



Inter-American Institute for
Cooperation on Agriculture

Guide to negotiating and formulating projects in networks

Strategy 4. Governance

IICA Business Model

October 2021

Index

Introduction 2

Purpose 3

1. NEGOTIATION PHASE 4

2. IDENTIFICATION PHASE 7

2.1 Analysis of criteria to determine the feasibility of an initiative 8

Criteria description 10

3. FORMULATION PHASE B..... 15

3.1 Network creation..... 16

3.2 Defining of team roles..... 16

3.3 Tool for the management of externally funded initiatives..... 17

3.4 Work planning and organization..... 18

3.5 Work Execution..... 19

3.6 Close-out 20

3.7 Documentation and recordkeeping 20

4. References 21

Introduction

The challenges faced by the Inter-American Institute for Cooperation on Agriculture (IICA) to ensure its sustainability create the need to mobilize external resources that will enable it to strengthen international cooperation and to fund projects and initiatives for the development of its 34 member countries.

International cooperation implies more than mutual assistance between governments and institutions from different countries. Organizations must satisfy increasingly rigorous requirements in order to carry out their activities in the current climate. Competition to meet the requirements of multilateral entities compels organizations to continuously improve their capacities and the Institute will need to continuously evolve.

The IICA **Business Model (BM)** prioritizes the role of externally funded projects as a defining element of the strategies and actions that create the institutional dynamic. The project structure is a fundamental component of IICA's technical and operational management and can be considered as a work model that facilitates the establishment of objectives, results, products, and time-bound action plans; the assigning of responsibilities; as well as precise accounting management and transparent allocation of resources. Additionally, it can be an ideal mechanism to foster transnational, inter-thematic and inter-disciplinary work networks throughout the hemisphere (Echeverri, 2021).

Memorandum SC/DG-315 of 11 August 2021 provides conceptual guidance to promote working in networks at IICA, as part of the implementation of the BM, by way of the document, **Strategy 4. Governance**. The latter establishes guidelines for conducting institutional activities, by way of networks. Moreover, Strategy 4 promotes changes in organizational culture that aim to create a greater connection among all staff members, fostering more collaborative work and focusing on achieving IICA's strategic goals.

These changes, which have been spearheaded by IICA's management team, are seeking to create a dual organization, in which **hierarchy**—which can be defined as a formal organizational structure developed to achieve institutional objectives—coexists with **netarchy**, which is a system that complements hierarchy, but consists of multidisciplinary and multi-country networks that operate based on principles that encourage collaboration, collective intelligence and the achievement of results.

This new approach to work facilitates efforts to mobilize external resources, as networks are made up of individuals from different delegations and/or units, who are working collaboratively, which is fundamental to the development of proposals for competitive projects.

Purpose

This document is intended to provide guidance to those seeking to formulate projects, by harnessing the tools established in the Business Model, based on lessons learned from formulation processes. It also speaks to the use of best practices for project management.

The project formulation process is undertaken in networks, given that it is multidisciplinary. However, since work in networks requires a significant level of institutional resources, time invested and, in some cases, the hiring of individuals, ideally **the network should not be created until it has been established that there is a great likelihood of securing funding for the project**. Therefore, various steps must be taken prior to forming the network (Steps 1 and 2, negotiation and identification, respectively).

In the event that the network has already been established and the need to formulate a project arises or a donor opportunity is identified, one must then determine if the members of the network are capable of formulating the project or if there is a need to create a support network (team of approximately 5 members) that will be specifically tasked with formulating the project. Figure 1 illustrates the general process to be followed in both cases.

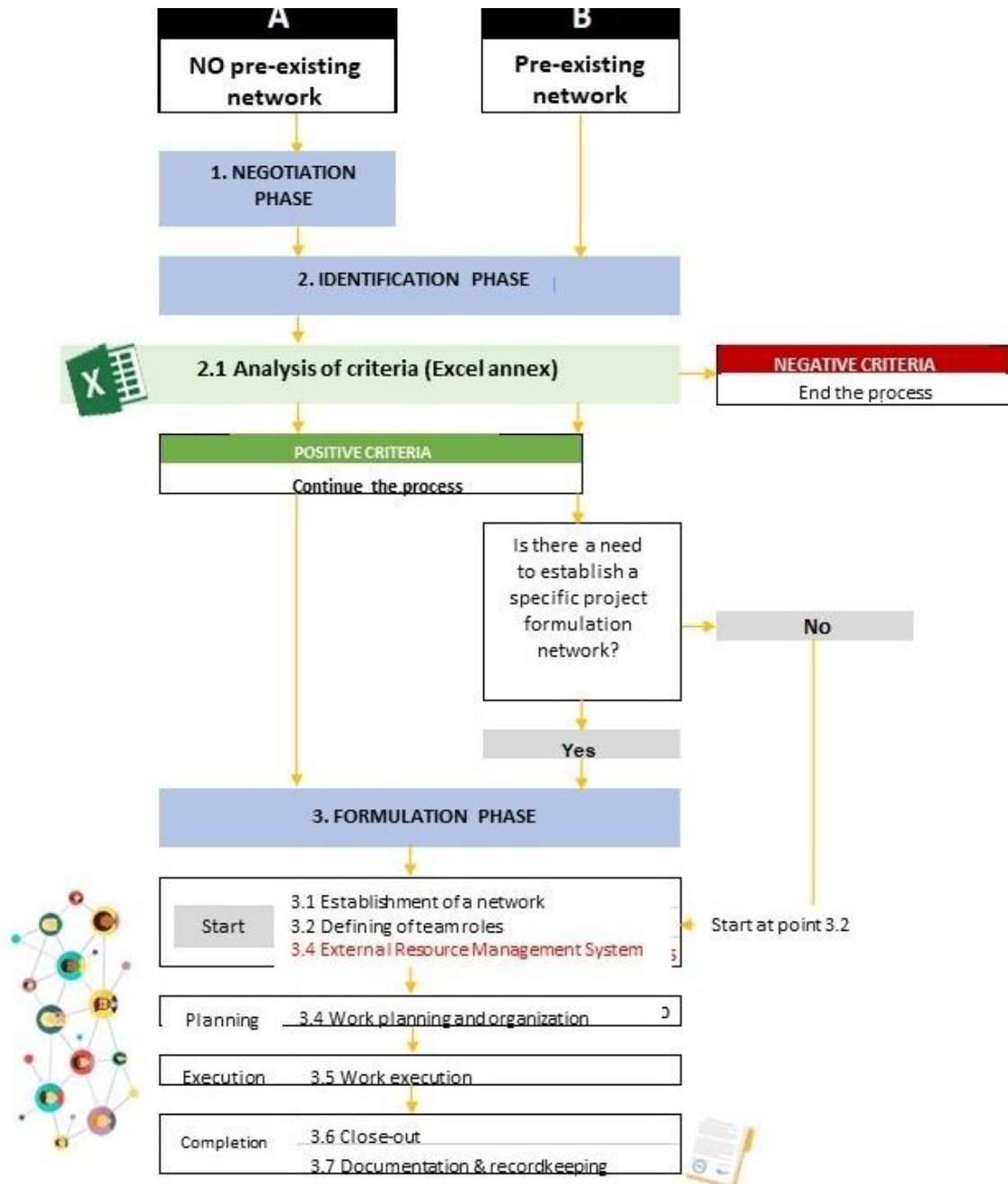


Figure 1. General process diagram for the formulation of projects in networks, when the initiative requires the creation of a network (A) or uses a pre-existing network (B).

1. NEGOTIATION PHASE

Recognizing and identifying cooperation opportunities is undoubtedly one of the main challenges facing the Institute. It calls for negotiation skills and the ability to analyze the internal climate within the countries and challenges in the agriculture and rural sector, as well as to determine the funding

priorities of governments and international cooperation, in order to evaluate how to devise a solution that can be presented as a proposal for a product or service.

The negotiation phase of a project is a critical element, whose success does not depend solely on having a *good project*, since there are a series of factors that must be considered strategically. The first thing to consider is that the purpose of a negotiation is to arrive at a commitment to provide a service to a client that has been convinced that the product to be delivered will offer greater value added than the investment spent to acquire it. This establishes a cooperation relationship, in which IICA and its client commit to contributing to achieving the ultimate goals of the project. Negotiation should not be seen first and foremost as an action *to capture resources*, as this will come naturally if this Institute-client relationship is established. (Echeverri, 2021). There are various situations that call for differentiated negotiation strategies. The three options below cover most of the likely scenarios:

- a) **Direct requests.** This is when a counterpart, on its own initiative, makes a direct request to IICA to provide a technical cooperation service. In this case, the project terms are pre-defined. In other words, the government or donor only requires an executing agency, as the scope and project details have already been determined. Thus, the focus of negotiations is not on whether or not the project will materialize, but rather on the conditions under which it will take place. Thus, the design phase is extremely important, and negotiations mainly involve agreements on technical design and project execution considerations (Echeverri, 2021).
- b) **Open calls. When a project arises as a result of an open call made by** a government institution or donor, the process may be more competitive, but negotiation is much easier, given that there is little room for discretionary decisions and the process is subject to pre-defined rules governing the eligibility and selection of applicants. In these cases, success hinges on project design, as well as on perceptiveness and the ability to interpret the priorities of the procuring entity and to assess the conditions of potential competitors. (Echeverri, 2021).
- c) **Offers and initiatives spearheaded by the Institute.** This is the option that poses the most challenges for the Institute. Yet, it is undoubtedly the one that most closely aligns with IICA's efforts to be a proactive, forward-thinking institution that demonstrates technical and policy leadership. The idea is to promote new initiatives, disruptive topics, paradigm management, ambitious transformations, or new approaches. Given that the other two options do not provide enough opportunities, the Institute needs to resort to complex negotiation strategies. The international agencies that are most successful in this area are those that combine financial and technical cooperation, such as multilateral banks that are able to use credit as leverage in project negotiations in areas that they wish to promote and/or grants from the international trust funds that they administer (Echeverri, 2021).

Outlined below are some general guidelines that persons involved in negotiations for **point C** above can immediately apply. (The network will not necessarily participate at this stage, since it will only be created when an opportunity arises that is highly likely to be approved by the donor.)

Two of the main aspects to be considered in this area are¹:

a. The creation of relationships of trust

There are various elements that enable an organization to create trust among donors and partners, including the following:

Efficiency: Demonstrating efficiency in the budgetary and technical execution of each project for which the entity is responsible.

Communication: Engaging in fluid and organized interaction with key beneficiaries and donors, providing information and generating feedback regarding key developments in the implementation process and involving them in information sharing processes.

Transparency: Providing details about systems and tools that IICA utilizes to share information and generate reports on progress made in implementing agreed plans or strategies. Ideally, institutional regulations should be consulted, in reference to this topic, such as the: Code of Ethics, Anti-fraud and Anti-Corruption Policy, Policy for the Management of Conflicts of Interest and the Personal Data Protection Policy, among others.

Relevance: Prioritizing relevant and important actions, in response to local and regional demands, from beneficiary groups as well as from donors' cooperation programs.

Proximity: Ensuring that our partners continue to believe that the Institute is close to them (showing an interest, engaging in dialogue, recommending, supporting), whether in person or via virtual means, in the office and in the field (mainly).



Figure 2. Main aspects in generating relationships of trust

¹ Aspects identified by the work team in charge of the TEAMS “2021-IICA Pilot Project-Business Model”.

It may take months or years to establish trust with different donor organizations and it calls for ongoing actions to ensure its sustainability. However, if done correctly, it can create recognition for the Institute, and therefore should be continuously nurtured by ensuring technical and financial capacity, effectiveness and by honoring commitments. On the other hand, one single misstep may damage trust, affecting future relationships with this and other donors.

b. Business intelligence strategy

Within the framework of the BM, so-called business intelligence or prospecting is something that should be done jointly by the Delegations and some units at Headquarters, as the leading and secondary players, respectively. The former will direct the process and the latter will support, assist, and complement their actions.

This process should be spearheaded by the Delegations, as they are the primary source of information and are aware of the realities and needs of each member country. As such, they have the foundation to make realistic suggestions regarding ideas, challenges (current and potential capacities), opportunities and limitations.

The business intelligence strategy in each country (in some cases it may be binational or regional) stems from:

- Knowledge of the reality and needs of each country, effective linkages with governments and knowledge about priorities and policy commitments.
- In-depth knowledge of the strategic priorities of each donor, their cooperation mechanisms, and channels to mobilize resources, as well as the strategic framework in the country or region.
- Knowledge about the most important projects that donors or other executing agencies are implementing in the country or region.
- Research about allocation of funds, even before open calls are issued publically.
- The development of a list of partners, with whom IICA has relationships of trust, ensuring that they are satisfied with the administrative processes and results of ongoing technical cooperation, thereby securing new projects with the same partners.
- Maintenance of a duly updated list of IICA's technical and administrative strengths².

2. IDENTIFICATION PHASE

Outlined below are the steps to follow to optimize the project formulation process, in the context of network creation and collaborative work, and on the basis of institutional regulations outlined in the "Manual for the Management of External Resources", which was released via Memorandum SC/DG -460 of 4 August 2020.

² For example, based on the content of the DG's Report on the work of his administration during the Summit of Ministers of Agriculture, IABA 2021.

2.1 Analysis of criteria to determine the feasibility of an initiative

Due to the wide variety of opportunities that are available for project funding and the means of accessing them (expressions of interest, open calls for grants, bidding, etc.), a list of criteria has been prepared to assist in determining whether or not IICA should undertake the proposal. These criteria refer to the most common variables that must be verified. However, there may be other existing parameters that have not been mentioned, which can be defined by the person in charge of the analysis and based on the specific opportunity that has been identified.

On the other hand, this list of criteria will guide the Delegations or units undertaking the analysis, by enabling them to rate the opportunities and to prioritize the most promising options for the Institute.

The evaluation system includes a list of categories or classes. The classes indicate the level of difficulty to present a high-quality proposal within the available time, while also fulfilling all the requirements. Table 1 explains the categories and Table 2 contains the complete list of variables and categories that have been considered. This evaluation system is in the form of an interactive spreadsheet that will enable the user to make decisions more easily. The information presented below is supplementary.

Table 1. Level of risk and difficulty involved in formulating projects, in keeping with the proposed classification.

Category	Level of difficulty	Level of risk	Interpretation
Class 1	Acceptable	Low	The initiative satisfies the ideal parameters for formulation.
Class 2	Medium	Medium	The initiative will pose some constraints that can be overcome
Class 3	Complex	High	The initiative poses severe or high-risk constraints. Thus, mitigation mechanisms must be adopted, or the constraints resolved prior to establishing the network.

Table 2. Rating scale to evaluate external funding opportunities*.

Criteria:	1. Is the initiative in response to an open call, an invitation, or an application to an accredited fund?	2. If it is not in response to an open call, are you aware of the source of funding that would be used for the project?	3. Is IICA eligible, given that it is an international organization?	4. Value of the proposal
Class 1	Yes	Yes	Yes	More than USD 1,000,000
Class 2	NA	NA	NA	Between USD 100,001 to 1,000,000
Class 3	No	No	No	Less than USD 100,000

Criteria:	5. Time available for proposal development	6. Complexity of requirements (administrative)	7. Feasibility of the project idea	8. Does it allow for Indirect Cost Recovery (ICR) ³ ?
Class 1	More than 6 weeks	Acceptable	High	Yes, in an amount greater than or equal to 8.1%
Class 2	From 4 to 5 weeks	NA	Medium	Amount between 5 and 8%
Class 3	Less than 4 weeks	Complex	Low	Amount less than 5%

Criteria:	9. Does the budget cover 100% of the direct costs to execute the project?	10. Alignment with institutional planning	11. Have any exceptions to the rules been identified?
Class 1	Yes	Yes	No
Class 2	NA	NA	Yes
Class 3	No	No	NA

*The eleven variables presented in the columns may be modified or expanded, depending on the criteria established by the team undertaking the exercise.

³ The corresponding ICR rate should take into account (calculate) both indirect costs, as well as costs directly related to the project that is being formulated.

Criteria description

1. Is the initiative in response to an open call or invitation or is it an application to an accredited fund?

Answer “yes”, if the initiative relates to:

1. A specific open call (expression of interest, bid, grant, etc.);
2. A direct invitation asking IICA to participate in a specific process or
3. The preparation of a project for an accredited fund, such as the Green Climate Fund, the Adaptation Fund, or any other similar entity.

In this case, the initiative would fall under Class 1 (optimum); otherwise it would be considered as Class 3.

Recommendation for Category 3

If it is not in response to an open call, one should at least have an idea of a possible source of funding, to begin negotiations.

2. If it is not in response to an open call, are you aware of the source of funding that would be used for the project?

If the initiative is not in response to an open call, invitation, or an application to an accredited fund, it would fall under Class 3, given that the Institute would be assuming the risk that the project would not secure funding. It would be advisable to initiate negotiations ahead of time.

Recommendation for Category 3

If a likely source of funding for the project has not been identified, it would be advisable to maintain a skeleton team and to develop a project idea of up to five pages.

3. Is IICA eligible, given that it is an international organization?

The open call or the donor should explicitly indicate that international organizations are able to participate in the open call. If the tender documents do not specify eligibility requirements, then the team should confirm if IICA is eligible or define the authorized roles for the Institute.

Recommendation for Category 3

Request confirmation in writing that IICA is eligible.

4. Value of the proposal.

The **most favorable** scenario (**Class 1**) is when the value of the proposal is more than USD 1,000,000, with an ICR more than or equal to 8.1%, given that the costs involved in formulating a project are high. However, in cases in which it is not possible to collect an ICR of at least 8.1%, the team in charge of the exercise may believe that there are strategic considerations (interests) involved in formulating the proposal that could bring additional benefits in the future or could instead establish a strategy to account for ICR under direct costs.

Recommendation for Category 3

Expenditure on projects less than USD 100,000 may be more than the Institute is earning on the projects. The establishment of the network should be justified, bearing in mind other strategic parameters.

5. Time available for proposal development.

In the **most favorable** scenario (**Class 1**), at least five weeks will be required to develop a proposal of satisfactory quality. This parameter will depend on the amount of technical and administrative documentation that the donor is requesting. Therefore, the available time should be assessed by the designated network in charge of the process. Formulating projects in less than 4 weeks is not advisable, if it requires the preparation of complex technical and financial proposals.

Recommendation for Category 3	Less than four weeks is usually insufficient time to complete tender documents or a concept brief. The timeframe must be justified prior to establishing the network (generally, this time is acceptable for an expression of interest).
-------------------------------	--

6. Complexity of requirements (administrative).

Donors usually request supporting information from the Institute and from partner institutions or members of a proposed consortium. It is considered **acceptable (Class 1)** when the amount of information required is manageable and there is enough available time to obtain the required signatures (legal representatives of each participating institution). The process of collecting the documentation is considered **complex (Class 3)**, when it includes requirements, such as updated notarized documents that have been authenticated by apostille, (requiring at least 8 working days), signatures from senior management, the endorsement of countries, among others. A few additional days or weeks would be needed to compile this kind of documentation. This would not rule out responses to open calls but is merely an indication of the amount of time needed to compile the requirements.

Recommendation for Category 3	The Complex category could indicate that signatures or notarial authentication is needed, which may take several days to compile. Thus, sufficient time must be allocated with this in mind.
-------------------------------	--

7. Feasibility of the project idea.

These criteria will require the designated network to make a rapid assessment to determine: the Institute’s prior experience in this area, its technical and administrative capacities, the importance of the project to the donor, etc. **High feasibility (Class 1)** indicates that it is extremely likely that the donor will accept the proposal and that the Institute will have the capacity to undertake the commitment. **Low feasibility** implies that it is not likely that the proposal will be accepted or that the Institute will be able to oversee its execution in the event that it is approved.

Recommendation for Category 3	The <i>Low</i> category indicates that it is unlikely that the project will be approved. This means that the technical component will need to be redesigned or significantly adjusted.
-------------------------------	--

8. Does it allow for Indirect Cost Recovery (ICR)?

The documentation should explicitly state if the project allows for the recovery of indirect costs, administrative fees, or overhead costs, which should be greater than or equal to 8.1% (**Class 1**), or as stipulated in existing institutional regulations.

In some instances, the donor will establish a figure that is less than 8.1%. In cases like this, it is recommended that direct costs (costs for the salaries of Institute staff, organization and hosting of workshops, rental of spaces, use of ICT systems, etc.) be used to compensate for the remainder of the 8.1%, always with the authorization of the Technical Secretariat to continue the process. If this is not possible, it must be managed as an exception to the rules, as established in the Manual for the Management of External Resources.

In cases in which the initiative does not allow for payment of indirect costs nor does it allow these costs to be incorporated as direct costs, the feasibility of the opportunity for IICA will be low/minimum.

Recommendation for Category 3

An ICR of less than 5%, will mean that the additional 3.1% will need to be accounted for under direct costs, which are difficult to recover in most cases. This will also require the approval of the Technical Secretariat.

9. Are 100% of the direct costs required to execute the project covered?

According to the requirements established in the Manual for the Management of External Resources, *Section 2.2.2 Financial and Administrative Aspects*, the project budget should cover all direct costs involved in its implementation, such as project administration, hiring of staff, salaries, social security contributions, legal reserves, training, operational costs (material and supplies), international and national travel, the hiring of consultants and services, insurance, etc.

Recommendation for Category 3

If all of the direct costs are not covered, this will require the approval of the Technical Secretariat to continue with the process.

10. Alignment with institutional planning

The proposal should be consistent with the mission, vision and values of the Institute and it should contribute to the achievement of some of its strategic objectives. It should also be in alignment with some of the programs or cross-cutting areas of focus of IICA's technical cooperation model, in keeping with the current Medium-term Plan.

Recommendation for Category 3

If the proposal is not in alignment with the Institute's strategic planning, it should not be undertaken. Review the MTP's Mission, Vision and Strategic Objectives.

11. Have any exceptions to the regulations been identified?

The Delegation that will lead the project, if approved, should verify if it is in keeping with institutional regulations and the previously stipulated decentralization conditions, in accordance with the **Manual for the Management of External Resources** and **Memorandum SC/DSC-065** of 19 August 2020 (levels of decentralization granted to Delegations to sign legal instruments of externally funded projects). If there are exceptions to the rules, these should be addressed by the **Technical Secretariat**.

Recommendation for Category 3	If any exceptions to the rules are identified, authorization must be sought from the Technical Secretariat.
--	---

How to use the Excel spreadsheet to evaluate the criteria?

The list of criteria is outlined in the Excel document annexed to this guide. See Point 1 in Figure 3. The values can be selected from a drop-down list (2), which will automatically indicate the category under which each criteria falls (3). (It must be pointed out that each of the criteria may be classified differently and that not all of them are in the same class.) If the category is in Class 3, it will appear in red and will include observations (4) regarding how to overcome the obstacles identified prior to establishing the network.

Point 5 indicates the general classification. This is calculated based on the maximum value of the classes. If there is only one criterion categorized as Category 3, the general classification is 3. Finally, point 6 provides a general interpretation of each class.

Instrument to evaluate external funding opportunities			
Instructions: Complete the evaluation of the criteria, by selecting the parameters in the "Classification" column.			
[1] Criteria	Classification (SELECT HERE)	[3] Class	[4] Observations
1. Is the initiative in response to an open call or invitation or is it an application to an accredited fund?	Yes	1	
2. If it is not in response to an open call, are you aware of the source of funding that would be used for the project?	Does not apply	1	
3. Is IICA eligible, given that it is an international organization?	Yes	1	
4. Value of the proposal.	Between USD 100,001 to 1,000,000 [2]	2	
5. Time available for proposal development.	From 4 to 5 weeks	2	
6. Complexity of requirements (administrative).	Complex	3	The Complex category could indicate that signatures or notarial authentication is needed, which may take several days to compile. Thus, sufficient time must be allocated with this in mind.
7. Feasibility of the project idea.	High	1	
8. Does it allow for Indirect Cost Recovery (ICR)?	Amount between 5% and 8%	2	
9. Are 100% of the direct costs required to execute the project covered?	Yes	1	
10. Alignment with institutional planning	Yes	1	
11. Have any exceptions to the regulations been identified?	Yes	3	If any exceptions to the rules are identified, authorization must be sought from the Technical Secretariat.
	[5] General classification	3	
[6] Interpretation			
Class 1	The initiative satisfies the ideal parameters for formulation.		
Class 2	The initiative will pose some constraints that can be overcome.		
Class 3	The initiative poses severe or high-risk constraints. Thus, mitigation mechanisms must be adopted or the constraints resolved prior to establishing the network.		

Figure 3. Description of the list of criteria in the instrument to evaluate external funding opportunities.

It must be emphasized that the observation section provides recommendations for the criteria in Class 3. These recommendations may help to overcome these obstacles. On the other hand, the criteria classified in Class 2 also require a justification, explaining how this obstacle may be overcome (the person in charge of the analysis should provide this justification).

In summary, this Excel spreadsheet only requires you to select the values in the drop-down list for each criterion in the “Classification” column. There is no need to enter any other parameter.

This table is intended to serve as a tool to facilitate decision-making, not necessarily to rule out opportunities. If the decision is positive, the network can then be established, as described in Step 2.

The results of the guide will help to equip the team with basic information to assess the feasibility of the open call or opportunity. However, in addition to this result there should be a more in-depth analysis, while bearing in mind the need to satisfy technical, financial, and administrative requirements. At the same time, teams should never overlook the potential value of the open call or opportunity in terms of image and institutional prestige.

3. FORMULATION PHASE B

The project formulation process consists of five phases: start; planning; execution; completion; and monitoring and control. Each phase includes a series of recommended activities for working in networks, as well as the processes that are recommended, ranging from the establishment of the network to the submission of the documents to the donor, as shown in Figure 4.

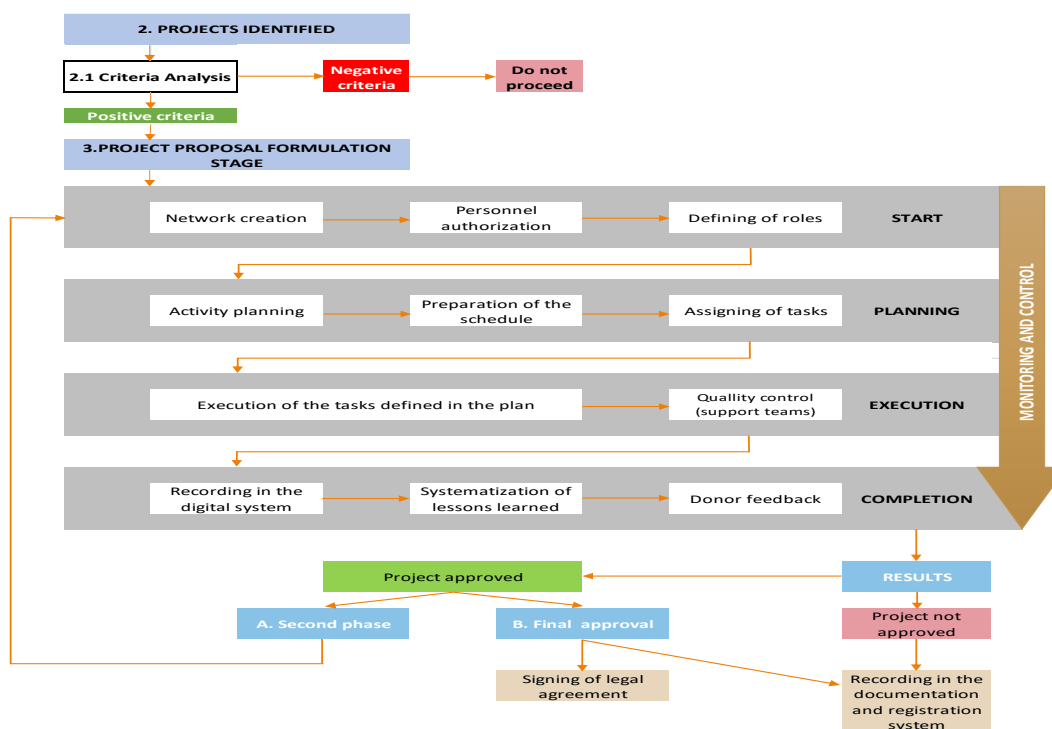


Figure 4. Process for formulating projects in networks.

- **START**

3.1 Network creation

Strategy 4 on Governance states that, “Networks will be promoted and authorized by the heads of the Institute’s organizational units. However, any member of staff can take the initiative to establish a network”.

Once an opportunity has been identified, the initiative must be led by an organizational unit that should manage the process to establish the network, by way of the following steps:

- Select the team that will make up the network.
- Determine the availability of these individuals.
- Define the percentage of the time that the staff member will devote to the network, as well as the estimated start and end dates of the network.
- Get the authorization of the leaders of all staff members participating in the network (may be in writing, via email).

Please note: Ideally, a record should be maintained of each of the steps to ensure that actions are traceable.

If the network is already established, determine if there is a need to create a specific support network to formulate the project. Therefore, complete point 3.1 and follow the next steps. If the network considers that this is not necessary, we recommend that you continue with point 3.2 below.

3.2 Defining of team roles.

According to Strategy 4 of the BM, “Networks do not have an established hierarchy, as participants establish and coordinate their roles among themselves. The governance mechanisms of networks enable members to make decisions based on the strategic planning of the network”.

For project formulation, the leadership of the network should ideally be assumed by someone from the unit that will be executing the project (generally a Delegation).

Once the members of the network have been chosen, we recommend that at least one person be assigned for each of the roles specified in Table 3*:

Table 3. Primary roles in establish a network to formulate a project

Role	Profile / Characteristics
Network coordinator	Is responsible for general coordination among team members, as well as with other units and/or support teams. Is in charge of monitoring and follow-up with the team and with the status of tasks. Takes the major decisions to guide the team in response to the challenges that emerge.

	Ideally, the network should be coordinated by someone in the unit that will implement or lead the project.
Designated technical officer	Expert in the main subject matter of the project. Is in charge of coordinating the technical team and preparing the content for the technical sections of the project proposal.
Members of the technical team	Specialists in related areas who can write, guide, and provide advice on the formulation of the project. The technical team involved in formulating the project may include technical and administrative staff.
Individual responsible for supporting documentation	Is in charge of coordinating and compiling the regulatory, financial, legal, and administrative information of the Institute and—in those cases in which a consortium is created—of the partners institutions, as requested by the donor.
Individual responsible for budget preparation	Person in charge of preparing the budget for the project or proposal, in accordance with the donor’s requirements and in line with what is stipulated in the technical proposal.

***Note:** These are the roles commonly required for formulation of a project. Some people may assume more than one role and there may be roles that have not been defined here but may be determined by the network. On the other hand, people affiliated with various networks may assume different roles in each network.

The members of a project formulation network will vary depending on the specific characteristics of each opportunity or open call. Thus, these roles will be defined each time a network is activated, and individuals will generally not assume the same role each time, given that this will depend on the subject areas and on the availability of members.

This phase ends once roles have been assigned to each member of the network.

3.3 Tool for the management of externally funded initiatives

The Tool for the Management of Externally funded initiatives encompasses all phases of the project cycle: identification, negotiation, formulation, and approval. Therefore, it maintains a record of progress at each stage, as well as of interaction with Support Teams and the Technical Secretariat to manage external resources. Thus, all queries and approvals must be done via the digitalized tool, thereby creating a log and record of all interactions.

It must be pointed out that the Tool for the Management of External Resources is intended to complement the SUGI system. Thus, after approval, an initiative or project should be programmed in SUGI and SAP to facilitate follow-up and technical and financial monitoring.

A record can be maintained of all documents in each stage covered by the Tool.

Finally, reports will be prepared according to the needs of different institutional units, which will be accessible to all staff. Moreover, the system will include a view or report that identifies what stage each initiative has reached, be that: identification, negotiation, formulation, or approval.

- **MONITORING AND CONTROL**

Strategy 4 of the BM stipulates that, “The responsibility for monitoring and evaluating the network products and results falls to the organizational unit that has authorized its establishment. This unit should define the network’s duration, whether a new network needs to be established or how the topic or project should be coordinated with another organizational unit.”

The preparation of a project proposal generally includes different parts, which should be properly completed and in a timely manner. In order to ensure this, it is advisable that once the formulation process has begun the network coordinator should begin monitoring and control, which includes follow-up on all necessary activities (compliance with regulations, follow-up on recommendations of the support team and on agreements with the Technical Secretariat, fulfillment of administrative, technical and financial requirements, among others), which will enable the team to identify areas that require adjustment during the various stages and until the completion of the proposal.

Monitoring and control end at the close-out stage and once the documentation has been handed over to the donor.

- **PLANNING**

3.4 Work planning and organization

According to Strategy 4 of the BM, “Each network should have clear objectives, results and products, a work plan, and simple rules that are established collaboratively and enable the achievement of results in the established timeframe”.

The preparation of a project proposal generally has a deadline for submission. Bearing in mind this date, the coordinator can assign tasks (synchronous and asynchronous) and deadlines to different members of the group. Figure 4 provides a format that can be used to guide the work (This example only mentions a few tasks and is not an exhaustive planning list for these tasks, as they may vary depending on the complexity of the proposal that is being prepared).

This phase ends once tasks and deadlines have been assigned to each network member.

Figure 4. Example of a work plan for the network coordinator.

No	Tasks	Individual responsible	Week					Deliverable	Sub- mission date	Observations
			1	2	3	4				
I	Initial meeting	Technical leader	x						15/09	
li	Review Terms of Reference.	The entire team	x						28/09	Deadline for submission of questions to donor.

iii	Send queries to donor.		X					Compilation of questions	30/09		
1	Complete eligibility forms for members of the consortium.	Individual responsible for supporting documentation.	x	x				Chap. 1. Eligibility criteria.	15/10	Requires the signature of the DCS. Documents should be sent three days in advance.	
2	Prepare technical proposal	Technical leader.	x	x	x			Chap. 2. Technical proposal.	1/11	Starts on 10/10	
2.1	Describe the composition of the technical team.	Members of the technical team.		x	x			Chap. 3. Composition of the Technical Team.	12/10	--	
2.2	Develop the proposal approach and strategy.	Members of the technical team.		x	x			Logframe.	14/10	--	
3	Prepare financial proposal	Individual responsible for preparation of the budget.					X	x	Budget for Phase 1.	5/11	Starts once all activities have been included in the schedule. Estimated date: 25/10

- EXECUTION

3.5 Work Execution

According to Strategy 4 of the BM, “Networks are self-manageable, so that they can work relatively independently to make decisions and to promote solutions and innovative proposals. They will have the support of IICA’s authorities and must respect the regulatory framework of the Institute”.

During this phase the team carries out the activities required to submit the documentation requested by the donor. It is advisable that during the period the network coordinator provide monitoring and oversight of the activities, hold follow-up meetings, and make the necessary decisions to achieve goals and to adhere to the established timeframe. There are three types of tasks primarily:

Technical tasks. This includes the preparation of the technical proposal, including all aspects related to the technical structure of the project, such as the logframe, change theory, intervention strategy, sustainability strategy (exit strategy), justification, selection of technical staff, defining of project activities, etc.

Administrative tasks. This involves the compilation of supporting or substantiating documents (legal, administrative, human resource-related, financial, among others) required by the donor. The person in charge of this aspect should try to obtain the signatures required by the institutional authorities in advance (anticipating the required processes) to submit everything on the specified

date. This may include signatures from IICA representatives, partners, or member of the consortium, as needed.

Tasks related to budget development. These tasks are based on the defined scope of the project and its activities (technical). Therefore, the individual (or the technical or administrative team) that is preparing the budget should have some knowledge about project management and should participate in the meetings of the technical team.

Ideally, at this stage there should be a review team to facilitate quality assurance and control of the proposal. The team could consist of members of the support team defined in the Manual for the Management of External Resources.

The use of digital communication and document editing tools are particularly important at this stage, for example MS TEAMS and Office 365 tools, such as OneDrive, Share Point, Office Online, and others.

This stage ends when the final version of the documents required by the open call has been prepared correctly and on time and then approved and sent to the donor, in keeping with the guidelines established in the Terms of Reference (physical and/or virtual submission).

- **COMPLETION**

3.6 Close-out

According to the guide in Strategy 4 of the BM, “Work in a network should be seen as a process with a start and finish that enables the achievement of the expected objectives and products”.

Once the documentation has been submitted, it is recommended that the documents that have been prepared be uploaded to a commonly accessible repository, indicating the details of the initiative, the members of the network that were involved and any other information that is relevant for knowledge management. Ideally, the repository should be managed by the Directorate of Projects.

The network members could hold a session on lessons learned to discuss the challenges, gaps, recommendations, and successes that emerged during the process. This information can also be included in the repository.

This phase ends with the final resolution by the donor. In the event that the project moves on to a second formulation phase, this should be considered as the start of a new cycle, beginning with Step 1, and the completion of new terms of reference by the donor.

3.7 Documentation and recordkeeping

The Tool for the Management of Externally Funded Initiatives not only maintains a record of initiatives in all phases of the project cycle—identification, negotiation, formulation, and approval—

but serves as a repository for the documentation that has been generated, regardless of the final result.

On the other hand, the tool also includes information on the various teams involved in formulating and negotiating each initiative and/or project, which may be updated at any stage, enabling the Institute to maintain a record of internal capacities that are being developed in each area and with each partner or counterpart.

4. References

Echeverri, Rafael. 2021. Modelo de Negocio del IICA. Formulación y negociación de proyectos en red. Output of consultancy services. IICA.