Call for crisis and post-crisis projects
Republic of Lebanon
“NEIGHBORHOOD APPROACH” PROGRAM FOR VULNERABLE NEIGHBORHOODS: LOCAL DEVELOPMENT, SOCIAL COHESION, URBAN SERVICES

Frequently asked questions
Updated version of 24/06/2022

Question 1: Can an applicant or its affiliates, partners submit more than one proposal?  
Reply: no, they cannot. They are allowed to submit only one proposal to this Call.

Question 2: Can an applicant apply as a co-applicant under more than one consortium?  
Reply: No, it is not allowed. An applicant cannot apply in different projects and different consortium to this call.

Question 2 bis : Can a partner participate in several project proposals for this call projects or participate under more than one consortium ?  
Reply: No it is not allowed, a partner as a co-partner or an applicant or co-applicant can’t apply or participate in different projects and different consortium to this call.

Question 2 ter: Can different centers from the same entity participate in different consortium ?  
Reply: the response depends on the legal status of the participants. It is allowed if and only if these participants from the same organization have a legal status independent of each other. Each center or office must justify its legal autonomy.

Question 3: Is a Non-Profit Organization (NGO, CSO) not established in Lebanon be eligible to be presented as the Project Lead Institution?  
Reply: No, it is not eligible. The terms of the call for proposals state “The applicant can apply individually or as a consortium. In both cases, the Project Lead Institution (or PLI) must be registered in Lebanon and must have a local office in Lebanon, and be used to working closely with local actors, including local authorities.”.

Question 4: How will financial capacities of the consortium be assessed?  
Reply: The financial capacities of the Project Lead Institution (PLI) of the consortium will be assessed. The PLI must ensure that the budget of the project submitted does not represent more than 70% of its annual resources over the last 3 certified years. For a project’s global budget of
10,748,941 EUR, the PLI must therefore present an average annual budget equal or superior to 15,355,630 EUR.

**Question 4 bis:** question about the capacities of the Project Lead institution: does the average annual budget required for the PLI represent the budget of its whole organization or the budget of its office in Lebanon?

**Reply:** It is the average annual budget of the whole organization not of its office in Lebanon.

**Question 5:** Is the call open to including Palestinian camps in the response?

**Reply:** There is no opposition as long as the project’s targeting corresponds to the criteria presented in section “2.2.2. Identification and selection of vulnerable urban neighborhoods”.

**Question 6:** question related to the General Terms and Conditions: clause 1.6 which covers the Beneficiary Vetting requirement from all the applications – Does AFD intend to include an in-depth audit of beneficiaries to be carried out by a third party as part of the contracts signed under this program?

**Reply:** Final beneficiaries of the project will have to be screened against UN, EU and French sanctions lists (by the PLI or a third party) except if the nature of the activities implemented fall under the exemption lists as laid out by the French inter-ministerial decision issued on 29/11/2021.

**Question 7:** question about the number of neighborhoods and cities: how many neighborhoods and eligible cities should be included in the proposal of the consortium?

**Reply:** AFD and DANIDA recommend targeting 2 to 3 neighborhoods in 2 to 3 eligible cities.

**Question 8:** question about the neighborhood notion: Does the call for proposals consider any formal geographical or administrative boundaries?

**Reply:** no, it does not consider any formal geographical and administrative limits. However, the scope of the project must be coherent, consistent, and well argued. It means, that the applicant should define his project perimeter for each neighborhood in which he wants to implement his project regarding the “neighborhood approach” and the principle of “do no harm”, and in respect and accordance with the guiding principles and selection criteria described in the terms of references of this call for proposals.

**Question 9:** question about help we can offer to the applicants. Can AFD or DANIDA support applicants to find partners or to build a consortium to answer to this call for proposals?

**Reply:** No, we cannot offer any support. However, you will find below the list of organizations who participated in the concertation meeting. Refer to Appendix 1: List organizations that participated in the concertation meetings on 14th April and 5th May 2022, but please note that it is an indicative not an exhaustive list and that we have not checked if these organizations respond to all the eligibility criteria stated in the terms of references.

**Question 10:** question related of the budgetary capacity of the Project Lead institution. What is the average annual budget amount that the PLI should justify?

**Reply:** The PLI must present an average annual budget equal or superior to 15,355,630 EUR. Please, refer also to questions 4 and 4 bis above.

**Question 11:** question related of the synergies with Team France other funding. Is AFD more keen to support a project in neighborhoods already targeted by Team France’s actions and other NGOs, adding to the impact and avoiding duplicates, or would AFD rather favor
supporting a project targeting a highly vulnerable neighborhood that does not yet benefit from such actions?

**Reply:** AFD would rather favor to have projects that propose complementary and synergistic actions in neighborhood already targeted by Team France’s actions.

**Question 12:** question about the geographical position of the activities or/and services proposed to the inhabitants in the project – Should the activities and/or services developed in the project be located in the project’s implementation area?

**Reply:** No there is not any obligation but the applicant must ensure that these services or activities or any other proposals or actions are accessible to the target inhabitants. The proposal should demonstrate that the accessibility of inhabitants was assessed and the project is feasible.

**Question 13:** question about the sub-grantees of the consortium. Are partners in the consortium allowed to sub-grant certain activities in the project to organizations not in the consortium? If yes, should sub-grant partners must be identified in the proposal submission?

**Reply:** Yes, it is allowed to sub-grant secondary activities or activities as an occasional or specific support to facilitate project implementation. In case of sub-granting, all sub-grant partners must be identified in the proposal submission. However, please note that as stated in the terms of references “in case of a consortium, at least 25% of the budget should be allocated to local organizations together with decision power in the governance of the project”.

**Question 14:** what is meant by : “Budget cannot be used for i) services already provided in other AFD-funded projects for the same PLI, ii) services already provided in projects other than those funded by AFD”. Can the continuation of existing and already funded activities be funded by this program?

**Reply:** Activities must be complementary. Our aim is to improve the access of the inhabitants to different necessary services. Therefore, funding for the continuation of existing activities is possible if these activities are not already funded or if the proposed project complements or strengthens the existing offer. The proposal must demonstrate that it is not just an additional funding, but that it actually contributes to better serving the service or activity and promoting access for vulnerable populations.

**Question 15:** Can AFD provide the feasibility study and the analysis of the neighborhoods?

**Reply:** No it is not possible. The feasibility study and the neighborhoods analysis are not transferable. These documents were produced to define and launch this call for projects. The applicants must produce their own analysis of their intervention context in accordance with the terms of reference.

**Question 16:** Can AFD provide information on neighborhoods such as list of projects or interventions or existing interventions funded by AFD or others donors?

**Reply:** No, AFD cannot provide any information on the situation in the neighborhoods during this call of proposals either on existing projects funded by AFD or other knowledge of the neighborhoods. The applicants must present their own assessment or. We recall that knowledge of the intervention contexts is one of the criteria for evaluating projects. Information on current Minka projects are available on its [platform](https://minka-moyen-orient.afd.fr/).

**Question 17:** If the PLI applies individually, is there an obligation to allocate at least 25% of the budget to coordination with local partners?

**Reply:** The terms of reference (general framework) states that at least 25% of the budget of the consortium should be allocated to local CSOs. This obligation does not mean that 25% of the fund must be dedicated to the coordination of local partners.
Question 18: Does an international organization have to collaborate with local CSOs or can an international organization respond to this call for proposal alone without local partners?
Reply: Yes, an international organization have to collaborate with the local CSOs. According the terms of references of this call, we expect collaboration of national and international CSP/NPO as well as close interactions with local and national Lebanese authorities.

Question 19: Can I apply to the call if I operate in Lebanon under the registration of another organization?
Reply: According to the ToR, the PLI must be able to demonstrate it is authorized to legally work in Lebanon. If operating under another organization’s registration legally authorize you to operate, you would be eligible to apply.

Question 20: What does “local NGO” mean exactly? Does it mean locally based in the neighborhood? Or, being operational in and registered in Lebanon only?
Reply: A local NGO is a Lebanese NGO registered and operating in Lebanon.

Question 21: How detailed should the budget be? Should breakdown per item be specified in the budget?
Reply: The budget should follow the template and description provided in Annex 2 of the call. A detailed budget per item is not needed at this stage.

Question 22: Should the allocation of funds to each local organization (i.e., portion going to each) be specified and indicated from the onset in the proposed budget?
Reply: Yes, this should be specified in the project proposal.

Question 23: What proof is needed for the last 3 certified years?
Reply: As per point 9 of part IV of the call “Certified and audited balance sheets and operating statements for the past three years (with appendixes and explanatory notes) that have been approved by the general assembly and show the origins (public or private) of financial resources. This information should then be updated each year."

Question 24: Who needs to fill Appendix 5? In case of a consortium, should it be filled by each of the consortium partners/members? Or, only local NGOs/CSOs that are part of the consortium?
Reply: Appendix 5 should be filled by consortium members, it should be one consolidate document.

Question 25: Is it possible to finance equipment provided to a public institution (for example: Social Development Centers) under this project?
Reply: Yes, it is possible as long as the equipment financed are beneficial for the habitants of the targeted neighborhood and contribute to enhancing the quality of services.

Question 26: about constructing and/or repairing the venue where the ONG/OSC can have social activities. Is it possible to claim funding for the rehabilitation of premises where the NGO offers or will offer social activities?
Reply: it depends on the overall project and its coherence. The basic principle is that the applicants in this call for proposal must propose some activities that directly benefit for the targeted neighborhood or that contribute to enhancing the quality of services and improve their living conditions. The eligibility of actions cannot be judged independently of the overall project. If the venue where the social activities will take place is located outside the target areas, accessibility of the activities for the inhabitants must be demonstrated and the activities must specifically target the target areas.
**Question 27:** The templates for the call for proposals in Section III plus the other admin/info/budget sheets, are they accessible as work and excel files?

*Reply:* All available documents are provided in this call for proposals. We cannot provide any other files.

**Question 28:** Does the PLI have to also sign all the administrative documents required (Section IV), including the information sheet about the applicant (Section V) and the information sheet about the project partner(s) (Section VI)? Or does the PLI only sign the proposal narrative documents and proposal annexes?

*Reply:* The PLI have to sign only the entire administrative document required in sections IV, V and VI.

**Question 29:** Following the training of the Fiche OSC 170522 which deals with the new screening rules for AFD funded grants, how will the Lebanon project team apply the new fiche to this current Call for proposals and future calls for proposal? Is it possible to apply for derogation to the screening participants in Lebanon under the conditions hereafter:

- Vulnerability Criteria: as MC plans to target vulnerable people in some of the most vulnerable neighborhoods of a country where 80% fall are currently vulnerable;
- Less than 50/100 Euro per individual: as MC transfers cash on a household basis which is calculated at 5 people per household, which would qualify it under this monetary threshold?

If yes to the above, what would be the process for applying for derogation be and is there a specific manner in which this derogation needs to be requested? If no derogation on screening participants is possible, what evidence will need to be shared with AFD project team that the screening process has taken place?

*Reply:* The NGO who apply for this call for proposals will have either to screen the final beneficiaries if they receive cash or economic resources, either to be exempted by AFD. It is possible to apply for derogation, either under these conditions, either by showing that the project directly target the basic needs of people at humanitarian risk. You can mention the request for derogation in the proposal and the AFD project’s team will then forward the request to AFD’s compliance department. If no derogation is possible, the evidence should be available for the audit and it may (for instance) consist in a screenshot showing that the screening has been carried out.

**Question 30:** Is AFD funding allocated to NGOs subject to VAT exemptions by the Government of Lebanon? If yes, will AFD support the VAT exemption for the project?

- If not guaranteed, are VAT costs eligible and how should VAT be budgeted?
- Should national NGOs not be eligible for VAT exemptions due to their legal status budget VAT, is VAT considered an eligible cost?

*Reply:* AFD is working on getting the VAT exemption, up until now there is no exemption. However, VAT is considered as an eligible under MINKA projects.

**Question 31:** Does AFD require a specific exchange rate to be used for international currencies (USD, EUR) and LBPs?

*Reply:* For LBP, parallel exchange rates (including Sayrafa) could be used, provided that transactions are documented, traceable and audited. For the conversion rate between EUR and USD and vice versa, it will be indicated in the financing agreement.

**Question 32:** Does AFD require partners to open dedicated bank accounts, including separate accounts for different currencies (EURO, USD, LBP)?

*Reply:* The AFD requires that the project lead institution opens a dedicated bank account that will be used for the sole purpose of the Project. The exemption of a dedicated bank account may be possible if the PLI has an analytical accounting that allows the project to be audited. There is no specific requirement regarding the different currencies.
**Question 33:** Is there a threshold % of total budget that can be allocated to the purchase equipment (as consortium? per partner?). If so, is there a specific definition of what constitutes equipment costs?
**Reply:** There is no threshold.

**Question 34:** What is the specific intended purpose for the line “Miscellaneous and contingencies”? Will partners only be authorized to unblock the line to cover price volatilities and unexpected delays/expenses on pre-planned activities? Or can it be used to fund unplanned activities that might be identified once the project has been launched?
**Reply:** It could be used for both pre-planned and unplanned activities. During the implementation of the project, the project lead institution should request AFD’s no objection before launching new activities.

**Question 35:** Should partners consider Consortium Management Unit costs to be program costs (and not support costs)?
**Reply:** The partners can consider Consortium Management Unit costs as a specific “Human resources” line (see budget template page 18).

**Question 36:** Can AFD clarify if overheads (max 10%) should be calculated based on total budget (10M) or only on direct costs?
**Reply:** Overheads should be calculated on direct costs.
Appendix 1: List of organizations who participated in the concertation meetings on 14th April and 5th May 2022

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Registered Organizations

International National Registered Organizations
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ARCS Culture Solidali APS Arc en Ciel ACF SPAIN Int Medical Corps SAFADI Foundation ACTED NEAR EAST Foundation Teach for Lebanon ADYAN FOUNDATION Save The Children AKKAROUNA Collective for Research and Training on Development Basmeh-zeitooneh ALBA War Child Société de Saint Vincent de Paul - Liban ALFANAR OXFAM Finance Public works AMEL FRC SIDC ANA AQRA UNDP Tajamoh ARC EN CIEL WFP nusaned ARCS CULTURE SOLIDALI FAO Secours-islamique ASMAE PUI ANA AQRA AVSI CARE LIBAN Mercy Corps Beirut Heritage Initiative BASMEH ZEITOONEH ACF Spain Save The Children Geneva Relief International Norwegian Red Cross

Registered Organizations