

JAPAN'S GRANT ASSISTANCE FOR GRASSROOTS HUMAN SECURITY PROJECTS (KUSANONE)

GUIDELINES

1. INTRODUCTION

Established in 1991, Japan's Grant Assistance for Grassroots Human Security Projects (KUSANONE) provides nonrefundable assistance to local governments, NGOs, medical institutions, schools, and other non-profit associations to implement their development projects at the grassroots level. In 2003, the term "Human Security" was added to the grant's name, adopting the concept of not only empowering individuals and communities to be self-reliant but also protecting people from a wide range of factors that directly threaten the lives, livelihoods, and dignity of human beings.

2. ELIGIBLE RECIPIENTS

1. NGOs (Local and International)
2. Local Government such as provincial departments (Ministries are not eligible)
3. Other non-profit associations such as medical institutions

Applicants must have at least two (2) years of experience working in the sector of the proposed project within Cambodia. The applicants are also required to demonstrate their ability as well as their past experience to manage finance, personnel, and projects.

(*) Individuals and profit organizations are NOT eligible to apply.

3. PROJECT AREAS

1. As long as the proposed projects benefit people at grassroots level and meet basic human needs, it is eligible for financing under the KUSANONE scheme. For your reference, the following areas account for the majority of the projects approved:

- (1) Basic education
- (2) Health and medical care
- (3) Small scale irrigations
- (4) Rural development including roads and bridges
- (5) Water supply and sanitation (*)
- (6) Vocational training
- (7) Social welfare (ex. supporting vulnerable people, people with disabilities, and etc.)
- (8) Humanitarian mine action

(*) In the area of water supply and sanitation, projects to dig wells are given the lower priority under the KUSANONE due to the risk of arsenic problems.

2. Projects in the following areas are **NOT** eligible:

Embassy of Japan in Cambodia

Guidelines for KUSANONE

- (1) Commercial activities
- (2) Cultural and sporting activities
(please apply for Grant Assistance for Cultural Grassroots Projects.)
- (3) Higher education

4. PROJECT COST

1. The grant amount per project in this fiscal year is limited to 20 million Japanese yen. The amount of the grant in US dollar depends on the currency rate between Japanese yen and US dollar which is fixed in the beginning of each fiscal year. For the details, please consult the KUSANONE Coordination Unit of the Embassy of Japan.
2. The grant covers the costs of purchasing/constructing facilities, equipment, and personnel costs (excluding personnel costs of the recipient organization) that are necessary for the project's achievement. In addition to this, the costs of training for supplied equipment, strengthening community committees such as water management committees and agricultural cooperatives, or awareness-raising activities may also be supported when those activities are related to the tangible items in the initial period.

The following items, in principle, are NOT financed:

- (1) Administrative costs of the recipient organization such as office rent and staff salaries
- (2) Running and maintenance costs of facilities and equipment
- (3) Contingency costs
- (4) Profit-making costs
- (5) Items such as scholarship, home and clothes which would belong to individuals (except in case of emergency relief for humanitarian need)
- (6) Articles of consumption and small equipment
- (7) Books and personal computers
- (8) Vehicles (except for special-purpose vehicles such as garbage trucks, fire trucks, ambulances, etc.)
- (9) Land, and
- (10) Tax, bank charges

*The import-related taxes for the items covered by KUSANONE should be exempted or reimbursed. It is necessary for the recipient organizations to take duty-free measures.

For further information, please consult the KUSANONE Coordination Unit of the Embassy of Japan.

3. The Embassy of Japan will not charge any fees for all process of application, examination and implementation of KUSANONE (Grassroots) projects.

5. PROJECT PERIOD

An approved project must be completed within ONE (1) YEAR from the date of the grant contract.

6. HOW TO APPLY

1. Please submit an application form and necessary documents to the Embassy of Japan.

Attention: Ambassador of Japan
KUSANONE Coordination Unit,
Economic and ODA Section, Embassy of Japan
#194 Norodom Boulevard, Phnom Penh
Email: eco.jpn@pp.mofa.go.jp

2. The application form is available on Embassy's web-site:
(https://www.kh.emb-japan.go.jp/itpr_en/00_000067.html)
3. The application form **MUST** be accompanied by the following documents:
 - (1) A cover letter addressed to H.E. Mr. UENO Atsushi, Ambassador Extraordinary and Plenipotentiary of Japan to the Kingdom of Cambodia,
 - (2) Quotations from at least THREE (3) SUPPLIERS with;
 - the breakdown/detailed cost of material/equipment, labor fee and transportation fee (for construction projects)
 - including the donor board/sign cost
 - excluding VAT
 - the company name, address, contact information and an official company seal on each
 - (3) A map showing the project site and its address (including information such as the distance from Phnom Penh or major near-by cities)
 - (4) Design/drawing and specifications of the facilities and equipment (including its size, materials required) with an official company seal on each
 - (5) Project plan/Timetable
 - (6) Several photographs of the project site attached to a A4 size paper with explanations of each photo
 - (7) A sample copy of procurement contract (between the applicant and suppliers) with guarantee period
 - (8) A copy of land title or a letter authorizing the use of land for the project (for construction projects)
 - (9) A financial statement in Last TWO (2) YEARS
 - (10) Other supporting information (e.g. a copy of the registration, agreement, Memorandum of Understanding or document related to the agreement with the relevant Ministries or other government bodies) and
 - (11) Quotations from, at least, THREE (3) AUDIT companies (excluding VAT)

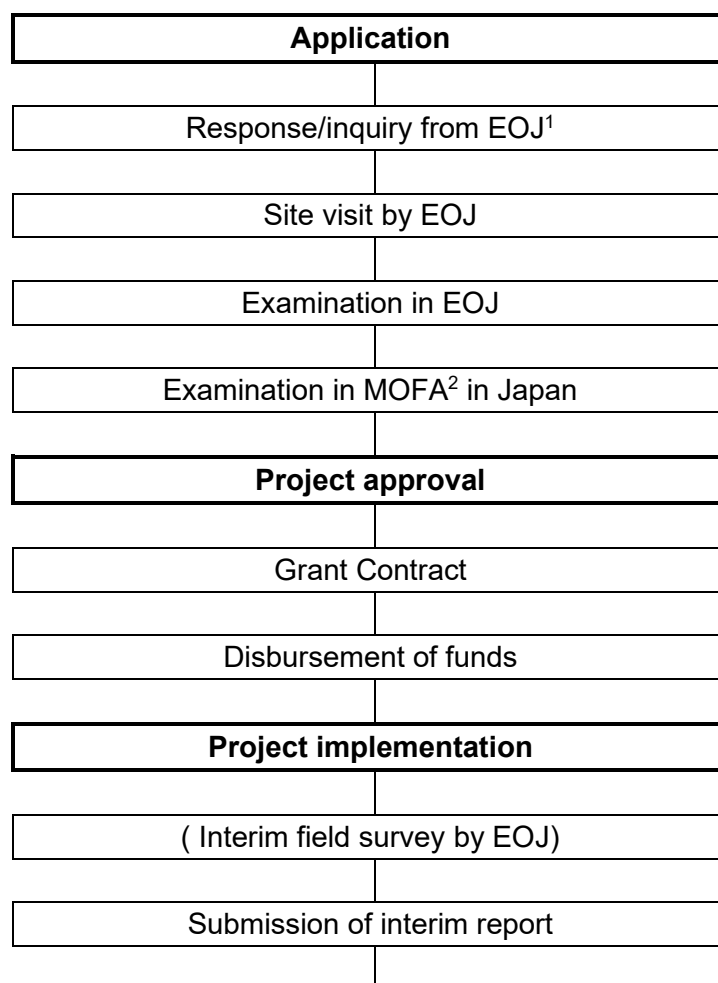
If a project costs more than three million Japanese Yen, the project must be subject to audit. However, the quotations from audit companies are not required AT THE INITIAL APPLICATION STAGE. Please submit the quotations at the stage that your proposed plan and amount are finalized.

4. For humanitarian mine action projects, please contact the Embassy of Japan for further requirements to be included in the application.
5. **INCOMPLETE APPLICATION WITHOUT LEGITIMATE EXPLANATION MAY BE DISQUALIFIED.**

7. APPLICATION DEADLINE

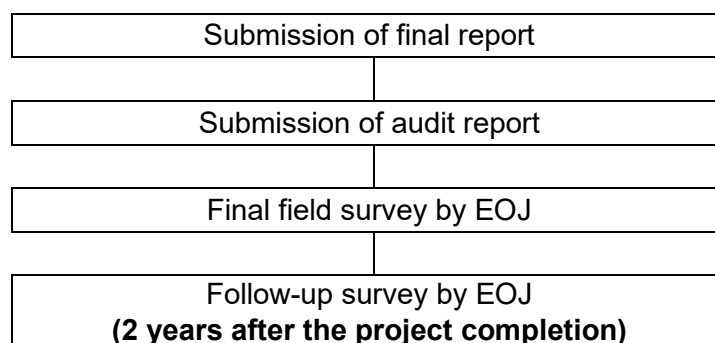
Applicant organizations can apply for the KUSANONE anytime. In case your application is not examined as a project within the fiscal year, it is examined as a project for NEXT fiscal year. In this sense, the KUSANONE does not set a deadline for application.

8. PROCESS OF EXAMINATION, APPROVAL AND IMPLEMENTATION



¹ EOJ: Embassy of Japan

² MOFA: Ministry of Foreign Affairs



9. CONDITIONS AND REGULATIONS

1. Grant Contract

The Grant Contract contains the title of the project, the name of the recipient organization, the rights and obligations of each party, the maximum amount that will be provided for the execution of the project, and the completion date of the project.

2. Responsibilities of the recipient

- (1) Use The Grant properly and exclusively for the purchase of the products and/or services necessary for the project approved.
- (2) Give due regard to the proper operation and maintenance during the execution and after the completion of the project.

Recipient organizations that use the grant in ways other than specified in the contract or fail to report on the progress, implementation and impact of the project, may be requested to reimburse the grant

3. Opening of a dedicated bank account

After the approval of the Grant Contract, the recipient organization will be required to open a dedicated bank account, separate from other bank account used for the operating expenses or other projects of the organization, for the disbursement of the fund. It would be preferable if the recipient could maintain separate accounting for the implementation of the project.

4. Visibility

In order to ensure the visibility of Japan's grant assistance, the recipient organization shall endeavor to cooperate with the Embassy of Japan in carrying out some PR activities such as organizing a handover ceremony, in putting stickers and attaching a plate or a sign displaying the flag of Japan onto the provided supplies and buildings.(the design sample is available at the Embassy).

5. Reporting Duties

The recipient MUST submit a project completion report in the prescribed format when the project is completed. For most of the projects, the submission of a monthly report and an interim report is also required.

6. Changes from the Original Plan

Should, for any reason, a recipient organization find that it has to modify its project plan, it should consult it with the Embassy and receive its approval prior to alteration of the original proposal.

7. External Audit

A project amounting to more than 3 million Japanese yen is subject to external auditing during/after the project's implementation.

Embassy of Japan in Cambodia

Guidelines for KUSANONE

- (1) In principle, after the completion of the project, the recipient organization shall perform an external audit in order to verify that the funds for the project have been used in a proper manner. In principle, the external audit shall be performed by an organization or individual with official audit qualification in the country where the project is being implemented.
- (2) The necessary fees for performing the external audit may be eligible for support by the KUSANONE. In principle, like other items, a comparison of estimates from three auditing companies should be carried out.
- (3) Upon the completion of the project, an audit report shall be submitted by the auditor to the recipient organization. The recipient is required to submit a copy of this report to the Embassy of Japan. This report should contain the following elements:
 - (A) Verification of financial records (income, direct expenditure, operational expenditure related to the project, etc.)
 - (B) Verification of facts (procurement and delivery of equipment, use of equipment, etc.)
 - (C) Inspections of the project site (attach photographs to the report)
- (4) In some exceptional cases, where there are no qualified organizations or individuals in the country, where there is little need or where it is extremely difficult to perform, the external audit may be exempted but some alternative measures should be taken. Please consult the Embassy of Japan for more details.

FURTHER INFORMATION

Please consult KUSANONE Coordination Unit of the Embassy of Japan in Cambodia.

KUSANONE Coordination Unit,
Economic and ODA Section,
Embassy of Japan
TEL: 023-217-161
Email: eco.jpn@pp.mofa.go.jp

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