Kenya Forestry Research Institute

KEFRI GUIDELINE ON PROJECT DEVELOPMENT AND IMPLEMENTATION STRUCTURES

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FOREWORD

Kenya Forestry Research Institute (KEFRI) delivers its mandate through Strategic Plan dispensation. Resources both Human and financial are very critical for effective strategic plan implementation and thus the office of Resource Mobilization and Partnership Development spearheads resource mobilization from Governments, bilateral, multilateral, private sector and individual donors for research and development. KEFRI has an organization-wide Resource Mobilization Strategy (RMS 2018-2022), which a five year cycle framework that recognizes that opportunities for resources exist globally, regionally, nationally and at local levels. It has outlined strategies to enhance resource scouting, identification, investments and effective utilization in line with the institute's priorities.

KEFRI has a project policy of 2019 that outlines how fundraising will be conducted in the institute and stipulates incentives that scientists and resource mobilization teams will enjoy for vibrancy and ardent in resource mobilization for research and development. Further the institute through the office of PRM develops 5 year cycle Resource Mobilization Strategy whose objective is to sustainably mobilize resources proportional to the Strategic Plan requirements from Government of Kenya, Development Partners and Private Sector. The RMS takes cognizant that opportunities for Resource Mobilization exist and can be realized upon consistent and rigorous scouting, identification, mobilization and credible implementation in line with the Institute's strategic priorities.

This guideline was developed and approved by the Board of Directors to guide processes of proposal conceptualization and implementation. It outlines the key best practices and structures to be put in place upon receipt of donor funds to ensure accountability, inclusivity in decision making while attaining set objectives, targets and activities. It guides how common costs in all projects shall be instituted to ensure smooth operations. KEFRI will prioritize to discuss with specific donor agency on the best approach to adopt for effective implementation as per the donor policies and guideline while incorporating the ideas and proposed guidelines in this paper.

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1. INTRODUCTION

1.1. Overview of KEFRI

Kenya Forestry Research Institute (KEFRI) is a state corporation which was established in 1986 by an Act of Parliament CAP 250 of the Laws of Kenya. The Act has since been repealed by the Science, Technology and Innovation Act No. 28 of 2013.

Vision

A world class center of excellence in forestry and allied natural resources research for sustainable development

Mission

To conduct research and provide information and technologies for sustainable development of forestry and allied natural resources for socio-economic development

Mandate

I.   Conduct research in forestry and allied natural resources;
II. Disseminate research findings to stakeholders;
III. Build capacity of stakeholders; and
IV. Establish partnerships and cooperate with other research organizations and institutions of higher learning in joint research and training.

Strategic Goals

I. Effectively contribute to the national minimum tree cover of 10%
II. Improve livelihood of communities and households through sustainable forest management

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Strategic Objectives

1. Generate technologies for establishment and management of forest plantations, trees on-farms and enhance production of superior germ-plasm for priority tree species for different agro-ecological zones;
2. Formulate forestry policies for sustainable forest management and improved livelihoods;
3. Develop technologies for efficient processing and utilization of wood and non-wood forest products;
4. Generate rehabilitation technologies for adaptation to climate change, sustainable forest landscapes, woodlands, wetlands and riparian eco-systems;
5. Disseminate forestry research technologies and enhance institutional research and development capacity; and
6. Enhance corporate communication and publicity.

KEFRI delivers its mandate through seven (7) Strategic Themes namely:

- Forest Productivity and Improvement (FPI)
- Forest Biodiversity and Environment Management (FBEM)
- Socio-economics, Policy and Governance (SPG)
- Forest Product Development (FPD)
- Forest Research Support Services (FRSS)
- Corporate Services (CS)
- Corporate Affairs and Quality Assurance (CA&QA)

In order to enhance research outputs and dissemination of findings to the grassroots, KEFRI executes her mandate through five eco-regional research programmes, one national research programme

and a number of centers and sub-centers distributed across all the ecological regions of the country. The five ecological regional programmes are:

- Lake Victoria Basin Eco-region Research Programme (Maseno)
- Rift Valley Eco-region Research Programme (Londiani)
- Central Highlands Eco-region Research Programme (Muguga)
- Dry lands Eco-region Research Programme (Kitui)
- Coast Eco-region Research Programme (Gede)

Forestry research and development at the eco-regions is geared towards addressing prevailing unique natural resources, forestry development challenges as well as socio-economic needs of the surrounding communities.

- The National Forest Products Research Programme (Karura) focuses on generating technologies for sustainable production and use of wood and non-wood forest products.

1.2. KEFRI Resource mobilization

KEFRI will strengthen the fundraising efforts by implementing a framework that integrates resource mobilization options at different scales and timeframe - short term; medium term; and long term. Four strategic objectives will be at the core of the RMS namely:

(i) To enhance resource mobilization capacity by recruiting three more staff to undertake fundraising and training 20 focal point staff members as champions of fundraising

(ii) To lobby for additional KES 100 M annually from Government of Kenya

(iii) To enhance funds from development partners by 2% annually

(iv) To enhance funds from consultancy services by 1% annually

KEFRI has a strong internal financial management system that has over the years improved the institute's credibility as being transparent and accountable for donor funding thus this culture and practice will be maintained and enhanced as a key support structure. Other key enabling factors that will be mainstreamed to improve actualization of the planned strategies shall include;

(i) Improve communications and information flow
(ii) Solid framework for dialogue with cooperating partners and donor engagement
(iii) Institutional support to RMS
(iv) Development and maintaining strategic partnerships.

There are significant social and economic differences between developed and developing countries. This is mainly because of the difference in investment in science, technology and innovations. Science and technology can be propagated in many ways but according to United Nations Educational, Scientific and Cultural Organization (UNESCO), for sustainable economic growth, the principal is for countries to allocate 1% Gross Expenditure on Research and Development (GERD) against the Gross Domestic Product (GDP). According to the latest report of UNESCO (2015) many countries in Africa and Asia are producing fewer inventions today in addition to setting low percentage of Gross Domestic Product (GDP) to Gross Expenditure on Research and Development (GERD). As per the report Ethiopia stands at (0.61%), Gabon (0.58%) and Uganda (0.48%) while Kenya stands at 0.79%. This has been a remarkable improvement for Kenya in particular which was rated at 0.5% in the previous report reflecting further improvement to finance research and development though GERD.

Other avenues that can be explored for financing science, technology and innovations (STIs) include; funds from research oriented organizations, bilateral and multilateral donors, foundations and private funders. The frameworks and financing mechanisms are defined by internationally agreed protocols with clear targets and strategic directions. The Sustainable Development Goals (SDGs) for example are universally agreed resolutions that are now a major tool and theme around which financing is executed. Aligning countries agenda towards responding to the SDG's one hundred and sixty nine (169) targets guarantees a pathway to sustainable funding.

International treaties such as those on climate change mitigation and adaptation under the United Nations Framework Convention on Climate Change (UNFCCC) form major sources of funds. The UNFCCC convention has endorsed financial assistance from Parties with more resources to those less endowed and more vulnerable. This financial mechanism has established four special funds: the Global Environment Facility (GEF), the Least Developed Countries Fund (LDCF), Green Climate Funds (GCF) and the Adaptation Fund (AF). Other International agreements with strong provisions for financing research in environment and natural resources include: global policy initiative that address climate change threats by reducing emissions from deforestations and forest degradation (REDD+) in developing countries; United Nations Convention on Combating Desertification (UNCCD); United Nations Convention on Biological Diversity (UNCBD) and Forest Landscape Restoration (FLR), among others.

Kenya is signatory to African Union`s protocol that oblige member states to commit 1% of their GDP to support scientific research. Under the country's economic blue print The "Vision 2030", science, technology and innovations are recognized as key drivers to sustainable economic growth. The strategy commits to support exploitation of knowledge in science, technology and innovation (STI) for a more efficient economy, improved social welfare, and to promote democratic governance. To this end Kenya Government established National Research Fund (NRF) under the Science and Technology Innovation Act, 2013 to facilitate research for advancement of science, technology and innovation. Strong working collaborations and partnerships with NRF are a strategy to broaden financing opportunities. The current investments in NRF and ST&I countrywide remain low at 0.79%.

The Big Four Agenda for economic development places emphasis on expansion of manufacturing, food security delivery, improved health and housing. Thus alignment of forestry research to these priorities will translate to broader opportunity to financing in the country. Other policy and legislation within Kenya that provide for research and development financing include the Public Finance Management Act (No. 18 of 2012) which provides a framework for public institutions financing through the National Treasury.

The government through Public Private Partnerships (PPP) Act, 2013 and Forest Conservation and Management Act, 2016 encourages public agencies to form partnerships with private sector to facilitate enhanced public service delivery in addition to accessing financing opportunities. The forestry sector policies and legislations have

provided for financing to support ongoing sector policy reforms and these present potential funding opportunities. The National Forest Programme 2016-2030 recognizes financing opportunities for forestry development that can be exploited in Kenya to include private sector investment, the green economy and payment for ecosystem services. It further recognizes forest valuation, resource mobilization and forest investment as a means to funding research and development. Forest Conservation and Management Act, 2016 provides for establishment of a Forest Conservation and Management Trust Fund to support innovations. The Draft Forest Policy has provisions for promoting forest research, training and education and recognizes resource mobilization as a key strategy to realize set targets and objectives for a vibrant forest sector. Kenya Climate Change Act, (2016) provides for the creation of Climate Change Fund to support adaptation and mitigation measures for combating the impacts of climate change in the country.

KEFRI has an office of partnership and resource mobilization (PRM Officer) whose role is to identify, harness and co-ordinate strategic partnerships and collaborations for funding to support forestry research and development. There exists databases of key strategic partners and development partners that the Institute has been collaborating with and in partnerships in projects designs and implementation. KEFRI through office of PRM develops 5 year cycle Resource Mobilization Strategy whose strategic objective is to sustainably mobilize adequate resources to meet KEFRI's requirements for Strategic Plan through engagement with the government of Kenya, development partners and private sector.

The RMS takes cognizant of need to enhance resources scouting, identification, mobilization and proper implementation of donor projects leadership in line with the Institute's strategic priorities.

In order to ensure prudent and effective utilization of funds resourced from the development partners, KEFRI has developed this paper to serve as a guide on processes of *proposals conceptualization and implementation practices and structures to put in place upon funding.* Various development partners including: UNDP, GIZ, EU, FAO-UN Centre for Ecology and Hydrology (CEH) have previously undertaken due diligence processes for KEFRI and found the institute capable of implementing donor projects effectively and efficiently. Therefore development partner wishing to undertake a due diligence process prior to project commencing are allowed.

2. PROCEDURES FOR PROJECT DEVELOPMENT

2.1. Project Conceptualization and development

The process begins from a scientists or group of scientists' idea, call for proposals by national and international funding agencies, bilateral collaborations among others. Once opportunity is identified a team of scientists is formed and it engages to write a quality proposal aligning to KEFRI thematic areas and mandate as well as to the proposal requirements. All KEFRI proposals and concept notes are submitted through Director KEFRI contacts and may include contact of the Principal Investigator, project coordinator or manager. The period from proposals development until realization of funds varies from short to long term (1 month to 5 years).

2.2. Project Implementation

All KEFRI projects are under Director KEFRI and shall be implemented in the region, sub-regions and stations except in few cases at the headquarters that involve policy and high levels national outlook. Therefore the implementations will be managed and supervised by Regional Directors and Assistant Director in charge of Sub-centers and their staff with facilitations from respective Thematic Deputy Directors and support from key offices of Human resources, accounts, supply chain management, audit and monitoring and evaluation. The role of project investigator will largely be to coordinate efforts of all key units, offices and divisions mentioned above.
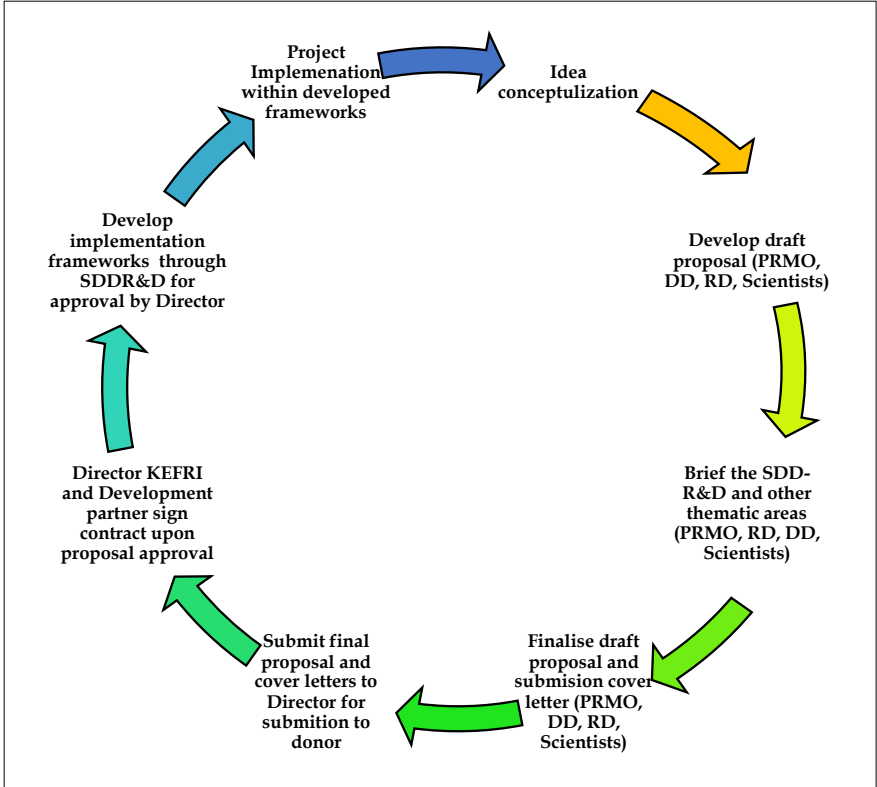
Figure 1: Project Proposal Development Cycle

3. RECOMMENDED PROJECT IMPLEMENTATION STRUCTURES OR COMMITTEES

KEFRI receives multilateral, bilateral and private foundations financial support from development partners through concepts and proposals development. Once a contract has been signed between Director KEFRI and development partners, work planning and schedules are developed and these include; implementation modalities, structures annual workplan and budget. The modalities for implementing projects may vary from partner to partner but below proposed structures and frameworks shall be adopted to increase harmony and systematic implementation. Incase a development partner wishes to adopt different implementation approach then this is also allowed and upon discussions KEFRI will integrate the agreed upon proposal. Fundraising involves information exchange and building of rapport between funding partners and the proposal development team through the principal investigator. Thus at all times KEFRI will try as much as possible to sustain this linkage. The implementation structures will involve support from KEFRI existing offices of Director, Senior Deputy Directors, thematic Deputy Director, Principal Investigator, Researchers, Resource Mobilization and Partnerships Development and any other staff from of the Institute representing critical offices of Human Resources, Accounts, Supply Chain Management, Monitoring and Evaluation among others.

Below is the recommended implementation structures/committees to be put in place prior to implementation and be approved by the Director KEFRI. They each have accompanying responsibilities, deliverables and meeting timelines as follows;

1. National Programme steering committee (N-PSC)
2. Project steering committee (PSC)
3. Project implementation committee (PIC)
4. Project technical implementation committee (PTIC)

3.1. National Programme Steering Committee

	Members	Responsibilities
1.	Principal Secretary-Chair	• Review project progress and achievement of planned results as presented in six-monthly PPRs, PIRs and Financial Reports;
2.	Director KEFRI	
3.	Directors of other institutions involved	• Ensure that co-financing support is available on time; • Advise on conflicts arising during project implementation;
4.	Total Members-vary based on institutions involved and nature of the program	• Facilitate co-operation between all project partners and facilitate collaboration between the Project and other relevant programme, projects and initiatives in the country; and • Approve Term of Reference (ToR) for midterm and final evaluations. • The committee meets at least twice per year

* This a national structure but Director KEFRI is a member in the interest of the project.

3.2. Project Steering Committee

	Members	Responsibilities
1.	Director KEFRI-Chair of committee	• To receive and review project technical and financial progress reports
2.	Senior Deputy Director Research and Development	
3.	Deputy Director Finance and administration	• To provide policy and strategic guidance
4.	Relevant Thematic Deputy Director: Project Coordinator	• To approve project annual work plans and budgets
5.	Principal Investigator: PI	
6.	Heads of relevant critical offices of Human Resources, Accounts, administration and Procurement and Supply Chain Management	• Arbitration of conflicts and breach of contract issues • To report project progress to National Programme Steering Committee
7.	PRM Officer	
8.	M/E officer	• This committee will meet at least twice in a year
9.	Project Officer	

3.3. Project Implementation Committee (PIC)

	Members	Responsibilities
1.	Senior Deputy Director Research and Development - Chair	• To receive discuss and compile project technical and financial progress report
2.	Relevant Thematic Deputy Director(s): Project Coordinator (s)	
3.	Principle Investigator	• To receive and review quarterly implementation plans
4.	PRM Officer	
5.	Relevant Regional Director (s)	
6.	Relevant Scientists	• To report to project steering committee on implementation progress
7.	Heads of relevant critical offices of Human Resources, Accounts, administration and Procurement and Supply Chain Management	• To meet on quarterly basis
8.	Project Accountant	
9.	M/E officer	

* Where applicable incorporate Partner team members-2-3

3.4. Technical Implementation Committee-At Regional level

	Members	Responsibilities
1.	Regional Director-Chair	• To review project monthly work plans and budgets
2.	Deputy Regional Director: Coordinator	• To review monthly project implementation progress
3.	Regional Project Leader-Secretary	
4.	Regional heads of relevant critical offices of Human Resources, Accounts, administration and Procurement and Supply Chain Management	• To rationalize facilitation of project activities including vehicle and staff deployment
		• To develop technical and financial reports
		• To report to project management PI on project progress
		• To meet on monthly

* Where applicable incorporate Partner team members-2-3

4. ROLES OF KEY OFFICES AND STAFFS IN THE IMPLEMENTATION STRUCTURES

For smooth implementation of projects and programs; there are some critical roles geared towards to supporting financial execution, policy changes/ decisions approval, day to day implementation and decision making, resources control decisions among other. These include the following:

4.1. Project National Office (NPO) or Project Management Unit (PMU) or Project Secretariat

Where possible each project should try to create employment for Kenyans based on budget available and workload. These may include and not limited to; project officer, special experts, accountant, procurement and supplies officer, drivers and project interns. The above key office will include staff employed through the project funds or a team of project managers appointed by Director KEFRI to offer secretarial responsibility to dispense the project. They will undertake the following responsibilities in addition to any other duties as need may arise. The team role will be to;

- Present for approval all work plans and budgets to PIC and PSC
- To facilitate procurement and maintenance of project facilities, equipment and logistics needed for smooth implementation of the project
- Examine all requests from all implementing entities for conformity with project requirements and budget line and availability before passing on to appropriate offices.
- Examine all expenditure for implementing entities on conformity with project requirements before passing on to appropriate offices

- Identify any emerging issues and make recommendations to appropriate offices
- To undertake overall project co-ordination in disbursement of funds to support project activities.
- Undertake regular project monitoring and valuation to verify field operations, conformity with set objectives expected outputs and efficiency alongside M/E office

4.2. Project Monitoring and Evaluation (PME)

The staff/s here vary with each project and may be employee of the project, Technical Assistance (TA)- M/E officer, staff of KEFRI M/E office, an appointee by Director KEFRI or a consultant attached to the project. The staff or team role will be to;

- In a participatory manner; establish all Monitoring and Evaluation frameworks
- Ensure to undertake regular technical and financial monitoring
- Generate Monitoring And Evaluation progress reports
- Present the reports to PIC and PSC

4.3. Project Regional Office (RPO)

For projects being implemented in the regions a project regional office will be established. In those projects that have allowed employment the PRO will constitute the project staff and Regional heads of relevant critical offices of Human Resources, Accounts, administration and Supply Chain management. The Office will be under the leadership of the Regional Directors. The team role will be to;

- Present for approval all work plans and budgets to PIC and PSC
- To coordinate project implementation activities in the regions

- To coordinate financial and procurement activities
- To facilitate procurement and maintenance of project facilities, equipment and logistics needed for smooth implementation of the project
- Examine all requests from all implementing entities for conformity with project requirements and budget line and availability before passing on to appropriate offices.
- Examine all expenditure for implementing entities on conformity with project requirements before passing on to appropriate offices
- Ensure that all project activities are undertaken in accordance with approved work plans
- Identify any emerging issues and make recommendations to appropriate offices
- To undertake overall project co-ordination in disbursement of funds to support project activities.

4.4. Project Officer/Assistant researcher

A project may have provisions to employ own project officer to support PI/coordinator, NPO/PMU/Secretariat at Headquarters and Project Regional Office (RPO) on day to day technical management of the project. This officer will be based at most convenient point of project implementation to offer support. The staff role will be to;

- To coordinate planning and implementation of the project in consultation with project PI
- To consult regularly with NPO/PMU/Secretariat at Hqts and Project Regional Office (RPO).
- To respond to all queries from the relevant field offices

- To manage project documents and information at project management office
- Support the PI in overseeing the day-to-day management of the project activities
- To prepare quarterly, annual and final project reports in consultation with the PI.
- Prepare and compile information required for project management

4.5. Project Accountant

A project may have provisions to employ own project accountant to support PI/ coordinator, NPO/PMU/Secretariat at Hqts and Project Regional Office (RPO) on day to day financial management of the project. This officer will be based at most convenient point of project implementation. The staff role will be to;

- Advise Project Coordinator /Head of Accounts on all financial matters relating to the project
- Take overall responsibility for all aspects of accounting and financial management of the project
- Perform various accounting transaction in support of the day to day operation of the project as per the partner and Institute's regulations and Policies
- Be the focal point for project staff in the interpretation, operation and implementation of the financial matters
- Establish financial management systems and reporting formats for the entities that will implement project components as per partner requirements

- Continuously evaluate and analyze cash flows, consolidate data prepare project monitoring reports and claims for reimbursement by partner
- Organize and prepare monthly and Quarterly Financial Management Reports for submission to partner
- Ensure documentations and certification of all Finance Accounting Reports (FMR)
- Verifies and posts details of Project transactions to General Ledger as per the partner regulations
- Reconciles Project bank reconciliation
- Consolidate project expenditure to facilitate timely preparation of the project accounts for each preceding fiscal year for entire duration of the project.
- Coordinate audit of the consolidated Project Accounts and FMR.
- The Auditor's Reports on (i) Project Account; (ii) Use of FMR; and Operation of Development Credit Agreement (DCA)
- Follow up with Treasury & partner on tax waivers
- Liaise with External Auditors on audit queries

4.6. Project Procurement Officer

A project may have provisions to employ own project procurement officer to support PI/coordinator, NPO/PMU/Secretariat at Hqts and Project Regional Office (RPO) on day to day procurement management of the project. This officer will be based at most convenient point of project implementation. The staff role will be to;

- To facilitate timely project procurement process
- Provide support, advice and establish procurement systems at national and regional Offices in accordance with GoK and partner requirements and provisions

- To undertake regular surveillance on NPO/PMU/Secretariat and Regional Offices to verify compliance
- To report to NPO/PMU/Secretariat and Regional Offices, PIC and PSC on project procurement progress
- Prepare and compile information required for project management

4.7. Relevant Thematic Deputy Director: Project Coordinator

- To build upon project research and development outputs
- To enhance the institute opportunities and promote its international standing
- To oversee the planning, implementation, monitoring and evaluation of project activities
- To align project activities and outputs to Vision 2030, MTPS and KEFRI Strategic plan
- To advice the project implementation organs on government and institutes policies, procedures and norms on project for smooth project implementation
- To advice the Director and Senior Deputy Directors of project implementation activities
- To report project activities to KEFRI Executive Meeting and government organs as it may arise.

4.8. Principle Investigator

- To support the NPO/PMU/Secretariat and Project Regional Office (RPO) on project implementations
- To consult the donor regularly on project implementation progress and any proposed changes or scenario changes.
- To prepare monthly and quarterly project reports

- Present project reports to PIC and PSC
- Advice the Thematic DD and Directorate on project implementation progress
- To facilitate preparation of monthly work plans and budgets for implementations activities
- To coordinate implementation teams
- To advice present project progress report to regional implementation committee
- To supervise documentation and information management in the regional office.
- To supervise monthly and quarterly reports preparation
- To present monthly and quarterly project reports to project management office

4.9. Procurement and Supply Chain Management

- To facilitate timely project procurement process
- Provide support, advice and establish procurement systems at national and regional Offices in accordance with GoK and partner requirements and provisions
- To undertake regular surveillance on NPO/PMU/Secretariat and Regional Offices to verify compliance
- To report to Director and PSC on project procurement progress

4.10. Deputy Director Accounts and Finance

- To facilitate timely disbursement of finances for project activities
- To support establishment accounting systems in NPO/PMU/ Secretariat and Regional Offices in accordance with GoK and donor requirements and provisions

- To undertake regular surveillance on financial management at PMO and Regional Offices to verify compliance
- To report to Director and PSC on project financial management progress

4.11. Chief Internal Auditor

- To undertake regular surveillance audit on project systems and verify compliance
- Identify possible risks in liaison with risks and compliance managers
- To report to Director and Board management systems and remedial actions

4.12. Regional Director

- To coordinate project implementation structures and functions
- To supervise timely and efficient use of project funds and assets.
- To hold regular meeting with NPO/PMU /M&E coordination office
- Advice the project NPO/PMU /M&E on project implementation activities

4.13. Project Assistants and interns

Where project allows the PI/Coordinator may engage Project Assistants and Interns to support undertake specified deliverables to be agreed upon from time to time. These are liable to receive a stipend that may vary from project to project and will be discussed with funding partners.

5. PAYMENT AND FINANCIAL APPROVAL PROCEDURES

5.1. Payment rates for project staff

- Project staff will be paid in accordance with KEFRI rates or as advised by donor projects.
- Community leaders and farmers will be paid in accordance to project rates approved by Director KEFRI
- Field assistants will be paid in accordance with project rates approved by Director KEFRI
- General labour will be paid in accordance with government rates approved by Director KEFRI
- Resource persons will be paid in accordance to rates approved by Director KEFRI
- Payment for sitting allowances will be paid in accordance project rates approved by Director KEFRI
- Transport rates will be in accordance to zoned distances approved by Director KEFRI.

5.2. Project payment procedures

- All payments must be supported by project approved documents: Worksheet or attendance register, receipts or invoices.
- All KEFRI staff are paid by electronic transfer to individual accounts or Mpesa.
- All other public officer will be paid by electronic transfer into personal accounts or Mpesa in accordance to their respective rates
- Nonpublic officers will be paid by electronic transfer into individual accounts or Mpesa
- All participants attending workshop and seminars will be paid by the accountant

- Only accounts staff are allowed to handle project payments

5.3. Payment Approval procedures at NPO/PMU/Secretariat

- The PO will initiate preparation backed by work plans and budgets and endorsed signatures
- The vouchers to be approved by PI and endorsed by relevant DD before processing

5.4. Payment Approval at Regional Centers

- Payments be backed by work plans and budgets and endorsed signature
- The payment vouchers to be approved by Project leader and endorsed by RD/DRD before processing

5.5. Account Signatories at NPO/PMU/Secretariat

The PI is the project signatory and approved KEFRI signatories alongside the Director and accounts

5.6. Account Signatories at regional Centers

The Project Team Leader is the project signatory and approved KEFRI signatories

6. COMMON COSTS

In projects management there are various common expenses under various themes and below is a guide on how KEFRI will handle the various costs in a negotiated discussions.

6.1. Human resource support services

Where project has employed staff, services of HR will be ultimately needed to facilitate recruitment, adherence to Kenya human resource manuals, policies and guidelines and to statutory deductions. Project staffs to be recruited under terms and conditions adhering to policy manuals, policies and guidelines but domiciled to project terms and conditions such as implementation period, events of suspension, force majeure, and funding availability. The HR will also develop engagement contracts that stipulate supervisory and timing. Each project to adopt *signing of periodical worksheet* to account for project staff time and their contributions on a daily basis. The office will also prepare and oversee timely remuneration, performance contracting and appraisals, termination as well as mainstream quality standards. Therefore each project to factor remuneration mechanisms to facilitate the HR office operations and contributions in the project employee engagement.

6.2. Procuring of goods, works and services

Procurement of all goods and service will be undertaken in accordance to the Public Procurement and Asset Disposal (PPDA), Act of 2015 however where donors prefer use of their procurement system this will be well incorporated/Reflected on the contract and adhered to. Each project to develop and submit annual procurement plan with stipulated budget, targets and specifications to the procurement

and supply chain. If the project has hired own procurement and supply chain officer, he/she shall work in collaboration with the KEFRI procurement and supply chain department to ensure smooth acquisition of goods and service.

6.3. Accounts and operations

Financial management is mandatory for all projects. KEFRI Finance and accounts division will offer financial management services. Where the project employs its own project staff, the staff will work closely with the Finance and accounts of KEFRI. Therefore each project to factor financial and management costs to facilitate financial reports generation, quarterly, and annual project meetings.

6.4. Audit services

Each project to incorporate audit and management costs to facilitate quarterly, impromptu and annual audits and reports. Therefore each project to factor financial and management costs to facilitate reporting, quarterly, and annual project meetings.

6.5. Motor vehicle operations

There are projects whose activities may involve a lot of field activities such as data collection, stakeholder engagements and trainings, inter county collaborations an inter eco-regional connectivity. Some may not involve a lot of field work and may be specific to one area of operation.

For field operations KEFRI prefers that each project procure own vehicle and factor costs of hiring and remunerating a driver on contract to end of project. The costs of acquisition of a new vehicle will be based on agreements with donors and on prevailing rates and in

absence it will be as per KEFRI and GoK motor vehicle procurement procedure. The project vehicle will be attached under the NPO/PMU/Secretariat and Regional Offices who will allocate it appropriately to support activities as per the annual work plans. If it is completely impossible for the project to procure a vehicle, the project document or contract *should indicate clearly that KEFRI will contribute to project by availing a vehicle and a driver.* There can also be options of car hire upon approval by the donor in the final proposal and grant agreements. In all the scenarios the following common costs should be budgeted for to ensure smooth operations as below;

- Motor vehicle major service and inspections costs
- Motor vehicle minor servicing cost
- Fuel charged as 1L/10Km which will vary based on oil prices
- Driver salary or perdiem cost using KEFRI DSA rates

6.6. Project office operation costs

These include costs of stationery, airtime, office tea, special printing services among others. Each project to factor such costs and these can be accesses as monthly standing imprests or be based on agreed upon working modalities with the donors.

6.7. Publications

Based on proposal arrangements and contract document all publications and visibility materials shall bear the logos of both KEFRI and donor/s and incase of other 3rd party institutions, their logos too to be included. They will ensure to observe the visibility actions and targets as per the proposed documents. Each project to factor publication costs and write-shops.

6.8. Project Administration costs

In order to cater for common project costs of; bank charges, money exchange transaction costs, office electricity, WLAN/WIFI connections, rent, and economic adjustments, KEFRI will charge a standard rate of 10 - 15% administration cost for all donor projects. Therefore each project to ensure this is discussed with funding agency and factored in the budget. This cost will also be utilized to remunerate staff time of KEFRI employees who contributed into project activities and operations.

6.9. Top ups and remunerations to KEFRI Staff

In most of the projects KEFRI staff will be involved. The project may choose to pay their salaries fully however from past experience this has not been visible. The most workable model has been that the project does not pay KEFRI staff salary. Through this approach a project format will be discussed to remunerate the staff contributing to project work through a monthly top - ups calculated as percentage of monthly salary per staff or staff time. This will be factor in the proposals budget, however the PI can also negotiate to pay this cost from the Project administration cost and agree on most appropriate administrative percentage to suit both staff remuneration and administration operations.