Activity cycle memorandum (Activity Appraisal Document (BEMO))

(for ODA activities)

1.1 General information

Application number	4000005161
Date of receipt of application	23 July 2021
Short name of application	Ethio-NL Seed Partnership
Full name of application	Ethiopia-Netherlands Seed Partnership 2021-2025
Description of application	The Ethiopia-Netherlands Seed Partnership will enable the private sector in Ethiopia to deliver farming men and women high quality seed of improved varieties much needed for food security and nutrition, and climate resilience. The proposed investment will increase farming households' crop productivity and diversity, create jobs and increase the area under sustainable agricultural practices. Furthermore, it will improve women's access to financial services, entrepreneurship opportunities, managerial and leadership roles, and life-long learning.
Budget holder	ADD
Business partner's number	30080863
Legal relationship	Grant
Commitment in foreign currency	No
Corporate rate	-
Commitment in EUR	6,500,000.00
Funds centre	1702U01010032
Activity start date	01 September 2021
Activity end date	31 August 2026
Contract start date	10 September 2021
Contract end date	31 August 2025
Is this a follow-up to a previous activity? (If so, provide the number of the previous activity)	Yes, it is a follow-up of a project from the BENEFIT-partnership (activity number 20775)
Specific undertakings (State here if the activity to be financed is the result of an undertaking by a minister, an amendment by the House of Representatives or another reason. You should also state here if the activity is a fully confidential activity and should therefore be excluded from open data).	The basis of this proposal is the SeedNL covenant between the Ministry of Agriculture, Nature and Food Quality; the Ministry of Foreign Affairs; and Plantum. With SeedNL as a public-private partnership, the parties want to increase the availability, access and use of high-quality seed for farmers, with a focus on a number of focus regions and,

	where possible, on emerging markets. Staatscourant 06-03-2020

1.2 Information for OESO-DAC

(Please refer to the ODA Policy Data Guide to help you provide the following information.)

Aid modality	Other aid
Donor role	Single donor
Technical assistance	10<TA<25 Between 10% and 25% of the activity budget
Beneficiary's country/region The **beneficiary country** is the (OECD/DAC) country where the target group lives and/or comes from. It is the country that ultimately benefits from the activity. This is not necessarily the country where the activity is implemented.	Country (state the country concerned below)
Specified region/ countries + division of budget over those countries (in so far as this is known) Please state here the region (if relevant) and relevant beneficiary countries. Give an estimation of the part (in %) of the total budget during the full duration of the activity that can be attributed to each country. When this is (partially) unknown, you can register (part of) your activity as unspecified. This can be adjusted during the monitoring phase of the activity.	Ethiopia
Location within the country/ countries (be as specific as possible) When (one) country is selected for beneficiary's country/region, please state the specific location(s) here. E.g. by stating the districts and cities where the activity is taking place.	Territory
CRS code (1 CRS code per activity)	31150
Policy markers weighted 'principal'	

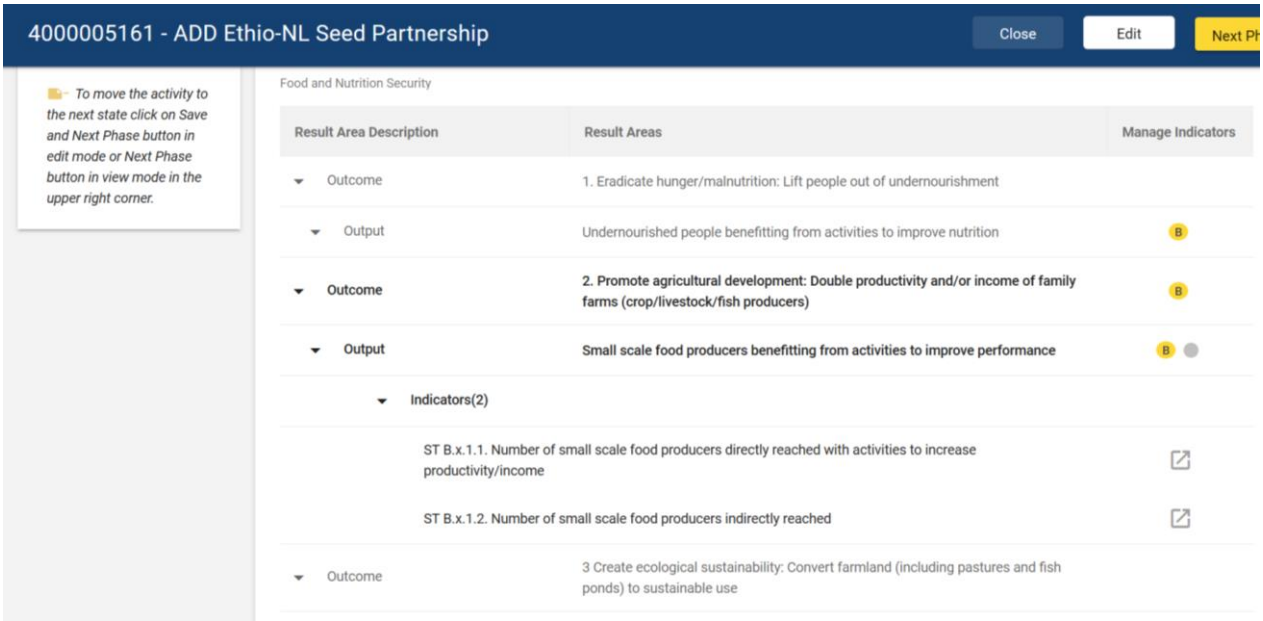
International RIO markers	
Gender	Not applicable
Climate adaptation	Not applicable
Climate mitigation	Not applicable
	Explain your choices in section 2.1.

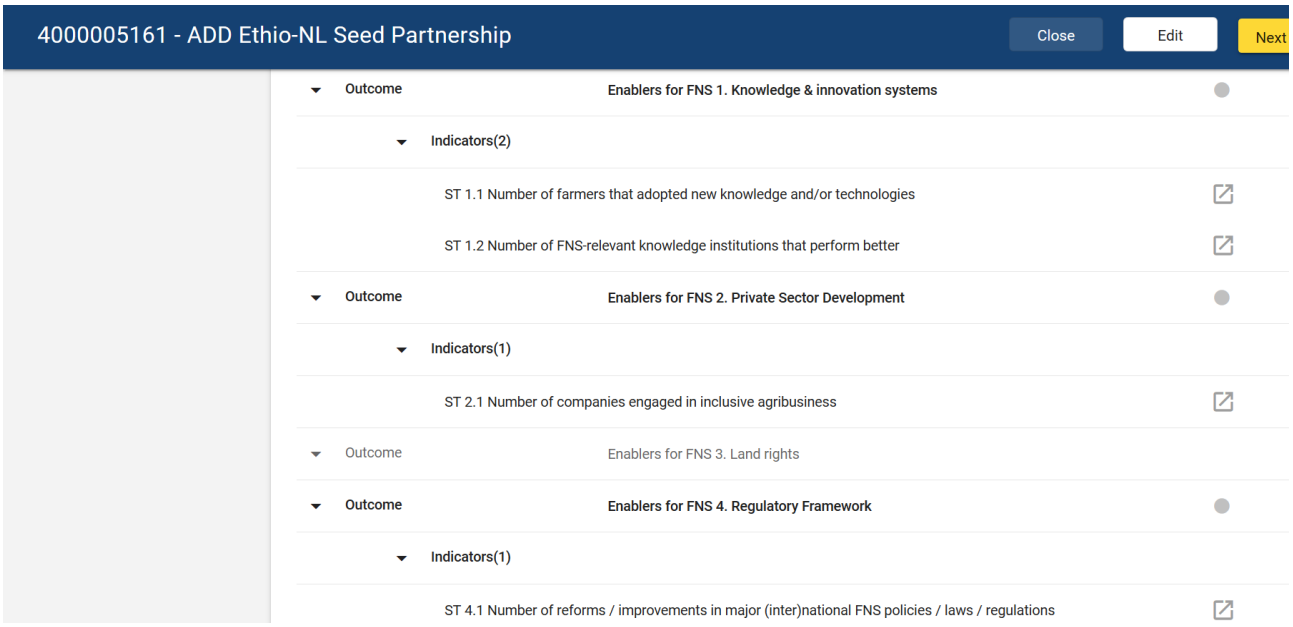
	Etc. (add more policy markers if applicable)	VdsZek – Food security
Policy markers weighted 'significant'	**International RIO markers**	
	Gender	Significant
	Climate adaptation	Significant
	Climate mitigation	Significant
		Explain your choices in section 2.1.
	Etc. (add more policy marker if applicable)	MrktOnt – Market development MrktToe – Market accesibility PrivSct – Private Sector Development

2. APPRAISAL OF THE ACTIVITY

(For terms and concepts referred to in sections 2, 3, 4 and 5, see the list of widely used terms)

2.1 Policy relevance (including digitalisation) and monitoring, evaluation and learning (MEL)





	Assessment
<u>Task</u> In addition, assess the extent to which this intervention is relevant to policy. State how this intervention scores on the cross-cutting themes of gender, climate adaptation and climate mitigation. Ensure that this is in accordance with the policy markers selected in section 1.2.	The ENSP proposal responds to the following policy objectives; • Sustainable Development Goals: SDG2-Zero Hunger, SDG8-Decent work and economic growth, SDG9-Industry, Innovation and infrastructure. • SEED-NL convenant: "For the implementation of the SeedNL Agenda, those involved will always have to find a balance between upscaling what works and responding to new challenges by constantly innovating. In the start-up phase of SeedNL, the initial focus was on two countries. It concerns Ethiopia and Nigeria […]." • BHOS: Prevention of conflict and instability, reducing poverty and inequality and promoting sustainable, inclusive growth and climate action. • MACS (2019-22): Focus on basic requirements for increasing agricultural production and marketing. • Annual Plan ADD 2021: Smallholder farmers' output has grown and their income has increased • The MoFA is focussing on addressing systematic bottlenecks in the Ethiopian Food System. Via this proposal the FNS portfolio will do this within the seed sector in Ethiopia. <u>Gender</u> Gender related decision making mechanisms and limitations in access to input has been analysed during the ISSD project; specific actions to work towards gender equity are presented in the proposal within the ToC and specific activities. ISSD has collected data (17,500 women preferred traits and varieties) which will be used to better develop specific activities which are gender sensitive.

	Underlying support to gender will be given by including specific gender related selection criteria during the grant process. A hard target of a minimum number (30%) of predominantly female owned/ managed grant recipients has been set by the project. Subsequent subcontracts will be reviewed by gender expert in order to guarantee the proper inclusion of gender issues in the contract, its deliverables, and assessment criteria. Women will be included in the management team of the partnership, this will guarantee the inclusion of a 'gender lens' in day to day activities but foremost during the decision making process of key activities. <u>Climate</u> As part of the ToC the effects of climate change are identified as cause for the loss of up to 10% of GDP by 2050. The ToC then presents the need for *adaptation* of agricultural practices. This is concretely translated into the inclusion of a wider variety of seed varieties, predominantly from international seed companies. The inclusion of adapted agricultural practices are responding to the need for climate adapted activities. Climate *mitigation* is also included by means of, again, the increased availability of a wider range of varieties that will require less mineral fertilizers and fossil fuels. Inclusion of disease and soil fertility management makes climate mitigation a mainstreamed issue. <u>Biodiversity</u> The ENSP assure the maintenance of biodiversity on farmland by including this in the innovation component via *increasing the uptake of sustainable agricultural practices.* <u>Desertification</u> Not dealt with in the project.

2.2 Problem analysis and lessons learned

2.2.1 Description

The proposal identifies, despite ISSD Ethiopia's achievements, several problems. At present, quality seed covers less than 20% of the cultivated area of the country, and estimated yield gaps for maize, wheat and beans are 82%, 73% and 68% respectively. Ethiopia has great potential to increase its agricultural output using quality seed of improved varieties.

This increase in usage of improved varieties cannot be achieved by public efforts alone. Investments by Ethiopia's institutions of agricultural research and extension should be complemented by and complementary to the commercial interests of domestic and foreign private sector, as currently the assortment of seed products on offer is limited. Currently, 85% of varieties released in Ethiopia are publicly owned. Ethiopia would benefit from the decades of research and development by Dutch and international companies by facilitating their entrance to the market. The improved varieties that these companies offer of crops currently underutilized in Ethiopia have significant direct and indirect value for human nutrition. But trade is constrained.

The proposal states clearly the effects climate change will have and the role the seed sector can play in addressing this. On its current path, Ethiopia will lose 8-10% of its GDP to climate change in 2050 unless it adapts.
Agriculture's adaptation will require, among other things, the application of sustainable agricultural practices including the uptake of drought tolerant and pest and disease resistant varieties, and a vastly wider array of new and improved varieties to choose from. Despite having over 1,200 varieties on the variety register, commercial seed production in Ethiopia has a very narrow bandwidth, especially and unusually so for vegetables. It is estimated that fewer than 10% of registered varieties are commercialized. East-West Seed alone offers seven times that in its portfolio, having bred over 900 open-pollinated and hybrid varieties for smallholders in (sub) tropical climates.

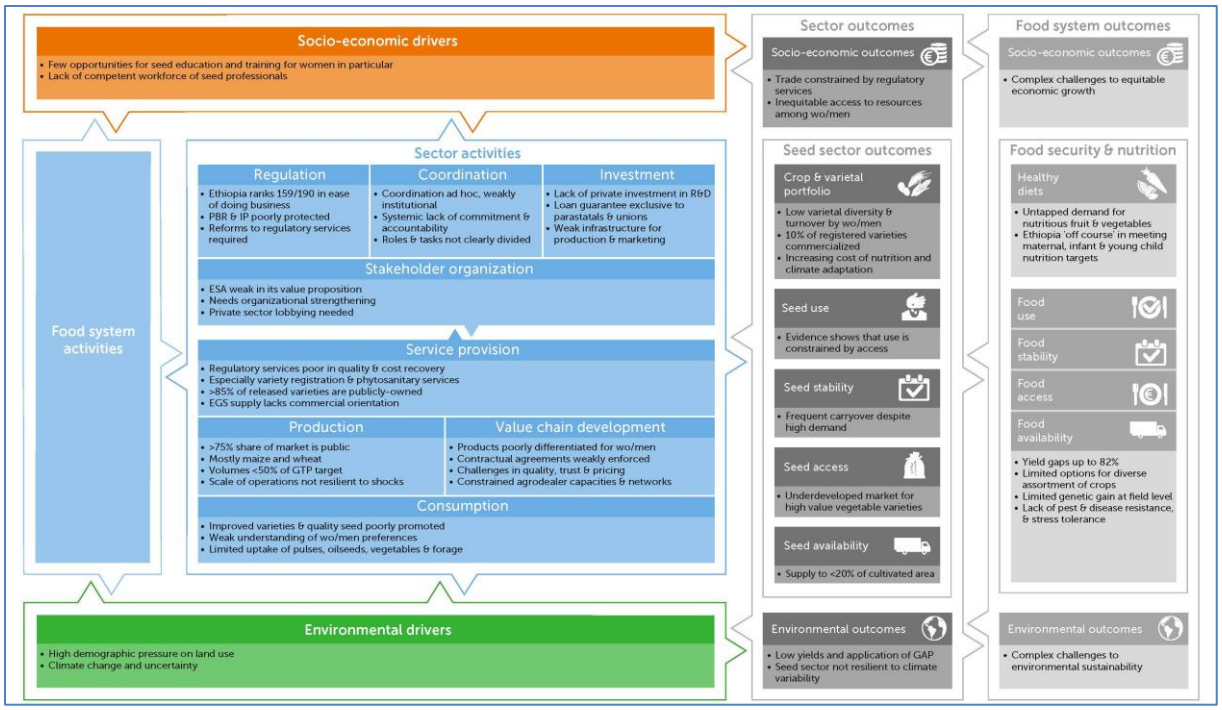
In the proposal, the problems that are identified are presented in a gender sensitive manner. The gender analysis addresses issues and proposed activities that are covering the entire seed system. There are differences between men and women when it comes to seed related practices, it is also important to note several inequalities. Access to inputs is one of them. Households headed by men also yield 24% more on average and are advantaged by unequal access to additional agricultural inputs like labour, knowledge and quality seed. It is estimated that closing the gender gap in agricultural productivity in Ethiopia will lift more than one million people out of poverty. Besides expanding access to quality seed, creating increased opportunities of education, training and employment in seed science and technology, seed business and seed systems for both men and women will help close this gap. Currently no organizations, the Netherlands organisation for internationalisation in education (Nuffic) included, are addressing this specific need in the seed sector despite its relevance to the Country Plan of Implementation priorities of horticulture and dairy.

2.2.2 Appraisal

Task Assess the quality of the contextual analysis.	**Appraisal (Yes/No, plus reasons):**
The proposal and the contextual risks (see section 4) have been agreed with the mission(s) concerned.	Yes. Refer to risk assessment in section 4.
The proposal is based on a careful and thorough contextual analysis (including a gender analysis) that results in a logical problem definition and objective.	Yes. The contextual analysis uses mainly: • the MoA document on the Transformation of the Ethiopian seed sector, • the conclusions that were drawn at the closure of ISSD, • the gender analysis that was developed under ISSD, • external reports (CIAT, FAO, World Bank) regarding the role climate plays in the analysis of the seed sector in Ethiopia. The gender analysis in the proposal focusses on the different activities within the seed system and the roles

	women and men are playing. The benefits that male headed households are having and their increased performance compared to non-male headed households. The proposal presents the problem definition and its sub-definitions are comprehensibly presented in the Food System Framework, please refer to this image at the end of this paragraph.
Based on the problem formulated, the proposal explains in a logical manner why the intervention is aimed at the specified geographical location.	Yes. The proposal explains the steps that were undertaken by the preceding project (ISSD) from 2012. Furthermore it explains that in 2019 the MoA published a document elaborating the agenda in order to Transform the Ethiopian seed sector, ISSD has contributed to this document. ENSP has a focus on interventions surrounding seed companies, knowledge institutes and institutions in the enabling environment; the focus is not having a strong link with geographic locations. However, it is likely that the interventions will take place within the five agricultural productive regions of Amhara, Oromia, Sidama, SNNPR, and Tigray. This matches with the geographic focus of FNS defined in the MACS 2019-2022.
The proposal justifies the choice of target group and the target group's gender-specific interests and needs.	Yes. Based on the contextual documents mentioned before, the proposal develops around the inclusion of private sector (small seed multiplicators, international seed companies), smallholder farmers, ESA, knowledge institutes. The inclusion of gender aspects within these target groups has been mainstreamed and it shows how gender mainstreaming will be operationalized. Based on the previously mentioned gender assessment, a series of intermediary outcomes were identified to address gender related problems.
The proposal sets out which relevant actors were involved in formulating the proposal and what influence they had on its content.	Yes. The proposal has identified the actors based on the collaboration with actors during the ISSD project and a new assessment based on the SEEDNL initiative. The SEEDNL initiative is a collaboration between the Netherlands Government and seed industry. SeedNL builds on the work of seed sector projects in developing countries, such as ISSD Ethiopia, and company-led FDOV/SDGP-funded projects. SeedNL promotes a Dutch diamond approach to have measurable impact in the short term as well as structural impact in the long term. In this light, Wageningen University (WCDI and WUR Ethiopia), Plantum, and the Ethiopian Seed Association

	were involved in the development of the proposal. These are also the organisations that make part of the ENSP partnership. Next to the contribution of these organisations, the proposal shows a contribution from ATA, Horti-LIFE and the MoA.
A stakeholder analysis (incl. women and young people) has been carried out and the results incorporated into the proposal.	Yes. Stakeholder analysis is presented below.
Insights and lessons learned from the following sources have been used in formulating the proposal: • previous or comparable activities • published evaluations • relevant publications (academic, online, etc.).	Yes. ENSP follows on the ISSD Ethiopia project (under BENEFIT partnership), the proposal refers to issues that were identified under ISSD but that were not completed yet. ENSP builds on its lessons learned. The proposal also builds on the recommendations of the institutional mapping that was undertaken via RVO. The MoAs Seed sector transformation strategy has been developed in collaboration with ISSD Ethiopia and other seed related projects (National Seed Advisory Group (NSAG) comprising bona fide experts from different public, private and civic organizations including ATA, FAO, GIZ, BENEFIT, CIMMYT, ICARDA, and the Ethiopian Seed Association (ESA)). This strategy shows a roadmap on which the ENSP builds with its interventions. The problem definition in the proposal is supported by (scientific) articles from a variety of sources (international organisations, NGOs, different universities, governmental bodies, and donors active in Ethiopia.
In the case of technological solutions: • the added value and risks associated with the solution(s) have been considered carefully • the most efficient technology has been chosen • the technology has been developed with the users to reach a diverse user group • an analysis of the local digital ecosystem (strengthening existing system, no duplication and not standalone).	N/A



Problems in the Ethiopian seed sector and its contribution to the Ethiopian Food System outcomes.

Stakeholder analysis

			Initial Partner Scores	
No.	**Name**	**Type**	**Support**	**Power**
1	EKN	Organisation	5	5
2	WCDI	Organisation	5	4
3	International seed companies	Organisation	3	4
4	Plantum	Organisation	3	2
5	ESA	Organisation	3	4
6	National seed companies	Organisation	4	2
7	Farming households	Individual	3	2
8	Universities	Organisation	4	3
9	EIAR	Organisation	4	5
10	RARIs	Organisation	3	4
11	Ministry of Agriculture	Organisation	4	5

2.3 Cooperation, harmonisation and added value

Task	**Description**
Briefly describe: • whether the proposed activity involves cooperation with, for example, Dutch organisations, other donors, local organisations or other parties; • how this cooperation contributes to harmonisation, complementarity, joint financing, delegated cooperation (silent partnership) and multi-donor financing;	At the basis of this proposal is the SEEDNL partnership which has been formed at the basis of a covenant between the Netherlands Ministry of Agriculture, Nature and Food Quality, the Netherlands Ministry of Foreign Affairs, and Plantum, the Dutch association for the plant reproduction material sector.

• the added value of the activity in relation to other activities by donors, NGOs and local authorities.	As mentioned under 2.2.2. the seed sector assessment from MoA has seen an involvement of most if not all relevant stakeholders in the seed sector via the National Seed Advisory Group (NSAG). This recent document forms the basis of the ENSP proposal. The NSAG will assure sufficient coordination during implementation of projects. This cooperation is more focussed on the creation of synergies and alignment of activities and not on delegated cooperation and/or multi-donor financing.

2.4 Channel and aid modality (including *alignment*)

Task	**Description**
Briefly describe: • whether the aid modality selected is appropriate and why; • whether the degree of (financial and policy) alignment is substantiated; see the MACS risk analysis; • whether the aid modality/channel has been chosen on the basis of a consideration of the available options; • whether there is any contribution or co-participation from the recipients, and explain the level of co-participation.	Following the aid-modality decision tree the 'other aid' modality has been selected. There is a contribution from the ENSP, please refer to the budget section.

2.5 Monitoring (for details, see the MEL guidelines)

Task	**Description**
Briefly describe: • whether there is sufficient time and capacity available for monitoring and learning; • whether the relevant BZ Theories of Change and results frameworks have been communicated to the implementing organisation and whether these align with BZ standard indicators; • whether the Theory of Change/intervention logic/logframe for the activity has been set out in sufficient detail in terms of inputs, outputs, outcomes, assumptions and context variables; • how the implementing organisation will organise the monitoring and whether the implementing organisation will deliver a separate **MEL plan**.	The ENSP continues on the efforts of ISSD Ethiopia, including the monitoring tools that were developed under this project, but also monitoring tools there were not fully finalized before the closure of ISSD. The ToC that is presented in the proposal follows the structure of the Food Systems Framework, the framework has been used to detail the problem definitions and to present outcomes that will resolve the problems as defined. The FNS and PSD result frameworks were shared with the proposal team and the outcomes from these results frameworks are used in the proposal. In the proposal three objectives for MESL are identified; 1) accounting to the donor, 2) Improving the performance of

	the Partnership, and 3) Informing stakeholders. In order to be able to provide sufficient information to fulfill these objectives, an MELS plan will be developed in collaboration with KIT. KIT has an a wealth of experience in MELS in seed related projects in sub Saharan Africa. Feedback loops are integrated in the project to guarantee the performance of the ENSP. Dialogues with relevant stakeholders via different fora are part of these feedback loops. Since multiple actors in the seed sector are responding to the seed sector transformation agenda, changes in projects require these actors to be included in the feedback loops. Essential part of the feedback loops is the validation of the assumption that are presented in the ToC, and the adjustment of the partnership is assumptions are overturn. The MELS overview (Results, Indicators, Means of verification, Assumptions) presented in the proposal serves as a starting point for the MELS strategy that will be developed directly after starting the ENSP.

2.6 Evaluation (click here for the quick reference guide) (for details, see the MEL guidelines)

Task	**Description**

Describe briefly:
 	
• For activities:
- worth EUR 5 million or more'; or
- of strategic importance; or
- involving political risks/interests; or
- for which evaluation has been agreed with parliament
 	
  • whether the implementing organisation has been informed about the MANDATORY FINAL EVALUATION and the procedure BZ follows in this regard;
 	
  • whether it has been agreed to include specific questions in the final evaluation. State the questions here.
 	
• For all other activities, briefly describe:
 	
  • whether an evaluation or mid-term review will take place and, if so, when.
  • whether sufficient budget has been set aside and whether there
	The ENSP has budgeted for the mandatory final evaluation. EKN will be consulted on forehand to provide feedback and guidance on the procedures and ToR.
	
	A baseline study has also been included in the planned activities and budget.

is a timetable to ensure the evaluation procedure starts on time; • who is going to organise the evaluation - this can be BZ or the implementing organisation that hires an evaluator; • whether it has been agreed to include specific evaluation questions in the final evaluation.	

5. Implementation and agreements

5.1 Budget

5.1.1 Breakdown of costs

Unabridged budget and budget narrative

Activity	Subsidy requested					Own contrib.	Budget
	2021/22	2022/23	2023/24	2024/25	Total		
Partnership coordination							
Staff	153,256	158,116	163,162	168,404	642,938	0	642,938
Investments	147,004	0	12,000	0	159,004	0	159,004
Operational costs	40,250	43,863	45,031	56,257	185,400	0	185,400
Travel	20,335	21,037	22,089	22,805	86,266	0	86,266
Planning, ME&L	35,000	56,667	10,000	128,333	230,000	0	230,000
Subtotal Partnership coordination	**395,845**	**279,681**	**252,281**	**375,800**	**1,303,607**	**0**	**1,303,607**
Private sector development							
Staff	68,402	71,180	74,084	77,120	290,785	0	290,785
Consultancy	87,500	87,500	87,500	87,500	350,000	0	350,000
Doubling and diversifying seed production	155,000	155,000	155,000	155,000	620,000	486,665	1,106,665
Organizing private sector	20,000	15,000	10,000	5,000	50,000	0	50,000
Improving the performance of value chains	80,000	80,000	80,000	80,000	320,000	0	320,000
Gender and social inclusion	5,000	5,000	5,000	5,000	5,000	0	5,000
Subtotal Private sector development	**415,902**	**413,680**	**411,584**	**409,620**	**1,650,785**	**486,665**	**2,137,450**
Innovation and empowerment							
Staff	97,275	100,630	104,123	107,760	409,788	0	409,788
Improving the performance of KIs	134,552	134,552	94,552	0	363,656	0	363,656
Enrolling men and women in internships	37,500	39,375	41,344	43,411	161,630	0	161,630
Increasing uptake of agricultural practices	160,000	240,000	240,000	160,000	800,000	1,200,000	2,000,000
Gender and social inclusion	5,000	5,000	5,000	5,000	20,000	0	20,000
Subtotal Innovation and empower.	**434,327**	**519,557**	**485,019**	**316,171**	**1,755,074**	**1,200,000**	**2,955,074**
Enabling business							
Staff	127,876	132,579	137,483	142,597	540,534	0	540,534
Consultancy	30,000	0	0	0	30,000	0	30,000
Leveraging trade and investment	80,000	60,000	45,000	15,000	200,000	0	200,000
Enhancing provision of regulatory services	225,000	225,000	225,000	225,000	900,000	133,332	1,033,332
Identifying and promoting solutions	50,000	50,000	0	0	100,000	0	100,000
Gender and social inclusion	5,000	5,000	5,000	5,000	20,000	0	20,000
Subtotal Enabling business	**517,876**	**472,579**	**412,483**	**387,597**	**1,790,534**	**133,332**	**1,923,866**
Total	**1,763,949**	**1,685,497**	**1,561,367**	**1,489,188**	**6,500,000**	**1,819,997**	**8,319,997**

Approximately 20% of the requested subsidy will be allocated to Partnership coordination. This includes the costs of:

- Technical assistance in Partnership coordination by the WCDI-based Partnership coordinator, financial controller, liaison officer and business unit manager, and in both ME&L and gender mainstreaming;

- Staff time in Partnership management, including administrative support from the operational manager, financial unit, legal counsel, office assistance, and drivers shared with RAISE-FS;
- Investments including vehicles, laptop computers, cameras and other equipment for staff;
- Operational expenditures of the office, vehicle fuel and maintenance, and audit costs;
- Travel and staying costs of local and international staff;
- Planning, monitoring, evaluation and learning events like annual meetings for this purpose, base and end-line surveys, and mid- and end-term evaluations.

The Partnership will account for a quarter of the shared costs with RAISE-FS, including: the salaries of the operational manager, financial unit, legal counsel, office assistance and drivers; and office rent, utilities, equipment and consumables.

The remainder will be utilized for providing technical assistance and making strategic investments in: (1) Private sector development (25%); (2) Innovation and empowerment (27%); and (3) Enabling business (28%). Innovation and empowerment includes technical assistance from Wageningen Plant Research on sustainable agricultural practices to achieve both climate change mitigation and adaptation outcomes (see 3.2 Innovation and empowerment). Technical assistance will be exchanged between RAISE-FS and the Partnership on the topics of gender and social inclusion, climate change and nutrition, and seed respectively. Tariffs for WUR technical assistance are agreed with MinBuZa.

5.1.2 Financing

The aim of this section is to provide better insight into the activity's financing. Indicate the total costs and envisaged inputs of the activity. Use the overview below. If there are multiple donors, state each donor's contribution.

Total budget	8,319,997.00 Euro	
Implementing organisation's and partners' own contribution	1,819,997.00 Euro	
Firm commitments by other donors (itemise by donor)	0 Euro	
Dutch contribution	6,500,000.00 EURO	
Still to be financed	0 Euro	
Soft commitments by other donors	NA	
Uncovered balance	0 Euro	
Evaluation costs If you are planning to carry out an evaluation on the activity, provide an estimate for these costs.	Included in project budget	

5.1.3 Other contributions

Task	**Description**
State what other – non-financial – contributions are relevant to implementation of the activity, such as deployment of volunteers, availability of buildings, materials, etc.	NA

5.1.4 Budgetary risks

Task	**Description**
If there is an uncovered balance, state how this will affect implementation of the activity (e.g. proportional reduction in outputs or omission of	Part of the budget for the project will be covered by private businesses.

regions) and how this will affect the decision whether to fund this activity.	

5.1.5 Statement on the budget presented

The budget presented does/does not satisfy the following requirements:

Budget is arithmetically correct	YES
Overheads are proportional to the outputs to be delivered. Please note: What is included? What is recharged? Are costs entered twice (e.g. as indirect costs and in the administrative cost allowance)?	YES
Are the other amounts/rates in the budget acceptable in relation to the activity?	YES
Is the budget suitable as a management tool (linking of outputs – budget)	NO
Implementation is conditional on budget being amended	NEE

5.2 Prepayments

5.2.1 Earmarking multi-donor activities

Task	**Description**
Is the Dutch contribution to the programme earmarked (i.e. reserved for a specific purpose)? If so, specify the reasons why. Are other donors' contributions earmarked? If so, explain how this will affect reporting.	The Dutch contribution is earmarked. There are no other donors.

5.2.2 Prepayment/no prepayment

Task	Prepayment **Description**
Using the prepayment decision tree, assess whether the payments need to be entered as prepayments and give reasons for this. Give the outcome of this assessment along with a brief explanation in this section. *In the case of lump sum funding, assess this against the applicable criteria and give the reasons for your choice.*	Using the prepayment decision tree, it was concluded that a prepayment should be made.

5.2.3 Grant with a repayment obligation, loans, equity investment or guarantee

Task	**Description**
Does the Dutch contribution take the form of a grant with a repayment obligation, a loan, an equity investment or a guarantee (either in whole or in part)?	There is no repayment obligation for the contribution. There is no revolving fund.

Are there revolving funds? What will happen to any residual funds? If so, briefly set out the consequences for accounting and how correct processing in the financial records will be ensured.	

5.2.4 Accounting for prepayments

Task	**Description**
Set out the reporting obligations on the basis of which the prepayment can be closed, such as an audit report (if applicable) or a financial statement issued by the organisation itself.	Following the decision tree in the activity analysis guide results in: Outcome 8; Audit opinion + report of findings + final evaluation of efficiency and effectiveness. Refer to annex.

5.2.5 Payment schedule

Use the payment schedule decision tree (click here for the quick reference guide) to determine the required payment frequency for this activity. Give the outcome of this assessment along with a brief explanation in this section.

Milestone payment date	**Milestone payment currency and amount**
Size of first payment	€ 1,763,949
Date of next payments	Depends on liquidity needs
Final payment (5%)	€ 325,000
TOTAL	

5.3 Monitoring

For activities that fall under a framework agreement (UN, IFI) or when a multi-donor arrangement is in place, the activity analysis decision tree and the decision tree for determining the type of audit opinion can be skipped.

5.3.1 Substantive and financial reports

Task	**Description**
Use the activity analysis decision tree (click here for the quick reference guide) to determine the required reporting information for this activity. Give the outcome and a brief explanation in this section. **Task** Set out any issues requiring special attention in terms of monitoring.	Narrative and financial reports In principle reports should be issued each year. Risks relating to the organisation and/or the activity in conjunction with the financial scope of the activity could warrant more frequent narrative reports. It is advised that progress reports be based on the frame-work ' objective-result-activities-resources' (logical framework). For ODA activities, a Theory of Change is often used instead of a logical framework, see the MEL guidelines for more information. Using the performance assessment decision tree (3.1), state whether there are specific requirements with regard to reports. The USK lays down separate rules for narrative reports: if the value of the activity is under €125,000, a work completion statement (P statement) is required instead of narrative reports. For all ODA activities worth over €250,000, an IATI publication is - in principle – required (see below). This can (partly) replace the hard-copy narrative

	reports that were previously required. Reports may also be added as a document link in IATI. International Aid Transparency Initiative (IATI) IATI is a voluntary initiative by several stakeholders designed to make development cooperation more transparent and thereby more effective. IATI is an international data standard that provides a framework for publishing development cooperation and humanitarian aid data in an open, comparable format. The IATI standard comprises a set of data fields that provide information on the organisation, geolocations, transactions, activities and results. At BZ, IATI is used to monitor and assess the substantive progress of ODA-activities. IATI publications must be carried out as set out in the BZ publication guidelines entitled 'How to use the IATI standard'? See https://www.government.nl/documents/publications/2015/12/01/open-data-and-development-cooperation) The normal activity cycle instructions set out in the Operational Procedures Manual (HBBZ) should be followed.

5.3.2 Audit opinions

Task	**Description**
Use the type of audit opinion decision tree (click here for the quick reference guide) to determine whether an audit opinion is required for the activity. Briefly give the reasons in this section, along with the outcome of the decision tree. Will the auditor provide additional reports? Check the risks you set out in the risk section above. It may be desirable to have the audit opinion accompanied by an additional auditor's report on the risks set out above. You should ask your Control Unit for advice. If the organisation itself also makes prepayments you should ask the organisation's auditor to report on effective monitoring that the organisation carries out on prepayments.	Following the decision tree in the activity analysis guide results in: Audit opinion on the beneficiary's annual accounts; activity identifiably included. Please refer to annex

5.3.3 Annual plans and other reports

Task	**Description**
State whether any other reports (annual plans, management assertions) are required in addition to the above narrative and financial reports.	Annual plan is required.

5.3.4 Reporting obligations

Set out the reporting requirements in the table below, to ensure they are accurately incorporated in the decision/agreement. Use the activity analysis decision tree (click here for the quick reference guide) to determine the required reporting information for this activity

Type	Any specific requirements*	Period	Submission
Annual plan		01/01/2023 – 31/12/2023 01/01/2024 – 31/12/2024 01/01/2025 – 31/08/2025	**01/10/2022** **01/10/2023** **01/10/2024**
IATI publication	*Update required at every quarter of an implementation year*	10/09/2021 – 31/12/2022 01/01/2023 – 31/12/2023 01/01/2024 – 31/12/2024 01/01/2025 – 31/08/2025	**01/05/2023** **01/05/2024** **01/05/2025** **01/05/2026**
Narrative report		10/09/2021 – 31/12/2022 01/01/2023 – 31/12/2023 01/01/2024 – 31/12/2024	**01/05/2023** **01/05/2024** **01/05/2025**
Final narrative report		10/09/2021 - 31/08/2025	**01/01/2026**
Final financial		10/09/2021 - 31/08/2025	**01/01/2026**
Audit		10/09/2021 – 31/12/2021 01/01/2021 – 31/12/2022 01/01/2023 – 31/12/2023 01/01/2024 – 31/12/2024 01/01/2025 - 31/08/2025	**01/05/2022** **01/05/2023** **01/05/2024** **01/05/2025** **01/05/2026**
Mid-Term Review	ToR needs to be agreed upon with EKN	10/09/2021 – 28/02/2023	**01/06/2023**
Evaluation report	ToR needs to be agreed upon with EKN	10/09/2021 - 31/08/2025	**01/01/2026**