1. The CA will issue a call for project Concept Notes at least once a year at set times and for specific durations. Proposals received before or after such an interval will not considered. The call for Concept Notes is posted on the CA website along with the major instructions for application, scope and eligibility criteria. Additional posting and marketing is decided by the Secretariat on a discretionary basis depending also on the available resources and the response rate.
2. Calls for the CATF could be either general or theme- specific. General means a call whose scope is defined by the three major areas of typical intervention outlined in the CA Charter: (a) Citywide and nationwide slum upgrading programmes; (b) City development strategies; and (c) National policies on urban development and local government. A call may also prioritise a specific thematic area (e.g. youth, climate change, municipal finance). A thematic call tends to increase the overall focus and coherence of the CATF portfolio. It also benefits better, more targeted sharing and dissemination of project experiences, fills crucial knowledge gaps, and prioritises issues that are of crucial relevance to both CA members and international debates. Box 2 shows CA past practices in theme selection.

1. The CATF Concept Note is the official format (Annex B) through which applicants respond to the Call for Proposals. Concept Notes could be submitted in English, French, Portuguese and Spanish[[8]](#footnote-8) and must strictly observe the relevant provisions contained in the call for Concept Notes and accompanying submission modalities (see Box 3). Concept Notes shall be sent by e-mail to the Secretariat at [catf@citiesalliance.org](mailto:catf@citiesalliance.org).

**Theme Selection Guidance**

Through internal consultations, the CATF coordinator develops a long list of potential themes based on corporate strategic considerations and priorities. After further consultations and voting, the long list is reduced to a short list of four possible themes. At its annual meeting, EXCO is requested to assess the short list and provide recommendations for selection to the CG. The CG formally selects a theme for the next CATF Call for Concept Notes.

**BOX 2**

1. The rationale of the CATF Concept Note is to allow the EEP to judge a project’s potential without excessively burdening the applicant with premature requirements or the evaluators with unnecessary documentation. The major functions of the CATF Concept Note are (i) to provide sufficient understanding of a project as to enable a competitive assessment in terms of its catalytic and knowledge potential; and (ii) early flag potential risks connected with the project and downstream activities.

## Minimum Threshold Screening

1. Each Concept Note submitted to the Secretariat must comply with minimum requirements in order to be considered for further processing. The Secretariat undertakes the initial and main verification for compliance with the eligibility criteria once the Concept Notes are received and batched. The eligibility criteria are as follows:

* Country eligibility
* CA member(s) support
* Government commitment and approval
* Within scope
* Budget
* Specific submission and application modalities

**A. Country eligibility**. Proposed projects must be implemented in countries that are on the OECD Development Assistance Committee’s List of Aid Recipients (access the current DAC list at [www.oecd.org](http://www.oecd.org/dac/stats/daclist)). Typically, and unless specified otherwise, if a Call for Proposals is over-subscribed, preference will be given to those countries where the Cities Alliance does not have a significant existing programme/set of activities. [[9]](#footnote-9)

**B. Cities Alliance member(s) support.** Proposed projects must be sponsored by at least one member of the Cities Alliance.[[10]](#footnote-10) Multiple sponsors are strongly encouraged, in keeping with the Cities Alliance objective of improving the coherence of urban development cooperation. Sponsorship is defined in its scope and responsibilities by the sponsors’ terms of reference.[[11]](#footnote-11) The sponsor should be contacted prior to submission of the Concept Note. Proponent and sponsor(s) should also have discussed and endorsed the Concept Note including the role of the sponsor(s) prior to submission.

**C. Government commitment and endorsement.** Government commitment and endorsement of the proposed project is essential for success, and is a fundamental requirement for eligibility. Activities at the city level must demonstrate strong commitment from local authorities. Projects at the national level must demonstrate strong commitment from the national government. In all cases, country-specific activities (whether at the local, provincial/state or national level) must secure no-objection by the government of the country, specifically by the Ministry in charge of international aid. If the Concept Note is successful, the applicant will be invited to submit supporting letters demonstrating the government’s commitment and endorsement. These letters should be submitted together with the Full Proposal.

D. Within Scope.Project objectives and activities must be in line with the mandate and scope defined by the Cities Alliance Charter. Generally the Catalytic Fund will only support those activities that strengthen and promote the role of cities in poverty reduction and in sustainable urban development. If the call is theme-specific, then proposed projects will also need to fully address the chosen theme.

E. Budget. The grant request to Cities Alliance must be limited to between US$50,000 and US$250,000. Co-financing is highly encouraged.

F. Specific application and submission modalities. The CA regulates the submission of the Concept Notes and Full Proposals according to specific modalities previously defined, such as language, time intervals, etc. (See Box 3 for most common examples of application modalities). Both the Concept Note and the Full Proposal templates are accompanied by additional specific instructions regarding the questions to be answered and the maximum length allowed.

1. Once the Concept Notes have been reviewed for eligibility, the Secretariat will prepare a report listing: (i) Eligible and ineligible Concept Notes; and (ii) Reasons for ineligibility. All eligible Concept Notes are further processed and forwarded to the EEP. (See Section 4.) Compliance is re-assessed once the Full Proposals are received.

**Example of Submission Modalities**

* **Use of template.** All initial submissions must use the designated Concept Note Template and follow the instructions as specified in the Template, which can be downloaded at: [www.citiesalliance.org/catalytic-fund](file:///C:\Users\wb446204\AppData\Local\Temp\notes53DEA8\www.citiesalliance.org\catalytic-fund)
* **Language.** All submissions must be in, English, French, Portuguese or Spanish.
* **Timing.** Concept Note submissions can only be made in response to the Secretariat’s Call for Proposals, which is issued at least once a year.
* **Deadlines.** Once the Call for Proposals has been issued, Concept Notes must be submitted before the specified deadline.
* **Submission modalities.** All Concept Notes should be sent via e-mail to the Cities Alliance Secretariat at [CATF@citiesalliance.org](mailto:CATF@citiesalliance.org)

**BOX 3**

# Initial Appraisal

## Review of the Concept Notes by the Expert Evaluation Panel

**Figure 3: Concept Note appraisal**

3.2 EEP Consensus Meeting

3.1 EEP Individual Evaluation

1. The batch of eligible Concept Note enters the formal appraisal process. During this assessment process, the Secretariat will benefit from the support and recommendations of an Expert Evaluation Panel (EEP) (4.1.1). The EEP assesses eligible Concept Notes using a defined set of selection criteria (4.1.2) and their guidelines (4.1.3). Those applicants whose Concept Notes the CA determines to be eligible in principle for funding (4.2) will then be invited to develop full project proposals (4.3).

### Composition and process of the Panel

1. After the Secretariat verifies Concept Notes’ compliance with the eligibility criteria, the batch of Concept Notes is transmitted to the EEP for initial assessment.
2. The EEP aids the Secretariat in assessing the quality of the eligible Concept Notes received through the Call for Proposals. The idea of a panel of experts supporting the Secretariat in the selection process rests on three major rationales: (i) lower transaction costs for the Secretariat; (ii) a pool with the diverse set of skills and expertise needed to foresee the catalytic and knowledge potential of a project; and (iii) guaranteed transparency and objectivity of the process in light of an open competition.
3. Panel composition. EEP membership[[12]](#footnote-12) is drawn from preeminent urban experts in a specific thematic area and/or region. Members’ knowledge and experience is relevant not only for judging a full-fledged proposal, but also for understanding a project’s potential for nested knowledge value and catalytic effect based on a short Concept Note. The panel will maintain a regional and gender balance. Finally, diversity will also be considered in regard to the professional experience of the experts. Nominations for the EEP are recommended by the Secretariat and subsequently approved by EXCO. EEP members are appointed for three years and can be confirmed by EXCO for a further mandate following a Secretariat review. The EEP will be managed by an appointed Chair who acts as the main focal point for the other panel members and ensures the overall coordination of its operations.
4. The Panel Process**.** As per Figure 3, the EEP’s work is typically articulated in two major steps:

***A. First assessment – Evaluating the Concept Notes*** (Fig. 3, step 3.1). Detailed methods and tools to be employed in the Concept Note assessment is developed by the appointed Chair in close consultation with the Secretariat. The assessment shall adhere to the following general principles:

1. Concept Notes will be evaluated on a competitive basis taking into account the pre-defined set of criteria provided by the Secretariat, as outlined in Section 4.1.3;
2. Concept Notes will be subject to a scoring system and will be individually assessed by multiple panel members, possibly three individual assessments per Concept Note; and
3. Each assessment shall be complemented by few lines of comments on the overall value of the Concept Note.

***B. Full assessment – Consensus meeting on the Concept Notes list*** (Fig. 3, step 3.2).The Chair will convene the panel members virtually to validate the individual scoring, strengths and weaknesses of the Concept Notes and to resolve any differences in judgement. The Chair is responsible for moderating the meeting, ensuring quality and effective discussion, and reaching consensus among panel members on the final scores[[13]](#footnote-13). Modalities and logistics of the consensus meeting are agreed closely with the Secretariat, but the meeting will take place no later than 20 working days from the time the batch of Concept Notes is submitted to the EEP. The Chair is responsible for providing a ranked list of all scored Concept Notes, based on a consensus of the panel, as the outcome of the meeting. The Chair then submits the ranked list to the CA for further consideration and processing. The list should be annotated and further consolidate the various comments provided by the panel members. The Chair should be available to answer requests for clarification by the Secretariat.

1. At later stages, once the Secretariat has cleared the list of Concept Notes approved in principle for funding, the Chair – in collaboration with other panel members – will be requested to further elaborate the initial assessment into a more detailed and comprehensive set of recommendations. These recommendations should provide indications as to how the successful Concept Notes could be best and further developed into Full Proposals. The Secretariat then conveys the recommendations to the respective proponents.

### Selection Criteria used by the Panel

1. The EEP and the Secretariat use a predetermined set of selection criteria to assess the Concept Notes and – at a later stage – confirm the selection of Full Proposals. The selection criteria are in line with the core principles of the CA Charter[[14]](#footnote-14) and are derived from the objectives of the CATF: (1) to cause catalytic effects on urban transformation; and (2) to advance collective know-how. The first objective informs the development of three clusters of criteria outlined in accordance with the definition of catalytic: to bring impact, shape a system of cooperation, and innovate. (See Box 1) The second objective of the CATF informs the cluster of criteria labeled Knowledge and Learning. The Implementation Conditions cluster of criteria does not map to any specific CATF objective, but rather covers the probability of successfully concluding the project.
2. It is worth noting that the criteria and sub-criteria are not necessarily meant to aggregate mathematically into a final numerical score. Rather, they function as guidance for evaluating those aspects that are most important to the CA and that need to be considered when evaluating the proposals competitively. The next section elaborates a set of guidelines that help navigating each criteria cluster, safeguarding objectivity and uniformity.

**Table 1: The CATF selection criteria**

|  |  |
| --- | --- |
| 1. Implementation Conditions | * Capacity * Cost-Effectiveness * Results Framework * Fiduciary Management * Risks and Mitigations * Co-Funding |
| 2. Impact | * Scalability * Transferability * Institutionalisation * Follow-up investments * Targeting the objective |
| 3. Cooperation | * Ownership * Harmonisation * Alignment * Partnerships, Dialogue and Consultations |
| 4. Innovation | * Innovative design, process and products |
| 5. Knowledge and Learning | * Learning from M&E * Learning and dissemination * Applicability |

### Guidelines for Selection Criteria

1. This section defines the different selection criteria that guide the screening and assessment process.

#### A. Implementation Conditions

1. **Capacity.** The capacity of an organisation refers to its potential to perform, i.e. to successfully utilise its skills and resources in the forms needed to accomplish the objectives of the project. Generally, capacity to perform is captured along organisational dimensions, such as human capital, financial and technical resources, and partnerships. Other aspects also include more intangible criteria, such as the leadership and the history of the organisation. The external operating environment shall also be taken into consideration, especially when it might constitute a significant obstacle to an organisation’s performance.
2. **Cost effectiveness.** The rationale provided for the project’s major costs, which should be well proportioned between the project activities and the intended results. The project should also make adequate use of existing local and/or national resources.
3. **Results Framework.** The central idea behind the project and how that idea is captured in the result framework should be clear, realistic and achievable within two years or less (the timeframe of project implementation). The project should have a realistic plan with concrete steps or activities for achieving the project objectives, as well as clear and measurable results that will have a direct impact on the intended beneficiaries.
4. **Fiduciary management.** The project needs to be in compliance with specific corporate policies that regulate the use of CA grants. This covers procurement, financial management and disbursement policies, and is informed by targeted Secretariat assessments.
5. **Risks and mitigations.** The project should adequately identify any potential social and/or environmental impacts and risks connected to its activities and outline relevant mitigation measures accordingly.[[15]](#footnote-15)
6. **Co-Financing.** All proposals should include co-financing from the recipient organisation, implementing partners, and other sources. The amount of co-financing should match the financial capacity of the proponent as well as the size of the project. Co-Financing might also be an in-kind contribution if it is directly related to project activities.[[16]](#footnote-16)

#### B. Impact

1. **Scalability.** The potential of a project to be expanded over its initial geographic area to benefit more people within a city or country. In order to increase the potential for scaling up, the selected city should preferably have (or have realistic ambitions to develop) appropriate links to other cities in the country, for example, through local authority associations.
2. **Institutionalisation.** The potential of a project to become an integral part of the urban governance of the city/country. The project should preferably reflect activities that directly or indirectly are able to impact on policy formulation, legal framework, institutional reform or work processes. Since the process of institutionalisation may take place after the completion of a project, its financial sustainability serves as a relevant proxy to understanding the likelihood of institutionalisation.
3. **Transferability.** A project whose design is flexible enough to be potentially adapted in a new and different context. While scalability is country-oriented and related more to a quantitative increase in inputs and outputs, transferability refers rather to the ‘concept’ of a project and its adoptability in different cities worldwide.
4. **Follow-up investments.** In order to strengthen catalytic transformation, project activities should be able to stimulate, mobilise and attract potential capital and/or impact on a government’s budgets. Private and public sector investment partners should be clearly identified and involved in the design of the activity from the beginning in order to increase the odds of investment follow-up. In addition, the project should establish mechanisms to foster continued financing beyond its lifespan.
5. **Targeting the objective.** The project must aim to strengthen and promote the role of cities in poverty reduction, and in sustainable development along the lines emphasised by the Cities Alliance Charter.

#### C. Cooperation

1. **Ownership.** A project shall reflect strong ownership of the city and/or government supporting the application. The local/national partner should be committed to (and be in a condition to) leading the development and implementation of the project and account for its results. In difficult contexts, capacity development and participatory activities might be critical in creating, strengthening and broadening ownership and should be adequately reflected in the project design.
2. **Alignment.** Project activities should reflect domestic priorities. The expected results should be aligned with the overall national poverty framework and with urban strategies at the national and/or local level, as well as with relevant urban development and urban poverty alleviation projects on the ground**.**
3. **Harmonisation.** Project activities should be designed to promote coordination amongst development partners. The project should reflect complementary cooperation among CA members’ activities on urban development in the country/city and other national or international development partners.
4. **Consultations, dialogue and partnerships.** Project proposals must be conceived as a participatory process with local stakeholders including both the private sector and community organisations. The project design must include appropriate strategies and actions to ensure adequate participation of communities, paying attention to gender, age and other relevant characteristics*.* The project will need to demonstrate the nature and extent of participation by relevant stakeholders.

#### D. Innovation

1. The criteria of innovative design, process and products considers the extent to which a project idea is innovative within the specific context of the project, and how this is justified in the project proposal. This criterion also includes whether the method employed is distinctive compared to other approaches, and if the project outputs could potentially be used innovatively within the local context.

#### E. Knowledge and learning

1. **Learning from M&E.** Project design should incorporate ways to capture the experience and results of the project implementation. Of particular importance are be the quality of the indicators and other monitoring tools that track (and re-adjust) project progress, as well as dedicated activities targeted at measuring project success such as impact assessment.
2. **Learning and dissemination.** A project shall convey and/or stimulate learning-oriented activities with the aim of sharing and disseminating the experiences, information and knowledge stemming from project implementation and outputs. Examples include peer-to-peer exchanges, write-shops, communities of practice, centres of excellence, and study tours.
3. **Applicability.** Projects with a focus on knowledge development should envisage outputs that are ready to be used by practitioners engaged in similar contexts. The quality of the knowledge product should consider the potential interest to other governments, cities and practitioners and, most importantly, direct applicability and relevance in the field.

## Secretariat Decision Meeting

1. Once the EEP provides its ranked list of all scored Concept Notes to the Secretariat, a dedicated Decision Meeting is convened by the Secretariat to review them on the basis of additional criteria designed to maintain the strategic balance of the CA portfolio. The strategic portfolio criteria are: (i) the geographical scope of the portfolio; (ii) the balance between MIC and LDC; (iii) optimal member engagement; (iv) knowledge gap-filling[[17]](#footnote-17); and (v) thematic balance. The decision meeting is chaired by the CA Manager and includes Task Managers from the Secretariat. A report outlining the main deliberations is circulated including the final list as approved by the Chair on which Concept Notes are eligible in principle for funding and qualified to proceed.
2. This list of Concept Notes is shared with the CG to ensure that the proposed activities do not conflict with or duplicate CA Member activities, and for approval in principle for funding on a no-objection basis. At this stage, Members can also provide comments and recommendations to be conveyed to applicants in view of the development of the Full Proposals and/or project implementation. If the above coordination process reveals any issue or objections, the Secretariat should endeavour to resolve such matters through appropriate consultation. Matters that cannot be resolved in this manner will be deferred to EXCO.
3. Once the Concept Note evaluation process is completed, the Secretariat notifies successful applicants of the approval in principle of their Concept Notes and invites them to develop and submit full funding proposals. In addition, the Secretariat provides comments on areas that need to be modified and/or strengthened, including recommendations from the CG and the EEP. Comments also provide preliminary inputs on procurement and Financial Management (FM) matters and eventual technical and institutional mitigating measures against identified risks.

## Invitation to Submit Full Funding Proposals

1. A CATF Full Proposal is the official format through which qualified applicants are invited to complete the process after a successful Concept Note. Full Proposals must be submitted in English[[18]](#footnote-18) and must strictly observe the relevant provisions contained in the accompanying guidelines. Full Proposals should be sent by e-mail to the Secretariat at [catf@citiesalliance.org](mailto:catf@citiesalliance.org).
2. The rationale behind the CATF Full Proposal is to provide additional fiduciary and project design information needed to formally confirm the funding. The major functions of the CATF Full Proposal are (i) to provide full understanding of the project design; (ii) to highlight compliance with existing UNOPS and CA fiduciary policies; and (iii) to provide the relevant M&E information in terms of baseline and targets. The CATF Full Proposal has the following characteristics:

* It is thorough in testing the relevance of the proposed project to CATF objectives.
* It focuses on the design of the project, encompassing results framework, M&E, timeline, institutional arrangement and budget.
* It builds on the Concept Note but is also a stand-alone document.

# Appraisal Completion

**Figure 4: Appraisal completion and approval**

## Screening of Full Proposal

1. Once a Full Proposal is received, the CA Task Manager (TM) undertakes threshold screening of the proposal to ensurecompliance with funding eligibility and selection criteria – as well as safeguard requirements – and facilitates the review of other fiduciary aspects by assigned specialists as needed in accordance to the relevant modalities and tools (see SOP Section 13 and Section 5.2 below).
2. A Threshold Screening Report is prepared for each proposal. The Threshold Screening Report includes: (i) the assessment of the proposal against predefined set of relevant criteria, and (ii) a summary of the relevant fiduciary findings emerging from the various assessments. For proposals that do not pass the threshold screening in accordance with the TM’s assessment, comments are sent to the applicant with feedback on what revisions may be needed to strengthen the application or address the identified gaps. For proposals that pass the threshold screening in accordance with the TM’s assessment, the proposal and the related Threshold Screening Report are sent to the CA Manager, with a copy to all relevant teams, recommending endorsement and clearance to proceed to final approval. Final approval follows the authorisation levels and modalities stated in Section 6, below.

## Fiduciary review

### Financial Management

1. All CA grant recipients are required to maintain or cause to be maintained acceptable financial management arrangements (i.e. budgeting, accounting, internal control, funds flow, financial reporting, and auditing, and other risk management systems) that adequately reflect the operations, resources and expenditures related to grant funded activities. Such arrangements should provide assurance that the proceeds of the grant will be used for the purposes for which it was intended. And where feasible, these financial management arrangements should be integral to existing recipient’s institutional systems and processes.
2. CATF Full Proposals are subject to afinancial management assessment of the Recipient organization based on the Integrated Assessment Framework (IAF). The assessment is part of the package that is submitted with the Threshold Screening Report. For additional details on assessment of financial management capacity during the appraisal process, see the SOP, Section 13, *Fiduciary Management of Grant Activities*.

### Procurement

1. CA grant recipients are expected to have acceptable procurement arrangements that ensure efficiency and cost-effectiveness, quality of goods and services, transparency, and fair competition.
2. CATF Full proposals are subject to aprocurement capacity assessment of the Recipient organization based on the Integrated Assessment Framework (IAF). The assessment is part of the package that is submitted with the Threshold Screening Report. For additional details on procurement assessment during the appraisal process, see the SOP, Section 13, *Fiduciary Management of Grant Activities*.

### Safeguards

1. The Cities Alliance is committed to ensuring that all activities it supports are environmentally and socially sound, and that adequate mitigation measures for any potential adverse impacts/risks that may arise from the implementation of project activities are designed and implemented throughout the project life.
2. CATF Full proposalswill be screened by the TM for any potential adverse impacts/risks using the standard environmental and social screening tool (ISDS). The assessment is part of the package that is submitted with the Threshold Screening Report, and should include adequate mitigation measures for the identified risks. For additional details on safeguards screening during the appraisal process, see the SOP, Section 13, *Fiduciary Management of Grant Activities*.

# Approval

1. The CA Manager approves[[19]](#footnote-19) all proposals requesting funding of USD 250,000 or less, with the Secretariat informing the CG of these approvals on a regular basis. Proposals requesting funding for amounts greater than USD 250,000 are circulated to the CG for approval on a “no objection” basis.

# Grant Set-Up and Disbursement of Funds [under development]

**Figure 5: Grant processing**

## Memoranda of Understanding and Grant Support Agreements

1. Grants are governed by agreements based on the following modalities: UN to UN Agency Contribution Agreements and Externally Financed Outputs Agreements[[20]](#footnote-20) for inter-agency grants (Annex H); Memoranda of Understanding for grants for Governments (Annex I); Grant Support Agreements for grants for all other external recipients are governed by (Annex J). UNOPS expenditures are specified in the CA annual budget.

## Creation of Records

1. Following the approval of a proposal, the TM, in consultation with relevant staff in the Secretariat and in UNOPS, creates the relevant records in ATLAS and in other systems as may be required in order to facilitate timely and effective grant payment and monitoring during implementation. Such records are approved in the systems by the authorised officials in accordance with UNOPS regulations and procedures.

## Disbursement Package Preparation

1. The CA TM ensures that the project budget, M&E, activities, outputs and deliverables, milestones and timelines as well as other terms of the grant agreement and reporting templates are agreed upon with the Recipient. The CA TM then prepares the following: (i) Grant Approval Request together with Project Proposal, Evaluation Report and other supporting documentation; and (ii) Standardised legally approved grant agreement, in any of the appropriate modalities, together with its supporting annexes, inclusive of templates for reporting. The package is submitted to the authorising official for review and signing of the grant agreement, in any of the appropriate modalities, in accordance with UNOPS regulations and procedures.

## Grant Effectiveness

1. Once the grant agreement in any of the appropriate modalities is signed by UNOPS, the CA TM facilitates its signing by the Recipient and submission of one original countersigned copy. After receipt of the countersigned agreement by UNOPS, the first installment of the grant is paid in accordance with the terms stated therein. Subsequent installments, if any, are paid in accordance with the agreed schedule and satisfactory achievement of the milestones including timely submission of acceptable financial and narrative reports, as may be required under the grant agreement in any of the appropriate modalities.

# Supervision, Monitoring and Evaluation [under development][[21]](#footnote-21)

## Reporting

1. The general objective of the M&E system of the CATF is to gather information in order to provide the Secretariat, the main stakeholders and the CA members with:
2. Regular information the progresses of each CATF project towards the agreed project results (the ‘M’)
3. An assessment of each concluded CATF project (the ‘E’). Since there are different possible focuses for a final assessment, projects’ evaluation sets out to determine and reflect upon: (i) the extent to and modalities through which project results have been achieved; (ii) the extent to and modalities through which the project has impacted on the stakeholders along the two major dimensions defined by the CATF objectives - catalytic transformation and knowledge spin.
4. The following are the major tools and activities involved in the CATF M&E system and how they relate to (A) and (B) above.

**Quarterly progress and financial report (Fig. 6 steps 2 and 4)**. M&E at this level will be concentrated mainly on the project progress of activities in accordance with the timeline and the delivery of the outputs and will take into consideration obstacles that are encountered. The progress report will be accompanied by a financial report.

**Figure 6: The M&E Cycle**

**The midterm report (Fig. 6 step 3).** This report is submitted after one year of project implementation and provides a more detailed analysis of the project status, which moves beyond checks on the project management to verify its progresses in the more broader context defined by the objectives of the CATF. Thus, for instance, questions on involvement of stakeholders and CA members as well as progresses on learning are measured. The progress report will be accompanied by a financial report.

**The completion report (Fig. 6 step 6).** The completion report has a threefold function. First, it provides detail on the project implementation to measure what has been achieved vis-à-vis what was initially planned as per the result framework, timeline and budget. Second, the report further elaborates on aspects central to the CATF (e.g. cooperation system, innovation, change etc.). Finally, bridging with a K&L function, the completion report provides an initial reflection on the project experiences and a look forward on potential follow up activities to enhance its impact. The completion report will be accompanied by a financial audit.

The completion report shall build on the results of a stakeholder evaluation workshop (Fig. 6 step 5) which aims at bringing more objectivity to the process of reporting by gathering different viewpoints and experiences. The stakeholder workshop can also be conceived as a forum in which proposals on the way forward can be discussed and developed.[[22]](#footnote-22)

**Evaluations (Desk reviews and Field visits).** Desk reviews will be carried out for each completed project within six month from the project’s end.[[23]](#footnote-23) Where needed, they can be followed by a field visit [[24]](#footnote-24) at discretion of the Secretariat. The aim of the evaluations is to learn lessons from past experiences so as to improve the effectiveness of future planning but, most importantly, to avail valuable information to be used for K+L activities of the CA, its members and constituency. The review will assess the project’s ‘success’ based on a series of conceptual benchmarks derived from the objective of the CATF but also from other priorities of the CA which might be strategically relevant at a point in time (e.g. Communications and Advocacy purposes). The evaluations will also include recommendations for improving the quality of future project.

**Figure 7. The different CATF M&E tools and their main focuses**

Accountability

Learning

% Short-term focus on timelines, budget, outputs % Long-term focus on outcomes and impact

## Performance Monitoring System

[Under Development]

## Disclosure policies and record retention

[Under Development]

# Knowledge and Learning

1. As per the second objective of the CATF, the K+L component shall aim to actively support projects in view of their potential to become case studies and generate practical experiences in dealing with a well-defined problem that addresses local needs as well as the knowledge interest of the CA.
2. The main activities of knowledge generation, sharing and learning envisioned under the CATF are:

* **Peer-to-peer exchange activities during project implementation.**[[25]](#footnote-25) This exchange shall occur between the city/country implementing the project and a city/country from a different countries and be organised around specific learning opportunities stemming from the project implementation.
* **Evaluations.** Information gathered through desk reviews and field visits part of the M&E system can be used for knowledge and learning activities. (See Section 5.1). As previously noted, evaluations are already targeted on ‘reflection’ and ‘impact’ – both aspects that can be of high relevance for future planning and organisational learning of CA members for their development interventions.[[26]](#footnote-26)
* **International Conferences.** When opportunities are identified, CATF project results and experiences can be presented directly by the implementers to a peer audience of professionals and policy makers in the context of international conferences (e.g. at WUF, UCLG congress, Africities, and others).
* **Project Knowledge.** Project experiences can also be captured and distilled outside the rigid format of reports and evaluations and be narrated by professional writers in order to reach a broader audience and raise the profile of cities. This category also includes case studies (written and multimedia) and practitioner’s notes.

**Figure 8. Four Learning Activities and their main audiences**

*Project Implementation*

*Project Completion*

*Project Follow-up*

1. The EEP process can also serve as a useful resource for the CA learning function. The debates emerging from the consensus-building process for funding decisions might be extremely relevant and insightful with regard to the current trends and innovative solutions in urban development and, as such, be of great interest to an audience beyond the Secretariat. One mechanism to facilitate the sharing of this knowledge with CA members, partners and beyond would be to synchronise the selection meetings with a CA event, e.g. the CG meeting, or with renowned international events, e.g. WUF or UCLG Congress.

# ANNEX A Procedures Flow Chart [under development]

# ANNEX B CATF Concept Note Template (most recent)



**Reference No.**

[Not to be filled]

Concept Note Template for Submission

‘Youth and the City: Challenges of and Visions for Demographic Change’

*Catalytic Fund*

***Page Limits: Specific section limits indicated in Section 2 and 3. OVERALL DO NOT EXCEED 8 SIDES OF A4/Letter.***

|  |  |
| --- | --- |
| **SECTION 1 - GENERAL PROPOSAL INFORMATION** | |
| **1.1 Title of proposed project** [Create a short but descriptive title that captures the overall scope of the project.] | **1.2 Submission date** |
| **1.3 Proposal submitted by** [A proposal is typically submitted by a mayor or a metropolitan or district governor, or the head of a national local authority association. In the case of national level actions, the proposal is usually submitted by a ministry or urban development agency or authority. Other types of organisations such as civil society organisations or universities can also apply.]  Organisation:  Name and title:  Address:  Telephone/Fax/E-mail: | **1.4 Contact Person** [Please insert full details of the person responsible who will be answering communications related to the proposal.]  Organisation:  Name and title:  Address:  Telephone/Fax/E-mail: |
| **1.5 Recipient Organisation** [Please insert the name of the organisation that will sign the Grant Agreement, receive the funding, and be responsible for grant administration and project implementation, and the name of the person who will represent the organisation.] [Please see recipient TOR for more details available at [http://www.citiesalliance.org](http://www.citiesalliance.org/ca/sites/citiesalliance.org/files/CA_Images/CATF_YouthCAll_TOR_Sponsors%26Recipients_02122012_Final.docx).] [The organisation listed here can be the same as 1.3 and, in some circumstances, as 1.7.]  Organisation:  Name and title: Address: Telephone/Fax/E-mail: | |
| **1.6 Other Implementing Organisation [only if applicable]** [If the Recipient will be supported in the project implementation in some or all the project activities and deliverables by any partner organisations, those partners should be listed here. Please add additional text boxes below if more than one organisation is involved]  Organisation:  Name and title: Address:  Telephone/Fax/E-mail: | |
| **1.7 CA members sponsoring the project** [In some circumstances it can be the same as in 1.5 when a CA member is playing a leading operational role in the project]. [For more details see Sponsor TOR available at [www.citiesalliance.org](http://www.citiesalliance.org/ca/sites/citiesalliance.org/files/CA_Images/CATF_YouthCAll_TOR_Sponsors%26Recipients_02122012_Final.docx). ] [Please add additional text boxes below if more than one CA member is involved.]  Organisation:  Name and title of representative in charge: Address: Telephone/Fax/E-mail: | **Type of Sponsorship** [To mark a checkbox double-click on it, and choose ‘checked’ from the default value section] [more than one box can be checked.]  Co- or full implementation  Co-funding  Grant Administration  Analytic and/or Advisory Assistance and Support  Joint Knowledge Management [e.g. M&E, learning events] |
| **1.9 Beside youth, what is the main project focus?** [To mark a checkbox, double-click on it and choose ‘checked’ from the default value section. Try to limit choice to one box.]  Citizen engagement  City governance  Security of tenure and access to shelter  Environment  Access to economic opportunities  Access to affordable services  Other (*please specify*)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | **1.10 Geographic scope of the project** [To mark a checkbox, double-click on it, and choose ‘checked’ from the default value section. More than one box can be checked.]  City: [specify]  State/province: [specify]  Country: [specify]  Global / Regional / Multi-city / Multi-country: [specify] |
| **1.11 Expected project duration** [please note that this is expected to be two year maximum after signing date of the Grant Agreement]  \_\_\_\_\_\_\_ Months | **1.12 Budget Summary**   |  |  |  | | --- | --- | --- | | **SOURCE** | **Total** | **%** | | Cities Alliance | [ grant amount requested] | [of total] | | Co-financier 1 [indicate name] | [amount] | [of tot] | | Co-financier 2 [indicate name]  … | [amount]  […] | [of tot]  […] | | Government [indicate name] | [amount] | [of tot] | | **TOTAL Project Cost** |  |  | |

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| **SECTION 2 – Project Background [ONE side of A4/Letter MAX]** [This section should provide an overview of the urban development context and policies with special reference to youth, the key issues to be addressed by the proposed project, and its added value to previous or ongoing projects on similar issues. This information should provide the background to understand why the proposed approach has been chosen, which will be explained in detail in the following section 3]. [Please answer each question below in the order presented]. |
| **2.1. Project background and rationale**   * What is the context of the project? * What are the key issues to be addressed? * Why is this project needed? * How different it is this project from other or earlier projects on the same issue? |

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| **SECTION 3 – PROJECT DESCRIPTION [TWO sideS of A4/Letter MAX]** [This section provides details on the logical framework of the project and its main approaches on some of the CATF main tenets: coordination, participation, sustainability and knowledge] [Please answer each question below in the order presented. Please be clear and detailed for questions on project outputs, outcomes and objective as these will be included in the Grant Agreement.] |
| **3.1 Project Objectives and Results**   * What is the main objective of the project? * What are the expected outcomes of the project [The Project Outcomes are the direct short- term benefits produced by the project outputs and their utilisation. What is the benefit and who will benefit?] * What are the main activities and outputs of the project? [The ‘Project Activities are the actions taken or the work performed to produce the outputs. The Project Outputs are the deliverables, i.e. products, goods and services – including knowledge and skills – that result *directly* from the project activities. Please list all outputs which are relevant to observe progress towards the objectives.]   **3.2 Project Approach**   * How does this project initiate, complement and/or leverage other development initiatives in or for cities? [Please describe how the project will align to local and domestic priorities and programmes and harmonise with donor activities.] * How will the project facilitate broad participation of stakeholders and build partnerships among urban actors? [Please describe the nature and extent of participation of all important stakeholders in project development and activities. Please also describe potential partnerships including both with the private sector and community organizations. If appropriate, discuss stakeholders’ needs and benefits in terms of gender and age.] * How will the project scale up and institutionalise its approach? [Please describe how you intend to increase or extend the impacts of the project and how it can become an integral part of the urban governance of a city or country.] * How will the project engage financing partners to provide capital for the implementation of plans and strategies to be developed by the project? [Please give special attention to capital investment for infrastructure and impact on local/national government budgets.] * How will the project monitor and evaluate its impact on youth? [Please describe M&E mechanisms that will be used or established by the project to account for demographic and gender-related characteristics of the youth target groups. Please describe also how results will be captured.] * How will the project facilitate learning processes and disseminate knowledge? [How will be M&E and knowledge activities be used to stimulate learning processes within the project management, among stakeholders and beyond? How do you plan to disseminate the project’s experiences on local and national level and for the Cities Alliance?] [Please note that CA strongly encourages peer-to-peer exchange activities and learning among cities with similar experiences.] |

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| **SECTION 4 – PROJECT AND FIDUCIARY RISKS AND ARRANGEMENTS** |
| * 1. **Project Risks**      * Will the project entail any social risks? [impacts on indigenous people, land acquisition, resettlement and/or other relevant potential social impacts]  YES  NO * Will the project entail any environmental risks? [impacts on natural habitats, forest conservation areas, on physical cultural resources and/or other relevant potential environment impacts]  YES  NO * Will the project entail any other risks including, but not limited to political and financial risks? [e.g. upcoming elections that could change government commitment towards the project; required co-finance does not materialise]  YES  NO * If the answer was yes to any of the three above questions, please describe the type of risks involved in the project and the mitigating measures to be undertaken to minimise those potential adverse impacts. |
| **4.2 Fiduciary Risks** [as applies to the Recipient organisation, see 1.5]   * Is the Recipient a registered organisation under the countries’/cities’ legal requirement?  YES  NO * Can the Recipient provide proof of registration and years of operation?  YES  NO * Does the Recipient have (or can open) a bank account?  YES  NO * Is the Recipient liable for audit?  YES  NO * Does the Recipient follow any Procurement Guidelines and if so can this document be provided for review?  YES  NO * Is the Recipient familiar with World Bank Procurement Guidelines?  YES  NO |
| **4.3 Project implementation arrangement** [Please describe major entities involved in the administration of the grant and project implementation activities, their lines of accountability and financial transfer with regard to the grant. To this effect a flow chart/graph illustrating the funds flow and how the project will be managed is well accepted] |
| **4.4 If approved, would this activity have no-objection by the national government?** [Please not that if this Concept Note is approved additional documentation supporting this point may be requested (e.g. a letter of no-objection). This is one of the grant eligibility conditions].  YES  NO |

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| **SECTION 5 - PROJECT SCHEDULES AND OUTPUTS/DELIVERABLES** | | | | | |  |
| Key activities [Please specify project components and activities. Please add/delete ‘components’ or ‘activities’ where needed] | WHO [please specify the entity responsible for the DIRECT implementation of the activity. If the entity needs to be contracted please specify ‘individual consultancy’ or ‘firm consultancy’] | OUTPUTS/DELIVERABLES [Please indicate which output/deliverable is planned to be due in which time period] | | | | BUDGET  [approximate cost per component only] |
| YEAR 1 | | YEAR 2 | |
| Semester 1 | Semester 2 | Semester 1 | Semester 2 |
| **1. Component** |  |  |  |  |  | **Component 1**  US$ |
| **1.1 Activity: *e.g. developing a baseline survey*** |  | *e.g. questionnaire on…* | *e.g. database Concept Note* |  |  |
| **1.2 Activity: *e.g. disseminating the baseline survey*** |  |  |  | *e.g. public database* | *e.g. launch workshop* |
| **1.3 Activity:** |  |  |  |  |  |
| **1.4 Activity:** |  |  |  |  |  |
| **2. Component** [if applicable] |  |  |  |  |  | **Component 2**  US$ |
| **2.1 Activity:** |  |  |  |  |  |
| **2.2 Activity:** |  |  |  |  |  |
| **2.3 Activity:** |  |  |  |  |  |
| **2.4 Activity:** |  |  |  |  |  |
| **3…** |  |  |  |  |  | … |
| **…** |  |  |  |  |  |

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| **6. How did you learn about the Catalytic Fund?**  Cities Alliance website/newsletter  Cities Alliance members website/newsletter  Newspaper/Radio  A colleague  Other (*please specify*)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Concept Notes should be submitted via e-mail only to the Cities Alliance Secretariat at [CATF@citiesalliance.org](mailto:CATF@citiesalliance.org) before **April 30 2012**. For additional information or questionS related to the Catalytic Fund please contact CATF@citiesalliance.org. |

# ANNEX C CATF Full Application Template



Full Application Template for Submission

‘Youth and the City: Challenges of and Visions for Demographic Change’

*Catalytic Fund*

***PLEASE COMPLETE ALL SECTIONS EVEN THOUGH SOME INFORMATION PROVIDED IS THE SAME AS IN THE CONCEPT NOTE***

|  |  |
| --- | --- |
| **SECTION 1 - GENERAL PROPOSAL INFORMATION** | |
| **1.1 Title of proposed project** [Create a short but descriptive title that captures the overall scope of the project.] | **1.2 Submission date** |
| **1.3 Proposal submitted by** [A proposal is typically submitted by a mayor or a metropolitan or district governor, or the head of a national local authority association. In the case of national level actions, the proposal is usually submitted by a ministry or urban development agency or authority. Other types of organisations such as civil society organisations or universities can also apply.]  Organisation:  Name and title:  Address:  Telephone/Fax/E-mail: | **1.4 Contact Person** [Please insert full details of the person responsible who will be answering communications related to the proposal.]  Organisation:  Name and title:  Address:  Telephone/Fax/E-mail: |
| **1.5 Recipient Organisation** [Please insert the name of the organisation that will sign the Grant Agreement, receive the funding, and be responsible for grant administration and project implementation, and the name of the person who will represent the organisation.] [Please see recipient TOR for more details available at [http://www.citiesalliance.org](http://www.citiesalliance.org/ca/sites/citiesalliance.org/files/CA_Images/CATF_YouthCAll_TOR_Sponsors%26Recipients_02122012_Final.docx).] [The organisation listed here can be the same as 1.3 and, in some circumstances, as 1.7.]  Organisation:  Name and title: Address: Telephone/Fax/E-mail: | |
| **1.6 Other Implementing Organisation [only if applicable]** [If the Recipient will be supported in the project implementation in some or all the project activities and deliverables by any partner organisations, those partners should be listed here. Please add additional text boxes below if more than one organisation is involved]  Organisation:  Name and title: Address:  Telephone/Fax/E-mail: | |
| **1.7 CA members sponsoring the project** [In some circumstances it can be the same as in 1.5 when a CA member is playing a leading operational role in the project]. [For more details see Sponsor TOR available at [www.citiesalliance.org](http://www.citiesalliance.org/ca/sites/citiesalliance.org/files/CA_Images/CATF_YouthCAll_TOR_Sponsors%26Recipients_02122012_Final.docx). ] [Please add additional text boxes below if more than one CA member is involved.]  Organisation:  Name and title of representative in charge: Address: Telephone/Fax/E-mail: | **Type of Sponsorship** [To mark a checkbox double-click on it, and choose ‘checked’ from the default value section] [more than one box can be checked.]  Co- or full implementation  Co-funding  Grant Administration  Analytic and/or Advisory Assistance and Support  Joint Knowledge Management [e.g. M&E, learning events] |
| **1.9 Beside youth, what is the main project theme?** [To mark a checkbox, double-click on it and choose ‘checked’ from the default value section. Try to limit choice to one box.]  Citizen engagement  City governance  Security of tenure and access to shelter  Environment  Access to economic opportunities  Access to affordable services  Other (*please specify*)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | **1.10 Geographic scope of the project** [To mark a checkbox, double-click on it, and choose ‘checked’ from the default value section. More than one box can be checked.]  City: [specify]  State/province: [specify]  Country: [specify]  Global / Regional / Multi-city / Multi-country: [specify] |
| **1.11 Expected project duration** [please note that this is expected to be two year maximum after signing date of the Grant Agreement]  \_\_\_\_\_\_\_ Months | **1.12 Budget Summary**   |  |  |  | | --- | --- | --- | | **SOURCE** | **Total** | **%** | | Cities Alliance | [ grant amount requested] | [of total] | | Co-financier 1 [indicate name] | [amount] | [of tot] | | Co-financier 2 [indicate name]  … | [amount]  […] | [of tot]  […] | | Government [indicate name] | [amount] | [of tot] | | **TOTAL Project Cost** |  |  | |

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| --- |
| **SECTION 2 – Project Background** [This section should provide an overview of the urban development context and policies, the key issues to be addressed by the proposed project, and its added value. This information should provide the background to understand why the proposed approach has been chosen]. |
| **2.1 Project Summary** |
| **2.2 What is the context of the project?** |
| **2.3 What are the key issues to be addressed?** |
| **2.4 Why is this project needed?** |

|  |  |  |  |
| --- | --- | --- | --- |
| **SECTION 3 – PROJECT DESIGN**[This section presents the details of the project design and approach. As a first step it provides a systematic analysis of stakeholders involved in the project. As a second step, it outlines the results framework of the project in terms of goals, outcomes, outputs and activities. Finally, it elaborates in more details some key elements of the project’s strategy, namely innovation, coherence, participation, institutionalization, sustainability and learning] | | | |
| **3.1 Stakeholder analysis** [Please add/delete lines where needed] | | | |
| **Who are the key stakeholders?**  [Please identify those organizations, groups or communities that are relevant to the project because they can have an influence (for example in terms of institutional mandate, resources, and interests).  Examples of most common key stakeholders might include specific organizations, groups or communities from the National and Local Government, Civil Society, Private Sector, Media, University etc. (gender, age and other relevant characteristics should be taken into account)]. | **What are key stakeholders’ potential involvement and/or contributions to the project?**  [Please describe the identified stakeholders’ potential role and contributions to the project. ‘Contribution’ is not only to be intended as responsibility in carrying out specific activities or delivering specific products or services for the project but also, for instance, as participation in the consultation process, provision of knowhow, information, financial resources, public relations etc.] | **Please identify those organizations, groups or communities that might be negatively affected or concerned with respect to the project but might not play a direct role in it.**  [Please explain also why the project is of concern to that organizations, groups or communities; why could they be negatively affected by it; and where they see obstacles or limitations.] | |
|  |  |  | |
|  |  |  | |
|  |  |  | |
| **3.2 Results Framework** [Please note that, having identified a goal, some prefer to complete the framework starting bottom up from the activities and working the way up to the goal and not in the order presented below] | | | |
| *Developmental Goal* [The Development Goal is the high level and long term urban development impact of the project. This is the wide change to which the project intends to contribute but whose achievement depend also on other efforts outside the scope of the project] |  | | |
| *Outcomes (also called ‘Purposes’ or ‘Project objectives’)* [The Project Outcomes are the direct short/medium term benefits produced by the project outputs and their utilisation. What are the benefits and who will benefit? What direct improvements or changes will the project bring about? Outcomes should indirectly motivate the crucial reasons for undertaking the project] |  | | INDICATORS:  [The quantitative or qualitative variable that allows to verify to what extent planned outcomes have been achieved] |
| *Outputs (also called ‘Deliverables’)* [The Project Outputs are the specific deliverables, i.e. goods and services – including knowledge and skills – that result directly from activities related to the project. Please list all outputs which are relevant to observe progress towards outcomes] |  | | INDICATORS:  [The quantitative or qualitative variable that allows to verify to what extent planned outputs have been achieved] |
| *Activities* [The Project Activities are the actions taken or the work performed to produce the outputs during the time span of the project] |  | | |
| **3.3. In which respects are the project concept and/or activities and/or deliverables innovative in your context?** | | | |
| **3.4 How does this project initiate, complement and/or leverage other urban development initiatives in or for cities?** [Please describe how the project will align to local and domestic priorities and programmes and harmonise with donor activities.] | | | |
| **3.5 How will the project facilitate broad participation of stakeholders and build partnerships among urban actors?** [Please describe how the key stakeholders as identified in 3.1 will be mobilized, as well as the potential partnerships that could be developed through and as a result of project activities.] | | | |
| **3.6 How will the project scale up and institutionalise its approach?** [Please describe how you intend to increase or extend the impacts of the project and how it can become an integral part of the urban governance of a city or country.] | | | |
| **3.7 How will the project engage financing partners to provide capital for the implementation of plans and strategies to be developed by the project?** [Please give special attention to capital investment for infrastructure and impact on local/national government budgets.] | | | |
| **3.8 How will the project monitor and evaluate its impact on youth?** [Please describe M&E mechanisms that will be used or established by the project to account for demographic and gender-related characteristics of the youth target groups. Please describe also how results will be captured.] | | | |
| **3.9 How will the project facilitate learning processes and disseminate knowledge?** [How will be M&E and knowledge activities be used to stimulate learning processes within the project management, among stakeholders and beyond? How do you plan to disseminate the project’s experiences on local and national level and for the Cities Alliance?] [Please note that CA strongly encourages peer-to-peer exchange activities and learning among cities with similar experiences.] | | | |

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| **SECTION 4 – Project Implementation SPECIFICS [PLEASE MARK N/A when a question does not apply TO YOUR PROJECT]** |
| **4.1 Please describe project location and other topographical and physical characteristics of the environment which are relevant to the project** [if the project activities do not have a specific physical dimension please note ‘N/A’. If the geographical focus areas for the project have not yet been identified, please explain how locations will be selected]  **[PLEASE ADD MAPS if relevant]** |
| **4.2 Please describe any direct and significant impacts associated with the proposed project of social or environmental nature.**  [Significant social impacts might, for example, occur when dealing with indigenous people or other vulnerable groups, land acquisition, resettlement. Environmental impacts might occur on natural habitats, forest conservation areas, on physical cultural resources] . |
| **4.3 Please describe any potential indirect and/or long term impacts of social and environmental nature due to anticipated future activities in the project area or linked to project follow up investments** |
| **4.4 If adverse impact is mentioned in 4.2 and 4.3, please describe measures that exist or can be taken to mitigate potential negative impacts of the project** |
| **4.5 Please identify and describe any associated or parallel project** [please describe only other projects which occur in the same context and time span and which might impact, link or have some practical implications on components and activities of the proposed project] |
| **4.6 Please describe the project implementation arrangement** [To this effect a flow chart/graph illustrating how the project will be managed is welcomed] |
| **4.7 Please describe the funds flow** [To this effect a flow chart/graph illustrating the funds flow among project partners and implementers is welcomed] |

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| **SECTION 5 - PROJECT SCHEDULES AND DELIVERABLES** | | | | | | | | | |
| Key activities [Please mark the duration of the activities (######) and indicate which deliverable is planned to be due in which time period]  [please add/delete ‘components’ or ‘activities’ where needed] | WHO [please specify the entity responsible for the DIRECT implementation of the activity. If the entity needs to be contracted please specify ‘individual consultancy’ or ‘firm consultancy’.] | **YEAR 1** | | | | **YEAR 2** | | | |
| **Q1** | **Q2** | **Q3** | **Q4** | **Q1** | **Q2** | **Q3** | **Q4** |
| **1. Component** [please specify] |  |  |  |  |  |  |  |  |  |
| **1.1 Activity:** [please specify, e.g. *baseline survey*] |  | #### | #### | *database* |  |  |  |  |  |
| **1.2 Activity:** |  |  |  |  |  |  |  |  |  |
| **1.3 Activity:** |  |  |  |  |  |  |  |  |  |
| **1.4 Activity:** |  |  |  |  |  |  |  |  |  |
| **2. Component** [if applicable] |  |  |  |  |  |  |  |  |  |
| **2.1 Activity:** |  |  |  |  |  |  |  |  |  |
| **2.2 Activity:** |  |  |  |  |  |  |  |  |  |
| **2.3 Activity:** |  |  |  |  |  |  |  |  |  |
| **2.4 Activity:** |  |  |  |  |  |  |  |  |  |
| **3. Component** [if applicable] |  |  |  |  |  |  |  |  |  |
| **3.1 Activity:** |  |  |  |  |  |  |  |  |  |
| **3.2 Activity:** |  |  |  |  |  |  |  |  |  |
| **3.3 Activity:** |  |  |  |  |  |  |  |  |  |
| **3.4 Activity:** |  |  |  |  |  |  |  |  |  |
| **4….** |  |  |  |  |  |  |  |  |  |
| **4.1…** |  |  |  |  |  |  |  |  |  |
| **Budget requirements by quarter** [approximate] |  | **US$** | **US$** | **US$** | **US$** | **US$** | **US$** | **US$** | **US$** |

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| **SECTION 6 - Project BUDGET** [**THIS BUDGET IS FOR THE GRANT AMOUNT REQUESTED TO CA** **ONLY]** | | | | | | |
|  | **Budget per expenditure category (US$)** | | | | | **Comments** |
| **Consulting Services** | **Training/ Workshops/ Seminars** | **Dissemination** | **Other**  [please specify in Comments] | **TOTAL (US$)** |
| **A. PROJECT ACTIVITIES** [please add/delete lines where needed] |  |  |  |  |  |  |
| **1. Component** [please specify] |  |  |  |  |  |  |
| **1.1 Activity:** [please specify] | US$ | US$ | US$ | US$ | US$ |  |
| **1.2 Activity:** | US$ | US$ | US$ | US$ | US$ |  |
| **1.3 Activity:** | US$ | US$ | US$ | US$ | US$ |  |
| **1.4 Activity:** | US$ | US$ | US$ | US$ | US$ |  |
| **2. Component** |  |  |  |  |  |  |
| **2.1 Activity:** | US$ | US$ | US$ | US$ | US$ |  |
| **2.2 Activity:** | US$ | US$ | US$ | US$ | US$ |  |
| **2.3 Activity:** | US$ | US$ | US$ | US$ | US$ |  |
| **2.4 Activity:** | US$ | US$ | US$ | US$ | US$ |  |
| A. SUB-TOTAL PROJECT ACTIVITIES | **US$** | **US$** | **US$** | **US$** | **US$** |  |
|  |  |  |  |  |  |  |
| **B. OPERATING COSTS [MAXIMUM 15% of the total]** |  |  |  |  |  |  |
| **Independent Audit** |  |  |  |  | US$ |  |
| **Supervision Costs** | US$ | US$ | US$ | US$ | US$ |  |
| B. SUB-TOTAL OPERATING COSTS | **US$** | **US$** | **US$** | **US$** | **US$** |  |
| ***TOTAL (A+B)*** |  |  |  |  | ***US$*** |  |

|  |  |  |  |  |
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| **Section 7 - Budgeting assumptions** **[ONLY FOR CONSULTING SERVICES see above PROJECT BUDGET] [please add/delete lines where needed]** | | | | |
| **Type of Consulting Services** | **Unit Description** | **Unit Cost** | **No. of units** | **TOTAL (US$)** |
| Consultant A [please specify if (a) individual or firm; and (b) scope of assignment/activity] | [e.g. day, hour, lump sum] | US$ |  | US$ |
| Consultant B [please specify if (a) individual or firm; and (b) scope of assignment/activity] | [e.g. day, hour, lump sum] | US$ |  | US$ |
| ***TOTAL*** |  |  |  | ***US$*** |

# ANNEX D Terms of Reference for CATF Project Sponsors



Terms of Reference for a Project Sponsor - *Catalytic Fund*

One of the eligibility criteria for applying to the Catalytic Fund requires that a project Concept Note and proposal must be sponsored by at least one member of the Cities Alliance. Cities Alliance members active in the relevant city and/or country should be contacted by proponents[[27]](#footnote-27) for possible sponsorship prior to submitting the project Concept Note or proposal. Proponent and sponsor(s) should also have discussed and endorsed the project including the role of the sponsor(s) prior to submission. Please visit <http://www.citiesalliance.org/ca/our-members> for a list of current Cities Alliance members.[[28]](#footnote-28)

The CA defines five different types of sponsorship through which CA members can be involved in a project (one or more):

1. *Full or Co-implementation*. The sponsor implements full or specific components or activities of the proposed project in close coordination with the proponents.
2. *Co-funding*. The sponsor financially supports components or specific activities of the proposed project.
3. *Grant Administration.* The sponsor provides administration services regarding the grant management on behalf of the proponents.
4. *Analytic and/or Advisory Assistance and Support.* A sponsor provides technical assistance and capacity building to achieve project’s objectives and outputs.
5. *Joint Knowledge Management*. A sponsor supports the monitoring of the progress of the project, its evaluation and/or learning activities.

By agreeing to be a sponsor of the proposed project in one of the five modalities described above, the Cities Alliance Member(s) agree to the following terms of reference:

* The sponsor has ensured that the proposed project is complementary, or at least not in conflict, with the country-level programmes or activities of other donors and national governments.
* The sponsor has reviewed and/or jointly developed the application that has been submitted by the proponent.
* The sponsor will extend active support in one of the above five modalities to the project, the forms and details of which should be agreed with the recipient and documented in the application.
* The sponsor will follow progress of the project activities and inform the Cities Alliance Secretariat if they become aware of any factor that might significantly impede or improve project implementation including any emerging environmental or social risks.
* The sponsor will ensure timely payment of its co-financing contribution, if any.
* The sponsor will collaborate with other Cities Alliance members in the country in support of the project’s objectives and activities.
* The sponsor, if requested, will support Cities Alliance project evaluation activities.

# ANNEX E Terms of Reference for CATF Grant Recipients



Terms of Reference for a Grant Recipient - *Catalytic Fund*

The recipient organisation is the organisation that receives and administers the grant, and is responsible for project implementation activities and reporting.[[29]](#footnote-29) The Cities Alliance prefers its funds and project activities to be administered and implemented by a city, an association of cities, or a national government.[[30]](#footnote-30)

However, in some cases where it is determined that the recipient city, association of cities or national government may have insufficient capacity to manage Cities Alliance grants, or for other operational reasons, a member of the Cities Alliance (the sponsor of the project), or another third party may be requested to play an operational role, such as receiving and administering the funds. Such an organization may also implement some or all of the project activities on behalf of the recipient.

The terms of reference for the recipient organisation include:

* Overall responsibility for the proper use of the Cities Alliance funds.
* Enter into a grant agreement with the World Bank, on behalf of the Cities Alliance, which will stipulate the terms and conditions for receiving and utilizing the funds.
* Comply with all provisions in the grant agreement and applicable World Bank policies and procedures.
* Be responsible for using the funds only for the activities specified in the grant agreement.
* Define the institutional arrangement, including relationship with sponsor and other implementing partners.
* Provide timely reporting to the Cities Alliance Secretariat on progress in implementing the project, and financial reporting on the uses of the funds as specified by the grant agreement.
* Communicate with the Cities Alliance Secretariat on all significant matters relating to the project, such as changes in activities, budget revision and timeline. This includes also any emerging social and environmental risks and any adverse impacts resulting from implementation of project activities.
* Participate in knowledge sharing activities so that other cities/countries might benefit from the project experiences.

In cases where a Cities Alliance member or another third party is playing an operational role in the project, they will, in addition to the above Recipient TOR, also agree to:

* If administering the grant, provide the required financial reporting to both the Cities Alliance Secretariat and the partner entity/organization on behalf of which they are implementing the project.
* Submit progress reports and other monitoring requirements jointly with the partner entity/organization.
* Engage the partner entity/organization in work programming, particularly if implementing the project on its behalf.

1. Transformation processes are intended to occur not only at the city level but also at the national level, e.g. through the development of a national policy. [↑](#footnote-ref-1)
2. Timing and number of calls depend upon resource availability and strategic decisions at management and CG level. [↑](#footnote-ref-2)
3. For more details on the Concept Note see Section 3.1 and Annex B. [↑](#footnote-ref-3)
4. For more details on the Eligibility Criteria see Section 3.2. [↑](#footnote-ref-4)
5. For more details on the EEP and the evaluation mechanism at this stage see Section 4.1 [↑](#footnote-ref-5)
6. For more on the Strategic Portfolio Criteria see Section 4.2. [↑](#footnote-ref-6)
7. For more details on the Full Application see section 4.3 and Annex C. [↑](#footnote-ref-7)
8. Languages allowed may vary. [↑](#footnote-ref-8)
9. Countries where the Cities Alliance currently has a significant existing programme/set of activities are: Brazil, Burkina Faso, Ghana, India, Mozambique, Philippines, South Africa, Uganda and Vietnam. [↑](#footnote-ref-9)
10. Please see CA website for a list of current Cities Alliance members. [↑](#footnote-ref-10)
11. Please see Annex Dfor the CA sponsors’ terms of reference. [↑](#footnote-ref-11)
12. Initially they will be ITAs. [↑](#footnote-ref-12)
13. In the event that consensus is not reached on the day of the meeting, additional sessions will be scheduled following decision by the panel chair. If consensus is not reached within the agreed additional period, decision will be transferred to the Secretariat. [↑](#footnote-ref-13)
14. As of 23 January 2009. [↑](#footnote-ref-14)
15. At the Full Proposal stage, this will be informed by an environmental and social assessment (ISDS). [↑](#footnote-ref-15)
16. Examples of in-kind co-financing include: (i) A local authority assigns a staff member from its planning office to work on the project full-time for a period of 18 months. (ii) A computer and GIS software needed for a project component will be donated for the exclusive use of the project for a period of two years. [↑](#footnote-ref-16)
17. Activities related to project research should cover areas and aspects that are not fully covered by previous research, or for which exists a well-motivated knowledge demand. [↑](#footnote-ref-17)
18. Languages allowed may vary. [↑](#footnote-ref-18)
19. This approval does not pertain to signature of grants which is subject to level of delegation of authority provided. [↑](#footnote-ref-19)
20. If UNOPS confirms this modality (undergoing legal review). [↑](#footnote-ref-20)
21. To be revised once the new Cities Alliance Performance Monitoring System is in place. [↑](#footnote-ref-21)
22. This represents a continuation of stakeholder involvement in earlier stages of the project, at the planning cycle and rebuts a commitment of the CA towards dialogue and participation. Minutes for the workshop report will be included as a part of the completion report material. [↑](#footnote-ref-22)
23. Evaluation will be carried out by EEP Members so that part of the learning can feed into the next EEP selection process. [↑](#footnote-ref-23)
24. Field visits might involve CA members. [↑](#footnote-ref-24)
25. This is to be budgeted in the proposal. [↑](#footnote-ref-25)
26. Possible mechanisms for this would be to have EEP members who perform evaluations report back on the results, not only to the Secretariat but also to the Policy Advisory Forum and the members. [↑](#footnote-ref-26)
27. A proponent to Catalytic Fund is typically a city, an association of cities, or a national government. Other types of organizations such as civil society organizations or universities can apply. [↑](#footnote-ref-27)
28. The Cities Alliance Secretariat may contact the sponsor upon receipt of a funding application to confirm their agreement to the above sponsor terms of reference. [↑](#footnote-ref-28)
29. The Recipient is also typically the organization that submits the application (i.e. the proponent) since the Cities Alliance believes that an activity’s chance of success is directly related to the extent that it is conceived, designed, proposed and managed by the entity requesting the assistance. [↑](#footnote-ref-29)
30. Other organizations such as Universities and NGOs can also apply. [↑](#footnote-ref-30)