

## Tool 1: Questions to guide the design of a grantmaking facility

### Purpose

- What is the purpose of the grant / loan facility?
- Who will manage the facility and how will the grant-making take place? If using a participatory grant-making approach, consider the purpose for choosing the approach (e.g. to empower peers /constituents, leadership development, capacity building, organizational development, etc.)
- What are the success criteria for grantmaking?

### Priority setting and strategy

- Who decides the grantmaking priorities and/or overall strategy for the grant / loan facility?
- How to make sure that the grant / loan facility is sufficiently linked to the project of which it is part?
- Which other project components will support / interlink with the

### Types of grants / loans

- What kinds of grants (or loans) will be provided? (e.g. activity grants, capacity-development grants, revolving loans etc.)
- Are there different criteria or processes for each? (e.g. will you use adaptive requirements relative to the size of the grant)

### Application process

- Who is eligible (individuals, local branches/groups and/or organizations)?
- Open or close calls? If closed calls, who decides who will be invited?
- How often (rolling or fixed deadlines)?
- What are the terms and conditions for applying (e.g. deadline for applications, and formal criteria such as legal registration of applicant organizations, bank account, use of specific application / budget forms, must have participated in training etc.)
- Can applicants get assistance in applying? If so, what kind and by whom?

### Initial screening

- Who does the initial screening of the proposal/due diligence to ensure eligibility?
- What are the eligibility criteria?
- What happens if the eligibility criteria are not met?

### Grantmaking

- Who comprises the decision-making body and what percentage of the body's members are peers? Does the decision-making body for example have designated slots for external resource persons (e.g. technical specialists, community leaders, etc.)?
- How are the members of the decision-making body selected?
- How often does the decision-making body convene?
- How is the decision making body being prepared to take on that role (when they join/ongoing basis)
- How is the assessment of application taking place: who does the assessment, what are the assessment criteria, and how is the credibility of the assessment ensured?

- What is the decision-making process (does it consist of several stages e.g.: assessment, recommendation for decision, decision)?
- What happens if an application does not meet the criteria. (is it refused or given an opportunity to re-submit?).
- Do you have a conflict-of-interest policy or process, and how will you establish checks and balances, and avoid bias (preferential treatment)?
- What happens if there is disagreement in the decision-making body? How is this resolved (e.g., consensus, voting, etc.)? How do final decisions get made (e.g., consensus, voting, etc.)?
- Do you have a complaint mechanism which can investigate possible errors in procedures in connection with the refusal of applications.
- Will members of the decision-making body be compensated for their time, and if so, which expenses are covered?

### Reporting, monitoring and documentation of results

- Do you have a monitoring and/or mentoring component to support implementation of activities (and who will perform this/these roles)?
- Do you have reporting requirements? How will results be documented – short term and longer term?
- Will you do a formal evaluation of the grantmaking process and its results?

### Roles and responsibilities

- What is the role of the Danish partner in the grant making facility?