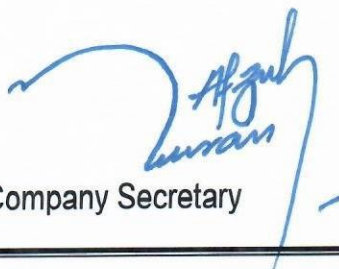

ACCREDITATION CRITERIA FOR NON-GOVERNMENTAL ENTITIES

NATIONAL DISASTER RISK MANAGEMENT FUND

(Approved in 7th Board Meeting held on 23rd May, 2018)



Chief Executive Officer



Company Secretary



TABLE OF CONTENTS

| | |
|---|-----------|
| Background | 3 |
| Accreditation Process | 5 |
| Stage – I: Eligibility | 5 |
| Stage – II: Intuitional Capacity | 6 |
| A. Organizational Structure | 7 |
| B. Regulatory and Legal Regimes | 7 |
| B.1 Vision, Mission, and Values | 7 |
| B.2. Legal Adherence | 8 |
| B.3. Governing or Advisory Structure..... | 9 |
| C. Financial Management & Internal Controls | 10 |
| C.1. Financial Policies and Procedures | 10 |
| C.2. Internal Controls | 11 |
| C.3. Financial Documentation and Reporting..... | 12 |
| C.4. Financial Planning and Sustainability | 13 |
| D. Procurement Management | 14 |
| D.1. Regulatory Framework..... | 14 |
| D.2 Bidding Processes | 15 |
| D.3. Participation Processes..... | 16 |
| D.4. Evaluation and Award Criteria | 17 |
| D.5. Complaints Management | 18 |
| E. Environment & Social Safeguards | 19 |
| F. Gender and Inclusion | 20 |
| F.1. Policies | 20 |
| F.2. Gender and Inclusive Programming | 20 |
| List of Reference Documents | 22 |
| Scoring Sheet | 24 |
| Minimum Qualifying Score for Accreditation..... | 24 |
| Procedure for Risk Mitigation Plan | 25 |
| Assessment of Strengths and Weaknesses: | 25 |
| 1. Risk Identification: | 25 |
| 2. Risk Assessment..... | 25 |
| 3. Risk Mitigation and Management | 25 |
| 4. Risk Mitigation Plan..... | 26 |
| Format for Providing Information of Completed Projects | 27 |

Chief Executive Officer

Company Secretary



ACCREDITATION CRITERIA AND RISK ASSESSMENT TOOL

Non-Government Organizations

Background

National Disaster Risk Management Fund (NDRMF) (The Fund), is a government-owned not-for-profit company, established with the Securities & Exchange Commission of Pakistan under Section 42. The Fund will provide grants to public sector entities as well as United Nation Agencies, International and/or National Non-Governmental Organizations at Federal, Provincial, District and Community levels for subprojects, to contribute to enhance Pakistan's resilience to climatic and other natural hazards. The Fund is an apex financing institution that will maintain highest level of integrity and transparency in awarding, managing, and guiding investments through subprojects that shall reduce risk and vulnerabilities that are associated with climatic change and natural hazards. The Fund will strive to strengthen the technical knowledge base in disaster and climate change risks & impacts besides developing market for transfer of residual risks of natural hazards that cannot be mitigated. This will reduce socio-economic & fiscal vulnerability of the country and its population to natural hazards.

The Fund is a long-term partnership between the Government of Pakistan, Asian Development Bank (ADB) and other Donors to comprehensively address key issues in Disaster Risk Management and Disaster Risk Financing. It is envisaged that ADB will provide about US\$ 1 billion through additional financing between 2019 and 2028, to contribute towards US\$ 3 billion financing requirement for implementation of the National Disaster Management Plan and National Flood Protection Plan (NFPP) – IV, etc.

Non-Government Entities shall be accredited to assess their respective capacity to implement grants before inviting proposals, which if accepted, will result in signing of the grant agreement and releasing the grant. The main objective of the capacity assessment is to engage only with organizations that are eligible and meet the minimum capacity requirements at least, in critical implementation areas. Whereas, in cases where though an organization possesses minimum capacity requirements, however, there exists gaps in certain aspects, a "Risk Mitigation Plan" will be developed and agreed to mitigate/address the gaps by the organization. Thereafter, compliance will be reviewed & accepted by the Fund, before releasing the grant. An organization that will stand qualified for award of grant after accreditation and acceptance of proposal, will be called "Fund Implementation Partner".

An Organization can apply for accreditation, in the form of association/consortium in following ways:

- a) An Organization may associate with an already accredited organization as Joint Venture Partner. In such case, the non-accredited organization will be required to go through the of process accreditation. If all JV Partners succeed in obtaining accreditation and stand qualified for award of grant, all the JV Partners shall be signatory to the agreement and equally responsible for implementation of the project.
- b) Two or more non-accredited Organizations may associate with each other as Joint Venture Partners and shall have to attain accreditation separately. In case, one or more JV Partners do not get accreditation, those partners could not be associated


Chief Executive Officer


Company Secretary



by the accredited organization/partner in any form for the implementation of the project, if awarded.

- c) An accredited organization may apply for a grant having association with non-accredited organization. In such case, non-accredited organization can become part of the proposal as sub-contractor.
- d) At the time of accreditation and proposal submission, an intended Joint Venture Agreement will be required having therein addresses and the roles and responsibilities of all the partners. Consequent to the acceptance of proposal for award of grant, JV will be required to legally register before award of the grant agreement.

An organization already possessing an external accreditation(s) such as GEF, GCF, etc. or accreditation by a Donor Agency, will be considered accredited by NDRMF, upon provision of the documentation to NDRMF that was submitted for securing external accreditation(s) along with the accreditation certificate.



Chief Executive Officer



Company Secretary



Accreditation and Risk Assessment Tool¹

Accreditation Process

1. The accreditation process shall include two stages; first stage will focus on the aspect as to whether the applying organization(s) is eligible for exploring NDRMF grants in consideration of the applicable laws of the country, whereas in the second stage, their institutional capacity will be assessed with respect of implementation of grants.

Stage – I: Eligibility

2. The organization(s) ought to have compliance with all the following criterions. The eligibility will be determined sequentially for each level and in case, an organization does not possess any of the eligibility requirement, the organization's request will not be processed to next level or next stage. An organization already possessing external accreditation(s) such as GEF, GCF, etc. or accreditation by a Donor Agency, will also have to provide documentary evidences in respect of following eligibility criterions. The compulsory eligibility criterions shall include the following:

A. Registration

The Organization is legally registered under any of the following legal regimes:

[Mark the relevant registration in column 1 as 'X' and mention whether the current registration status is active/suspended/expired in column 2]

| | | | |
|----|--|--|--|
| a) | Companies Ordinance 1984 or Companies Act 2017 | | |
| b) | Societies Registration Act 1860 | | |
| c) | Voluntary Social Welfare Organizations Ordinance 1961 | | |
| d) | Trusts Act 1882 | | |
| e) | Economic Affairs Division, Government of Pakistan ² | | |
| f) | By means of treaty or other agreement that acts as a charter with Government of Pakistan [for UN Agencies] | | |

B. Financial Management

The Organization confirms to following conditions:

[Choose the relevant answer in column 1 and mention National Tax Number (if applicable) in column 2 along with status i.e. active or inactive]

| | | | |
|----|--|--------|--------------------------|
| a) | Registered with Taxation Department | Yes/No | NTN # |
| | Exemption for Tax(es) | Yes/NO | Exemption Certificate(s) |
| b) | Last three (03) years audited financial statements | Yes/No | |

¹ The "Rationale" cited in the Accreditation and Risk Assessment Tool is only for guidance of Board of Directors/Fund's internal processes. The Accreditation Criteria that will be made public through software/website, "Rationale" will not appear. The organization applying for accreditation, will be obligated to attach reference documents in respect of each criterion to augment their responses for each question.

² Pursuant to the processes prescribed by the Government of Pakistan, an International Non-Government Organization (INGO) and a local (National) Non-Government Organization (NGO), receiving foreign contributions (funds, materials and services) emanating from outside Pakistan or utilizing foreign economic assistance, are required to be registered with Economic Affairs Division, Government of Pakistan.

Chief Executive Officer

Company Secretary

| | | | |
|----|--|--------|--|
| c) | Audit was carried out by a Chartered Accountancy Firm from State Bank of Pakistan's Panel of Auditors under Category 'A' and having 'Satisfactory' rating under the Quality Control Review Programme managed by the Institute of Chartered Accountants of Pakistan | Yes/No | |
| d) | Commitment of availability of counterpart financing i.e. 30% (in cash) for the proposed project | Yes/No | |

Stage – II: Institutional Capacity

3. Only, the organization qualifying on the above criteria will be further assessed in following broad areas:

- (i) Organizational Structure;
- (ii) Regulatory and Legal regimes;
- (iii) Financial Management & Internal controls;
- (iv) Procurement Management;
- (v) Environment & Social Safeguards; and
- (vi) Gender

4. A List of Reference Documents, in respect of each criterion, has been given at the end. Each organization applying for accreditation, will invariably have to submit, preferably soft copies of all the required documents, in USB, with filled Accreditation Proforma. However, if an organization considers submission of hard copies of the supporting documents, easy/appropriate, they may do. In case supporting reference material is available on website of the organization, a reference of the web link of that supporting material could be provided as an alternate to submission of the document/material. The information provided in the filled Accreditation Proforma shall be verified from the supporting reference documents/material provided by the applicant.

The Organization will submit **one (01) original** and **three (03) set of copies** of filled Accreditation Proforma. Every page of the original submission must be signed and stamped. In addition, PDF version of the signed and stamped Accreditation Proforma, should also be provided on USB with the supporting reference material/documents.



Chief Executive Officer



Company Secretary



ACCREDITATION PROFORMA

A. Organizational Structure

Rationale: An organization whose structure is in line with its mission, goals, and programmes besides having systems in place to ensure coordination among departments and functions, can improve its efficiency and effectiveness:

Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

| | | | |
|----|---|--------|--|
| a) | Do the organizational & reporting structures exist? | Yes/No | |
| b) | Are those structures clearly documented and disseminated? | Yes/No | |
| c) | Is there a document that outlines the supervisory and staff responsibilities? | Yes/No | |
| d) | Does the organization have defined internal communication mechanisms? | Yes/No | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|---|---|
| a) | There is a well-defined structure (organogram) in line with organization's mission and goals. Departments and functions are defined having clear roles, responsibilities and lines of communication/coordination. | 3 |
| b) | There is a basic structure (organogram) but it is incomplete. Neither the departments & their functions are well defined nor their lines of communications/ coordination are well structured. | 2 |
| c) | There is a basic structure but not in line with organization's mission and goal. Neither the departments & their functions are well defined nor their lines of communications/ coordination are well structured+ | 1 |
| d) | There is an informal structure | 0 |

B. Regulatory and Legal Regimes

B.1 Vision, Mission, and Values

Rationale: Organizations that have articulated and shared vision, mission and values, that drives them and towards which they are working, create a sense of shared ownership and common commitment to activities.

Chief Executive Officer

Company Secretary

Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

| | | | |
|----|---|--------|--|
| a) | Does the organization have vision statement, mission statement and statement of values? | Yes/No | |
| b) | Are the vision and mission statements used to set priorities? | Yes/No | |
| c) | Are these statements posted openly in the office or somewhere visible for staff & visitors to see them? | Yes/No | |
| d) | Are the statements being used in human resource materials (i.e., staff handbooks, orientation materials, job descriptions, etc.), organizational brochures, reports, and proposals? | Yes/No | |
| e) | Does the organization regularly review the vision and mission statements (for example, in conjunction with strategic and/or operational planning)? | Yes/No | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|--|---|
| a) | Clear statements of vision, mission and organizational values are widely shared understood, and used by staff, beneficiaries, and other stake holders for planning purposes. | 3 |
| b) | Have vision and mission statements that staff occasionally referred to during program planning | 2 |
| c) | Have one of the following: Mission, vision, or statement of shared values | 1 |
| d) | The organization have no clear mission, vision, or statement of shared values | 0 |

B.2. Legal Adherence

Rationale: Legal registration, according to the laws of the country, as well as careful adherence to relevant taxation and labor laws, enable an organization to gain recognition, perform functions like holding a bank account, and implement programmes' accountably.

Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

| | | | |
|----|---|--------|---------------|
| a) | Is the documentation of current legal registration(s) readily available (or posted) in the office or available on internet on the organization's website? | Yes/No | Give web link |
| b) | Are country's labor laws being adhered to and their references are duly documented in human resource policies? | Yes/No | |

Chief Executive Officer

Company Secretary



| | | | |
|----|---|--------|--|
| c) | Does the organization comply with the taxation regime in its all financial affairs? | Yes/No | |
| d) | Does the organization comply with annual statutory requirements, such as audits and other reporting? | Yes/No | |
| e) | Are audit and other statutory reports, reviewed and approved by the Board/Council/Governing Management? | Yes/No | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|--|---|
| a) | The organization have appropriate tax status and complies with its legal, tax, statutory and labor obligations | 3 |
| b) | The organization have appropriate tax status, however, does not always comply with all relevant laws and regulations | 2 |
| c) | The organization does not have known tax status and not always comply with all relevant laws and regulations | 1 |
| d) | The organization's compliance status with local laws is not known | 0 |

B.3. Governing or Advisory Structure

Rationale: Governing or advisory structure whose members are committed to the organization and bring relevant knowledge and experience to provide guidance, support & oversight to the organization's staff and operations.

Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

| | | | |
|----|---|--------|--|
| a) | Does the organization have any governing and/or advisory Board/Council//Body/Management? | Yes/No | |
| b) | Does the Governing Board/Council//Body/Management have clearly defined Terms of Reference (TOR) that details its primary duties | Yes/No | |
| c) | Are the roles of Governing Board/Council//Body/Management and Organizational Management clearly differentiated from each other? | Yes/No | |
| d) | Does clearly documented system & criteria exist for electing/selecting or replacing a member of Governing Board/Council//Body/Management? | Yes/No | |
| e) | Does any term limit exist for a person to complete/remain as member of the Governing Board/Council//Body/Management? | Yes/No | |
| f) | Does the Governing Board/Council//Body/Management meet regularly, agenda is pre-circulated and its decisions are documented in the form of minutes? | Yes/No | |

Chief Executive Officer

Company Secretary



| | | | |
|----|---|--------|--|
| g) | Is the Governing Board/Council//Body/Management involved in strategic planning, resource mobilization, developing & approving organizational policies, approval of budget and audited annual financial statements | Yes/No | |
|----|---|--------|--|

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|--|---|
| a) | The Organization have a strong diverse governing board/council/body/ management comprised of members with relevant experience. Regular and well-documented meetings. Thoughtful, consistent, and careful oversight of organization according to its functions defined in the terms of reference. | 3 |
| b) | A committed governing board/council/body/ management exists but lacks some relevant experience. Meetings are held periodically. Inconsistent level of involvement with the organization. | 2 |
| c) | No functioning governing board/council/body/ management or the membership of the governing structure is small, static, and made up only of people with personal ties. | 1 |
| d) | No board at all | 0 |

C. Financial Management & Internal Controls

C.1. Financial Policies and Procedures

Rationale: Having clear, well-documented policies and procedures for financial management that are understood and used by staff members, allow an organization to function transparently besides promoting integrity and accountability.

Core Questions

[Appropriately describe the processes in the given column]

| | | |
|----|--|--|
| a) | What type of accounting system(s) is in vogue at the organization? | |
| b) | How is the system(s) implemented? | |
| c) | Does the organization use any accounting software(s)? Specify its type. | |
| d) | How financial procedures are developed and approved? Have they been duly documented? | |
| e) | How often are the financial procedures formally reviewed/updated? | |
| f) | What is included in the financial policies & procedures? i.e. Do they include: | |
| | (i) A signatory/authority matrix (who can do what) | |
| | (ii) Authorization limits | |
| | (iii) Cheque signatories (who are they) | |
| | (iv) Budgeting and reporting requirements | |
| | (v) Policies regarding receipts (definition, recording) | |

Chief Executive Officer

Company Secretary



| | | |
|----|---|--|
| | (vii) Requirements for documenting expenses/payments and income/receipts (supporting documentation and retention period) | |
| | (viii) Procedures for managing Organization's Bank Account(s) | |
| | (ix) Petty cash management (who can spend, types of items, limit) | |
| | (x) Monthly reconciliation of all cash accounts | |
| | (xi) Policies and procedures for handling potential fraud | |
| | (xii) Processes & frequency about orientation/training of staff on the procedures | |
| g) | Does the organization have separate accounts for separate programmes & use separate codes to assign transactions to a specific project/donor? | |
| h) | Is their cashbook (or bank journal) completed in ink used for each bank account? | |
| i) | How are account balances kept? Are all payments & receipts recorded in the organization's bookkeeping system? How are transactions in the accounting system linked to supporting documentation? | |
| j) | What kind of accrual transactions are included in the annual financial statements at the end of the fiscal year? | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|---|---|
| a) | The entity has an appropriate financial and accounting system with well documented policies and procedures that are adhered to by all, updated as needed, and have effective checks and balances. | 3 |
| b) | The entity has good financial system with documented policies and procedures. Financial management adheres to policies and procedures but other may not be familiar with the system. | 2 |
| c) | The organization has a simple and mostly informed financial management system. Few people in the organization understand and follow the policies. | 1 |
| d) | The organization has no financial and accounting system. | 0 |

C.2. Internal Controls

Rationale: Strong internal controls help an organization safeguard its assets, manage internal risks, besides ensuring accurate & reliable financial accounting and reporting.

Core Questions

[Appropriately describe the processes in the given column]

| | | |
|----|---|--|
| a) | Do written policies on internal controls exist? | |
| b) | Are the policies regularly reviewed, updated and staff is trained on? | |
| c) | Do the controls guide the segregation of duties amongst staff that is involved in financial management? | |

Chief Executive Officer

Company Secretary

| | | |
|----|--|--|
| d) | Do multiple people review & approve payments and financial reports? | |
| e) | How is petty cash managed? | |
| f) | Is there a safe or other secure place for storing cash and checkbooks? | |
| g) | Are the contents of financial management effectively secured by having limited or authorized access? | |
| h) | How are the financial risks reviewed & addressed by the organization? What is the periodicity of such reviews? | |
| i) | Is there a documented procedure for handling possible instances of fraud or theft? | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|---|---|
| a) | A complete set of internal control policies exists that are documented and consistently adhered to, as well as periodically reviewed and updated. The procedures are understood and used by staff. A process exists for assessing financial risk. | 3 |
| b) | Some internal controls are documented. Procedures for checks and balances (segregation of duties) are understood and frequently adhered to by relevant staff. | 2 |
| c) | Some internal controls are documented. No understanding regarding procedures for checks and balances and not in practice. | 1 |
| d) | No documented internal controls. Checks and balances for financial transactions are weak. | 0 |

C.3. Financial Documentation and Reporting

Rationale: Keeping accurate and up-to-date financial records enable an organization to track resources, monitor its financial status; and prepare accurate financial reports for donors, stakeholders and auditors in a timely fashion.

Core Questions

[Appropriately describe the processes in the given column]

| | | |
|----|---|--|
| a) | Does the organization have written guidelines and procedures for documenting all types of its financial transactions? | |
| b) | How often are these guidelines reviewed and updated? What is the related process? | |
| c) | Is the organization's financial documentation up-to-date? | |
| d) | Are financial files kept separately & neatly in an organized and secured manner? | |
| e) | Does the organization have procedures for preparing and disseminating financial reports? | |
| f) | Does the organization adhere to relevant legal requirements on financial reporting, such as audits? | |

Chief Executive Officer

Company Secretary

- g) Who prepares, reviews, and approves financial reports in the organization that are shared with donors and other stakeholders? What are the percentages (%) of overhead costs in project's budgets?

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|--|---|
| a) | Documentation and filing financial records, are done according to standard procedures. Designated staff review and prepare accurate and complete financial reports for distribution of stake holders. Financial documentations and reporting procedures are regularly reviewed and updated. Overhead costs of projects are proportionally appropriate. | 3 |
| b) | Financial procedures are documented and filed periodically according to an organized system. Occasional financial reports are prepared upon request from stakeholders. Overhead costs of projects are proportionally in higher side. | 2 |
| c) | Financial records are disorganized and incomplete. Multiple people file records with little consistency. No staff are trained to provide regular financial reports and statements. Overhead costs of projects are proportionally inappropriate. | 1 |
| d) | No financial records are available at all. Overhead costs of projects are proportionally inappropriate. | 0 |

C.4. Financial Planning and Sustainability

Rationale: Financial planning and monitoring that are aligned with programme's planning & monitoring, enable an organization to implement planned activities besides demonstrating accountability to resource providers that build their confidence on the organization and make it more likely that they continue their support to the organization.

Core Questions

[Appropriately describe the processes in the given column]

| | | |
|----|--|--|
| a) | Does the organization have a master budget that includes operating and overhead costs as well as project activities? Explain the process of developing the master budget?? | |
| b) | How are budgets reviewed and approved? Are they frequently updated? | |
| c) | Does the organization have a documented resource mobilization strategy? How does it relate to the strategic plan? | |
| d) | Does the organization have income-generating activities or other sources of unrestricted funding? | |
| e) | Does the organization have adequate cash flow for debt servicing (if the organization is in debt)? | |

Chief Executive Officer

Company Secretary



Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|---|---|
| a) | Complete, reasonable, and accurate budgets exits, both for the organization overall and for specific projects. Budgets are aligned with the strategic plan and a fundraising plan and are regularly reviewed. Budgets respond to project needs, donor requirements, and environment. More than two external sources of funding are supporting the organization. | 3 |
| b) | A basic overall organizational budget that was developed separately from the strategic plan. Project budgets are developed at the outset of activities but not regularly reviewed. One or two external donors. | 2 |
| c) | Incomplete budgets for activities that partially align with strategies. Ad hoc or inconsistent fundraising. All funds officially allocated to projects, no core operational funds available. | 1 |
| d) | The budgets are not prepared at all | 0 |

D. Procurement Management

D.1. Regulatory Framework

Rationale: Defined systems & processes in the form of Regulatory Framework for the procurement management allow an organization to achieve Value for Money besides complying with the agreed standards and applicable obligations.

Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

| | | | |
|----|---|--------|--|
| a) | Are separate & exclusive policies, rules, regulations, procedures, guidelines that govern the procurement processes & responsibilities in place? Is precedence clearly established? | Yes/No | |
| b) | Are they adequately recorded/documentd in the form of Manual detailing all procedures for the correct administration of procurement policies, rules, regulations, procedures or guideline besides organizing the hierarchy? | Yes/No | |
| c) | Are all policies, rules, regulations, procedures or guidelines easily accessible to everyone including general public, at no cost? | Yes/No | |
| d) | Does the Framework adequately cover to carry out procurement of Goods, Works, and Services (including consulting services) using guidelines/rules/processes of more than one sources of funds/donors? | Yes/No | |
| e) | Do the rules promote fair competition and extend level playing field to all the prospective bidders? | Yes/No | |

Chief Executive Officer

Company Secretary



| | | | |
|----|---|--------|--|
| g) | Do the policies, rules, regulations, procedures, guidelines or Manual regularly reviewed and updated? | Yes/No | |
| h) | Does the Organization have dedicated procurement expertise available? | Yes/No | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|---|---|
| a) | The organizational compliance with all of the requirement is affirmative | 3 |
| b) | The organization complies with (a) to (c) plus any one of the other conditions. | 2 |
| c) | The organization complies with (a) to (c) conditions but does not fully cover the other conditions. | 1 |
| d) | The system does not substantially comply with any of the above conditions. | 0 |

D.2 Bidding Processes

Rationale: Clearly defined bidding processes and methods enable an organization conclude its procurements in transparent manner.

Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

| | | | |
|----|---|--------|--|
| a) | Is open competitive bidding a default method of procurement? | Yes/No | |
| b) | Are other methods of procurement also allowed/adopted under given conditions as an alternate to competitive bidding process and an unambiguous level of hierarchy is given in the procurement framework? | Yes/No | |
| c) | Are appropriate standards for resorting to international competitive bidding, if mandated, provided? | Yes/No | |
| d) | Is invitation for bids properly advertised in newspaper and uploaded on organization's website/international website/business magazines etc.? | Yes/No | |
| e) | Is sufficient time [such as 15 days for national competitive bidding and/or 30 days for international competitive bidding], provided for the bidders to respond? | Yes/No | |
| f) | Does the bidding documents contain necessary information such as name & address of official for obtaining bidding documents & clarifications by prospective, eligibility criteria, nature of procurement activity, date, time & place for pre-bid meetings, bid submission & opening? | Yes/No | |

Chief Executive Officer

Company Secretary



| | | | |
|----|--|--------|--|
| g) | Does the organization require bidders, including international, to get themselves registered with it through a defined mechanism for taking part in a bidding process? | Yes/No | |
| h) | Is the registration criteria objectively defined and non-discretionary for measuring the capacity, capability and competence to execute a contract? | Yes/No | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|---|---|
| a) | The organizational compliance with all of the requirement is affirmative and registration process is objective and provides level playing fields to all prospective bidders. | 3 |
| b) | The organization complies with more than four of above conditions and registration process is objective and provides level playing fields to all prospective bidders. | 2 |
| c) | The organization complies with any less than four of above conditions and registration process is not objective and does not provide level playing fields to all prospective bidders. | 1 |
| d) | The system does not substantially comply with any of the above conditions. | 0 |

D.3. Participation Processes

Rationale: Precise and unambiguous participation processes allow maximum competition which eventually achieve obtaining quality goods, works or services at economical prices. Also, the content of bidding or solicitation documents enables suppliers to understand clearly what is requisitioned by the organization and how the tendering process is to be carried out.

Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

| | | | |
|----|---|--------|--|
| a) | Do the rules require incorporation of sufficient information in tender documents to enable the submission of responsive bids/proposals and to establish the basis for a transparent evaluation & award process? | Yes/No | |
| b) | Does the organization have prescribed Standard bidding documents for procurement of goods, works and services? | Yes/No | |
| c) | Are standard and mandatory set of clauses or templates that are reflective of the legal framework, used in bidding documents? | Yes/No | |
| d) | Do the rules advocate/encourage development of generic specifications (which are not restrictive in nature, like use of brand names in specifications) and refer to international standards where possible? | Yes/No | |

Chief Executive Officer

Company Secretary

| | | | |
|----|--|--------|--|
| e) | Are bids publically opened immediately after the closing time for the receipt of bids, on the same date? | Yes/No | |
| f) | Do the rules sufficiently cover the maintenance of records of proceedings of bids openings and their availability for review? | Yes/No | |
| g) | Are bids invited in sealed envelopes and are appropriate security measures in place for safe custody & controlled access to bids? | Yes/No | |
| i) | Do electronic bidding processes exist? If yes, are the processes or systems highly secured with respect to access control. Does the system provides long term record-keeping and auditing functionality? | Yes/No | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|--|---|
| a) | The organizational compliance with all of the requirement is affirmative and their systems are secured. | 3 |
| b) | The organization complies with conditions (a) to (d) plus any other two conditions and have secured bidding procedures | 2 |
| c) | The organization complies with conditions (a) to (d) and systems are not fully secured. | 1 |
| d) | The system does not substantially comply with any of the above conditions. | 0 |

D.4. Evaluation and Award Criteria

Rationale: Lucid and well defined bids evaluation and award criteria ensure objectivity and transparency of the bidding process; and maintain the degree of confidentiality that is kept during the process to minimize the risk of undue influences or abuse.

Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

| | | | |
|----|--|--------|--|
| a) | Does the regulatory framework prohibit the use of evaluation criterion(s) that is not prescribed in the bidding documents? | Yes/No | |
| b) | Do the rules stress upon devising an objective criteria in quantifiable terms? | Yes/No | |
| c) | Do the rules give adequate importance to the quality and regulate how price and quality are to be considered to achieve value for money? | Yes/No | |
| d) | Do the rules allow seeking clarifications which should not change the substance of bid, from the bidders for making an objective evaluation of the bids? | Yes/No | |

Chief Executive Officer

Company Secretary



| | | | |
|----|---|--------|--|
| e) | Do the rules require dissemination of evaluation results to public? | Yes/No | |
| f) | Does the organization have standard contract agreement(s) for goods, works and services? | | |
| g) | Does the contract agreement template(s) adequately cover the legal as well as regulatory framework? | | |
| h) | Are the conditions of contract generally consistent with internationally acceptable practices? | | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|--|---|
| a) | The framework covers all of the above conditions. | 3 |
| b) | The framework covers the conditions of (a), (b), (c) plus two of the remaining conditions. | 2 |
| c) | The frame work covers (a), (b), (c) but does not fully cover the other conditions. | 1 |
| d) | The framework does not adequately address any of the conditions. | 0 |

D.5. Complaints Management

Rationale: Confidence in a procurement system is a powerful incentive to competition. A fundamental part of this is the establishment of the right to review procurement decisions by an efficient and functionally independent process,

Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

| | | | |
|----|--|--------|--|
| a) | Do the organization's rule acknowledge bidders' right to lodge compliant/grievance? | Yes/No | |
| b) | Is there a well-defined mechanism for handling of compliant by a body/committee that is independent of procurement committee and do that body/committee have an authority to grant remedies? | Yes/No | |
| c) | Do the rules provide chance of representation to a complainant? | Yes/No | |
| d) | Do the rules establish timeframes for issuance of decisions by the organization and the administrative review body? | Yes/No | |
| e) | Do the rules require proper dissemination of the Complaint/Grievance Management mechanism for public awareness? | Yes/No | |

Chief Executive Officer

Company Secretary



Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|--|---|
| a) | The framework covers all of the above conditions. | 3 |
| b) | The framework covers the conditions of (a) and (b) plus one of the remaining conditions. | 2 |
| c) | The frame work covers (a) but does not fully cover the other conditions. | 1 |
| d) | The framework does not adequately address any of the conditions. | 0 |

E. Environment & Social Safeguards

Rationale: Social & environmental safeguards policies and practices are subject to review so that the relevant gaps could be identified and mitigated.

Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

| | | | |
|----|---|--------|--|
| a) | Does the organization have a policy with regards to Environment and Social Safeguards? | Yes/No | |
| b) | Is Environment & Social Management (ESM) Policy approved by the Governing Board/Council//Body/ Management and communicated to all levels of staff and publically disclosed? | Yes/No | |
| c) | Is the Environment & Social Management System (ESMS) being fully implemented and being used for: | | |
| | (i) Project screening and categorization? | Yes/No | |
| | (ii) Assessment of impacts? | Yes/No | |
| | (iii) Development of measures to mitigate adverse environment and social impacts and enhancement of positive impacts? | Yes/No | |
| | (iv) Capacity development of staff | Yes/No | |
| | (v) Implementation of grievance redressal mechanism | Yes/No | |
| | (vi) Monitoring of mitigation measures implementation | Yes/No | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|---|---|
| a) | All of the conditions above are being met | 3 |
| b) | Both Conditions (a) and (b) are being fully met while at least 3 of the 5 Conditions from (c) are being met | 2 |

Chief Executive Officer

Company Secretary

| | | |
|----|---|---|
| c) | One of the Conditions (a) or (b) is being met while at least 2 of the 5 Conditions from (c) are being met | 1 |
| d) | None of the conditions above are being met | 0 |

F. Gender and Inclusion

F.1. Policies

Rationale: Gender equality and inclusive policies and practices are subject to review so that the relevant gaps could be identified and mitigated.

Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

| | | | |
|----|---|--------|--|
| a) | Does the organization have a gender policy or strategy? | Yes/No | |
| b) | Is gender policy or strategy approved by the Governing Board/Council//Body/ Management and communicated to all levels of staff? | Yes/No | |
| c) | Does the organization have designated or dedicated staff to take gender agenda forward with well-defined role? | Yes/No | |
| d) | Are gender and development training mandatory for all staff members? | Yes/No | |
| e) | Does the organization comply with the Protection against Harassment of Women at the Workplace Act? | Yes/No | |
| f) | Does the organization comply with the National Policy for Persons with Disabilities? | Yes/No | |
| g) | What is the percentage of women staff of the organization with respect to the total number of staff? | ... % | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

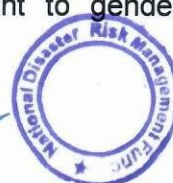
| | | |
|----|---|---|
| a) | All of the conditions above are being met | 3 |
| b) | Conditions (a), (b) and (c) are being fully met but condition (d) not met | 2 |
| c) | One of the Conditions (e) or (f) is being met | 1 |
| d) | None of the conditions above are being met | 0 |

F.2. Gender and Inclusive Programming

Rationale: Experience of implementing gender responsive projects builds confidence on the organisation for furthering Fund's commitment to gender equality and inclusiveness.


Chief Executive Officer


Company Secretary



Core Questions

[Choose the relevant answer in column 1 and in case of answer as "No", mention alternate, however, equal mechanism if exists any in column 2]

Is the gender policy/strategy being fully implemented and considered in program development and implementation:

| | | | |
|----|--|--------|--|
| a) | Is gender disaggregated qualitative and quantitative data collected, analyzed and used? | Yes/No | |
| b) | Is socio-economic and gender analysis ³ conducted to assess differential needs of diverse women and men? | Yes/No | |
| c) | Do projects respond to differential needs of diverse women and men identified during the socio-economic and gender analysis? | Yes/No | |
| d) | Are specific gender elements spelled out at activities, outputs, outcomes and impact levels? | Yes/No | |
| e) | Are gender specific risk and mitigation strategies developed to avoid, minimize and/or mitigate adverse gender impacts? | Yes/No | |

Responses

[The following scenarios could emerge from the responses which shall be rated as per the proposed scores during internal evaluation mechanisms, by the Fund. The scenarios/responses and rating scores shall not be appearing in the software/proforma that will be available on the website]

| | | |
|----|--|---|
| a) | All of the conditions above are being met | 3 |
| b) | Both Conditions (a) and (b) are being fully met while at least two of the conditions from (c to e) are being met | 2 |
| c) | Both Conditions (a) and (b) are being fully met while at least one of the conditions from (c to e) are being met | 1 |
| d) | None of the conditions above are being met | 0 |

³ Presents the issues, gaps and problems that should be addressed by gender-responsive project interventions

Chief Executive Officer

Company Secretary



List of Reference Documents

The following is an exhaustive list of reference/supporting documents which the organization will invariably provide/submit with their application/request for accreditation:

| Sr. #. | Documents | Checklist |
|--|--|-----------|
| Experience | | |
| 1 | List of Completed Projects in Last Three Years as per the template provided at Annex – I | |
| 2 | List of Donors worked with by the Organization with details of their financial assistance | |
| Eligibility | | |
| 3 | Legal Registration Certificate along with Memorandum of Associations, Forms (such as Form 29, Form A) etc., where applicable | |
| 4 | MOU with Economic Affairs Division (where applicable) | |
| 5 | Registered with Taxation Department [In case of exemption(s), exemption certificate(s) and/or charter/MOU with Government of Pakistan allowing exemption of taxes such as UN Agencies] | |
| 6 | Last three (03) years audited financial statements | |
| 7 | Profile of Audit Firm | |
| 8 | Financial Resources, comprising of Working Capital supplemented by credit line statements or overdraft facilities and others, to meet the precondition of Grant Financing by NDRMF. | |
| Organization Structure | | |
| 9 | Policy and procedures (Operational) Manuals | |
| 10 | Organogram | |
| 11 | Functions, roles & responsibilities of various departments | |
| 12 | Core Competences | |
| 13 | Institutional Strength | |
| 14 | Samples of administrative forms | |
| Regulatory & Legal Regimes | | |
| 15 | Vision, mission, and/or values statements | |
| 16 | By-laws or Articles of Incorporation | |
| 17 | Details of members of Governing Board/Council/Body/ Management | |
| 18 | Terms of reference for Governing Board/Council/Body/ Management and its members | |
| 19 | Proceedings of Governing Board/Council/Body/ Management meetings | |
| 20 | Labor policy | |
| 21 | Statutory reports | |
| Financial Management& Internal Controls | | |
| 23 | Financial Manual | |
| 24 | Accounting Journals | |
| 25 | Chart of Accounts | |

Chief Executive Officer

Company Secretary



| | | |
|----|--|--|
| 26 | Payment Vouchers | |
| 27 | Staff Training Plan | |
| 28 | Signatory policy/authority matrix | |
| 29 | Formats for Budget with budget tracking sheet | |
| 30 | Financial Reports such as monthly reconciliations, Quarterly Unaudited Financial Statements etc. | |

Procurement Management

| | | |
|----|---|--|
| 32 | Procurement policies, rules, regulations, procedures, guidelines | |
| 33 | Procurement Manual | |
| 34 | Procurement Plan | |
| 35 | Standard Bidding Documents | |
| 36 | Standard Contract Agreement (if not provided in bidding document) | |
| 37 | Standard Notices for inviting bids/proposals/expressions of interest | |
| 38 | Staffing Capacity & their Capacity Building Plan | |
| 39 | Composition of Procurement Evaluation Committee(s) | |
| 40 | Reporting Formats such as Bid Evaluation Reports, Technical Proposals Evaluation Reports, Combined Evaluation Reports, Approval of Evaluation Reports | |
| 41 | Standard Reports for dissemination of evaluation results | |
| 42 | Procedures for Complaint Management | |
| 43 | Policies for, (i) avoiding Conflict of Interest, and (ii) detection of fraud & corruption | |

Environment & Social Safeguards

| | | |
|----|-------------------------------|--|
| 44 | Policy and procedures manuals | |
|----|-------------------------------|--|

Gender

| | | |
|----|--|--|
| 45 | Gender policy, strategy, action or operational or implementation plan | |
| 46 | TORs of designated or dedicated staff for gender | |
| 47 | Anti-harassment policy and implementation procedures | |
| 48 | Examples of projects implemented for which, gender and social analysis conducted, efforts made to meet women's needs, gender specific risks identified and mitigation measures undertaken, and benefitted both women and men | |

Chief Executive Officer

Company Secretary



Scoring Sheet

The qualification of applicant organization will adjudged for accreditation as per following scoring criteria:

| Sr. # | Accreditation Criteria | Score | RATING ⁴ |
|-----------|---|------------------------------|---------------------|
| A | Organizational structure | | |
| B | Regulatory and Legal Regimes | Average of B1-B3 | |
| B1 | Vision, Mission, and Values | | |
| B2 | Legal Adherence | | |
| B3 | Governing or Advisory Structure | | |
| C | Financial Management & Internal Controls | Average of C1-C4 | |
| C1 | Financial Policies and Procedures | | |
| C2 | Internal Controls | | |
| C3 | Financial Documentation and Reporting | | |
| C4 | Financial Planning and Sustainability | | |
| D | Procurement Management | Average of D1-D5 | |
| D1 | Regulatory Framework | | |
| D2 | Bidding Processes | | |
| D3 | Participation Processes | | |
| D4 | Evaluation and Award Criteria | | |
| D5 | Complaints Management | | |
| E | Environment & Social Safeguards | | |
| F | Gender | Average of F1-F2 | |
| F1 | Gender Policy | | |
| F2 | Gender Responsive Programming | | |
| | Average Score for the Organization | Average of A, B, C, D, E & F | |

Minimum Qualifying Score for Accreditation:

The minimum threshold to qualify for the accreditation ranges from an overall score of 2.1 to 3. The entity once qualified for the accreditation will further be assessed for risk identification in weak areas and development of a risk mitigation plan before releasing the fund money to address the gaps.

⁴ Score ranging from 0-3 will be given to each question (as selected by the FIP) that would determine the overall rating for achieving average Score 0-1=Fail, Score 1.1-2=Average, Score 2.1-2.75=Good, Score 2.75-2.9=Very Good, Score 3=Excellent

 Chief Executive Officer

 Company Secretary



Procedure for Risk Mitigation Plan:

The procedure for mitigation of risk is as follows

Assessment of Strengths and Weaknesses:

The accreditation criteria for respective organization is segregated into five broad categories. The areas with a score of 2 or 3 on average is termed as strengths and any weaknesses identified as the areas with a score of 0 or 1 on average.

1. Risk Identification:

The potential weaknesses are further examined to determine the extent to which these weaknesses pose risk to The Fund financed projects. Additional information and/or verification may be required to identify risks as a result of the diagnostic assessments. In other words, if a weakness is identified, it may be necessary to gather additional information to determine the root cause of the weakness and how it may result in a risk.

2. Risk Assessment:

Once risks have been identified, it is necessary to determine whether or not the risk is likely to occur and if it were to occur, the likely impact it could have on The Fund financed Sub-Projects. A risk would be considered "likely" if we would expect it to occur at least once in every five relevant transactions. High impact would be if the risk could result in larger than necessary costs, long delays and/or substandard outputs/results. The risks should be categorized as follows:

| | | |
|-------------|---|---|
| High | - | likely to occur, likely to have high impact if occurs |
| Substantial | - | unlikely to occur, but likely to have high impact if occurs |
| Moderate | - | likely to occur, but unlikely to have high impact if occurs |
| Low | - | not likely to occur, not likely to have high impact if occurs |

The purpose of the risk assessment is to identify situations or events and the extent to which they could hamper the effective implementation of The Fund financed project. The categorization of risk also helps to guide the nature and extent of mitigating measures required.

3. Risk Mitigation and Management:

Risks are assessed and categorized to help focus and prioritize remedial action. There are a variety of options for managing risks, these include:

Risk mitigation – specific measures to minimize or eliminate unacceptable risks. Risk mitigation measures are directed at reducing the severity of the risk, reducing the probability of the risk materializing or reducing exposure to the risk.

Risk monitoring – mechanisms to track and report on exposure to risks, particularly to ensure that neither the probability nor the impact associated with the risk is increasing.

Risk avoidance – mechanisms to avoid assuming the risk altogether.

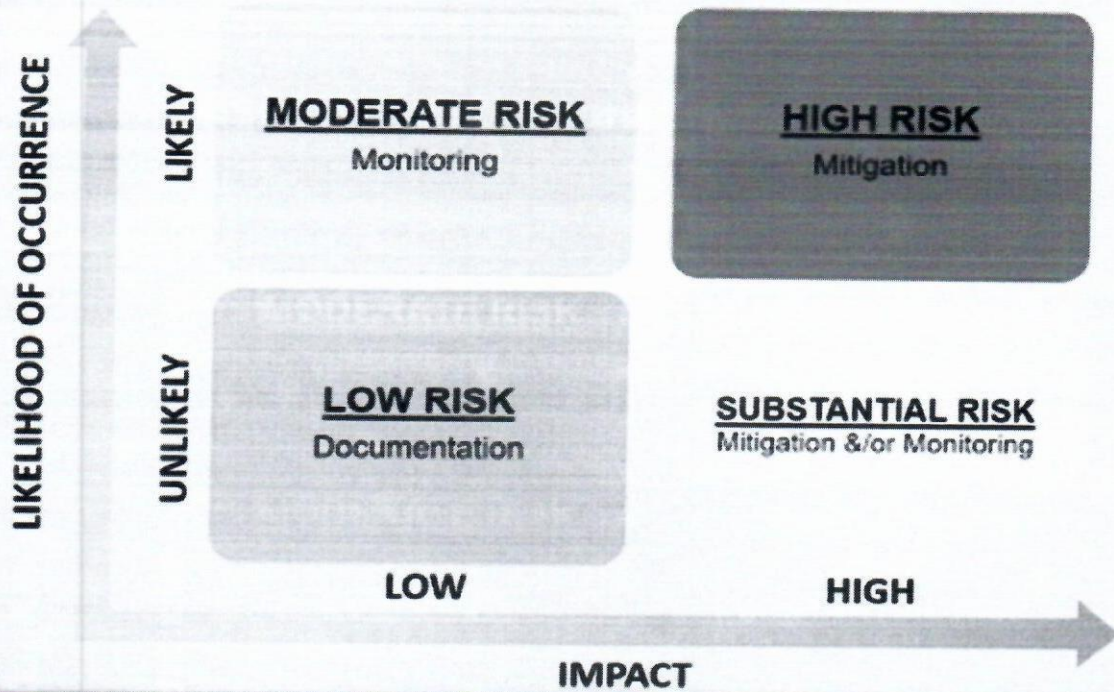
Particular attention should be accorded to mitigating high and substantial risks. The purpose of risk mitigation is to strike a balance between the efficiency of the mitigation measure and the cost of implementing it. The Figure below provides a high level approach to determining how and when to mitigate risks.


Chief Executive Officer


Company Secretary



Risk Mitigation and Management



4. Risk Mitigation Plan

| Risk Description | Risk Assessment | Mitigation Measures |
|---------------------------------|--|---|
| Identified risk shall be listed | Rating such as High, Substantial, Medium, or Low shall be assigned | Major actions planned for mitigation with responsible departments/persons/ entity and timeliness for implementation shall be agreed |
| Overall | Overall rating shall be specified. | |

Chief Executive Officer

Company Secretary



Format for Providing Information of Completed Projects

| | |
|---|---|
| Project Name/Title: | Approx. value of the Project (in current US\$ or Pak. Rs.): |
| Location within Country: | Duration of Projects (months): |
| Name of Donor/Funding Institution: | Address: |
| Start date (month/year): Completion date (month/year): | Nº of staff involved for the implementation of the project: |
| Name of associated Partner(s), if any: | Project's Objectives: |
| Narrative description of Project: | |
| Brief description of main deliverables/outputs: | |



Chief Executive Officer



Company Secretary

