

CBM Quick Process Reference Guide (QPRG)

for In-country Funding

Process description

1. Purpose of process

This QPRG defines the pre-conditions and necessary steps to be taken to remain compliant with local regulations, international fiscal law and CBM standards when grant-based funding opportunities disbursed directly within CBM Programme countries occur.

2. Introduction and scope

This QPRG applies in situations when CBM considers submitting a project proposal to a funding body (such as a UN agency, an Embassy or an INGO) within a CBM Programme country, for which the funding grant would be transferred directly to the Country Office in that Programme country, if the proposal is successful, rather than channeling funds through Transaction Management.

Please note:

The QPRG does not apply to funds received by Transaction Management or other specific situations, such as in India through India Trust, which are all governed by other procedures.

The QPRG also does not apply to in-country income through external service provision/selling of CBM consultancy services against fees. This is not permitted.

3. Different sources of in-country income

In-country donor funding mechanisms exist in a range of situations: facilitating emergency responses and programming in fragile states, as well as in some long-term development contexts, for example

- UN Family, e.g. UNICEF, World Food Programme, UNHCR etc.
- Embassy small grants
- Host government, i.e. Government department in programme country
- Institutional donor local office in programme country
- Pooled funding mechanisms e.g. Central Emergency Response Fund (CERF)

4. Necessary controls before receiving in-country income through donations

When funding opportunities arise, the Checklist for receiving in-country funding must be completed to confirm that all necessary steps have been taken, which confirm that the office is legally eligible to accept donations and grants in-country and that internal procedures as outlined in relevant QPRGs have been followed.

The opportunity is then to be reported to the CBM Director “Institutional Donors” who will facilitate a meeting between the respective Initiative and Country Director to align before the grant application is submitted. If the amount of funding exceeds EUR 500k for the duration of the project, the CBM Director of Finance and Operations Development is also to be involved.

The end-to-end responsibility of handling in-country funding lies with the Country Director. Where there is no Country Office and/or Country Director (CD), the Regional Hub Office and Regional Hub Director (RHD) assumes responsibility.

Process for handling in-country funding

The following steps assume that the items listed in the checklist have been satisfactorily completed and that all funds received in the Country Office account will be transferred to the partner in the same financial year.

Even if the donor approves funds for a multi-year project, the payment schedule should ensure that funds will be transferred to the partner in the same financial year as receipt of the funds at Country Office level.

1.	Action	Responsibility	Tool/Reference
1.	Funding opportunity identified and brought to the attention of the Country Director (CD).	CD, Initiative Director or Resource Mobilization	CBM Authority Matrix
2.	CD to discuss with the Transaction & Accounting Department and the Legal Unit (Bensheim) to confirm that there is neither exchange of services nor potential tax implications. If the donor has a drafted funding agreement, this is to be submitted to the Legal Unit for review.	Country Director	Donor funding agreement
3.	Transaction & Accounting Department and Legal Managers confirm via email that the funding can be accepted.	Transaction & Accounting and Legal Manager	E-Mail
4.	Items on checklist completed and form signed by CD and forwarded to the Director Institutional Donors.	Country Director	CheckList
5.	Develop new partnership and project idea in ProMIS (if new) according to relevant QPRGs. For existing partners: ensure the partner assessment is still valid, re-do if necessary and upload on Partner page in ProMIS. Develop Plan according to QPRG (for final approval). These are partner expenses only.	Country Director	QPRG Partnership QPRG Project Development and Approval Programme /Project Approval Form
6.	Submit proposal to donor, including costs for administration of project.	Country Director	Project Proposal

7.	Following donor approval of the proposal, agree funding conditions (including payment schedule, expected deliverables and reporting requirements) with donor.	Country Director Transaction Management	
8.	Checklist uploaded onto project page on ProMIS.	Country Director/	CheckList
9.	Manually enter project budget in ProMIS only for reporting purpose. No transfer of funds from Transaction Management, Bensheim is done.	Country Office	ProMIS/Budget
10.	Is the donor providing a drafted funding agreement? YES: Submit draft donor funding agreement to Legal. NO: CBM provides own funding agreement including agreed funding conditions. Legal reviews, requests changes and confirms final version. For implementation through partner, Legal requests Portfolio and Partner Service Management to issue Project Contract.	Country Director Legal Manager	Draft Funding Agreement
11.	Project Contract issued	Portfolio and Partner Service Management	Project Contract
12.	Contract and funding agreement signed: a. Donor or CBM own funding agreement between donor and CBM International, signed by donor and Executive Management (CEO Programmes and CEO Fundraising and Administration) b. Project Contract between partner and CBM International, signed as above. c. Upload all the legal and approved documents in document folder in the project page in ProMIS	Country Director responsible for obtaining partner and donor signature + Legal responsible for obtaining CBM signatures	Donor funding agreement + Project Contract
13.	Once CO or RHO receives funds from donor, a request of fund form is created by the partner and submitted to CO/RHO	Partner CO Finance Manager	Request of Funds/ Finance Report, Finance Report
14.	Reporting timeline uploaded on Project page as new task on ProMIS in project cycle workflow and follow for monitoring purposes. If agreed by	Country Office	

	donor, CBM reporting and monitoring requirements to be applied.		
15.	Funds transferred from CO account to partner. New Financial Reporting Tool completed and monitored according to donor timelines. If agreed by donor, CBM reporting and monitoring requirements to be applied All reports to donor uploaded on Project Page in document Library	CO Finance Manager, Country Director	Bank statements, Financial Report Tool, Narrative Report
16.	Ensure that the project is closed properly with closure of accountability. Update the project status on ProMIS as “closed” on the project page.	CO Finance Manager, Country Director	Project closing documents

Process Owner: Finance and Operations Development (FaOD)

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