Bio-resources Innovations Network for Eastern Africa Development Program

Manual on Standard Operating Procedures for Bio-Innovate Program Supported Projects

October 2011

Official Launch of Bio-Innovate Program, 16 March 2011, ILRI, Nairobi, Kenya.

Bio-Innovate
Bio-Resources Innovations Network for Eastern Africa Development
Africa

ILRI
INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

Sida

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The Bio-resources Innovations Network for Eastern Africa Development (Bio-Innovate) Program is a new regional innovation and technology platform supporting and promoting innovation and policy projects in eastern Africa. Hosted at and managed by ILRI in Nairobi, Kenya, the Bio-Innovate Program is being implemented under *four thematic areas* and through *nine regional, multi-disciplinary biosciences innovation and policy projects* selected through the Program's Competitive Grant Scheme (CGS). These activities focus on addressing key constraints in the agricultural and environmental subsectors in the region.

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Acronyms

AU-NEPAD	African Union- the New Partnership for Africa's Development
BeCA	Biosciences for eastern and central Africa
CGS	competitive grant scheme
IFAC	International Federation of Accountants
ILRI	International Livestock Research Institute
IP	Intellectual Property
IPMC	Intellectual Property Management Committee
ISA 315	International Standard on Auditing No. 315
ISA 800	International Standard on Auditing No. 800
LFM	Logical Framework Matrix
M&E	Monitoring and Evaluation
MOU	Memorandum of Understanding
MTA	Material Transfer Agreement
NGO	Non-governmental Organization
PI	Principal Investigator
PMO	Program Management Office
PMRM	Project Monitoring and Review Missions
PMT	Program Management Team
R4D	Research for Development
S&T	Science and Technology
SEK	Swedish Krona
Sida	Swedish International Development Cooperation Agency
SOP	Standard Operating Procedures
SPG	Sida Procurement Guidelines
TAC	Technical Advisory Committee
TOR	Terms of Reference
USD	United States Dollar
WP 1	Work Plan for the First Year
YPA	Yearly Plan of Activities
YPA 1	Yearly Plan of Activities for the First Year

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Foreword

I have the pleasure to introduce herewith the Manual on Standard Operating Procedures for the Bio-resources Innovation Network for Eastern Africa Development (Bio-Innovate) Program supported innovation and policy projects.

The Bio-Innovate Program is being implemented under four thematic areas and through nine regional, multidisciplinary innovation and policy projects selected through the Program's Competitive Grant Scheme (CGS).

To provide effective monitoring, review and evaluation of supported projects, a 'Manual on Standard Operating Procedures for Bio-Innovate Program Supported Projects' was prepared. It has been discussed at the Bio-Innovate Program Technical Advisory Committee (TAC) and was presented to the 2011 Sida-ILRI Annual Review Meeting where its publication was approved.

The Manual covers all the procedures involved in project implementation (decision-making processes, thematic calls, review processes, fund allocations, monitoring and evaluation, reporting, auditing, etc.). The TAC, the independent experts for technical project appraisal, the executing institutions, consultants, project evaluators, independent auditors, etc. should adhere to the procedures and guidelines prescribed in it to effectively operate a project from beginning to end.

The Manual is comprehensive, consolidating all the practices and experiences gained in the project development, approval and implementation of the Bio-Innovate Program, which have evolved as standard procedures. The Annexes of the Manual provide model guidelines and templates for certain key procedures and results of specific phases of the consortium project.

Seyoum Leta, PhD
Bio-Innovate Program Manager
International Livestock Research Institute, Nairobi, Kenya

Introduction

The Manual on Standard Operating Procedures (SOPs) for the Bio-Innovate Program is a framework of practices and regulations for the Bio-Innovate supported projects' implementation that should be followed from start to completion of a project. These procedures evolved as a result of the decision by the Bio-Innovate Program, the International Livestock Research Institute (ILRI) and the Swedish International Development Cooperation Agency (Sida), on the need for such a manual and the past experiences of various implementers of the Sida supported programs in the East Africa region.

This manual has been prepared to guide the implementing institutions of the Bio-Innovate supported projects through the project cycle. The role and function of all actors, including the Bio-Innovate Program Management Office (PMO), the Bio-Innovate Technical Advisory Committee (TAC), Sida, the panel of experts, consultants and suppliers of goods and services, as well as independent auditors are detailed in order to optimize achievement of project objectives and expected results and impacts. The specific roles and responsibilities of all parties should be guided by applicable procedures contained in this manual in all phases of the project.

Sections of the manual

Section 1

Provides a *brief description* of the Bio-Innovate Program, drawing from the Bio-Innovate program document, as approved by Sida in December 2009.

Section 2

Presents the Bio-Innovate Program *management arrangements and the responsibilities of involved parties* in the Bio-Innovate Program implementation.

Section 3

Describes the Bio-Innovate *Competitive Grant Scheme and funding procedures* for successful consortia of innovation and policy projects from the Bio-Innovate Program calls 1 and 2 for proposals.

Section 4

Outlines the Bio-Innovate *project agreement processes* and its signatories.

Section 5

Shows *the requirements for commencement* of Bio-Innovate project implementation and *disbursements of subsequent instalment*s of Bio-Innovate Funds.

Section 6

Provides *the rules and procedures* for Bio-Innovate project *fund management, and financial reporting* by implementing institutions.

Section 7

Offers guidance to implementing institutions and to the Bio-Innovate Program Management Office on *required procedures to implement, monitor, review and evaluate* Bio-Innovate supported innovation and policy projects from the first and second calls for concept notes. It provides in particular, guidance for the executing institutions to set up and implement *monitoring systems and to produce relevant consolidated technical and financial reports.*

Section 8

Describes procedures for *project suspension* in the event of non-compliance to work plans, rules and procedures agreed between the parties.

Section 9

Provides *criteria for project termination* by the Bio-Innovate Technical Advisory Committee and the Bio-Innovate Program.

Section 10

Indicates the *reporting requirements* from Bio-Innovate Projects' implementing institutions when the projects are completed.

Section 11

Outlines *procedures and requirements* for the completed projects *accounts closure*.

Section 1
The Bio-Innovate Program

1.1 Overview of the Program

The Bio-resources Innovations Network for Eastern Africa Development (Bio-Innovate) Program has been established to finance multidisciplinary biosciences and product-oriented innovation activities in eastern Africa, more specifically in Burundi, Ethiopia, Kenya, Rwanda, Tanzania and Uganda. The focus is on the application of bio-resource innovations to support sustainable growth and transformation of the agricultural and environmental subsectors from primary production to value addition, while enhancing adaptability to climatic change and strengthening innovation policy.

The Agreement to implement the Bio-Innovate Program was signed by ILRI and Sida on January 29, 2010 with a total grant of 80 million Swedish krona (SEK), equivalent to 10.7 million United States dollar (USD), from Sida over the 5 years period (2010-2014). The Bio-Innovate Program also received an additional fund amounting to SEK 10 million (USD 1.3 million) for projects targeting climate change from the first call for proposals from Sida in September 2010 (Amendment Agreement 10 November 2011). This increased the overall Program budget fund to SEK 90 million (USD 12 million). This additional grant was used to support Bio-Innovate project consortia from the first call in thematic areas 1 and 2 targeting climate change adaptation in agriculture and the environment in eastern Africa.

Building on previous investments, achievements and experiences from the Sida-supported East African Regional Program and Research Network for Biotechnology, Biosafety and Biotechnology Policy Development (BIO-EARN) Program (1999-2009) and other regional initiatives, the Bio-Innovate Program is focusing on delivering new products through biosciences innovation systems involving multiple actors, including scientists, private sector, non-governmental organizations (NGOs) and other development actors. The use of modern biosciences in practice to improve crop productivity and resilience to climate change in small-scale farming systems, and to increase the efficiency of the agro-processing

industry to add value to local bio-resources in a sustainable manner is the major focus of the Program. The Bio-Innovate strategy is user-, market- and development-oriented in order to make a difference 'on the ground' supporting poverty alleviation and sustainable economic growth in eastern Africa.

1.2 Vision, mission and objectives

Vision

The vision of the Bio-innovate Program is to develop into a program of excellence that contributes to sustainable and integrated utilization of bio-resources for economic growth and development of Eastern Africa, namely Burundi, Ethiopia, Kenya, Rwanda, Tanzania and Uganda.

Mission

To create and promote bio-resource-based innovation systems in Burundi, Ethiopia, Kenya, Rwanda, Tanzania and Uganda for sustainable utilization and integration of the innovations into Eastern Africa's economic development processes.

Objectives

The key objectives of the Bio-Innovate Program are:

a) To *strengthen crop innovation systems* to improve productivity and enhance food and nutrition security in the region. This objective aims at generating innovations to enhance crop adaptability to the consequences of climate change, to promote crop diversification and to reduce productivity constraints.
b) To develop and *promote innovations on sustainable waste treatment* and on *securing freshwater resources, on producing bio-energy from renewable* bio-resources and on *mitigating climatic change*. The target is to generate efficient and effective biosciences innovations for environmental clean-up, by-products utilization, waste management and sustainable use of resources (water and land).
c) To *deliver innovative agricultural, environmental and industrial techniques* that stimulate sustainable transformation, utilization and productivity of the region's bio-resources. This objective targets the development and operationalization of technology incubation and other mechanisms for putting research into use by communities and industries.
d) To *develop and promote innovation policies* for sustainable harnessing of bio-resources. The program will undertake policy support analysis studies to provide decision support tools for investment, promotion and management of bio-resource innovations in eastern Africa.

e) To strengthen and operationalize an *enabling mechanism for mobilization, catalysis and nurture of a strong bio-resource and science-led economic growth agenda for eastern Africa*. This result will occur as an overall outcome of the above four actions being implemented successfully.

1.3 Bio-Innovate Program thematic areas

The Bio-Innovate Program is being implemented under four Thematic Areas and through nine regional, multidisciplinary innovation and policy projects selected through the Program's CGS. These innovation and policy project consortia are comprised of a range of value chain actors critical to span the process from science to production and markets. Involvement of market actors and other practitioners in the innovation project consortia is crucial in order to ensure that products, knowledge and new technologies emanating from the Bio-Innovate Program reach the market and specified end users.

All of these are closely connected to and build on the AU/NEPAD Consolidated Plan of Action for Africa's Science and Technology. In 2005, under the auspices of the AU and NEPAD, African countries designed and adopted Africa's Science and Technology Consolidated Plan of Action (CPA). The CPA puts emphasis on improving the quality of African science, technology and innovation, especially through regional networking and more appropriate policies. Biotechnology and biosciences are prioritized areas in the CPA, which also have been explicitly manifested by a high-level AU/NEPAD African Panel on biotechnology. The panel describes its findings in the publication 'Freedom to Innovate - Biotechnology in Africa's Development'.

The four themes within the Bio-Innovate Program are also closely connected to each other and are all contributing towards a more productive and sustainable agricultural/agro-processing sector in the region, as an engine for pro-poor economic growth. A more detailed description of the four thematic areas is provided below.

Thematic Area 1: Climate change adaptability, productivity and improvement for food and nutrition security

Generating and promoting technologies to boost productivity of strategically important crops under the threat posed by climatic change in the region is the main focus. Such crops are important to small-scale farming and rural livelihood strategies. The theme aims at unlocking genetic potential of the crops for climatic change adaptability and seeks to produce crop varieties that are high-yielding and resilient to biotic and environmental stresses while addressing nutritional quality. The focus is on important crops of the region, adding value to ongoing initiatives by tackling both input and output traits (processing

and other quality attributes). The innovations will boost food and nutrition security, lower food prices, offer more opportunities for income growth through crop diversification, and reduce crop intensification pressure in fragile agro-ecologies.

Thematic Area 2: Waste treatment, production of bioenergy from renewable bio-resources and securing freshwater resources

This theme will focus on treatment of agro-processing waste through reuse, conservation of water and other bio-resources. It will also generate coping strategies, to reduce the impact of greenhouse gas emissions as well as generate innovations to enhance bioenergy recovery from solid waste and wastewater and for the provision of clean fresh water. Additionally, there will be emphasis on the use of agro-processing by-products, waste treatment and bioenergy production from existing and ongoing agro-processing activities in the region. The use of biowaste for making value added products such as improved feed, bio-processing reagents with selective catalysts, safe green chemicals, biofuels, biogas, bioplastics and biopolymers would serve the agro-processing sector in the region by making it more resource efficient and sustainable. Moreover, promoting the conversion of waste into renewable energy (such as biogas, biofuel, etc. through small-scale biorefineries at village level) will reduce the need to import costly fossil fuel and mitigate climate change through reduction of greenhouse gas emissions.

Thematic Area 3: Innovation incubation and promotion of targeted value chains

Taking near-market products generated by the Bio-Innovate Program from the above two thematic areas and their partners along the value chain to end users. Research for development (R4D) institutions will apply for support to cover pilot-level testing for economic feasibility, marketability and acceptability. The program will seek opportunities for innovations that will have wide applications in eastern Africa as well as to leverage additional funds from other partners for venture capital and pilot testing activities.

Thematic Area 4: Bio-resource innovation policy and sustainability analysis

Issues related to providing a supportive policy environment for the ultimate development, promotion and uptake of bio-resource innovations will be addressed. This will include policy analysis, national and regional policy support, as well as socio-economic and environmental analysis. The theme will address issues of sustainability analysis, in combination with Themes 1, 2 and 3 above, including:

- Analysis of and addressing gaps in the technology dissemination chains within current and future projects. This would include analysis and exploration of roles and responsibilities along the value chain.
- Market analysis and potential of addressing regional markets.

- Exploring technology transfer models with a view to maximize the impact of new technologies, by achieving balance between making the technology as widely available as possible, while providing sufficient incentives to the innovators and investors for early adoption.
- Exploring and analysing models of funding of technology dissemination processes.

Other policy analyses on cost-effectiveness, socio-economic and environmental soundness as well as competitiveness will be made under this theme. A key question for the policy studies in the Bio-Innovate Program is to analyse how applications of biosciences in eastern Africa could lead to a more sustainable agricultural and agro-processing sector, able to promote economic growth and effectively alleviate poverty.

1.4 Program expected outputs

The intended results of Bio-Innovate are:

a) Strategic eastern Africa crop innovation systems will be strengthened to improve productivity and enhance food and nutrition security in the region. This result will generate innovations to enhance crop adaptability to the consequences of climatic change, to promote crop diversification and to reduce productivity constraints.
b) Innovations for bio-remediation, for sustainable waste management and for mitigation of climatic change will be developed and promoted. Efficient and effective biosciences innovations for environmental clean-up and sustainable use of resources (water and land) will be generated.
c) Eastern Africa innovation systems will be catalyzed to deliver agricultural, environmental and industrial innovations that stimulate sustainable transformation, utilization and productivity of the region's bio-resources. Technology incubation and other mechanisms for putting research into use by local communities and the local industry will be developed and operationalized.
d) Innovation policies for sustainable harnessing of bio-resources will be developed and promoted. The program will undertake policy support analysis studies to provide decision support tools for investment, promotion and management of bio-resource innovations in eastern Africa.

An enabling mechanism for mobilization, catalysis and nurture of a strong bio-resource and science-led economic growth agenda for eastern Africa will be strengthened and operationalized. This result will occur as an overall outcome of the above four actions being implemented successfully.

Section 2
Bio-Innovate Program management arrangements

2.1 Governance and decision-making

2.1.1 International Livestock Research Institute (ILRI) - Bio-Innovate host institution

The agreement to implement the Bio-Innovate Program was signed by ILRI and Sida on 29 January 2010. It stipulates that the Bio-Innovate Program is managed by ILRI with the day-to-day management activities of the Program being undertaken by a small Bio-Innovate Program management team (PMT) hosted at ILRI. The primary responsibility of ILRI, as the signatory to the Bio-Innovate Agreement with Sida, is for the management of the Program and the funds, and for accountability to Sida for the use of the funds in accordance with the terms and conditions of the agreement between the parties (29 January 2010). This responsibility includes the set-up and management of the Bio-Innovate Program through a competitive grants scheme (CGS).

In fulfilling the management responsibilities for the Bio-Innovate Program, ILRI provides the Bio-Innovate PMT at ILRI with the necessary professional and administrative support, human resources management and personnel services, legal advice from ILRI's Contracts Office and other services required for the successful execution of the Program. Furthermore, ILRI shall ensure that administration and internal control of Bio-Innovate Program's financial resources are adequately carried out by the PMT, through the use of ILRI's financial and administrative systems.

2.1.2 Bio-Innovate Program management office

Day-to-day management will be provided by the program management office (PMO), led by the Bio-Innovate program manager and based at ILRI. The Bio-Innovate PMT comprises

- a program manager and an assistant program manager
- a finance and administration officer
- a program administrative assistant

The PMT will be advised by an independent technical advisory committee (TAC) in implementation of its Program activities, through providing oversight on the Program, peer review of the competitive grant scheme, and Program monitoring and evaluation (M&E). Moreover, the PMT will be supported by independent technical review panels for scientific and technical review of the concept notes and full proposals.

The PMO will be responsible for:

- the set-up of the competitive grants scheme.
- the development of implementation guidelines to ensure efficient execution of Bio-Innovate supported projects.
- the preparation of contracts for all institutions involved in the implementation of Bio-Innovate supported projects.
- serving as secretary to the Bio-Innovate TAC.
- organization of the Bio-Innovate projects' inception workshops, stakeholders meetings and project review meetings.
- coordination of marketing, advocacy and public relations to communicate Bio-Innovate activities and achievements.
- networking with relevant partners and stakeholders and ensuring that Bio-Innovate activities are harmonized and the necessary synergies are created both within and with other activities in the region.
- facilitating development of Intellectual Property Rights agreements between partner institutions.
- keeping up-to-date financial records and management standards in accordance with the financial and operational guidelines of the host institution (ILRI).
- designing financial reporting mechanisms in accordance with Sida reporting requirements and the institutional arrangements of the host institution.
- maintaining valid and accurate records pertaining to financial utilization by projects in the innovation program thematic areas.
- managing procurement and logistics and other administrative services for the Bio-Innovate management team.
- preparing semi-annual and annual technical and financial reports for submission to Sida.

2.1.3 Scientific and technical management of the projects

The scientific and technical management is being taken care of by the TAC, independent experts and the thematic consortium leaders as described below.

The Bio-Innovate Program Technical Advisory Committee

The role of the TAC is to provide technical expertise, to help with review and to give technical support to the whole Program. It will offer overall technical guidance to the Bio-

Innovate PMO-ILRI and Sida. With the aim to enhance the integration of the Program into cross-cutting development issues, TAC members are drawn from core R4D institutions, universities and regional initiatives working in the Bio-Innovate Program thematic areas.

The Bio-Innovate TAC consists of seven members: five independent experts not applying for, nor implementing Bio-Innovate projects, plus the African Union- the New Partnership for Africa's Development (AU-NEPAD) African Biosciences Initiative (ABI) director as a voting member of TAC and the BecA-ILRI hub director as a non-voting member. A rotating chair will be elected from among the TAC members. The TAC shall meet at least semi-annually in person and by teleconference in the alternating quarters, if so requested by the TAC chair and/or the Program manager. The Bio-Innovate Program manager serves as secretary to the Bio-Innovate Technical Advisory Committee. The Bio-Innovate PMO in consultation with Sida is responsible for putting the TAC in place and TAC members are appointed for two years, renewable.

The roles and responsibilities of the TAC are:

- to ensure consistency of the Bio-Innovate program with regional agendas particularly with the AU-NEPAD *Consolidated Plan of Action for Africa's Science and Technology* and other regional and continental initiatives.
- to evaluate and advise on the relevance and importance of the Program achievements and the impact on development in the region.
- to develop, in collaboration with the PMO, the detailed terms of reference of the various thematic calls for proposals and corresponding monitoring and evaluation criteria thereof.
- to provide peer review mechanism for the competitive grants scheme.
- to make recommendations to the PMO on fund allocations for competitive grants.
- to provide technical guidance on program implementation issues including a regular review and assessment of program/project outputs/outcomes to ensure that the Program maintains a high international standard.

The panel of independent experts

Furthermore, a panel of independent experts has been set up to support in the scientific and technical review of concept notes and full proposals before the TAC will start final deliberations on them. Panel members are internationally recognized individuals from the fields of agricultural and environmental biosciences and development. All independent experts possess a high level of professional experience in the public or private sector in research and/or practice in biosciences innovation systems with extensive experience in eastern Africa and have also experience in one or more of the following areas:

- evaluation of projects
- use of the results of research and technological development projects to solve development challenges in agriculture and the environment
- up-and-out scaling of innovations
- policy and value chain analysis

Both the technical reviewer panels and the TAC have advised the PMO on the first and second calls for concept notes and full proposals. The TAC also made recommendations to the PMO on the Bio-Innovate grants to be awarded from the competitive grants fund, in order to create a balanced portfolio of projects, taking into account the objectives of the call, the quality of the proposals, the advice from the evaluators and the availability of funding. The Bio-Innovate PMO and ILRI in consultation with Sida will finally approve the fund for recommended projects.

Thematic consortia project leaders

Within the eastern Africa region, thematic project consortia leaders (PLs) are responsible for respective thematic area project consortia, hosted at lead institutions in the Bio-Innovate participating countries. The innovation consortia and their thematic project consortia leaders were selected via the competitive grants scheme, for implementation at institutions within the region as shown in Figure 1 below.

The thematic leaders will be responsible for:

- routine management of the projects within their consortium.
- ensuring that the individual projects within each consortium contribute to the overall objectives of the Program and deliver the intended results/outcomes.
- support to project teams in management of operations.
- ensuring that effective communications and the necessary scientific synergies are maintained within the consortium and with other program thematic area projects.
- coordination of contractual arrangements between the PMO and the project teams.
- preparation of all consortium projects work plans, and progress and financial reports and their submission to the PMO.
- maintaining valid and accurate records pertaining to innovation consortium projects.
- preparation of summary briefings on the Program consortium projects for use during monitoring and evaluation.
- working closely with the PMT on dissemination activities.
- addressing problems within the program consortium projects including operation of projects.
- facilitating signing of memorandums of understanding and material transfer arrangements. among innovation project implementing institutions.
- performing any other activities for the smooth operation of the consortium projects.

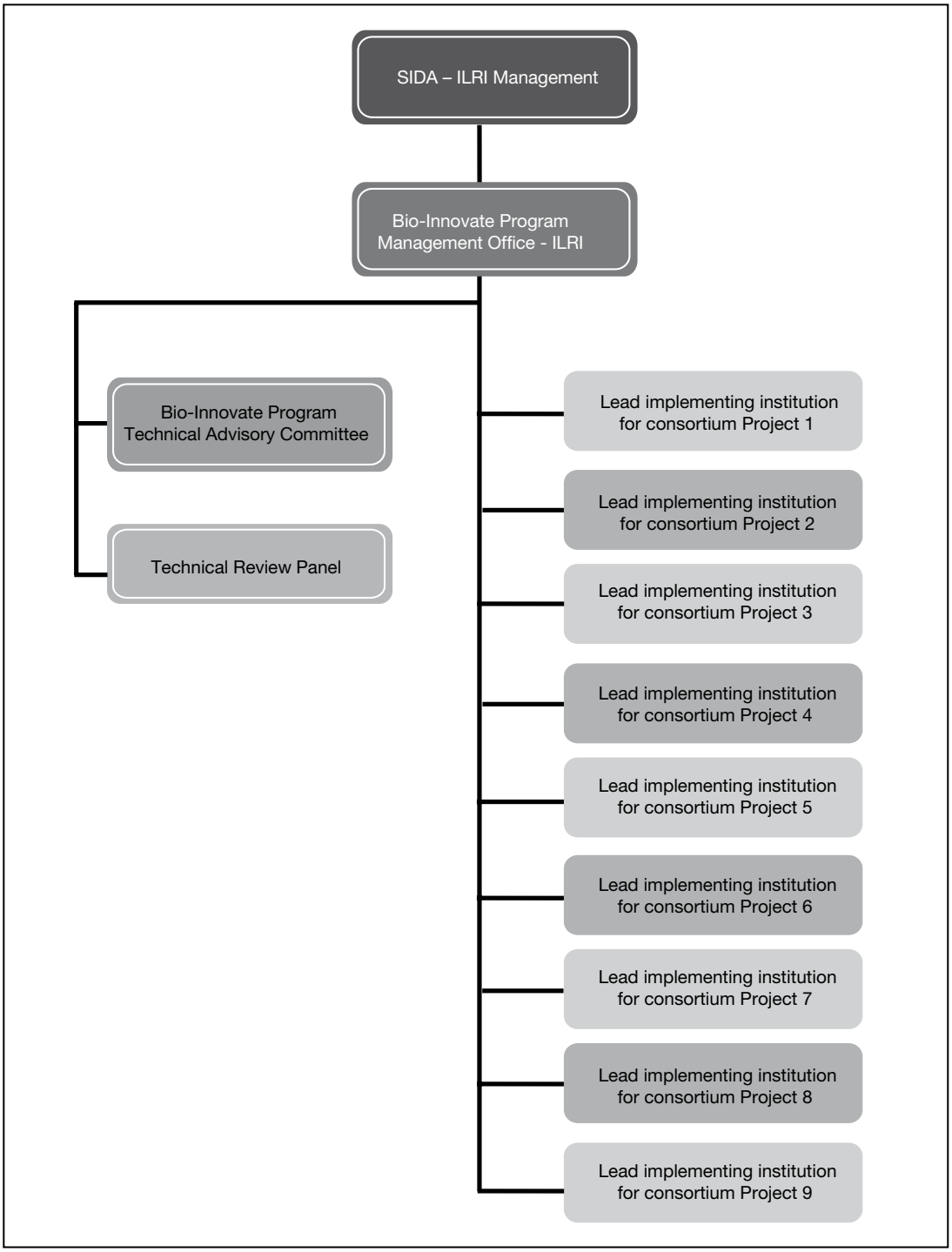

Figure 1: Bio-Innovate Program management structure.

Section 3
Granting mechanisms and decision-making on fund allocations

3.1 Bio-Innovate competitive grants scheme

The Bio-Innovate Program is implemented through four thematic areas in the sectors on climatic adaptation strategies in crop agriculture, as well as agro-waste treatment, technology incubation and in policy advice and advocacy. Each consortium will consist of a number of individual but related projects. These consortia selected via a Bio-Innovate competitive grants scheme (CGS).

The CGS will be operated through a number of strategically developed calls for proposals in the four thematic priority areas described in Section 1.3. The priorities are closely linked to the needs and strategies for the region and in support of the AU-NEPAD agenda for science and technology.

The steps and processes involved in the competitive grant scheme from the point of call for concept notes through to final funding are schematically indicated in Figure 2 below.

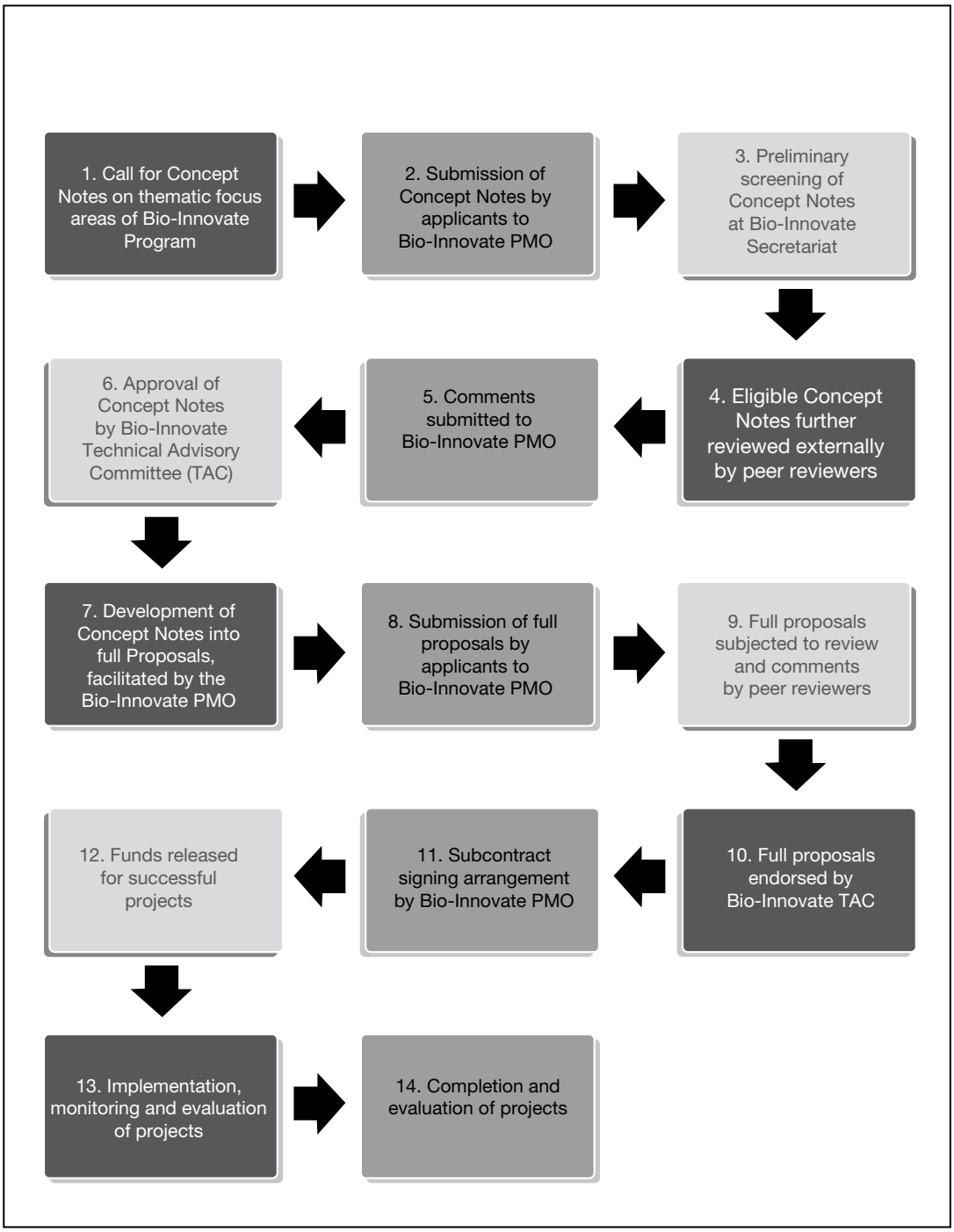

Figure 2: The main processes and procedures followed in a competitive grants scheme starting from the thematic focus areas of the Bio-Innovate Program.

3.1.1 Calls for concept notes

At the start, the PMO in consultation with the TAC develops guidelines for calls for concept notes addressing the thematic areas described earlier and sends out a call for concept notes/proposals. In the initial phase the concept notes are reviewed on their merit and prospective success and on this basis a first selection is made. Teams of successful concept notes are then requested to develop these into full proposals for further review and for the final decision on eligibility of funds granting. The emphasis is on regional, multidisciplinary innovation consortia, each consisting of a small number of distinct but interlinked innovation and policy projects over a three-year period in the four thematic areas.

3.1.2 Composition of consortium teams

Project consortium teams are drawn from within and outside of the region. The participating countries in eastern Africa are Burundi, Ethiopia, Kenya, Tanzania, Rwanda and Uganda. Collaborating institutions from the public and private sectors from within and outside of the region are involved at various levels of support in the innovation process. Each call is designed to ensure regionality, relevance, efficiency and impact orientation. The innovation projects are also designed to ensure up- and out-scale results to the region as well as to create the required enabling policy environment for effective uptake and application of bio-resources innovation in eastern Africa.

3.1.3 Co-funding

Strong institutional support from consortium actors is a prerequisite/deciding factor in the decisions to approve granting of Bio-Innovate Program funds. This may be based on either provision of matching funds and/or in kind contributions of staff, infrastructure and other institutional support. The Program will be able to explore and form new and strategic partnerships, and develop joint interdisciplinary research and policy oriented projects with like-minded partners in an effective manner.

3.1.4 Decisions for funding

The selected Bio-Innovate consortia and their component projects will have a clear and highly strategic value to the region, based on national and regional strategies, and add value to already ongoing national and regional initiatives, avoiding duplication of efforts. Therefore, funding is only given to innovation and policy projects where it can be clearly demonstrated that a regional approach is more effective than individual national projects. It is also dependent on the demonstrated ability and capacities of partners to achieve the objectives and after successfully passing a rigorous peer review process as shown in Figure 2 above. Evaluation of proposals is carried out by the TAC, following a peer review

process by at least three independent experts. The TAC then makes recommendations on the successful awards to the Program management team for endorsement of the final project portfolio to be funded through the Competitive Grants Scheme. Bio-Innovate-ILRI and Sida in agreed minutes decide on the projects for funding based on the recommendations from the TAC. Lead institutions of successful innovation and policy projects then sign a sub-agreement with ILRI for funding by the Bio-Innovate Program.

Section 4
Project contractual arrangements

4.1 Processing of the project sub-agreement

The Bio-Innovate Program supported project sub-agreement is prepared by the Bio-Innovate Program secretariat immediately after a consortium innovation and policy project has been recommended by the Bio-Innovate Technical Advisory Committee and approved by the Bio-Innovate PMO-ILRI and Sida for funding. Such an agreement specifies the roles and responsibilities of the lead executing institutions and collaborating partner institutions, and the Bio-Innovate PMO in implementing the projects based on the project document as described in this Manual on Standard Operating Procedures.

The executing institution reviews the sub-agreement and if acceptable signs and forwards it to the Bio-Innovate PMO-ILRI. The project sub-agreement becomes effective with signatures by all the parties concerned. A template for a project agreement specifying the contractual obligations and other pertinent provisions is shown in Annex 1.

The project agreement among other provisions includes detailed procedures with regard to:

- execution of the project
- use of Bio-Innovate project funds
- accounts, records, and reports
- publication and technical reports
- procurement and assets management
- project suspension
- project termination
- settlement of disputes
- modification of the agreement

4.2 Signatories to the project sub-agreement

The accepted signatories to the project sub-agreement are the duly appointed representatives of the International Livestock Research Institute and of the Bio-Innovate project executing institutions for the project. Specifically, these signatories are the Director General of ILRI and the heads of the executing institutions. The project agreement enters into force upon signature by all the contracting parties.

4.3 Complementary agreement(s)

All collaborating partner institutions identified in the project document shall execute a consortium agreement (CA) with the executing institution to establish the relationships amongst them in project implementation. Such an agreement shall define the role of each institution, the amount and schedule of their counterpart contributions, and reporting and monitoring requirements. It also defines and governs any movement of genetic materials between and among collaborating partner institutions. This has also to be submitted to the Bio-Innovate PMO as a requirement for the release of the first payment for implementation. A model consortium agreement and material transfer agreement (MTA) between an executing institution and collaborating partners is shown in Annex 2 and 3, respectively.

Section 5
Project implementation

5.1 Commencement of the implementation of a project

A project formally commences, after the signing of the project sub-agreement. The project commencement is supported by the first instalment of funds for starting up the initial activities of the project based on the approved yearly plan of activities as shown in Section 5.2.

The Bio-Innovate secretariat will record the actual commencement of every project for management and monitoring/evaluation purposes and other activities related to the implementation until the completion phase of the project cycle.

5.2 Inception planning meeting arrangements and inception report

An inception planning meeting involving all project teams has to be conducted within two months after receiving the first instalment by executing institutions.

The *inception planning meeting report* provides the necessary information that preparatory activities are in place for project implementation. The consortium project leader must confirm in the report that:

- Adequate preparations in terms of the necessary project inputs such as facilities, project sites and related arrangements are in place.
- A separate account has been opened for the project.
- Core project personnel have been teamed up.
- An agreement contract or MOU if any has been entered into with any collaborating agencies.
- A Yearly Plan of Activities for the first year (YPA 1) has been prepared.

The YPA1 will most likely not differ much from the activities or work plan, and budget in the project document other than the starting date and some minor adjustments. The YPA1 has to be attached to the inception report.

Further, the principal investigator (PI) shall notify formally the Bio-Innovate PMO in writing that the project is ready to commence with the completion of preparatory activities for implementation as contained in the inception report.

The format for the inception report with the complete table of content is given in Annex 4

5.3 Requirements for disbursement of subsequent instalments of Bio-Innovate project funds

The disbursement of subsequent instalments of Bio-Innovate project funds to support the project's activities as per approved yearly plan of activities (YPA) will be made by the Bio-Innovate PMO upon receipt of biannual progress reports (see Section 6) and cash flow statements showing the balance of funds from the executing institutions and a justified request for payment in terms of the timing, amount, and costs foreseen in the YPA taking into account the stage of implementation for the period relating to the use of requested funds.

The final disbursement will be made by the Bio-Innovate PMO upon submission of the last biannual progress report and a justified request for payment considering the costs foreseen in the last YPA submitted to successfully complete the project.

Section 6
Bio-Innovate Program fund management

6.1 Financial management

Financial management is an integral part of project management. Therefore it must not be seen as a separate activity to be left to finance staff only. Financial management entails planning, organizing, controlling and monitoring the financial resources of the project to achieve objectives. At the heart of financial management there is financial control.

6.2 Financial control

Can be described as a situation where the financial resources of a project are being correctly and effectively used. Hence, financial control occurs when systems and procedures are established to make sure that the financial resources of a project are being properly handled.

6.3 Practical requirements for disbursement of the first instalment of Bio-Innovate funds

Submission of an officially signed sub-agreement, opening a separate bank account for the Bio-Innovate project funds accompanied by an official fund transfer request letter are pre-requisite for the first disbursement.

Funds for collaborating institutions shall be sent directly to their specified institutional bank accounts. **Each cooperating institution shall open and maintain a separate bank account for Bio-Innovate project funds received for the project.**

ILRI will remit the funds to the institutional bank account specified for each of the collaborating institutions. However, requisitions shall be routed through the principal investigator (PI) for approval and subsequent submission to the PMO-ILRI.

The following will accompany the initial request for funds:

- a fully signed copy of the partner sub-agreement
- proof of a separate account opened and maintained for the Bio-Innovate project
- yearly activity and budget plans for each consortium partner

Any interest the funds may yield has to be separately accounted for in the financial reporting and utilized within the project after approval by the PMO-ILRI in conformity with Sida requirements. Interest not utilized within the Program shall be repaid to Sida through ILRI.

6.4 Practical requirements for disbursement of subsequent instalments of Bio-Innovate funds

Requests for further disbursements shall be accompanied by a report on the utilization of funds previously disbursed. **No disbursements shall be made unless a financial report covering the previous period indicating the use of at least 75% of the previous disbursement and a request for disbursement of funds for the following period have been received by the PMO-ILRI.**

The disbursements shall be made as follows:

a) The Bio-Innovate PMO-ILRI shall transfer the first 50 % instalment from the first year budget to be deposited, upon signature of the sub-agreement.
b) The second 50% instalment from the first year budget, will be transferred after receipt by the Bio-Innovate PMO of the first consolidated biannual project progress report and the financial report from the consortium project leader in accordance with the procedures of the Bio-Innovate Program, and a justified request for the payment in terms of the approved project budget commensurate with the YPA, in light of implementation thus far, for the period to which the funds shall relate.
c) The third instalment corresponding to 50% from the second year project budget, will be transferred after an identical procedure as detailed above but adjusted to the corresponding period of operation (i.e. production of second biannual report).
d) The fourth instalment corresponding to 50% from the second year project budget, will be transferred after an identical procedure as detailed above but adjusted to the corresponding period of operation (i.e. production of third biannual report).
e) The fifth instalment corresponding to 50% from the third year project budget, will again be transferred after an identical procedure as detailed above but adjusted to the correspondingperiod of operation (i.e. production of fourth biannual report).
f) the sixth and final instalment corresponding to 50% from the third year project budget, will be transferred after an identical procedure as detailed above but adjusted to the corresponding period of operation (i.e. production of fifth biannual report).

The following will accompany the subsequent project fund requests from the specific institutions:

- a financial report for the preceding six month period with accompanying support documentation
- a progress report for the preceding six month period
- an activity plan and budget for the next six month period
- approval from the respective consortium principal investigator

6.5 Withholding fund disbursement

The PMO-ILRI may decide to withhold the disbursement, wholly or in part in the following circumstances:

- if substantial deviations from the project plan and budget occur
- if the main objective(s) is/are endangered
- if reports are not delivered as agreed
- if the project progresses unfavourably in terms of the objective(s) in any other important respect

The PMO-ILRI shall however, initiate discussions with the concerned project partners before taking such a decision. In case of substantial deviation from project plans and budgets presented in the partner sub-agreement, the PMO-ILRI may reclaim the disbursed amount, wholly or in part from the concerned project partner(s).

6.6 Records management

6.6.1 Importance of record keeping

The creation and maintenance of records is integral to the operation of the management system, and there is an implicit assumption that records of all actions are correctly kept and filed and are available to support each stage of the management cycle.

6.6.2 Maintaining financial records

A record is created for each financial transaction. Some are created by the project (e.g. orders for payment or for goods); others are created by entities with which the project deals (e.g. suppliers' invoices, bank statements). ALL records pertaining to a specific financial transaction must form part of that transaction. Records must be preserved and classified for easy access because they provide the paper trail on which the accounting system is based.

A good record-keeping system facilitates financial accounting and reporting, internal control, project management and subsequent auditing. Records represent a particularly valuable type of information because they can provide verification and are therefore suitable as legal evidence. When project financial management systems are being designed and/or reviewed, the maintenance of records, and their computerization are also considered. Finance and audit laws generally require entities to ensure that financial and accounting records are adequately kept. This helps those involved with the project (in particular the auditor) by providing supporting documentation for transactions.

As an example, supporting documentation to a payment would be:
- a payment voucher
- a supplier's/provider's invoice
- a delivery note / receipt
- a quotation
- a local purchase order (LPO)
- a purchase requisition
- a confirmation of payment from the paying institution
- acknowledgement receipt of payment from the receiving institution

The financial records, including their creation, filing, storage, must be maintained in such a manner that it will facilitate ease of reference and production of reports.

NB: It is important to ensure the following in the above documents:

- legible narration of what the transaction relates to
- relevant dates
- relevant requesting, approving, authorizing signatures
- clearly stated amount
- relevant stampings for example "PAID"…etc.

6.6.3 Scope of records management system

For developing a sound records management system, project staff should ensure that:
- there are clearly defined procedures for creating, maintaining and safeguarding records.
- the records management procedures address the location and maintenance of records relating to project participating agencies, particularly for projects which have decentralized project implementation.
- records, including computerized records, are properly secured from fire, water, other environmental risks, and from unauthorized access.

- there are adequate back-up procedures, particularly with respect to computerized records.
- there is easy access by authorized persons including auditors.

6.7 Internal controls

6.7.1 Introduction

Internal control is a process carried out by an institution's management, designed to provide reasonable assurance that the objectives of the institution are being achieved in the following categories:

- effectiveness and efficiency of operations
- reliability of financial and operational reporting
- compliance with applicable laws and regulations

Internal control consists of specific policies and procedures which are often called 'controls'. These controls fall into the following five categories:

- control environment
- risk assessment
- control activity
- information and communication
- monitoring

The control environment is the foundation for the other four main components of internal control (from risk assessment to monitoring in the above list). Where the control environment is weak, the other components of internal control are not likely to be effective. The purpose of internal control is to identify strengths and weaknesses and to judge whether:

- an executing institution's existing policies and procedures can be used and relied upon for the project's financial management functions
- supplementary systems and procedures are required for the project
- shortfalls in existing systems need to be addressed

6.7.2 Expected internal controls in the Bio-Innovate project

The following are some of the most essential expected internal controls:

- holding a separate bank account for the Bio-Innovate project
- having a minimum of two signatories to a bank account
- separating of duties and responsibilities: for example a financial transaction could

undergo a series of at least three stages i.e. the initiator, the preparer and the authorizer
- existence of sound internal control procedures and policies
- adherence/compliance to internal procedures
- safe custody of assets, etc.

6.7.3 Participating institutions' responsibilities

The management in the respective institutions should ensure that there exist established procedures to identify, analyze and manage the risks that may arise from internal and external sources that may affect the project. These procedures would cover defining, identifying, analyzing and managing risk. The implementing institution's management should develop policies and procedures to ensure that its directives are followed.

This would require:
- appropriate documentation of the policies and procedures, covering management of finances, accounting, procurement and financial reporting
- suitable authorization procedures, e.g. for the award of contracts by authorized personnel
- appropriate segregation of duties and responsibilities (for instance certain responsibilities such as authorization, custody, record keeping and accounting duties should be segregated)
- adequate measures for safeguarding project assets, including cash and bank balances
- arrangements for carrying out accounting reconciliation and independent verification of assets and records
- arrangements for storing project documents and restricting access to unauthorized personnel

6.7.4 The accounting system

The accounting system gathers processes and organizes accounting data in order to produce useful financial information. It should reflect project needs and be designed to provide the financial information required by all interested parties and fulfil all the legal and regulatory requirements of the borrower country. The accounting system is a critical part of the project's financial management system and its design and operation are therefore of great importance.

It should:
- provide information compatible with the agreed accounting standards
- be simple and user-friendly
- be capable of installation and maintenance by implementing institution's staff, and be easily understandable by users

- provide adequate documentation and audit trails
- provide reliable and timely information, including financial management and other reports
- maintain integrity

The right accounting system

Since organizations are different, it would be difficult to find a single finance system that would suit all organizations. Therefore, a number of deliverables could be expected to consider an accounting system as a right one for the organization:

- having several authorization levels to ensure system security and authenticity in entry and management of financial data
- having the ability to generate summary and detailed financial reports
- showing flexibility to accommodate various accounting transactions for example cash and credit purchases, prepayments…etc.
- possessing the ability to accommodate multiple projects while keeping track of individual project transactions
- holding flexibility to meet various donors reporting requirements - for example having the ability to generate timely reports to meet financial reporting schedules, and to generate reports in donor reporting format or at least ease with transforming system generated reports into specific donor report formats, internal management reports etc.
- being easy to use and economical to acquire and maintain

The above considerations will guide on decisions about the most appropriate:

- method for maintaining accounting records - for example who will be responsible for data entry, verification, posting, adjustments
- coding structure for transactions - so that project transactions can be tracked accurately and produce a variety of user reports for donors and the project management team
- financial policies - whether to accommodate only cash or accrual transactions or both
- financial reporting routines - the frequencies at which reports are prepared as per donr requirements or for timely information in management/project team decision-making processes

Chart of accounts

Probably the most important tool for organizing financial transactions is a chart of accounts. Financial activities/transactions make sense when they are sorted into a series of predetermined categories (accounts). These *accounts* when listed and typically arranged in a logical order, are referred to as the *Chart of Accounts*. Therefore, when day-to-day transactions take place, they are recorded in the books of accounts and categorized by the guidance held in the chart of accounts. These categories are used in the organization's budgets and reports, hence promoting consistency and transparency.

Each executing organization's chart of accounts would include an account name, account number and a description for use of the account.

6.8 Procurement

Procurement processes should be efficient and sound while ensuring transparency, fairness and integrity in contract management and in line with Sida procurement guidelines {for details refer to Sida Procurement Guidelines (SPG)-June 2004}.

6.9 Financial reporting

The consortium projects financial information on fund utilization should be frequently reviewed to ensure that it can generate reports that will satisfy the Bio-Innovate reporting requirements and facilitate managing project operations. This includes suitable arrangements for communicating financial information to the project leader, project teams and Bio-Innovate PMO; arrangements for maintaining effective communication with the executing institutions and project leaders and the Bio-Innovate PMO; clear procedures for preparing, signing and submitting the financial report required by the Bio-Innovate Program.

The format for the Bio-Innovate biannual project financial report is given in Annex 5.

The arrangements for periodic comparison of actual project activities against plan, and regular evaluation of systems should be reviewed. They should enable the PMO and project teams to assess the quality and performance of the internal control system.

These arrangements would include:
- inventory taking and verification, and report preparation and distribution
- internal and external audits
- clear procedures for timely reporting of important deficiencies and audit findings to the PMO, and for taking appropriate actions

6.9.1 Financial reporting arrangements for the Bio-Innovate projects.

Financial reporting will be carried out biannually based on the budget and activity plans for the reporting period and comply with all applicable accounting standards.

The following will constitute a biannual or annual financial report:
- a summary financial report as per the official standard reporting template duly signed.
- a ledger supporting the figures in the periodical financial reports.
- supporting documents relating to all figures reported.

- an updated inventory list for assets procured under the Bio-Innovate fund.
- a copy of the project cash book and bank statement reconciled.
- any other relevant documentation as may be requested from time to time.
- half-year progress and financial reports shall be sent to the PMO - ILRI by latest July 30th of every project year.
- annual project reports must be submitted to the PMO - ILRI, latest by January 31st each program year. Annual reports must follow the general format provided by the PMO-ILRI.
- in case of substantial deviation from project plans and budgets presented in the partner sub-agreement, the PMO - ILRI may reclaim the disbursed amount, wholly or in part from the concerned project partner(s).

6.10 Auditing

In line with Sida's new audit requirement, audits will be conducted for all recipients of Sida funding on a yearly basis. The objectives and scope of the audit shall be guided by the ISA 315 as a basis for risk assessment and issue a report thereof in accordance with the ISA 800. According to the International Federation of Accountants (IFAC) ISA 315, *Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and Its Environment*, deals with the auditor's responsibility to identify and assess the risks of material misstatement in the financial statements through an understanding of the entity and its environment, including the entity's internal controls and risk assessment process. *ISA 800, Special Considerations-Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks*, deals with a special purpose framework which is a financial reporting framework designed to meet the financial information needs of specific users. The financial reporting framework may be a fair representation framework or compliance. Adequate and complete documentation shall be maintained for the purposes of the audits.

Some specific audits will entail:

- Examining, assessing and reporting on compliance with the terms and conditions of the agreement and applicable laws and regulations.
- Examining if there is supporting documentation related to reported expenditure. The auditor shall report the identified amount in case there is any missing supporting documentation.
- Submission of an audit memorandum/management letter, which shall contain the audit findings made during the audit process. The audit memorandum/management letter shall state which measures have been taken as a result of previous audits and whether measures taken have been adequate to deal with reported shortcomings.

6.10.1 Selection of external financial auditors and submission of audit annual final financial reports

The Project Agreement specifies that the Bio-Innovate supported projects implementing institutions should submit to the Bio-Innovate Program biannual and annual progress reports and financial statements.

The audit of all expenditures incurred by Bio-Innovate project implementing institutions for the purposes of executing the project is carried out centrally at the Bio-Innovate PMO-ILRI annually. To expedite the auditing process, Bio-Innovate project implementing institutions shall submit all ORIGINAL vouchers together with the financial statements to the Bio-Innovate PMO-ILRI on a biannual basis. The cost for the audit shall be borne by ILRI from the Bio-Innovate Program budget. The Parties shall co-operate with and assist the auditor for the auditing mission. Original vouchers and the related support documentation should be made available for the audits.

The project accounts shall be audited by duly recognized independent auditors selected by ILRI in consultation with Sida. The auditor shall be selected by obtaining and evaluating quotations from at least three audit firms.

The Bio-Innovate Program shall be audited annually by an external, independent and qualified auditor, in accordance with international standards. The selection and terms of reference of the auditor shall be prepared by the PMT, in consultation with ILRI and approved by Sida.

The external auditor is expected to conduct a full scope audit in accordance with generally accepted auditing standards. The auditor will submit an audit report which shall include the auditor's opinion, general information and financial statements. A financial audit management report prepared by the auditor will also be required if there are significant internal control weaknesses and irregular transactions and activities. ILRI should sign a letter of representation prepared by the auditor stating to the best of their knowledge and belief that the financial statements contain all transactions and that the statement of account is complete and accurate in all respects.

6.10.2 Auditing requirements

The project financial statements of all Bio-Innovate supported projects are audited annually.

6.10.3 Scope of audit

Audits of financial statements for the funded projects include:

- an assessment of the adequacy of accounting and internal control systems to monitor

expenditures and other financial transactions and ensure safe custody of project-financed assets
- establishment whether the project implementing entities have maintained adequate documentation of all relevant transactions
- verification that the expenditures submitted to the PMO-ILRI, are eligible for Sida financing, and identification of any ineligible expenditures
- verification that the annual financial statements can be reconciled with the relevant year to date amounts appearing in the reports submitted to the PMO-ILRI

6.10.4 Audit checklist

Check that
- reporting is in accordance with agreed conditions
- activities for which funds were awarded have been carried out
- the factual report and financial report do not contradict one another
- costs incurred according to fund accounts agree with accounts of the project/program kept in the Bio-Innovate PMO-ILRI
- costs stated in accounts agree with actual supporting documentation and/or examined reports from recipient party (project, institution ...)
- the self-funding component has been accounted for correctly
- the organization has signed an agreement with local partner organizations to which it channels grant funds
- the lead organization has received a report with an audit certificate as agreed from each local partner organization, and that it has examined this audit
- the lead organization has a separate bank account for Bio-Innovate funds and that transactions with it are signed by a minimum of two individuals in the executing organization
- received and accrued interest on Bio-Innovate funds is accounted for correctly
- it is stated in the final report if funds are to be paid back

6.10.5 Monitoring audit compliance

The ILRI-PMO ensures that consultations take place among the project team handling the Bio-Innovate project at the implementing institutions and ILRI-PMO in order to identify necessary remedial actions. For example:
- *inadequate financial management:* provide technical assistance to the implementing entity
- *unacceptable quality of financial statement:* request submission of acceptable financial statements
- *ineligible expenditures:* require additional evidence of eligibility of the expenditures, submission of documentation for other eligible expenditures, or a refund of the amount disbursed

Section 7
Project monitoring and evaluation

7.1 Introduction

Bio-Innovate strives to ensure that funding is being used as efficiently as possible and with a maximum impact. Therefore, it is necessary for all actors and parties to implement a continuous and rigorous monitoring and evaluation (M&E) component. This section sets out required procedures to implement, monitor, review and evaluate Bio-Innovate supported projects. It provides particularly guidance to the executing institutions to set up and apply monitoring systems and to produce relevant and consolidated technical and financial reports.

The M&E system for Bio-Innovate shall allow the Program to evaluate its working performance in terms of strategy and direction, research and program development, effectiveness, approach and management, outputs created, internal communication and collaboration, fundraising efforts, uptake of outcomes and impacts in society.

Each project is required to use the LFM to produce clear log frames on outputs, outcomes and activity schedules, which will be closely monitored by the PMT. Annual peer review evaluations will assist the TAC making an assessment whether projects are on track. Consortia, projects and/or project components that seem not effective or not achieving desired outputs will be reviewed by the PMT, on the advice of the TAC and will be informed and guided to make adjustments. If this still does not lead to satisfactory adjustments for progress towards achieving the mutually agreed annual milestones and results, the PMO-ILRI may decide for early termination of the project. Unused funds from any such terminated projects shall be reallocated by the PMT, after consultation with Sida.

In order to manage efficient M&E and potential reallocations of Program budget, effective reporting regimes and routines have also been developed by the PMT and included in this manual as well as in the sub-agreement.

7.2 Project monitoring, review and reporting

7.2.1 Monitoring

Monitoring is the continuous process of collecting and analyzing data (indicators), with a view to identify any need for corrective actions to ensure correct project execution towards attaining its objective.

The basis for a quality result-based project management system is the 'Plan, Implement, Follow-up, and Evaluate approach', where follow-up is the monitoring part of the approach.

Monitoring verifies the actual situation in relation to the planned situation. It starts, once the project proposal has been approved and funded. Depending on the outcome of monitoring, actions may be required to adapt implementation. Monitoring is a procedure of continual search for efficiency and effectiveness.

At the Bio-Innovate project, implementing institutions need to monitor four factors:

1. **Resource use efficiency (input):** the timely availability of inputs, e.g. project staff, funds, equipment, and timely and proper execution of activities and working processes, used as indicators in the yearly activity plans and budget.
2. **Output:** delivery and quality of outputs (direct results) using indicators as presented in the logical framework in the approved consortium project document. The Logframe will be used within the project, especially at the activity level to ensure delivery on output level in terms of focus, budgetary compliance, progress and overall compliance.
3. **Outcome:** is the extent to which the specific objective has been achieved, using indicators as presented in the logical framework matrix in the consortium project document, e.g. response of target beneficiaries to (use) project outputs.
4. **Impact:** is a fundamental and sustainable change in conditions after project implementation. Impact is linked to the development objective. Therefore the social, economic and environmental impacts should be described in terms relevant to the development objective, using indicators as presented in the logical framework matrix in the consortium project document and defined in impact assessment reports as far as they are available.

A basic **monitoring system** consists of:

- **identified objects and indicators** to be examined pertaining to input, including expenditures, output, outcome and impact **(what?)**
- **methods/means of verification** and frequency of data collecting concerning the indicators **(how, when, by whom?)**

- **processing and analysing of the data**
- **defining corrective actions**

Internal monitoring by the executing institution and the consortium project leaders

All partners involved in the implementation of the Bio-Innovate projects, i.e. lead implementing institutions and collaborating partners have a built-in internal monitoring system in the approved consortium project in order to ensure successful execution of the consortium project. Implementing this monitoring system must be part of the planned activities in the yearly plans of activities. The internal monitoring system is a results-based management tool that should be effectively utilized to improve project performance.

The internal monitoring system of all partners should ensure successful implementation of the project including adjustments of the yearly plan of activities (YPA) and implementation according to defined corrective actions.

The selection of *'what should be monitored*' and *'by what indicators'*, is crucial for the effectiveness of a monitoring system. The LFM and the yearly work plans provide the basis for the monitoring activities.

Internal monitoring should include the following subjects:

- follow-up commitments resulting from the agreement between the Bio-Innovate the PMO-ILRI and the executing institutions.
- progress and proper execution of planned consortium project activities, as per the indicators outlined and yearly activity plans provided in the project document. The consortium project leader, and where appropriate the collaborating institution, must:
  - monitor the actual performance of the project team as well as the availability of funds
  - verify that task leaders for activities of a specific project component have the appropriate technical and personal qualifications
  - anticipate and monitor delays in disbursements of funds
  - anticipate and monitor conditions, such as adverse weather, which may slow down or delay activities
  - ensure timely preparation and submission of progress and financial reports by project task leaders
- on-time delivery and quality of the outputs, using indicators as presented in the LFM in the project document.
- the extent to which the Specific Objective has been achieved, using indicators as presented in the logical framework matrix in the project document, e.g. response of target beneficiaries to (use) project outputs.
- social, economic and environmental impact and the effect of mitigating measures, using

indicators referring to the Development Objective, as presented in the LFM in the project document and defined in impact assessment reports as far as they are available.

Results of internal monitoring by the consortium project leaders (PIs) will show if and where there is need for corrective actions and for enhancing performance of the consortium project teams. These results are incorporated in progress reports submitted to the Bio-Innovate Program. The structure and format of these reports should be compatible with the monitoring system.

The format for the Bio-Innovate biannual project progress report is given in Annex 6.

They also provide useful data and guidelines to any PMO conducted external monitoring. Internal monitoring by the Consortium Project Leader and Bio-Innovate Secretariat should be conducted annually preferably immediately prior to the schedule of TAC meetings. It consists of review of pertinent progress and other reports of a project, interviews with project management and stakeholders, and field visits to validate accomplishments. Prior planning must be done to identify the documents to be reviewed, who to interview for results and problems, and to look at specific areas where reported accomplishments can be validated on the ground.

Monitoring these matters enables mitigating measures and prevents confrontation with unexpected delays in delivering the outputs. It may be useful for setting up an early warning system to anticipate possible delayed inputs or no shows. The system would check availability of planned inputs well ahead as well as shortly before their planned use.

Implementation of the monitoring system must be part of the planned activities in the work plan. Findings of internal monitoring are not only a basis for action but also enable the project task leader to report objectively and promptly to the higher consortium Project Leader. This is necessary if there is any need to adopt preventative or corrective actions, or simply to keep them informed on the project progress and situation. Outcomes of internal monitoring should be fed into progress reports. The structure of the progress reports and the internal monitoring system should be attuned to each other. Progress reports should present relevant data in the Bio-Innovate project progress reporting format.

External monitoring

The external monitoring of a consortium project is undertaken by the Bio-Innovate PMT and the TAC, supported by external experts where necessary. Therefore the information provided in the progress reports must come in a format adequate to be analyzed and registered by the Bio-Innovate Program.

The Bio-Innovate Program relies on the information from the PI's consolidated technical and financial reports, to monitor project implementation and to react when necessary. This must enable the Bio-Innovate PMO to:

- assess whether these projects are proceeding according to the agreed work schedules, so that the necessary Bio-Innovate PMO actions (e.g. disbursements to the executing institutions) may be taken
- propose and participate in any necessary reviews of the projects as a result of these assessments
- report to the TAC and Sida on the situation and on the completion prospects of the project

7.2.2 Review

Part of monitoring procedures is the project review.

> ***Project review*** is a specific formal examination of project implementation towards attaining its objectives, as part of the project monitoring activities

The periodic project review is part of the Bio-Innovate Program's own monitoring function and constitutes an important element in the process of interacting locally with the consortium project teams, visiting the implementing institutions and project sites and other institutions involved, and of gaining deeper and more direct insight into the progress of the project activities.

All project reviews will use the Logical Framework Matrix and its associated annual work plans in the project document as the main frame of reference. Review, as monitoring does, should in particular examine systematically the indicators of achievement of each of the project elements – activity implementation (progress), attainment of specific objective(s), outputs, outcome and impacts in relation to the given development objective(s).

Review missions will be conducted by the Bio-Innovate Program secretariat, in cooperation with the consortium project leader and representatives of the TAC as appropriate.

The aim of the TAC review is to assess whether the project progress is in accordance with the work plans, and to provide recommendations and approve any change in actions which would enhance the success of the project.

The Bio-Innovate Program may also launch specific financial review missions with the purpose to improve insight in the actual financial situation i.e. expenditures, liquidity, or to help to overcome problems with the financial management.

Conduct of TAC meetings and review missions

The TAC will meet once or twice each year to review ongoing projects in terms of progress in implementation. The date at which meetings are to be held should be determined after consultation among all the concerned parties by the Bio-Innovate PMO. The Program manager can call special TAC meetings to tackle urgent issues requiring immediate attention.

All project monitoring and review, both by the lead executing institution and by the Bio-Innovate PMO, as well as by the TAC, will use the LFM and its associated work plan as the main frame of reference.

The Bio-Innovate Project Monitoring and Review Missions (PMRM) consist of a TAC meeting and a project site visit. For each ongoing project regardless of its size, a PMRM should be carried out at least once a year (pre-projects will generally not be visited). In principle, each PMRM should include a project site visit; in cases where this is not possible, the project site should be visited at least once during the life of the project.

The executing institution is responsible for:

- submitting an up-to-date consolidated technical and financial progress report four weeks before the start of a review mission
- providing adequate transport during the review to the project site and assuring the presence of project participants and/or stakeholders at large
- organizing meetings; as members of a review mission shall assess project progress at the project site, they need to meet with stakeholders/project participants, verify pilot set-up and performance and the allocation and condition of capital items purchased with Bio-Innovate funds. They will also take photographs for progress documentation and for the Bio-Innovate photo library. It is expected that the implementing institutions will make the necessary arrangements to make this possible.

Annex 7 elaborates on the guidelines for field monitoring visits.

7.2.3 Reporting

The Bio-Innovate Program requires that project consortium documents and project partner sub-agreements provide for the supply of detailed information by the executing institution.

In this section the following reports are introduced:

- inception report (inception phase)
- yearly plan of activities (inception phase and implementation phase)
- progress and technical reports (implementation phase)
- financial reports (implementation and completion phase)
- completion reports (completion phase)

When preparing and submitting reports, it may often be useful to illustrate the achievements/progress made with the aid of visual materials (graphs, diagrams, pictures, etc.).

Inception phase

Immediately after a project has been approved by the Bio-Innovate TAC and funded, the Consortium Project Leader should conduct an inception meeting amongst the consortium team and collaborating institutions representatives and other stakeholders. The meeting shall discuss the necessary arrangements for reporting and resource mobilization for the project commencement.

These include identifying adequate sites for the project, the preparation of an annual work plan for the first year (YPA1), defining of roles and responsibilities within the consortium projects. The agreements in the meeting and resulting outputs will be incorporated in the inception report to be submitted to the Bio-Innovate PMO. The inception meeting can be classified as a mobilization venue for the implementing institution to satisfy the necessary arrangements for project commencement.

The **inception report** is the formal notification that the project is about to commence. It comprises confirmation that all conditions are met, provisions are in place and formalities have been concluded for a smooth start of the project implementation.

The **inception report** shall contain matters such as:

- confirmation of the commitments from all involved project teams and collaborating institutions
- proof of holding the project bank account (separate account or subaccount) in an internationally recognized bank
- proposal of assignment of core project activities
- changes since submission of the project document, if any

The inception report has the following appendices:

- a Yearly Plan of Activities for the first year, or detailed work plan

- copies of any contractual arrangements between implementing institutions and suppliers, contractors, etc.

The format for the inception report with the complete table of content is attached as Annex 4.

The consortium project leader will submit the inception report within two weeks after conducting the inception meeting.

If, within three months of the official starting date, the project has not embarked on all the planned activities, the executing institution will report to the Bio-Innovate PMO on:

- the reasons for the delay in start-up
- any preparatory activities that are nevertheless under way
- any measures that are being taken, or could be taken, to speed up the start
- any revision of the detailed work plan that appears necessary as a result of the delay

If within a further three months there is still no progress, the executing institution will provide another report to the Bio-Innovate Secretariat. The PMO will then draw this to the attention of the TAC at the next TAC meeting and at the Bio-Innovate-Sida Annual Review Meeting.

Implementation phase

Yearly Plan of Activities (YPA)

One of the major challenges in project planning is that the 'radius of foresight' hardly ever corresponds to the 'radius of action'. That is to say, the longer the duration of a project phase, the more difficult it is to correctly assess whether the activities of subsequent years are realistically planned. For that reason, planners have introduced the notion of a 'rolling plan' i.e. a list of the subsequent yearly plans of activities. YPAs are required for all the Bio-Innovate supported projects for the projects' implementation period.

The YPA is the annual operational plan for the implementation of the project. The YPA should present the coming operational year in greater detail than in the project document. It should be based on the results from internal project monitoring, the recommendations of external reviewers and the TAC, indicators from the technical progress and financial reports for the year prior to the next YPA.

As long as no external evaluation has commended conceptual changes, the outputs of the project remain unchanged. In this case, the YPA will remain within the framework of the initially defined outputs. Whenever deemed necessary, alternative activities, inputs and work plans will be proposed.

The format for the YPA is given in Annex 8.

The YPA is prepared, on a yearly basis at the annual project planning meetings, by the project leader and his team. The first YPA is attached to the inception report. Before the beginning of the next year of project implementation, a new annual project planning meeting should be held. The subsequent YPA has to be submitted to the Bio-Innovate PMO, together with the annual consolidated progress and financial report, at the latest by 31st January of each year of project implementation. The Bio-Innovate Program Manager approves the YPA upon recommendation of the Bio-Innovate Program TAC, as applicable.

Project Progress Reports

The progress report is the biannual formal and objective account from the executing institutions on the project accomplishments, and expenditures incurred in relation to the reporting period.

The aim of project progress reports is:

- To ensure that the Bio-Innovate PMO has a clear picture of the extent to which the project activities are proceeding according to plan (e.g. tasks which have been started or concluded, the percentage of the work carried out). It also justifies the expenditures and shows that progress is being made to date in the production of outputs and the achievement of specific objectives (information should be based on the results of the executing institution's monitoring of the Project).
- To relate the achievements of resources as financed by the Bio-Innovate funds and any other co-funds.
- To justify any request for further instalments of Bio-Innovate funds in terms of timing and planned activities and related resource requirements.

The format for project progress reports is attached as Annex 6.

Consolidated project progress reports on all Bio-Innovate projects under implementation shall be prepared by the consortium project leaders and should reach the Secretariat not later than 31st January and 30th July in each year of project implementation. The Bio-Innovate PMO will plan the start of a review mission just after the receipt of the annual consolidated progress reports, and before any point in the progress of the project at which it is agreed that funds shall be provided to the executing institution for the progress of the work, or at any other intervals stipulated in the project sub-agreement.

Technical reports

Technical reports differ from progress reports in the nature of their content and purpose. They register and transfer the results of the work carried out under the Bio-Innovate Program research, development and demonstration projects and contain technical and scientific data, analysis of the data and the project results. These reports present procedures and methodologies adopted, the data established, the results achieved and the conclusions reached.

The purpose of the project technical report is to transmit the technical and scientific knowledge acquired through the work to the scientific community. This requires that the related data be made available in a clear and concise way. Technical reports may also be introduced in electronic media. The terminology utilized in the Bio-Innovate project technical reports should be appropriate for scientific publications and therefore their structure must follow international standards for presentation of technical and scientific work.

Moreover, the technical, methodological and scientific acquired knowledge should be 'translated' in the implications for practice in a way that is digestible and understandable for each specific target group. This goal could be achieved by specific chapters in the technical reports or by producing a separate series of 'implications for practice' documents.

The reference part of the technical report may include:

a) appendix(es), if necessary. The information displayed in the appendix should not be essential to understand the discussion of results presented in the main body of the report, but should be sufficiently relevant to be included as an appendix.
b) bibliography, or relevant publications on the theme which may give further insight into the project work, should also be presented as an appendix to the main body of the report, or as footnotes in the relevant pages of the report.

The format for Project Annual Technical Reports is given in Annex 9.

Results of various research topics should be presented in individual Technical Reports. Technical reports should occur whenever relevant technical results are foreseen. They could be interim reports or final reports. The individual final Technical reports should be attached to the Completion report.

Financial Report

Half-year financial reports shall be sent to the PMO-ILRI by latest July 30th of every project year. Annual project financial reports must be submitted to the PMO-ILRI, latest by

January 31st and must follow the general format provided in Annex 5.

The biannual financial reports shall be based on the statement of accounts and cover the revenue and expenditures as compared to the budget for the entire operation including all sources of financing. An approved financial report is a prerequisite for further disbursements.

All the collaborating institutions will prepare and channel a signed hard copy as well as a soft copy of their financial reports through the PI with a copy to the PMO-ILRI. The PI will compile the half-year and final financial project reports for submission to the PMO-ILRI. The signed original hard copies will also be directly sent to the PMO-ILRI.

Financial audit report

The Bio-Innovate Program host institution ILRI, is responsible for organizing annual audits of the Bio-Innovate consortium projects by an external, independent and qualified auditor. If requested by ILRI, the audit shall also cover the six months financial progress reports of the Bio-Innovate projects. ILRI reserves the right for performance of any independent additional audits, follow-ups and financial reviews and the respective implementing institutions shall cooperate on this exercise.

The Project sub-agreement requires the executing institution to submit to the consortium project leader, with a copy to Bio-Innovate PMO, an audited financial statement in addition to the financial information in the project progress reports. The financial audit report consists of the statement of the auditor accompanied by and referring to:

- the opening balance
- the expenditure incurred against each head of the project budget including cumulative receipts and expenditures to date, separately for Bio-Innovate budget and counterpart budget components, (actual financial statement)
- any income earned or accruing
- the closing balance for the project accounts, distinguishing between the funding provided by Bio-Innovate, the funding provided by the executing institution and the funding provided by any other sources

To facilitate a centralized audit, the implementing institution shall on a biannual basis submit ORIGINAL payment vouchers and receipts accompanying biannual financial reports. The terms of reference for the audit shall be approved by ILRI. The cost of the audit shall be paid by ILRI from the Bio-Innovate Program budget. The audit shall be carried out in accordance to international standards.

The auditor shall submit an Audit Memorandum or a Management Letter which shall contain the audit findings made during the audit process. It shall also state which measures have been taken as a result of previous audit reports, audit memorandums and or management letters and whether measures taken have been adequate to deal with reported shortcomings.

Audited financial reports are required:

- annually, within three months after the end of the financial year for projects with Bio-Innovate budget.
- within four months after the completion of the project.
- at any other time which may exceptionally appear to the Bio-Innovate Secretariat to be necessary.

Completion phase

Upon completion of the Project, the executing institution shall make an early assessment of the outcome(s) and report to the Bio-Innovate PMO in a Completion report.

Completion report

The completion report is the final formal report summarizing, upon project completion, all planned activities versus their actual implementation, establishing the impact and the expected sustainability of the project in the post-project period and presenting the lessons learned.

The completion report summarizes the activities, inputs and expenditures, achieved outputs and objectives, during the entire implementation phase and highlights particularly the most critical differences between planned and realized project actvities using the original project document as a reference. The report reflects in retrospect on the project identification process, the set objectives and the chosen implementation strategy. To that end, the consortium project leaders will organize together with stakeholders an internal evaluation shortly before the completion of the project.

The purpose of this report is to record all the relevant information regarding the consortium project which should be kept as 'institutional memory'. The completion report will be used as the basis for the Secretariat's reports to the TAC and Sida on completed projects.

The format for completion reports is given in Annex 10.

The consortium projects leaders will

- organize an internal evaluation with all stakeholders shortly before the completion of the project.
- submit the project completion report within three months of project completion.

A project is officially closed when the Bio-Innovate TAC has accepted the technical completion report. The financial closure is marked by the acceptance by the Bio-Innovate Program Manager of the final audit and by the refunding of any unused funds and disposal of capital goods by the executing institution.

If it is decided subsequently to arrange an ex post evaluation, or such an evaluation has already been specifically provided for in the project agreement, the completion report will be one of the inputs provided to such an evaluation, which will be carried out in accordance with the guidelines on project evaluation presented in section 7.3 of this manual.

Special reports

If at any time the Executing Institution discerns that achievement of the project specific objective(s) is significantly endangered by unexpected external events or by failures in any part of the detailed work plan which the project team is not able to rectify, it shall immediately report the situation to Bio-Innovate PMO with as clear an analysis as possible, together with its recommendations.

The Bio-Innovate Secretariat will then normally start a special review to assess the situation together with the consortium project leader, and with the representatives of TAC as appropriate. If funding is earmarked, it will also promptly report the situation to Sida. Such special reports shall normally be in the same form as the project progress report.

7.3 Project evaluation

The guidelines and instructions presented in this section are addressed to Bio-Innovate Program's project evaluators. They provide orientation for organizing the evaluation process as well as guidance for elaborating the project evaluation report.

7.3.1 Concepts and definitions

General

> ***Evaluation*** is the systematic and objective collection of information, on the spot assessment and analysis of the validity, design, appropriateness, performance and the impact of the project.

The *purpose* of an evaluation is to guide or advice on the further implementation of the evaluated project and/or on the formulation and implementation of future projects.

The merit and added value of external evaluations lie in its *neutral/objective judgment.*

Project evaluation differs basically from project monitoring and reviews. While monitoring and reviews are concerned mainly with the progress of the project as originally designed (progress in the work plan implementation, appropriate use of funds, application of norms and standards both in technical and administrative aspects, etc.), evaluation looks beyond the constituent elements of the project, to the validity of its design and to its impact.

Reference for the evaluation is the project document and any changes which might have been approved formally during the course of the implementation, as well as reports from previous evaluations. Evidence of such changes should be found in YPAs and progress reports.

Evaluation is a tool to be applied selectively. It will neither be automatically applied to every Bio-Innovate supported project nor at every stage of the project cycle. Since it is almost as costly to evaluate small projects as large ones, it will be more cost-effective to focus on the latter. The emphasis of the evaluation may vary according to the stage of the project midterm or ex post evaluation, see sections 7.3.2 and 7.3.3 below.

Evaluators

The Bio-Innovate Program supported projects midterm and ex post evaluations will be undertaken by a team of a maximum of three independent experts, selected by the TAC. The evaluation team may be assisted by two or three experts from the project(s) appointed by the consortium project leader and the Bio-Innovate Program Manager.

The terms of reference (TOR) for the consultants should be in line with the contents of the expected evaluation report (prescribing the scope and focus, methodology, lessons learned and findings/ recommendations).

The findings of the external evaluation mission are presented in a Project Evaluation Report. (See format in Annex 11.)

The evaluation team should report its findings to Sida through the Bio-Innovate endorsed by TAC. The Secretariat should ensure that lessons learned, both positive and negative, are made available to its partners.

7.3.2 Midterm evaluation

Midterm evaluation is the systematic and objective collection of information, on the spot assessment and analysis of the validity, design, appropriateness, performance and the impact of the Project during its implementation stage.

The *purpose* of midterm evaluations is to draw conclusions, guide or advise on all factors relevant for the further implementation of the project, including any necessary revision of project design based on experiences of the project implementation.

The emphasis of a midterm evaluation will be on the analysis of the objective data which indicate project progress: inputs allocation; implementation of activities; achievement of outputs; progress towards achievement of the specific objective(s) and whether this progress is contributing to the achievement of the development objective as predicted. The Logical Framework Matrix will be useful to check whether the original project design is still valid, or whether it should be changed in the light of changing circumstances and greater knowledge.

The project document and reports from previous evaluations, if available, as well progress reports and YPAs serve as reference for the evaluation.

Midterm evaluations will be carried out in circumstances when:
- there are problems in project implementation, upon request from either the Bio-Innovate Program secretariat, the TAC or Sida, as appropriate
- the need for midterm evaluation was foreseen at the early stage of project implementation

The midterm evaluation report is submitted for consideration to the TAC.

The project evaluation report resulting from midterm evaluation is intended to summarize the information gathered, the findings of the mission, its conclusions and recommendations, to provide evidence on the key evaluation elements and to register

its results. The report should not be more than 30 pages, format A4, typed in space 2. Relevant information, data and documents, which should be kept in a file for eventual future consultation, will be included as an appendix to the report. It may also be useful, in appropriate cases, to illustrate aspects of the report by visual means (e.g. pictures, figures, graphs...).

Evaluators

At least two independent consultants will be engaged to conduct the midterm evaluation. The TOR for the external consultants shall be in be in line with the contents of the expected project evaluation report prescribing the scope and focus, methodology, lessons learned and findings/recommendations. The independent consultants to conduct midterm evaluation are selected by the Bio-Innovate Program secretariat in consultation with the TAC and Sida.

Ideally these consultants have relevant experience in agricultural/environmental biosciences innovation and or biosciences policy in eastern Africa.

7.3.3 Ex post evaluation

Ex post evaluation is the systematic and objective collection of information, on the spot assessment and analysis of the validity, design, appropriateness, performance and the impact of the project after its completion, with the intent to establish the extent to which it achieved its objective, its degree of effectiveness and efficiency, as well as its sustainability.

The *purpose of ex post evaluations* is to learn lessons and to draw conclusions for future projects. The ex post evaluation should establish the extent to which the results, in terms of outputs, achieved objectives, impact and sustainability of the project intervention, have been achieved and draw conclusions and recommendations for similar interventions in the future. The project document and reports from previous evaluations as well as adjustments reported in progress reports and YPAs serve as reference for the evaluation. The completion report should be given due consideration as it contains valuable fact analysis and recommendations.

The scope of the ex post evaluation

Experience has shown that in many cases the TOR of ex post evaluations requires the evaluation team to assess all aspects of a project from its inception to its completion regarding administrative and financial matters, organization, communication, consultation

and cooperation, technical matters, effectiveness and impact, relevance to Bio-Innovate Program, etc. The task is to identify reasons for successes and failures. The execution requires a well-balanced team with sufficient time to undertake the task.

Separate assessments on financial issues, audit reports should be continued. Occasionally, more detailed financial assessments, including justification of budget items, and use of the resources may improve budget estimates and promote stronger financial discipline. Some projects may appear to have not served their purposes fully. In those cases the ex post evaluation team should also try to assess the extent to which failure could have been foreseen during the appraisal of the project proposal based on the information contained by the project document. This aspect of the evaluation could help strengthen the process of appraising future project proposals.

Thematic evaluations

Ex post evaluations could be executed for the Bio-Innovate thematic area consortium projects i.e. consortium projects within the same theme such as thematic area 1 and 2, consortium projects addressing adaptation to climate change in agriculture and the environment in eastern Africa, as well as in thematic area 3 and 4 focusing on innovation incubation and bio-resources innovation policy analysis in eastern Africa, respectively. The advantage of this approach is that consortium projects may be compared with each other, resulting in:

- more robust analysis of strong and weak factors influencing performance and impact
- direct insight in the usefulness for Bio-Innovate Program and Sida to continually support such projects in eastern Africa

The added value of ex post evaluations

What may be expected from an ex post evaluation in addition to the wealth of information already made available through critical analysis, reviews and internal evaluations and documented in progress reports and completion reports as well as evaluation reports? Most of these documents present accurate achievements, differences between anticipated outputs and realized outputs, availability and use of resources. They contain analysis, lessons learned (or still to be learned) conclusions and recommendations.

The merit and added value of the external ex post evaluations lies not only in its neutral/objective judgement and experience but also in the timing. Following a project's completion, it gives a fair judgement on the impact and sustainability of the project.

The Bio-Innovate agreement requires the Secretariat to prepare a document on completed pre-projects and projects for TAC review. The TAC will decide upon the necessity of ex post

evaluation on the basis of the document prepared by the Secretariat which will include a mention of the financial resources available for ex post evaluation. The TAC may decide to engage independent consultants to conduct ex post evaluation for a specific project or for a thematic group of projects.

7.3.4 Evaluation process, framework and other considerations

The evaluation process is broadly the same, independent of whether it refers to a midterm or an ex post evaluation. But the outputs of each one will vary somewhat as a function of the project phase. The orientations presented hereafter apply to both types of evaluation.

The analytical evaluation process

The key stages of project evaluation are:

i) Clarification of project design

The evaluation process starts with the analysis of the project document to reach a consensus among the evaluation team/experts regarding the project content and intention, the necessary and available background information and other relevant aspects.

ii) Analysis of project design

Following the phase of clarification of project design, the next task of the project evaluators is to perform a critical analysis of its elements with the intent of:

- evaluating the origin of the project and project formulation process.
- evaluating the rationale of the project, i.e. the relevance of the specific objective and the appropriateness of the implementation strategy.
- establishing the appropriateness of the project elements. This includes the evaluation of the linkages between activities and outputs, between outputs and specific objective(s) and between specific objective(s) and the development objective.
- establishing the success probability of the project. This includes evaluating the factors which will influence or have influenced the achievement of the outputs and specific objective(s), outcome and impact of the project, the risks involved, and whether these risks can be (or could have been) reduced by changes in design. It is particularly important to have a closer look at the effectiveness of cooperation and participation.

If the project is being evaluated for the first time, the survey by the expert team will also include a thorough analysis of:

- the local conditions and situation which prevailed in the field prior to the project intervention and at the time of the evaluation

- the existing working environment related to the project's (proposed) activities
- the expectations of the target beneficiaries and the existing arrangements to ensure their cooperation
- the existing institutional and project team capabilities of the implementing institution
- the likely social and economic benefit of the project

To carry out such a survey it is necessary to plan carefully the visits and interviews at least one month beforehand. Account should be taken of the relevant portions of the guidelines, for ensuring participation of end users in the project cycle, and the guidelines to take into account the environmental and socio-economic impact of the projects.

iii) Group review and interpretation of findings

The next phase following project analysis is a group review of the information gathered, involving the evaluation team and the project team. Its purpose is to reach conclusions which are as realistic as possible and to ensure that the findings of the evaluation are agreed by all interested parties. The review should happen not only at the end of the evaluation mission; whenever intermediate conclusions are reached they should be discussed by the group to allow full participation and a common understanding of the issues underlying the project implementation. It should be stressed, however, that it will be on the final group review that the final conclusions will be reached and recommendations put forward regarding project design and project steering.

iv) Project evaluation reporting

The data collected by the evaluation team and its findings will be registered in a project evaluation report, designed to record the relevant information gathered in the process and its conclusions and recommendations.

The evaluation framework

The analytical process of project evaluation will refer always to an existing project document. The evaluation framework is provided by the project document and any changes which might have been approved formally during the course of the implementation, as well as reports from previous evaluations. Evidence of such changes should be found in YPAs and progress reports. A useful form to be employed in the clarification of the project design and in the analysis of the linkages of the project elements is the LFM of the project document. It should be used by the evaluation team to summarize the project design and to orient the clarification and the analytical processes.

The concept underlying project design is that by providing certain inputs, activities will be implemented and will produce outputs. The achievement of these outputs should lead to the accomplishment of the specific objective(s) of the project, which will in turn contribute to the achievement of the broader development objective. A direct relationship exists between the project's specific objective(s) and the fundamental problems indicated in the project identification phase - the enunciation of the specific objective(s) is, or should be, the converse of the problem to which the project is addressed.

Together with this vertical logic - Activities-Outputs-Specific Objective(s)-Development Objective - there is a horizontal logic related to the measurement of project progress and to the external factors which influence its success. The measurement of progress is possible through objectively verifiable indicators, which have been established in the LFM. Assessment of the indicators should provide evidence that leads two or more evaluators to the same conclusion. The external factors are taken into account as possible risks to the project and are made explicit as assumptions which presume success at each level of the project elements.

The Bio-Innovate Program requires that before starting field missions, project evaluators should be thoroughly acquainted with it.

Annex 12 contains a checklist of issues which may help an evaluation mission team to carry out their evaluation. Evaluators do not necessarily need to address all the issues but focus on those which fit their TOR.

7.3.5 Special considerations

i) Preparing the evaluation

It is recommended that the consortium innovation and policy project leader should have at least one month to prepare for the evaluation of the project. This period should be sufficient for the project team to organize the necessary information and the logistics involved in the conduct of the evaluation mission.

The Bio-Innovate Secretariat shall contact the consortium project leader with the intent of jointly establishing the evaluation procedures and the work plan, including a list of the institutions to be visited, persons to be interviewed, dates and local support to be provided. The related information, as well as copies of the relevant documents available, should be transmitted to whoever will participate in the evaluation mission. The mission team should preferably organize a joint process of clarifying project design in order to share experiences and to have a common understanding of terminology and procedures.

ii) Coordination of the evaluation

The Bio-Innovate PMO emphasizes the collaborative nature of the evaluation mission and the greatest possible participative involvement of the project teams and financial officers from the concerned implementing institutions. One or two representatives of the local institutions, especially of the executing institution, should be a member of the mission while other representatives participate as much as possible in the evaluation process, including in the formulation of its conclusions. If, however, the executing institution does not agree with the evaluators' conclusions its own separate suggestions and recommendations should also be duly recorded in the project evaluation report.

The Bio-Innovate Program Manager should make sure that the work proceeds in a spirit of cooperation and not of competition. Past experience has shown that greater participation occurs when a cooperative spirit prevails in the evaluation process, and that the validity of its results and conclusions depend very much on the participative and cooperative aspects of the evaluation.

iii) Work plan and consultation

Work plan content

The work plan should include the following elements:

- A list of issues and questions to be addressed. In the light of limited time and funds, the questions should specifically address issues contained in progress reports and completion reports which need further clarification and analysis or which have not been covered by these reports.
- A list of the tasks to be completed, the project team members responsible for each one and its dates of completion.
- The probable sources of information for each set of issues and questions. The criteria to be adopted for the quality control of the information to be gathered, to ensure the reliability and validity of the data collected.
- An explanation of how the information and the data to be gathered will be analyzed and used to reach conclusions (evaluation design, etc.)
- The evaluation mission agenda, with the institutions to be visited and the list of persons to be interviewed.

Work plan drafting process

Before any evaluation field work begins, and after careful review of the relevant project file documents, the Bio-Innovate PMO representative should develop a draft work plan with the intent of achieving the results established in the mission's TOR. It is advisable

that all parties involved should have knowledge beforehand of such a work plan and agree to it.

Consultation

The evaluating missions should make due efforts to consult stakeholders (public sectors, end user communities, industry entrepreneurs and private sectors, etc.) properly and obtain their points of view. Consultation of individuals and institutions not directly linked to the project should also be conducted with the intent of gathering information regarding the social and the economic benefit of the project. Issues such as increase in productivity, improvement of environmental performance of agro-process industries, use of value added products from the project, large-scale use of the innovation by small-scale farmers and private sectors, creation of a conducive policy environment by applying the relevant policy instruments, etc. may provide relevant indications, direct or indirect, of social and economic impacts of the consortium innovation and policy projects.

7.3.6 The project evaluation report

The project evaluation report is the formal report by the evaluators on their procedure, findings on the key evaluation elements, analysis, conclusions and recommendations. (The report should not have more than 30 pages, format A4, typed in space 2).

Relevant information, data and documents, which should be kept in a file for eventual future consultation, should be included as an appendix to the report. When appropriate, another appendix will be attached with possible observations of the evaluation report contrary to conclusions of the team. It will also be useful, in appropriate cases, to illustrate aspects of the report by audiovisual means.

In case of a thematic evaluation, more than one project will be evaluated. The table of content of the synthesis report should be the same as the one for the individual projects. The chapters should present integrated information. One chapter should be added in the synthesis report, i.e. presenting facts and summary of key findings per project.

The outline of contents of a model project evaluation report is given in Annex 11. It highlights some basic issues which should be present in the evaluators' report to guide the decision-making process, without the intent of covering all relevant topics. It will be the evaluators' task to include additional issues which they feel may further clarify the project proposal, indicate progress of implemented projects or the achievements and impact of a completed project.

7.3.7 Involvement of the donor, the National Councils for Science and Technology and other stakeholders

Sida, the councils for Science and Technology (S&T) and other stakeholders in the region should be involved or consulted in project monitoring and evaluation. Sida and the councils for S&T can be invited to attend TAC meetings and other monitoring visits to ascertain the progress of work and provide policy directions to the projects. Likewise stakeholders to benefit from the Bio-Innovate supported innovation and or policy projects should be part of internal and external monitoring and reviews conducted by the lead executing institution/PI and the Bio-Innovate Secretariat.

Section 8
Project suspension

8.1 Criteria for suspension

In cases where any violations of the project agreement becomes apparent, or where it appears that the conditions surrounding the project have changed to such an extent that, in the opinion of the Bio-Innovate Program Manager, the successful completion of the specific project is unlikely, the Bio-Innovate PMO in consultation with the TAC may, by written notice, suspend all further disbursements of funds pending a review.

8.2 Procedure for suspension

The Bio-Innovate Program Manager may suspend disbursement of the implementing institution's funds to the project if they are being used contrary to the project document or in cases of fraud, waste, neglect or mismanagement. The Program Manager will provide to the Bio-Innovate-ILRI and Sida at its next annual meeting a report for its consideration. Bio-Innovate-ILRI and Sida shall take appropriate action on such a report and they may, by special consideration, terminate sponsorship of the project. The Bio-Innovate PMO will then formally inform the implementing institution of the decision to suspend the project.

8.3 Effects of the suspension

If Bio-Innovate funding of the project is suspended the executing institution shall not incur any further expenditures on activities, financed by such funds unless and until such funding is resumed, except with the previous written approval of the Bio-Innovate Program Manager. The executing institution shall keep all assets and values previously funded by Bio-Innovate for the project in safe custody, and shall give notice immediately to any subcontractor whose services are being paid for from Bio-Innovate Program's funds to suspend activities as soon as possible, so as to minimize the cost to the project.

8.4 Criteria and procedure for lifting the suspension

The implementing institution can request lifting of a project suspension if it is satisfied that the project task leader/team has satisfactorily addressed the reasons for suspension and is ready to resume project operations. Bio-Innovate-ILRI in consultation with Sida can then decide to lift the suspension upon recommendation of the TAC and the Bio-Innovate Secretariat.

Section 9
Project termination

9.1 Criteria for project termination

In accordance with article 14 of the 'Bio-Innovate projects sub-agreement and financial rules relating to projects', the Bio-Innovate Program may, by written notice, terminate its approval and funding of the project, in particular in cases where it is satisfied that the following criteria have been violated:

a) The financial resources provided for the project are being misapplied to an extent which compromises the fulfilment of the objectives of the roject.
b) The technical means and/or personnel being used for the implementation of the project are being misapplied to an extent which compromises the fulfilment of the objectives of the project.
c) Its continued approval and funding no longer serve the objectives of the project.

9.2 Procedure for project termination

Based on the criteria for project termination, the Bio-Innovate PMO will present to the ILRI and Sida during its Annual Review Meeting a proposal for termination of a project. The Bio-Innovate-ILRI-Sida by special vote can terminate such project based on the recommendation of the Bio-Innovate Program Secretariat. The executing institution will be informed by the Bio-Innovate Program Manager of the decision to terminate a project.

9.3 Effects of project termination

In case of a decision to terminate Bio-Innovate ILRI and Sida approval and funding the project shall stop operations upon receipt of the termination letter from the Bio-Innovate PMO and the unused part of the resources contributed by the Bio-Innovate Program to the project shall be returned to the Bio-Innovate-ILRI together with a final audited statement within three months after the date of termination.

Section 10
Project completion

10.1 Completion report and post-project sustainability

Upon completion of the project, the lead executing institution shall make an early assessment of its outcomes and accomplishments and submit to the Bio-Innovate Program a completion report. The completion report is the final project report summarizing, upon project completion, all planned project elements versus actual implementation, as well as the impact and the expected sustainability of the project in the post-project period, focusing particularly on the most critical differences between planned and actual implementation and lessons learned. The completion report summarizes the activities, inputs and expenditures, achieved outputs and objectives, during the entire implementation phase and highlights differences between planned and realized project elements using the original project document as reference. The report reflects in retrospect on the project identification process, the set objectives and the chosen implementation strategy.

Such a completion report will be used as the basis for the Bio-Innovate Program Secretariat's reports to the TAC and Sida on completed projects. If it is decided subsequently to arrange an ex post evaluation, or such an evaluation has already been specifically provided for in the project agreement, the completion report will be one of the inputs provided to such an evaluation, which will be carried out in accordance with the guidelines on project evaluation presented in this Manual for project monitoring, review, reporting, and evaluation (Section 7.0 above). A model template for the completion report is presented in Annex 10 of the manual.

10.2 Technical report(s)

The executing institution shall submit to the Bio-innovate Program the results of various research, development, and demonstration topics as technical reports. The necessary technical reports shall be specified in the project document and project agreement as to their topic, scope, and dates of submission.

The contents of a technical report are technical and scientific in nature. It presents procedures and methodologies adopted, the data established, the results achieved and the conclusions reached. The purpose of such a report is to disseminate to end users and other stakeholders the technical and scientific knowledge acquired through the Bio-Innovate Program supported projects. The dissemination of information requires that the related data be made available in a clear and concise way. Technical reports may also be presented as digital files installed at and downloadable from the Bio-Innovate website.

10.3 Field verification of outputs and achievements

Both the Bio-Innovate Program secretariat and the executing institutions should conduct field verification of outputs and achievements of a project as part of their review, monitoring, and evaluation functions. It is particularly crucial at completion stage of the project cycle to validate accomplishments and impacts indicated in the completion report and technical reports. They can use field reconnaissance observations, sampling, and interviews with key stakeholders on the project site, and review of pertinent project reports.

The findings and recommendations can provide the executing institution with the opportunity for corrective measures before a project formally closes or continue with another phase or follow-up projects.

10.4 Role of the Bio-Innovate Technical Advisory Committee

The Bio-Innovate TAC is responsible for the evaluation of the requirements for project completion before presenting to Sida for decision to formally declare such project as completed. They can initiate a further evaluation review by the Bio-Innovate Program Secretariat on the stated accomplishments and impacts of the project or an audit by the Bio-Innovate financial officer if necessary to assess supporting documents for disbursements.

10.5 Technical and financial requirements for project completion

A project can be considered completed upon review and approval by the respective TAC committee members of the completion report and final audited statement submitted by the executing institution and or verified from a centrally audited report.

Section 11
Project closure

The Bio-Innovate Program Secretariat initiates the closure of the account of the project in the financial records of Bio-Innovate PMO after:

i) approval of the completed project by Bio-Innovate TAC
ii) receipt of satisfactory final audited financial statements
iii) receipt of the unused funds from the executing institution (if any)

The remaining funds in the completed project account of Bio-Innovate Project (if any) would comprise of remaining unused funds from:

a) the Bio-Innovate project monitoring and evaluation budget and/or
b) other remaining funds not used by the executing institution

Within the financial records of the Bio-Innovate Program, the account of the completed project is closed after the transfer of these unused funds from this account to ILRI:

a) unused Bio-Innovate project monitoring and evaluation funds to the 'pooled ex post evaluation account' subject to the consent of Sida for the subsequent financing of the regular program for ex post evaluations as approved by the TAC

and

b) the other remaining funds to the Sida account. (Usually these funds are subsequently reallocated by Sida for financing other approved projects.)

Annex 1

BIO-INNOVATE CONSORTIUM PARTNER SUB-AGREEMENT

Between

THE INTERNATIONAL LIVESTOCK RESEACRH INSTITUTE (ILRI)

P.O.Box 30709 Nairobi 000100, Kenya

And

[The executing institution full name] (Abbreviation)

{POSTAL ADDRESS, CITY, COUNTRY}

Hereinafter referred to as 'The Parties'

On the implementation of Bio-Innovate Consortium Project

[Consortium Project number - 'Consortium Project title']

Dated:

WHEREAS:

A. The International Livestock Research Institute (hereinafter referred to as ILRI) is entrusted to manage and host the Bio-Innovate Program funds for participating Eastern African Institutions as part of the Agreement between ILRI and Sida concerning the Bio-Innovate Program.

B. Upon the recommendation of the Bio-Innovate Technical Advisory Committee (hereafter referred to as TAC), ILRI in consultation with Sida has approved the Consortium Project [Consortium Project number - 'Consortium Project title'], (hereinafter referred to as 'the Consortium Project'), and ILRI will make available to the name of the executing institution (hereinafter referred to as {Abbreviation of implementing institution}) funds amounting to a total of **United States dollars**

amount in words only (**US$** XXX,XXX.XX) for the purpose of implementing the afore-mentioned Consortium Project as provided for in this Sub-Agreement for the period **from** date **to** date**.**

C. {Abbreviation of implementing institution} is one of the implementing partners for this Consortium Project. This Sub-Agreement signed by individual Consortium Members governs the role and responsibilities of ILRI and {Abbreviation of implementing institution} in implementation of the Project.

D. The Consortium Members will collectively sign the **'Bio-Innovate Consortium Agreement'** with ILRI which governs the relationship and responsibilities of the Consortium Members and the Management of Intellectual Property under the Bio-Innovate Program.

NOW THEREFORE the parties hereby agree as follows:

ARTICLE 1

SCOPE OF THE CONSORTIUM PROJECT

1.0 The Consortium Project Document attached hereto as Appendix 1, shall form part of this Agreement, and shall govern the scope and details of the Consortium Project.

ARTICLE 2

EXECUTION OF THE CONSORTIUM PROJECT

2.0 {Abbreviation of implementing institution} shall be responsible for executing the Consortium Project in accordance with the Consortium Project Document and any supplementary arrangements which may be agreed between the parties.

2.1 {Abbreviation of implementing institution} shall implement the Consortium Project in a manner consistent with the Bio-Innovate Program and Sida rules and procedures applying to Bio-Innovate Consortium Projects.

2.3 {Abbreviation of implementing institution} shall do its utmost to ensure that the Consortium Project is implemented on schedule, within the agreed budget, and in such a way as to achieve its objectives.

ARTICLE 3

FUND DISBURSEMENTS

3.1 {Abbreviation of implementing institution} shall open and maintain a separate bank account for the Consortium Project fund with a bank of high reputation. Any interest the funds may yield shall be separately accounted for in the financial reporting and utilized within the Consortium Project after approval by the Bio-Innovate Program Management Office (PMO) in conformity with Sida requirements. Interest not utilized within the Consortium Project shall be repaid to Sida through ILRI.

3.2 Requisitions for funds for the Consortium Members shall be routed through the principal investigator (PI) for approval and subsequent submission to the Bio-Innovate PMO.

3.3 Funds for the Consortium Members shall be sent directly to their specified institutional bank accounts upon receiving approval from the Consortium Project PI.

3.4 Requests for disbursement of funds shall be accompanied by a consolidated technical progress report and a consolidated financial report on the utilization of funds previously disbursed indicating the use of at least 75% of the previous disbursement.

3.5 Disbursements will be made in United States dollars to {abbreviation of implementing institution}, in accordance with the following disbursement schedule:

(a) Upon signature of this Sub-Agreement and receipt of an official request from {abbreviation of implementing institution} Bio-Innovate PMO shall transfer the first 50 % installment from the year 1 budget.

(b) The second 50% installment from the year 1 budget after receipt by Bio-Innovate PMO of the first consolidated biannual Consortium Project technical progress and financial reports from the Consortium PI for the reporting period August – December in accordance with the procedures of the Bio-Innovate Program, and a justified request for the payment in terms of the approved Consortium Project budget commensurate with the Yearly Plan of Activities, in light of implementation thus far, for the period to which funds shall relate.

(c) The third installment, 50% from the year 2 budget after receipt by the Bio-Innovate PMO of the second consolidated biannual Consortium Project technical progress and financial reports from the Consortium PI for the

reporting period January – June in accordance with the procedures of the Bio-Innovate Program, and a justified request for the payment in terms of the approved Consortium Project budget commensurate with the Yearly Plan of Activities, in light of implementation thus far, for the period to which funds shall relate.

(d) The fourth installment, 50% from the year 2 budget after receipt by the Bio-Innovate PMO of the consolidated third biannual Consortium Project technical progress and financial reports from the Consortium PI for the reporting period July – December in accordance with the procedures of the Bio-Innovate Program, and a justified request for the payment in terms of the approved Consortium Project budget commensurate with the Yearly Plan of Actions, in light of implementation thus far, for the period to which funds shall relate

(e) The fifth installment, 50% from the year 3 budget after receipt by the Bio-Innovate PMO of the consolidated fourth biannual Consortium Project technical progress and financial reports from the Consortium PI for the reporting period January – June in accordance with the procedures of the Bio-Innovate Program, and a justified request for the payment in terms of the approved Consortium Project budget commensurate with the Yearly Plan of Activities, in light of implementation thus far, for the period to which funds shall relate

(f) The sixth and final installment, 50% from the year 4 budget after receipt by the Bio-Innovate PMO of the consolidated fifth biannual Consortium Project technical progress and financial reports from the Consortium PI for the reporting period July – December made in accordance with the procedures of the Bio-Innovate Program and a justified request for the payment in terms of the approved Consortium Project budget commensurate with the Yearly Plan of Activities, in light of implementation thus far, in order to successfully complete the Consortium Project.

3.6 The Bio-Innovate PMO may withhold the disbursement, wholly or in part, if substantial deviations from the Consortium Project plan and budget occur, if reports are not delivered as agreed or if the Consortium Project progresses unfavorably in terms of the objective(s) or in any other important respect. The Bio-Innovate PMO shall however, initiate discussions with {abbreviation of implementing institution} before taking such a decision.

ARTICLE 4

UTILIZATION OF FUNDS

4.1 The funds provided by the Bio-Innovate Program under this Agreement shall be used solely to meet those direct Consortium Project activities which are itemized in the approved budget of the Consortium Project Document.

4.2 Funds allocated to one budget heading or subheading item shall not be transferred to another without the express prior approval of the Bio-Innovate PMO. All materials, equipment, supplies and services purchased using Bio-Innovate funds shall be used exclusively for the implementation of the Consortium Project.

4.3 Budget reallocations of not more than 10% on each budget line shall be allowed without consultation. However, reallocations in the approved budget of more than 10% on each budget line shall be agreed upon, in advance and in writing between the parties and with explicit approval by the Bio-Innovate PMO.

4.4 Significant changes in the scope and content of the Consortium Project activities must be approved by the TAC and recorded in minutes.

4.5 The funds are available up to and including the specified Project completion date. If an extension is required, an application for this purpose stating the grounds for the extension shall be submitted to the Bio-Innovate PMO three months prior to the specified Project completion date. The extension must be approved by both {abbreviation of implementing institution} and the Bio-Innovate PMO.

4.6 {Abbreviation of implementing institution} shall take every precaution against any unauthorized use of the funds provided to it by the Bio-Innovate Program, and shall at all times keep up-to-date and full accounts of the expenditures incurred by the Consortium Project. The Bio-Innovate PMO may at any time request a financial statement from {abbreviation of implementing institution}, accompanied by certified balances of the Consortium Project's bank accounts, and such a request shall be promptly complied with.

4.7 Funds remaining unutilized after the completion of the Consortium Project shall be remitted to Bio-Innovate - ILRI within two months of the specified Project completion date, unless otherwise agreed.

ARTICLE 5

REPORTING, MONITORING AND EVALUATION

5.1 {Abbreviation of implementing institution} shall submit to the Consortium PI technical and financial reports as follows:

(a) For the period January – June both Project technical progress and financial reports latest by 30th June.

(b) For the period July – December both Project technical progress and financial reports latest by 31st December.

5.2 The Consortium PI shall submit to the Bio-Innovate PMO the consolidated Consortium Project technical and financial reports as follows:

(a) For the period January – June the consolidated Consortium Project technical progress and financial reports latest by 31st July.

(b) For the period July – December the consolidated Consortium Project technical progress and financial reports latest by 31st January.

5.3 The Consortium PI shall submit to the Bio-Innovate PMO [on an annual basis] Yearly Plans of Activities.

5.4 The Consortium PI shall submit to the Bio-Innovate PMO a completion report not later than three months after the completion of the Consortium Project.

5.5 The progress and technical reports [as well as the Yearly Plans of Activities] shall be prepared in accordance with the reporting formats established in the 'Manual on Standard Operating Procedures for Bio-Innovate Program Supported Projects'.

5.6 {Abbreviation of implementing institution} shall, upon request, make available to the Bio-Innovate Program Secretariat any information relevant to the implementation, financing or follow-up of the Consortium Project.

5.7 The Consortium PI shall promptly inform the Bio-Innovate PMO of any delay, event or obstacle that may significantly endanger the implementation of the Consortium Project.

5.8 Monitoring and review meetings [and TAC meetings] will be convened at the request of the Bio-Innovate Program Manager with the participation of the Consortium PI and representative of the {abbreviation of implementing institution}.

ARTICLE 6

PROCUREMENT

6.1 {Abbreviation of implementing institution} shall be responsible for the purchasing of the equipment as approved in the budget. Equipment shall remain the property of {abbreviation of implementing institution}.

6.2 Procurement of goods, works and services shall be performed in accordance with the procurement rules of Sida. No offer, gift or payment, consideration or benefit of any kind that would be construed as illegal or corrupt practice, shall be accepted, either directly or indirectly, as an inducement or reward for the award or execution of Sub-Agreements financed within this Consortium Project. At the request of either of the Parties, consultation shall be held on any matter relating to procurements under this Agreement.

6.3 The Bio-Innovate PMO may perform procurement audits. {Abbreviation of implementing institution} shall on request provide the Bio-Innovate PMO with all necessary documentation.

6.4 {Abbreviation of implementing institution} shall maintain an up-to-date inventory of all assets/equipment procured with the Project funds.

ARTICLE 7

TRAVEL, SUBSISTENCE AND ACCOMMODATION

7.1 Utilization of funds for travel expenses and field allowances shall be in accordance with the approved budget line in the Consortium Project document, and approved institutional policies.

ARTICLE 8

AUDIT

8.1 Bio-Innovate - ILRI shall perform centralized audits of the submitted biannual financial reports of the Consortium Project. The cost of the audit shall be borne by the Bio-Innovate Program budget. The financial year of the Consortium Project shall be from 1 January to 31 December of each year.

8.2 To facilitate the auditing process, {Abbreviation of implementing institution} shall submit all **Original Vouchers** together with the financial statements to the Bio-Innovate PMO on a biannual basis not later than 31st January and 31st July in each year during the implementation of the Consortium Project. This will be a prerequisite for the disbursement of further Consortium Project funds. {Abbreviation of implementing institution} shall fully co-operate with and assist the auditor in the auditing mission.

8.3 Audit findings shall be communicated by the Bio-Innovate PMO to {abbreviation of implementing institution}. A management response shall be submitted by {abbreviation of implementing institution} within a reasonable time.

8.4 Audits shall be performed by duly recognized independent auditors appointed by Bio-Innovate-ILRI in consultation with Sida.

8.5 The Bio-Innovate Program Secretariat may visit any facilities and sites included in the Consortium Project to examine the accounts and records, and the equipment procured under the Consortium Project.

ARTICLE 9

CONSORTIUM AGREEMENT

9.1 The Consortium Members will sign a Consortium Agreement stipulating the terms and responsibilities of each of the Members involved and the regulation and ownership of Intellectual Property (IP) in the Consortium Project.

9.2 The Bio-Innovate PMO reserves the right to withhold Consortium Project funds until the Consortium Agreement has been signed by the Consortium Members.

ARTICLE 10

DISPUTES

10.1 General disputes between Bio-Innovate - ILRI and {abbreviation of implementing institution} shall be resolved amicably by the TAC.

10.2 In the event that the TAC fails to resolve a dispute, an arbitrator agreeable to all parties involved shall be appointed to resolve the dispute. Legal disputes that cannot be settled amicably between Bio-Innovate - ILRI and {abbreviation of implementing institution} under this Sub-Agreement shall be finally settled by arbitration in accordance with the Rules of the International Chamber of Commerce.

ARTICLE 11

SUSPENSION

11.1 Notwithstanding the provisions of Article 3 of this Agreement, where any violations of this Agreement becomes apparent, or where it appears that the conditions surrounding the Consortium Project have changed to such an extent that in the opinion of the Program Manager the successful completion of the Consortium Project is unlikely, the Bio-Innovate PMO may by written notice suspend all further disbursements of funds pending a review.

11.2 In the event of a suspension {abbreviation of implementing institution} shall immediately cease any further expenditure using Project funds, except with the previous written approval of the Bio-Innovate Program Manager. {Abbreviation of implementing institution} shall hold all assets of the Consortium Project in safe custody, and shall give notice immediately to any subcontractors to suspend their activities immediately, so as to minimize further cost to the Consortium Project.

ARTICLE 12

TERMINATION

12.1 In accordance with rules and procedures of the Bio-Innovate Program relating to Consortium Project implementation and use of funds, the TAC may, by written notice, terminate funding of the Consortium Project, in particular in cases where it is satisfied that:

(a) The funds provided for the Consortium Project are being misapplied to an extent which compromises the fulfillment of the objectives of the Consortium Project.

(b) The conditions for Consortium Project implementation could not be met due to circumstances beyond the party's control.

(c) Sida suspends or stops funding the Bio-Innovate Program.

12.2 Upon termination, {abbreviation of implementing institution} shall refund to ILRI any unexpended or uncommitted balance of funds advanced. The institution shall then submit full financial and technical reports on all activities up to the termination date within 30 days of the termination date.

ARTICLE 13

MODIFICATION OF THE AGREEMENT

13.1 This Agreement may be modified by written mutual consent between the Parties.

IN **WITNESS THEREOF** the undersigned, duly appointed representatives of the parties have signed on behalf of the respective Parties to this Consortium Partner Agreement in three originals on the dates indicated below.

For ILRI	**For** {abbreviation of implementing institution}
_____	_____
Director General For ILRI	{CEO of the implementing institution} For {Name of the of implementing institution}
Dated: _____	Dated: _____

Enclosures:

(i) The Consortium Project Document **(Appendix 1)**

(ii) The Consortium Project Technical Progress Report Format **(Appendix 2)**

(iii) The Consortium Project Financial Report Format **(Appendix 3)**

Annex 2

BIO-INNOVATE CONSORTIUM AGREEMENT

To Govern the Relationship, Responsibilities and the Management of Intellectual Property under the Consortium

Dated: xxxxx2011

PREAMBLE

This Consortium Agreement is entered into by and between Bio-Innovate - ILRI and the Consortium Partners namely:

- {list names of consortium partners}
- {list names of consortium partners}
- {list names of consortium partners}

Hereinafter referred to individually as 'Party' or 'Member of the Consortium', and collectively as the 'Parties' or 'the Consortium'.

WHEREAS

1. The Bio-resources Innovations Network for Eastern Africa Development (Bio-Innovate) Program is a multidisciplinary competitive funding mechanism for biosciences and product-oriented innovation activities in Eastern Africa. Its mission is to create and promote bio-resource-based innovation systems in Burundi, Ethiopia, Kenya, Rwanda, Tanzania and Uganda for sustainable utilization and integration of the innovations into Eastern Africa's economic development processes. It is supported by a grant from the Swedish International Development Cooperation Agency (Sida). It builds on previous investments, achievements and experiences from the Sida-supported Bio-Innovate Program and other regional initiatives. Bio-Innovate will focus on delivering new products through bioscience innovation

systems involving a broad range of actors, including scientists, private sector, policy makers, NGOs and other practitioners. It will use modern biosciences to improve agriculture and conserve the environment through enhancing crop productivity and resilience to climate change in small-scale farming systems and improving the efficiency of the agro-processing industry to add value to local bio-resources. It will also develop sound policies for commercializing products from biosciences research and investigate innovative delivery systems. Bio-Innovate is managed by and hosted at ILRI.

2. The Parties to this Consortium Agreement have individually entered into a Consortium Partner Sub-Agreement with Bio-Innovate - ILRI to undertake their component of the Bio-Innovate Consortium Innovation Project entitled *'Title of the project'* (hereinafter referred to as the 'Consortium Innovation Project'). The project is further described in the Consortium Project Document **(Appendix 1)**.

THE PARTIES AGREE AS FOLLOWS:

ARTICLE 1

DEFINITIONS

1.1 'Consortium' means the Consortium formed by Parties to this Agreement.

1.2 'Bio-Innovate Network Institutions' means the institutions comprising the Bio-Innovate network, which are listed in Appendix 2 of this Consortium Agreement.

1.3 'Consortium Partner Sub-Agreement' means the agreement executed by ILRI and each of the Parties for implementation of their component of the Consortium Innovation Project.

1.4 'Bio-Innovate Program Management Office' (PMO) means the program management team as constituted and hosted at ILRI .

1.5 'Intellectual Property Management Committee' means the Committee to be established by the TAC of the Bio-Innovate Program to oversee the management of intellectual property matters of the Bio-Innovate Consortium Projects.

1.6 'Intellectual property' means patents, copyrights and other rights which may exist

in any part of the world in know-how, inventions and discoveries leading to new technologies useful in agriculture or the environment.

1.7 'Innovation' means the introduction of new ideas, products and or processes, goods, services, and practices which are intended to be useful.

1.8 'Letter of Agreement' means a letter from the national competent authority designated to oversee access requirements for genetic resources within a particular country.

1.9 'Project Teams' means the Principal Investigators and all consortium project members including scientists, technicians, or students or their universities or institutes who participate in the Consortium Innovation Project activities.

1.10 'Project Term' means the specified duration of the Consortium Innovation Project as provided in this Consortium Agreement.

ARTICLE 2

PURPOSE

2.1 This Consortium Agreement governs the roles and the responsibilities of each of the Parties and the management of Intellectual Property (IP) in the Consortium Innovation Project.

ARTICLE 3

INNOVATION PROJECT MANAGEMENT

3.1 The roles of the Parties in implementation of the Consortium Innovation Project Activities are defined in the Consortium Project Document **(Appendix 1)**

{Insert name of institution} hereinafter referred to as {abbreviation of the institution}) shall be the lead institution in implementing the {name of the Project}. As Lead Institution, {abbreviation of the institution} has the delegated role of managing and directing the Consortium Innovation Project to completion. The Principal Investigator will be responsible for day-to-day coordination of the Consortium Innovation Project on behalf of the Parties and will report to the Bio-Innovate Program Management Office (PMO).

3.2 The Bio-Innovate PMO shall be responsible for ensuring that the Consortium Innovation Project is reviewed and evaluated to monitor progress. All decisions that can potentially alter the course of the Consortium Project or that are binding to the Consortium shall be made by the PMO. Such decisions shall not be binding to the Consortium unless they are made in writing and carry the signatures of all Parties.

ARTICLE 4

INTELLECTUAL PROPERTY MANAGEMENT COMMITTEE

4.1 The Bio-Innovate PMO in consultation with the Bio-Innovate TAC will establish an Intellectual Property Management Committee (IPMC) consisting of one representative from each of the Bio-Innovate Network Institutions. The decision about who should represent a Bio-Innovate Network Institution in the IPMC rests solely with that Institution. A Bio-Innovate Network Institution which wishes to change its IPMC representative shall inform the Bio-Innovate PMO of that decision in writing. An IPMC representative may delegate his or her authority to a designee upon written notice to the Bio-Innovate PMO.

4.2 All matters relating to intellectual property management under the Consortium Innovation Project shall be the responsibility of the IPMC.

4.3 The IPMC shall conduct its affairs on an as-needed basis to address matters of mutual interest and concern to the Consortium. The IPMC may convene either in person, by telephone conference call, or in any other manner mutually agreed to. All matters will be discussed in good faith and the IPMC shall arrive at positions or decisions through consensus in the first instance. If no consensus is arrived at, the IPMC shall vote and the majority shall prevail. The quorum shall be at least two-thirds.

4.4 On matters other than negotiating the terms of a license agreement for any Intellectual Property, consistent with Article 5.1 of this Consortium Agreement, each Bio-Innovate Network IPMC representative shall represent his/her institution, unless the Parties to this Consortium Agreement agree otherwise.

ARTICLE 5

PUBLICATIONS

5.1 The Innovation Project is expected to generate outputs in the form of project reports and scientific publications consistent with the Project Work Plan. All publications will contain appropriate recognition of each Party's contributions, clearly indicating that they are the outcome of a collaborative undertaking between the Parties, and other collaborators as appropriate. Arrangements for authorship, style, editing, peer review, decision on publication format, and distribution will be agreed jointly on a case by case basis. Due credit and recognition shall be given to the Bio-Innovate Program-ILRI and Sida for their support of the activities.

5.2 Sida shall have the right to copy and distribute in a suitable form any reports and studies that have been submitted by ILRI on behalf of the Bio-Innovate Program to Sida.

5.3 The Consortium shall be entitled to jointly publish, present or use any material relating to or arising from the Consortium Project provided always that each Party agrees to the content and mode of presentation of such publication. Each Party may use the published material for its own instructional, research or publication objectives.

5.4 Any proposed publication or presentation relating to the Project shall be submitted to the Parties for review and comment at least thirty (30) days prior to submission for publication or presentation.

5.5 Notwithstanding anything contained in Clause 5.4 above, a Party shall not publish, present or use any material relating to or arising from the Project against the written objection of any other Party.

5.6 In the event that a proposed publication or presentation contains Intellectual Property which needs protection, the Party proposing such publication shall, upon receipt of a written request of the other Party having identified such Intellectual Property (IP) within the thirty (30) day review period , delay the publication or presentation for a maximum of an additional sixty (60) days to allow for the filing of the relevant application(s) for the protection of the relevant Intellectual Property therein. This period shall be extended if the filing of the application is delayed by factors beyond the control of the Party responsible for filing the application.

ARTICLE 6

INTELLECTUAL PROPERTY

6.1 It is recognized that the activities of the Bio-Innovate Program will predominantly generate public goods for use in African agriculture and the environment. Wherever possible, the results of the Consortium Innovation Project will be made available as global or regional public goods. However, there may be some instances where the Bio-Innovate Program TAC considers that some form of intellectual property protection would aid commercialization and hasten the delivery of the products of the research to smallholder producers and small-scale enterprises in Africa, at affordable prices and in a sustainable manner. In such cases, the TAC will make a recommendation to the Bio-Innovate Program-ILRI and Sida to allow the Consortium Partners to pursue opportunities to protect and commercialize IP resulting from the Project.

6.2 Each Consortium Member must notify the PMO where it considers that a need for commercialization exists, so that the issue is forwarded to the TAC for expert advice.

6.3 Each Member of the Consortium shall require all of its scientists, employees or students conducting research under the Consortium Innovation Project to assign their rights in any Intellectual Property conceived during the Consortium Innovation Project to the Member of the Consortium. Nothing in this clause shall be interpreted to require MSc and or PhD students to assign copyright in their thesis.

6.4 The Members agree that inventorship shall be determined on the basis of having made a contribution to the invention.

6.5 Title to Intellectual Property shall be held jointly between all Parties.

ARTICLE 7

LICENCES

7.1 In the event that IP developed during the Consortium Innovation Project activities becomes subject to a licensing arrangement, the Parties shall designate one Member of the Consortium (the 'Designated Member') who shall take the lead in negotiating the license. The Designated Member may negotiate the license using his/her in-house capacity or may engage the services of a negotiator, provided that the Designated Member shall keep the Consortium informed of all decisions. The IPMC

representative of the Designated Member shall act as the liaison in the negotiations, liaising between the IPMC and the negotiating team. The terms of any license agreement shall be agreed to by all Parties prior to the execution of the license, which license shall be signed by all the Parties.

7.2 All royalty payments made by a licensee pursuant to the license agreement shall be shared among the Parties equitably taking into account the contribution by each Party on a case by case basis.

7.3 Each Member shall be solely responsible for calculating and distributing to its respective innovator(s) any consideration due to the innovator(s) according to its institutional Policy.

ARTICLE 8

PROJECT CONTACT PERSONS

8.1 The Principal Investigator and the Co-investigators will be the official contact persons for all matters relating to the Consortium Innovation Project. Neither the Principal Investigator nor any Co-Investigator has authority to make any binding commitments on behalf of the Consortium.

ARTICLE 9

PRE-EXISTING TECHNOLOGY

9.1 Not withstanding anything in this Consortium Agreement, each Member of the Consortium shall own its respective intellectual property that it has developed outside the framework of the Consortium Innovation Project exclusively.

9.2 Any Party with information about pre-existing technology or contractual arrangement which can potentially hinder commercialization of resulting IP shall inform the Consortium.

ARTICLE 10

CONSORTIUM INNOVATION PROJECT SCIENTISTS

10.1 The Parties acknowledge that their scientists may each be entering into a consulting relationship directly with the Bio-Innovate Program. Nevertheless this Consortium Agreement shall not be deemed to relieve a scientist from complying with policies and procedures regarding such consulting relationships as established by the Party employing such a scientist.

10.2 A Party who employs a scientist who wishes to take a sabbatical leave during the Research Term shall take reasonable steps to secure compliance with the Consortium Agreement by the scientist.

10.3 Should a Party utilize the services of another organization in the conducting components of the Innovation Project, the Party shall ensure that the terms under which the services are rendered shall not contradict the terms of this Consortium Agreement.

10.4 In the event that a Researcher or Principal Investigator of the Collaborating Institutions leaves the Project, such institution will nominate a replacement for approval by the PMO.

ARTICLE 11

EXCHANGE OF GENETIC MATERIALS

11.1 The Parties shall, whenever exchanging biological material, conclude a Material Transfer Agreement (MTA) setting out the terms and conditions upon which the biological material, from either country, described in the project document will be transferred, held, or applied by the recipient party. The MTA should be signed by the Parties' authorized signatories at the collaborating institutions. A model MTA is attached to the Consortium Agreement.

11.2 The PMO reserves the right to withhold project funds until such a Material Transfer Agreement has been signed by the parties in the event of envisaged exchange of genetic materials and a copy submitted to the PMO.

ARTICLE 12

RELATIONSHIP BETWEEN PARTIES

12.1 The Parties do not intend by entering into this Consortium Agreement to create a corporation, partnership, joint venture or any other form of separate legal entity, and nothing in this Consortium Agreement shall be interpreted in a manner inconsistent with this. The employees or agents of each Party shall continue to be employees or agents of that Party and shall not be considered for any purpose to be employees or agents of any other Party.

ARTICLE 13

DISPUTE RESOLUTION

13.1 Given the cooperative and collaborative nature of the Consortium Innovation Project that the Parties are conducting under the Consortium Partner Sub-Agreements, the Parties acknowledge that the potential termination of this Consortium Agreement could create great difficulties for the Consortium and the Bio-Innovate Program, and could have serious consequences on the Innovation Project. The Parties therefore agree to use their reasonable best efforts to avoid having any dispute result in the termination of either this Consortium Agreement or the Consortium Partner Sub-Agreement.

13.2 General disputes between ILRI and the involved institutes shall be resolved amicably by the TAC. In the event that the TAC fails to resolve a dispute, an arbitrator agreeable to all parties involved shall be appointed to resolve the dispute. Legal disputes that cannot be settled amicably between ILRI and the involved institutes under the Contract shall be finally settled by arbitration in accordance with the Rules of the International Chamber of Commerce.

13.3 This Consortium Agreement shall be construed and interpreted under the laws of Kenya. The obligations of any one Party shall be evaluated under the law of the Country in which the Party is incorporated.

ARTICLE 14

TERM AND TERMINATION

14.1 The term of this Consortium Agreement shall be *[insert duration of the Project]*. However, to the extent that any Intellectual Property Rights or licenses are procured as provided under this Consortium Agreement, the Agreement shall remain in effect until the expiration of such rights or such license.

14.2 The Members may terminate this Consortium Agreement by giving the other members six (6) months notice.

14.3 If Bio-Innovate - ILRI terminates the Consortium Partner Sub-Agreement with a Member of the Consortium that Member shall continue to be a Party to this Consortium Agreement only for purposes of management of jointly owned Intellectual Property and licenses accrued as a result of its prior involvement in the Innovation Project. In the event of such a termination, the remaining Parties shall continue to be Parties to this Consortium Agreement and shall negotiate any amendments to this Consortium Agreement, necessitated by such termination in good faith.

ARTICLE 15

MISCELLANEOUS PROVISIONS

15.1 The Consortium Agreement may be amended by mutual agreement of the Parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the Parties. No Party may assign any of its rights or obligations arising under this Consortium Agreement without the express prior written consent of the other Parties, which consent shall not be unreasonably withheld.

15.2 A failure by any Party to exercise its rights under this Consortium Agreement shall not preclude that Party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Consortium Agreement unless stated to be such in a writing signed by an authorized representative of the said Party and distributed to the other Parties.

15.3 If any provision of this Consortium Agreement or any provision of any document

incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Consortium Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Consortium Agreement, and to this end the provisions of this Consortium Agreement are declared to be severable.

15.4 This Consortium Agreement contains all the terms and conditions agreed upon by the Parties. No other understandings, oral or otherwise, regarding the subject matter of this Consortium Agreement shall be deemed to exist or to bind any of the Parties hereto. This provision does not affect the validity of the Consortium Partner Sub-Agreement license agreements, or any related agreements, exhibits, and appendices entered into between the Parties and Bio-Innovate - ILRI .

15.5 All notices required to be given under this Consortium Agreement shall be given and addressed to the executing Offices of the Parties by confirmed delivery of email or post.

AGREED TO, UNDERSTOOD AND ACCEPTED BY:

ILRI

Authorized Officer: _____

Title: _____

Sign: _____

Date: _____

{Name of Institution}

Authorized Officer: _____

Title: _____

Sign: _____

Date: _____

{Name of Institution}
Authorized Officer: _____

Title: _____

Sign: _____

Date: _____

{Name of Institution}
Authorized Officer: _____

Title: _____

Sign: _____

Date: _____

Enclosures:
Model Material Transfer Agreement (MTA)

Annex 3

BIO-INNOVATE MODEL
MATERIAL TRANSFER AGREEMENT

Dated: XXXXXX

THE PARTIES
This Material Transfer Agreement (MTA) will facilitate and govern the terms of the transfer of materials between:

A. [INSERT NAME & ADDRESS] (' Provider')
AND
B. [INSERT NAME & ADDRESS] ('Recipient')

PREAMBLE
The Parties are jointly undertaking an Innovation Project entitled:

{INSERT THE TITLE OF THE PROJECT}
('Innovation Project'), a project under the Bio-Innovate Program funded by the Swedish International Development Cooperation Agency (Sida), through the International Livestock Research Institute (ILRI) where the Program is hosted.
The Parties have executed a Consortium Agreement to facilitate collaboration in undertaking the Innovation Project Activities.

THE PARTIES THEREFORE AGREE AS FOLLOWS:

1. DEFINITIONS
1.1 'Parties' shall mean the institutions named here above.
1.2 'Biological Material' means any material of a plant, animal or microorganisms

or from another origin containing units of heredity and/or any other biological material which is considered as proprietary by the Provider.

1.3 'Material' means [insert description of the material to be transferred; biological name and quantity].

1.4 'Non-biological Material' means any material other than Biological Material which is considered as proprietary by the Provider.

1.5 'Provider' means provider of a Biological or Non-biological Material and may be the country providing a genetic resource collected from in situ or ex situ sources including populations of both wild and domesticated species according to the principles of the Convention of Biological Diversity. Provider may also be an institution providing Non-biological Material or a part of a plant, animal or microorganisms or other origin containing units of heredity.

1.6 'Recipient' means receiver of a Biological or Non-biological Material provided by the Provider.

1.7 'Intellectual Property Management Committee (IPMC)' means the committee established by the Technical Advisory Committee (TAC) of the Bio-Innovate Program to oversee the management of intellectual property matters of the Bio-Innovate projects, and whose responsibility is described in the Consortium Agreement.

2 AUTHORISED REPRESENTATIVES

2.1 Each Party will designate persons as the duly authorized representative ('Authorized Representative') for the purposes of implementing this MTA. The Authorized Representative shall be responsible for ensuring that all institutional, national and international laws and procedures in force relating to the exchange of Biological and Non-biological Material are respected by the respective Parties.

3 OWNERSHIP

3.1 Material exchanged in accordance with this MTA including any Material contained or incorporated in modifications, wherever located, shall at all times be the property of the Provider and shall not be used by, or transferred to third parties without the knowledge, consent and written authorization of the Provider.

3.2 The ownership of any new intellectual property derived from Material transferred under this MTA shall be governed by the terms of the Consortium Agreement. All modifications of Material developed jointly by the Parties shall be owned as provided for in the Consortium Agreement.

3.3 The Recipient shall grant the Provider on any modification a non-exclusive, world-wide, royalty-free right to use for its internal research purposes only. For avoidance of doubt, the use granted under this subclause is for non-commercial purposes only.

4 CONDITIONS FOR USE OF MATERIAL

4.1 Unless otherwise agreed between the Parties, any Material transferred under this MTA is to be used solely for the Innovation Project.

4.2 If the Recipient wishes to use the Material in any other way, other than described in the Innovation Project, the Recipient must seek written authorization from the Provider.

4.3 Each Party shall comply with the terms of this MTA and shall ensure that its staff including but not limited to scientists, technical staff as well as students are aware of, and comply with the provisions of this MTA.

4.4 All material that falls under Annex 1 of the International Treaty of Plant Genetic Resources for Food and Agriculture shall be exchanged using the Standard Material Transfer Agreement as defined under that treaty.

5 CONFIDENTIAL INFORMATION

5.1 'Confidential Information' means all confidential or proprietary information or materials directly relating to the Innovation Project howsoever disclosed by any Party, whether disclosed in writing, orally, or visually, including, without limitation, inventions, methods, plans, processes, specifications, know-how, compounds, business plans, financial statements, cost information, or technical information relating to the data generated in the Innovation Project.

5.2 The Parties shall hold in confidence, and shall not disclose to any third party other than their employees, agents and consultants, any Proprietary and/or Confidential Information of the other Party. The Parties shall only disclose Proprietary and/or Confidential Information received or generated under this MTA to those of its employees, agents and consultants who have a need to know such Proprietary and/or Confidential Information in the course of the performance of their duties.

5.3 The obligations specified in Clause 5.1 above shall not apply, and the Parties shall have no further obligations hereunder with respect to any Proprietary and/or Confidential Information, to the extent that such Confidential Information is:

5.3.1 possessed by a Party, other than through prior disclosure by the disclosing other Party, prior to the commencement of dealings between the Parties as evidenced by the Parties' written records and which was not acquired directly or indirectly from the other Party

5.3.2 in the public domain at the time of disclosure

5.3.3 already published or available to the general public after disclosure, otherwise than through a breach of this Agreement

5.3.4 obtained by a Party from a third party with a valid right to disclose such Information, provided that the said third party is not under a confidentiality obligation to any of the Parties or any other third party

5.3.5 independently developed by employees of a Party which had no knowledge of the other Party's information as shown by relevant documentary evidence

5.3.6 required to be disclosed via a competent legal process

5.4 The Parties shall protect, store and handle the Proprietary and/or Confidential Information in such a way as to prevent unauthorized disclosure and unwarranted access, acting always in accordance with prudent commercial practice and having utmost regard for the sensitivity of the Proprietary and/or Confidential Information.

5.5 The above obligations of confidentiality shall survive the expiry or termination of this MTA and continue for a period of five years after the date of termination.

6 DURATION OF THE AGREEMENT

This Agreement shall be valid until the end of the Innovation Project. The following Paragraphs shall survive the termination of the Agreement: Paragraphs 3, 4, and 5.

7 TERMINATION

7.1 Unless otherwise agreed, this MTA shall terminate at the expiry of the Innovation Project provided that the following shall apply to any Material exchanged under each specific MTA.

7.1.1 The Parties shall remain bound to each other by the terms applicable to the Material obtained in the pursuance of the purposes of this MTA and any modifications thereof.

7.1.2 The Parties shall discontinue their use of the Material and return any remaining Material to the Provider; where such return is not practical the Parties shall destroy such Material.

7.1.3 If for any reason, any of the Parties wishes to terminate this Agreement before the completion of the Innovation Project each of the Parties agree that they shall give written notice of six months (6) to the other Parties so as to enable the completion of ongoing research. Such written notice shall be provided to each of the designated Parties' representatives that are signatories to this Agreement.

8 SETTLEMENT OF DISPUTES

Any disputes which arise between Parties during the performance of MTA shall be settled as provided for in the Consortium Agreement.

9 MISCELLANEOUS

9.1 The Parties acknowledge that the Material provided in pursuance of the purpose of this Agreement may have characteristics that are unknown or difficult to determine and which may be potentially hazardous. NONE OF THE PARTIES MAKES WARRANTIES, EXPRESS OR IMPLIED, AS TO THE SAFETY,

QUALITY, VIABILITY OR PURITY OF THE BIOLOGICAL MATERIAL, OR ITS MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

9.2 No variation or amendment to this MTA shall be effective unless in writing and signed by authorized representatives of each member.

9.3 If any provision of this MTA shall be held to be invalid, such invalidity shall not affect any other provision of this MTA, but the remainder hereof shall be effective as though such invalid provisions had not been contained herein.

9.4 Failure by any Party to exercise its rights under this MTA shall not preclude that Party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this MTA unless stated to be such in a writing signed by an authorized representative of the said Party and distributed to the other Parties.

AGREED TO AND ACCEPTED BY:

Name of Provider Institution_____

Full Address _____

Authorized Officer _____ Principal Investigator _____

Title _____ Title _____

Signature _____ Signature _____

Date _____ Date _____

Name of Recipient Institution_____

Full Address _____

Authorized Officer _____ Principal Investigator _____

Title _____ Title _____

Signature _____ Signature _____

Date _____ Date _____

Annex 4

FORMAT FOR THE BIO-INNOVATE PROJECT INCEPTION / PLANNING MEETING REPORT

The inception report is the formal notification that the consortium Innovation and or Policy Project is about to commence. It comprises confirmation that all conditions are met, provisions are in place and preparations have been concluded for a smooth start of the Project implementation. The inception report has the following Appendices:

- Yearly Plan of Activities for the first year (YPA 1) or a detailed Work plan
- Memorandum of Understandings (MoU's) between the Lead Institution and Collaborating partners, if any.

Front cover of the inception report

- inception report
- title of the Bio-Innovate Consortium Project
- Project number
- name of the Principal Investigator and Lead Institution
- names of co-Principal Investigators, and other collaborating institutions
- starting date of the Project
- duration of the Project
- Project costs (US $)
- place and date of the Inception report submission to the Bio-Innovate Program Management Office

Table of contents

The inception report contains the following matters:

1) brief description of the planning meeting on the consortium project activities
2) intended commencement date of the Project

3) proposed project team and related arrangements for starting the project activities
4) clear roles and responsibilities of project team members commensurate with annual work plan
5) proof of availability of adequate office facilities
6) proof of bank account (separate account or subaccount) in internationally recognized bank
7) arrangements with collaborating partners as appropriate
8) information on arrangements with consultants (assignment date and duration; selection procedure; ToR), as applicable
9) changes since submission/approval of the Project proposal

Appendix 1 YPA with detailed Work plan
Appendix 2 MoU with collaborating Agencies, as applicable

Annex 5

FORMAT FOR THE BIO-INNOVATE BIANNUAL FINANCIAL REPORT

INSTITUTIONAL PROJECT FINANCIAL REPORT
{TO BE COMPLETED IN US DOLLARS}
Institution:

Project Number and Title:

Report Period: **From:** _____ / _____ /_____ To: _____ / _____ /_____
Date Month Year Date Month Year

*Exchange Rate Used (USD)*_____

	A	B	C	
PERIOD	**Expenditure First Period Year 1**	**Expenditure Second Period Year 1**	**Expenditure First Period Year 2**	
Total Amount Available	**-**	**-**	**-**	
Balance at the start of the reporting period	-	-	-	
Project Advance from Bio-Innovate - ILRI	-	-	-	
Interest Income on Bio-Innovate held A/C	-	-	-	
EXPENSES				
Code Category				
529520 Field work, Training & Dissemination	-	-	-	
529530 Equipment & Consumables	-	-	-	
529540 Management & Coordination {general}	-	-	-	
529550 Travel	-	-	-	
Overhead	-	-	-	
TOTAL EXPENSES	**-**	**-**	**-**	
Balance at the end of the reporting period	**-**	**-**	**-**	

We certify that the above information is a true representation of the project transactions incurred in the transactions is included for your review and for annual centralized audit at ILRI.

Finance Officer

Name …….

Signature…….....

Date……

Grant Code: **Activity Code** **Partner Code:**

	D	E	F	G	H	I	J
	Expenditure Second Period Year 2	**Expenditure First Period Year 3**	**Expenditure Second Period Year 3**	**Cummulative Expenditure Totals**	**Total Budget for the Entire Project Period**	**Budget Balance**	**Total Expenditure as a %age of Total Budget {G / H}**
	-	**-**	**-**			**-**	
	-	-	-				
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	**-**	**-**	**-**	**-**	**-**	
	-	**-**	**-**				

execution of the above mentioned project and that adequate original supporting documentation for the

	Project Coordinator	**Head of Institution**
	Name ……	Name ……
	Signature ……...……	Signature ……...……
	Date……..…..……...…..	Date……..…..……...…..

Activity / Item	Who is responsible	Consortium level Review, Approval and Forward to PMO-ILRI by	Due Dates	
{1} Biannual Project Technical Progress Report {2} Biannual Financial Report {3} Biannual Official Funds Disbursement Request	Implementing Institution's in-country Bio-Innovate Project team led by PI and Co-PI(s)	Bio-Innovate Consortium Project team led by Consortium Principal Investigator (PI).	30th June and 31st December from the collaborating institutions (Co-PI) to the Lead Institution (PI). 31st July and 31st January from the Lead Institution (PI) to PMO-ILRI	

	Supporting documents to accompany the Reports and official fund disbursement requests	Procedures	Explanatory Notes
	{1} detailed Bio-Innovate project ledger print-outs for the period {2} monthly bank statements and reconciliations {3} ORIGINAL payment vouchers relating to the Bio-Innovate project {4} complete and updated assets register for assets procured under the Bio-Innovate project as per the Financial Report sheet on pages 89-90 {5} official institutional request for the next project advance {6} activity plan for the next period approved by the PI {7} any other support documentation as may be requested	{1} The institutional Bio-Innovate project team will prepare a complete and fully signed report using the standard Bio-Innovate financial reporting format as per the Financial Report sheet on pages 89-90. {2} All SOFT COPY reports and accompanying disbursement requests will be forwarded to the consortium PI for verification, approval, consolidation and subsequent submission to the PMO-ILRI. The PMO-ILRI will have a Cc. of the soft copy report to the PI. A HARD COPY VERSION OF THE FINANCIAL REPORTS WILL BE SENT DIRECTLY TO THE PMO-ILRI. {3} The PMO-ILRI will further review the approved reports from the PI. {4} The PMO-ILRI will effectuate the funds disbursement request for satisfactory reports. {5} The PMO-ILRI will provide feedback on the status of the reports submitted including queries for 'unsatisfactory' reports. {6} The partner will provide feedback for arising queries. {7} The partner will confirm and acknowledge receipt of funds by way of email and a receipt.	{1} Biannual reports deal with the reporting of actual expenditure per category as per budget {2} Necessary additional explanatory notes on the report should be provided to minimize the need to generate and address queries as part of the review process. (3) All expenses must be adequately supported and a set of the complete support documentation maintained at the respective institutions.

Institution

Project number and title

Project Fixed Assets Register as at: _____

No	Asset Description	Serial Number	Tag No.	Date of Purchase	
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					
19.					
20.					
21.					
22.					
23.					
24.					
25.					

	Amount {US$}	Title	Current Location	Condition

Annex 6

Bio-resources Innovation Network for Eastern Africa Development (Bio-Innovate) Program

FORMAT FOR THE BIO-INNOVATE CONSORTIUM PROJECT TECHNICAL PROGRESS REPORT

Consortium Project Title:

Consortium Project Number:

Technical Progress Report No._____
(e.g. No. 1/2011)

Reporting Period:

From: _____/_____/_____ **To:** _____/_____/_____
Date Month Year Date Month Year

Project Status_____

Submitted to: Principal Investigator: _____
Submitted by: Co-PI / Collaborating Scientist: _____

Reviewed and Submitted by Principal Investigator: _____

To: Bio-Innovate PMO
Submission Date_____

Received By: Bio-Innovate PMO: Name _____**Signature**_____

Received Date_____

Principal Investigator: *(Full names, address and contacts)*

Co-Principal Investigators / Collaborating Scientists: *(Full names, address and contacts)*

Executive Summary

Provide a brief coverage overview of the report including the progress and achievement to date.

1. Introduction

Activities overview of the content of the report including the scope set out to accomplish during the period as well as collaborating institutions' work on the consortium project.

1.1 Project Background

Provide the background and rationale of the project very briefly.

1.2 Project Objectives

Outline the consortium project objectives as given in the project document.

2. Project Activities and Progress.

2.1 Description of the work implemented in the period

Provide a brief overview of the work which has been implemented in the period covered by this report stressing the relevant results achieved and the possible deviations from the Work plan/ YPA. (If there is not enough space, provide an appendix.)

2.2 Execution of the Work plan

Provide a review of the original Project's Work plan and the progress in implementation, by reference to the situation at the last date of the period covered by the report.

2.3 Progress in implementation of the activities

Provide for all the activities, which appear in the Project Document including the changes as presented in the Yearly Plan of Activities, the estimated percentage of their implementation and the estimated completion date of those which have not been completed at the date of the report.

2.4 Project Outputs

Describe the progress made during the reporting period towards achievement of the Outputs and Outcomes related to the Activities which have already started and show, for the Outputs and Outcomes which have already been achieved, the corresponding Objectively verifiable indicators using a result-based management matrix given in Table 1 on page 103. (Whenever their Means of Verification is supported by documentary evidence, a copy of such a document, or the relevant parts of it, should be attached to the Progress Report).

Table 1: Project Output and Outcome summary following the result-based management approach

Output/target	Outcome (impact thrust)	Measureable indicators		
		output	outcome	Achievements to date
Objective # 1:				
	1.1			
	1.2			
	1.3			
	1.4			
Objective # 2:				
	2.1			
	2.2			
	2.3			
	2.4			
Objective # 3:				
	3.1			
	3.2			
	3.3			
	3.4			
Objective # 4:				
	4.1			
	4.2			
	4.3			
	4.4			

2.5 Unaccomplished Project Activities

Please outline the planned consortium project activities that were not accomplished within the reporting period if any, and give the justifiable reasons for not accomplishing them.

3. Planned Consortium Project Activities

Provide clear planned consortium project activities for the next reporting period using the annual activity program table.

4. General comments on the overall project progress

Provide comments and quantification of any advance or delay in implementing the Activities, in achieving the Outputs or in using the Project's Inputs, including their causes and expectation of the effect if any corrective actions are to be taken. This refers:

i) explicitly to any (previously) unexpected events or problems. Were there any events or problems that may significantly affect the Project's implementation schedule, the achievement of the Outputs and of the Specific Objective(s), or the Project's budget?

ii) comments on the fulfillment of the assumptions related to the Project's Outputs and Specific Objective(s). Are the assumptions still valid? Have they proven to be true thus far?

5. Any other supporting information

Please provide by way of appendixes any information relevant to the report that has been obtained in the course of project implementation.

6. Conclusions

Provide the conclusions reached by the Consortium Project team on the state of Project implementation, based on the critical analysis of up-to-date progress. Indicate whether progress towards achievement of the Project's Specific Objective(s) is:

a) on track
b) slightly but not seriously impeded or
c) seriously endangered.

Please also indicate corrective actions which will be adopted, if any, and whether specific support is necessary from the Bio-Innovate Program for solving any problems; whether another disbursement of funds of Bio-Innovate is being sought in relation to implementation of the Work plan and specify expected expenditures; and indicate with a justification the best period for a possible Bio-Innovate PMO monitoring review visit to the implementing institution.

Declaration

I the undersigned Project Principal Investigator and or Co-Principal Investigator / Collaborator declare that all the project information and outputs included in the report are unified and up to date.

Name_____ Signature_____ Date_____

Annex 7

GUIDELINES FOR BIO-INNOVATE PROJECTS FIELD MONITORING MISSIONS

1 General rules regarding Bio-innovate Project Monitoring Missions

- A Project Monitoring Mission (PMM) consists of a TAC meeting to deliberate on project progress reports and a project site visit.
- For each ongoing project, a PMM should be carried out at least once a year.
- The first PMM should take place within the first year of project implementation.
- Before projects are approved for funding, the Bio-Innovate Secretariat should assure that sufficient funds are allocated in the budget for monitoring and ex post evaluation and, if appropriate, for midterm evaluation.
- In principle, each PMM should include a project site visit; in cases where this is not possible (i.e. remote project sites), the project site should be visited at least once during the life of the project.

2 Checklist of activities

2.1 Prior to the Project Monitoring Mission

Both the Bio–Innovate Management Office and the Executing Institution (EI) are responsible for a number of activities that should be carried out to ensure a smooth process. Below is a checklist for each.

Bio-Innovate Management Office

- Plan the overall schedule (date and venue) of the PMM.
- Check availability of funds for monitoring in the project budget (obtain 'fund status report' of the Project from the Management Office).

- Liaise with the EI at least one month in advance of the PMM regarding:
    - date
    - venue
    - language of the meeting
    - participants
    - required documentation
    - agenda
    - project site visit, etc.
- Communicate travel arrangements to the EI.
- Review all relevant project documentation:
    - Project Document
    - Project Agreement and, if appropriate, supplementary agreements between the EI and other collaborating scientists
    - YPAs
    - progress reports including financial statements
    - technical reports
    - no-objection letters
    - minutes of previous PMMs
    - correspondence
- Through the review of the documentation, make a preliminary assessment of the following aspects:
    - whether the project is progressing according to agreed work schedules (YPA) (compare actual outputs and activities in Progress Report with that in the Project Document, identify problem areas)
    - effectiveness of project organization, including the roles and responsibilities of the institutions involved, the management structure
    - acquisition of capital items (equipment/pilot construction)
    - adherence to the subcontract agreement and Bio-Innovate guidelines by the EI (Bio-Innovate Guidelines for Consultants, Procurement, Rules & Procedures, other Manuals, follow-up actions regarding audit reports, etc.)
    - major issues/problems to be followed up at the TAC with a view to develop corrective actions (to achieve project objectives as designed in the Project Document)

Executing Institution

- Invite participants to TAC meeting.
- Prepare required documentation.
- Make logistical arrangements for the meeting and project site visit.
- Prepare a detailed program of the PMM.
- Send the following documentation to all participants at least two weeks prior to the

TAC meeting:

- Progress report
- Financial report[1]
- YPA
- meeting agenda
- any technical reports produced by the project since the last PMM.

- Send the tentative program of the PMM to the Bio-Innovate PMO for approval.
- Arrange for airport pick-up and hotel reservations.

2.2 During the Project Monitoring Mission

Active involvement is required from the Bio-Innovate PMO and the Executing Institution during the PMM as follows:

a) TAC meeting

Bio-Innovate PMO

- Review the agenda for completeness.
- Together with the other members of the TAC, review the following aspects of project implementation:
  - quality of project planning (Yearly Plan of Operation/Work Plan)
  - Project organization, management structure, roles and responsibilities of the institutions involved and internal and external coordination mechanisms
  - adequacy of project reporting
  - activities in relation to progress towards 'specific objective(s)' and 'outputs' achieved
  - external factors affecting project implementation
  - risks as described in the Project Document including new risks arising during implementation
  - deviations from the original project design during implementation
  - current financial information and audit requirements (identify and seek justification for major variations in actual expenditures - from approved project fund - compared with the budget components in the Project Document)
  - actual counterpart contribution and its adequacy with regard to project implementation progress
  - acquisition of capital items (pilot construction/equipment)
- Discuss any matter arising from the assessment with the TAC members and encourage and support a participatory problem-solving and decision-making process within the TAC.

1 Financial reports should be prepared according to the format in Annex 5.

- Verify that mechanisms for ensuring sustainability after project completion are being established and, if necessary, assist the TAC in identifying such mechanisms.
- If appropriate, agree on the timing of a 'Midterm Evaluation'.
- Review the draft of the Minutes of the TAC meeting. (Ensure that all matters including decisions taken are accurately reflected in the report.)
- Sign the final version of the Minutes.

Executing Institutions

- Provide for an adequate meeting room and necessary audio-visual equipment.
- Appoint a secretary to take notes and to prepare the Minutes of the meeting.
- Arrangements for the opening of the meeting and presentation of participants.
- Make presentations on the items listed in the Agenda using audio-visual aids.
- Assure the timely signature of Minutes by the representative of the Executing Institution and the Bio-Innovate Program Manager.

b) Minutes of TAC meetings

- Minutes should:
    - adhere to the meeting agenda
    - summarize major topics of discussion and problems encountered
    - clearly state any recommendations and/or decisions made
    - include approval and adoption of project reports (progress report, YPA/work plan, and financial report).
- The agenda and list of participants should be annexed.
- Any modifications to the budget approved by the TAC should be annexed.
- The Minutes should be signed by a representative of the Executing Institution, the Bio-Innovate Program Manager, and, if appropriate, other members of the TAC.
- The Minutes should be completed and signed before the departure of the Bio-Innovate PMO representative.

c) Project Site Visit

Bio-Innovate PMO

- Assess project progress at the project site.
- Meet with stakeholders/project participants
- Verify infrastructure and allocation and condition of capital items purchased with Bio-Innovate funds.
- Take photographs with a digital camera for the Bio-Innovate photo library.

Executing Institution

- Provide adequate transport to the project site.
- Assure presence of stakeholders and/or project participants.

2.3 After the Project Monitoring Mission

Bio-Innovate PMO

- Complete the 'Mission Report' and brief ILRI and Sida.
- Update Bio-Innovate Program project database.
- Follow up of issues requiring further actions (as highlighted in the Minutes of the meeting and in the Mission Report).

Executing Institution

- Follow up on decisions taken by the TAC, including formally requesting 'no-objection' from the Bio-Innovate PMO to any modifications of activities or the budget recommended by the TAC.

Bio-Innovate PMO Mission Report

Staff member: _____

Dates: _____

Location(s): _____

Event(s):

Main activities during the visit:

Major issues/problems encountered:

Supplementary information (other persons met with, issues discussed):

Follow-up to the Mission (who, when, where):

Annex 8

FORMAT FOR THE BIO-INNOVATE PROJECT ANNUAL WORK PLAN/YEARLY PLAN OF ACTIVITIES

Consortium project team leaders and project teams should develop annual work plans during their annual planning meetings. The annual work plan builds upon the results of previous project operational years and the conclusions and recommendations for corrective actions, as commended by project teams, which should be reflected in the most recent Project Progress Report. It is therefore recommended to submit both the Project Progress Report and Annual Work plan at the same time.

Cover page

A. Front side

- Annual Work plan and year for which it is planned
- Title of the Bio-Innovate Consortium Project
- Project number
- Names of the PI and Co-PIs with full contact addresses
- Starting date of the Project
- Place and date the draft Annual Work plan was submitted to the Bio-Innovate Program

Table of contents

1) Project Progress Report (not for first year)
2) Operational Yearly Program of Activities (max. 6 pages)
   - 2.1 Logical Framework Matrix (LFM) and annual indicators
   - 2.2 Outputs and activities
   - 2.3 Activity plans

2.4 Indicators and assumptions
2.5 Monitoring and reporting

3) Personnel planning, coordination and institutional relations
3.1 Project personnel, partners and support organizations
3.2 Involved organizations, stakeholders, communities
3.3 Consultants

4) Budget
4.1 Overall yearly budget by activity
4.2 Orders of equipment and materials

B. Main text of the Yearly Plan of Activities

1 Project progress report

This section:
i) describes the work implemented during the elapsed Project period
ii) describes the state of execution of the Work plan: Work plan review, progress in implementation of activities, inputs applied, outputs achievement
iii) presents a critical analysis of Project progress (analysis of present strengths and weaknesses; conclusions; justification of taken/proposed corrective action; future opportunities and threats)

2 Operational yearly plans

2.1 Logical Framework Matrix (LFM)

Section 2.1. presents the LFM on one page (landscape format), and stresses in the text the outputs and activities differing from those in the Project document.

2.2 Outputs and activities

Section 2.2 indicates per expected output, the activities, divided into various subactivities as applicable, planned for the coming year.

E.g.:
Output 1.1
Activity 1.1.1
Subactivity 1.1.1.1
Subactivity 1.1.1.2
Activity 1.1.2

Activity 1.1.3
Subactivity 1.1.3.1
Subactivity 1.1.3.2
Subactivity 1.1.3.3
Output 1.2
Activity 1.2.1
Activity 1.2.2
Activity 1.2 3
Etc.

2.3 Annual activity program

The annual activity plans should be presented in detail. The work plan in the project document is the basis. The activity program table (Table 2 below) should be used to present the activities broken down into subactivities, as applicable, which are planned for the coming operational year. These activities will be shown by shading the duration of their execution within the dark time frame which indicates the entire period of the execution of the activity. The table should also show the period that the activity had been executed in the former operational year(s), as applicable. This can be done by applying different shading.

Section 2.3 presents

i) the activity program for the year under consideration, with an indication of responsibilities and deadlines for planned activities, conform the activity program table below. Where applicable each activity should be broken down into at least two subactivities and presented in the same table. Planned execution could be shaded in the black frame which indicates the implementation period of the activity and subactivity. With a different shading the period that the activity has been executed already in the former operational year(s) should also be indicated.

ii) possible indicators to follow the progress in the year this YPA is in operation. Indicators should somehow be related to the Output indicators in the Logical Framework Matrix and could be identified by questions such as: When is a specific input needed? What should be the progress and result of an Activity after every three months?

Table 2: Annual activity program

Outputs/ Activities	Responsible Party/ component task leader	Annual Activity Program (in months, second year)													
		10	11	12	1	2	3	4	5	6	7	8	9	10	11	12
Output 2.1:																
Activities:																
Activity 2.1																
Subactivities																
2.1.1																
2.1.2																
Output 3.1																
Activities																
Activity 3.1																
Activity 3.2																
Subactivities																
3.1.1																
3.1.2																
etc																

Example: Dark shading is execution in prior operational year. Light shading is planned activity for the coming year. The example shows that: activity 2.1 is on schedule; Subactivity 2.1.1 is on schedule; Subactivity 2.1.2 is expected to start one month late.

2.4 Indicators and assumptions

Section 2.4, (only in case indicators and assumptions have to be readjusted) describes and justifies briefly readjustments as to indicators and assumptions.

2.5 Monitoring and reporting

Section 2.5 indicates:

i) Implementation of the monitoring system according to the Project document or deviating from the planned execution.

ii) Which reports are expected to be made available to the Bio-Innovate Program during the coming year and what are the deadlines for handing them in?

3 Planning, coordination and partners relations

3.1 Project team, partners and collaborating organizations

Section 3.1:
i) Describes project team/researchers; a foreseen modification in the tasks of the Project team is substantiated by providing the modified activity plans.
ii) Describes the partners in the public and private sector the Project is collaborating with and indicates the kind of collaboration in the coming year.
iii) Describes the organizations/institutions which are providing external support to the Project and the kind of support.
vi) Indicates how the Activities of component Project entities are being coordinated and integrated in the coming year (regular meetings, exchanges, etc.).

3.2 Involved organizations, stakeholders, communities

Section 3.2 indicates which stakeholders or interest groups are involved in the Project implementation, and which platforms have been established for consultation and dissemination in the coming year.

3.3 Consultants, if any

Section 3.3 indicates which local or external consultancy support has been foreseen during the coming year. The TOR is provided in the Appendix.

4 Project Budget

4.1 Overall yearly budget by activity per partner

Section 4.1 presents two kinds of budget tables:
1) Project budget for the year under consideration by component, input and unit costs. This table must be produced as a consolidated budget table; and
2) Overall Project budget by activity and component.

4.2 Orders of equipment and materials

Section 4.2
i) describes briefly how the Project logistics are organized.
ii) indicates orders for material and equipment (local, abroad), with a transparent breakdown of units, unit prices, deadlines, etc.

Name: (type and sign) **Position held:**

Date:

Annex 9

BIO-INNOVATE ANNUAL PROJECT TECHNICAL REPORT FORMAT

A technical report is required for each major research topic

A. Front side of the cover page should be illustrative and present:

- Bio-Innovate logo
- Title of the Bio-Innovate consortium Project
- Project number
- Starting date of the Project
- Title, topic of technical report
- Authors' names

B. Back side of cover page should present:

- Consortium project PI and Co-PIs including involved technical and scientific staff that worked on the topic of the report
- Relevant institution's full name, address
- The place and date the report is submitted
- Disclaimer

The following information should be provided at one of the pages following the cover page.

Table of contents

Summary

1 Introduction
2 Methodologies
3 Presentation of the data (Results)
4 Analysis and interpretation of the data and results (Discussions)
5 Conclusions

6 Recommendations
7 Implications for practice
Bibliography
Appendix (es)

Summary and main text of the technical report

Summary

The summary presents the abstract(s) of the research i.e. the results and the conclusions reached, with an indication how the work was carried out, in such a way as to permit rapid reference by readers.

Main text

1 Introduction

i) explains why the research topic is important to address, referring to the Project document.
ii) presents the main theme of the work undertaken and a short reference of previous works in the area.
iii) indicates any specific characteristic of the Project which will not be addressed in the following sections.

2 Methodology

i) presents possible options for methodologies, while referring to the Project document.
ii) justifies and describes the materials and the methodology followed in the execution of the project activities

3 Presentation of the data

i) the data collected or established by the Project as far as they are necessary for understanding the conclusions and/or for confirming hypothesis made or for refuting them. (otherwise subsidiary data and information should be included in appendix(es)).
ii) tables, graphs and figures necessary for the explanations.

4 Analysis and interpretation of the data and results

i) explains the methods of data processing and analysis
ii) presents the results of the analysis
iii) highlights the interpretation of the results and explains confirmation or rejection of the hypothesis made or expectations. If any of the results obtained is not conclusive, this should be stressed.

5 Conclusions

i) the technical advancements due to the achievements of the Project
ii) its limitations
iii) the relation between facts and theory or hypothesis.

6 Recommendations

i) recommendations for appropriate interpretation and utilization of the Project findings.
ii) specific recommendations for future work to be undertaken on the theme.

7 Implications for practice

Provide the practical significance of the results/ innovations emanating from the project. What is needed is an interpretation of the results/outputs for their implications for practice or impacts. This means that knowledge must be translated in conditions and practical measures.

Appendix(es)

Data established by the Project, which were not presented in the main body of the Report, should be duly organized in tables, graphs and figures and included in the appendix(es).

Bibliography

The objective of providing bibliographic references in the report is to give readers precise and detailed indication of relevant written sources of information. These may include books, papers, leaflets, articles and magazines, among others. Although different reference standards exist, the following elements should be present in the Bio-Innovate project reports:

- the author(s)
- the title of the publication
- the edition
- place of edition
- the publisher
- the year of publication

Annex 10

FORMAT FOR BIO-INNOVATE PROJECTS COMPLETION REPORT

A. Front side of the cover page should be illustrative and present:

- Bio-Innovate logo
- Title: Completion report of the Bio-Innovate Project 'name of project'
- Project number
- Name of the implementing institution and collaborating partner institutions

B. Back side of the cover page should present:

- Starting date of the project
- Duration of the project
- Project costs (US $)
- The original number and type of the report (e.g. Project Completion Report)
- Project technical and scientific staff - names of Project Coordinator and of project teams
- Implementing Institutions: full name, address, telephone, fax and e-mail
- The place and date the report is submitted
- Disclaimer

Table of Contents

5 Assessment and analysis
6 Lessons learned
7 Conclusions and recommendations
Appendix 1 Project financial statement
Appendix 2 Project cash flow statements

Summary and main text of the completion report

The executive summary is meant to provide information on the main issues revealed by the completion report. It should be brief, no more than 2 pages. It should present very little information from the descriptive chapters 1 and indicate only the most relevant findings from the chapters 2, 3, 4, and 5. Lessons learned and recommendations could be integrally copied from the main text.

Executive summary

The executive summary:
i) summarizes in a few sentences the Project context, origin and main problem to be addressed (1)
ii) states the Project objectives and indicates the (adjusted) implementation strategy (2)
iii) presents the most critical differences between planned and realized Project implementation (3)
iv) provides a brief description of the situation prevailing after Project completion, as compared to the pre-Project situation including the situation of the target beneficiaries, and indicates the post-Project sustainability (4)
v) indicates the most relevant outcome of the analysis of the Project implementation (5)
vi) communicates the lessons learned and recommendations (6 and 7)

1 Project identification

1.1 Context

Section 1.1 describes briefly:
the social, economic and environmental context and the Project location, as well as relevant national and regional policies and programs (*This text may comprise extracts from the Project document.*)

1.2 Origin and problem

Section 1.2 describes briefly:
the origin and the main problems addressed by the Project as it was originally conceptualized. *(This text may comprise extracts from the Project document)*

2 Project objectives and implementation strategy

Section 2:

i) states the Project rationale, the Development Objective and Specific Objectives of the Project as they were originally formulated in the Project document, as well as any adjustments made in the course of the implementation phase

ii) describes the Project implementation strategy as it was originally conceptualized *(This text may comprise extracts from the Project document, as well as any adjustments made in the course of the implementation phase.)*

iii) imparts identified assumptions and risks (*This text may comprise extracts from the Project document.)*

3 Project performance (Project elements planned and implemented)

This section merely reports on facts. Analysis and comments follow in section 5.

Section 3:

presents the Project's achievements versus the planned performance, indicating precisely the differences between planned and realized Project objectives/activities.

a) Specific Objective(s)

b) Outputs and related Activities:
   1) as appearing in Project document
   2) added or omitted during implementation

c) Schedule:
   Starting date
   Duration

d) Total amount of expenditures; analysis of applied input

4 Project outcome, target beneficiaries involvement

Here the effect of the realized activities and outputs are being described. This is the impact section. The recorded impact should be compared with the planned impact as described in the Project document.

Section 4:

i) elaborates on the extent to which the Project Specific Objective(s) were achieved;

ii) describes the situation existing at Project completion as compared to the pre-Project situation with respect to:
   - the tangible outputs of the Project
   - sectoral policies and programs

- the physical environment

iii) explains what participation the target beneficiaries had in the implementation of the Project and how its results have been used by them or will be used in the future.

iv) provides an expectation of the sustainability of the Project after its completion as a result of conditions prevailing at completion. Indicate any formal arrangement made with the Project beneficiaries for the Project's implementation and for its continued operation or maintenance after completion.

5 Assessment and analysis

This section should present the main outcome of the internal evaluation which the EI together with stakeholders organizes shortly before Project completion. It analyzes, in retrospect and in the light of the actual performance (Section 3) and outcome (Section 4), the adequacy of the Project identification process, the quality of the Project design including the Project strategy and the planned and available resources and comments on the assumptions and risks. It provides the basis for the identification of the lessons learned which will be presented in Section 6.

Section 5:

i) analyzes and comments on the Project **rationale** and the **Project identification** process emphasizing the (in)adequacy of stakeholder identification and stakeholder participation in the Project formulation process.

ii) analyzes and comments on the (in)adequacy of the results of the identification process emphasizing the correct definition of **problems** to be tackled, the Project **Objective**s, the choice of the implementation **strategy**. (Refer to Section 2.)

iii) highlights and analysis the most critical differences between planned and actual Project implementation as presented in Section 3 and suggests any measures and actions which could have avoided these variations.

iv) evaluates and comments on the (in)adequacy of **time and Project Inputs** (quality and quantity of personnel and equipment, financial resources, knowledge and expertise) for Project formulation and implementation.

v) assesses the anticipation and reality of **external influences**, assumptions and risks etc., and the effectiveness of mitigating measures.

vi) estimates, while referring to Section 4 above, the participation of anticipated and actual Project **beneficiaries** in Project implementation, how they have benefited from the Project *(Refer also to the dissemination strategy in section 2.8 of the Project document*).

vii) examines Project **(in)sustainability** after Project completion, referring to section 4, as a result of Project conceptualization, assumptions made and implementation conditions. (*Refer also to the post-Project strategy in the Project document*.)

viii) analyzes and comments on the understanding and appropriateness of the roles and responsibilities of the institutions involved with the Project implementation.

6 Lessons learned

Section 5 on Assessment and analysis has provided the basis for the identification of Lessons to be learned for future Projects. The lessons could be classified according to the phase of the Project, e.g. Project identification, Project design, Project implementation, and according to the nature of the subjects, e.g. management and operational aspects, stakeholder participation, problem analysis, implementation strategy etc.

Section 6 highlights:
Lessons learned from Project identification, design and implementation as to:

a) Project identification and design matters such as:
   - aspects of Project identification and development, including problem analysis and stakeholder identification and participation, which most contributed to success or failure in achieving the Specific Objective contributing to the Development Objective.
   - additional arrangements that could improve cooperation between the relevant Parties interested in the Project.
   - aspects of Project design, including implementation strategy, which most contributed to success or failure in achieving the Specific Objective contributing to the Development Objective.
   - actions to be taken to avoid variations between planned and actual implementation (schedule, costs, etc.); quality of Project planning.
   - factors which will most likely affect Project sustainability after completion including dissemination strategy, post-Project strategy, and involvement stakeholders.
   - other matters.

b) operational matters such as:
   - Project organization and management
   - flow of funds
   - definition of the roles and responsibilities of the institutions involved in the Project implementation
   - Project documentation
   - monitoring and evaluation
   - external factors that influenced the Project implementation; those that could and those that could not have been foreseen
   - other matters

7 Conclusions and recommendations

Conclusions and recommendations should preferably have a general value so Bio-Innovate partner countries and Executing Institutions could benefit from them. Main conclusions should be drawn from the combination of the above chapters. They should represent a conclusive cause-effect relation,

e.g. Outputs were not fully realized because required funds were underestimated. Recommendations, deriving from the lessons learned, should be made with a view to improve the effectiveness and efficiency of future similar Projects.

Section 7:

i) sets out the conclusions and recommendations in point form, under these separate headings:
   - Identification
   - Design
   - Implementation
   - Organization
   - Management
   - etc.

ii) comments on the potential for replication and/or for scaling up

Responsible for the Report
Name: (type and sign) **Position held:**
Date:

Annex 11

FORMAT FOR BIO-INNOVATE PROJECTS EVALUATION REPORT

Table of contents

Summary and main text of the evaluation report

Executive summary

The Executive summary is meant to provide information on the main issues revealed by the evaluation report. It should be brief, no more than two pages. It should present very condensed information from the chapters 1, 2 and 3, and indicate only the most relevant findings from the chapters 4.1. Section 4.2 (Lessons learned) and Section 5 (Conclusions and recommendations) could be integrally copied from the main text.

For thematic ex post evaluation, the first page of the executive summary should present the following information for each project: code number, title, Executing Institution and country in which the project was implemented.

The executive summary describes in short:
i) the purpose and type of the evaluation and the basic facts of the Project (Section 1 and 3)
ii) the scope and the approach of the evaluation (Section 2)
iii) the most critical differences between planned and realized Project implementation and impacts, and an analysis of causes of success or failure (Section 4.1)
iv) the financial statement
v) and presents the lessons learned, conclusions and recommendations (Sections 4.2 and 5).

Main text

The purpose of this section is to register a description of the findings and lessons learned regarding the evaluated Project. It will be an important information source for guiding decisions, for future evaluations, as well as for building up experience from previous evaluations and for orienting new Projects.

The following outline is suggested:

1 Introduction

Section 1: ***(no more than half a page)***
i) clarifies why evaluation of the project was decided and describes the purpose of evaluations for the Bio-Innovate Program in general and the evaluation type, including any specific aspects, of this particular evaluation, e.g. thematic ex post evaluation, midterm evaluation.
ii) presents project number, title and Implementing Institutions, and the Bio-Innovate Program Proposal context of the project (Objectives, Activities Plan and priorities it complies with, etc.)

2 Evaluation scope, focus and approach

Section 2:
i) elaborates on the purpose of the evaluation, and the reason for undertaking it.
ii) elucidates the scope and focus of the evaluation referring to the Terms of Reference for the evaluation mission.
iii) introduces the mission members: profession, nationality, further relevant background.
iv) sets out the approach of the task: sources of data, collection methods and measures adopted to ensure reliability of data collected. (e.g. documents studied, field visits, meetings, feedback on preliminary findings, the duration of the evaluation).

3 Project facts

The intention of this section is to summarize the most essential information and facts to understand

the Project intervention. The Project document contains the complete information on the Project. It is not useful to copy the entire information in the evaluation report.

Section 3: (*length not more than half a page to one full page*)
gives a brief description of the Project as a whole:

- relevant background, including origin of the project
- development objective
- main problems to addressed
- specific objective(s) and outputs
- project rationale
- starting date, duration and date of any former evaluation
- Bio-Innovate Program contribution and executing institution and collaborating agencies.

4 Findings, lessons learned

This section presents the results of the evaluation. The Terms of Reference are key to the scope of the evaluation and thus for the content of this section. In case of midterm and ex post evaluations, due consideration should be given to progress reports and the Project completion report. Particularly the completion report contains relevant facts and analysis, which should serve as a basis for the ex post evaluation, although not without critical observation. The ex post evaluation report should rather evaluate and summarize the findings highlighted in the completion report than repeating them all. The different types of evaluation will emphasize many similar objects of evaluation. Therefore it is possible to give a general indication of the content of this section.

4.1 Findings

In the case of ex post evaluations, include an overall assessment of its relative success or failure, and the extent to which failure might have been foreseen during the Project proposal appraisal process;

Section 4.1. provides a critical analysis of:

i) the achievements of the Project
   - realized versus planned Objectives and Outputs (not applicable for ex-ante evaluation)
   - impact and effects
     - assessment of the post-project situation and of the specific conditions of its intended direct or indirect beneficiaries as compared to the Pre-project situation and expectations
     - assessment of whether this post-project situation is likely to change additionally, in what direction and over what period
     - assessment of the achievement of the Project Specific Objective(s) and of its contribution to the Development Objective; critical analysis of the validity of the Assumptions made

- presentation of the indicators of achievement for each level of the project elements
- assessment of unexpected effects and impacts either harmful or beneficial
- presentation of the reasons for their occurrence
- assessment of actual environmental impacts and comparison to the predicted ones
- assessment of effects, harmful or beneficial, upon local communities, related or not to the Project implementation

• sustainability
  - assessment of the presence and effectiveness of a post-project strategy
  - elaboration on the availability of human resources and financial and institutional provisions to guarantee sustainability

ii) the process of Project formulation and implementation

• stakeholder involvement during the identification and during the implementation of the Project
  - assessment of stakeholder contribution to the design of the project
  - assessment of ownership over the project
  - assessment of (early) commitments of stakeholders and collaborating agencies

• appropriateness of the project design
  - its overall appropriateness
  - the rationale of its vertical logic
  - the level of detail of its work plan
  - horizontal logic, indicators, means of verification, assumptions
  - risks to Project success

• efficiency and operational aspects
  - assessment of the technical, financial and managerial aspects of project implementation, including the adoption of norms, standards and rules related to technical and administrative actions, project staff coordination, Project organization (files, technical and financial data, reports, accounting documents, etc.)
  - assessment of the inputs allocation, including its timing and appropriateness, indication of whether they are being provided on time and at the predicted costs; indication of probable future trends in Inputs allocation considering the present situation; indication of cost-effectiveness through the use of unit costs, comparative costs per beneficiary, etc.
  - Project internal monitoring
  - procurement procedures, consultants employment
  - recipient country commitment

• effectiveness
  - assessment of technical or scientific intrinsic merit of the project proposal
  - assessment of the project proposal rationale for achieving its Objectives,

including a critical analysis of its Logical Framework and examination of the external influences which may affect the Project's success; assessment of risks and success probability
- assessment of the effectiveness of the management of unexpected situations and evaluation of the adopted routes as compared to alternative ones
- assessment of whether the project design is still valid (for ongoing Projects) including the review of the Logical Framework and suggestions for its revision, if necessary

iii) the project proposal appraisal process
- could failures have been predicted by studying the project proposal and if so through what kind of indications

4.2 Lessons learned

Section 4.2 presents the corresponding lessons learned.

5 Conclusions and recommendations

In principle, conclusions may be drawn and recommendations may be made on any aspect highlighted in section 4. It is helpful to group conclusions and recommendations under the same headings as used in section 4 and with a bearing at the Terms of Reference. Recommendations should also refer to the conclusions they are related to. Therefore, merging sections 5.1. and 5.2 can be considered. Data and information sources which support the conclusions and recommendations should be indicated. The use of tables for presentation of suggested revisions or for support of conclusions is recommended since they usually clarify proposals.
Identify any issues or problems which should be taken into account in designing similar Projects in future.

5.1 Conclusions

Section 5.1 presents outstanding conclusions grouped according to the headings used in **Section 4**, Findings and Lessons learned, and with a view at the TOR.

5.2 Recommendations

Section 5.2 presents recommendations grouped according to the headings used in section 4 and target groups e.g. executing institution, collaborating Institutions, Bio-Innovate Program secretariat, TAC expert panel, etc.

Appendix: Executing institution's/consortium project leader's views
The appendix presents any views of the EA which deviate from the conclusions of the evaluation team.

Annex 12

CHECKLIST FOR BIO-INNOVATE PROJECT EVALUATION MISSION

This checklist contains issues for checking which may help evaluation mission members in carrying out their evaluation. Evaluators do not necessarily need to address all the issues.

- Is there a clear understanding of the field or subsector involved and of its main characteristics?
- Does the problem analysis confirm the results of the project identification?
- Are there better technical, financial, or administrative approaches for the Project?
- Does the analysis of the Logical Framework linkages lead to the conclusion that the Project rationale is appropriate?
- Are the Outputs necessary and sufficient to achieve the Specific Objective(s)?
- Are the Activities and related Inputs necessary and sufficient to achieve the Outputs?
- Is the project budget appropriate for the project intent? Are the costs of each input appropriate?
- Will the project be cost-effective overall?
- Does the level of detail of the Activities allow appropriate definition of related Inputs and costs?
- Will the results of the project be sustainable, financially and in other ways?

Additional issues specifically for *midterm evaluations*:

- Have external events so far conformed to the expectations of the project? In particular do the assumptions still appear valid? If not, why not?
- Has progress so far matched the implementation plan? If not, can action be taken to restore or improve the original project track? If not, what should be done?
- Is the Project still valid in terms of its Specific Objective(s) and planned Outputs? Is there any need for changes or adjustments?
- Is the project budget and its original cost-effectiveness still valid?

- Are the expected impacts materializing? If not, what should be done?

Additional issues specifically *for ex post evaluations*:

- What happened to the project, and what problems arose?
- Were the Inputs provided as planned and were work schedules observed?
- Were the expected Outputs achieved?
- What problems (if any) caused delays and what consequences did this have on implementation?
- Was the management and execution of the project adequate?
- How did actual costs compare with budget provision?
- Were the Specific Objectives relevant? Did the project achieve its Specific Objective(s)?
- Did these Objectives change during implementation?
- Were there unexpected results and impacts, either harmful or beneficial? Who in fact benefited from the Project?
- Could the Specific Objective(s) have been achieved more efficiently through an alternative design?
- What are the key lessons from the project? Which good or bad factors contributed to its relative success or failure?
- Does the project show up new problems which need to be examined in designing future interventions?
- What direct recommendations arise either for future similar projects or for the continued operation of this one?

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Bio-resources Innovations Network for Eastern Africa Development (Bio-Innovate) Program
International Livestock Research Institute (ILRI)
P.O.Box 30709 Nairobi 00100, Kenya
Website: http://bioinnovate-africa.org

Tel: +254 20 422 3216 off
+254 716 008 115 Cell
Fax: +254 20 422 3001