



THIS DOCUMENT IS AN OFFICIAL TRANSLATION OF THE POLISH ORIGINAL

## **Solidarity Fund PL Award Policy**

Last update: 20230201

Adopted by the Board Decision no 2022/04/01 on 08.04.2022  
Amended by the Board Decision no 2023/02/03 on 03.02.2023



## **Purpose and scope of the document**

The following document describes the legal and regulatory framework and sets out key operating procedures and control mechanisms for Grant-awarding Process in the Solidarity Fund PL (SFPL).

The purpose of the document is to ensure a standard approach for any awards allocated by SFPL across the entire organisation.



## Table of content

Definitions.....	4
1. General Information .....	5
2. Legal and Regulatory Framework – Solidarity Fund PL as a grant-awarding entity .....	6
3. Grant-awarding Process in Solidarity Fund PL.....	7
3.1. Grant-awarding principles .....	7
3.2. Grant-awarding rules.....	7
3.3. Types of Awards .....	10
3.4. Award Programme phases.....	11
4. Final Provisions .....	17
Document information sheet.....	18



## Definitions

**Applicant** – any entity that applies for an Award.

**Application** – formal request for an Award.

**Award** – any type of contribution given to a Grantee. Awards include Grant Awards and other types of support mentioned in the policy.

**Award Agreement** – contract between SFPL and a Grantee setting terms and provisions applicable to granted Award.

**Award Programme** – Grant Programme implemented by SFPL, under which grants are awarded and accounted for.

**Award Supervising Board** – a body that may gather SFPL employees, representatives of institutional partners and donors to supervise the Award Programme implementation.

**Award Team** – a team responsible for overall Award Programme management.

**Compliance Unit** – organisational Unit in SFPL responsible for legal compliance of documents.

**Donor** – an Institution financing the Award Programme.

**Evaluation** – an objective formal and substantial appraisal of an Application.

**Evaluation Team** – a team consisting of members appointed by the Board/ Head of the Organisational Unit to evaluate the applications (formally and substantially) and to give its recommendations to the Board/ Head of the Organisational Unit.

**Grant-awarding Process** – the process from identifying the possibility of launching the Grant Programme to signing final Award Agreements.

**Grantee** – an entity that receives an Award for implementation of the project. The term Grantee does not include Subgrantees. Grantees are monitored and accountable to SFPL.

**Ministry of Foreign Affairs (MFA)** – the Polish Ministry tasked with maintaining international relations, including development cooperation.

**Monitoring** – a revision of an Award implementation including information gathered from reports, documents, site visits and other sources.

**Organisational Unit** – separated unit of the Solidarity Fund PL (SFPL): Headquarter (HQ) in Poland and registered Branch Offices.

**Sub-award** – a contribution provided by a Grantee to a Subgrantee to carry out part of the project within the received Award. A sub-award may be provided through any form of legal agreement and should be allowed in the Terms of Reference/ Award Rules.

**Subgrantee** – an entity that receives a sub-award, responsible and accountable both for the use of the contribution provided and for the performance of the part of the project. Subgrantees are monitored and accountable to a Grantee, not to SFPL.

**Terms of Reference (ToR)/ Award Rules** – a list of mandatory references allowing a potential Grantee to apply for an Award.



## 1. General Information

- 1.1. SFPL Award Policy describes the legal and regulatory framework and sets out key operating procedures and control mechanisms for Grant-awarding Process.
- 1.2. The purpose of the document is to ensure a standard approach for Awards allocated by SFPL across the entire organisation.
- 1.3. The policy is applicable to all types of Awards to the extent it does not contradict donors' requirements.
- 1.4. Organisational Units may prepare awarding rules based on this policy. These rules cannot be contradictory to the policy regulations.



## 2. Legal and Regulatory Framework – Solidarity Fund PL as a grant-awarding entity

- 2.1. Legal and regulatory framework for SFPL's role as a grant-awarding entity is outlined in SFPL Statute and Polish legislation: Development Cooperation Act of 16 September 2011 (with further amendments).
- 2.2. SFPL carries out its grant-awarding activities based on objectives and regulations defined in the Statute.
- 2.3. SFPL realises its award activities in following ways:
  - a) through providing support to the Grantees selected in open grant-awarding procedure (**type A**);
  - b) through the form of joint projects with implementing partners, selected either in open or restricted calls for proposal, or provided with direct Awards to preselected organisations (**type B**).



## 3. Grant-awarding Process in Solidarity Fund PL

### 3.1. Grant-awarding principles

- 3.1.1. The Board has ultimate responsibility for all grant-awarding decisions in line with the SFPL objectives and any restrictions agreed with donors. All decisions should be documented and justified.
- 3.1.2. In the Grant-awarding Process SFPL follows rules of transparency, equal treatment, eligibility criteria, avoiding double funding and conflict of interests. SFPL gives strategic importance to ensuring safety and confidentiality of data processed during the grant-awarding cycle. Access to sensitive data is restricted only to authorised persons.

### 3.2. Grant-awarding rules

- 3.2.1. SFPL provides Grant Awards and other types of Awards for projects which are in line with strategic priorities of the organisation.
- 3.2.2. The Board may assign certain decision-making responsibilities to Executive Director or Heads of Organisational Units or leaders of Award Teams. Such delegated decisions are subject to scrutiny and review from time to time.
- 3.2.3. Unless otherwise agreed with the donor following entities are eligible for receiving an Award from SFPL:
  - a) Civil society & Non-governmental organisations;
  - b) Media organisations;
  - c) Not-for-profit Companies;
  - d) Public law bodies (especially Local public authorities);
  - e) Grass root local initiatives/ entrepreneurs/ start-ups;
  - f) Under special conditions (justified by political situation, vulnerability of the project) not registered entities and natural persons.
- 3.2.4. SFPL may grant an Award for a project to more than one Grantee (e.g. consortiums).
- 3.2.5. Awards cannot be issued to political parties neither to private sector for profit entities except for funding for media organisations, and for entrepreneurs/start-ups that are active in the development field or are important on the local level.
- 3.2.5<sup>1</sup>. Entities shall be excluded from the grant award process if a final judgment, final administrative decision or final disciplinary ruling has been made against them or persons representing them with powers of control or decision-making or against members of their administrative, management or supervisory bodies for any of the following reasons:
  - 1) bankruptcy, insolvency or liquidation proceedings or are in a similar situation arising from a similar procedure provided for in international or national legislation or regulations. In the event that such proceedings are a repressive



- instrument resulting from a specific political situation in the country concerned, then the SFPL may refrain from excluding the entity from funding;
- 2) breach of obligations relating to the payment of taxes or social security contributions;
  - 3) the commission of serious professional misconduct, including misrepresentation;
  - 4) fraud;
  - 5) corruption;
  - 6) an act associated with a criminal organisation;
  - 7) money laundering or terrorist financing;
  - 8) offences of a terrorist nature or offences related to terrorist activities;
  - 9) child labour or any other trafficking offence;
  - 10) setting up a cover company;
  - 11) acting as a front company.
  - 12) the use of or participation in discrimination or harassment, including sexual harassment. Exclusion may also occur if there is no final court decision or final administrative decision in the case and it has been proven by means available to the Foundation or the donor.
- 3.2.5<sup>2</sup>. Entities are excluded from the grant process if restrictions under international law, European Union law or donors' national law have been applied to them or to persons representing them who have control or decision-making powers or to members of their administrative, management or supervisory bodies.
- 3.2.5<sup>3</sup>. Members of the SFPL Supervisory Council, Members of the Managing Board or their immediate family members are excluded from the Grant Award Process. These persons may not be members of the management, control or supervisory bodies of the grant applicants. The closest person is a spouse, a person living in cohabitation, in a relationship of kinship or affinity in a direct line, kinship or affinity in a collateral line to the second degree, and a person in a relationship of adoption, custody or guardianship.
- 3.2.5<sup>4</sup>. An entity or person is not subject to exclusion if the following circumstances apply to them:
- (a) undertake to make good the damage caused by the offence, misdemeanour or their wrongful conduct, including by making financial reparation;
  - (b) have given a full and truthful explanation of the facts and circumstances surrounding the offence, misconduct or their wrongful conduct and the damage caused by it, actively cooperating with the competent authorities, including law enforcement authorities, or the SFPL as appropriate;
  - (c) have taken specific technical, organisational and personnel measures appropriate to prevent further offences, misconduct or irregular conduct.
  - (d) promptly inform the SFPL of any situation considered to be a conflict of interest or likely to lead to a conflict of interest;





The SFPL reserves the right to assess whether the measures taken by the Applicant/Grantee are sufficient.

3.2.6. ToR/Award Rules are available publicly (for each Award Programme) on SFPL Organisational Unit website. An exception from publication is made for Award Programmes covering vulnerable areas (ex. due to the political situation in the targeted country).

3.2.7. ToR/Award Rules should include, but are not limited to:

- a) description of application process – description of the entire application process, including: list of stages to be proceed, ways of submitting applications, applications deadline(s) (in general not less than two weeks), list of templates;
- b) Awards objectives and thematic priorities;
- c) schedule – the duration and timing of the Award implementation and cost refund;
- d) eligibility – clear definition of the entities that are eligible to participate in the Award programme;
- e) Evaluation criteria – the Evaluation process description and the list of the Evaluation criteria (formal Evaluation and substantive Evaluation). Criteria should be clear, objective and non-discriminatory. The minimum score for co-financing might be set (in general score below 65% of possible points should not be recommended for grant an Award);
- f) financial requirements – the requirements on all financial management aspects;
- g) Award funding thresholds – clear description of the amount of the potential Award (minimum – maximum);
- h) monitoring and reporting procedures;
- i) sub-awards option – information whether sub-awards are available under the given Award Programme.
- j) appeal process description of formal and, if required in the agreement with the donor, substantive Evaluation.

3.2.8. An announcement of the call should consist of the following information:

- a) short description of the given Award Programme;
- b) description of the objectives of the Award Programme and, if relevant, thematic priorities;
- c) information about eligibility;
- d) information about the amount of the potential Award and the deadline(s) for submitting the applications;
- e) ToR /Award Rules;
- f) all referenced templates (incl. template of the Grant Agreement);
- g) description of how potential Applicants may ask questions and receive answers about the Grant-awarding Process. All questions and answers should be available to all potential Applicants (posted on the website or communicated to the potential Applicants);
- h) appeal process description of formal and, if required in the agreement with the donor, substantive Evaluation.

3.2.9. An Award Agreement should include the following:

- a) information on parties of the agreement;



- b) information on the possibility of sub-granting;
- c) time schedule of an Award implementation;
- d) financing rules – including information about eligible costs, financial limits, procurement requirements, and methods of transmitting the funds (including number of tranches);
- e) financial-accounting documentation requirements, including accounting records;
- f) visibility and marking rules;
- g) data protection regulations;
- h) communication rules between SFPL and a Grantee;
- i) information about the rules of monitoring;
- j) rules of termination of an agreement, including clauses on procedures to suspend/terminate the implementation of an Award or payments, or the costs participation of a Grantee if irregularities or fraud or breach of contractual conditions have occurred and to recover funds unduly paid, including where appropriate by bringing legal proceedings;
- k) information on: (i) project description; (ii) budget; (iii) implementation schedule; (iv) implementation and reporting rules.

3.2.10. ToR /Award Rules may differ due to the donor requirements.

### 3.3. Types of Awards

SFPL provides following types of Awards (the list below is not closed and may be extended):

#### 3.3.1. Type A – Grant Awards

**Grant Awards (GA)** awarded through an open call. The principles and rules governing Grant-awarding Process are available publicly, and include the objectives of the relevant Award Programme. Eligibility criteria for Applicants, and description of eligible co-financing activities are included in the call for proposal.

**Until it is not agreed with a donor or justified by the political situation in a country Grant Award is a primary type of Award.**

#### 3.3.2. Type B – Other forms of contribution:

**Partnership Projects (PP)** – joint initiatives implemented together by SFPL and partner entities. Depending on the project specificity and needs, partner entities may be selected by SFPL in open calls or in closed calls for proposal (upon invitation only). Partnership projects serve, inter alia, to implement particular goals that are often linked with specific socio-political challenges faced by the societies in the targeted countries. Partner entities are entrusted with implementation of agreed part of the tasks that has been delegated to SFPL by donors. Partnership projects generally fall into the category of high risks activities that require substantive input from SFPL and can be implemented only by entities of a certain profile and capacities, therefore in most of the cases invitations to apply for the grants are sent to pre-identified entities only.



**Direct Awards (DA)** – contribution provided directly to the third party without an open call for proposals. The justification for use of a non-competitive procedure is fact that delegated tasks can be fulfilled only by specific partners due to the specific needs, for example transfer of a particular methodology, knowledge, solutions or methods of work, due to the capacities of the partner or due to special situation (e.g. security issues). DA may be implemented parallelly to the GA or PP. DA must be justified and, if needed, approved by the donor.

**Institutional Support Grants (ISG)** - are awarded to entities important to the development cooperation process in which SFPL is involved. Grants are awarded to specific entities for their institutional development. This type of grant is awarded for a limited period of time. ISG are awarded based on the invitations issued by SFPL to the organisations and, if needed, approved by the donor.

### 3.4. Award Programme phases

The table below presents detailed Award Programme phases for all types of Awards existing in SFPL.

Phases	Actions	A	B		
		Grant Awards (GA)	Partnership Projects (PP)	Direct Awards (DA)	Institutional Support Grants (ISG)
1. Launching phase	a) Identifying the possibility to launch Grant-awarding Process	Obligatory			
	b) Submitting written request (incl. basic information about process like type of Award, source of contribution, expected goals etc.) to launch Grant-awarding Process to the Board	Obligatory			
	c) The Board formal decision to start the Grant-awarding Process	Obligatory			
	d) Appointing of the Award Team by the Board	Obligatory			
2. Development of documentation	a) Developing ToR/ Award Rules by the Award Team	Obligatory			
	b) Accepting ToR/Award Rules by the Executive Director / Head of the Organisational Unit	Obligatory			



	c) Accepting ToR/ Award Rules by the Donors/ institutional partners	Optional		
	d) Templates preparation (incl. Award agreement and annexes) to be approved by the Compliance Unit	Obligatory		
	e) Preselecting of potential Applicant(s) on their previous experience in collaboration with SFPL and/or their profile and/or their capacity/capabilities	Not applicable	Optional	Obligatory
3. Announcement of the Call	a) Announcing the Call posted on the relevant webpage(s) of SFPL and at least one more relevant source of information	Obligatory	Obligatory one of the option (a or b)	Not applicable
	b) Announcing the Call/ inviting by an official letter of invitation shared directly with preselected potential Applicant(s)	Not applicable		Obligatory
	c) Communication between SFPL and potential Applicants (e.g. information sessions, Q&A webpage, direct contact). Ways of communication should be fixed in ToR/ Award Rules	Obligatory		
4. Application phase	a) Submitting by the potential Applicant(s) necessary documents according to the ToR/ Award Rules	Obligatory		
	b) Registering and providing unique ID for each application	Obligatory		
	c) Posting the list of submitted applications on the relevant webpage of SFPL	Optional		Not applicable
5. Launch of the Evaluation	a) Appointing the Evaluation Team by the Board/ Head of the Organisational Unit	Obligatory		



	<p>b) Appointing by the Board/ Head of the Organisational Unit the Award Supervising Team responsible for supervising the Evaluation process and implementation Award Programme</p>	<p>Optional</p>
	<p>c) Ensuring that members of the Evaluation Team and decision makers are free of any conflicts of interest and maintain the confidentiality of information and documents provided or created during the Evaluation Team's work</p>	<p>Obligatory</p>
<p>6. Formal Evaluation</p>	<p>a) Verifying of the applications by at least two members of the Evaluation Team according to the formal requirements described in ToR/ Award Rules (request for clarification and supplementation) finalised by acceptance/rejection.</p>	<p>Obligatory</p>
	<p>b) Applicants are informed about the formal Evaluation outcome (acceptance/rejection)</p>	<p>Obligatory</p>
	<p>c) The appeal procedure for formal Evaluation Process outcome</p>	<p>Obligatory</p>
<p>7. Substantive Evaluation</p>	<p>a) Evaluating individually each application with point value for every evaluated section, by at least two members of the Evaluation Team</p>	<p>Obligatory</p>
	<p>b) Additional Evaluation of application prepared by another member of the Evaluation Team if discrepancies between individual Evaluations are significant; the two Evaluations with the closest scores will be used in the Evaluation Team's further work</p>	<p>Optional</p>



	c) Evaluation Team meeting to prepare final recommendations	Obligatory		
	d) If justified, Evaluation Team may recommend changes in application such as scope of the project and/or amount of financing (both compliant with ToR/ Rules)	Optional		
	e) Preparing a brief Evaluation Report/minutes with recommendations (which may include also remarks) by the Evaluation Team	Obligatory		
8. Finalising the Evaluation process	a) Presenting the Evaluation process outcome to the Award Supervising Board for approval	Optional		
	b) If relevant, Donors approval / informing of the Evaluation Process outcome	Optional		
	c) All applicants receive an information on the Evaluation Process outcome	Obligatory		
	d) The appeal procedure for substantive Evaluation process outcome	Obligatory <sup>1</sup>		
	e) Approval of the Evaluation process outcome by the Board or person authorised by the Board	Obligatory <sup>2</sup>		
	f) The Evaluation process outcome are posted on the relevant webpage of SFPL	Obligatory <sup>3</sup>	Optional	
	g) Applicants may request for written feedback from Evaluation process outcome of their application(s)	Obligatory		

<sup>1</sup> If required in the agreement with the donor, otherwise Optional.

<sup>2</sup> In case of Direct Award and Institutional Support Grants decision must be done by SFPL Board.

<sup>3</sup> Some information may be limited due to security reasons (more at 3.2.6.).



9. Pre-award procedures	a) Due diligence procedure (AML etc.)	Obligatory	
	b) Negotiating with Applicants the final Award Agreement (i.a. including Evaluation Team recommendations)	Optional	
	c) Preparing documentation related to implementation and monitoring for each Award by the Award Team	Optional	Obligatory
	d) Signing final Award Agreement by Applicant(s) and SFPL	Obligatory	
10. Implementation phase	a) Implementation and reporting rules sessions	Optional	
	b) Award transferring (according to tranche schedule)	Obligatory	
	c) Monitoring each Award implementation process by the Award Team	Obligatory	
	d) Submitting an interim narrative/ financial report(s) by the Grantee drawn up in line with the template(s) provided by SFPL, within a set deadline(s)	Optional	
	e) Submitting final narrative and financial reports by the Grantee drawn up in line with the templates provided by SFPL, within a set deadline(s)	Obligatory	
	f) If necessary providing additional information, clarification and documentation to the submitted reports by the Grantee within the set deadline(s).	Obligatory	
11. Post-implementation	a) Project assessment prepared jointly by the Award Team and the Grantee	Obligatory	



b) Preparing and delivering to the Grantee a Feedback Report assessing the collaboration/ co-operation by the Award Team	Obligatory
c) Preparing an Award Programme Implementation Report (in line with donor(s)' requirements) by the Award Team for the Board/ Head of the Organisational Unit for approval	Obligatory
d) Archiving of the documentation (compliant with donor/law requirements and internal instructions)	Obligatory

Grant Programme phases may be simplified in case of emergency or due to the political/ humanitarian situation in the targeted country.





## 4. Final Provisions

- 4.1. The Policy shall be approved by the Board.
- 4.2. This Policy shall enter into force on the day following the issuing of a decision on its adoption, replacing the documents previously in force in this respect. Ongoing Award Programmes are conducted and finalised in line with previous regulations.
- 4.3. The Compliance Unit shall review the Policy periodically, at least every 5 years, to ensure that it remains up to date.



## Document information sheet

	Position	Name and surname	Date and signature
Prepared by	Compliance Specialist	Daria Suwała	08.04.2022 /-/
Checked and approved by	Financial Director	Marcin Prengowski	08.04.2022 /-/
Approved by	Executive Director	Aleksandra Jarosiewicz	08.04.2022 /-/
Amendment no 1 prepared by	Compliance Specialist	Rafał Ciesielski	02.02.2023 /-/
Amendment no 1 checked and approved by	Financial Director	Marcin Prengowski	02.02.2023 /-/
Amendment no 1 approved by	Executive Director	Aleksandra Jarosiewicz	02.02.2023 /-/
Planned review date	Compliance Specialist	01.02.2027	

## List of changes to the document

Item	Subject of the change	Date
0.	Document creation	22.02.2022
1.	Amendments no 1  Addressing requirements by the Pillars Assessment audit – introducing exclusion criteria with corrective measures and provisions on avoidance of conflict of interests in new paragraphs 3.2.5 <sup>1</sup> - 3.2.5 <sup>4</sup>	27.12.2022