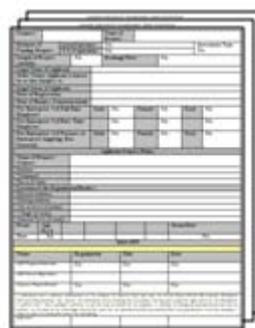


ADF Application

Objectives

- The Partners will better understand what information to include in the ADF Application
- The Partner will better understand how to revise the Application as part of project development



Course Content

1. What is ADF Application?

The ADF Application is the initiating document for applicants to seek an ADF grant. It is also the center piece of the project packet that describes the project plan and grantee. The application helps ensure the project is community driven and has significant social benefits.

2. Who Completes the Application?

- A. Grantee: The grantee should submit the application to the CPC. These applications are often incomplete or not in-line with ADF funding requirements. As long as the applicant has made a strong effort to complete the application and provide accurate information, it can be considered.
- B. Partner: The project development process usually results in significant changes to the project as presented in the original application. The partner is responsible for working with the grantee to make sure that the Final Application accurately describes the group, truly reflects the group's intentions, provides sufficient detail for a well designed project, and provides all of the information that ADF needs to approve the project.

3. What is in the Application?

The application has 5 sections:

- 1) Cover Sheet
- 2) Organizational Information
- 3) Current Financial Situation
- 4) Project Proposal
- 5) Supporting Documents

4. More Details on Application Sections

- A. **Cover Sheet**- The cover sheet is a summary of very basic information about the grant and the grantee.
 - The applicant should complete all sections relevant to their organization.
 - Information related to the grant will need to be filled in by the Partner during project development. These items are marked with "NA" on the application.
 - If the grantee has submitted a handwritten application, the Partner should convert it to a Word document.
 - The Partner should also verify the accuracy and completeness of organizational information entered by the grantee.
 - The grantee must sign the bottom of the cover sheet attesting to the accuracy of the information. Note it is important that the partner fully explain the applicant certification statement to the applicant before the applicant signs off on the form.
 - The cover sheet must be signed by the Partner and Regional Program Coordinator before being submitted for compliance review.
 - There is also space for tracking the progress of the application in the "Event" section.
- B. **Organizational Information**- This section should be used to describe the applicant's

ADF Application

organization as it is, not as it might be under the grant.

- Be comprehensive when listing the organization's sources of income and include these in the Financial Analysis.

(1) Examples: 10% of sales revenue from cassava is retained by the association to cover operating costs. Membership dues of XOF 200 are collected annually from all active members.

- When completing the chart on ownership structure, circle whether the chart is referring to owners or founders.
- If necessary, the Partner may insert some more information about the applicant's production capabilities in between application questions A-3 and A-4, and make recommendations.
- As a result of dialog with the grantee, the Partner should insert a brief management assessment summary of recommendations and actions the organization needs to take to correct detected weaknesses. This summary paragraph is to be inserted between application questions A-10 and A-11.

C. **Current Financial Situation-** This section identifies the financial capacity, resources, and risks of the grantee.

- Most items in this section will be reviewed to ensure that the grant provides sufficient funds and training for the grantee to implement a strong financial system.
- Loans should be listed here and included as a liability in the Financial Analysis. If the grantee has outstanding loans, the Partner should help them acquire letters from the lenders confirming that ADF assets will not be used as collateral.

- Donations from other organizations should also be accounted for in the Financial Analysis. If other donors are supporting special projects for the grantee, those projects should be specified and the ADF project plan should ensure the grantee has sufficient capacity and time to meet all of their commitments.

D. **Project Proposal-**This section contains detailed information about who will benefit from the grant, the primary problem that must be addressed, the proposed solution is to the problem, and what activities and inputs are needed to implement the solution.

- The expected results and benefits should be specific and include quantitative measures where appropriate.
 - (1) Example results: The cooperative will expand their market to include hotels in Dakar and Thies. Members will be able to sell textiles through the cooperative in addition to the jewelry that is already being sold.
 - (2) Example benefits: The organization will gain 40% of profits from the sale of new products. Membership will expand to include 30 handicraft producers.
- When describing how the organization identified the need for the project, note ways in which major stakeholders and marginalized members of the group were included. Confirm the degree to which the project design has come from a participatory process.
- If other groups are involved in the project, explain how the services or goods they will provide compliment the project plan. Note any outside

ADF Application

contributions that will be necessary for the project to be successful.

- The Partner may update these questions with additional relevant information as needed.

E. **Supporting Documents-** The project application form is the primary project proposal paper. However, the support documents are to be included as separate attachments to the application form. Each document is intended to validate and further clarify the applicant's requests as described in the application form.

For more information on packet components, see the Project Development Course Notes.



5. What Do I Need to Discuss with the Grantee?

The Partner Organization should discuss the following topics with the grantee and update the application accordingly.

A. **Socio-Economic Impact-** Use the following guidelines in working with the client to ensure that application questions A-6, A-7, and C-5, C-6 are complete:

- Who are the targeted beneficiaries?
- How were stakeholders involved or consulted in the project design?
- Are the direct and indirect benefits to project participants described? (Benefits may include the creation of new jobs; generation of better income for existing workers in the business.)
- Are there any supply chain and market linkages that benefit other groups outside the project?
- What other social benefits are associated with this project (such as greater social inclusion, increased equity, strengthened organizational capacity, promotion of social cohesion, and empowerment)?
- How would they be achieved and measured?
- In what ways did the beneficiaries participate in project design activities?

- How would the various stakeholders be involved in project implementation, monitoring, and evaluation?

B. **Production Capabilities-** Use the following guidelines in working with the client to ensure that application questions A-3, A-5, C-1, C-2, and C-3 are complete:

- Is the production process or activity accurately described? (A-3 or A-5)
- Has the root problem/opportunity been correctly identified? (C-1)
- Is the proposed solution practical and sufficiently responsive to the problem/opportunity? (C-2)
- Does it solve the real problem or only symptoms of the real problem?
- If the problem and solution is production related are major production activities included in the application question? (C-3)
- How will production levels increase if the solution is implemented? (C-4)
- What assumptions about production processes, outputs, and constraints were made when the grantee defined the problem, solution, activities, and expected results?

C. **Management Capacity-** Use the following guidelines in working with the client to ensure that application questions A-8, A-9, and A-10 are complete:

- What management issues were exposed by the preliminary site visit report?
- What issues were raised in the financial assessment questionnaire?
- What are the organization's strengths and weaknesses in key business functions?
- How are management related issues impacting the core problem/opportunity identified by the grantee?

ADF Application

6. Advice from the Experts

- The Final Application should not be more than 10 pages long. Most applications are 7-8 pages (with the budget as a separate document).
- Alert ADFW of any construction activities or outstanding loans early so that they can advise on due diligence requirements and schedule project submission deadlines to allow time to acquire those documents.

Handouts

ADF Application

Assessment Tools Handout