



**STAR  
Ghana**  
Strengthening Transparency,  
Accountability and Responsiveness



MINISTRY OF FOREIGN AFFAIRS OF DENMARK  
**DANIDA** | INTERNATIONAL  
DEVELOPMENT COOPERATION

## STAR- Ghana Grants Strategy

September, 2016

## Table of Contents

1. Introduction.....	2
2. Overall Approach to Grant Making .....	3
2.1 Objectives.....	4
2.2 Principles .....	4
2.3 Determination of Funding Areas .....	5
3. Funding Instruments .....	6
1.1 Competitive Calls .....	8
3.2 Non-Competitive Funding .....	8
4. Value for Money (VfM).....	9
5. Roles and Responsibilities.....	9
5.1 The Steering Committee (SC).....	9
5.2 Grants Sub-Committee (GSC) of the Steering Committee .....	10
5.3 The Funders' Committee.....	10
5.4 The Service Provider .....	10

## 1. Introduction

This Grants Strategy provides guidelines for an integrated approach to the management of STAR-Ghana's grants to achieve the programme's Outcome and Outputs. It sets out the principles and approach to the use of the grants pool as well as the funding windows. The strategy aims to ensure that the utilisation of the grants pool by STAR-Ghana and partners is aligned to the programme's objectives and overall strategic approach. A detailed manual (attached) will provide guidance, a framework and appropriate procedures for effective and efficient administration of the overall grants component and the various funding windows.

The grants pool is a strategic pool of money to be used flexibly to achieve programme objectives. It will, therefore, be used in more ways than simply to award funds for implementation of projects. It will support individual Outputs in the programme logframe as well as work across outputs to achieve Outcome results.

At the heart of STAR-Ghana's strategic approach is the 3Cs and L approach. It focuses on the need for STAR Ghana to support the creation, utilisation and institutionalisation of spaces for collective civil society engagement as a means of achieving inclusive and sustainable national development. Box 1 and Figure 1 below explain and illustrate the approach

### Box 1: STAR Ghana II – Three Cs & L strategic approach

The programme will provide a comprehensive, coordinated and strategic push to enable citizens to hold leaders to account by:

- **Convening** a broad range of stakeholders for dialogue and to support the identification of opportunities and critical entry points for action and engagement.
- Catalysing change through joint working with new and innovative strategic partners.
- Coordinating with a broad cross section of actors, promoting joint influencing and actions amongst partners, to ensure effective use of limited resources available.
- Learning from past and present experiences and effective application throughout the process of implementation.

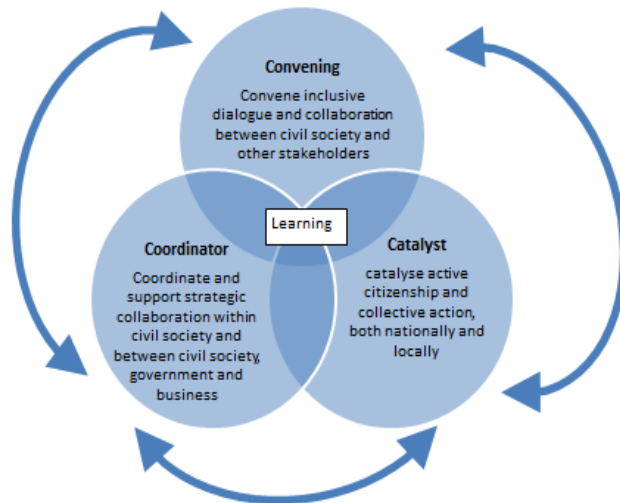


Figure 1

The approach reflects the dual focus of STAR-Ghana2 - catalysing the efforts of citizens towards systemic change on specific issues and working towards the creation of an independent national entity to sustain support for these efforts beyond the life cycle of STAR-Ghana. It also reflects the key development of the current programme from the first phase: the new strategic focus on facilitating and supporting processes and interventions which aim at systemic change in socio-economic and political institutions/structures in the interest of all Ghanaians. The 3Cs+L strategic approach will therefore provide the reference point, and the opportunities, for the development and implementation of the Grants strategy.

Under-girding the 3Cs+L approach, and indeed the programme’s rationale and objectives, is the issue of gender equality and social inclusion. STAR-Ghana’s GESI strategy aims ultimately to ‘imprint gender equality and social inclusion on STAR -Ghana’s institutional DNA and into its programmatic approach’. Thus GESI will be ‘placed at the heart of STAR-Ghana and dealt with in a robust and complementary way from the outset and at every stage of the programme’. The Grants strategy will therefore seek to respond to the imperatives and strategic objectives of the GESI strategy.

The programme’s adaptive programming approach is reflected in the embedding of a PEA approach into all aspects of programme development and implementation. The Grants strategy will therefore be reviewed periodically, in line with the STAR-Ghana Technical Approach Paper (TAP), to ensure it reflects knowledge generated through the PEAs and lessons from programme implementation.

## 2. Overall Approach to Grant Making

Evidence from STAR 1 and other programmes has shown that giving grants alone does not lead to transformational change. In STAR2 therefore, grants will be one among the diverse ‘tools’ for driving change. Specifically, they will be used strategically to unlock blockages to change and catalyse citizen action through piloting approaches, developing evidence and building alliances among stakeholders.

To achieve impact, the programme’s overall approach will ensure that grant making:

- Fits within a broader strategy;
- Is based on sound evidence, both in situation analysis and in an understanding of how change happens;
- Incorporates strong evidence gathering to inform subsequent actions.
- Looks to a sustainable post grants future phase.

## **2.1 Objectives**

- Convene a broad range of stakeholders for dialogue and to support the identification of opportunities and critical entry points for action and engagement.
- Help 'grow' legacy organisations to take forward the work started under STAR1's sustainability workstream;
- Continue to build the capacity and effectiveness of Parliament to be the key interlocutor between citizens and the Executive; and
- Strengthen spaces for engagements particularly between CS and Ministries, Departments and Agencies (MDAs) at national and local levels;
- Develop and strengthen mechanisms for more effective coordination among CSOs;
- Support CSOs gather evidence (especially at local level) and use these to influence development and implementation of policies at all levels of governance.

## **2.2 Principles**

- STAR-Ghana's grants strategy will be guided a number of principles, consistent with the programme's strategic objectives and approach. These are:
- Grants do not lead. Our approaches to strengthening engagement, promoting inclusion, addressing systemic blockages to accountable and responsive governance and sustainable development will not be led by grants. Rather issues will be developed through dialogue with stakeholders. Grants will follow the issues, providing support once priorities have been jointly set and stakeholders are effectively engaged;
- Grants must be underpinned by clear exit and sustainability strategies. Grants will not support initiatives where there is no clear exit. Exit and sustainability could come through a range of routes – institutionalisation and/or uptake by stakeholders; feeding into on-going or planned actions or initiatives; demonstration of ownership of action and processes by stakeholders;
- All grants will promote GESI – both in the choice of initiative and in the mechanisms and approaches by which the grants are deployed;
- Participation – there will be an all-embracing stakeholder involvement in grants implementation, right from the conceptualisation of ideas, through submission of proposals, utilisation of funds, to monitoring and evaluation. This wide-spread involvement will ensure buy-in, ownership and subsequently entrench programme sustainability;
- Grants will not seek to address direct service needs as an end. STAR-Ghana is a Voice and Accountability programme seeking to increase engagement, transparency and accountability. While some services will be addressed through grants, these will form secondary outcomes. Simple service delivery outcomes that have no governance dimension will not be supported;
- Simplicity – to the extent possible, granting and award processes will be kept as simple as possible while ensuring that they mitigate risks, especially those

associated with fraud. This is to ensure that the programme's grant making processes are accessible to all categories of CSOs, not just the big ones with resources and highly qualified staff ;

- The programme will take adequate steps to ensure that a level playing field is created for all those wishing to apply for grants, especially the competitive grants, and including information on application processes and criteria.
- Transparency – all of STAR-Ghana's grants will be open to public scrutiny – from the process by which decisions were made, through to the award, use of, and accounting for sums expended;
- Value for Money (VfM) – this is central to all the programme's activities. Accordingly, all grants activities must maximise the value emanating from every amount expended, and VfM will be a consideration in macro-decision making based on the VfM framework – for example allocation of funding envelopes across the various grants (and other) modalities.
- Capacity building will be integrated into grants support to GPs, both state and non-state actors;
- A conscious effort will be made to reach and work with a wider range of CSOs, including those working with and supporting excluded social groups and with less formally organised citizens' groups and movements. The proposed update of the civil society (CS) PEA will inform the approaches to be used in reaching and working with these broad range of CSOs;
- Part of the grants budget will be set aside to cover the costs of mentors to help the PMT manage grant delivery, expenditure and performance, particularly among non-traditional partners.
- The operationalisation of the strategy will be backed up by evidence at all levels – supporting decisions around relative allocations to different grants models, and thematics. This will come from among other things the embedded PEA approach, robust scoping of calls, partner learning events

### **2.3 Determination of Funding Areas**

Under STAR-Ghana1, the programme funded a limited number of thematic areas, identified in the Inception phase PEA. These areas were reviewed in a mid-term review of the PEA even though the strategy of focusing on a limited number of thematic areas did not change.

In line with its strategic objectives and approach, STAR-Ghana2 will seek to link civil society (in its broadest sense) to citizens' real preoccupations and get local/real/organic voices heard at the various levels of governance. This is to ensure that issues the programme supports link (local and national)? Citizens' needs and issues with civil society action. If the objective of STAR is to promote an active citizenry a clear starting point is to ensure that civil society engages citizens on issues that are of real interest to them.

The programme will therefore move away from fixed thematic areas to a more flexible approach, based on the adaptive programming approach, where the environment is constantly scanned to identify salient issues around which grants support can be used to convene, catalyse and coordinate citizens' actions.

A 'foundational' PEA will be conducted during the Inception phase to identify a limited number of entry points for engagement with relevant stakeholders in the first year of the programme implementation. The criteria for identification and selection of the priority themes

will be agreed with the Steering Committee (SC) and Programme Management Team (PMT) and will be informed by the programme's gender equality and social equality strategy and PEA technical approach paper. However proposed entry points should:

- Contribute to building an evidence base on the priority themes identified in the PEA review;
- Enable the programme to test its 3C+L approach (Convening, Catalysing, Coordinating and Learning);
- Provide opportunities to work on issues and themes that can lead to transformative change for socially excluded groups;
- Build on lessons and results from STAR—Ghana; and
- Actively promote civil society- media collaborations.

The SC, with support from the PMT, convene stakeholder consultations and dialogue on the identified priority themes and on the basis of the recommendations from the convening, catalyse and coordinate relevant stakeholder actions using appropriate grant and non-grant tools.

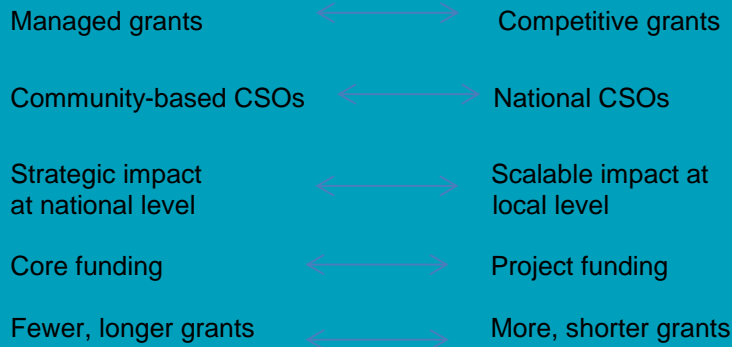
In line with its embedded PEA approach, the SC and PMT will at semi-annual intervals analyse the programme's internal and external contexts, including assessing the relevance of the themes and issues around which it is engaging stakeholders, and making appropriate adjustments to programme strategies, including determining the grants strategy.

### **3. Funding Instruments**

There are important choices to be made in the design and delivery of grant-making instruments, which also involve compromises between competing objectives. These choices are summarised in Box 2 below (ICAI Review Report on STAR Ghana. 2013)

A key choice is between competitive grant-making (where funds are awarded on the basis of the most promising applications) and managed grant-making (where the programmes make strategic choices as to which partners to support and help to shape their activities). There are also important choices to be made on which types of CSOs to support, between national and local projects, in the number and size of grants and in the types of capacity building support that are offered, and between higher risk but potentially very valuable pilots and more tired and tested approaches.

## Box 2: Design choices in CSO grant-making instruments



In the choice of funding instruments, the programme is guided by emerging learning within the sector and from similar programmes as well as the relevant lessons from STAR-Ghana<sup>1</sup>, some of which are contained in the ICAI assessment of STAR-Ghana in 2013 and in the Programme Completion Report, 2015. These include:

- The emphasis on competitive grant-making resulted in a scattered portfolio of small-scale activities which were difficult to scale up or link into a strategic whole;
- The competitive grant making also disadvantaged small, local CSOs who did not have the resources of the bigger NGOs to develop well-written proposals;
- The large number of grant projects created a management burden, affecting the capacity of the PMT to work with individual partners on their strategies;

STAR-Ghana will adopt a mixed approach to using the grants instruments, involving targeted funding to strategic partners, dedicated or ring-fenced grants to excluded groups as well as competitive grants to incentivise civil society, media and state actors' engagement on specific issues. A combination of competitive and more 'managed' funding will be used to reach and support a variety of stakeholders and to help address diverse issues. An indicative allocation of the Grants budget is attached as an annexure to this document.

- Competitive funding will be used to deliver lower-risk projects where results can be better assured and innovative approaches to addressing identified issues can be tested.
- Managed calls will be used to develop/strengthen alliances and specifically create the opportunity to engage the media, the private sector and "new" activist groups more likely to result in high impact results around key issues. This will also include piloting/taking to scale models of citizen mobilisation and engagement;
- A Strategic Opportunities Fund to enable rapid reaction to emerging 'hot' issues that can be key to achieving systemic change. The SC, with support from the PMT, will identify these key issues through longitudinal PEAs embedded in programme implementation and interactions with stakeholders;
- Parliament Fund to strengthen Parliament's institutional capacity and pilot approaches to more effective and sustainable engagements between civil society and Parliament;



- A PMT-managed fund to support implementation of communities of practice and learning (CoPL), develop communication products and provide bespoke technical support to partners, particularly in the development of proposals out of approved concept notes.

### **1.1 Competitive Calls**

Open Competitive Calls: These calls will focus on clearly specified objectives which address STAR-Ghana's Outcome and outputs but are not confined to a particular sector. It will be opened to all registered CSOs.

Thematic/Issued-focused Competitive Calls: These calls will be used to develop a portfolio of projects clustered around a limited number of themes and issues identified through the PEAs and which hold the greatest potential for change. Areas could include anti-corruption, GESI, climate change and decentralisation. Similar to the Open competitive call, this category of calls will be open to all registered CSOs.

Managed Competitive Calls: Competition for grants under this window will be restricted to specific categories of CSOs, for example, the Media, CBOs or other categories of GESI groups, or private sector associations. It could also be used to develop strategic partnerships, depending on the issue, through a pre-qualification or selection of a limited number of organisations who will then submit bids. Criteria and process for the pre-qualification will have to be approved by the SC and FC before the implementation of this window.

### **3.2 Non-Competitive Funding**

Strategic Opportunities Fund: This will enable the programme to respond flexibly to short-lived or immediate opportunities, 'hot issues', take advantage of 'magic moments' or to inform important thematic issues. These opportunities may be identified either by potential grantees, the Steering Committee, the Funders Committee or the PMT. Grants under this window will be smaller, fast disbursing grants and outside of the grant making cycle

Parliament: This window will be used to support the implementation of the programme's Parliament strategy. Support to parliament will be at two levels:

- Grants to support the work of parliamentary committees whose work is relevant to the STAR-Ghana's strategic objectives and areas identified through the PEAs. The grants will enable the committees to test approaches and mechanisms to link Parliament more effectively with citizens and for oversight of the Executive arm of government. Pre-selected committees could alternatively be requested to bid for grants to test the models or approaches they propose.

- Support to improving the environment around which parliament works. This support will support parliament implement aspects of its strategic plan, such as improved capacity of the parliamentary service, improved research capabilities, Special projects such as the Standing Orders and Scrutiny/Budget Office and enhanced engagement with citizens through dialogues between the leadership of Parliament and citizens and citizen groups.

Capacity Building and Sustainability: Funds under this window will be used to support the capacity strengthening of programme partners in relevant technical areas and to support actions towards their long-term financial and organisational sustainability. The PMT will

develop strategies for the implementation of this window, in line with the programme's Non-grants strategy.

Innovation Fund: This will be a fund to be used by the PMT and SC to support the nurturing of innovations (coming from a wide range of sources) to demonstrate the potential to bring significant improvements in service delivery, particularly for excluded social groups, and accountability in governance at the local levels.

#### **4. Value for Money (VfM)**

The programme's VfM strategy will guide the implementation of the grants strategy to ensure the effectiveness, efficiency of the utilisation and economy of grants. Programme grants will maximise the value of each amount spent to achieve the programme's Outcome.

Throughout the grant cycle, VfM principles will be mainstreamed into all granting processes and activities.

#### **5. Roles and Responsibilities**

##### **5.1 The Steering Committee (SC)**

Overall, the SC provides strategic oversight and direction of programme delivery. With regards to the grants management, it has the following specific responsibilities:

##### Programme Governance

- a. Ensure adherence to the highest possible standards of good governance, ethical practice and social responsibility.
- b. Support awareness amongst grant beneficiaries of the overarching strategic aim and objectives of the programme, with adequate channels for feeding back and learning from front line experiences;
- c. The SC will also provide strategic direction and guidance as the programme transitions from Inception to Implementation and subsequently from a Programme to a Ghanaian-owned, independent national institution (or entity) with a sustainable resource base.
- d. Oversight for, and engagement in, developing and sustaining a range of strategic partnerships with civil society organisations;
- e. Strategic oversight of a well-balanced and coherent STAR grant portfolio;
- f. Directing the effective and efficient operation of the programme's internal governance arrangements to ensure accountability and transparency of decision making

##### Grants Management

- a. Setting funding priorities, including compliance with STAR'S Strategic Framework: GESI strategy etc. and determining the grant selection criteria.
- b. Oversight to ensure the coherence and effective management by the PMT/SP of the number of grants being disbursed.
- c. Approving grant disbursements based on the recommendations of the Grants Sub Committee;

- d. Reviewing and agreeing to strategic level changes which may be appropriate in procedures, selection criteria or any other aspects of programme implementation.
- e. Signing off on Fund Account of Audit Report.

## **5.2 Grants Sub-Committee (GSC) of the Steering Committee**

The function of the GSC is to recommend to the SC the selection of grant partners based on the evaluations completed by the PMT. The specific tasks of the GSC are:

- a. Assessing grant applications under calls for proposals, according to the selection criteria established by the SC
- b. Recommending grant applications for SC approval.
- c. Monitoring and advising the SC on the continued applicability of the selection criteria.
- d. Sharing and documenting lessons learnt from the grant making process

## **5.3 The Funders' Committee**

The FC will contribute to the strategic oversight and direction of the STAR Ghana Programme, from an international donor perspective. Specifically, it will:

- a. Support awareness amongst grant beneficiaries of the overarching strategic aim and objectives of the programme;
- b. Ensure effective coordination and synergies with other programme activities under the remit to avoid duplication and promote value for money.
- c. Review Annual work plans, budget and procurement plans proposed by the PMT, including the balance of funds between the grant windows.

## **5.4 The Service Provider**

The SP, in this case Christian Aid, will provide technical leadership and manage programme delivery, represented by a Programme Management Team (PMT) in country. Specifically, the SP will:

- a. set up sound financial management systems and provide fund management for grants (including due diligence), identifying and providing options for future grant management;
- b. Review and refine relevant manuals and procedures from STAR1 for grant applications and approval - to include the various funds, oversight and quality assurance, accounting and procurement plus determining the financial ceilings for delegated grant approvals by PMT;
- c. Develop robust fund manager processes with justifications for proportion allocations and mechanisms to enable flexibility
- d. Flesh out the grants manual, consistent with grants strategy, Approach to VFM and Financial Manual;
- e. Finalise allocation of grants budget to agreed funding windows.