



**Japan's Grant Assistance for Grassroots Human
Security Projects (GAGP, "KUSANONE")**

Guideline for Application

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Embassy of Japan in Egypt

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1. INTRODUCTION

As part of its Official Development Assistance (ODA), the Government of Japan offers financial assistance program for development projects initiated by local communities in order to meet a socially diverse basic human needs of the country. Known as “KUSANONE”, The Grant Assistance for Grassroots Human Security Projects (GAGP) provides funds for organizations such as non-profitable and non-governmental organizations (NGOs) on a project basis. The KUSANONE program is reputed to be a flexible and timely support scheme for development projects at the Grass-Roots level.

2. OBJECTIVE

The KUSANONE first aims to better ensure “human security” through implementing projects to directly improve the well-being of people in communities at a Grass-Root level and address basic human needs in such fields as health, primary education, water supply, poverty alleviation, support to women and support to persons with disabilities.

3. ELIGIBLE ORGANIZATIONS

An organization must meet **all** of the following conditions to be eligible for GAGP application:

1. Be a registered non-profit and non-governmental organization¹ working in socio-economic development fields and implementing development projects at the Grass-Roots level in Egypt; Neither individuals nor for-profit organizations are eligible
2. Minimum two years of experience of implementing development activities in the proposed sector of intervention
3. Transparent account of Organization, sound finances and capable of providing an auditing report (Balance Sheet: BS, and Revenue and Expenditures) issued by independent accountants for past two years
4. Capable of covering the administrative costs attributed to receiving the grant assistance, such as banking fees, transportation fees, running costs, and maintenance fees and some other administrative cost.
5. All the relevant licenses and approvals are obtained to implement the project
6. NOT awarded KUSANONE funds in the past fiscal year, in order to secure the availability of funds to a diversity of organizations, we do not award one organization in two consecutive fiscal years.

4. PRIORITIZED WORKING AREAS OF PROJECTS

As long as a development project is geared towards Grass-Roots assistance (i.e. community-based approaches created to address localized problems), it can be eligible for financing under the KUSANONE program. However, particular attentions are given to projects engaged in such areas as primary health care, primary and vocational education, poverty relief, public welfare empowering vulnerable groups such as women, children and Persons with Disabilities, refugees and environment.

The following areas **are not financed** by KUSANONE:

- Projects for assisting research at advanced academic institutions and projects for improving the capacities of the recipient organization itself
- Projects that are limited to commercial activities and creation of employment of particular individuals and organizations, and where the direct benefits for Grass-Roots activities are uncertain
- Projects that are not closely related to economic and social development (such as culture, arts, and sports related projects.)
- Projects with a political or missionary purpose or the intention of military use

¹ Registration is within the Ministry of Social Solidarity in accordance with the new NGO law no.149/2019

5. GOVERNING RULES FOR THE GRANT (GRANT AMOUNT/ RESTRICTIONS OF SUPPORTABLE ITEMS)

Since the grant is given in US dollars in Egypt, the Japanese Government sets the maximum amount in US dollars every year at the beginning of the fiscal year (April), based on the exchange rate between Japanese yen and US dollars. The maximum amount is **10 million Japanese yen** in principle.

Pro forma estimates (quotations) must be given for each budget item to ensure value for money. Whenever possible, estimates from three different suppliers should be submitted to finalize the application. In certain circumstances (e.g., in emergency situations or when there are only a limited number of suppliers), the Embassy may accept less than three separate estimates with clear justifications.

Most importantly, the KUSANONE is not a donation but a project funding. Therefore, the recipient is obliged to utilize the entire grant exclusively for the approved project in the approved way. In other words, the recipient must implement its project in accordance with the list of items and the procurement/service contract approved by the Government of Japan. Any change in the project implementation can be made only when the Embassy approves based on the assessment of its unavoidability and effectiveness.

Restrictions of Supportable Items

Even if the proposal itself is along with the KUSANONE objective and priority areas, some of the items requested in the proposal might not be covered by the KUSANONE grant. In this case, the applicant will be requested to cover the costs for these items while the rest of the items will be borne by the KUSANONE.

< Items that can **NOT be covered** by the KUSANONE >

- a) Expenses that are not directly related to the project's implementation, such as:
 - Running costs of the applicant organization (salaries, administrative costs, office rent etc.)
- b) Cost of maintaining for the granted items, such as:
 - spare parts of machines or devices
 - maintenance service and insurance fees
 - consumables such as paper, printing ink, advertising, publications or raw materials medicines/ vaccines, stationery, fuels, etc.
- c) Capital to begin a business activity aiming to increase earnings of individuals or companies
- d) Items to be used by specific individuals, such as:
 - scholarships, houses, or clothes that are simply given to specific individuals

- water pipes and electric cables to connect each household with the network
 - Establishment of a greenhouse in someone's private land, etc.
- a) Cost of purchasing land,
 - b) Expenses whose benefit to the Grass-Roots level is not clear
 - c) Any taxes or service fees paid to governmental organizations (VAT etc.) and bank fees, commission fees, administrative fees,

Operation and running cost (fuel, rent, telephone/electricity costs, insurances, compensations, travel and conference allowances ...etc.)

Additional Notes

- The project may hire an external specialist **solely for the project's implementation** and include such cost in the requested items. However, the wage and period must be specified.

** trainers (\$100/day*4days*3months), agricultural specialist (\$30/hour*200 hours) etc.*
- It is OBLIGATORY for every KUSANONE recipient to have an external audit exclusively of the project upon its completion. Therefore, the cost of an external audit must be included in the project budget.
- The KUSANONE recipient is requested to set a memorial plaque that shows the Japanese support for the project. The cost can be borne by either the KUSANONE or the recipient though the recipient's contribution is highly appreciated.
- The recipient is obliged to utilize the entire grant exclusively for the approved project in the approved way. If it is deemed necessary to make any change, the recipient should consult the Embassy in advance to get its written approval. In case any unapproved deviation from the agreed project plan is detected, the Embassy of Japan may demand a refund of the grant.

6. PROJECT DURATION:

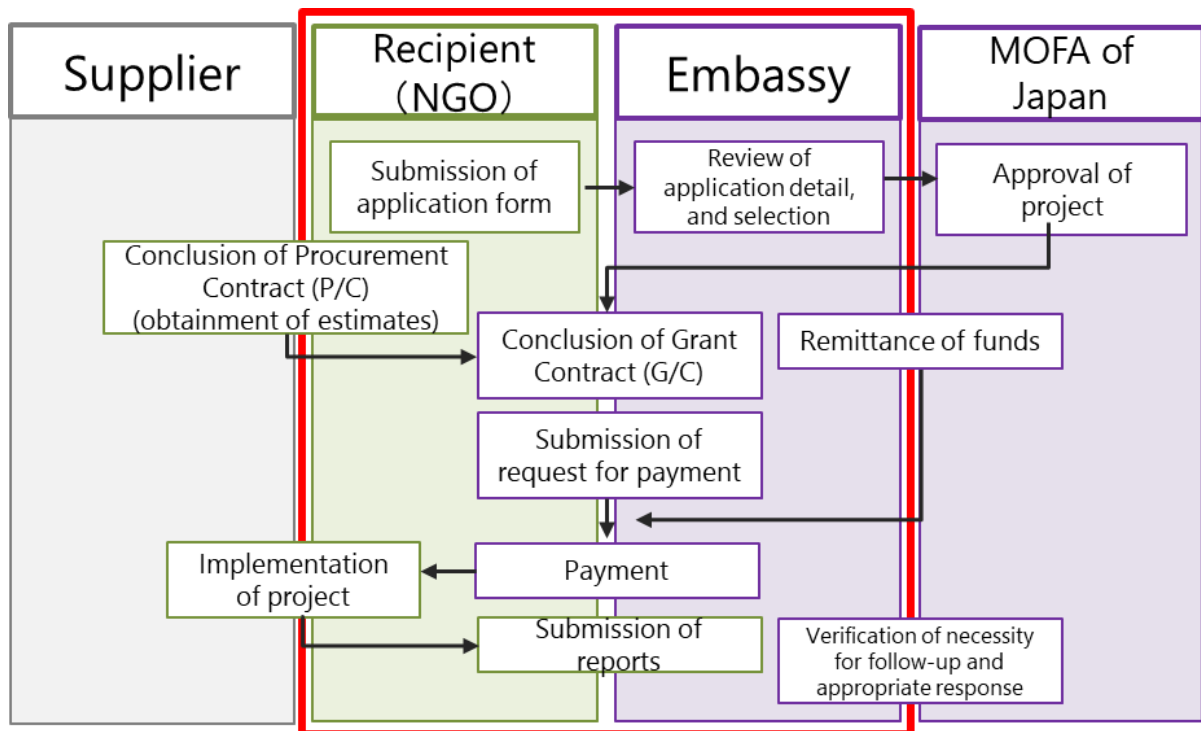
The project in principle is to be completed within **one year** after the Grant Contract is signed, however, in case of unforeseen delays, with reasonable justification and through timely communication with the Embassy, the project duration could be exceptionally extended with a written approval from the Embassy.

7. APPLICATION DEADLINE:

The fiscal year and funding cycle starts in April of every year. **The Embassy receives applications throughout the year.**

8. GENERAL PROCEDURES: APPLICATION ~ SELECTION ~ IMPLEMENTATION

Overall, an application is processed in the following steps.



Important disclaimer!

KUSANONE committee will carefully examine each application form. However, the process of screening take sometime due to the number of application forms that we receive. Applicants, who do not hear from us for 3 months after a submission of the application, please be aware that your proposal is not selected. The Embassy will only contact potential applicants. In case, a potential applicant is selected or not, the decision will be communicated directly, and those applicants who do not hear from us for 3 months after a submission of the application, please be aware that your proposal is not selected.

Step 1: Submission of an Application Form

Any organization interested in applying for the KUSANONE grant must submit the following documents to the Embassy of Japan in Egypt by email, postal mail, or by hand (though email is much preferred). Please keep in mind that a manner of documentation is also one of the important criteria for screening.

1. Application Form

- It should be filled out in English signed and stamped.
- The format will be available on the website of the Embassy of Japan in Egypt. The URL is as follows;
https://www.eg.emb-japan.go.jp/itprtop_en/11_000001_00437.html

2. Three quotation of the Requested Items

- One set of quotation of goods and services that will be purchased with the grant should be attached to the application form.

- The above quotation should be written either in English or Arabic and in US dollars or Egyptian pounds. If only Arabic one is available, we appreciate that important points would be summarized in English.

3. The Latest Annual Financial Reports

- It should include details of revenues and expenditures during at least two previous years.
- If written in Arabic, please summarize in English.

4. Project Design

- If the project involves any engineering work (construction works, water/electricity networks, etc) or installation of equipment, then a detailed design or layout of pre- and post-implementation of the project should be submitted.

5. Photos of Project Sites, or Replaced and Requested Items.

6. Brochure or Leaflet of the Applicant Organization (if available)

Step 2: Examination of the Proposal by the Embassy of Japan in Egypt

The submitted application and required documents mentioned above are first examined by KUSANONE consultants in the Embassy of Japan in Egypt. In case additional information and validation is needed, the consultants shall contact the applicant and conduct site visits.

Step 3: Elaborating the proposal

The proposal judged as worthwhile both by KUSANONE consultants and a Japanese diplomat is further elaborated by the Embassy in cooperation with the applicant to get ready for the final examination by the Foreign Ministry of Japan in Tokyo.

In general, the proposal elaborated in this step becomes the very final application form for the GAGP grant. Therefore, the applicant should be sincere and cooperative in answering all inquiries from the Embassy and also be attentive to any suggestion or modification made in this phase.

Additionally and importantly, at the end of this phase, the applicant is requested to obtain **three proper quotations of each requested item** and submit them to the Embassy. Then, one of the three is selected as the final quotation, and when the project is approved, the applicant MUST contract with the supplier of this final quotation to purchase **exactly** the items in it (except *unavoidable* cases). Therefore, in case the applicant has any plan to collect bids after approval, the applicant must inform the Embassy at the very beginning of the screening process (perhaps when the first inquiry is sent).

***Any change in the project plan or items after Step 3 is done will complicate and delay the process.**

Step 4: Final Examination of the Proposal by the Ministry of Foreign Affairs in Tokyo

The proposal finalized in Step 3 is further examined by the Ministry of Foreign Affairs in Tokyo, which usually takes about a few months.

Step 5: Final Approval

As soon as receiving the final approval from Tokyo, the Embassy shall let the applicant know and prepare for the signing ceremony.

Step 6: Signing the Grant Contract

After receiving the final approval, the Grant Contract is made between the Recipient and the Embassy of Japan in Egypt. The Signing ceremony will be held within two weeks after the final approval from Tokyo.

Step 7: Disbursement of the Grant

In order to actually receive the grant, the recipient must work on the following things:

- ✓ Make a request for payment according to the Grant Contract
- ✓ Make procurement/service contracts with the approved suppliers
- ✓ Make an audit contract with the approved external auditor
- ✓ Open a new bank account or sub-account exclusively for the approved project
- ✓ Submit to the Embassy copies of what is mentioned above

After all of the materials relevant to above are submitted, the entire grant is handed to the recipient by check. Any withdrawal from the project account, however, is subject to the consent of the Embassy; that is, every time the recipient needs to withdraw money from the project account, written approval from the Embassy must be given.

Step 8: Implementation of the Project

The recipient is obligated to implement the project exactly in the approved way. Any change from the approved plan, no matter how small it is, should be known and approved by the Embassy **BEFORE** the actual change.

During the implementation, the recipient must get written approval of the Embassy every time before a money withdrawal from the project account takes place. In particular, the following documents are to be submitted each time:

- ✓ Official Request Letter
- ✓ Progress Report

In the middle of the implementation, the recipient is required to submit an interim report.

KUSANONE consultants will keep in touch with the recipient throughout the implementation for any advice and make periodic site visits to ensure the smooth implementation. The recipient is highly encouraged to consult with the KUSANONE consultants first if any problem is found.

Step 9: Completion of the Project

The project must be completed within one year after the Grant Contract is signed. In certain inevitable exceptional cases and with strong justification, an extension of the project duration at no extra cost could be considered by the Embassy. A written approval for the extension from the Embassy is required.

Soon after the implementation phase is finished, the recipient is required to submit the following reports according to the Grant Contract:

- ✓ Comprehensive Completion Report
- ✓ External Audit Report

Step 10: Follow-up evaluation mission

About two years after the completion of the project, a follow-up survey on whether the granted items are still utilized and maintained properly is conducted by the Embassy. The recipient's cooperation for the survey is an absolute necessity.

Upon the successful completion of the project and delivery of final reports (narrative, financial and audit), The Embassy and the Recipient organization will arrange jointly for an opening ceremony officially announcing the successful operation of the project deliverables.

9. FACTORS OF SUCCESS:

The followings are the noteworthy keystones to become KUSANONE recipients.

A. Applicant's Management Skill

- Good documentation of the application
- Prompt and sincere response to inquiries from the Representative Office
- Detailed cost estimation
- Sound finance
- Qualified staff

B. Fulfillment of Basic GAGP Requirements

- objective, eligibility, target areas, budget breakdown, supportable items, project period, etc.

C. Significance of the Needs of the Project's Beneficiaries

- Statistical evidence
- Description of the existing conditions and problems
- Comparison with other regions

D. Adequacy and Concreteness of the Project for the Needs

- Concrete plan with clear goals
- Technical and Financial Feasibility for Implementation
- Cost Effectiveness

E. Sustainability of the Benefit

- Potential for the future expansion of beneficiaries
- Solid plan and Capability for Maintenance

F. Partnership

- Agreement of the organizations concerned (relevant ministries, local authorities, etc.)
- Relationship with Donors in General
- Cooperation of community members

10. IMPORTANT TIPS TO CONSIDER DURING

A. Writing the project proposal

- ✓ Make sure All the blanks of the application form are filled in all the necessity documents are attached.
- ✓ The goal of the project is clear and the necessity and the importance of the project are well explained with statistic evidences.
- ✓ Accurate examination of minimum needs of necessary items to implement the project and appropriate cost estimation are well described.
- ✓ The total cost of the project does not exceed the organization's annual budget

B. Project planning

- ✓ Project plan is realistic and expected to be run for the long term.
- ✓ Project goal is aiming to meet the basic human needs and upgrade the essentials for living in such fields of primary education, basic living environment, primary health care and human rights.
- ✓ Project is ready to start immediately after the completion of the procurement or the construction/renovation done by the GAGP grant.

- ✓ Estimated beneficiary is large in number and financially unsuccessful or disadvantaged.
- ✓ There is no other similar project in the targeted area, or there is but not enough.

C. Capacity of the Organization

- ✓ Organization's account is transparent and is able to provide an audit account issued by independent accountants.
- ✓ To own certain level of financial funds and income at least enough to pay administrative fees occurred by receiving GAGP Grant such as banking fees, transportation fees, running cost and maintenance fees, and another unexpected cost such as difference due to increase in price.
- ✓ To respect the rules of GAGP and to be ready to comply with the rules in a proper attitude.

11. CONTACTS:

For submission of applications as well as for further inquiries about the GAGP scheme, please contact the **KUSANONE consultants**:

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