

**BLUE GRANTS COMMITTEE**

**PROCEDURES MANUAL**

The Trust has been established as a corporate body to manage funds raised to finance the Seychelles Debt Swap with the Paris Club, as well as other capital inflows (e.g. Blue Bond), and also to support coastal and marine conservation and sustainable use activities. The Trust is administered by a Board of Directors.

The SeyCCAT Blue Grants Committee has been established as a Technical Evaluation Committee to advise the Board on the disbursement of Blue Grants Funds from the Trust.

This Procedures Manual is a guiding document for the Grants Committee and sets down the procedures for evaluation of grant proposals.

**Version 5.0. April 2020**

1. INTRODUCTION

This Procedures Manual provides guidelines for the Blue Grants Committee of the Seychelles Conservation and Climate Adaptation Trust (SeyCCAT), which was legally created via legislation on November 19th, 2015. The establishment of the Grants Committee was agreed by the SeyCCAT Board of Directors and noted as a resolution in the Minutes of the First Meeting of the Board held on 19th November 2015.

The mandate of the Grants Committee is given in Article 2.4 of the SeyCCAT Operations Manual, viz:

*The Grants Committee shall consist of (members) with operational and technical programming skills who are committed to the conservation of renewable resources and sustainable development. The Grants Committee will (i) analyze and recommend projects and programmes to be presented for approval by the Board, (ii) provide orientation on priorities of SeyCCAT and the projects and programs to be funded, (iii) periodically review and bring up to date the (investment or grant making) strategy of SeyCCAT and (iv) participate in the periodic review of the Annual Work Plan, along with other stakeholders in the Seychelles.*

This Procedures Manual represents an elaboration of the technical functions of the Grants Committee as mandated in Article 3.2 of the Operations Manual: Call for Proposals. Specifically, the Procedures Manual contains:

1. Composition of the Grants Committee
2. Guidelines on the categories of proposals that may be funded (this is periodically updated according to the evolving (investment or grant making) strategy of SeyCCAT).
3. Notes on who may apply for grants.
4. Grant categories (small-medium, large).
5. Procedures for Call for Proposals.
6. Format for applications for different grant categories (templates).
7. Procedures for evaluation of proposals (evaluation criteria).

The Procedures Manual may be updated annually or whenever so requested by the Board of Directors. Subsequent to any revision the Procedures Manual must be submitted to the Board of Directors for approval.

1. COMPOSITION OF THE GRANTS COMMITTEE

As per Article 2.4 of the SeyCCAT Operational Manual, “The *Grants Committee shall consist of individuals with operational and technical programming skills who are committed to the conservation of renewable resources and sustainable development.”*

*Appointment, removal, addition or substitution of members is at the discretion of the Board of Directors.*

Committee Members will serve three-year terms, which may be renewed at the Board’s discretion for two consecutive terms. Committee members may be requested to serve another term after they have not served as a committee member for a period of three years.

Committee members that miss three meetings in a row may be removed from the Grant’s Committee at the discretion of the Committee Chair. All members are bound by conflicts of interest as per SeyCCAT’s Operation Manual.

1. WHO can apply?

Any Government department or agency, locally-registered NGO or CSO, business[[1]](#footnote-1) parastatal organization or citizen of Seychelles may submit a proposal to SeyCCAT. Proposers must have legally existed and operated[[2]](#footnote-2) in the Seychelles for a minimum of one year.

Overseas-based organizations are not eligible, although proposals from and led by eligible local organizations may include overseas-based partners.

The Board of Directors may decide to restrict the participation of any of the above classes of persons or organizations in any Call for Proposal, and this shall be indicated in the scope of the Call for Proposals.

Proposers will be required to include details of qualifications and experience to ensure that a sound judgment can be made concerning the proposer’s ability to deliver the project.

1. OBJECTIVES/ACTIVITIES THAT SeyCCAT MAY FUND

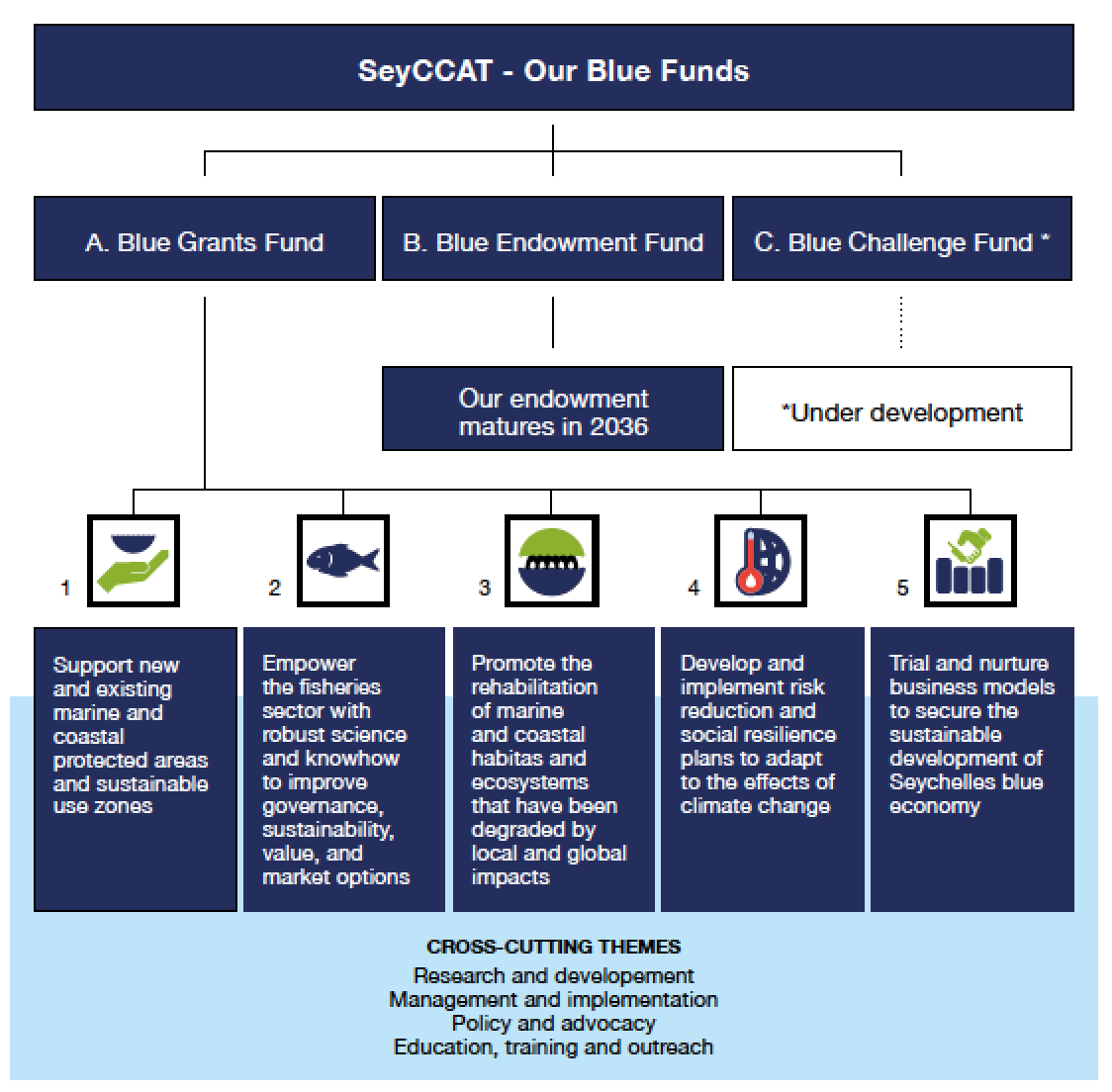
All proposals submitted to the fund must have as their main purpose the conservation, sustainable use and/or management of marine and coastal biodiversity and/or ecosystem-based adaptation to climate change in the Seychelles.

Proposals may cover any part of the territory of Seychelles, terrestrial, coastal and marine, but may not cover areas outside of the territory of Seychelles. Proposals may, however, include regional or transboundary co-financing.

The Board of Directors, guided by recommendations from the Grants Committee, will review its priorities for funding annually, based on funds available, historical distribution of grants both geographically and thematically, national priorities, opportunities to leverage funds against other bi-lateral, multi-lateral, and private grants, etc.

**The strategic objectives** that SeyCCAT may fund is as follows:

1. Support new and existing marine and coastal protected areas and sustainable use zones;
2. Empower the fisheries sector with robust science and knowhow to improve governance, sustainability, value and market options;
3. Promote the rehabilitation of marine and coastal habitats and ecosystems that have been degraded by local and global impacts;
4. Develop and implement risk reduction and social resilience plans to adapt to the effects of climate change;
5. Trial and nurture business models to secure the sustainable development of Seychelles’ blue economy.



**For each of SeyCCAT’s requests for proposals** (see section 6), a priority strategic objective (or objectives) will be defined. SeyCCAT’s assets originate from differing sources with differing priorities: the Debt Swap proceeds can be used to fund any of the five strategic objectives, whereas assets derived from the Blue Bond are tied to:

* 1. Expanded sustainable-use marine protected areas (US$1.5 million over 6 years) (SWIOFish3 Component 1 funding/proceeds) – SeyCCAT Strategic Objective 1).
  2. Improved governance of priority fisheries and sustainable development of the Blue Economy (US$1.5 million over 6 years) (SWIOFish3 Component 2 funding/proceeds) - SeyCCAT Strategic Objective 2, SeyCCAT Strategic Objective 5).

Further, for Blue Bond proceeds, the priority Blue Grants Funding is to facilitate (a) the operationalization of sustainable-use marine protected areas and (b) the implementation of the Mahé Plateau fisheries management plan and the transition from open-access to better controlled fisheries.

For Strategic Objective 2, applicants are to address the ‘Principles for Investment in Sustainable Wild-caught Fisheries’ ([www.seyccat.org/resources/#significant-reports](http://www.seyccat.org/resources/#significant-reports))

For Strategic Objective 5, applicants are to address the ‘Sustainable Blue Economy Finance Principles’ ([www.seyccat.org/resources/#significant-reports](http://www.seyccat.org/resources/#significant-reports)). The Blue Grants Fund does not provide ‘start-up capital.’ It can be used for research and development. See: [Guidelines for profit-making organisations](file:///Users/seyccat/Desktop/SeyCCAT/SeyCCAT%20Board/2020/Board%20Meeting%2010/For%20online%20Board%20Meeting/Guidelines/RD%20guide%20for%20SeyCCAT%20V2.docx) provides guidance on the different elements of research and development that SeyCCAT can support.

**4.1 Salaries**

SeyCCAT may fund salaries for lead applicants and other project partners, but not salaries of identified persons in the Exclusion List. However, when applying for funds to go towards salaries, it is advised to provide a job description and/ or a term of reference, especially for the lead applicant and a performance monitoring mechanism, either through monthly evaluation, time sheets or delivery on output.

SeyCCAT remains flexible and prefers not to provide a cap on the salaries because it depends on the nature of the work involved. However, where salaries are more than 50% of the entire grant, extra scrutiny will be applied before any disbursements.

1. Grant categories, EXCLUSIONS and co-financing
   1. Categories

There are two categories of grant that may be applied for:

* **Small -medium grant** up to SCR 100,000 [approximately US$7,500]. These grants will be awarded on the basis of an approved concept.
* **Large grant** between SCR 100,000 [approximately US$7,500] and SR 1,000,000 [approximately US$75,000]. These grants will be short-listed on the basis of the concept (stage 1), and then awarded on the basis of a full proposal (stage 2).

Normally each Call for Proposals will be open to applications for both categories of grant, unless the Board of Directors determine otherwise, in which case this will be indicated in the scope of the Call for Proposals.

Applications that fall outside the given categories will not be considered.

For SeyCCAT grants funded by Blue Bond proceeds, the Environmental and Social Management Framework (ESMF) and Process Framework (PF) mentioned in Articles 3.4 and 3.5 of the Operations Manual and posted on SeyCCAT’s website) must be observed, including in particular:

*Excluded activities:* SeyCCAT will post the Exclusion List attached to the SeyCCAT Operations Manual on its website and include it in the grant application materials in order to advise potential applicants of activities not eligible for Blue Grants. Grant applications received by SeyCCAT will be reviewed to ensure that they do not contemplate activities on the Exclusion List.

*Screening by SWIOFish3 Project Implementation Unit Environmental and Social Specialist:* The environmental and social specialist attached to the *SWIOFish3* Project Implementation Unit (“PIU”) created in the government of Seychelles in connection with the SeyCCAT Blue Grants Fund will review all “Blue Bond” Blue Grant applications using the Screening Templates attached to the SeyCCAT Operations Manual to evaluate environmental and social issues and risks relating to the activities proposed in the grant application, and will make binding recommendations to the Blue Grants Committee regarding its findings.

*Guidelines on Generic Impacts and Risks*: In addition, SeyCCAT will post the Guidelines on Generic Impacts and Risks of SWIOFish3 activities on its website in order for Blue Grant applicants to consider whether it will be necessary to undertake an Environmental Impact Assessment and/or prepare a supplemental safeguards instrument (an Environmental Management Plan) in connection with the activities they are proposing, and to provide guidance for the preparation of that supplemental safeguards instrument, which would need to be reviewed and cleared by the PIU’s environmental and social specialist.

*Guidelines for Construction Health and Safety*: Any civil works undertaken as part of a “Blue Bond” Blue Grant-funded project must incorporate the Guidelines for Construction Health and Safety attached to the SeyCCAT Operations Manual in civil works contracts and comply with those requirements. SeyCCAT, and the PIU, will monitor that compliance.

*Environmental and Social Compliance Reporting*: SeyCCAT with the PIU will carry out regular monitoring and evaluation of each “Blue Bond” Blue Grant-funded project and report regularly to the PIU and IBRD on environmental and social safeguard matters relating to each project using the template of the Environmental and Social Compliance Report attached to the SeyCCAT Operations Manual.

The maximum duration of grant awards is 12 months for a small – medium grant and 24 months for a large grant. At the request of the grantee, these grant periods may be extended for 6 months and 1 year, respectively.

* 1. Exclusions

The Board of Directors may introduce exclusions that will not be considered for funding. Initial exclusions are as follows:

* Funds may not be used, directly or indirectly, to pay for any Government’s administrative or operating costs (however, funding of salaries of new hires, is acceptable). New hires under this project must be dedicated to the management and performance of tasks under this project and must be evaluated based on performance. If only a percentage of the person’s time will be put towards the project, SeyCCAT must be informed of this and provided with evidence of the co-financing for the other percentage of work.
* Funds may not be used for salaries of directors and core staff (support and administration) of non-governmental organisation, except, as such salaries relate to services performed by such persons for the execution of the project funded by the Trust. This is likely to be for only a percentage of their time allocated to the project which SeyCCAT must be informed of as well as evidence of the co-financing for the other percentage of work.

Profit-making organizations may apply for funds but the enterprise must show that it is also, ecologically responsible and in the most part leads to and environmentally sustainable business model. More guidance is provided for businesses: <https://seyccat.org/wp-content/uploads/2020/05/Research-and-Development-guide-for-SeyCCAT-FINAL.pdf>

* Funds may not be used for the following (specific exclusions):
* Individual sponsorships for participation in workshops, seminars, conferences, congresses, or individual scholarships
* Debts and provisions for losses or debts
* Interest owed
* Items or costs incurred by or through projects already financed under another framework
* Purchases of land or administrative buildings
* Purchase of automobiles and motorized vessels (but can include a research vessel)
* Currency exchange losses
* Business Tax (with the exemption of VAT and PIT).
* Gainful occupation permit and withholding taxes
* Credits to third parties
* Management fees applied by the proposer may not be more than more 10% of the total annual amount requested from SeyCCAT.
* Contingency costs should not be included.
* Funds may not be used for funding activities relating to the extraction of non-renewable natural resources.
* Funds may not be used to finance activities that are not environmentally and socially compliant or those that require the land acquisition.
* See full [Exclusion List](https://seyccat.org/wp-content/uploads/2019/04/Exclusion-Update-PDF.pdf)

No activities included in the [Exclusion List](https://seyccat.org/wp-content/uploads/2019/04/Exclusion-Update-PDF.pdf) (as cited in the Operations Manual) may be considered for funding or engaged in as part of the activities funded by a “Blue Bond” Blue Grant.

* 1. Co-financing [[3]](#footnote-3)

Co-financing is not mandatory for small-medium grants, but in-kind co-financing is encouraged.

Applicants for large grants are encouraged to provide co-financing to an amount equivalent to that being requested from SeyCCAT. Indicative co-financing must be provided at the concept stage, and an attestation of the available co-financing must be submitted with the full proposal.

Co-financing may be cash or in-kind, but in-kind co-financing must be realistic and documented.

Co-proposals with Environment Trust Fund of MEECC are not allowable, nor are ETF proposals allowable as co-financing.

SeyCCAT grants may be proposed as co-financing in proposals to other funding agencies. SeyCCAT advises only leveraging its funds against other proposals on a singular basis, i.e. not to cite SeyCCAT funds as co-finance for multiple projects.

1. **What do we mean by co-financing?**
2. **Direct co-finance**: includes all financial resources – which can be public or private – from third parties that are from or flow through the applicant into the project/programme alongside the financing provided by SeyCCAT.
3. **Indirect co-finance**: includes all financial flows – which can be private or public – from third parties that indirectly flow into the project (i.e. not through the applicant).
4. **Leveraged finance/mobilized finance/catalyzed finance** is all financial resources from third parties that flow into the intervention that can reasonable be assumed to have been the result of financing provided by SeyCCAT. I.e. the additional financial resources would not have been applied in the absence of SeyCCAT’s participation. These resources may be public or private.
5. **Public finance** is all financial resources that flow into the projects/programmes from the public sector or entities that are more than 50% owned by the public sector.
6. **Private finance** is all financial resources that flow into projects/programmes from entities that are more than 50% owned by private stakeholders.
7. DUE DILIGENCE

Prior to awarding the grant, all applicants shall undertake a “due diligence” process whereby the SeyCCAT Secretariat will require the following documents depending on the type of applicant.

The SeyCCAT Secretariat will request the following:

**ASSOCIATIONS**:

* Proof of organisations / associations certificate of registration (including names

of officers of the association);

* A certified (signed) copy of your most recent audited accounts (i.e. the year

preceding your application), which is required to be submitted to the Registrar *[1]* by

the 31st March each year); and,

* A certified (signed) copy of the minutes of proceedings held at the most recent

general meeting.

**CITIZENS**:

* A copy of your NIN / identity card; and,
* A certified (signed) copy of your police record (this must be less than one month old).

**BUSINESSES**:

* A certified (signed) copy of your most recent audited accounts (i.e. the year

preceding your application);

* Business Registration evidence (including articles of incorporation, particulars of

directors, and;

* The option of a certificate of good standing.
* Tax clearance certificate.

**GOVERNMENT DEPARTMENT AND AGENCIES**:

* A certified (signed) copy of your most recent audited accounts (i.e. the year preceding your application); and
* Sector development strategy document.

**PARASTATALS**:

* A certified (signed) copy of your most recent audited accounts (i.e. the year

preceding your application); and,

* Organisational strategy document.

If the applicant fails to produce this, the award will be cancelled or deferred for a period of a maximum of 12 months.

CALL FOR PROPOSALS

* 1. Schedule

A Call for Proposals will be made every 12 months. The responsibility of issuing the Call for Proposals lies with the SeyCCAT Secretariat as per Article 3.2 of the Operations Manual.

The Grants Committee will meet every six to twelve months to evaluate proposals submitted. There will be additional meetings to evaluate large grants submitted. The initial sequence of activities of the Grants Committee meetings is as below (subject to change at the discretion of the Board):

|  |  |
| --- | --- |
| ***Activity*** | ***Action*** |
| Call for Proposals |  |
| Grants Committee meeting to evaluate concepts for small-medium and large grants  Board meeting (physical or electronic) | 1. Recommendations for approval of small-medium and large grants sent to Board of Directors 2. Large grants are short-listed and proposers requested to prepare full proposals |
| Board meeting | 1. Recommendations for approval of small-medium grants sent to Board of directors. 2. Board approves small projects |
| Grants Committee meeting to evaluate full proposals for large projects | 1. Recommendations for approval of large projects sent to Board of Directors |
| Board meeting (physical or electronic) | 1. Board approval of large projects. |
|  | 1. Announcement of projects. |

Per this schedule, the Board of Directors would meet to approve these grants. Decisions could also be made electronically if the Board of Directors schedules are restricted.

* 1. Formats

Concept notes

All proposers, for any size of grant, must first submit a concept note that provides key information on the proposer, a brief description of the activities proposed for financing and the objectives they address, a summary of the execution approach and a cost estimate. Proposers for large projects will also be encouraged to provide indicative co-financing information with the expectation that co-financing will be at a ratio of 1:1 with SeyCCAT financing; small projects are encouraged to identify at least some co-financing which may be in-kind.

Full proposals

Full proposals will be requested to be prepared for all short-listed proposals in the large grant category. The Grants Committee may request changes to the original concept, without by so doing changing the general nature or objective of the proposal.

The Grants Committee may suggest a partner to assist the proposer in writing the full grant proposal, and may request the SeyCCAT Secretariat, at the discretion of the Board of Directors, to provide the proposer a small proposal preparation grant, not to exceed SCR 20,000,[[4]](#footnote-4) the cost of which will be in addition to the total project cost proposed.

* 1. Evaluation of concepts and full proposals

Administrative compliance

Concepts and Full Proposals will be received by the SeyCCAT Secretariat. All proposals received will be required to pass the administrative compliance stage before being forwarded to the Grants Committee. For projects that relate to “Blue Bond” proceeds, the Secretariat will work with the PIU to screen applications for environmental and social issues and risks. The Secretariat will check that submissions are administratively compliant by applying the following procedures:

In the case of initial concepts:

1. Ensure that the subject of the proposal is compliant to the priorities for funding
2. Verify that the proposer is eligible
3. Verify that the proposal has been submitted in complete form before the imposed deadline for receiving grants
4. Check the budget is compliant with the different categories
5. For “Blue Bond” funded projects, verify that no activities to be funded are on the Exclusion List

For both concepts and full proposals:

1. Ensure that all required documentation has been received (if papers are missing the Secretariat will contact the proposer and request the proposal be resubmitted)

Referring to the above, the Secretariat will complete the cover sheet to the Evaluation Form prior to submitting the form and the concept or full proposal to the Grants Committee. (Annex 3)

Technical evaluation

The Secretariat will be responsible for circulating a dossier containing all concept notes and full proposals to be evaluated, with attached administrative compliance sheets, to each member of the Grants Committee at least 20 working days prior to the date of the scheduled evaluation meeting.

The individual members of the Grants Committee will complete their technical assessments and scoring prior to the evaluation meeting.

Technical assessment of concepts and full proposals will involve the allocation of scores for elements of the submitted documentation. The evaluation of the concept note focuses on whether the proposal addresses priority issues and its cost-effectiveness – in the case of small-medium projects this is sufficient to make a recommendation for a grant (or not). The evaluation of full proposals looks more closely at the project design, implementation and budgeting.

In broad terms, all proposals will be expected to:

1. Contribute to international and national priorities for conservation and adaptation as outlined in international and national strategic documents such as the Sustainable Development Goals, Seychelles Sustainable Development Strategy, Marine Spatial Plan, Shark National Plan of Action, National Biodiversity Strategy and Action Plan, FAO Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries, etc.
2. Be new and innovative, or build upon previous projects. Projects that develop synergies with on-going projects funded by SeyCCAT or other sources are recommended, as long as they do not duplicate previous or on-going projects funded by SeyCCAT or other sources.[[5]](#footnote-5)
3. Provide clear and demonstrable benefits (economic, environmental and social) proportional to the grant investment (value for money).
4. Be observant of and compliant with environmental and social safeguards as detailed in the project Safeguards documents (EMSF and PF), including as set out in the SeyCCAT Operations Manual and this Blue Grants Committee Procedures Manual.

The evaluation meeting will operate as follows:

1. For each individual proposal:

* Submission by members of their individual scores 5 working days prior to the meeting and compilation into a matrix by the SEYCCAT secretariat before the meeting.
* Calculation of average score by the SEYCCAT secretariat. Proposals scoring below 32.5 marks (concept stage) or 27.5 marks (stage II/full proposal) are automatically then rejected.

1. When all proposals have been scored:

* Ranking of concepts and full proposals (separately)
* Discussion of grants to be awarded. In the case of more proposals being approved than funds are available, the Grants Committee may decide to reject additional grants, or to delay funding until more funds are available, or until conditions are complied with.
* Formulation of recommendations to the Board of Directors

The assessment forms, including scoring to be used, are included as Annex 3 (concepts) and Annex 4 (full proposals).

The Board will approve or disapprove the recommendations of the Blue Grants Committee. In the instances of disapproval of the recommendations, the Board of Directors will provide general feedback on why they disapprove.

In the instances of approval, all applicants must complete the due diligence process and environmental and social management plan, if necessary, before disbursement is possible.

1. GRANT AWARDS

The Grants Committee at the end of each evaluation meeting will make recommendations to the Board of Directors for grants to be awarded. For each proposal a short text will be provided giving reasons for a) rejection or b) recommendation for a grant award.

A template for a grant agreement between SeyCCAT and the project implementer is attached (Annex 5).

SeyCCAT has a Grant Application Appeal Process mechanism in place, details of which are available to applicants via the SeyCCAT website or through the SeyCCAT Secretariat.

1. SUPERVISION AND MONITORING

All projects will be supported by the SeyCCAT secretariat. SeyCCAT will provide supervision in the form of advice and guidance with regard to the application and delivery expectations. In addition, the SeyCCAT secretariat will engage with projects to conduct site visits to understand how projects are progressing, any challenges being experienced, how risks are being managed, and to offer support and guidance where necessary. The SeyCCAT Executive Assistant will provide this function, with support from the CEO and grants committee if necessary.

In the instance, where SeyCCAT secretariat is not satisfied with the progress or the completion of deliverables, it will notify the SeyCCAT Board. The SeyCCAT Board will review the situation and may decide to take the following action:

1. Inform the grantee of their dissatisfaction with the outcome of the project.
2. Resolve to have the project account independently audited and audit fees will be paid for by the project funds.
3. Take any action as is necessary to address the challenges identified.

SeyCCAT shall forward any report from Blue Grants Beneficiaries on compliance with supplemental safeguards instruments to the PIU, provided as per the Grant Agreement. The PIU will compile information provided by SeyCCAT and its Grantees, and its own monitoring reports, and in turn provide regular reports to the IBRD with respect to each project’s environmental and social compliance using the Environmental and Social Compliance Report template attached to the SeyCCAT Operations Manual.

1. With the blue bond proceeds, SeyCCAT can only support research and development and not provide start-up capital. See elements that SeyCCAT is able to support [ insert document] [↑](#footnote-ref-1)
2. The date of registration/Act of Parliament will provide the date of legal existence. [↑](#footnote-ref-2)
3. [↑](#footnote-ref-3)
4. The proposal preparation grant could be up to a maximum of SR 20,000. [↑](#footnote-ref-4)
5. The Grants Committee will verify this against the ‘List of Conservation and Adaptation Projects in Seychelles’ that has been developed as a guide to grant awards, and will be updated annually. [↑](#footnote-ref-5)