



Administrative and Finance Service Unit

GIZ Syria Portfolio

Admin & Financial Key Issues



Implemented by

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

Presentation Overview

Contracting Process Steps



Key funding requirements



Budget Perpetration tips



Q&A

Contracting Process

- Submission of application
- Initial review by Bridge Team
- Pre-award assessment
- Detailed review of Proposal & Budget
- Contract Preparation & Signature
- Implementation & Reporting
- Audit (if applicable)
- Final Payment & Contract Closure





Key funding requirements

Key funding requirements (1/9)

Legal Registration

- ❖ Valid registration of the organization (HQ Office)
- ❖ Valid registration of the entity in Syria
- ❖ Organization with different name and different board members considered as different entity in Syria and would be considered as “CO- Applicant)



Key funding requirements (2/9)

Public Benefit

- ❖ Evidence for public benefit status : Bylaw or the statutes of the Organization
- ❖ For Main applicant: Tax exemption of the organization
- ❖ For Co-applicant: (Sub-grantee): Proof of non-profit status



Key funding requirements (3/9)

Accounting:

- ❖ Finance and accounting policy
- ❖ Robust accounting system (accounting software)
- ❖ Financial reports (annual financial report) generated from the system including, balance sheet, income and expenditure statement
- ❖ Qualified staff
- ❖ In case the accounting software is not available, the organization would be eligible for funding up to 50,000 Euros



Key funding requirements (4/9)

Procurement:

- ❖ Procurement policy
- ❖ A confirmation of applying the international contract award standards.
- ❖ Procurement sample: different threshold sample that shows the procurement rules and regulations applied.



Key funding requirements (5/9)

Strong Internal Control Measures

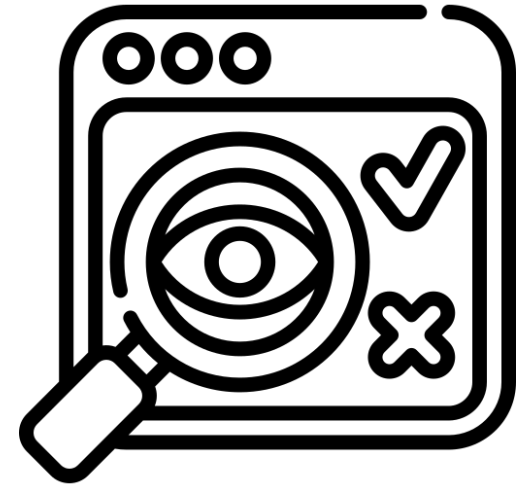
- ❖ Internal control policy, and report (**If Available**) making sure the below principles are highlighted in the internal control policy
- ❖ Cross-checking
- ❖ Segregation of duties
- ❖ Transparency
- ❖ Clear approval matrix & authorizations (need to know principals)



Key funding requirements (6/9)

External Audit Measures (if available)

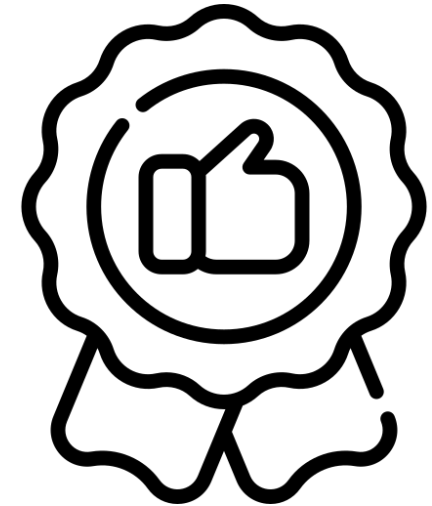
- ❖ Organization-wide or project-based audit reports.
- ❖ Ensuring compliance with the funding requirements and international financial standards.



Key funding requirements (7/9)

NGO Previous Experience:

- ❖ List of previous experience with other donors including name of Donor and contracts amount
- ❖ Experience in the field
- ❖ Managing large funds & international funding
- ❖ Reference Letters from other donors (if available)



Key funding requirements (8/9)

Money Transfer Eligibility:

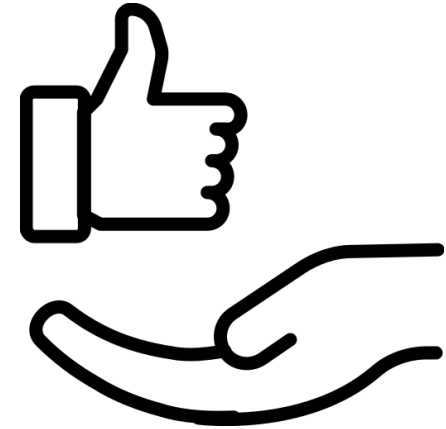
- ❖ Always bank transfer (whenever possible)
- ❖ Alternative methods require GIZ pre-approval
- ❖ Vetted hawala offices list will be provided by GIZ



Key funding requirements (9/9)

Other Important Considerations:

- ❖ Audits required beyond specific thresholds (Will be arranged and paid by GIZ)
- ❖ 10%-20% retention payment must be pre-financed by recipients





Budget Preparation Tips



Budget structure

1. Staff
2. External Services including event management
3. Transportation/Travel Costs
4. CO2 compensation for flights
5. Procurement of materials and equipment
6. Other costs/ Consumables
7. Funds for direct support of third-party beneficiaries
8. Fair-Shared costs
9. Administration cost
10. Forwarding of funds to third party recipients.
11. Own contribution/Third party financing

Budget Perpetration tips (1/8)

Budget line (1) Staff costs:

- Personnel who are directly contributing to the implementation of the project, whether on a full time or part-time basis.
- Staff members who are hired through a **personnel recruitment process**, **will have an employment contract, social security contribution, tax (where applicable) and a personnel file.**
- Location for each staff member should be specified in the description, for example: Finance Manager- SYR.
- Clear tasks and responsibilities for all staff (in a separate narrative sheet).
- Integrated Consultant: Consultants are individuals who are self-employed or employed by a third party and seconded to the Recipient



Budget Perpetration tips (2/8)

Budget line (2) External Expert:

- This budget category may include consultants, trainers, experts, daily workers, facilitator, engineer, translator, field monitor, catering services, venue rental etc..
- Based on no. of contracts, not no. of days/months. But additional details on the breakdown should also be provided as a budget narrative, e.g. cost of consultant /day/month as well the contract duration.
- Please make sure to refer to the activity in the description as well as matching the information with the project proposal.



Budget Perpetration tips (3/8)

Important (Staff VS External Experts)

- The Recipient must clearly differentiate between the supporting documents for staff costs and those for external experts contracted by the recipient to avoid ineligible costs during audit phase.
- When hiring a staff, the recipient should make sure to go through the recruitment process (starting from the job announcement, long listing, shortlisting, interviews etc..). Additionally, the recipient is responsible for paying tax/social security for their permanent staff.
- In hiring external experts, recipient should make sure to follow the procurement guidelines and tendering processes based on their own threshold.



Budget Perpetration tips (4/8)

Budget line (3) Transportation/travel cost:

- Only Direct travel/transportation costs.
- Please list the expected supporting documents
- Each cost should be in sperate budget line (no lump sum is allowed)

The following should be provided if the above expenses will be budgeted:

- Travel/transportation policy.
- Details of the activity should be specified when budgeting transportation allowances, such as transportation allowances for participants of the XYZ training, further cost breakdown if needed.



Budget Perpetration tips (5/8)

Budget line (5) Procurement of materials and equipment:

- This budget category may include procurement of goods such as IT equipment, furniture, etc..
- Please make sure to specify the IT assets or furniture items in the description and provide a break down of the cost in a different sheet.
- IT software/equipment/machines... (no company or brand name should be mentioned in budget).
- Each cost should be in sperate budget line (no lump sum is allowed)



Budget Perpetration tips (6/8)

Budget line (6) Other costs/consumables:

- This budget category may include **direct costs only** such as printing, flyers/advertising materials, stationery...etc.
- Consumables are commodities that are used up, e.g. ink cartridge and printing paper. Unlike procured goods, which are used over a long period of time.



Budget Perpetration tips (7/8)

Budget line (7) Funds for direct support of Third-Party Beneficiaries (TPB):

- This Budget line refers solely to financial contribution to third party beneficiaries (TPB). This may include start up funding, funding for initiatives, etc.
- The selection criteria process of the TPB has to be described well in the project description (proposal).
- The provision of evidence (supporting documents) should be agreed and displayed in two brackets within the budget description.

Budget Perpetration tips (8/8)

Budget line (10) Forwarding of funds to third-party recipients:

- The names of the sub-grantees should be listed under this budget line, along with the total amount that the recipient will provide to support the sub-grantee.
- Detailed budget should be provided in a different sheet (the sheet for forwarding of funds is already available in the financing agreement budget template)
- The main recipient is responsible for the subgrantees contractual and financial aspects.
- The Co-applicant should follow the guidelines of the main applicant



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