

Ministry of Foreign Affairs and Trade

MANATŪ AORERE

Manaaki

“Uplifting mana, through listening, supporting and empowering”

Activity Design

ROUND THREE – Updated February 2021



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Manaaki Activity Design Document

Activity name

Name of NZNGO

**Name of in-country civil
society organisation(s)**

Country

Region/sub-region

Duration

Implementation timeframes must be two to three years

Start date

(month, year)

End date

(month, year)

**New Zealand Aid
Programme
priority/priorities**

Funding

**MFAT co-investment
requested**

(NZD, excluding GST)

**Co-investment from
NZNGO** (cash contribution,
NZD, excluding GST)

In-kind contribution

(if any, value in NZD,
excluding GST)

Total Activity budget

(NZD, excluding GST)

**High Level
Statement/Activity Goal**

What will this Activity achieve/what does your vision of success (future state) look like? (250 characters maximum)

Contact Person	
Name	Position
Email Address	Phone Number
Address	
CEO/Contract Signatory Contact Details	
Name	Position
Email Address	Phone Number
<i>Official use only: Activity ID</i>	

Explanatory Note

This Manaaki Activity Design template is for use by New Zealand non-government organisations (NZNGOs) invited by MFAT to submit a design following approval of a Manaaki Concept Note and successful completion of the Manaaki Due Diligence assessment.

The front section of the design is expected to be up to 20 pages only (2 page summary and up to 18 pages for sections 1-4) plus appendices (8-12 pages).

Please discuss your Activity Design with your MFAT Design Lead before starting to complete this template.

Please accurately and succinctly answer all questions. Indicative page limits have been provided.

1 Strategic Case (5 pages maximum)

Provide an analysis of the context in which the Activity will take place. It should provide sufficient information for someone not familiar with the context and the local development needs to be able to understand the issues. Ensure evidence is provided and referenced. This evidence should be beyond past experience i.e. links to international best practice should be included where possible/relevant.

1.1 Development problem and opportunity

- Explain the problem (not the solution/s), including the underlying causes (the drivers), how well the problem is understood, and who is impacted.
- Describe who identified the problem and why it is important (consequences).
- Explain the location/communities to be involved and why?
- Describe how vulnerable and/or marginalised people and groups¹ – those that will benefit from the proposed Activity – were identified.
- Why is it important to address this problem now?

1.2 Development Context - social, economic and political

- Describe the economic, infrastructure, environmental, political and social conditions in your proposed area of work. Explain how these conditions including COVID-19 might affect the Activity's results.

1.3 Relevance to NZ Aid Programme objectives and developing partner country plans

- Describe how the Activity complements the plans and objectives of the partner communities and country (or countries) in which this Activity will be implemented.
- Explain how the Activity supports New Zealand Aid Programme priorities and aligns with the geographical and sector focus of Manaaki e.g.
 - Alignment to International Cooperation for Effective Sustainable Development (ICESD)
 - Alignment to Pacific reset priorities
 - Sustainable Development Goals
 - Synergies with other activities/donors
 - Will strengthen local civil society and will reach vulnerable and/or marginalised people and groups².

1.4 Related Activities

- Summarise how your organisation and the local civil society organisation/in-country partner have previously worked on this or related issues.

¹ Defined as people and groups experiencing, or at risk of, discrimination and exclusion by historic, existing and/or emerging economic, social, geographic and political inequalities, and humanitarian situations of crisis, conflict and fragility, which render them disadvantaged and at risk of being left behind by the usual development processes and benefits.

² As above.

- If this is a subsequent stage to an existing Activity describe any lessons learned and how these have been incorporated into this Activity design and explain why a subsequent phase is required. Explain how this Activity is additional to any previous work.
- Outline how this Activity will complement existing, previous or planned activities in the same location or sector and describe how it avoids duplication of other activities.
- Describe any interest from other organisations or agencies for potential collaboration in the Activity.

2 Scope - Activity design & description (6 pages maximum excluding appendix)

This section should explain the options considered, the intended Activity, changes the Activity is expected to bring, the time frame and the resources required. A detailed implementation workplan should be provided in Appendix A in a format based on your systems and processes. Evidence should be provided beyond past experience i.e. links to international best practice should be included where possible/relevant.

2.1 Options/optioneering

- Describe the options considered to address the development problem, how they were assessed, who was involved, who was consulted. Include a brief outline of the long list of options considered and discarded, as well as more fully incorporating the short list and assessment (via a table).
- Describe the level of consensus in relation to reaching agreement on the scope.
- Describe how the recommended option and its scope were reviewed, either internally or externally and by whom.

What is optioneering? - Comprehensively comparing alternative intervention possibilities to address the issue/problem using assessment criteria agreed by stakeholders (including budget constraints and the idea's relevance and/or delivery ability in a COVID-19 context). Start with a long list of options including all initial ideas about possible solutions - both conventional and innovative suggestions. Assess the list against the strategic case/future state and assessment criteria.

2.2 Activities (tasks), outputs and outcomes

Activities and Inputs	<i>Describe the activities (tasks) and inputs being invested in to achieve the outputs.</i>
Outputs	<i>What products/goods/services will be delivered?</i>
Outcomes	<i>Identify who or what is expected to change, the type of change expected and when that change is expected to occur as a result of this project.</i>

2.3 Efficiency, effectiveness and assumptions

Efficiency	<i>How will activities (tasks) and inputs be delivered on time and why do you believe this is the most cost effective way to deliver them?</i>
Effectiveness	<i>How do the activities (tasks), inputs and outputs relate to outcomes and why do you believe these activities will transfer into the required outcomes?</i>

**Assumptions,
Interdependencies and
Constraints**

Clearly outline the assumptions you have made as well as the known interdependencies and likely constraints

2.4 Participation

Participation

Describe the local community and its structures/networks. How might these support/enable or present obstacles to the Activity?

Describe how the local civil society organisation (CSO)/in-country partner ensured local people, groups and/or communities (i.e. the vulnerable and/or marginalised) that will benefit from the proposed Activity were engaged in and influenced the design and how this will strengthen the ability of these groups to engage and influence through delivery.

Provide expected direct and indirect beneficiary numbers, and break-down by gender and other characteristics.

How are local communities going to be involved through different stages of the Activity including in ways that will enhance localisation i.e. increased voice, capacity, capability, power and influence and in providing feedback?

2.5 Inclusive Development, Climate Change and Environment

Inclusive Development

Identify the needs and engagement of women and men, girls and boys, and gender diverse. Describe gender roles and barriers.

Explain how the Activity delivery will support gender equality and engage/benefit/reach people living with disability and vulnerable and/or marginalised people and groups.

How is feedback/participation from all gender and vulnerable and/or marginalised people and groups going to be intentionally supported?

How will disaggregated data be collected?

**Climate Change and
Environment**

Discuss the potential impacts of climate change on this Activity and identify ways this impact will be avoided or mitigated.

Identify ways the proposed Activity will promote environmental integrity and sustainability, support adaptation to climate change, promote emissions reductions and/or improve resilience to natural disasters.

2.6 Do No Harm

Do No Harm

What will be done to ensure that the Activity will do no harm to the local population?

What are the mechanisms for ensuring open and honest dialogue between NZ and local CSO/partner around delivery, effectiveness and localisation? (also ensuring safeguarding/PSEAH concerns can be raised)? Describe the robustness of the relationship between NZ and the local CSO/partner.

How will you ensure that the Activity will do no harm to the environment?

2.7 Implementation workplan (Appendix A)

Implementation Workplan

Ensure it is clear, logical and feasible with high level milestones; allows time for reflections on lesson learnt; aligns with the proposed outputs and scope; and correlates with the budget and resources proposed.

3 Commercial Case - Activity cost and value for money

(3 pages maximum including summary budget page but excluding appendix)

A detailed Activity budget should be provided in Appendix B in a format based on the NGO applicant's systems and processes. This budget should be in NZD.

3.1 Explanation of Financial Management

- Explain the costs required to achieve the intended inputs, outputs and outcomes. Confirm the costs are sufficient to provide all the inputs of sufficient quality required for the delivery of planned activities (tasks) and outputs and explain how this was tested and confirmed.
- Explain how you determined the total budget cost, including MFAT co-investment, NZNGO co-investment and NZNGO in-kind contributions (if any). Outline any changes to the information provided during concept including in regards to local partner contributions.
- Explain how the budget will enhance localisation and how local partners were involved in budget decision making – including providing transparency of the whole budget including NZ based costs.
- Explain how you have ensured that the budget is value for money, avoids waste, unnecessary inputs, or duplication both within the Activity and relative to other interventions.
- Explain how the budget will achieve results and be monitored against Activity goals.
- Explain any pricing assumptions you have adopted.
- Explain whether the costs are market-based, discounted in any way or how they have been otherwise assessed to be fair and reasonable.
- Confirm that foreign exchange and inflation rates have been determined as a result of an assessment of these over the last three years.
- Present any risks and risk treatments in regard to the budget including how you will manage any cost over-runs, such as for foreign exchange rate fluctuations and inflation.
- Confirm that the budget meets all MFAT budget requirements (i.e. in regards to allowable management costs, sensitive expenditure, asset purchases as per Annex 1 and co-investment criteria/requirements outlined in the Manaaki Guidelines for Applicants pages 3-5).

3.2 High-level Activity Budget Table Explanation (in NZD, excluding GST)

	Year 1	Year 2	Year 3	Total
Output: [Enter text here]				
Output:				
Output:				
Output:				
Common output costs:				
MERL costs:				
Management costs (New Zealand)				
Management costs (In-country)				
Total				
Funding Sources – list below	Contribution (NZD excluding GST)			
MFAT co-investment requested				
NZNGO co-investment total*				\$
<i>NZNGO co-investment cash contribution</i>				\$
<i>NZNGO co-investment in-kind contribution (if any, value in NZD)**</i>				\$
		Total		\$
		(GST exclusive)		

*At least sixty per cent of NZNGOs total co-investment must come from New Zealand sources.

**Up to 30 per cent of NZNGOs total co-investment contributions may be in-kind, on discussion and agreement with MFAT.

4 Management Case (4 pages maximum excluding appendices)

Set out the main issues and factors affecting how the proposed Activity will be delivered on the ground. A Monitoring, Evaluation, Research and Learning (MERL) framework should be provided as Appendix C, an Organisational Chart showing management arrangements should be provided as Appendix D; and a Risk Management and Healthy and Safety Plan as Appendix E.

4.1 Management roles and responsibilities

- Explain the governance arrangements, frequency of meetings and how decisions will be made.
- Explain the organisational chart and management arrangements.
- Present the over-arching roles and responsibilities of all New Zealand and local partners, including those who will support delivery.
- Confirm the implementation team, key roles and responsibilities.
- Outline the specific roles, responsibilities and accountabilities of the NZNGO, and value they will add throughout the Activity's lifecycle e.g. specific expertise, support or resources that will be contributed.
- Comment on the local civil society partner/in-country partner's organisational capabilities to carry out the implementation roles and explain how these capabilities were assessed.
- Explain how local capacity/capability building and/or organisational strengthening will occur and be resourced.
- Update any information provided in the concept on how you will engage MFAT and other parties to provide support/enhance collaboration when you are implementing this project.

4.2 Monitoring, evaluation, research and learning (MERL)

Explain how the MERL framework, which is essential for Activity management, will guide the collection and use of meaningful and timely information to:

- a) Assess how well the Activity is performing
- b) Provide evidence and learnings for decision-making and adaptive management (inflight adjustments)
- c) Assess key contextual factors that impact on Activity implementation and management.

A detailed MERL Framework must be provided in Appendix C (in a format based on the NGO applicant's systems and processes). This should include:

- Activity logic diagram:
 - A diagram of the theory of change that visually depicts the outcomes the Activity is seeking to achieve. It is also a key communications tool for engaging with stakeholders.
 - A narrative of key assumptions and risks underpinning the logic.
- MERL Table
 - Key results indicators, baseline and targets for tracking progress of outputs and outcomes in the logic diagram.
 - Other evidence (including research and evaluation) to address knowledge gaps, critical assumptions, etc.
- MERL Work Plan
 - Schedule of key monitoring, evaluation and research tasks to collect evidence.
 - Identify how evidence will be used to support Activity management, learning, adaptation.

4.3 Risk management and safety planning

A detailed implementation Risk Management and Health and Safety Plan must be provided in Appendix E in a format based on the NGO applicant's systems and processes. COVID-19 risks should be included.

In addition 4.3 should:

- Explain how you assessed Activity, health and safety (including safeguarding) and reputational risks.
- Explain the process to review and update risks in a timely manner to inform on-going implementation monitoring, decision-making and communication of risks.

4.4 Communications and stakeholder planning

- Identify key stakeholders you will communicate with during Activity implementation.
- Present any public diplomacy opportunities you have identified in New Zealand or the targeted country that could be developed with MFAT e.g. press and media coverage, 'announcables', social media, events, communications and branding opportunities.

4.5 Sustainability, ownership and handover management planning

- Describe how the Activity outputs and outcomes will be sustainable (maintained beyond the life of the Activity).
- Comment on the ability of the local CSO and/or partner to ensure sustainability of the outcomes beyond the Activity and how local capacity/capability building and/or organisational strengthening will enhance this.
- Define the strategy for management and future ownership of the Activity and any assets acquired.
- Describe the hand-over of responsibilities to officially confirm the end of MFAT funding, and any formal ceremony.

5 Appendices

Please present Appendices in a format consistent with your NGO's standard operating systems and processes.

The following Appendices are required at a minimum:

- Appendix A: Detailed implementation workplan (for years one and two)
- Appendix B: Detailed Activity budget
- Appendix C: MERL Framework
- Appendix D: Organisational Chart showing management arrangements
- Appendix E: Risk Management and Health and Safety Plan

Annex 1: Financial Guidance³

1. Overheads and Allowable Budget Percentages

Components of MFAT's **Accepted Budget Expenditure Policy** document in relation to Partnering for Impact and Humanitarian budgets were updated in October 2020 to better align the guidelines for management/overhead costs and budget requirements with the wider aid programme (i.e. removing the former requirement to delineate up to 30% direct output support costs). A special provision that provides for overhead costs for in-country partners was retained for NGOs to recognise these costs on local partners and to support localisation; the growth of resilient and effective local NGOs and effective partnerships; and engagement between NZ and in-country NGOs to address management issues.

a) New Zealand based management overhead costs (range from 3-10% of the total Activity)

These are costs that are overhead for the wider entity that are not directly attributed to the Activity such as the costs for corporate functions that enable the operation of the entity overall (e.g. share of the time of the Chief Executive, Chief Financial Officer, Human Resources Manager) and a share of the entity's costs which enable operation of the entity (e.g. rental of the head office, electricity etc). These overhead costs should be reasonable i.e. they represent an increase in management costs incurred to deliver this Activity and/or how much time the entity overall spends on this Activity compared to other services it delivers (e.g. whether this is an appropriate share of fixed and variable operational costs the organisation will incur, referring to the size of this Activity relative to their entity's operations and funding).

b) In-country management overhead costs (range from 3-10% of the Activity)

This may be if the NZ NGO has an in-country office (usually in the capital), and/or partner organisation office/s, from where activities are co-ordinated and supported. This should include the overhead costs of all in-country partners in-line with the description of corporate and other operational functions listed in point a) above. These may not necessarily be at the site where the Activity takes place.

c) Other costs

These are costs associated with managing the Activity including the staff delivering the Activity (e.g. project manager). Generally this additional time and therefore cost should be specifically identified as part of the Activity outputs. Where possible, these costs should be allocated to outputs. For those costs to deliver the Activity that cannot be allocated, the budget/costed workplan should specify what those costs relate to (e.g. by staff position) and the part of the workplan, TOR or specifications being delivered to ensure there is no duplication with other output costs.

Manaaki guidance note: Costs that cannot be allocated to one or two specific output/s could be grouped together and specifically identified under 'common output costs'.

³ The document includes references to relevant MFAT policies as well as guidelines being piloted as part of the Manaaki process. Sections which are policy are identified as 'MFAT policy'. This Guidance may be updated periodically to reflect new or amended MFAT policy and/or to amend guidance based on lessons learned in implementing the Partnering for Impact initiative.

2. Miscellaneous Expenses

MFAT Policy

The term 'miscellaneous' on its own will not be accepted as a budget item, it must always show in the details column what items are being charged under a miscellaneous heading.

3. Sensitive Expenditure

Entertainment expenses and Koha are considered sensitive expenditure and should be identified and explained in the budget. MFAT staff should refer to relevant Ministry policy including on sensitive expenditure and Koha in appraising entertainment expenses and/or Koha.

MFAT Policy

- MFAT does not pay for alcoholic drinks
- MFAT does not pay for social functions. It will cover workshop refreshments or meals when they are an integral part of the Activity.

4. Equipment, Assets and Vehicles

MFAT Policy

When purchasing equipment for an Activity, budgets must detail who will own it, who is responsible for the equipment once purchased, and what will happen to the equipment at the end of the Activity. This includes equipment such as computers, software, cameras etc., which must be itemised along with what it is being purchased for.

Equipment is normally retained by or given to the partner government or non-commercial organisation (in-country) running the Activity. Assets not required should be sold through an open process and the funds be returned through the Activity⁴. The recipient is responsible for maintaining an asset register (and asset transfer process, where applicable) of all equipment purchased for an Activity.

It is not standard practice for MFAT to purchase vehicles. For this to be considered, it must be necessary for the successful completion of an Activity and meet an assessment of reasonableness and cost effectiveness based on the facts and circumstances of the contract. Consideration should be given to the availability of local transport and the local security situation.

In grants to partner governments and non-commercial organisations, any vehicles purchased are owned by the government or organisation.

5. MERL financing

MERL is an integral part of Manaaki and as such partners must ensure sufficient funds are set aside for this. MERL costs should be provided as a separate costing in the budget.

6. Foreign Exchange Fluctuations and Inflation

When submitting a budget/costed workplan, partners should always factor in inflation and currency fluctuations having assessed these over at least the last three years. Foreign exchange gains and losses will be expected to be managed within the Activity by scope changes.

⁴ The Policy guideline notes that this is unless the contract stipulates the asset goes to the community.