



AFRICAN UNION
**INTERAFRICAN BUREAU
FOR ANIMAL RESOURCES**

SUB-DELEGATION MANUAL

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I. TABLE OF ACRONYMS

AR	Animal Resources
AU	African Union
AUC	African Union Commission
AU-IBAR	African Union – Interafrican Bureau for Animal Resources
CAADP	Comprehensive Africa Agriculture Development Programme
CFP	Call For Proposals
DREA	Directorate for Rural Economy and Agriculture
DP	Development Partners
DSA	Daily Subsistence Allowance
FAO	Food and Agriculture Organization (of the United Nations)
IPSAS	International Public Accounting Standards
M&E	Monitoring and Evaluation
MS	Member States
NGO	Non-Governmental Organization
OCA	Organizational Capacity Assessment
OIE	World Organisation for Animal Health
REC	Regional Economic Community
RFB	Regional Fisheries Body
RFMO	Regional Fisheries Management Organizations
RFP	Request for Proposals
TP	Technical Partners
ToR	Terms of Reference

II. BASIC DEFINITIONS

The following terms are found in several instances in the manual. For purposes of clarity, their definition is provided below:

A. Sub-delegation:

Sub-delegation is an institutional arrangement between two partners for implementation of activities, where implementation tasks are effectively delegated by the implementer to a Sub-Delegatee. The degree of sub-delegation may vary depending on the number and the nature of implementation tasks effectively. The degree of sub-delegation is based on the possible combination of two implementation tasks:

- i. Sub-delegation of procurement, contracting of grants and management of financial instruments. In this case the Sub-Delegatee concludes contracts for procurement, grants and Financial Instruments with third parties but it is the Entity who makes the payments to Third parties; and/or
- ii. Sub-delegation of financial management (payments).

Consequently sub-delegation may range from minimal (or partial) sub-delegation to maximal (or full) sub-delegation as follows:

- Minimal (or partial) sub-delegation

The Sub-Delegatee is responsible for contracting either in accordance with its own procedures or in accordance with the procedures of the Entity. However, the Entity, and not the Sub-Delegatee, has the final decision on the amounts to be paid / recovered and makes all the related payments to Third parties. There is no delegation of financial management to the Sub-Delegatee.

- Maximal (or full) sub-delegation

The Sub-Delegatee is responsible for concluding contracts for procurement, grants and Financial Instruments with Third parties – either in accordance with its own procedures or the procedures of the Entity - and for the financial management (including payments to Third parties) of these contracts.

B. NGO

A non-governmental organization (NGO) is any non-profit, voluntary citizens' group which is organized on a local, national or international level. Task-oriented and driven by people with a common interest, NGOs perform a variety of services and humanitarian functions, bring citizen concerns to Governments, advocate and monitor policies and encourage political participation through provision of information. Some are organized around specific issues, such as rural development. They provide analysis and expertise, serve as early warning mechanisms and help monitor and implement international agreements. Their relationship the African Union Organs differs depending on their goals, their venue and the mandate of a particular institution.

C. International organization

An international organization is an organization with an international membership, scope, or presence. There are two main types of international organizations:

- International nongovernmental organizations (INGOs): non-governmental organizations (NGOs) that operate internationally.
- Intergovernmental organizations, also known as international governmental organizations (IGOs): the type of organization most closely associated with the term 'international organization', these are organizations that are made up primarily of sovereign states (referred to as member states). Notable examples include the United Nations (UN) and its affiliated agencies

such as FAO, European Union, World Trade Organization (WTO), and the World Animal Health Organization (OIE).

D. Asset

In financial accounting, an asset is an economic resource. Anything tangible or intangible that is capable of being owned or controlled to produce value and that is held to have positive economic value is considered an asset. Simply stated, assets represent value of ownership that can be converted into cash (although cash itself is also considered an asset).

The balance sheet of a firm records the monetary value of the assets owned by the firm. It is money and other valuables belonging to an individual or business. Two major asset classes are tangible assets and intangible assets.

III. BACKGROUND

A. AU-IBAR

The Interafrican Bureau for Animal Resources (AU-IBAR) is a specialised technical office of the Department of Rural Economy and Agriculture (DREA) of the African Union Commission (AUC). AU-IBAR's mandate is to support and coordinate the utilization of livestock, fisheries and wildlife as resources for both human wellbeing and economic development in the Member States of the African Union (AU).

AU-IBAR implements its mandate through the following core functions:

- Coordinate activities and harmonize policies, guidelines and legislation;
- Facilitate and support the formulation, harmonization and implementation of coherent policies, strategies, guidelines, legislation and investment plans;
- Assist AU MS and RECs in mainstreaming livestock in the CAADP;
- Initiate and coordinate the implementation of relevant projects and activities in collaboration and cooperation with MSs, RECs and development partners;
- Facilitate the formulation and adoption of common positions among MSs and RECs, RFMOs/RFBs, for Africa's leverage in negotiations and other global processes related to ARs;
- Collect, collate, analyse, share and disseminate data, information and knowledge among relevant stakeholders;
- Play an advocacy role on matters relevant to ARs, including for increased engagement of public and private sector as well civil society organizations;
- Provide technical leadership, advisory services and build expertise in RECs and MS;
- Collaborate with research and academic institutions to identify priority needs for research and training;

- Convene, coordinate and host relevant multi-stakeholder initiatives, platforms and secretariats for the development of the ARs in Africa;
- Provide timely and strategic support to countries experiencing emergencies and those with special needs.

AU-IBAR carries out its core functions through various and complementary business processes. These consist of:

- Developing policy frameworks and strategies in consultation with partners, RECs and MSs;
- In consultation with the MSs, RECs and other stakeholders, developing programs and projects to address issues of continental importance and mobilize resources to support implementation;
- Convening multi-stakeholders to build consensus on issues related to AR and improve harmonization of interventions;
- Assembling high level decisions makers and private sectors to raise awareness and build consensus on challenges related to AR;
- Commissioning and guiding research agenda to generate evidence to guide decision making processes;
- Documenting and sharing success stories and lessons learnt to guide decisions making processes;
- Developing modalities for effective partnership and cooperation with DPs and TPs and establish institutional mechanisms for coordination;
- Developing and facilitating development frameworks and decision making tools and guidelines;
- Creating synergy and complementarity with past and on-going initiatives;
- Facilitating the establishment of systems and capacity for data, information and knowledge management;
- Organizing and participating in seminars, trainings, workshops and retreats to enhance in-house and clients' capacity, operations and governance.

AU IBAR implements its actions by its own means or with the support of implementing partners including sub-delegatees. Participatory implementation has increasingly become a part of AU-IBAR's mainstream business practice. This is motivated by the fact that it is central to public policy decision making and service delivery. AU-IBAR's experiences in working with and through partners has witnessed improved communication, wider community support, improved collection of useful data and ideas, enhanced public sector or corporate reputation and increased sustainable decision making.

B. Sub-delegation of activities by AU-IBAR

Given the mandate and the role of AU-IBAR, depending on the nature of activities, and the added value they can provide, these sub-delegatees may include African Union Member States, a public body of one of the AU Member States, Regional Economic Communities, NGOs, International organizations, or research organizations.

Several continental or regional projects implemented by AU-IBAR use RECs as sub-delegatees, in line with the AU policy which considers RECs as the building blocks of the African Institutional Architecture, and recommends to implement activities and provide support to MS in collaboration with RECs, when applicable and feasible. Other category of sub-delegatees to which AU-IBAR entrust implementation responsibilities are Member States. To determine which activities are to be sub-delegated to RECs or MS, AU-IBAR applies the principle of subsidiarity, and considers the respective mandates, comparative advantages and the relationships between the partnering institutions involved.

Sub-delegation to NGOs is also used to facilitate implementation of activities in the fields which require presence at the community level. This is also the case for projects implemented in some countries where AU-IBAR cannot be present in the field for security reasons.

Finally, sub-delegation to international organizations or research organizations is envisaged when recourse to specific competencies or implementation capacities is required.

IV. INTRODUCTION

A. Rationale for developing a sub-delegation manual

This manual will provide a step by step guidance on the processes and procedures that sub-delegatees and AU-IBAR should apply in the course of implementing activities sub-delegated by AU-IBAR.

The development of this sub-delegation manual has been guided by several reasons:

Efficiency: Having all the information, procedures, guidelines, and templates easily available to all staff, and all partners will save time and resources. It will not be necessary for each project to spend time to draft its own sub-delegation framework, as it has been the case in the past in the absence of such document. For all staff, on AU-IBAR or sub-delegatees side, access to all the necessary information related to sub-delegation that may be needed, from a centralized source, will make their work easier.

Need for homogeneous and standardized approach: All sub-delegations activities will now be implemented under the same framework, using the same tools, reporting formats, and the same procedures. This will greatly facilitate implementation, reporting, quality control, monitoring, and transparency.

Transparency: this manual will be widely shared within IBAR, sub-delegatees, and donors, which will make the process of sub-delegation more transparent; it will therefore avoid misunderstandings and possible conflicts between partners.

Safety - Strengthen internal control mechanisms: the entry into force of this document and its related tools will greatly improve the effectiveness of the internal control mechanisms, and will therefore improve the accountability and safety of funds.

The sub-delegation process will embody the general principles of sound management of grants set out in Part 2.1 of the AUC Grants Management Manual. These are re-stated below for reference:

“2.1.1 Transparency

- a) The availability of grants must be publicised widely and in an easily accessible way.
- b) The work programme will be implemented through the publication of calls for proposals
- c) All grants awarded in the course of a financial year will be published annually with due observance of the requirements of confidentiality and security

2.1.2 Equal treatment

The grant award process must be completely impartial. This means notably that the proposals must be evaluated by an Evaluation Committee; with the advice of assessors or experts where appropriate, using the published eligibility and evaluation (selection and award) criteria (see point 8.1)

2.1.3 Non-cumulation

- a) No single beneficiary may receive more than one grant financed by the African Union Commission for a given action.
- b) The applicant shall immediately inform the authorising officer of any multiple applications and multiple grants relating to the same action or to the same work programme.

2.1.4 Non-retroactivity

- a) Grants may, as a rule, only cover costs incurred after the date on which the grant contract is signed. A grant may be awarded for an action which has already begun only where the applicant can demonstrate the need to start the action before the contract is signed.
- b) In such cases, expenditure incurred prior to the deadline for submitting, the date of submission of the grant application, and if applicable the date of signature of the relevant financing agreement, will not be eligible for financing. No grant may be awarded retroactively for actions already completed.

2.1.5 Co-financing

- a) Grants may not, as a rule, finance the entire cost of the action or the entire operating expenditure of a beneficiary body. The financing of an operation in full may be authorised if the Contracting Authority is in a position to show that financing in full is essential in order to carry out the operation in question and substantiates its award decision accordingly.

- b) The beneficiary supplies evidence of the amount of the co-financing brought either with its own resources or in the form of financial transfers from third parties.
- c) The Contracting Authority may accept co-financing in kind, if considered necessary or appropriate. This possibility must be specifically mentioned in the Guidelines for Applicants. Non eligible contribution in kind must always be included in the budget so as to prove the operational capacity and feasibility of the action.
- d) For grants with a total value of less than or equal to €25,000, the Contracting Authority may, depending on his risk assessment, waive the obligation to provide evidence for co-financing.

2.1.6 Non-profit

- a) Grants may not have the purpose or effect of producing a profit for the beneficiary.
- b) Profit is defined as a surplus of receipts over the costs incurred by the beneficiary when the request is made for final payment.
- c) Lump-sums and flat-rate financing should be established in such a way as to exclude a priori a profit”

B. Objective of the sub-delegation manual

The objective of this manual is to provide a reference point to both staff at AU-IBAR and to sub-delegatees as well as a complete set of procedures applicable in the implementation of activities as sub-delegated by AU-IBAR.

C. Users and beneficiaries of the manual

This manual will assist both AU-IBAR personnel and sub-delegatees. It will also be shared with partners and AUC for optimal transparency of IBAR’s sub-delegation activities.

It will be annexed to all partnership agreements signed between AU-IBAR and its sub-delegatees.

D. Compliance with legal frameworks

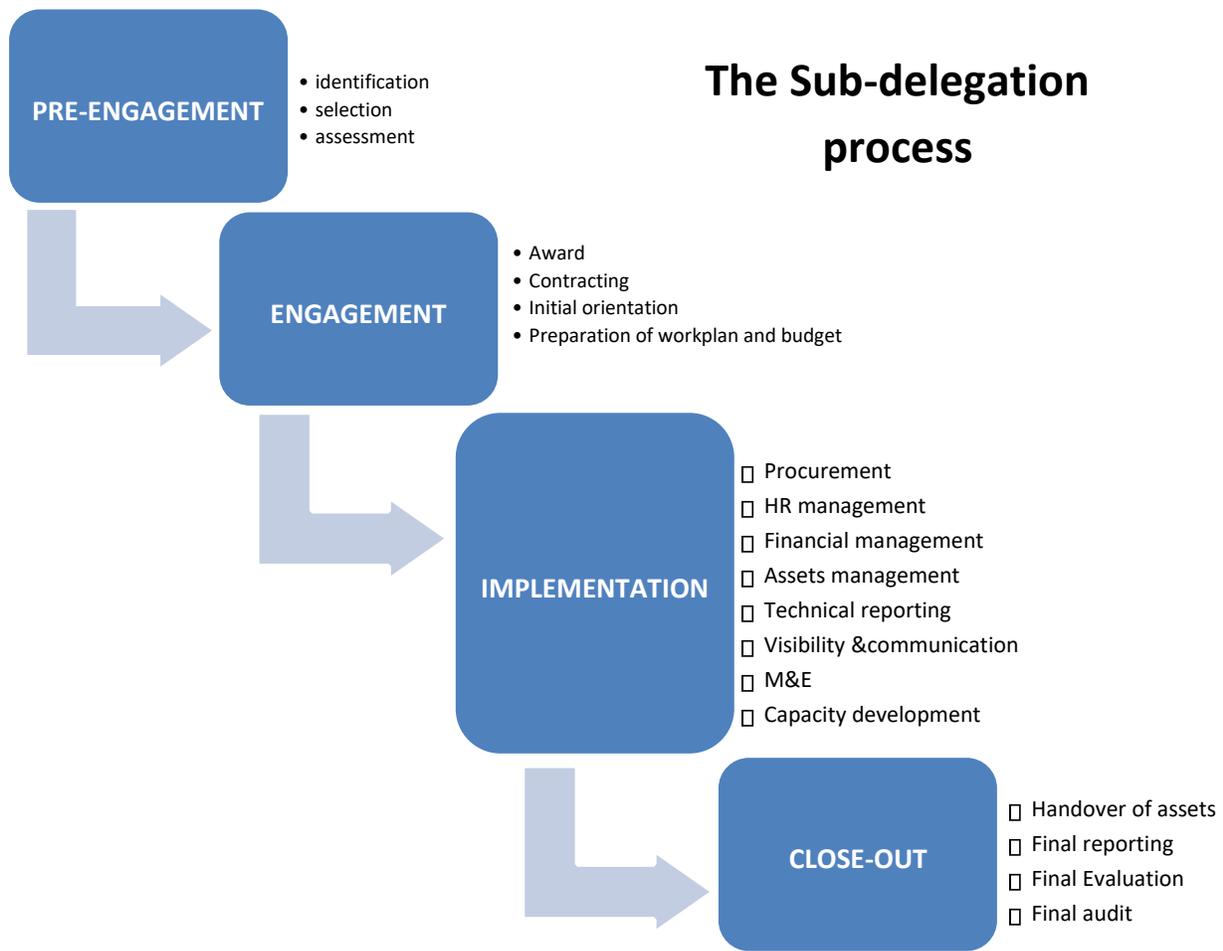
The modalities of sub-delegation between AU-IBAR and its sub-delegatees will have to comply with the procedures set in this manual, which will be reflected in the partnership agreements signed between the parties.

The implementation of sub-delegated activities must comply with the AU overall legal and regulatory frameworks governing AU-IBAR activities, which include: the AU Procurement Manual, the AU Financial Rules and Regulations, and in the case of activities sub-delegated to RECs, the Protocol on relations between AU and the RECs. All these overall framework documents will be communicated to the subdelegates for easy reference during the implementation.

In case this sub-delegation happens in the scope of a donor funded project, they will also need to comply with the conditions of the financing agreement with the partners, which will be reflected and mentioned in the sub-delegation agreement as well.

V. THE SUB-DELEGATION PROCESS

The sub-delegation process is composed of 4 main phases (pre-engagement, engagement, implementation and close out) that will be described in details in this document. The sketch below shows the main activities included in each of the 4 phases.



VI. PRE-ENGAGEMENT OF SUB-DELEGATEES

A. Identification and selection of sub-delegatees

There are different ways to identify and select sub-delegatees, depending of the type of sub-delegatees, the type and the nature of activities to be sub-delegated:

1. Selection methods

The selection method shall be dependent on the type of action and level of sub-delegation.

Open Selection; for continental and regional activities all member states and/or RECs may be eligible for sub-delegation. Entities that have been endorsed for partnership by the appropriate AU authority may also be eligible for sub-delegation in an open selection.

Restricted Selection; dependent on the type of action and circumstances some RECs or Member states may be restricted from participating in the implementation of this action. Such cases may include inadequate implementation arrangements, high political risks or inadequate capacities. The restricted selection may be subject to the principle of equal treatment and pre-determined criteria.

Direct Award; there may be instances of limited number of potential sub-delegatees, and if AU-IBAR has a sufficient knowledge of these partners, based on prior experience, sub-delegatees may be selected without recourse to a formal CFP. However a capacity assessment will be undertaken to ensure that implementation arrangements remain adequate.

Call for proposal; A CFP may be restricted or open. A restricted CFP targets pre-selected candidates within a given category of sub-delegation. An open CFP is open to all eligible entities including member states, RECS, NGOs and private entities with a non-profit objective. Calls for proposals are always published on the African Union Commission and AU-IBAR Official websites.

Nature of Sub-delegatee	Open selection	Restricted Selection	Direct Award	Call for proposal
Member states (MS)	Yes	Yes	Yes	Yes
Regional Economic Communities (RECs)	Yes	Yes	Yes	Yes
Other entities endorsed by AU authorities for partnership	Yes	Yes	Yes	Yes
Non-Governmental Organizations (NGOs)	n/a	n/a	Yes	Yes
International Organizations (IOs)	n/a	n/a	Yes	Yes
Other private entities	No	No	Yes	Yes

2. The process of call for proposal

The Guidelines for Applicants The guidelines for applicants (which include the application form and other annexes) are in accordance to the AUC grants manual¹. They explain the purpose of the Call for Proposals, the rules regarding the eligibility of applicants and partners, the types of action and costs which are eligible for financing, and the evaluation (selection and award) criteria. They also contain instructions on how to fill in the application form, what to annex to it and what procedures to follow for applying. They give information on the evaluation process that will follow (including an indicative timetable) and the contractual conditions which will apply to successful applicants.

The Guidelines should set out very clearly and in detail the objectives and priorities of the call for proposals, and give particular attention to the eligibility criteria. The guidelines must be published and any modification must be published as well. The information published will become binding on the Evaluation Committee once the date for submission has elapsed.

The person in charge of the CFP shall adapt the evaluation grids for the selection and award of proposals to the nature, objectives and expected results of the call. This set of documents uses the general evaluation grid of the European Development Fund. This has been done for the sake of completeness. These criteria, and in particular awarding criteria, should be adapted. E.g., for research grants, it is envisaged to include the following awarding criteria:

- Scientific and technical quality (relevant to the topic of the call), including progress beyond state-of-art and work plan.
- Implementation (management, individual participants and consortium, allocation of resources)
- Impact (contribution to the expected impacts of the call, plans for dissemination, exploitation)

The Application Form to be completed by the applicants comprises the following parts:

- a concept note
- information about the action proposed, including its budget
- information about the applicant including information on eligibility
- information about any partners including information on eligibility

Publicity: In order to ensure the widest possible participation and the requisite transparency, Guidelines for Applicants will be published for every Call for Proposals.

The Guidelines will be published on the Internet and in any other appropriate media (specialised press, local publications, etc.). They will also be available in hard copy from the Contracting Authority. They will be available in the languages appropriate to the context of the Call for Proposals. It is also advisable, after the launch of the call for proposals, to organize one or more information sessions (info-days) which all the potential applicants can attend.

¹ https://au.int/sites/default/files/announcements/33881-annc-grants_management_manual_version_1.pdf

The detailed procedures for launching a call for proposal can be found in the AUC grant manual²

3. Exceptions

In case of emergency or extreme urgency brought about by events that could not be controlled or foreseen by AU-IBAR/Contracting Authority, and if the action requires immediate implementation, the selection method for sub-delegation will be either direct or simplified (on basis of above methods but with simplified procedures). For actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialization or its administrative power, on condition that the actions concerned do not fall within the scope of any of the above methods, a direct award may be used. This may apply on a case by case basis and shall be duly substantiated in the award decision.

Similarly the simplified or direct award may be applicable where the sub-delegation is awarded to a body with a de jure or de facto monopoly, duly substantiated in the award decision. 'De facto' or 'de jure' monopoly means that one of the grant beneficiaries, (or it may also be a consortium), has exclusive competence in the field of activity and/or geographical area to which the grant relates pursuant to any applicable law; or is the only organization (i) operating or (ii) capable of operating in the field of activity and/or geographical area to which the sub-delegation relates by virtue of all considerations of fact and law.

The eligibility and exclusions criteria referred in section 2 above may be waived if deemed necessary by the Contracting Authority.

In all cases AU-IBAR shall prepare a report explaining the manner in which the sub-delegatee was identified and the activities and financial considerations duly disclosed.

B. Pre-engagement assessment of sub-delegates

1. Modalities of assessment

AU-IBAR will undertake to assess all prospective sub-delegates to determine whether they have the appropriate capacities to implement the actions. This assessment will include a review of their eligibility and whether the sub-delegatee is excluded from accessing funds (refer to Annex C of this manual Declaration on Exclusion Criteria). A pre-engagement assessment report, detailing the entity's organizational systems and technical capabilities, will precede a sub-delegation agreement where the sub-delegatee has not been previously assessed for sub-delegation by AU-IBAR. AU-IBAR will determine

² https://au.int/sites/default/files/announcements/33881-annc-grants_management_manual_version_1.pdf

the implementation arrangement and capacity building needs based on the outcome of the pre-engagement assessment and any risks identified.

Entity/Stakeholder	Engagement	Capacity building
RECs	Eligibility checks and capacity assessment to determine implementation arrangements	YES
MS or national public institutions	Eligibility checks and capacity assessment to determine implementation arrangements	YES
Local Non State Actors (NGOs, stakeholders' organizations).	Eligibility checks and capacity assessment to determine eligibility and implementation arrangements	YES
International organizations	Eligibility checks and capacity assessment if the organization is not already prequalified through an assessment tool recognized by AU-IBAR as equivalent to its own assessment tool.	NO
Other private entities with a public service objective (as a mandate or specifically for the action)	Eligibility checks and capacity assessment to determine eligibility and implementation arrangements	Yes

2. Domains to assess

Organizational capacity describes a wide range of capabilities, knowledge and resources that organizations need in order to function effectively and efficiently. It is multi-faceted and continually evolving.

Capacity can also be viewed as a function of many different factors: individual capabilities, ways of organizing, cultural norms and physical assets. All these combined enable an organization to work towards its mission.

There are mainly six organizational capacities that are a prerequisite for high performance in an organization. These are (as applicable):

- Governance and leadership: This focuses on the governance structures and oversight roles.
- Human Resources Management: This focuses on the organization's ability to recruit and maintain a satisfied and skilled workforce.
- Administration: This focuses on administrative policies and procedures
- Finance: This focuses on the organization's capacity to develop and apply financial policies and procedures
- Organizational management: This focuses on the organization's ability to operate in a systematic manner.
- Program management: This focuses on the organization's ability to respond to donor requirements and implement programs.

3. Assessment process

The interactive self-assessments will be conducted twice over the course of the project shelf life for which the partner has been engaged.

- OCA: will serve as a baseline; when repeated on an annual basis, the process will allow partners to compare their progress over time. It will bring together key staff from all departments at each partner organization for a one to two day assessment. The value of the first OCA will be in its collaborative self-assessment. It is not intended to be a scientific method but rather the framework will offer organizations a chance to reflect on their current status against recognized best practices. The other values that will be derived from this initial assessment is that it will provide an opportunity for management, administration and program staff to re-orient themselves on how each functions and reinforce the inter-relatedness of the OCA components.
- TOCA (technical organizational capacity assessment): will focus on the partner's capacities to deliver services along the technical scope within which they have been contracted. The assessment will examine the partner's capacities and procedures against global standards for technical program competences, community involvement, service delivery and monitoring. To strengthen their relevance to national and regional strategies, AU-IBAR will encourage and assist partners to link to national and regional guidelines or frameworks to ensure their programs are compliant with approved protocols.
- CLOCA (close out organizational capacity assessment): this will be the final step in the assessment progression. CLOCA will measure the capacity development or progress over the course of the project shelf life. This will enable the sharing of successes and challenges and the celebration of accomplishments.
- Introduction - Prior to conducting the assessment, the partner will be provided with a letter describing the:
 - purpose of the assessment, the assessment tool, process and schedule;
 - process and confirming the dates of the assessment;
 - a list of

- documents to have on hand to assist the process;
 - a list of staff members who should participate;
 - and ○ a set of questions for staff and board members to collect inputs in advance of the OCA.
- Scoring and action identification: the objective will be to identify the partner’s capacity level in each sub-section of the assessment and the justification for the proposed score.
- Prioritizing – the assessment team will assist the partner to prioritize each issue or domain to inform the action plan.
- Action planning – finalization of the action plan will be done by reviewing the issues and actions proposed. This will capture the gaps in each domain, taking into consideration the capacity score, then formulating the action to be realized, the support required to realize the action, completion date and status. The plan will be linked to measurable outcomes and will be monitored periodically to measure the effectiveness of the strategies.
- Documentation – the assessment team will compile an assessment report that will detail:
 - Scores – this will include the overall organizational capacity score; domain capacity scores; and sub-domains capacity scores;
 - Summary of the available and lacking capacities; ○ Technical assistance needs
- Team – the assessment will be undertaken jointly by a team as follows:
 - Finance officers ○ Procurement officers ○ Technical officers ○ M&E officers

VII. ENGAGEMENT

A. AWARD AND NEGOTIATION OF CONTRACTS

1. Notification of applicants

After AU-IBAR has given its official approval to the final list of sub-delegatees, they are notified in writing. AU-IBAR may also send the unsuccessful applicants a letter informing them that they have not been selected and specifying the reasons.

2. Contract negotiation and signature

AU-IBAR will draw attention to any inconsistencies which may include arithmetical errors or ineligible costs, which were identified during the evaluation process. The Description of the action will be corrected accordingly if need be.

Other clarifications or minor corrections may be brought to the Description of the action or to the budget in so far as they would not call into question the award decision or be contrary to the equal treatment of applicants.

3. Publication of Fund Recipients

At the end of every quarter, AU-IBAR will publish information on procurement contracts concluded by AU-IBAR (including those signed by AU-IBAR under sub-delegation arrangements) whose value exceeds Euro 15,000 and contract awards by sub-delegation. The information to be published will include:

- title of the contract/agreement/project;
- nature and purpose of the contract/agreement/project;
- name and locality of the Contractor or fund recipient; and
- amount of the contract/agreement/project.

Due regard will be given to confidentiality with respect personal data and any risk of harm to the commercial interests of contractors or fund recipients.

Exceptions to publications may be made by the designated authority within AU-IBAR where it is deemed necessary.

Sub delegates concluding contracts directly will not be obliged to publish procurement contracts or grant awards in this manner.

B. INITIAL ORIENTATION

An orientation session will be organized before the beginning of the implementation phase and prior to any disbursement of funds to sub-delegatees.

Staff to be trained at sub-delegatee level will include the project coordinator or focal point for the action, the accountant/administrator in charge of the action, the procurement and M&E officers and any other staff playing a key role in the implementation of the action.

The standard inception course outline for sub-delegatees will include in particular the following modules:

- Presentation and domestication of project documents, log frame, strategic approach, work-plan, budget;
- Procurement procedures;
- Accounting procedures;
- Reporting procedures;
- M&E data collection tools (M&E framework).
- Guidelines on Personal Data Protection (refer to annex D)

C. PREPARATION OF WORKPLAN AND BUDGETS

Another important step of the engagement phase will be the preparation of work-plans and budgets for sub-delegated activities. Work-plans and budgets will be developed in partnership between sub-delegatees and AU-IBAR. They will be extracted from the general project or programme work-plans and budgets. This will be done preferably during a specific workshop organized before the beginning of the implementation phase. This session could be organized back to back with orientation session mentioned above.

Procurement plans will also be developed as part of the work-plans.

VIII. IMPLEMENTATION

A. PROCUREMENT

Funds received from AU-IBAR must be used as rationally as possible. This requires that the works, goods and services procured under its financing are of appropriate quality, and acquired at economic prices and in a timely manner. This is generally best achieved through open and transparent competition.

1. Procurement procedures

As a general rule, all procurement for goods, services and works will be carried out using the African Union's procurement procedures including rules on eligibility and exclusion criteria and the thresholds applicable to AU-IBAR. However, exception will be considered in certain cases. Subdelegates who passed an institutional assessment recognized by AU-IBAR shall be authorized to use their own procurement procedures without seeking for no-objection from AU-IBAR.

The African Union's procurement policy aims to ensure that proper standards of integrity, accountability and transparency are being practiced by the implementing partners. These standards are intended to ensure adequate internal controls and compliance with all AU Procurement Procedures. All procurement activities should be conducted in a manner that ensures, to the greatest extent possible, open and free competition. ***For more details about AU Procurement Procedures, please refer to AU Financial Rules and Regulations and AU Procurement Manual.***

Sub-delegates will comply with the following principles in the procurement process:

- Integrity of all personnel working with procurement.
- Best Value for Money
- Transparency within the whole procurement process.
- Segregation of responsibilities
- Ethical behaviour in all undertakings.
- Equal treatment and non-discrimination of potential vendors and consultants

2. Responsibility for conducting procurement activities

Sub-delegates will bear responsibility for their procurement processes taking into account the procurement principles highlighted above. The key activities will include:

- i. Procurement Planning
- ii. development of specifications/TORs/Scope of Works,
- iii. Bid preparation and advertisement
- iv. Bid opening and evaluation of bids
- v. Contract award and preparation of contracts
- vi. Contract implementation

Preparation of a procurement plan shall be mandatory. For the purpose of vetting compliance with AU rules, the sub-delegates must seek a no objection, as indicated in paragraph VIII.A.6 below.

Where needed, AU-IBAR Procurement will provide support to the sub-delegatee to conduct the procurement processes, or will conduct the procurement process on behalf of a sub-delegatee.

3. Procurement methods and time scale for bid submission

Estimated Amount	Method	Period of publication	Bid receipt
Less than \$500	Direct Procurement.	NA	The person in charge of procurement to receive the quotation (either by email or hard copy)
\$500 and less than \$5000	Request for quotation. (This is also known as shopping) Suitable for procuring readily available off-the-shelf goods or standard specification items when no special conditions of contract are required	7 days recommended	The person in charge of procurement to receive the quotation (either by email or hard copy)
From \$5,000 and less than \$10,000.00	Restricted /selective Tender It is a tendering process by direct invitation to a shortlist of prequalified, pre-registered or known suppliers.	14 days	Bids should be sealed and received at the appropriate address indicated in the tender
From \$10,000.00	Open Tender Involves public advertisement	4 weeks	Bids should be sealed and received at the appropriate address indicated in the tender
	Request for Proposals (RFP) for services Used for selection of consultants for consultancy services	2 weeks for restricted RFP 4 weeks for open RFP	RFP is the procurement method for procuring services.

4. Procurement of consultancy services

The procurement of consultant services is a specialized form of procurement requiring bidding procedures and documents, which are substantially different to those for standard goods and works.

Six selection methods are used for the procurement of consultancy services:

- Quality and Costs Based Selection
- Quality Based Selection
- Fixed Budget Selection
- Least Cost Selection
- Consultant Qualification
- Individual Consultant
- Single source selection

The procurement of Consultancy services shall be done in accordance with the provisions of the AU procurement Manual

5. Evaluation of Quotations/bids

Evaluation shall be conducted strictly in accordance with the terms and provisions specified in the bidding documents, without resort to extrinsic evidence, to:

- Check bids for arithmetic errors;
- Review the bids and samples received for conformity with all specifications and conditions stated in the bidding documents;
- Report on the technical and commercial compliance of each bid in a technical evaluation;
- Analyse the financial bids and report the results in a financial evaluation; and
- Prepare an Evaluation Report, including justified recommendations for rejection of bids and for the award of contract, for approval by the Headquarters Tender Board.

6. Request for no-objection

Sub-delegates will apply the following rules for request for no objection:

Recommended award amount		Request for no objection	Minimum Supporting documents needed for no objection
1.	Less than USD 5,000	NA Proceed with the Purchase Order or Contract	NA
2.	From USD 5,000 to USD 15,000	YES. Submit the case to IBAR HR and Admin. Unit for no-objection	<ul style="list-style-type: none"> - Tender document - Proof of publication or letters of invitation for restricted tender - Opening and evaluation reports
2.1	From USD 15,000.00 to than USD 50,000	YES. Submit the complete dossier to AU-IBAR Local Tender for vetting (Accept/Reject)	
2.2	From USD 50,000 and above	YES. Submit the complete dossier to AU-IBAR for transmission to AUC Tender Board for vetting (Accept/Reject)	

7. Award of contract

The committee responsible for evaluation/analysis of bids/quotations shall prepare a detailed report indicating recommendations for award of contract for approval by the designated authority in the institution. Where applicable, a No objection shall be sought from AU IBAR in accordance with Part 6 above, prior to notification

8. Notification of award

Upon approval of award by the designated person or body, a formal notice of award of contract shall be sent to the winning bidder, inviting the bidder to attend at the AUC offices within a specified period to sign the contract. Unsuccessful bidders shall also be notified of the decision.

9. Preparation of Purchase order or Contract

Following the award of contract by the responsible authorities, the procurement Unit or person responsible for this function will prepare the Purchase Order including any specific terms of the contract. For complex or high value transactions, a detailed contract document shall be prepared for onward submission to the supplier.

10. Receiving and inspection of goods

The unpacking and examination of goods received should (wherever practical) be conducted in the presence of the supplier's representative against the following documents the Purchase Order, packing lists; invoices; shipping documents and customs clearance documentation where applicable.

The procuring entity should ensure that the contract or purchase order has been duly enforced and that the deliveries correspond to the contract terms in respect of timing, standards and specifications, quantities and place.

The winning bidder and the losing bidders shall be notified of the award decision at the same time.

B. Human resources

Rules regarding procurement of consultancy services are addressed in paragraph A.4 above and this chapter only refers to recruitment of project staff by the sub-delegatee for the purpose of implementing the sub-delegated activities.

During the negotiation of contract, AU-IBAR and the sub-delegatee will identify and agree on the staff employed by the sub-delegatee who will be contributing on a full time or part time basis to the implementation the sub-delegated activities. Their detailed terms of reference, their remuneration (including salaries and other benefits), and the proportion of this remuneration covered by the project will be agreed upon.

These staff costs will be included in the budget that will be annexed to the sub-delegation agreement. Staff related expenditures that are not included in the budget will be considered as non-eligible.

In normal circumstances, and unless it has been agreed upon differently between AU-IBAR and the sub-delegatee, the sub-delegatees will apply their human resources procedures for the recruitment, the management and the payment of the staff contributing to sub-delegation.

When conducting the pre-engagement assessment, AU-IBAR will ensure that the sub-delegatee human resources management procedures comply with the basic requirements regarding transparency, fair competition, absence of conflict of interests, etc.

The CVs of all staff contributing to the implementation of the sub-delegated activities on a full or part time basis and paid entirely or partly on the budget of sub-delegated activities will be submitted to AU-IBAR for approval, prior to recruitment and before any payment of salary or other benefit.

Payment of salary top-ups for civil servants is not permitted and will be considered as ineligible expenditure.

In certain circumstances and on case to case basis, AU-IBAR may second staff to the sub-delegatees. Conditions of engagement and management of the seconded staff will be negotiated between the two parties and mentioned in the special conditions of the partnership agreement. Recruitment of seconded staff will be conducted jointly.

C. Accounting procedures and financial reporting

The AU financial rules and regulations govern the accounting and financial management practices of AU, including AU-IBAR and its sub-delegated activities.

1. Languages to be used by sub-delegatees for accounting and financial reporting

All accounting documents and financial reports generated by the sub-delegatee and transmitted to AU-IBAR should be written in one of the 4 working languages of the African Union, namely English, French, Arabic and Portuguese.

2. Accounting procedures

Sub-delegatees may use their own accounting procedures unless they have been assessed to be inadequate by AU-IBAR; then the AU-IBAR accounting procedures will be applicable. This will be reflected in the sub-delegation agreement.

3. Bank accounts (signatories, separate account, currencies)

a) General considerations

All sub-delegatees will be required to open a separate bank account specifically for the operations of the sub-delegated activities. An official document from the bank (see model: financial identification form) should be sent to AU-IBAR: this document shows the account details, as well as the names of signatories and their titles.

In case AU-IBAR sub-delegates activities to the same sub-delegatee, in the scope of several projects, separate bank account should be opened for each project.

A sub-delegatee can open several bank accounts for the same project, for instance one in foreign currency and one in local currency.

Funds in the specific project bank account cannot be used for purposes not related to project activities, including temporary borrowing for use for purposes other than the project.

b) Bank interest

In case the bank account opened specifically for the sub-delegated activities generates interest, the interest accrued will be considered as belonging to the contracting authority and should be transferred to the AU-IBAR when the project ends, unless authorization is sought to utilize the interest before project end.

The accrued interest should be indicated on the financial report.

c) Exchange rates

All forex exchange operations should be supported by official bank receipts. The monthly rate used in monthly financial reports should be the bank rate used to transfer funds from foreign currency to local

currency, or monthly average rate. The exchange rate used for reporting should be clearly indicated on the financial report.

4. Financial reporting:

The financial reporting should be on the basis of international accounting standards and financial reporting templates as may be provided by AU-IBAR.

Financial report should be prepared and sent on monthly basis to AU-IBAR. The components of the report include:

- Status of Allotment
- Bank reconciliations together with the respective bank statements
- Transaction/Expenditure listing approved and signed - referencing of expenditure to the actual physical document
- Inventory list
- Cash journal

5. Supporting documents

The following Original supporting documents should be sent to AU-IBAR after every three months and the copies of the same should be kept by the sub-delegatee:

a) For purchase of goods

- Approved Memo
- Duly filled fund availability form
- Purchase Order
- Goods received note
- Documentation for procurement process including tender board approval if applicable
- Supplier Invoice
- Receipts

b) For meetings/conferences/missions

- Approved list of participants
- Attendance sheet signed daily.
- Perdiem / DSA rate
- Signed payment schedule
- Transport tickets, boarding passes (air travel)
- Expenditure summary
- Duly filled imprest retirement template

c) For payments to consultants

- Initial approved memo requesting for consultancy services
- Advert for the consultancy
- Documentation on selection process of the consultants
- Contract
- Report
- Memo from technical department approving the report and payment

A bank statement together with the bank reconciliation will be produced for each account at the end of every month.

The vouchers should be referenced to the financial report which should also be attached and duly signed. All vouchers should be signed and stamped PAID.

6. Channel of communication - updates - support services

- All communications must be addressed to the Director of AU-IBAR
- Updates of activities carried out will be sent at the end of every week by email
- The monthly reports can be sent by email
- The supporting documents should be sent every three months to AU-IBAR via international courier. AU IBAR will confirm receipt of the documents.
- Original documents submitted to AU-IBAR will be reviewed and feedback provided within three weeks of receipt of documents.
- The copies kept by the partner should be archived for a period of at least 7 years

7. Eligible and non-eligible costs

a) Eligible costs

The following, *inter alia*, will be considered as eligible costs:

- I. Costs relating to services and works provided shall relate to activities performed during the implementation period. Costs relating to supplies shall relate to delivery and installation of items during the implementation period.
- II. Costs of staff assigned to the project corresponding to actual salaries.
- III. Travel and subsistence allowance for staff and participant taking part in project activities. The rate used should be clearly indicated and attached to payment.
- IV. Purchase of new equipment
- V. Cost for goods and services (transport, storage and distributing, rent for equipment which are directly attributable to the project).
- VI. Cost of consumables and supplies directly attributable to the project.

- VII. Expenditure on contracting directly attributable to the project.
- VIII. Proportion of field office costs that corresponds to the amount of activity directly attributable to the project.
- IX. Costs deriving from the requirement of the agreement (dissemination of information, costs related to reporting , translation, insurance, targeted training for those involved in the project).
- X. Financial service costs in particular bank transfers and bank fees.

b) Non-Eligible Costs

The following, inter alia, will be considered as non-eligible costs:

- All spending not within the planned activities (budget, action plan)
- All spending not adequately supported by physical documents
- All procurement of goods and services made without compliance with the applicable rules and regulations
- Debts and debt service charges
- Provisions for losses or potential future liabilities
- Items already purchased from other sources
- Purchases of land and buildings
- Currency exchange losses

8. Deviation from budget

Sub-delegatees should always abide by the budget. If there be any need to revise the budget or reallocate between budget lines, prior approval should be sought from AU-IBAR.

9. Allocation of overheads and shared staff costs

Office overheads (such as utilities, office rent, and security) and shared staff costs should be reasonably allocated to the sub-delegated activities, on the basis of prior agreement with AU-IBAR, and should be supported by adequate documents. Allocation of shared staff costs will be supported by duly approved time sheets.

10. Administrative costs

Administrative costs will be agreed upon prior to signing the sub-delegation agreement, and indicated in the budget annexed to the agreement. Administrative costs will be disbursed to the sub-delegatee on a pro-rata basis to the expenditure incurred.

11. Fraud, misuse or corruption

Once funds have been disbursed to the sub-delegatees, the full responsibility of safe guarding and ensuring sound financial management practices, systems and record keeping will become the responsibility of the sub delegate. AU-IBAR is committed to promoting and adhering to the highest standards of probity and accountability in the use of its resources and takes a zero-tolerance stance towards cases of fraud and corruption in its operations

All sub-delegatees have a responsibility towards the proper safe guard of all assets (tangible and intangible) acquired during the course of activity implementation. Sub-delegatees are required to report promptly any reasonably suspected cases of any fraudulent, corrupt and/or collusive practices, misuse of funds/assets and any related attempts of such practices, to AU-IBAR, or to the Director-Office of internal Audit if confidentiality is desired. Reference is made to the AUC Anti-fraud and corruption policy.

Any person who reports reasonably-held suspicions of fraud or corruption, or who cooperates in such investigations shall not be subject to recriminations or victimization. Victimization or any attempts to deter anyone from reporting suspicions of fraud or corruption or from witnessing such acts in an investigation constitute a serious breach of the Code of conduct, and may result in the imposition of disciplinary measures in accordance with the AU Rules and Regulations

The Contracting Authority will undertake to review, investigate and/or prosecute in accordance with applicable Rules and Decisions, any person suspected of misuse of resources or corruption. Ineligible expenditures may or may not be classified as fraud however, all ineligible expenditures will be investigated thoroughly and once determined they will be refunded back to AU-IBAR.

D. Recovery for ineligible expenditures

Any payment deemed ineligible shall be refunded back by the sub-delegatee to AU-IBAR. Formal communication will be sent and information availed on relating to expenses not accepted.

Sanctions in case of ineligible expenditures may apply as per paragraph XI.F “termination”.

E. Assets

The assets purchased in the scope of the sub-delegation will be considered as Assets of AU-IBAR, until their official transfer to the sub-delegatee. This transfer will be formalized by a transfer agreement signed by both parties.

In any case, the assets purchased in the scope of the sub-delegation will have to be used exclusively to the benefit of the sub-delegated activities, and the cost of their maintenance and insurance will be covered by the project.

The assets purchased in the framework of the sub-delegation may be transferred to local authorities, partners or final recipients at the end of the sub-delegated activities.

F. Intellectual property rights

Intellectual property rights in the results of the action and the reports and other documents relating to it will vest in AU-IBAR.

In case it is stipulated so in the financing agreement, AU-IBAR shall grant the Donor and/or the subdelegatee the right to use free of charge and as it may see fit all documents deriving from the Action, whatever their form, provided it does not thereby breach existing intellectual property rights.

G. Contribution from sub-delegatees

Contribution to the cost of the action/project by the sub-delegatee is not compulsory but is strongly recommended; the sub-delegatee can contribute to the cost of the action in kind or in cash.

Contributions by the sub-delegatees, in cash and in kind, should be detailed in the budget of the action, annexed to the partnership agreement.

The sub-delegatee should report on its financial contribution, in cash or in kind, in the annual financial report; this should appear under separate budget lines.

H. Technical reporting and archiving

1. Reporting:

The focal persons or designated authority will be required to report achievements to project coordinators) based at the AU-IBAR on a monthly basis. Basically, the reports will indicate the strategic plan outcomes (as indicated in the AU-IBAR strategic plan), the key result areas which the activity is meant to contribute to, planned activities/tasks for the period indicating key indicators, quarterly milestones, tasks carried out/actual achievements, approved budget for the period, actual expenditure and execution rate. Major challenges encountered in the period should also be highlighted, indicating and explaining reasons for under/over accomplishments or any other critical points. Recommendations on the way forward will also be included.

The reports will be done using the AU-IBAR template (see annex) and will be sent together with the financial reports for the period. The reports will be sent to the AU-IBAR Director in hard copy and through emails. The Sub-delegatees must archive copies of the reports for the duration of the project/intervention plus at least five years.

2. Archiving:

For the technical documents, archiving should be done at AU-IBAR level using AU-IBAR system, both physical (hard copies) and digital (soft copies) using AU-IBAR SharePoint System. Hard copies will be scanned and metadata captured for easy retrieval on SharePoint.

Archiving should also be done at the sub delegatee level, using their own system. Sub delegates will determine how long they will keep the documents. At AU-IBAR level, the documents will be kept as per the retention policy in the Records Management Chapter.

I. Visibility & communication

This section presents the visibility and communication guidelines for sub-delegates. The purpose of these guidelines is :

- to ensure that the knowledge, experiences and information gained in the field are effectively and widely shared in accordance with AU-IBAR and donor- specific visibility guidelines.

- To ensure the visibility of both the donor and AU-IBAR contributions to the activities

The sub-delegatee and AU-IBAR are required to work together to ensure appropriate visibility for activities under the programme/project.

In addition to the AU-IBAR visibility and communication guidelines found below, the sub-delegatee will have to comply with the specific donor requirements and guidelines, which will be communicated by AU-IBAR to the sub-delegatee.

Information on project activity given to the press, the project beneficiaries, publicity materials, official notices, reports and publications, shall acknowledge that the action was carried out “with support of AU-IBAR and funding by the relevant donor” and display in an appropriate way, the AU-IBAR logo, as well as the donor logo. AU-IBAR will provide to the sub-delegatee the appropriate formats for logos, flags, and texts.

Where equipment, furniture or vehicles have been purchased using project funds, there will be appropriate acknowledgement on such vehicles, equipment and furniture, including display of the AU-IBAR and donor logo, provided that such actions do not jeopardize the African Union’s privileges and immunities and the safety and security of AU-IBAR and sub-delegatee staff.

The size and prominence of the acknowledgement and AU-IBAR and donor logo shall be clearly visible in a manner that will not create any confusion regarding the identification of the action and the ownership of the equipment and supplies.

All publications produced pertaining to the action will conform to the AU-IBAR Publications Guidelines found at: (website link to be given). These publications, in whatever form and medium, including the Internet, shall carry a disclaimer: “This document has been produced with the support of AU-IBAR and the financial assistance of the relevant donor. The views expressed herein can in no way be taken to reflect the official opinion of the AU-IBAR and the relevant donor.”

If the sub-delegatee wishes to issue a press release or announcement regarding the signature of the partnership agreement and the award of the related financial support, he must obtain advance approval from AU-IBAR, of the press release and date of release.

J. Audits, Reviews, Checks and Investigations

1. Right to carry out audits, reviews and checks

The sub-delegatee will allow AU-IBAR and any external auditor authorized by AU-IBAR carrying out verifications to verify, by examining the documents or by means of on-the-spot checks, the implementation of the Action and conduct a full audit, if necessary, on the basis of supporting documents for the accounts, accounting documents and any other document relevant to the financing of the Action. These inspections may take place up to 7 years after the payment of the balance.

Furthermore, the sub-delegatee will allow AU-IBAR, internal and external auditors authorized by AUIBAR to carry out checks and verifications on the spot as may be required.

To this end, the sub-delegatee undertakes to give appropriate access to staff or agents of AU-IBAR as well as to any internal or external auditor authorized by AU-IBAR to carry out verifications to the sites and locations at which the Action is implemented, including its information systems, as well as all documents and databases concerning the technical and financial management of the Action and to take all steps to facilitate their work. Implementation of audit recommendations

Sub-delegatee will prepare an action plan for the implementation of audit recommendations and share regular reports on the status of implementation of these recommendations along with monthly financial reports.

2. Consequences of findings in audits, reviews, checks and investigations

Findings in audits, reviews, checks or investigations carried out in the context of the sub-delegation may lead to ineligible costs, reduction of the budget, or to any of the other measures stipulated in section XI.F “termination”.

Rejection of costs or reduction of the budget after the payment of the balance will lead to a revised final agreement amount.

Audits, reviews, checks or investigations that find systemic or recurrent errors, irregularities, fraud or breach of obligations may also lead to consequences in other AU-IBAR sub-delegations awarded under similar conditions

IX. MONITORING AND EVALUATION OF SUB-DELEGATEES

The monitoring and evaluation practice of AU-IBAR is governed by the manual “Monitoring and Evaluation Framework”. The M&E framework is synchronized with the strategic plan and its implementation period is the same. The current M&E framework covers the period 2014-2017.

This section defines the roles and responsibilities of a third partner involved in the implementation in one (or more) project (s) of AU-IBAR as sub-delegatee.

A. Implementation of the M & E plan developed in advance:

The M&E team of AU-IBAR will work with the sub-delegatee side to develop the M&E plan for the subdelegated activities in a participatory and inclusive manner. The sub-delegatee is bound to respect the roles and responsibilities assigned to him in this plan, to meet the deadlines set for it, and to follow the procedures agreed upon.

B. Development and revision of the logical framework:

A logical framework will be developed for sub-delegated activities. Under the leadership of the AU-IBAR M&E pool, the sub-delegatee will be involved at all stages of the logical framework development, revision and updating process. The final logical framework will necessarily require the technical validation of the M&E experts of AU-IBAR.

C. Data collection:

Under the request of the AU-IBAR team, the sub-delegatee will be responsible for collecting disaggregated data required for the M&E system, using tools and methods agreed upon between the two parties.

This collection will firstly concern the collection and confirmation of 'baseline' data. Tracking data (level of achievement of objectives through intelligence indicators) will also be collected by the sub-delegatee, at least quarterly, or at least according to the logical framework and timetable for implementation of the project.

The collection of lessons learned and best practices will also be considered as data and will be the responsibility of the sub-delegatee.

The transmission of data from the sub-delegatee to the AU-IBAR team will be done through reports. The format of these reports must clearly highlight and data entered in and the tools and methods used to achieve this purpose.

D. Data analysis:

Any analysis of data and the subsequent recommendations for changes and adjustments on any part of the logical framework must first be submitted to the AU-IBAR M&E pool for approval.

E. Reporting and sharing of information:

At the beginning of implementation of each sub-delegated action, AU-IBAR will propose a reporting plan clearly showing the content, format and frequency of reports to be submitted by the sub-delegatee.

The dissemination of data generated in the scope of sub-delegated actions will be done by the subdelegatee, as per the guidelines contained in the "communication" chapter of this manual.

F. Capacity development in M&E:

Before the implementation of the M&E plan, AU-IBAR and the sub-delegatee will jointly identify capacity gaps and capacity building needs in M&E.

G. Planning

The sub-delegatee will submit before the implementation of project activities a work plan containing the following:

- Identify the goals for the period,

- formulate a clear and concise methodological and strategic approaches to achieve these goals,
- Define the resources to achieve these objectives (financial and others).

H. Mid-term reviews:

When undertaking the evaluations of projects, AU-IBAR and the evaluators could select some of the subdelegates contracted for the implementation of this project, and consider the sub-delegated activities implemented by this partner in the evaluation process. This evaluation of sub-delegated activities could happen on site or off site.

X. RISK MANAGEMENT

All sub-delegates will be subject to AU-IBAR’s risk management regime as outlined in AU-IBAR’s risk management plan (RMP).

Each sub-delegatee shall appoint a specific person who shall be responsible for

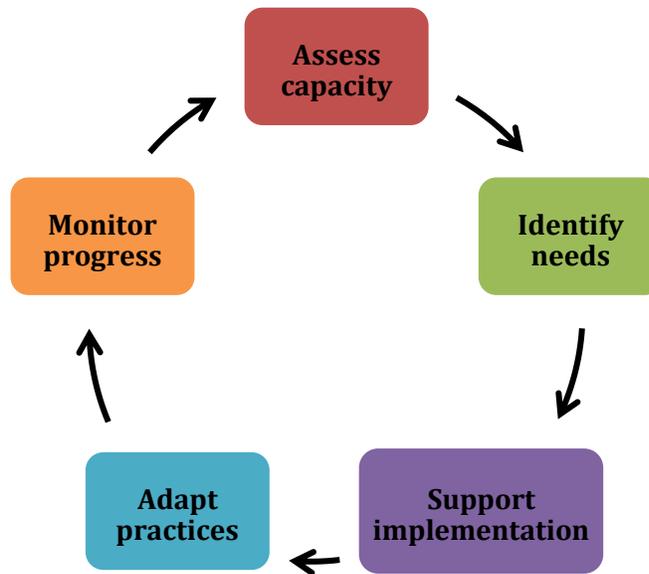
- Ensuring that that the sub-delegatee participates in the process of risk planning, risk identification, risk analysis, risk response planning and risk monitoring and control;
- Organizing and providing the sub-delegatee’s contribution to the processes of risk planning, risk identification, risk analysis, risk response planning and risk monitoring and control;
- Monitoring and reporting risks and their management to AU-IBAR on behalf of the subdelegatee; and
- Ensuring that the sub-delegatee takes such measures as may be required by AU-IBAR’s RMP or as may be from time to time directed by AU-IBAR.

All risks identified by the sub-delegate in relation to the specific sub-delegation shall be included in AU-IBAR’s risk register (institutional or project specific).

XI. CAPACITY DEVELOPMENT OF SUB-DELEGATEES

A. Capacity development approach

This capacity development model will be cyclical. It will begin with an assessment to identify needs, set the stage for planning, provision of technical assistance and peer learning. Monitoring effectiveness of the changes will be critical as it will lead to final adaptation, bringing the cycle back to re-assessment to measure the overall progress in capacity development.



On the job training and support will be provided by AU-IBAR staff when visiting the sub-delegatees. All sub-delegatees should be visited at least once a year by a technical and administrative staff.

E-platforms (d-groups) will also be established to facilitate exchange of information and peer-learning among sub-delegatees and between sub-delegatees and AU-IBAR staff.

Capacity development activities will be included in the work-plans developed by AU-IBAR and the subdelegatee for the implementation of the sub-delegated activities.

B. Capacity Development Domains

1. Governance:

At its heart, good governance means the responsible management of an organization's resources. Transparency, accountability, effective management and the rule of law are essential components of good governance. The objective of the capacity development on the governance domain will be to catalyze the partner's motivation and stability, and review its guiding principles, structure and oversight mechanisms.

2. Administration:

Clear administrative policies and procedures are the core of a well-functioning organization. Administrative systems and policies do not need to be complex to be effective. The objective of the capacity development on the administrative domain will be to strengthen the organization functionality by focusing on the quality of its administrative systems as well as its capacity to develop and apply policies and procedures; and the extent of staff knowledge and understanding of these systems. A key focus will be the ability to comply with rules and regulations in all administrative areas.

3. Human Resource Management

These systems improve employee performance and enhance staff motivation and productivity which in turn increases organizational effectiveness. HRM is basically the management of an organization's human capital. The objective is to attract the best people for their programs, and for the populations they serve. In addition to hiring the right people to manage and perform specific jobs, effective HRM builds staff commitment and loyalty and keeps them up-to-date about organizational plans. The objective of the capacity development on the HRM domain will be to address an organization's ability to maintain a skilled, satisfied workforce and assess how operations and staff time are managed. This will also include strengthening HRM systems and processes, and how they relate to strategic goals to deliver quality programs.

4. Organizational management

The strength and sustainability of an organization is directly linked to the quality of its management and leadership. This domain examines how an organization functions internally and externally, how it plans with staff and stakeholders, and how it ensures future financial sustainability. The objective of the capacity development on the organizational management domain will be to strengthen the strategic plan to flow from a clearly stated mission, and in a systematic manner; coordination with other partners; external relationships; and information management to identify and actualize new opportunities.

5. Financial Management

How an organization's finances are managed impacts all management systems because, by nature, financial matters facilitate and maintain those systems. Financial plans should be linked and tailored to specific organizational goals, and where they are well-functioning and compliant, can attract key partnerships and help leverage resources to strengthen sustainability. The objective of the capacity development for the financial management domain will be to develop and apply financial policies and procedures, strengthen financial systems and staff knowledge and application of the same. A key focus will be to assist the organization's capacity to comply with rules and regulations regarding all financial systems, policies and procedures.

6. Program Management

This focuses on an organization's ability to implement high-quality programs that meet recognized standards and respond to local needs with sensitivity. The objective of the capacity development for the program management domain will be to ensure that project activities are progressing according to approved work plans; and that monitoring and evaluation systems are operational so that performance is measured against standards and indicators. It will also strengthen monitoring and evaluation data and ensure that client satisfaction feedback is used for continuous project quality improvement.

XII. CLOSE-OUT

The project close out phase will take place the last three months of the project implementation. It will be the process of ending the technical, operational and financial functions of the sub delegated project. The purpose will be to detail formal acceptance and an orderly process for ending the project.

A. Handover of assets

Assets acquired in the scope of the sub-delegated activities will be handed over before the submission of the final financial report.

The assets will be transferred either to the sub-delegatee, or to local authorities, partners or final recipients. This transfer will be formalized by a transfer agreement signed by both parties

B. Final reporting

The sub-delegatees will provide the Contracting Authority with a final report containing all required information on the implementation of the Action. The report shall be laid out in such a way as to allow comparison of the objective(s), the means envisaged or employed, the results expected, and obtained and the budget details for the Action. The level of detail should match that of the Description of the Action and of the Budget for the Action. The final report will cover technical and financial aspects of the sub-delegated action as a whole.

Additionally the final report will include the proofs of the transfers of ownership of assets.

C. Final evaluation

When undertaking the final evaluation of projects, AU-IBAR and the evaluators could select some of the sub-delegatees contracted for the implementation of this project, and consider the sub-delegated activities implemented by this partner in the evaluation process. This evaluation of sub-delegated activities could happen on site or off site

D. Final audit

Final audits will be undertaken at the end of all projects. Auditors will either be contracted by AU-IBAR or directly by the donor. Technical and financial documents submitted by the sub-delegatee including the final report will be audited at AU-IBAR level. However, AU-IBAR and the auditor could decide to audit part or the totality of sub-delegated activities on site, at the level of the sub-delegatee.

E. Scheduled close-out

The project coordinator will in consultation with the rest of the project team determine potential options as appropriate:

1. Complete closure – Phase out

This will be the withdrawal of project inputs without making explicit arrangements for the inputs or activities to be continued by any other entity or institution, because the project will have resulted in changes that are likely to be sustainable without further inputs from these activities

2. Gradual shut down – phase down

this will involve the gradual reduction of project activities and reduced deployment of resources while utilizing the sub delegates to sustain project benefits

3. Transfer – phase over

this will involve the transfer of responsibility for activities aimed at accomplishing project objectives to other entities who will take up the continued delivery and sustenance of project benefits as well as implement any pending activities.

A project close out plan showing a list of close out activities to be undertaken and the timeframe will be implemented. This close out plan will assist in verifying that all the project activities have been completed correctly and satisfactorily and that all contract records have been updated to reflect final results, and archiving information for future use.

F. Termination

AU-IBAR may suspend without delay implementation of all or part of the Action if circumstances so require, in particular in case of *force majeure*, and informs the sub-delegatee immediately providing all the necessary details.

AU-IBAR may request the sub-delegatee to suspend implementation of all or part of the Action if circumstances so require in particular in case of *force majeure*.

Force majeure shall mean any unforeseeable exceptional situation or event beyond the parties' control which prevents either of them from fulfilling any of their obligations was not attributable to error or negligence on their part (or of their partners, contractors, agents or employees), and could not have been avoided by the exercise of due diligence.

If, at any time, either Party believes that the sub-delegation can no longer be effectively or appropriately carried out, either Party may terminate the collaboration in accordance with the modalities set in the agreement.

Where the sub-delegatee:

- fails, without justification, to fulfil any of the obligations mentioned in the agreement;
- makes false or incomplete statements to obtain the contribution provided for in the agreement or provides reports that do not reflect reality;
- commits financial irregularities or is guilty of grave professional misconduct;

AU-IBAR will enter into discussions with the sub-delegatee and, failing a proper solution, may terminate the Agreement, in accordance with the agreement.

Prior to or instead of terminating the agreement AU-IBAR may suspend payments or the declaration of eligibility of expenses as a precautionary measure.

XIII. Review and update of the manual

This manual will be updated to address the changes in the institutional and technical context of the partnerships between AU-IBAR and its sub-delegatees.

The entry into force of the manual and any new version will be subjected to approval by the AU Commission after prior consideration by AU-IBAR management.

Each new version of this manual will bear the number of the version and the date of approval.

Each new version will be shared with all AU-IBAR staff and all sub-delegatees, and accompanied by an official communication from AU-IBAR Director mentioning the main changes and the conditions for implementation of the new procedures.

XIV. ANNEXES:

- Annex A: Pre-engagement assessment toolkit ○

- Annex B: Sub-delegation contract model

- Annex C: Declaration on exclusion criteria

- Annex D: Personal Data Protection and Privacy Statement