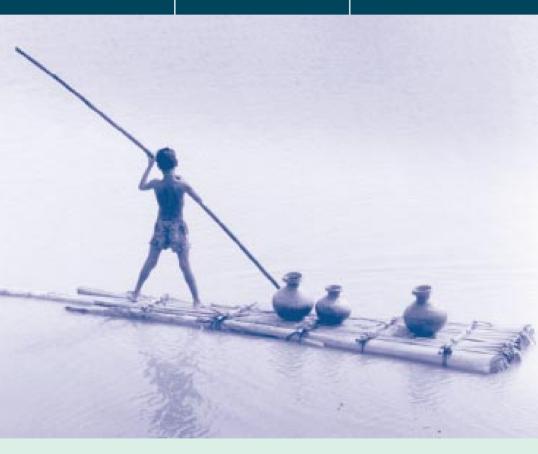**undp**

United Nations
Development Programme

Government of India
The Ministry of
Environment
and Forests (MoEF)

UNDP-
World Bank
**Water and
Sanitation
Program –
South Asia**



# Small Grants Facility (SGF)
# for the Water Sector

## INTRODUCTION

The Small Grants Facility (SGF) for the Water Sector was established under a tripartite agreement between the Department of Economic Affairs, Ministry of Environment and Forests (MoEF) and the United Nations Development Programme (UNDP). As per the Memorandum of Understanding (MOU), the MoEF is the Executing Agency and the UNDP-World Bank Water and Sanitation Program – South Asia is the Implementing Agency. The SGF is supported by a core grant of $300,000 from the Environment Programme under the UNDP's Country Cooperation Framework (1997-2001) for India, and other donors such as the Ford Foundation; the Department for International Development (UK); Australian Aid (AUSAID); and Canadian International Development Agency (CIDA) are also contributing to this fund. The Dublin-Rio principles* will be the guiding principles for the SGF.

## OBJECTIVES

The SGF is an instrument for supporting small-scale innovations, action research, documentation and dissemination of lessons and best practices or other initiatives which can catalyze larger impacts on poverty alleviation and sustainable development in the water and sanitation sector. The fund will focus on water resource management, drinking water supply and environmental sanitation in India.

## PROJECTS TO BE SUPPORTED

The SGF will support existing national/state policies as well as encourage innovative practices that have the potential to scale up. The fund will broadly support two types of activities:

- **Pilot Projects**
  - that are Non-governmental Organization (NGO) and community-led initiatives;

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*(i) Fresh water is a finite and vulnerable resource, essential to sustain life, development and the environment; (ii) Water development and management should be based on a participatory approach, involving users, planners and policy makers at all levels; (iii) Women play a central part in the provision, management and safeguarding of water; and (iv) Water has an economic value in all its competing uses and should be recognized as an economic good.

❍ that are replicable and can impact policy dialogue or trigger larger initiatives; and

❍ that have the potential of leading to greater investment.

● **Learning Products**
  ❍ that document innovative and best practices for wider dissemination in the sector;
  ❍ that lead to new knowledge which could contribute to sectoral development; and
  ❍ that stimulate policy debate or lead to policy reforms in the sector.

Typically, projects supported by SGF should be completed within one year. A maximum of $30,000 will be provided for each project selected under the SGF.

## SELECTION OF ORGANIZATIONS

Organizations are selected on the basis of proposals received, but the Steering Committee reserves the right also to approach directly reputable organizations that are result-oriented. Community-based Organizations (CBOs), NGOs and resource institutions are encouraged to apply. The beneficiary organization should meet the following selection criteria:

**Legal status** – Evidence of legal registration.
**Constitution** – Constitutional provision to engage in water resource, water supply and environmental sanitation service delivery and related activities.
**Good track record** – Reputable organizations with a proven track record of at least three years' experience in water resource management, water supply and sanitation or community development activities. This should be evidenced by satisfactory completion of a participatory/demand-driven project.
**Finance** – Accounts audited and certified by a chartered accountant.
**Staff** – Demonstrated staffing capacity to carry out the proposed services or ability to procure such staffing capacity. A list of the members of the Board of Directors should also be submitted.

## HOW TO APPLY

There is no formal application form for making requests for a grant under the SGF. Please send us a concept paper outlining the purpose, outputs and likely impacts of the project. The paper should also describe the methodology and timetable you propose to follow, and present a summary budget indicating the contributions sought from the SGF, your own contributions and those from other sources. The concept paper should not be longer than three pages and should give the salient features of the project location and a brief organizational profile.

The SGF Coordinator will inform you whether your proposal can be considered for funding and will provide you with the necessary guidelines for preparing a detailed project proposal.

## HOW DOES SGF WORK?

A Steering Committee (SC) headed by a Joint Secretary in the MoEF lays down the policy directives on the fund. The SC consists of representatives of the Department of Economic Affairs, UNDP, WSP–SA, the Rajiv Gandhi National Drinking Water Mission and three NGOs. The SC has constituted a sub-committee, comprising representatives of MoEF, UNDP, WSP–SA and other donors to the fund, to execute the policy directives of the SC. The SGF Secretariat is managed by the India Country Team of the WSP–SA and the SGF Coordinator is based at WSP–SA.

Grant applications are first screened by the SGF Coordinator. Shortlisted organizations are then asked to prepare detailed proposals for a review by experts in the sector. Grants are awarded by the sub-committee based on the recommendations of expert opinion.

Beneficiaries are required to submit quarterly reports on the progress of the activities as well as financial accounts. If required, a mid-term review will be undertaken to ensure quality and efficient use of the fund. Funds will be disbursed in three stages – at commencement, mid-term and on completion.