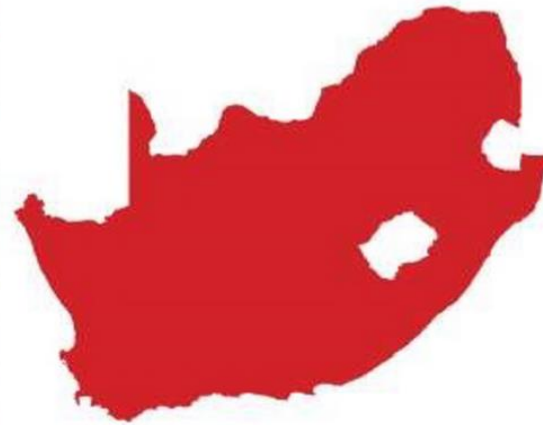




# SR SELECTION MANUAL



# LET OUR ACTIONS COUNT



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## Acronyms

CBO	Community Based Organisation
COI	Conflict of Interest
CPR	Country Portfolio Review
GF CCM	Global Fund Country Coordinating Mechanism
GF	The Global Fund to fight AIDS, TB, and Malaria
GF CT	Global Fund Country Team
LFA	Local Fund Agent
NGO	Non-governmental Organization
OC	Oversight Committee
OPEC	Operational Performance Excellence and Co-ordination
PCA	Provincial Council on AIDS
PR	Principal Recipient
PSM	Procurement Supply Chain Management
RFP	Request for Proposals
SANAC	South African National AIDS Council
SR	Sub-Recipient
SSAC	SR Selection Appeals Committee
SSP	SR Selection Panel
SSR	Sub Sub-Recipient
TOR	Terms of Reference
TRP	Technical Review Panel

## **1. Introduction and Background**

- 1.1 The purpose of the Global Fund to Fight AIDS, Tuberculosis and Malaria (GF) is to attract, manage and disburse additional resources in order to make a sustainable and significant contribution to the reduction of the impact caused by the three diseases, while also contributing to poverty reduction and to the achievement of the Sustainable Development Goals.
- 1.2 The South Africa Global Fund Country Coordinating Mechanism (GF CCM), a partnership of all key stakeholders in the country's response to the three diseases, is responsible for submitting funding requests to the GF based on priority needs that respond to the invitation from the GF. It is also responsible for nominating the Principal Recipients (PRs) that are legally responsible for programme results and financial accountability to the GF.
- 1.3 PRs sign GF grant agreements with the GF and manage the implementation of grants under the guidance of the GF Country Team (GF CT) and GF CCM.
- 1.4 PRs contract with sub-recipients (SRs), under the oversight of the GF CCM, and take ultimate responsibility for the performance of SRs.
- 1.5 An SR is different from a service provider because it receives a portion of the GF grant from a PR to implement a specific set of programme activities while a service provider is contracted to supply goods or services in exchange for payment. SRs can also contract sub sub-recipients (SSRs) to receive a portion of a GF grant to implement a specific set of programme activities. This SR Selection Manual outlines the key aspects of the SR selection process to be followed by all PRs in the interest of achieving a transparent, fair and objective SR selection process. SSRs shall be selected according to the requirements communicated to SRs by their PRs.

## **2. The Role of GF CCM in SR Selection**

- 2.1 The GF CCM, through its Management Committee, is responsible for the following in the SR selection process:
  - 2.1.1 Ensure that PRs comply with this manual when selecting SRs to implement programmes financed by GF grants.
  - 2.1.2 Ensure that SR selection is completed on time before commencement of the grant implementation period.
  - 2.1.3 Approve request for proposals (RFPs) before publication by PRs.

- 2.1.4 Ratify the final lists of SRs recommended by PRs after satisfying itself that the selection process was in accordance with the provisions of this SR Selection Manual and in compliance with GF requirements.
- 2.1.5 Attend to appeals in the SR selection process not successfully resolved by PRs.
- 2.1.6 Update this manual when necessary.

### **3. The Role of Principal Recipients**

3.1 The GF CCM expects PRs to timeously select SRs in accordance with this SR Selection Manual.

3.2 In accordance with GF requirements, PRs are generally responsible for the following:

- 3.2.1 Sign GF grant agreements and contract with SRs under the guidance of the GF CT and GF CCM.
- 3.2.2 Manage the implementation of GF funded programmes by SRs, under the oversight of the GF CCM, including programmatic and organisational development capacity building of SRs. They take ultimate responsibility for the performance of SRs including the financial and operational consequences of choosing the wrong implementers.
- 3.2.3 When necessary, propose changes to work plans and funding allocations to the SRs based upon discussions with and endorsement by GF CCM Oversight Committee (GF CCM OC) for non-material programmatic and budget changes, and the GF CCM for material programmatic and budget changes, prior to final submission to GF CT.
- 3.2.4 Participate in, and lead as necessary, Operational Performance Excellence and Co-ordination (OPEC) meetings, deep dives and Country Portfolio Review (CPR) meetings to improve programme performance and impact.
- 3.2.5 Report on programme progress and challenges to the GF.
- 3.2.6 Identify key issues and implementation bottlenecks and escalate to GF CCM for guidance through the GF CCM OC.
- 3.2.7 Routinely share with the GF CCM OC progress and financial reports sent to the Local Fund Agent (LFA) and GF CT.
- 3.2.8 Provide information to the GF CCM, GF CCM Secretariat, GF CCM OC and any other GF CCM committee when requested to do so.
- 3.2.9 Attend and participate in GF CCM meetings when invited.
- 3.2.10 Collaborate with the GF CCM Secretariat to organize site visits.

3.2.11 Carry out other responsibilities in accordance with the grant agreement.

## **4. The role of Sub-Recipients**

4.1 SRs are the direct implementers of programmes financed by the GF but can sometimes work through SSRs.

4.2 SRs have a contractual relationship with, and are accountable to the PRs.

4.3 The responsibilities of SRs include the following:

4.3.1 Sign grant agreements with the PRs and contract with SSRs, where necessary, under the guidance of PRs.

4.3.2 Implement grants under the oversight of the PRs and where applicable, manage SSRs and take responsibility for their performance.

4.3.3 Collaborate with and participate in the relevant district stakeholders and structures such as government departments, SANAC sectors, local and district AIDS Councils so that implementation is coordinated and contributes to broader local implementation plans.

4.3.4 Propose changes to the PR on work plans and budget when necessary.

4.3.5 Participate in performance review meetings to improve programme performance and impact.

4.3.6 Report on programme progress and challenges to the PR through regular reports.

4.3.7 Identify key issues and implementation bottlenecks and escalate to the PR.

4.3.8 Provide information to the PR, GF CT and GF CCM and its structures when requested.

## **5. General Principles Guiding SR Selection**

5.1 All PRs shall follow the SR selection process outlined by the GF CCM in this manual.

5.2 The SR selection process is intended to ensure that PRs identify capable implementers of GF programmes while advancing the transformation agenda of the GF CCM.

5.3 PRs shall transparently identify and propose a list of SRs based on a set of objective criteria that assesses the capacity and experience to implement specific GF funded programmes, and experience of working in the district(s) of implementation with relationships with stakeholders.

5.4 PRs can retain existing SRs without going through a competitive process provided all the conditions below are met:

- 5.4.1 The SRs in question shall meet the pre-qualification criteria of BBBEE level 1 or 2.
  - 5.4.2 The PR should have objectively assessed the past performance of all existing SRs and only retained implementers with performance ratings of B1 (60-89%) or better, using the GF grant rating tool.
  - 5.4.3 The SRs should be implementing the same module and in the same district as the previous grant. Any change in the module and/or district will require the use of a competitive selection process.
  - 5.4.4 The SRs shall have obtained letters confirming their participation district coordination structures.
  - 5.4.5 SRs who have participated in at least two consecutive GF funding cycles (funding cycle is 3 years) shall be required to mentor an emerging implementer as part of their retention condition.
- 5.5 The decision to retain existing SRs shall be ratified by the CCM Management Committee.
- 5.6 While PRs propose a list of potential SRs, the GF CCM has to ratify the recommendations before PRs can contract with SRs. The GF CCM's ratification is limited to the selection process followed and not the selection outcomes.
- 5.7 PRs are required to work closely with SRs to develop detailed work plans and budgets prior to the commencement of grant implementation.

## **6. Advancing Transformation**

- 6.1 The GF CCM supports the transformation objectives of the government of the Republic of South Africa, to redress the injustices of the past, and requires PRs to consider the same during SR selection.
- 6.2 The GF CCM requires PRs to specify SR pre-qualification criteria that advance transformation, including ring-fencing quotas or reserving certain modules for implementation by organisations led by women, youth, people living with HIV (PLHIV), key populations and people with disabilities. The details shall be outlined in the RFP document submitted to the GF CCM Management Committee for approval prior to publication.
- 6.3 No applicants with a BBBEE<sup>1</sup> status higher than level two (three and higher) shall qualify to serve as an SR or SSR. All PRs shall include this BBBEE threshold as a pre-qualification criteria.

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<sup>1</sup> *In accordance with the requirements of the Broad Based Black Economic Empowerment (BBBEE) Act as amended from time to time.*

Government departments wishing to serve as SRs or SSRs are exempted from these requirements.

- 6.4 PRs shall also use BBBEE points<sup>1</sup> in the overall evaluation score for potential SR applicants using an 80/20 points scoring system as outlined in the Preferential Procurement Policy Framework Act (PPPFA) regulations. PRs shall extend the same requirements to SRs when selecting SSRs.
- 6.5 PRs are strongly encouraged to implement other measures to advance transformation, such as offering capacity strengthening support to local organisations to ensure that the quality of programme implementation and compliance with grant conditions are not compromised.
- 6.6 PRs shall submit their SR capacity building plans to the CCM at the beginning of the grant and then report annually on progress made.
- 6.7 To the extent possible, SRs and their SSRs shall recruit part of their implementation staff from the relevant districts.
- 6.8 PRs shall specify the goods and services e.g. catering and transport services, to be procured local businesses located in the implementation districts, without compromising value for money, as part of the GF programmes to boost local economies.
- 6.9 The GF CCM shall work closely with the PRs to educate and support potential SR applicants on proposal development and budgeting, especially local non-governmental organisations (NGOs) and community based organisations (CBOs), to widen participation.
- 6.10 PRs shall complete indicative SR selection before grant negotiation as far as possible, once there is approval from the GF Technical Review Panel (TRP), so that SRs can be involved in grant negotiation with actual costs identified.

## **7. Implementation Arrangements**

- 7.1 The GF funded programmes in South Africa generally focus on the two diseases of HIV and Tuberculosis (TB) implemented across the country in targeted districts and sub-districts. The programme interventions and targeted geographical locations may vary per grant and intervention.
- 7.2 The GF CCM shall decide on the implementation arrangements of each GF grant which decision shall have implications for SR and SSR selection.

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<sup>1</sup> *In accordance with the requirements of the Preferential Procurement Policy Framework Act (PPPFA) as amended from time to time.*



- 7.3 To the extent possible, SRs and SSRs need to be based in the implementation district or be currently implementing programmes in the same district to leverage local knowledge and existing relationships with key stakeholders, and ensure sustainability of interventions. PRs are discouraged from appointing SRs from outside of the implementation district ahead of competent implementers based in the district. This means that if potential applicants have met the minimum threshold to be considered as an SR, first preference shall be given to the applicants based in the district, followed by those based elsewhere in the same province before considering all other applicants.
- 7.4 Generally, PRs shall not do direct implementation but will have to work through SRs unless the module has to be implemented directly by the PR such as community systems strengthening (CSS) activities. They shall not become SRs or SSRs of other PRs.
- 7.5 PRs shall appoint one SR per district per module but one applicant may not be appointed as an SR for more than three modules and/or districts.
- 7.6 The GF CCM and the GF CT shall have the right to review implementation arrangements during grant implementation if it is deemed to be in the best interests of improving the economy, efficiency and effectiveness of programme interventions. In such cases, the GF CCM, GF CT and affected PRs and SRs shall work closely together to find and implement the best solution.

## **8. SR Selection Panel**

- 8.1 Each PR shall appoint a SR Selection Panel (SSP) made up of members with technical knowledge of GF operational and implementation requirements, financial and grants management, HIV/TB programme management specifically in the modules to be implemented, and monitoring and evaluation.
- 8.2 The membership of an SSP shall be constituted as follows:
- 8.2.1 The minimum number of SSP members shall be five (5) but the maximum shall be decided by the PR.
  - 8.2.2 Two members of the SSP shall be nominated by the relevant Provincial Council on AIDS (PCA) Head of Secretariat and appointed by the GF CCM Management Committee. Where feasible, PCAs are encouraged to nominate from among members of the DCA of the implementation district. Of the two members, one shall be a civil society sector representative e.g. sex workers, MSM, TG, PWID whichever is relevant to the programme work being applied for etc. while the other one shall be a person with technical knowledge of the module for which the RFP has been issued. The two SSP

members shall hold at least an NQF level 5 qualification and have at least three years experience in the relevant sector.

8.2.3 The remaining members of the SSP shall be appointed by the PR. Such members can be from outside of the PR including representatives of key stakeholders.

8.2.4 The NDOH shall be exempted from the requirement to have two SSP members appointed by the GF CCM Management Committee. It shall comply with government's procurement regulations in as far as the constitution of committees to evaluate and adjudicate on bids is concerned.

8.3 The terms of reference of the SSP shall be as follows:

8.3.1 Manage the SR selection process in accordance with the requirements in this manual and the RFP developed by the PR and approved by the GF CCM Management Committee.

8.3.2 Objectively evaluate and assess applicants responding to the RFP.

8.3.3 Recommend a shortlist of applicants for appointment as SRs.

8.3.4 Prepare a final report for the PR on the SR selection process including recommendations for improvement.

8.4 All SSP members shall comply with the GF CCM's conflict of interest (COI) policy contained in the GF CCM Governance Manual.

8.5 Each PR shall document their COI management processes that are specific to the SR selection process.

8.6 All SSP members shall sign a special declaration of COI prior to the confirmation of their appointment by the PR. In addition, SSP members shall undertake not to disclose any confidential information obtained during their membership of the SSP and shall not use it to enrich themselves or improperly benefit any organisation or person.

8.7 Any person affiliated with any organisation applying to serve as an SR of the PR or to be considered as an SSR shall be disqualified from serving on the SSP. A person is affiliated with a prospective SR or SSR if he/she is board member, director, officer, employee or agent of a prospective SR or SSR. A person is also affiliated with a prospective SR or SSR if a family member, life partner, friend, business partner or member of same commercial enterprise is a board member, director, officer, employee or agent of a prospective SR or SSR.

- 8.8 All SSP members shall remain liable to comply with the requirements of the PR's COI policy for the duration of their service on the panel.
- 8.9 The enforcement of the COI requirements' relies on self-declaration and full disclosure by the potential SSP members. An SSP member may be removed from his/her position should any undeclared conflict of interest come to the attention of the PR. Any input, including evaluation scores by such a member, shall be disregarded to protect the integrity of the selection process. In addition, an organisation that the member is linked to shall be disqualified if an SSP member did not declare the COI and is later found to have been conflicted.
- 8.10 The PR shall orient all SSP members on the relevant GF procedures, GF CCM requirements and the key SR selection requirements and tools at the start of their term.
- 8.11 The quorum for SSP meetings is 50% plus one. A quorum must be in place before an SSP can make binding decisions. Proxy voting shall not be permitted.
- 8.12 Decisions of the SSP shall be made by a simple majority (50% plus one), excluding any conflicted members.
- 8.13 The PR shall provide an administrative resource to support the work of the SSP and all proceedings of the SSP shall be minuted.
- 8.14 The SSP shall be disbanded once the GF CCM Management Committee has ratified the final list of SRs and any appeals have been dealt by the CEO/Executive Director of the PR.

## **9. Request for Proposals**

- 9.1 The normal SR selection route shall be through an open, competitive and transparent request for proposals (RFP) process.
- 9.2 Closed RFPs, when a PR approaches targeted organisations to serve as SRs without an open or competitive selection process, shall be approved by the GF CCM Management Committee. Closed RFPs shall only be permitted under the following circumstances:
- 9.2.1 When a PR engages or transfers a part of the grant to a government department, any public entity listed in schedules 1 to 3 of the Public Finances Management Act (PFMA), SANAC or Higher Health SA . In this case, an SLA must be signed between the PR and the SR that clearly sets out the work plan and budget with targets, the reporting requirements and consequences of non-compliance.
- 9.2.2 When a PR wishes to retain existing SRs, subject to the provisions of clause 5.3.

- 9.2.3 When transferring a part of the grant to an implementer specifically mentioned in the request for funding (RFF) approved by the GF.
- 9.2.4 When an open RFP has yielded no suitable applications and there appears to be little prospect that a modified second round open RFP would produce a different outcome.
- 9.2.5 When the PR satisfies the GF CCM that a proposed SR is the only organisation in the country able and willing to implement a particular intervention to a reasonably acceptable standard.
- 9.3 The PR shall ensure that the SR has the required capacity and value for money is attained despite the use of a closed RFP process.
- 9.4 The RFP Terms of Reference (TOR) shall be developed by the PRs as soon as the priority activities that reflect the grant work plan and budget have been adequately designed and agreed upon. The TORs shall be developed using the template in annexure D as a guide.
- 9.5 The TORs shall include the priority modules, the target provinces and districts, eligibility criteria, technical and management capacity required, templates to be used, evaluation criteria and date and place of submission among other information.
- 9.6 The eligibility criteria shall show the minimum requirements for applicants to qualify and the required evidence.
- 9.7 The GF CCM Management Committee shall make a decision on the draft RFP within five working days of receiving the submission from the PRs.
- 9.8 Once approved by the GF CCM Management Committee, the RFP shall be circulated widely including on the PR website, PR mailing list, SANAC website, SANAC mailing list and at least one provincial/district newspaper with wide circulation. The RFP shall also be shared with the relevant PCAs, DACs, LACs, local municipalities and civil society networks for circulation.
- 9.9 The GF CCM Secretariat shall work closely with the PRs and PCAs to promote the participation of local small non-governmental and community-based organisations in GF programmes. This may include joint roadshows to raise awareness about SR and SSR opportunities available to such organisations and the application process and requirements.
- 9.10 All PRs shall convene non-compulsory briefing sessions to provide clarification and additional information to potential applicants and disseminate information as widely as possible. Any additional material shared at briefing sessions shall also be made available to

potential applicants in the same manner as the RFP. It is recommended that all potential SRs attend these briefing sessions.

9.11 Potential applicants shall be afforded at least 20 (twenty) working days to prepare their submissions.

9.12 PRs shall allow potential applicants to submit questions for clarification while the RFP is open. PRs shall respond to such enquiries within two working days. In addition, PRs shall maintain an up to date list of frequently asked questions (FAQs) available on their website for the duration when the RFP is open.

9.13 Applicants shall be allowed to bid as a consortium if they so wish as long as they can demonstrate the consortium advances transformation and demonstrates value for money. The applicants shall identify the partner to serve as an SR and those earmarked for SSR roles to allow for comparability with other applicants not in a consortium. The consortium will be required to obtain its own BBBEE certificate separate from those of its individual members.

9.14 Applicants shall be allowed to submit RFPs for more than one module and/or district as long as they satisfy the requirements. Applicants wishing to be considered for more than one module and/or district shall submit separate applications for each module and/or district. However, upon evaluation of applications, an applicant shall not be allocated more than three modules and/or districts across all PRs.

## **10.Submission of Proposals by Interested Parties**

10.1 Both physical and electronic submissions shall be acceptable as long as they are received before the closing date and time indicated in the RFP.

10.2 Physical submissions shall be deposited in a dedicated and sealed tender box to be located at the PR offices and clearly marked as such. PRs shall have a sealed tender box available in the district of implementation to facilitate easy submissions by interested parties.

10.3 The tender box shall be opened, immediately after the closing date and time, in the presence of at least two officials mandated by the SSP, with all submissions being recorded and signed for by the parties present at the opening.

10.4 All electronic submissions shall be made using a dedicated email address.

10.5 A comprehensive list of all submissions received shall be circulated to members of the SSP and published on the PR website within four working days of the closing deadline.

## **11.Evaluation of SR Applications**

11.1 The evaluation criteria for applications shall be specified in the RFP and shall not be changed midway through the process unless all applicants are notified and afforded the opportunity to amend their submissions.

11.2 The evaluation criteria shall be designed to enable the SSP to shortlist a pool of applicants from which the PR can propose a list of SRs to be ratified by the GF CCM Management Committee.

11.3 Applications shall be evaluated in the following order:

11.3.1 Screening for compliance with pre-qualification criteria. Applicants that do not meet the prequalification criteria shall be disqualified.

11.3.2 Screening for administrative requirements (if any) as per the requirements in the RFP. Disqualified submissions shall not undergo technical evaluation.

11.3.3 Evaluation of technical proposals. PRs should specify the minimum technical evaluation score, not lower than 50%, to be attained for applications to proceed further.

11.3.4 Field assessments, where necessary.

### **11.4 Technical evaluation**

11.4.1 The technical evaluation criteria shall, to the extent possible, be objective and relevant to understanding an applicant's potential to implement GF programmes and be capable of being substantiated with verifiable evidence.

11.4.2 The technical evaluation shall include an assessment of the ability to comply with GF grant regulations and reporting requirements, expertise and experience of implementing similar interventions as those prioritised under the grant, and presence and working relationships in the target districts and relevant sectors

### **11.5 Field Assessments**

11.5.1 Field assessments visits are not mandatory for all applicants as they are only necessary in cases where the SSP needs further clarification on the capacity of an applicant.

11.5.2 No points are awarded for field assessments as they are for clarification purposes.

11.6 Each SSP member shall individually evaluate and score each applicant according to the set criteria but SSP members shall discuss each applicant before finalisation of scores to ensure they have the same understanding of the proposals.

- 11.7 The scores of any SSP member who fails to evaluate all eligible submissions shall be disregarded in the interest of fairness.
- 11.8 The scores of all SSP members for each applicant shall be aggregated and an average score assigned.
- 11.9 The SSP shall use the consolidated score of each applicant to compile a shortlist of applicants, top scoring, to be recommended for appointment as SRs.

## **12. Communication of SR Selection Decisions**

- 12.1 The PRs shall complete their evaluation and decision making process within 10 working days from the closing date of each RFP.
- 12.2 The PRs shall compare their list of proposed SRs, prior to seeking GF CCM ratification, to ensure that no single applicant is proposed to implement more than three modules or in more than three districts. In such instances, one of the PRs shall select the next best applicant.
- 12.3 The PRs shall inform unsuccessful applicants after the SR selection process to allow for any appeals, before submitting documentation to seek the ratification of the final list of proposed SRs by the GF CCM.
- 12.4 The PRs shall seek the ratification of the GF CCM before finalising the appointment of SRs. In seeking ratification of the proposed SRs, the PRs shall submit a summary report with the following information to the GF CCM Management Committee:
- 12.4.1 The selection process followed.
- 12.4.2 The list of all applicants.
- 12.4.3 The list of disqualified applicants and reasons thereof.
- 12.4.4 The list of all applicants that passed the evaluation threshold, ranked by their overall evaluation scores.
- 12.4.5 The list of applicants recommended for appointment as SRs and reasons thereof (if not in line with the overall evaluation scores ranking).
- 12.4.6 The outcome of the appeals process, if any appeals were received by the PR.
- 12.5 The GF CCM Management Committee shall satisfy itself that the selection process, and the allocation of modules and districts, was in accordance with the provisions of this SR Selection Manual and in compliance with GF requirements before presenting the list of SRs for ratification by the GF CCM .

- 12.6 The GF CCM Management Committee shall assist the GF CCM to ratify or object to the recommended list of SRs within ten (10) working days of receiving the request from a PR. The GF CCM shall only object to the PR's recommendation if it is satisfied that the process followed did not comply with the requirements of this manual.
- 12.7 The PR shall formally inform the SRs of their appointment once the GF CCM has ratified the list of SRs.
- 12.8 The PR shall inform all unsuccessful applicants after the ratification of the final list of proposed SRs by the GF CCM.
- 12.9 The PR shall provide reasons to unsuccessful applicants, upon request.
- 12.10 Unsuccessful applicants who met the minimum threshold specified in the RFP maybe considered as SSRs/CSOs subject to complying with the requisite process.

### **13. Appeals against SR Selection Decisions**

- 13.1 A PR shall appoint an SR Selection Appeals Committee (SSAC), the chair of which must be a senior member of the management team not previously involved as an SSP member (COO level) or an independent external professional (preferably a lawyer), to address any concerns raised by applicants. The same conflict and ethics requirements applicable to SSP members shall apply.
- 13.2 The terms of reference of the SSAC shall be as follows:
- 13.2.1 Receive and attend to all appeals related to the SR selection process.
  - 13.2.2 Manage the SR selection appeal process in a fair, objective, transparent and timely manner intended to achieve successful resolution of disputes.
  - 13.2.3 Request information, documents, presentation and testimony from witnesses necessary to understand the nature and causes of a dispute and potential resolution.
  - 13.2.4 Subpoena applicants and any members of the SSP to testify and provide further evidence.
  - 13.2.5 Provide written recommendations to the CEO/Executive Director of the PR on how to resolve appeals referred to it.
- 13.3 An applicant unhappy with a decision of an SSP shall note their appeal with the CEO/Executive Director of the PR within five (5) working days of receiving the PR's communication regarding the outcome of the SR selection process.



13.4 If the appellant requires the reasons for their non-selection, this request must be submitted together with their notice of appeal.

13.5 The reasons for non-selection shall then be shared with the appellant within five (5) working days from the date of requesting and they shall have a further five (5) working days to review the reasons provided and lodge their appeal, if they wish to proceed.

13.6 The SSAC shall endeavour to report back to the CEO/Executive Director of the PR, with recommendations, within five (5) working days from the day an appeal is referred to it.

13.7 The CEO/Executive Director of the PR shall make a final decision and communicate with the appellant within five (5) working days of receiving recommendations from the SSAC.

#### **14. PR/SR Disputes**

14.1 Disputes between PRs and SRs, that arise post selection and during the implementation of GF programmes and not successfully resolved by the PR, shall be referred to the GF CCM Ethics Committee and relevant PCA Head of Secretariat for their information fo

14.2 All such disputes shall be submitted through the GF CCM Secretariat; CCM Co-Chairs; TSU; Oversight Committee either formally or informally.

14.3 Ethics Committee may summon the parties in question to understand the issues further and neutrally mediate in the dispute at hand.

14.4 All matters not resolved by the GF CCM Ethics Committee shall be referred to the full GF CCM for a final decision.

#### **15. Revision of manual**

15.1 This manual shall be reviewed by the GF CCM during the preparation of any new GF funding request. The GF CCM OC and Management Committee shall lead a technical task team to review and submit for GF CCM consideration, any proposed changes and/or amendments. The review process shall consider lessons learnt from implementing past and present grants. All changes to the manual shall require GF CCM approval before they become effective.

Approved and adopted on this day: – 22 September 2021.

Signed:

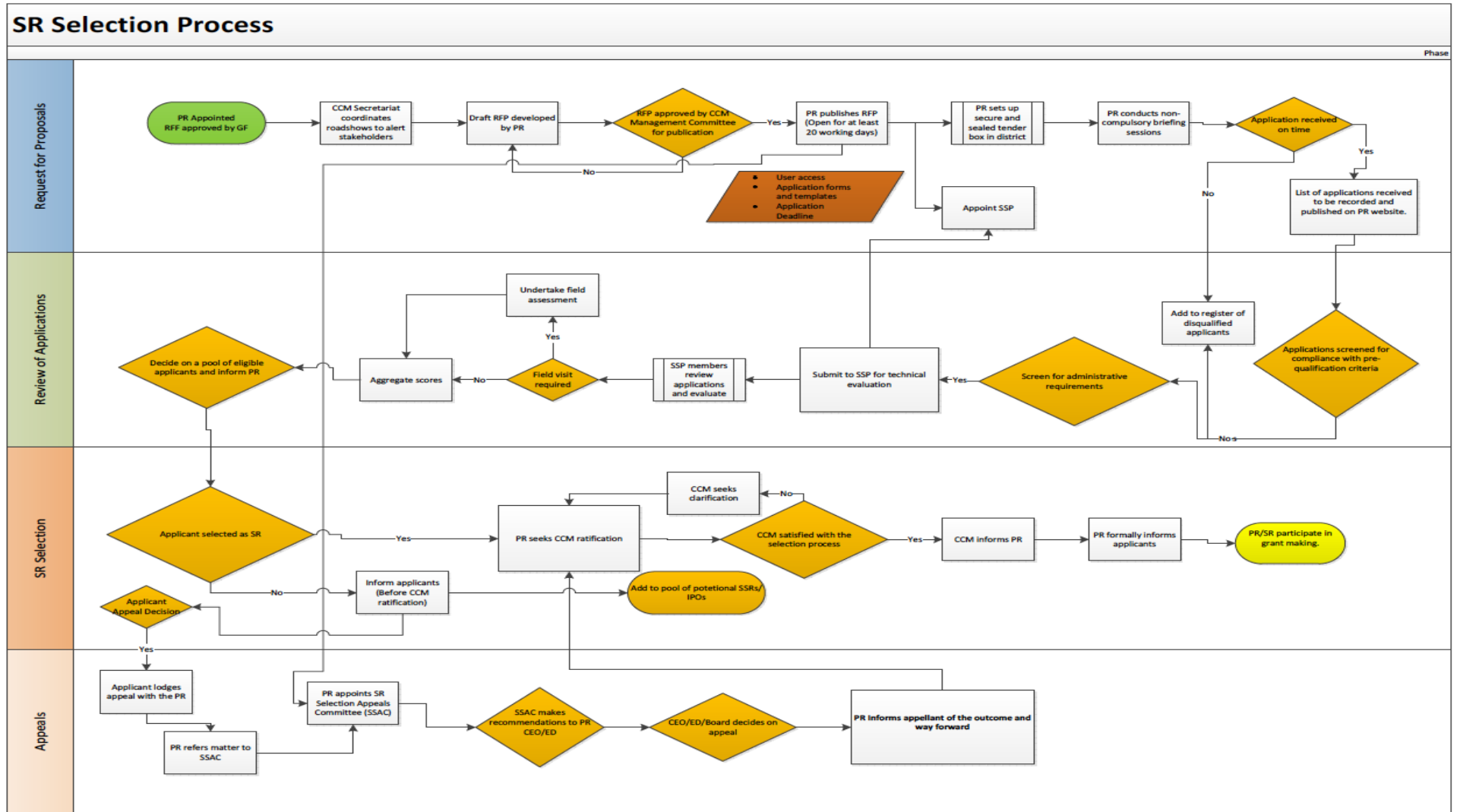
Chairperson of GF CCM:

Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Co- Chairperson of GF CCM:

Name: \_\_\_\_\_ Signature: \_\_\_\_\_

# Annexure A. High level SR selection process



## **Annexure B. Administrative requirements for acceptance of SR application**

The administrative requirements include the following in addition to any other requirements specified in the actual RFP:

- Use of the prescribed application form and adherence to length of submission limits (number of pages).
- Submission of the following documents (in addition to any other evidence submitted by an applicant):
  - Proof of legal entity (NPC, Trust, Voluntary Association, Close Corporation, Pty (Ltd)).
  - NPO registration status.
  - List of board members and management, their current job titles and certified copies of IDs.
  - Valid SARS tax clearance certificate together with tax compliance status pin.
  - Valid BBBEE certificate or sworn affidavit deposed by a director/board member of the applicant confirming BBBEE level. Organisations who don't have a B-BBEE Verification Certificate by an independent verification agency must complete a sworn affidavit using the Department of Trade and Industry (dti) templates for specialised entities on the Department of Trade and Industry website<sup>1</sup> as follows:
    - *B-BBEE Qualifying Small Enterprise* - [Specialised Entity template](#). This is for qualifying organisations with an annual income between R10 million and R50 million.
    - *B-BBEE Exempted Micro Enterprise* - [Specialised Entity](#) template. This is for exempted organisations with an annual income below R10 million.
  - Lasted audited Annual Financial Statements signed by Board chairperson. Management accounts, signed by the preparer of such accounts and the Board Chairperson, may be accepted if the audited annual financial statements are older than 2 years or the financial statements have never been audited.
  - Organogram for all management and administrative positions (Human resources, finance, PSM, M&E, project management).
  - Policies and procedures documents addressing financial management, procurement, travel, and human resources.

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<sup>1</sup> [https://www.thedti.gov.za/economic\\_empowerment/bee\\_codes.jsp](https://www.thedti.gov.za/economic_empowerment/bee_codes.jsp)

- Letter confirming participation in the district coordination structure e.g. the District Aids Council (DAC), if it exists. If not, a letter issued by the PCA should suffice.

## **Annexure C. Minimum Requirements for SRs**

A potential SR must have proven ability to manage programmes in the specific modules in the RFP and must also be capable of performing the functions of an SR which includes the following:

### **Effective leadership and governance structures**

- Legal status such as voluntary association, trust, non-profit company (NPC) etc. to enter into contracts.
- Have a properly constituted board that provides oversight over organisational matters.
- Effective organizational leadership using transparent decision-making processes.
- Adequate skilled and experienced staff to manage implementation of the modules, including procurement, monitoring and evaluation, and finance.
- Knowledge about and ability to communicate and network with relevant district stakeholders and structures such as government departments, local and district AIDS Councils.
- Appropriate internal control systems, including policies and procedures, to prevent and detect fraud or misuse of resources.

### **Financial management system**

- Accounting system that can correctly record all transactions and balances by source of funds with clear references to budgets and work plans.
- Ability to monitor actual spending in comparison to budgets and work plans.
- Ability to manage disbursement of funds to SSRs and suppliers in a timely, transparent and accountable manner.
- Ability to produce timely and accurate financial reports.

### **Monitoring and evaluation**

- Monitoring and Evaluation (M&E) system for routine monitoring of activities/interventions.
- Mechanisms and tools to collect and analyse data, and report on programme performance.
- Ability to produce timely and accurate programmatic reports.

## **Annexure D. Requests for Proposals (RFP) Template**

### **1. INTRODUCTION AND BACKGROUND**

The South Africa Global Fund Country Coordinating Mechanism (GF CCM) is responsible for leading the implementation of HIV and TB programmes funded by the Global Fund to Fight AIDS, TB and Malaria (GF) in the country. The GF CCM determines the content of the programming, the budget envelope, and the output and outcome indicators and targets.

The GF CCM has recommended that xxxxxxxxxxxx be appointed by the GF as one of the Principal Recipients (PRs) that will implement programmes to be funded by the grant. The GF CCM decided that a PR should serve as a grants manager while sub-recipients (SRs) will be the main implementers of the programmes.

xxxxxx therefore invites interested non-profit organisations and government departments, experienced in the modules listed under the scope of work and with presence in the districts identified, to apply to be considered as SRs. It is important to note that SRs are recommended by the PR but appointment is subject to GF CCM approval. **Applicants are not required to submit implementation plans and budgets as part of this call for applications.**

### **2. THE ROLE OF SUB-RECIPIENTS**

SRs have a contractual relationship with, and are accountable to the PR. They are the direct implementers of programmes financed by GF but can sometimes work through SSRs.

The responsibilities of SRs include the following:

- Sign grant agreements with the PR and contract with SSRs, where necessary, under the guidance of PR.
- Implement grants under the oversight of the PR and GF CCM, and manage SSRs and take responsibility for their performance where applicable.
- Propose changes to the PR on work plans and budgets when necessary.
- Participate in performance review meetings to improve grant performance and impact.
- Report on programme progress and challenges to the PR through regular reports.
- Identify key issues and implementation bottlenecks and escalate to the PR for guidance.
- Provide information to the PR, GF CT, and GF CCM and its structures when requested to do so.

#### **2.2 Organisational requirements**

The minimum requirements to serve as an SR include:

- Sound governance frameworks, demonstrated by, inter alia, by a diversified board and management team, and at least one year audited financial statements.
- Appropriate staffing in key areas (programme and financial management, human resources, programme implementation and management, monitoring and evaluation and procurement management).
- Experience of managing grants and SSRs, where applicable.
- A track record of effective and efficient implementation of similar activities, preferably in the target district.
- A sound system of management and financial controls.
- A sound monitoring and evaluation system, tools and procedures amongst other requirements.

These organisational requirements will be assessed during the evaluation process. Further information can be found on the Global Fund website ([www.theglobalfund.org](http://www.theglobalfund.org)) including the GF Grants Regulations<sup>1</sup>.

### **3. SCOPE OF WORK**

This call for applications seeks to identify organisations that are efficient and effective implementers of the scope of work listed below. Applicants need to have implemented similar programmes before, and preferably in the target districts. The specific scope of work includes:

- *Outline the scope of work to be carried out by SRs, the budget envelope and expected deliverables.*

### **4. PREQUALIFICATION CRITERIA**

All applicants must have a broad-based black economic empowerment (BBBEE) level one (1) or two (2) only. Applicants that do not meet the above requirement will be disqualified from further evaluation.

### **5. EVALUATION PROCESS AND CRITERIA**

The evaluation of submissions will be managed by an SR Selection Panel (SSP) which will prepare a shortlist of applicants that meet the threshold for appointment as an SR. The PR will use the shortlist drawn by the SSP to recommend applicants to be appointed as SRs by the GF CCM. The GF CCM will make the final decision taking into account the recommendations by the PR.

The evaluation process will be conducted according to the following stages:

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<sup>1</sup> [https://www.theglobalfund.org/media/5682/core\\_grant\\_regulations\\_en.pdf](https://www.theglobalfund.org/media/5682/core_grant_regulations_en.pdf)

- The first stage of the evaluation process assesses for compliance with pre-qualification criteria. Applications that do not comply will not be evaluated further.
- The second stage of the evaluation process assesses compliance with administrative requirements (*refer to a specific annexure*). Applications that do not comply will not be evaluated further.
- The third stage of the evaluation process assesses technical competency focusing on the ability to fulfil the requirements of an SR, experience and expertise of implementing similar interventions and presence in the selected district. Applicants need to achieve a score of at least **xxx** points of the technical competency requirements in order to progress further.
- The fourth stage, which is optional and at the discretion of the SSP, may involve an on-site visit to clarify details about the applicant. No points are awarded.

For applicants that satisfy the pre-qualification criteria and the administrative requirements, the weighting of the overall score is as follows:

Technical evaluation score	80%
BBBEE points	20%
Total	<b>100%</b>

The SSP will present its evaluation outcome to the PR for consideration and recommendation to the GF CCM for a decision on the final list of SRs. Aggrieved applicants can lodge an appeal with the **CEO/Executive Director** within seven working days of receiving official communication of the SRE selection decision, clearly stating the grounds for appeal and providing the necessary evidence.

## 6. APPLICATION INSTRUCTIONS

All applicants are required to:

- Clearly mark their applications with "**XXXXXXXXXXXX**". Applications submitted electronically should use the same in the email subject line.
- Ensure completeness of the application (including the attachment of all necessary supporting documentation) and not exceed recommended length of sections.
- Attach board resolution authorising submission of application.
- Confirm in writing that the information and statements made in the proposal submission are true and accept that any misrepresentation contained in it may lead to disqualification;
- Ensure timely submission of all documents and reports if requested as part of the assessment of the organisation's ability to continuously fulfil the role of an SR; and



- Submit application to [xxxxxx@xxxxxxx.xxx.xx](mailto:xxxxxx@xxxxxxx.xxx.xx) or deposit xx copies of the application with all supporting documentation into the tender box located at the xxxxxx, xxxxxxxx, xxxxx before the deadline of xx xxxxxxxx 2021 12h00.
- Ensure that appropriate staff is available on site if and when the on-site SR capacity assessment visit is done.

## 7. KEY DATES

The deadline for the submission of a fully completed application and attachments is xxh00 on xxx xxxxxxx 2021. The key dates for the application process are shown in the table below.

Stage	Date/period
1. Publication of call	xx xxxxxx 2021
2. Deadline for submitting applications	xx xxxxxx 2021 12h00
3. Evaluation period (indicative) during which additional details may be requested and an on-site visit may be done to evaluate SR capacity.	xx xxxxx to xx xxxxx 2021
4. Final SR selection decision (Followed by feedback to applicants)	Week ending xx xxxxx 2021

## 8. CONTACT DETAILS

Please direct your requests for information and questions/queries to:

Name and title: xxxxxxxxxxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxxxxxxxxxx

Contact email: xxxxxxxxx@xxxxxxx.xxx.xx

Please note that questions and requests for information must be submitted before xx xxxxx 2021 16h00. Please refer to our website, [www.xxxxxxx.xxx.xx](http://www.xxxxxxx.xxx.xx) for regular updates on frequently asked questions that were not addressed at the briefing session.

Annexure A: Evaluation criteria (*This is an illustration only. PRs to specify evaluation criteria, points and weighting*)

CRITERIA	Weight	SUB-CRITERIA	MEASURE	POINTS
<b>TECHNICAL COMPETENCY</b>  <i>(Minimum score of xxxx points (specify but not less than 50) on technical points required)</i>	80%	<b>Ability to function as an SR and meet GF and GF CCM requirements throughout the life of the grant.</b>  <i>(20 points)</i>		
		<b>Scope of Work</b>  <b>Experience of implementing similar programme focus areas</b>  <i>(50 points)</i>		
		<b>Experience of working in the district</b>  <i>(10 points)</i>		
<b>TECHNICAL COMPETENCY SUBTOTAL</b> <i>(Should add up to 100)</i>				<b>100</b>
<b>BBBEE</b>	<b>20%</b>	Using the 80/20 scoring system		<b>100</b>
<b>GRAND TOTAL</b>	<b>100%</b>			<b>100</b>