

**GHANA**  
**LAND ADMINISTRATION PROJECT**  
**PROPOSED SMALL GRANTS PROGRAM**

**1.0 Background**

The Government of Ghana (GoG) approved its National Land Policy in January 1999. The policy is a clear demonstration of the GoG's will to address the fundamental problems associated with land administration and management in the country. The long term goal of the GoG's land policy is to stimulate economic development, reduce poverty and promote social stability by improving the security of land tenure, simplifying the process for accessing land and making land administration fair, transparent and efficient. In other words the policy is aimed at developing an efficient land market and fostering prudent land management.

**1.1** On October 3-14 2005, the Development Partners and the GoG held a joint Implementation Support Mission (ISM) on the Ghana Land Administration Project (LAP). One of the principal objectives of the mission was to focus on issues and challenges that may affect implementation and suggest ways to overcome identifiable problems. The ISM proposed that the LAP should examine the possibility of establishing a small grants program (SGP) to support activities of civil society and non-governmental organizations (CSOs/NGOs) and other eligible grant recipients, as defined in Section 5.0, below, in institutional building, advocacy, accountability and participatory efforts in national land matters. The Land Administration Program Unit (LAPU) has examined the recommendation and is of the view that the SGP has the potential of facilitating and enhancing the delivery of the project.

**2.0 Roles envisaged for the Civil Society and Non-Governmental Organizations**

For the LAP to achieve its objectives and remain sustainable, civil society and stakeholder participation in planning, implementation, monitoring and evaluation is required. This assertion is buttressed by the fact that over the last few decades a number of CSOs/NGOs have assumed a more central role in the delivery and championing of development services and activities to various socio-economic groups. To some extent this has enhanced the wellbeing of the beneficiary communities, groups and individuals. Under the LAP, CSOs/NGOs have a key role to play in engaging civil society in the implementation of the project, given that CSOs/NGOs are generally in a better position, thanks to their expertise, to reach the intended project beneficiaries. It is anticipated that the SGP will enhance and strengthen collaboration between all stakeholders as well as build upon existing partnerships.

**2.1** The LAP envisages a number of roles for the CSO/NGO community. They would be expected to:

- Create opportunities and develop the ability of stakeholders to effectively participate in discussions, develop strategies to resolve problems, make decisions and take action on project related issues;
- Play a key role in implementing the project's communication strategy through capacity building of communities, sensitization and dissemination of information and ensuring that participatory techniques are used in project implementation;
- Assist in mobilizing communities to engage in dialogue and debates and to become pro-active in demarcation and surveying, registering, titling of land and adjudication using alternative dispute resolution mechanisms;
- Conduct relevant studies that will enhance the implementation of the project and undertake capacity building programs;
- Undertake advocacy work;
- Actively participate in monitoring, evaluation and impact assessment of various aspects of the project; and
- Serve as an independent platform for stakeholders to encourage accountability and transparency.

### **3.0 Objectives of the small grants program**

As part of the initiatives to speed up the process of service delivery to target groups and the need to give voice to civil society, the LAPU is introducing a small grants program (SGP) for the CSOs/NGOs. The SGP is a:

- Facility for outsourcing some of the Project's key activities; and
- Mechanism for responding to civil society's demands to have its voice represented in the land debate.

It is anticipated that the SGP will enhance project delivery, enhance quality, timeliness of project implementation, strengthen the voice of stakeholders as well as serve as a platform for engaging civil society and empowering Project beneficiaries.

The SGP has considerable contributions to make to the Project's decentralization and good governance efforts; it has the potential of promoting the transfer of power in decision making, planning and implementation. It is also expected to ensure accountability in land related activities.

**3.1** Under the SGP, the LAP intends to provide grant recipients with funds to enable the organizations undertake Project related activities on behalf of the LAP.

The specific objectives of the SGP are as follows:

- It is one of the mechanisms for implementing specific interventions under the project;
- It is a facility for responding to civil society demands and promoting partnerships between the LAPU, the private and public sectors, CSOs/NGOs, traditional authorities and the beneficiaries of the Project;

- The SGP is a tool for targeting Project activities at certain specific socio-economic groups, particularly women, and the vulnerable<sup>1</sup>;
- It is a response facility that grant recipients are expected to use to enhance the outreach of the LAP;
- It is a mechanism for grant recipients to organize, create networks, exchange and share information among themselves to enhance their role and influence land policy issues and activities; and finally
- It is a platform for grant recipients to leverage additional funding (the NGOs have other sources of funding from private organizations, donors and governments)
- To support the LAP and to build their own capacity within the framework of the Project.

#### **4.0 Specific use of the small grants program**

Funds provided by the SGP will be used for specific activities, under subcomponent 6, of Part C of the Project.

The activities include:

- Enhancing the capacity of project beneficiaries (through mediation, capacity building, advocacy, advisory services, sensitization on project activities, project implementation and through a monitoring and evaluation process);
- Support activities programmed in LAP activity workplans that will enhance inclusion, social cohesion, promote stakeholder participation and build consensus on issues<sup>2</sup>;
- Information dissemination, awareness creation and sensitization of stakeholders;
- Promoting transparency and accountability in land related matters; and
- Promoting empowerment among civil society groups to exercise their voice and engage in national land matters

#### **5.0 Proposed criteria for eligibility**

CSOs/NGOs that satisfy the following criteria will be eligible to access funds from the SGP (and will not be required to make any prior contributions):

- The organization must be legally registered as a non-profit making organization with the Registrar General's Office, Ghana;
- The organization should submit a capability statement to the LAPU;
- The organization should be working at the District, Regional or National level in Ghana;
- Only international organizations working through Ghanaian CSOs/NGOs will benefit from the grant facility. In other words, international NGOs can support local organizations in the preparation of the proposals and the Action and

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<sup>1</sup> Vulnerable groups in the context of the LAP are some categories of share croppers and tenant farmers, the landless, homeless, squatters etc.

<sup>2</sup> This includes dispute resolution and other technical areas such as boundary demarcation, monitoring and evaluation.

Implementation Plans but the fund disbursement, the actual fieldwork and the bookkeeping responsibilities will be assigned to the local CSOs/NGOs.

- Prior experience in utilizing grants will be an advantage; and finally
- Government agencies (Ministries, Departments and Agencies) cannot benefit from the funds under the SGP. However, parastatal and subvented organizations and public research and academic institutions are eligible<sup>3</sup>.

## **6.0 The Small Grants Program**

Essentially, the SGP is expected to support demand driven activities that will be undertaken by civil society organizations and other eligible organizations listed in Section 5.0, above. The SGP is expected to promote and facilitate the empowerment of citizens to engage meaningfully in land issues.

It is anticipated that the SGP will be operational through out the implementation phase of the project. Key to the implementation plan of the SGP is the review process. The SGP will be reviewed at the end of the first year of implementation and on a bi-annual basis thereafter. The review process will be undertaken by the LAPU in collaboration with the DFID and IDA and the Grant Administrator.

### **6.1 Procedures for accessing funds for “demand driven” activities under the LAP**

Providing funds for demand driven activities targeted at enhancing project delivery is an essential component of the LAP. The SGP is expected to facilitate the empowerment of project beneficiaries and to ensure sustainable engagement among civil society actors, including members of local communities and traditional councils in land matters and policy dialogue. A related assumption is that the grant recipients whose primary objective is civic engagement are organizations with the most appropriate “technology” and are the most effective “vehicles” for reaching out to the public.

**6.2** In this respect, potential grant recipients will be encouraged to respond to calls for *Expressions of Interest (EOI)* from the LAPU on certain identified or thematic issues. The thematic issues will be arrived at through:

- Consultative processes and problem identification exercises with the project beneficiaries;
- Observation and preliminary research into issues within the pilot areas; and
- Fact finding exercises:

**6.2.1** The grant recipients will be given a specific time frame within which they should respond with proposals to the calls for EOIs. The submissions will be evaluated and the successful proposals will be provided with the funds. Under this grant arrangement, the LAP intends to provide financial resources to the grant recipients in order to undertake activities that will facilitate ownership of the Project. It is anticipated that a number of the proposals will be funded concurrently by the LAPU and to coordinate and effectively manage such a

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<sup>3</sup> Examples of parastatal organizations (Ghana Institute of Management and Public Administration, Ghana Academy of Arts and Sciences and GRATIS Foundation); subvented organizations (Management Development and Productivity Institute); and public research and academic institutions (Council for Scientific and Industrial Research and the Universities).

process requires substantial experience and expertise. Currently, the Ministry of Lands, Forestry & Mines (MLFM) does not have the capacity and expertise to administer a fund of this nature. As a result, it is recommended that the service should be outsourced to a Grant Administrator, preferably an organization that has the experience in managing similar grant programs. The Grant Administrator will be financed from DFID and IDA funds. A percentage of the total commitment by DFID and IDA will be paid to the Administrator as consultancy fees under category 2 (c) of the disbursement table. The LAPU, in collaboration with the Grant Administrator (to be identified), will place calls for EOI on a periodic basis (preferably annually).

**Figure 1: Stages for accessing funds under the Small Grants Program**

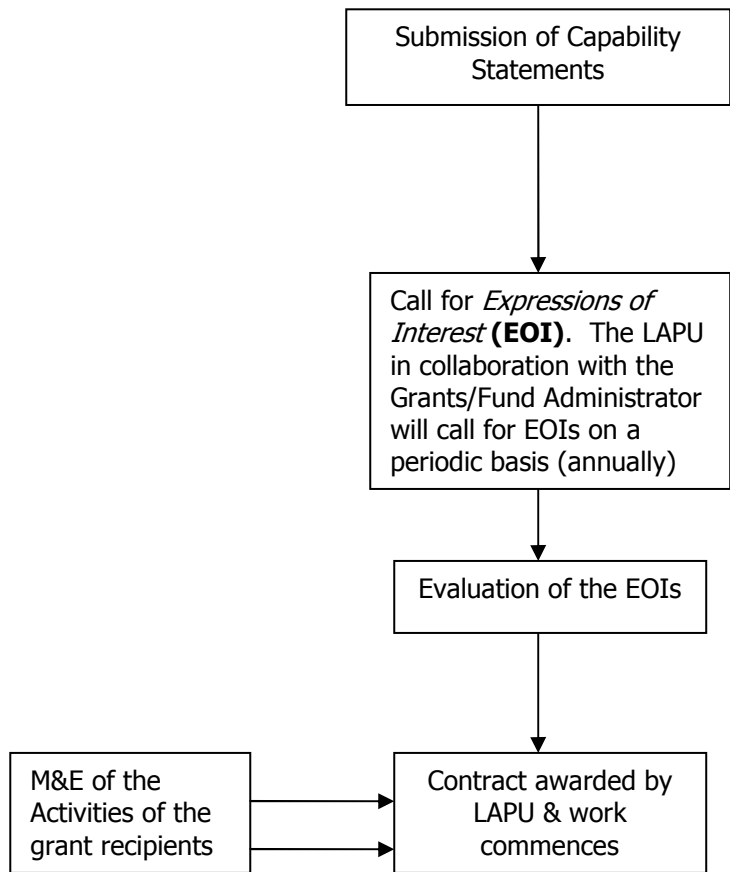


Figure 1 above outlines the stages organizations have to go through to be able to access funds under the SGP.

### 6.3 Administering the demand driven small grants program

The operation of the demand driven SGP requires expertise in managing a grants program. As a result, the LAP intends to adopt an implementation arrangement that will ensure the efficient delivery of services. The LAPU intends to approach the SGP on a “*learning by doing*” basis. This approach places a great deal of emphasis on identifying best practices and lessons learned as a basis for scaling up activities. As noted above, a Grant Administrator will be identified to manage the SGP for the demand driven component through a competitive

recruitment process and the organization with the best submission will be selected to manage the LAP's SGP.

## **7.0 Source of Funding**

One of the principal challenges confronting the LAP's SGP is the funds required for the operationalization of the Program. Under this sub-activity, the LAP proposes that the Development Partners interested in supporting the SGP should allocate funds from some of the components they are funding to the SGP. Under the IDA Credit Agreement with the Government of Ghana an amount of \$860,000.00 (Eight Hundred and Sixty Thousand dollars) has been allocated for Communication, Consultation and Participation (i.e. Component 4.4). Since most of the activities to be undertaken under the SGP border on communication, consultation and participation, the LAPU proposes that a portion of the funds for the program could be taken from this sub-component. Under the DFID sub-component (2.3) funds for the SGP could also be sourced from budget line D (i.e. Training).

**7.1** The LAPU proposes that an initial amount of one million dollars (US\$1,000,000.00) to be provided by IDA and DFID in equal amounts of US\$500,000 would be needed to operate the Program. In the context of the SGP, the total upper limit of a **small grant** will be \$30,000.00 (Thirty Thousand dollars)<sup>4</sup> for both IDA and DFID financing. The amount quoted in the document (\$30,000.00) is the upper limit for financing a single project activity. It is anticipated that approximately 25 project related activities would be undertaken under the SGP every year, thus the total amount to be spent would be \$750,000.00 (Two Hundred Thousand dollars). The remaining will be for consultancy fees for the Grant Administrator.

## **8.0 Procurement**

The SGP will only finance services. Under the SGP procurement of services will be the responsibility of the LAP and the Grant Administrator. It is anticipated that that the process of procurement under the SGP will be prompt and responsive to the needs of the project. This assertion is premised on the following:

- Procurement of services will be the joint responsibility of a LAPU and the Grant Administrator; and will be carried out in accordance with the World Bank's Procurement and Consultant Guidelines
- The budget for each year will be lodged with the Grants Administrator, thus minimizing the bottleneck on would encounter in accessing the funds; and
- The amounts to be disbursed under the SGP are relatively small thus the processes required for obtaining the funds will be less cumbersome

## **9.0 Monitoring and Evaluation**

A systematic and regular assessment of the SGP and the activities being undertaken by the grant recipients is very critical to the successful implementation of the Program. Monitoring and evaluation of the SGP will take two forms; activity monitoring and financial monitoring.

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<sup>4</sup> For the activities envisaged initially each activity should not exceed \$30,000. The upper limit has been determined based on the LAPU's experience in the implementation of the Project over the last three years.

The monitoring and evaluation of the activities will be led by the M&E Unit of the LAPU in collaboration with the Grant Administrator and the Development Partners. The grant recipients undertaking the project activity will also be required to have an M&E Plan for its activities. Again, financial monitoring and auditing will be the responsibility of the Project's Accounts Unit (a department within the LAPU), the Grant Administrator and the Development Partners. For the two identified monitoring mechanisms, the Grant Administrator would be required to provide comprehensive quarterly reports on the activities under the project.

## **10.0 Description of Flow of Funds Arrangement**

The Small Grants Program (SGP) will be managed by a Fund Administrator (GA) working in collaboration with the LAPU.

### **Stage One**

- At the start of the period (yearly or half yearly) the GA will place a call in the media (widely circulated newspapers) calling for Expressions of Interest (EOI)/Proposals from qualified CSO/NGOs. The specific activities or areas of focus would have been agreed by the Project Managers at LAPU after obtaining no objection from the Bank.
- The call for EOIs will indicate the criteria for qualification and the information to be provided by interested NGO/CSOs. Based on the responses, these EOIs/Proposals will be evaluated by the LAPU and the GA according to the criteria established prior to the call for EOI/Proposals.
- The results of the evaluation and the cost of activities as indicated in the qualifying Proposals will become the budget for the activity/activities to be undertaken by the respondents. The GA will forward the results to LAPU along with a request to make the necessary funding available for the execution of the Grants Program.

### **Stage Two**

- The Fund Administrator entity will establish a Small Grants Account denominated in the local currency, to receive deposits of funds disbursed from the project's Designated Account. Following the completion of the evaluation, the GA will submit an evaluation report to LAPU together with a request for funding. The evaluation report will highlight amongst others, the selected NGO/CSO, the cost of their budgeted activities and the expected outcome.
- On receipt of the evaluation report and the request for funding, LAPU will review and approve the request for funds and transfer as an advance, at least fifty percent (50%) of the total fund requested for the period into the Small Grants Account and advise the GA accordingly. The disbursement will be guided by the provisions of the DCA.
- The Grants Administrator will subsequently transfer as an advance to each of the approved grant recipient amounts not exceeding thirty percent (30%) of a respondent's agreed budget. This advance should be based on the expected program of activities for

each year and not the entire budget of the program assuming the activities will extend beyond a year.

### **Stage Three**

- After the initial transfer of 30% to the approved grant recipient, additional funding will be made available on submission of satisfactory returns documenting expenditure incurred for the period. Upon satisfactory review and acceptance of the returns the Grant Administrator will replenish the accounts of the grant recipient. The mode of replenishment will operate in a similar manner to an imprest account with the implementing grant recipient.

These arrangements will be outlined in a grant agreement between LAPU and the grant recipient, acceptable to the Bank, covering the activity or activities of an implementing grant recipient. In order to ensure smooth flow of funds, implementing grant recipients will be encouraged to provide agreed reports and documentation as soon as they have spent seventy percent (70%) of the initial advance. The Project Implementation Manual will provide details on these agreements, including a template agreement.

The reports submitted by implementing grant recipients will be summarized/consolidated into an agreed report and expenditure summary in support of requests for the replenishment of the Small Grants Account held by the GA. The documentation submitted by implementing grant recipient will be retained at the GA's office and would be made available for review by donor missions and auditors of the project. The mechanics of this arrangement is depicted in a Flow Diagram below.

Figure 2: Flow Diagram – Fund Flow Arrangements.

