



LIVES & LIVELIHOODS FUND GUIDELINES FOR DEVELOPING A CONCEPT NOTE for Basic Infrastructure PROJECTS

Yearly LLF Pipeline Building for submission of
prospective projects to LLF Board approval for getting
LLF concessional financing

Lives & Livelihoods Fund Management Unit

Small Infrastructure projects targeting in priority the following initiatives are eligible for funding from the Lives and Livelihoods Fund (LLF):

- Initiatives that provide access to Water and Sanitation
- Initiatives that provide access to power
- Initiatives that provide access to digital financial inclusion of poorest and isolated populations (smallholder farmers and pastoralists)

These LLF Small Infrastructure strategic goals and primary outcomes have been defined in the Annex (Annexure 1).

The LLF provides concessional financing for projects in eligible member countries (Annexure 2) with a high degree of readiness and which are designed to achieve outcomes in the short-term (3-5 years).

All financing requests for LLF funding should be accompanied with technical documents describing the following elements before they can be processed further:

- i) Scope of the project with clear and measurable Objectives (0.5 page)**
- ii) Alignment with National or Regional Sanitation and Infrastructure development strategy, including (verifiable) indication of the level of priority for the government (0,5 page)**
- iii) Contextual relevance (1 – 2 pages)**
 - a. *Specific economic and social issues addressed by the project. In particular, an assessment of the causes of these issues need to be performed with a specific highlight on how these root cause will be addressed to improve sanitation and small infrastructure as well as decrease poverty.*
 - b. *Consideration of relevant (to the proposed scope) socio-cultural factors (local customs, beliefs, practices) which need to be addressed for ensuring maximum impact of the project.*
 - c. *Consideration of potential negative consequences of and collateral issues related to the project.*
 - d. *Identifying how this project complements ongoing or upcoming public or other development agency funded projects / programs working towards the same or a similar goal in the country or region.*
 - e. *Identifying if this project has a specific focus or approach for better matching/complementing other on-going or planned IsDB funded projects.*
- iv) Rationale (0,5 – 1,5 pages)**
 - a. *Building onto the contextual relevance, important considerations for the rationale could be increasing access to sanitation services, reducing water pollution, limiting water-borne diseases, etc....*
 - b. *Evidence indicating potential impact and cost-effectiveness of proposed interventions*
- v) Theory of Change (1 page with corresponding figure and necessary description)**
 - a. *Provide graphical explanation of how the desired outcomes will be achieved through the project intervention while taking into account the contextual specificities.*
 - b. *Explain other factors or conditions (not directly addressed by the project) that would affect the outcome achievement*
- vi) Stakeholder assessment (all important stakeholders) (1 page)**
- vii) Project Description (8-9 pages) including:**
 - a. *Components with defined activities*
 - b. *Executing agency and other partners involved in execution including:*
 - i. *Assignment of activities to involved partners;*
 - ii. *Assessment of the Executing agency to meet demands for assigned activities (e.g. Administrative, Operational, Financial, Technical capacity) including track record of successful delivery in similar projects.*

- iii. *Assessment of each other involved partner to meet demands for assigned activities (e.g. Administrative, Operational, Financial, Technical capacity) including track record of successful delivery in similar projects.*
- iv. *Identification of any gaps in the institutional or individual level capacities to meet the project requirements*
- v. *Elaboration of the proposed solution to close the identified gaps in project execution uncovered In (v)*
- c. *Linkage of inputs and activities with outputs, outcomes and resulting impact*
- d. **Monitoring and Evaluation (M&A) Component**
 - i. *Activities needed for the M&E system in terms of collecting information on the indicators and reporting them to the stakeholders.*
 - ii. *Description of existing information system, which can be, used for projects M&E, and requirements to any new systems for the project.*
 - iii. *High level SMART (Specific, Measurable, Achievable, Relevant, Time-bound) key performance indicators (KPIs) for Objectives, Inputs, Activities, Outputs, Outcomes and Impact based on the previous sections.*
 - 1. *The Logical Framework, although not mandatory at this stage of development for the project (concept note stage), is highly recommended, as is a good tool and mean for conceptualizing and defining these indicators.*
 - 2. *Sources of origin or information on these KPIs need to be defined.*
 - iv. *Specific focus on impact & outcomes assessment / measurement is necessary in the M&E system. The plan may require activities like a baseline studies (1) or information collection*
- e. *Estimated timelines with justification*
- f. **Risks assessment and mitigation measures**
 - i. *Risks and constraints should be considered comprehensively, including risks to achieving impact, and should not be limited to execution of operational activities and outputs.*
 - ii. *All 4 categories of risks should be assessed including implementation risks, sustainability risks, financial risks and country related risks.*
 - iii. *Potential key hurdles in implementation (e.g. human resources retention or turnover, land acquisition, level of complexity in Executive agency organization or operational model, should be also covered and the corresponding strategies for overcoming them outlined.*
 - iv. *Consideration of all stakeholders and their level of involvement in making the project a success is essential. This does not only include the government or development partners. Community members and beneficiaries of the project are also key stakeholders whose involvement may be essential to achieve the expected outcome.*
 - v. *Mitigation activities for risks and constraints defined and linked with the objectives and individual components i.e. how projects activities will mitigate the identified risks.*
- viii) **Sustainability consideration of project outcomes (0.5 pages)**
 - i. *Sanitation and Basic Infrastructure related assets build through the projects*
 - ii. *Sanitation and water treatments systems developed or renewed for making the access to water and sanitation related activities working and effective*
 - iii. *Collateral activities that are required for ensuring an efficient functioning of the water and sanitation systems implemented.*
- ix) **Budget Description (1-2 pages, or MS Excel sheet) and covering**
 - i. *Total Cost of the Project*
 - ii. *Total LLF Financing (LLF Grant + IsDB OCR)*
 - 1. *LLF Grant Portion financing*
 - 2. *IsDB OCR*
 - iii. *Government contribution*
 - iv. *Other Co-financiers*

1. *Financing contribution from each other Co-financier*
- v. *Project preparation funding requested from LLF (1)*
- vi. *Component and activity-wise budget allocation.*

IMPORTANT REMARKS:

The Lives and Livelihoods Fund has purposely set up a special funding and named PPF (Project Preparation Facility), made available to help preparing qualified LLF projects with the ambition to strengthen their relevance, readiness and results.

For that reason:

- i) If a project doesn't yet have a feasibility study made available or if complementary studies are required for firming up the relevance, readiness and expected results assessment of the project, the PPF can be provided, AFTER approval of the Concept Note.
- ii) If not reliable baseline exist for building a solid M&E system for the project, the PPF can be provided, AFTER approval of the Concept Note.
- iii) If detailed documentation is available, attach them as annexure to the Concept Note, referencing them where necessary (in the concept note).
- iv) All number of pages estimate are based on size 11 font, single spaced.

ANNEXURE 1

LLF Projects Funding Scope

Sector allocations:

Project Financing Funds must be used solely in the following Sectors, as follows:

- (i) within health Sector,
 - a. infectious disease eradication and control, with priority given to malaria, polio campaigns, routine immunization and neglected infectious diseases;
 - b. primary health care system strengthening, including primary health care system governance and financing, performance management at both the government and facility levels and service delivery improvement at the facility level.
- (ii) within agriculture Sector,
 - a. projects predominantly serving smallholder farmers with production of staple products (livestock and crops)
- (iii) within basic infrastructure Sector,
 - a. off-grid rural power generation, transmission and distribution for poor communities;
 - b. small scale water supply and sanitation projects for poor and currently unconnected communities;
 - c. Rural infrastructures to promote digital financial inclusion.

ANNEXURE 2

List of Eligible Member Countries for LLF Financing

LEAST DEVELOPED MEMBER COUNTRIES

Afghanistan	Mali
Bangladesh	Mauritania
Benin	Mozambique
Burkina Faso	Niger
Cameroon	Palestine
Chad	Senegal
Comoros	Sierra Leone
Côte-d'Ivoire	Somalia
Djibouti	Sudan
The Gambia	Tajikistan
Guinea	Togo
Guinea Bissau	Uganda
Kyrgyz Republic	Yemen
Maldives	

35% Grant
65% OCR

LOWER MIDDLE-INCOME MEMBER COUNTRIES

10% Grant
90% OCR

Egypt
Indonesia
Morocco
Nigeria
Pakistan
Uzbekistan