Annex 8: Questions & Answers (November 2021)

This document aims to help partners to develop a better project proposal, but it is not a policy and does not include all the possible topics. This is a living document developed thanks to the feedback received from partners. For any further question or clarification, please contact OCHA at MHF-Myanmar@un.org.

*Please note that the document has been **updated in November 2021**, considering the MHF Flexibility Guidance on the context of the COVID-19 pandemic and the new developments since 1 February 2021, including the MHF Engagement Principles with the de facto authorities.*

General

1. **How to submit the project proposal?** It should be done through the GMS website, after completing the proposal template, including budget. The MHF will not accept proposal submitted by email or other channels. The proposal template (Word version) and budget (Excel version) can be downloaded and prepared via offline before working in GMS.

2. **Can we share the draft proposal to the field staff? How?** That is your decision. Draft proposal can be downloaded from GMS in Word and Excel.

3. **Should partners consult with key stakeholders before submitting a proposal to the MHF?** Yes, proposals should be designed and consolidated after consultation with cluster coordinators and thematic advisers. This includes the Maungdaw Inter-Agency Group (MIAG) for proposals covering the northern part of Rakhine State, and the South-East Working Group (SEWG) for those proposals to be implemented in the South-East part of Myanmar. Please see the annex 5 of the allocation strategy.

4. **Is any MHF staff based at sub-national level?** No. The seven staff are based in Yangon, but available to support sub-national activities and address questions as much as possible and upon request.

5. **Some donors do not favor full engagement with de facto authorities. How about MHF?** MHF has consolidated Engagement Principles with the de facto authorities. The partner can request the document via email (MHF-Myanmar@un.org).

Eligibility

6. **Is there any specific requirement for already eligible partners to apply to MHF funding?** Project proposals from eligible partners who did not address key questions requested by the MHF during current or previous projects' implementation (e.g. monitoring recommendations, audit observations, alleged fraud cases, refunds) and demonstrate to have specific provisions on prevention of sexual exploitation and abuse (PSEA) and anti-fraud and conflict of interest will not be considered and be excluded of the strategic review. Any technical questions with regards to eligibility and/or partnership arrangements can be directed at OCHA: MHF-Myanmar@un.org.

7. **How can a new partner eligible to the MHF?** The interested partner need to send a request for registration and due diligence process by email (MHF-Myanmar@un.org). The MHF team will guide the process step by step. The partner can also find the eligibility information at https://www.unocha.org/myanmar/eligibility.

8. **Can a new partner apply for the 2021 Second Standard Allocation?** MHF will not accept new partners at this point, only those already in process to be eligible. The interested organizations can contact MHF by email (MHF-Myanmar@un.org) requesting to initiate the process.

9. **What are the roles of local civil society organizations (CSOs) in the 2021 Second Standard Allocation?** For this allocation, special consideration will be given to special consideration will be given to support humanitarian response through CSOS in areas with emerging needs will be prioritized, including sub-grants provided through an intermediary partner or network. This support may include emergency capacity development for these organizations. Active presence in priority areas and demonstrated access to affected population are required.

10. **Can the current MHF eligible partner bring a new local partner as sub-partner for the ongoing allocation?** Yes, sub-partners are not subject to the MHF registration, due diligence and capacity assessment process. However, the MHF recommends partners to only partnership with sub-partners that have a minimum capacity and some financial assurance, to avoid any issue. As reminder, the full accountability of MHF grant will reside on the applicant partners, independently of any issue found with the sub-partner. The MHF also recommend an equitable partnership with sub-partner, bringing them to design, implementation and monitoring processes of the project proposal, allocating them with enough and fair resources (human, technical and operational) to accomplish the agreed tasks as per their capacity and mandate.

11. **Can a local sub-partner participate in two different proposals by different lead applicants?** Yes. A sub-partner can participate in different proposals if they have operational capacity to do so.

12. **For an application through a consortium, is it possible that only the eligible partner submits the proposal but other partners act as sub-partners?** Yes, the eligible partner can submit a proposal on behalf of a consortium with a new organization as sub-partner, independently if this organization is eligible or not for direct funding through the MHF. However, only the name of the applicant partner will be in the grant agreement and this applicant partner will be the only accountable organization for the MHF in terms of implementation, finances and audit processes.

13. **Registration, due diligence and capacity assessment processes for the new organization cannot be completed during the time of proposal submission. In this regard, the organization can be a sub-partner for the project proposal**? Yes, the organization can be a sub-partner of the project proposal submitted by a MHF eligible partner. However, the MHF recommends to the applicant partner to conduct a minimum due diligence/capacity assessment, particularly regarding internal financial control and management.

Proposal Cover Page

14. **Regarding the COVID-19 pandemic, should the partner apply using a specific cluster?** The MHF recommends to mainstreaming COVDI-19 related preventive measure across clusters, indicating in the budget a specific budget line for those items under category 2 (if related to the affected population) or category 7 (if related to protective material for project staff). In case that the activity is very specific to a relevant cluster, the partner can choose the cluster included in GMS.

15. **How many focal points should be provided?** At least two focal points for the main partner. If working with sub-partners, at least one focal point per sub-partner must also be provided.

Logical Framework

16. **Is the overall objective covering the whole project?** Yes, it is.

17. **What is a standard indicator?** Standard indicators are included in the Myanmar HRP 202. Those standard indicators can be found in GMS under each cluster in the drop-down list included when adding indicator within the logical framework of the project. The partner can choose the relevant ones, but at least one standard indicator must be included in each output. Please see the annex 3 of the allocation strategy.

18. **Can we create a custom indicator?** Custom indicators can be created by the partners and these should be related to the output and outcomes. Targets should refer to people, with disaggregated date by age and gender.

19. **Aside the HRP standard indicators, are there other mandatory indicators?** Yes, there are five additional mandatory indicators, covering the whole project, as follows: accountability to affected populationS (AAP), cash and voucher assistance (cash and voucher), and number of actions carried out to remove barriers and

increase access to humanitarian assistance to persons with disabilities (disability). Target for AAP indicators must be presented in percentage; for cash and voucher indicator, it must be showed in number of beneficiaries disaggregated by age and gender; and for disability indicator, it must be described as the numbers of actions. These five indicators should be included at least in one cluster but the partner will report for achievement across the whole project. Please see the annexes 2 and 3 of the allocation strategy.

20. **Are there some standard indicators regarding COVID-19 activities?** Yes, two standard indicators have been included in GMS to cover COVID-19 activities.

21. **How to put disaggregated data for the custom indicator?** In the system, there is no space for inserting disaggregated data for custom indicator. In this case, the partner could include those disaggregated data under the "mean of verification" box.

22. **If the partner cannot implement the planned activities due to the security or other reasons on the ground, what should they do?** Partners should inform OCHA HFU in writing by email about any significant challenges or deviations from the original proposal, including access, budget, location, beneficiaries, implementation plan, etc. In some case, OCHA will request a formal revision.

23. **Regarding to the COVID-19, which clusters are eligible for funding?** The MHF will not accept stand-alone proposals only covering COVID-19 related activities, but mainstreamed throughout the response to the humanitarian needs. Activities related to COVID-19 can be included in specific clusters or mentioned in the budget (see question 13)

24. **If displaced people targeted by the project return to their original places from current sites before the project, how will the MHF support the partners?** The MHF considers it as the change of context and relevance. In that case, MHF will advise partners to assess the project implementation and to re-programme the project's relevance to the context. High flexibility will be allowed upon strong justification.

Work Plan

25. **When should the partner decide the work plan?** The MHF suggests the partners present a work plan projecting any risk and holiday period (e.g. rains, Thingyan, etc.). It is recommended to leave this part when all the activities have been already included, trying to be fair and realistic in the allocation of time.

Affected people

26. **What is the definition of children?** People under 18 years old can be defined as children. For elderly people over 60 years old.

27. **Gender and age disaggregation:** Number of men, women, girls and boys must be included. Also, important to include the number of people with disabilities and elderly people.

28. **How can we estimated the number of persons with disabilities if we do not have adequate data?** the MFH strongly recommended to applying a minimum of **12.8 per cent** to the total target population to estimate the persons with disabilities targeted by the submitted projects, following the provisional result from 2019 Inter-Census Survey in Myanmar. Partner can estimate the persons with disabilities based on this percentage and, later, report against the actual number of people with disabilities during the progress and final narrative reporting processes.

29. **Can we report less disable people than planned at the final report if it is found out that the actual disability rate is less than 12.8 per cent of the beneficiaries while actual implementation?** Yes. The partner should report the actual figure reached, including clear explanation in the final narrative report.

Other Info: Cross-cutting issues and sub-partners

30. **When to apply the Gender Age Marker (GAM)?** Firstly, complete the draft of the proposal including age and gender consideration in assessment, design, implementation and monitoring plans. After that go to https://iascgenderwithagemarker.com, register the project (a code will be generated) and conduct the assessment online. Once done, please add the score and the code generated in the website to the application.

The GAM will help to know if your proposals is gender- and age-sensitive. If more guidance is needed on how to ensure the project is gender-responsive, you can contact the gender focal point, as per annexes.

31. **What should the partner do when there is an incident (fire, theft) and some material is lost?** All the alleged cases of fraud, corruption and other incidents, should be immediately reported by the partner, submitting the incident report to MHF. A full report, including the findings of the internal investigation suggested in the initial incident report, should be submitted within 30 days.

32. **Do the partners need to give the PSEA trainings to staff and suppliers?** Training on PSEA are mandatory for all the partner's staff and involved personnel in managing MHF funding. Partner must explain suppliers and contractors about its PSEA policy.

33. **Should the partner upload its PSEA policy in annex?** If the PSEA policy has not been provided MHF earlier during the capacity assessment process, it should be uploaded under the document tab.

Budget

34. **Where we can get a budget template?** Please go to GMS to the "Budget" tab on the open project. By clicking "Export Budget Report" excel icon, you can download the budget template.

35. **Budget description**: Need to explain in detail the expenditures in budget narrative. Some budget will be needed to breakdown, which can be provided in excel file and uploaded under "Documents" tab.

36. **What is the maximum flexibility (budget shift) between budget categories once the budget is approved?** A maximum of 15 per cent of increase is allowed between budget categories including Category 1: Staff and Other Personnel Costs. Any variation exceeding 15 per cent requires prior budget revision request, approval by the HC and an amendment to the grant agreement. Any variation exceeding 15 per cent will require an amendment to the grant agreement.

37. **How should the budget be prepared?** The partner should consult the annex on "Budget Preparation" for each specific allocation. The calculation of the budget must be logical and realistic. For support staff: one budget line is enough, but partner needs to provide breakdown in an Excel with all the support staff that may be charged under this budget line, indicating unit costs and total (percentage and amount) to be charged to MHF. Equipment costs should go under budget category 3. MHF will not approve purchasing of equipment every time and will review the list of equipment provided in the previous MHF funded projects, considering approvals case by case.

38. **Where should staff be included within the budget?** All staff positions from the MHF funded organization signing the Grant Agreement should be added in budget category 1. Staff positions from the sub-implementing partners should be included under a related budget line in budget category 6, with detailed breakdown.

39. **Can direct staff costs be pooled in one single budget line?** No, exactly. It should be disaggregated in different budget line. However, MHF will allow to have a single budget line for a group of direct staff under the same activity (e.g. Protection Team), indicating in an Excel all the related staff that may be charged under this budget line, indicating unit costs and total (percentage and amount) to be charged to MHF.

40. **What is the maximum allowable percentage for staff cost over total budget?** A maximum of 20 per cent of total budget is accepted, but depending on the project and activities. Some projects require bigger staffing costs. MHF consider case by case.

41. **How to do cost sharing for project implementation staff?** It will depend on the time that the staff works for the MHF funded project. For support staff, it could be grouped under a single budget line. Number of staffs per group / position should be mentioned in the breakdown, including unit cost per month and total percentage to be charged to the MHF applied to the total of all the positions. If there is a change in the breakdown, as including an extra position, due to the context of the implementation conditions, the partner should inform MHF before applying it, providing a revised breakdown and getting written approval.

42. **Can staff development costs be accepted by MHF?** Yes, if related to the project, small amounts are accepted, but please think that MHF is a humanitarian fund and cannot support all field assessments, capacity building, etc. Depends of the policy of the organization. If training is part of the "contract", it must be in budget category

1 as part of the staff salary. If it is over normal cost, should be shown in the general budget as part of the staffing costs (one budget line, category 1). If the training is related to the project, it should be included in category 2. That applies also to induction meetings with staff working in a related project. Specific trainings need to show how the total costs was estimated (breakdown: venue, trainers, refreshments, etc.).

43. **Are allowances and severance for staff accepted?** Yes, but only if supported by clear human resources policy. Kindly note that, as auditors and OCHA agreed, and as the MHF has communicated several times to the MHF partners, severance expenditure will be accepted, subject to the following conditions:

   - The severance is as per the HR policy and stated in the contracts.
   - Severance amounts (debit side) should be withdrawn from the project bank account and deposited in a separate bank particularly for the severance.
   - The severance provision (credit side) in the general ledger (GL) should be traceable in the accounting software.
   - The bank balance in any date shall match the balance of the provision.

44. **Where should consultancy costs and volunteers' incentives be included in the budget?** Consultancy costs should be included under budget category 4. Volunteers receiving incentives should be linked to the relevant activity under budget category 2.

45. **Can the partner include costs related to activities promoting the participation of affected population?** Yes, the MHF encourages it. The MHF will prioritize projects that have a clear strategy to promote the participation of affected population in all the programme cycle, including the strengthening of existing complaints and feedback mechanisms.

46. **How detailed should the activities costs be reflected in the budget?** MFH requests to include number of the related activity as per the logical framework. A group of activities with a similar area could be grouped under a single budget line. A clear breakdown, including specific activity, unit cost per month and total percentage to be charged to the MHF applied should be added in an annexed Excel document.

47. **Is equipment cost accepted by MHF?** Depending on the type of project and requirements, new equipment directly linked to the project may be approved and it should be included under budget category 3. General support (lump sum) just in case some equipment needs to be replaced can be also added in budget category 3, based on an estimation (list of equipment that may be required should be written) (specific separated budget line). This lump sum could be used for equipment linked to the project. Inventory could be provided, with the proposal and explanation about how assets are used. Maintenance of IT and other equipment should be added under budget category 7.

48. **Can partner contract private service providers for implementing some activities?** Yes. Activities developed through a private service provider should be included in budget category 4. BoQ should be provided. In the case that the activity is done through a CSO, local partner or other type of humanitarian partners, but not a private service provider, it should be included in budget category 6.

49. **How to present travel costs within the budget?** MHF recommend grouping each type of travel costs (national, international) under one single budget line, with clear breakdown showing the calculation of the estimated expenditures, including percentage to be charged to MHF as needed. It could include: accommodation, per diem, flight travel, internal transportation, visa costs. This split is essential to understand how the project has been done. Specific rental car for monitoring activity need to be added in budget category 5. Possible means of transport to be added as needed, even with small amount, to have more flexibility and avoid unnecessary budget revision.

50. **How to present the budget for sub-partners?** Under budget category 6. Just add a single budget line per sub-partner, including the name of the partner. Budget breakdown for sub-partners should be provided in an annexed Excel document, following the standard budget template.

51. **Which costs can be included under budget category 7 "General Operating and Other Direct Costs"?** There is no a fixed percentage to calculate these costs because it depends of the size of the project, the kind of project, but a maximum of 10 per cent of the total may be a realistic ceiling to guide budget preparation. As an emergency fund, MHF cannot be too much supportive for general operating costs, so those should be well

explained, clearly showing the rational of the estimation for support cost including the cost allocation methodology used by the partner. Support costs can include maintenance and utilities, rental cost, etc.) and accepted proportionally following shared-cost policy. Warehouse costs could be included here. MHF will accept to group under one single budget line related costs, with clear breakdown and calculation of the estimated expenditures, showing percentage to be charged to MHF. One single budget line grouping expenditures for field related office and one single budget line for expenditures in Yangon. On each of those single budget lines, partner should provide a breakdown including vehicle support, IT and communication support, office rental and maintenance, guest house support cost. Breakdown should clearly show the calculation of the estimated expenditures, showing percentage to be charged to MHF. In addition, single budget lines can be added for bank fees and visibility, considering that not a mandatory requirement for MHF, but depending on the project a small amount could be requested. Hospitality costs (coffee, tea, sugar, water dispenser, etc.) are not accepted by MHF.

52. **Can partners add a contingency budget line related to unforeseen emergencies?** Yes, partners can include a contingency budget line of up to 4 per cent of the total project budget under "General Operating and Other Direct Costs" budget category. Contingency budget lines must be designed to facilitate rapid responses to unforeseen urgent humanitarian needs that may be outside of the original geographic location/cluster, and must not be used to compensate for overspending or expansion of other ongoing/planned activities. Activation of a contingency budget line requires formal pre-approval by the Fund Manager. Approval will be in writing and within 24 hours of request. If not utilized within the project implementation timeframe, the amount budgeted for contingencies must be refunded to the MHF following project closure. Partners are required to provide a detailed breakdown of the utilization of the contingency budget line also via narrative and financial reporting processes.

53. **Can the partner include costs for common services such as safety and security, coordination within the project and specific needs assessments related to the intervention?** Yes, it is possible. This does not include regular coordination with clusters, or similar, which should be costed by the own organization. Also, this does not include studies or needs assessment that are not related to the specific intervention, which should be covered by the own organization or with other sources of funding. We suggest to plan according to the most likely scenario, with good acknowledge of risks and mitigation measures, ensuring that requested MHF funding supports an enabling operational environment.

54. **Can the sub-partner include a budget line for Programme Support Cost (PSC of 7 per cent) under category 6 (Transfer and Grants to Counterparts)?** No, it depends on the agreement between partners and sub-partners. PSC of 7 per cent against the total budget is allowed only in the general budget. As per new MHF Grant Agreement template, main partner should fairly share PSC with sub-partners. However, administrative costs to support implementation, linked to specific positions, can be included in sub-partners' budget (budget category 6) as needed.

55. **Is the mandatory to share project support cost (PSC) with the sub-partner?** As per the new Grant Agreement, Article V, 'Supplies, Equipment, Materials, Procurement and Sub-Contracting' paragraph 6): "The main Implementing Partner should fairly share the 7% project support costs (PSC) with its sub-implementing partner. It is recommended to share this in the fair proportion of work being undertaken by the sub-partner". In any case, PSC cannot be included in the budget submitted for sub-partners in budget category 6.

56. **When can the project start and expenditure be eligible?** Projects' start date and end date will be explicitly stated in Annex B of the Grant Agreement (delinking cost eligibility from signature date). The project start date can be as early as the date of budget clearance by OCHA HQ.

57. **Can the partner overspend the approved total budget?** No, the partner can spend up to the approved budget. The expenditure beyond the approved budget will be considers ineligible expenditure. Between budget category a maximum of 15 per cent of over expenditure is accepted against saving in other budget categories. However, no over expenditure is accepted in category 1 (Staff and other personnel costs).

58. **Can all staff costs be extended during the no-cost extension period if the partner has saving from other budget lines?** Partner cannot extend all staff costs for NCE period. MHF may accept some extension of key staff who will implement the activities during the NCE period.

59. **Cash availability is a big concern due to the current disruption of the banking system, how is MHF supporting partners in this regard?** The MHF can only transfer funds to the bank accounts as per Grant Agreement, and cannot help directly to cash the funds in Myanmar. If the bank cannot operate and disburse funding, the MHF allows to replace the USD bank account with a MMK bank account prior any new disbursement or preparation of the Grant Agreement, considering that the MMK bank account is more effective for fund disbursement at this moment. OCHA HQ has already endorsed disbursement to MMK bank accounts taking into account the current situation. In addition, some partners are requesting the use of local money transfer agents in country, subject to the payment of some transaction fees. The MHF may allow these expenditures on a case-by-case basis. For that, partners should inform the MHF via email prior using the service provider; to get MHF endorsement, ensuring that partners are applying their internal procurement process for the service, including selection of agent(s) based on reputation, prior/current experience; and sign a proper written agreement with the service provider. The MHF will allow to include the transaction fees as part of the eligible expenditure, creating or modifying the existing budget line in the approved budget with the following description: "bank fees and/or transaction fees related to the use of local money transfer agents", which is part of the budget category 7 (General Operating and Other Direct Costs). In exceptional cases, only when an agreement and invoice from the service provider will be not possible due to the sensitive context and the informal market, the partner will produce a note for the file or other supporting document describing the service and explaining the operation and expenditures, as per internal policy, signed by the authorized persons within the organization, following the internal segregation of duties policy.

60. **After approval, can the partner create new budget lines?** The partner can request the MHF team to create a new budget line not exceeding fifteen (15) per cent of the budget category, provided that the total project budget allocated by the MHF is not exceeded. If the new budget line is related to one of the budget breakdown submitted in Excel document by the partner during the technical review process, the partner is suggested to provide justification with the requested update (it can be done directly in the Excel document) via e-mail. The MHF team will assess the request and the MHF manager will approve it accordingly. If the new budget line exceeds fifteen (15) per cent of the budget category, a formal revision should be done, including the signature of a Grant Agreement Amendment.

61. **If the budget need to do revision, what are the process for it**? First, the partner needs to communicate with the MHF via e-mail. Then the MHF will guide based on the case: sometimes, it requires formal revision in GMS; other times only revision by e-mail and approval by the Fund Manager, also by e-mail.

62. **The activation of budget revision in GMS can be requested via phone?** No, any formal project revision needs to requested by email and done through GMS. Other budget revisions which does not require revision of the GMS budget, need to be communicated via e-mail, and formally approved by e-mail by the Fund Manager, in order to keep the message in the record for audit purposes.

Cash Tracking

63. **Should volunteer payment (incentives) be included in the cash tracking?** No, only the amount of money directly goes to the beneficiaries as part of a cash-based intervention. Incentive should be included as part of the category 2 (Supplies, Commodities, Materials) indicating the related activity.

64. **Can we consider cash-based intervention the cash support provided to GBV survivors?** Yes, these interventions are allowed and funded by MHF. Just reflect in the cash tracking tool.

65. **For instance, if community-based organizations (CBOs) receive grants for construction/renovation of schools, are these considered as cash-based interventions?** No, MHF funded partner should have an agreement or contract between with the CBOs. It should be reflected under category 6 (Transfer and Grants to Counterparts).

Location

66. **Location**: Only at township level, not lower, indicating budget distribution by cluster, and later distribution of targeted people by cluster using the same percentage. The sum of all townships should be the same that the total budget and the total targeted people. When response activities, operational arrangements and logistics

are similar and contribute to a more cost-efficient proposals, proposals covering totally or partially neighboring states and regions may be accepted, as follows: a) Rakhine and southern Chin; b) Chin, Magway and Sagaing; c) Kachin and northern Shan; d) southern Shan, Kayah, eastern Bago, Kayin, Mon and Tanintharyi. For any question in this regard, partners are requested to contact the MHF prior to the submission of the proposals.

67. **Partners have the difficulty to do a realistic budgeting by townships, how to do?** MHF suggest planning as best as the partner can with the available information. Projects can be later amended as needed.

68. **The distribution of targeted people among clusters for a location (township) within multi-cluster projects, could it include the same number of people?** Yes, the total distribution of targeted people for a specific location can be the same for each concerned cluster, but not more than the total for the location (included disaggregation per age and gender).

69. **Who should request endorsement from clusters in the case of project location change?** This is a responsibility of the partners, also on behalf of sub-partners. To speed-up the process, the partner is encouraged to discuss with the cluster in an early stage and get endorsement by email, and then upload the communication in GMS during the project revision.

70. **Can the partner include some townships in regions/states not targeted by the allocation strategy?** A priori, no. Only priority townships of the regions/states targeted by the MHF Second Standard Allocation (SA2-2021) can be included. If the partner finds that there is an urgent humanitarian needs in other areas, please communicate and consult MHF and respective clusters before including them in the proposal.