



## **MCA-MALAWI GRANTS FACILITY OUTREACH SESSIONS**

### **IMPORTANT CLARIFICATIONS TO GRANT APPLICANTS**

- 1. Project vehicles are non-allowable costs. MCA-Malawi should allow procurement of motor-vehicles and motor-cycles to assist with mobility as some areas are very big.**

The Grants Manual has been revised as follows:

MCA has removed vehicles and motorcycles from the list of non-allowable costs in section 3.4. However, section 3.5 will be added specifically on vehicles / motorcycles that states that MCA-Malawi prefers that grantees use their own fleets or hire vehicles, and budget for cost of fuel and maintenance.

If this is not cost effective or possible, grantees in the following categories may budget for the following items:

- Motorcycles: In categories of well-established NGOs with grant values of \$250,000 per year. Number of m/cycles to be reasonable and linked with number of field officers
- Vehicles: In category of well-established NGOs with grant values of \$450,000 / year and applications that are for more than 1 year, limited to 1 vehicle only.
- MCA-Malawi funds can cover fuel, maintenance, insurance, etc over the life of the grant.
- The vehicle should be purchased by the grantee and registered in their organization's name. The vehicle should be used on the project and its usage will be subjected to monitoring by MCA-Malawi technical

staff during the monitoring and supervision visits. At the end of the grant period, the grantee can use the vehicle for continued work related to the grantee's mission, and preferably related to the grant objectives.

**2. Are personnel costs allowed if an organization would like to recruit new staff to beef up the current staff numbers? What are the recommended MCA-Malawi rates of allowances?**

The Grants manual has been revised on pages 41 and 48 such that "Indirect costs" or administrative overhead costs, such as contributions towards office rent, can be funded by the ENRM and SGEF. Reasonable staff costs for tasks directly associated with this grant can be included in the "Human Resources" section of the budget. These costs therefore may be part of the funding request as long as adequate justification can be provided. In addition, current salary rates prevailing in the organization should be used.

Grant applicants are advised to use rates of allowances which they usually use when implementing other projects. There will not be any MCA-Malawi specific rates as such. The grantee should provide evidence of historical use of any proposed allowance rates.

In addition, as it is a requirement that district council staff should participate in the monitoring of the projects, applicants are advised to include council staff when budgeting for monitoring activities.

**3. When does MCA-Malawi plan to start disbursements? How will the disbursements be done?**

It is hoped that the grant making process will be completed by the end of April 2015, and disbursements will commence in May 2015.

All the grants awarded under this program are Fixed Obligation Grants (FOG) whereby grantees receive disbursements upon MCA-Malawi's approval of deliverables / milestones based on a schedule included in the grant agreements. Disbursements will be contingent on successfully meeting the deliverables and on approval of the technical and financial reports.

The initial disbursement will be provided after signing a Grant Agreement and upon submission and approval of an inception report including a work plan. This initial disbursement is intended to finance activities necessary for starting up activities under this Grant agreement. All subsequent disbursements will involve a signed Grant Disbursement Request Form (**Appendix VII**) from the grantee and an invoice presenting a request for payment against the completed deliverable(s).

It is therefore important that at proposal development, outcomes and deliverables should be clear and objectively identifiable.

**4. Will financial external audits be a requirement at the end of the project?**

All Grant Recipient Organizations (GROs) will be required to follow accepted accounting standards and maintain adequate records for the grant and all its financial transactions. At any time during the period of the grant and/or after grant closure, an audit of the grant may be conducted.

All relevant, financial records should be made available. These may be independently audited, and may become public information.

**5. The deadline for submission of applications is 22 February 2015, which is a Sunday**

Organizations are encouraged to submit their proposals well before the deadline as late submissions will not be accepted. However as the deadline falls on a Sunday, it has been shifted to 23 February 2015 at 15:00hrs.