



Your Partner in  
Responsible Fund  
Management

**17** PARTNERSHIPS  
FOR THE GOALS





## Looking Beyond Tomorrow: NIRAS Consolidates Its Fund Management Expertise

In today's aid architecture, fund management is an increasingly popular and efficient way to allocate public funding to a diverse group of beneficiaries. When established correctly, a fund can secure the disbursement of large amount of monies to multiple project developers – be they civil society organisations, enterprises, training institutions or the like – in a lean and cost-efficient manner.

**Funds are a modality that can be moulded to fit many purposes, sectors and client requirements. NIRAS' strength lies in the fact that we have the experience to both set up and manage the fund administration cycle, while having the technical know-how to do so in multiple areas.**

In response to these developments, NIRAS has established a Fund Management Unit, working across NIRAS's 9 head offices and 26 country offices, as a service function for all NIRAS managed funds. We have also built up a support network for the different fund managers and an innovation platform for refining our fund management tools and identifying new products. We currently manage an array of matching grant and challenge funds as well as administering fund companies – wholesale lending companies.

NIRAS's fund management activities cover the entire fund lifecycle: from programming and start-up including registration and governance structure, outreach or marketing, to the actual operation and administration of the fund, and the continuous monitoring and evaluation of fund performance.

Our online fund management system is built to serve all elements of the grant cycle and provide for a continuous learning process where monitoring data is fed into revision of work planning. We manage funds in a multitude of sectors including agriculture, governance & civil society, vocational education, climate and renewable energy, as well as forestry and technology development.

Embedded in our impact monitoring are specific *Key Performance Indicators* developed to monitor the efficiency of our fund management teams to demonstrate value for money. Moreover, to NIRAS, fund management is not only about setting up the correct fund governance structure, disbursement mechanism and due diligence of applications/applicants to ensure efficiency. It is equally about ensuring effectiveness – we thus pay great attention to impact monitoring and doing so according to single or multi-donor arrangements.

Our portfolio as of mid-2019 stands at €400 million, and includes management of funds for clients like KfW (21%), Danida (17%), UKaid (17%), EuropeAid (11%), SDC (11%), MCC (11%), the Ministry of Foreign Affairs of Finland (6%) and of the Netherlands (6%). The current portfolio includes grant funds and challenge funds.

**Over the years, we have managed a portfolio of hundreds of millions of euros for a diverse group of clients across the globe thanks to our significant global office network. NIRAS is fast becoming the partner of choice for many donors looking for support through the entire fund lifecycle.**



## Fund Management – the NIRAS Way

NIRAS constantly refines its approaches, management systems, and tools for increasing the effectiveness, transparency, and impact of different types of funds.

Our services include:

- Fund Management including *Selection and Administration* as well as *Monitoring and Reporting* for multiple multilateral and bilateral donors, including trust funds. We can adjust fund administration and reporting to the specific funding agencies' (development partners') requirements.
- Advisory services in planning, design, review and evaluation of fund management set up/design for development partners, ministries or international organisations.
- Management and design advice for third parties on establishing and disbursing different financing schemes e.g. government guarantees.

Our tools to ensure efficient and effective fund management include:

- An online challenge fund management system (SmartME) including user manuals in both French and English.
- Standard fund manuals (operational and grant selection and administration procedures including formats).
- Guidance notes on key steps in setting up different funds (checklist).
- Business integrity management system.

**Fund Management is an integral part of NIRAS' DNA, as the company's principal owner is the NIRAS-Alectia Foundation. In simple terms, this means that most of NIRAS' profit is reinvested into the business. Being backed by a fund enables NIRAS to implement long-term development strategies that focus on achieving ambitious end goals without the constraints that most international development consultancies face.**

**Donors use grant and challenge funds as a key aid modality as it gives them access to private-sector finance and attracts additional co-financing capital from non-donor-traditional players. Such funds have become an important delivery mechanism. In parallel with this trend, in the broader development market, we are seeing a shift from funding to financing, which comes as new players, such as big institutional investors like pension funds, enter the development market with large capital. The entrance is made through traditional donors' use of blended finance mechanisms to bridge the gap between the demands of large capital with the reality of investment projects in many developing countries.**

We emphasise capacity-building and skills transfer where we provide technical assistance to funding agencies, and skills transfers to the different national institutions and ministries involved in the design and management of fund activities e.g. maintaining calls for proposals, evaluation and grant administration procedures. We also offer technical capacity building of project developers (grantees) ranging from civil society organisations to private companies and local financial institutions. Having worked with different types of grantees in various sectors, we can tailor capacity building support to grantees to ensure efficiency, a client-friendly service provision and sustainability, without ever compromising on good governance principles.

NIRAS is skilled in adapting design to sectors and local contexts as we understand and acknowledge the common principles and similarities across fund management regardless of the sector, purpose and type of funds. Thanks to our global office network with core expertise in different sectors (e.g. agriculture, private sector development, governance & civil society, skills & TVET, and energy), we ensure adaptability to sector context including technical evaluation of project proposals and market trends analysis. Due to our long-term experience in working with national government, private and civil society partners, we establish funds that reflect local needs and characteristics.

We also use our well-established partnerships with reputable local organisations and service providers to strengthen our capabilities in effective and appropriate handling of social, financial and political risks associated with fund management. This enables us to understand and communicate in a manner that addresses the local context and detects risks well in advance. We train all our fund management staff in NIRAS business integrity management standards and systems and integrate the design of risk management frameworks as a continuous exercise.

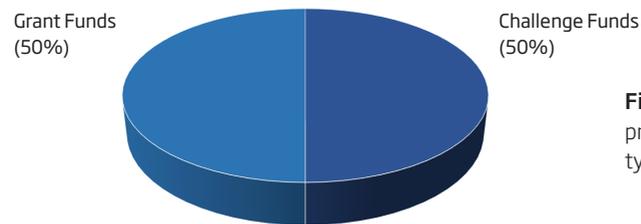
At NIRAS, successful fund management must focus on value addition and leverage. With extensive experience from working with different development partners, we are experienced in catalysing additional funding during fund implementation. We do this by:

- identifying synergies with similar projects and assessing possibilities for integrating additional finance from like-minded funding agencies; and
- by leveraging finance from private sources, particularly through applying/implementing the matching grant element. We use the matching grants as a mechanism to create ownership, sustainability and scalability.

# NIRAS' Fund Management Portfolio

Fund management covers a variety of governance structures. We categorise our experience in three groups with common characteristics:

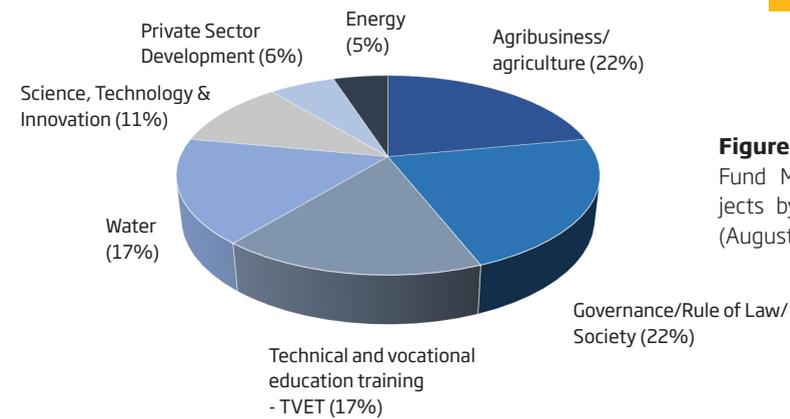
*Grant funds* are relatively simple funding mechanisms to disburse grants on a discretionary basis for a group of beneficiaries e.g. an enterprise or NGO. The grant is to fund a project idea / business investment (e.g. for a local NGO to obtain funding for a local community project). This funding structure is predominately embedded as part of a project (a sub-component) acting as a catalyst for other project activities. The governance structure of grant funds includes a selection committee, procedures on application criteria and an evaluation process. However, the application process is continuous, not assigned to specific calls for proposal, and grants are awarded in a discretionary manner and not on an open competitive basis.



**Figure 1:** NIRAS current project portfolio by fund type (August 2019)

*Challenge funds*, which are also grant based, differ in that they have a competitive grant award selection. In this mechanism, the funding is divided according to windows, each addressing a specific challenge and announced according to public calls (made on a predefined schedule). There is a clear fund governance structure, with a Steering and/or an Investment Committee. There is a clear proposal selection process where proposals are evaluated against each other according to specific criteria, again to ensure fair competition. Specifically, on challenge funds, project developers – applicants have a high level of flexibility in designing their projects, whereas in grant projects, the fund may give more specific instructions.

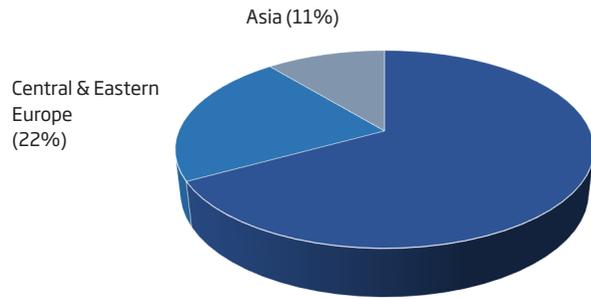
The Energy and Environment Partnership in the Mekong Region (EEP Mekong) sought to promote clean energy solutions and combat climate change by providing early-stage financing for innovative renewable energy and energy efficiency projects. Over the project's lifetime, it catalysed an enormous amount of private funding, bringing in EUR 18.6 million, with an approximate leverage ratio of 3:1. More than 250,000 people benefitted from projects funded by EEP Mekong, both through increased access to energy and through skills trainings. These trainings allowed local residents the chance to improve livelihoods while bringing renewable energy to their homes and families. In the photo to the right, a female solar engineer trained through the programme fixes components of small-scale solar installation.



**Figure 2:** NIRAS current Fund Management projects by thematic areas (August 2019)

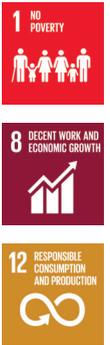
Both grant and challenge funds often have a matching grant function, whereby additional private funds are leveraged to broaden the scope of the donor funds. 53 % of NIRAS' current projects work with a matching grant element to leverage additional finance and to strengthen private sector engagement.

A third type of funds that NIRAS can administer is a *Fund Company*. These funds are registered as limited company and engage in lending to, for example, rural banks for further on-lending. They disburse various financial products, e.g. guarantees or credit lines. These entities are revolving funds by generating income. Within this area NIRAS has both acted as a fund manager but also as an advisor to donors or government entities interested in setting up a direct credit line.



**Figure 3:** NIRAS current fund management projects by region (August 2019)

The objective of the Regional Economic Development in Southern Regions of Georgia programme (2012-2017) was to contribute to economic growth and reduction of poverty in the two regions, using a market based M4P and value-chain approach. In this programme, NIRAS managed a matching grant facility to catalyse strategic investments for agricultural enterprises to strengthen the potato and dairy value chains. Within this facility, we have disbursed around €3,556,990, which in return leveraged €3,840,975 in private investment. These investments have among others led to creation of 3,000 metric tons of modern, high quality storage capacity for potatoes and onions and 15,000 metric tons of processing (grading, packaging, sorting) capacity, none of which was available in the rural areas prior the RED intervention.



**Thanks to our diverse experience, we understand the various aspects of risk management and are developing a risk framework to assess and design risk management for both grant and financial based fund set up.**

In the Legal Services Facility (Basket Fund) in Tanzania (TA contract 2011-2016), NIRAS managed a grant volume of US\$17.8 million to support civil society organisations that assist individuals, groups and communities to claim their rights, redress grievances, and which protect fundamental human rights. In 2013, the LSF acquired certification as a Tanzanian legal entity (non-profit company limited by guarantee). During the contract period NIRAS managed to secure additional funding from DFID (US\$3.25 million) to the original Danida Funding. At the end of the NIRAS contract in December 2016 all local staff were transferred to the LSF and 101 grants had been issued to 81 organisations. Basic legal aid provided through community based paralegals had been established in all 158 districts of Tanzania (including Zanzibar). More than 4,000 paralegals were trained, who were organised in 158 paralegal units at district level, of which 150 have acquired formal NGO status.



## NIRAS Fund Management Representative Reference Projects



### Grant Funds

Project Title	Country	Donor	Years	Fund Value (€m)
Programme for Agro-Business Induced Growth in the Amhara National Regional State (AGROBIG)	Ethiopia	MFA	2012-2016	1
Regional Economic Development in Southern Regions of Georgia / Two Value Chains	Georgia	SDC	2012-2017	3.7
Services For Managing Two Agro Based Value Chains In Ukraine / Agribusiness Component under the Rural Private Sector Development Programme	Ukraine	Danida	2009-2013	2,5
Agricultural Business Initiative (aBi), comprising Agribusiness Initiative Trust and aBi Finance Ltd	Uganda	Danida	2010-2013	35
Project on Lindi & Mtwara Agribusiness Support (LIMAS)	Tanzania	MFA	2010-2016	0.3
Support to Developing Private Agricultural Sector, Phase II	Benin	Danida	2004-2009	4
Support to Small and Medium Enterprises at Regional Level (PAPESPRIM)	Mali	Danida	2008-2013	2.8.
Consulting Services for Components one and two of the Economic Growth and Employment Creation Programme (PACEPEP)	Mali	Danida	2014-2018	8.9
Management Contractor of Local Investment Climate (LIC) Sub-component under the Business Sector Programme Support	Tanzania	Danida	2014-2020	6.7

Project Title	Country	Donor	Years	Fund Value (€m)
Finnish-Southern African Partnership Programme to Strengthen NEPAD/ SANBio Network, Phase II	South Africa	MFA	2015-2019	3
The Agrobiodiversity Initiative (TABI), Phase I and II	Laos	SDC	2009-2017	6.3
Higher Education and TVET Investment Programme, Phase III	Ethiopia	KfW	2016-2019	25,5
Management of a Secretariat to Support Human Rights and International Humanitarian Law NGOs Operation in the Occupied Palestinian Territory	Palestine and Israel	SIDA	2013-2017	12
Public Participation and Accountability Facilitation Fund (PARAFF)	Vietnam	Danida	2012-2015	2
Technical Assistance to the Media and Democratisation Programme in the Eastern Partnerships Countries and Turkey (MYMEDIA)	East and Central Europe	Danida	2012-2017	5
Support to the developemnt of social welfare regulatory mechanisms	Serbia	EuropeAid	2017-2019	5,5
Water for Eastern Equatoria (ProWaS/SSN-EES)	South-Sudan	The Netherland	2013-2018	24,5
Technical Assistance for Improvement of Living and Housing Conditions among the Roma Population Presently Residing in Informal Settlements	Serbia	EuropeAid	2017-2019	10
Gestionnaire du fonds d'appui aux moteurs du changement	Mali	Danida	2017-2022	10,6



The Southern African Innovation Support (SAIS) programme is an innovation-focussed Challenge Fund and initiative covering five countries in southern Africa: Namibia, South Africa, Botswana, Zambia, and Tanzania. The objective of the fund is to support early-stage entrepreneurship and assist in building an entrepreneurial ecosystem in the region. Incorporating special interest groups such as small and medium sized enterprises (SMEs), women in business, and young entrepreneurs, helps to support new drivers of growth in Southern Africa.

One initiative of SAIS has been the FemBioBiz Accelerator programme, which seeks to address women's underrepresentation in entrepreneurial activities. During a yearlong process including applications, trainings, bootcamps, and panel pitches, FemBioBiz incentivises female entrepreneurs to take the next step and scale up their businesses. It culminates in the selection of a winner for the year who attends a major international startup event in Finland called Slush.



## Challenge Funds

Project Title	Country	Donor	Years	Fund Value (€m)
Civil Society Support Facility (CSSF)	Macedonia	SDC	2013-2018	5.5
Legal Services Facility (LSF)	Tanzania	Danida	2011-2016	9.8
Energy and Environment Partnership Programme in Mekong region (EEP Mekong), Phase I&II	Mekong region	MFA	2009-2018	5.6
Off-Grid Clean Energy Facility	Benin	MCC	2017-2022	25,6
From Education to Employment "E2E"- Youth Skills Development and Private Public Partnerships in Serbia	Serbia	SDC	2016-2019	1.5
Skills Development Fund II	Ghana	Danida	2016-2018	12.1
Fund for Academic Cooperation and Exchange between Denmark and the Arab World (FACE)	Middle East	Danida	2015-2018	1.4
Fonds des Zones Industrielles Durables (Sustainable Industrial Zones Fund) - FONZID	Morocco	MCC	2019-2022	27

Project Title	Country	Donor	Years	Fund Value (€m)
Innovation Partnership Programme (IPP), Phase II	Vietnam	MFA	2013-2018	3
Southern African Innovation Support Programme, Phase II (SAIS2)	Namibia, South Africa, Botswana, Zambia, Tanzania	MFA Finland	2017-2021	3.2
The Information Society and ICT Sector Development Project (TANZICT)	Tanzania	MFA	2011-2016	0.3
Sustainable Forest Management in the Andean Region	Andean Region	MFA	2011-2014	4.4
Manager of the Support to agribusiness entrepreneurship Fund	Burkina Faso	Danida	2018-2021	3,9

## Fund Companies / Financial Products

Project Title	Country	Donor	Years	Fund Value (€m)
Agri-Business Development Component under Agricultural Sector Programme Support, Phase II	Uganda	Danida	2005-2009	9.7
aBi Finance Ltd under the Agricultural Business Initiative (aBi), Trust	Uganda	Danida	2010-2013	19
Rural Development Fund (Ltd company)	Ghana	Danida	2015-2019	17
Programme for Agro-Business Induced Growth in the Amhara National Regional State (AGROBIG)	Ethiopia	MFA	2012-2016	0.2
Program on Sustainable Rural Development El Castillo	Nicaragua	ADA	2004-2010	0.5

The Skills Development Fund (SDF) is a challenge fund providing a demand-driven response to critical challenges encountered by the productive sectors in Ghana. NIRAS is using the SmartME online management system for SDF II grant management process. By using the SmartME, SDF II has been able to streamline the administration process from the project's first phase's laborious paper-based routines to efficient and transparent online grant management. SDF II is able to process large number of grant applicants quickly and efficiently and including evaluation. To illustrate for SDF I, a team of 20 fund staff was able to handle a maximum of 650 applications during one call. In SDF II a team of 6 has been able to process 895 concept notes and 146 full applications. The SmartME system also provides for financial and business integrity control mechanisms.



The (Agribusiness Initiative) (aBi) advisory Technical Assistance (TA) project in Uganda (2010-2009) supported the establishment of the aBi Multidonor Trust Fund, the wholesale lending enterprise aBi Finance Ltd and the rollout of the aBi Value Chain Agribusiness Programme. The objective of the aBi Trust and aBi Finance is to strengthen the competitiveness, economic growth and job creation of Uganda's agricultural and agro-processing sectors. Directly contributing to the SDGs 2 (targets 2.3, 2 a), 8 (targets 8.6, 8.10) and 10 (targets 10.9). The aBi TA project implemented by NIRAS ran until spring 2015. Both aBi Trust and aBi Finance are continuing operations. The Trust received initial funds from Denmark, Sweden, Belgium and European Union (€40 million). Subsequently €19 million were transferred (endowment fund) to aBi Finance when it was established in 2011. Later USAID and KfW established funding channels through the aBi Trust.



Vietnam Silicon Valley

# STARTUP ACCELERATOR IN VIETNAM

\$10,000 SEED FUNDING  
4 MONTH BOOTCAMP  
CO-WORKING SPACE  
MENTORSHIP

DEMO DAY

**NIRAS Africa**

The Mvuli, Mvuli Road  
P.O. Box 1493  
00606 Nairobi, Kenya  
T: +254 716 198 269  
E: infoafrica@niras.com

**NIRAS America Latina SAS**

Calle 69a No. 4-47, Ofcs 4-5  
Bogotá, Colombia  
T: +571 926 1217 / +571 316 839  
E: kaa@niras.com

**NIRAS Asia-Pacific**

Unit No. 20-B, Wynsum Corporate Plaza  
No. 22 Emerald Avenue, Ortigas Center  
1605 Pasig City, Metro Manila  
T: +63 2 310 0065  
E: ain@niras.com

**NIRAS Belgium**

Avenue de Broqueville 40  
1200 Woluwe-Saint-Lambert  
Belgium  
T: +32 (0) 4 8411 3406  
E: asp@niras.com

**NIRAS Cambodia**

No. 381, Building H, Phnom Penh Centre  
Cnr Sihanouk & Sothearos Boulevard  
Tonle Bassac, Phnom Penh, Cambodia  
T: +855 (23) 216 672  
E: abn@niras.com

**NIRAS Denmark**

Søtorvet 5, 4<sup>th</sup> floor  
DK - 1371 Copenhagen K  
T: +45 3537 4200  
E: svh@niras.com

**NIRAS Ethiopia**

Atlas Area, Siham Building  
5<sup>th</sup> Floor, Room: 501 - 503  
Addis Ababa, Ethiopia  
T: +251 9 4406 4058  
E: mdi@niras.com

**NIRAS Finland Oy**

Väritehtaankatu 8  
01300 Vantaa, Finland  
T: +358 9 836 2420  
E: mhyl@niras.com

**NIRAS-IP Consult Germany**

Stuttgarter Strasse 48  
D-70469 Stuttgart, Germany  
T: +49 0711 8969050  
E: wgh@niras.com

**LTS International Indonesia,  
Part of the NIRAS Group**

Jl. M.H. Thamrin No. Thamrin, RT.9/RW.5,  
Kebon Sirih, Menteng, Central Jakarta City  
Jakarta 10240, Indonesia  
T: +62 821 1210 1210  
E: davs@niras.com

**NIRAS Laos**

Green Building, Nongbone rd,  
Ban Naxay, PO Box 4298  
Vientiane, Lao PDR  
T: +856 21 250 845  
E: jnn@niras.com

**NIRAS Ltd., Malawi**

P.O. Box 2344  
Plot 287 Area 15  
Lilongwe, Malawi  
T: +265 991 877 070  
E: infoafrica@niras.com

**NIRAS Mozambique**

Rua de Argélia 159  
Maputo, Mozambique  
T: +258 82 601 8860  
E: jlb@niras.com

**NIRAS Myanmar**

NIRAS Myanmar, 290 (A)  
Pyay Road, Myenigon  
Sanchaung Township  
Yangon, Myanmar  
T: +95 01 525 317  
E: ads@niras.com

**NIRAS Nepal**

Maitri Marg Sanepa 3  
Lalitpur, Nepal  
GPO Box 8975, EPC 1291  
T: +977 01 5545439/+977 9843538414  
E: neeranjan.rajbhandari@gmail.com

**NIRAS Poland**

ul. Pulawska 182  
02-670 Warsaw  
Poland  
T: +48 22 395 71 00  
E: jck@niras.com

**NIRAS Serbia**

Koste Jovanovica 3  
Belgrade 11000, Serbia  
T: +381 62 8432 519  
E: jic@niras.com

**NIRAS Sweden**

Fleminggatan 14, 9tr  
Box 70375  
107 24 Stockholm, Sweden  
T: +46 854 553 300  
E: anlh@niras.com

**NIRAS Taiwan Limited**

Room 2002, 20F No. 333  
World Trade Centre  
Section 1 Keelung road  
Xinyi District  
Taipei City, Taiwan R.O.C.T  
T: 886 27576688  
E: npc@niras.com

**NIRAS Tanzania Ltd.**

Msasani Mwisho, Off Kimweri Avenue  
Plot No 18 Block B  
P.O. Box 23070  
Dar es Salaam, Tanzania  
T: +255 784 783 111  
E: ssh@niras.com

**SMC NIRAS Thailand**

Bangkok Business Centre Building  
Unit 1301-03, 29 Sukumvit 63  
Bangkok 10110 Thailand  
T + 66 2 381 7232  
E: kim.p@smcniras.com

**LTS International, UK****Part of the NIRAS Group**

Pentlands Science Park  
Bush Loan, Penicuik Nr.  
Edinburgh, EH26 OPL Scotland  
T: +44 131 440 5500  
E: pabb@niras.com

**NIRAS Ukraine**

22-A Kruglouniversytetska str  
01024 Kyiv  
Ukraine  
T: +38 063 222 9663  
E: ndo@niras.com

**NIRAS Vietnam (RCEE-NIRAS JSC)**

Unit 901, 9<sup>th</sup> Floor, Kham Thien Building  
193-195 Kham Thien  
Dong Da Dist., Hanoi  
Vietnam  
T: +84 4 86 8592  
E: anh.nguyen@rcee.org.vn

**NIRAS Zambia**

Plot 54 Sable Road  
10101 Kabulonga  
P.O. 320115  
Lusaka, Zambia  
T: +260 953 727 948  
E: ellu@niras.com

**For a complete list of NIRAS country  
offices, visit our website:**

[www.niras.com/locations](http://www.niras.com/locations)

**NIRAS offices around the world**

Our decentralised structure ensures that we are always close to our projects. With 51 offices in 27 countries, we maintain strong local ties to clients, experts, and organisations in all of our key markets. Building on our motto "we listen, we learn, we deliver", NIRAS is proud to be a long-term partner in the pursuit of growth and prosperity for the countries in which we work and is committed to building partnerships and local capacity, beyond the lifespan of individual projects, to achieve sustainable and equitable future societies.

# ■ Next generation consultancy

## **TECHNICAL DIRECTOR, FUND MANAGEMENT**

Ms. Jane Bech Larsen

Team Manager

Fund Management and Finance

[jbe@niras.dk](mailto:jbe@niras.dk)

Phone +45 4810 4200