

RAM model v.5

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1 Introduction

Norad's Civil Society Department (SIVSA) manages grants to a number of large and small civil society organisations, who work together with their partner organisations to strengthen civil society, promote human rights and reduce poverty in developing countries.

The Civil Society Department's application rounds are comprehensive, time consuming and resource intensive, during which embassies and specialist departments also make their assessments. To ensure the best possible correspondence between the quality of the organisations' work and the size of the grants, the Civil Society Department started to process applications in a more transparent and systematic manner in 2015, based on a method that is now referred to as RAM.

RAM is an internal work tool that builds on Norad's existing administrative tools and procedures. In the process of developing the model, Norad's Civil Society Department has drawn on the experiences of the Danish development agency, Danida, in their work on their "*Resource Allocation Model (RAM)*". Danida started to use RAM in 2014 to assess grants to 11 Danish organisations. The Norwegian grant scheme (chapter/post 170.70) differs, however, significantly from the Danish context, and therefore Norad's Civil Society Department has simplified and adapted the model for use in Norway. Initially, we called the Norwegian variant "RAM Light", but this was shortened to "RAM" as of 2017. In this document, the term "RAM" is used to describe the current version and all previous versions.

2 Process behind the development of RAM

The Civil Society Department established a work group to develop RAM with representatives from the following organisations in 2015: ADRA Norway Adventist Society, Atlas Alliance, Care Norway, Norwegian Students' and Academics' International Assistance Fund (SAIH). The work group members come from different types of organisations: umbrella organisations, faith-based organisations, large international alliances and organisations with a special focus on the Global South. The work group was also a liaison to other organisations to ensure that RAM was well anchored among the Norwegian organisations.

After the application round for 2016, the group collected the views of the twelve organisations whose applications were assessed in accordance with the RAM method and the staff of the Civil Society Department. These views were reflected in an adjusted and simplified RAM version 2. After the application round for 2017, some small changes were made to clarify and more precisely define some of the standards based on experiences from that round. This became RAM version 3.

After the application round for 2018, a thorough internal review was made of RAM to study the opportunities for simplifying and clarifying the standards. Input was collected from several organisations, including at an NGO forum on RAM where the organisations were given an opportunity to give input. Most of the input concerned the process, including a desire for more dialogue between Norad and the organisations prior to the submission of applications and the fact that the amount of last year's support should not form the basis for grants. With regard to the RAM tool, desires for clearer correspondence between RAM and the application form, a simplified application process for smaller organisations, more flexibility in the assessment of results systems and a clearer definition of terms were noted. This input regarding RAM was integrated in

part into RAM version 4, and it was reviewed again in connection with development of the current model, RAM version 5. Several standards have been merged and rewritten, the application form and RAM have been organised so that the connection is clearer and the weighting system has been adjusted, while the assessment areas and assessment basis remain largely unchanged.

3 Goal of RAM

A number of risks associated with use of the method were identified in connection with the development of RAM. Norad has assessed the risks and found that neither external nor internal matters or other views voiced indicate that the main principles of the model should not be continued.

Norad desires to achieve two things with RAM: 1) better correspondence between quality and grants and 2) more transparency and structure in the allocation of grants.

- 1) *Better correspondence between quality and grants*: The application processing shall focus on the overall aims of strengthening civil society, promoting human rights and eliminating poverty in developing countries. Norad desires to ensure the best possible correspondence between the results achieved, quality of the application, strength of the organisations and level of the grants from Norad.
- 2) *More transparency and structure in the allocation of grants*: RAM shall be a good tool for assessing applications more systematically. Use of the model shall at the same time give the organisations the best possible information on what criteria they are being assessed by and thus provide greater transparency concerning the assessments.

Norad would also like to stimulate greater awareness of what counts when applications are processed and thus contribute to learning in the organisations and their partners and better development results.

4 RAM model

RAM will be used by Norad for the processing of applications for new agreements, and it will not affect the organisations during the agreement period. The model requires in principle that the organisations have ongoing cooperation with Norad, but new applicants that satisfy the minimum criteria for substantive processing will also have their applications assessed in accordance with RAM.

The new version of RAM has been significantly simplified and, as in 2018, has seven standards (compared with 17 in the first version). It consists nevertheless of the same three main assessment areas: applicant, programme and project plans and the results achieved. See the appendix for a summary of the standards. The following questions are assessed:

- What are the applicant organisation's strengths and weaknesses?
- How solid are the results that the organisation has achieved earlier?
- How good and credible are the programme and project plans in the application?

In developing the standards, the following has been taken into account:

- The standards are formulated in such a way as to encompass all types of initiatives that organisations that have agreements with Norad carry out.
- The standards reflect the requirements and criteria for receiving financial support from Norad.
- The standards are used to assess the organisations against their own goals for the initiative as described in the application.

The standards are not a template the organisations can use to fill in applications or prepare results reports. The organisations shall not prepare their own RAM documents either. The standards are more like a filter that Norad uses to read the organisations' plans, frameworks, results reports and other relevant documents. The application form is nevertheless prepared in such a manner that it is connected to the RAM standards.

4.1 Minimum requirements for a RAM assessment

Beyond the formal requirements that are described in the call for proposals, the following minimum requirements will be assessed prior to the RAM assessment:

- The information submitted is sufficient to conduct a RAM assessment
- The applicant's financial management is adequate to prevent, identify and follow up financial irregularities
- The applicant's plans are relevant to the goals of the grant scheme
- The quality of the assessment of risk is adequate to justify financial support to the initiative
- The quality of the theory of change / results framework / plan for the collection of information in results is adequate to justify financial support to the initiative

Applications that do not satisfy these minimum requirements may be rejected without a RAM assessment.

4.2 Scoring system

RAM uses a score scale from 1 to 6 for assessment of applications, where 6 is the best possible score. The basis for scoring is an assessment of the degree to which the applicant is meeting the requirements of the standard. Only whole number scores are used in scoring and a short, written justification will be provided for each standard. The short justification will be shared with the applicant. The assessments will also be used in subsequent dialogue between SIVSA and the organisation, for example in conjunction with annual meetings.

The possible scores are as follows:

Score	Designation	General, qualitative description of assessment criteria
6	Outstanding	Outstanding indication that the standard is met. The applicant meets the requirements in the standard in a systematic and complete way. The application is consistently credible, realistic and solid in the areas the standard describes. No substantial improvement points or deficiencies have been identified.

5	Very good	<p>Very good indication that the standard is met.</p> <p>The applicant for the most part meets the requirements of the standard in a systematic and comprehensive manner.</p> <p>The application is credible, realistic and solid in the areas the standard describes.</p> <p>Very few improvement points and deficiencies have been identified.</p>
4	Good	<p>Good indication that the standard is met.</p> <p>The applicant meets the requirements of the standard in a consistent and satisfactory manner.</p> <p>The application is credible and realistic in the areas the standard describes.</p> <p>The applicant has good systems in place and is able to show that they are working to rectify any identified weaknesses or deficiencies.</p>
3	Fair	<p>Fair indication that the standard is met.</p> <p>The applicant meets the requirements of the standard in an acceptable manner.</p> <p>The application is acceptably credible and realistic in the areas the standard describes, but has some shortcomings and weaknesses.</p> <p>The applicant has systems in place, but these also have certain shortcomings and weaknesses.</p>
2	Poor	<p>Poor indication that the standard is met.</p> <p>The applicant meets the requirements of the standard in a way that shows that they are attempting to rectify deficiencies and weaknesses.</p> <p>The application is inconsistently credible and realistic in the areas the standard describes, and has several shortcomings and weaknesses.</p> <p>The applicant, to a certain extent, has systems in place, but these also have several deficiencies and weaknesses.</p>
1	Not approved	<p>Significant doubt as to whether the standard is met.</p> <p>The applicant meets the requirements of the standard in a consistently inadequate manner, and the description of how deficiencies and weaknesses will be rectified is unconvincing.</p> <p>The application is to a very limited degree credible or realistic in the areas the standard describes.</p> <p>The applicant has few or no systems in place.</p>

4.3 Weighting of assessment areas

The weighting of the assessment areas is illustrated in the table below.

Weighting of assessment areas	Number of standards	Weighting
Applicant organisation	1	20%
Results achieved	1	20%
Programme and project plans	5	60%
Total	7	100%

The assessment of the applicant organisation and results achieved may have an impact on the assessment of the realism and relevance of the programme and project plans, which means in practice that the application organisation and results achieved may be weighted higher than 40%.

4.4 Assessment basis for RAM

The RAM assessment is made based on the application, attachments to the application and results reports submitted earlier. In addition, Norad may use information from relevant reports that are available from reviews, evaluations, “follow the money” trips, etc. During the processing of applications that satisfy the minimum requirements, statements are also obtained from the Ministry of Foreign Affairs and Norwegian embassies in relevant countries, as well as assessments from specialist departments.

The Civil Society Department strives to conduct an organisational review during the next to the last year of an agreement period. Organisational reviews will assess, among other things, the various follow-up systems of the organisation and a selection of the applicant’s reported results. The findings will be used in the RAM assessments of the application.

For applicants that Norad has not supported earlier, results reports and any previously conducted organisational reviews will be a part of the assessment basis. Weight shall be given to the assessment of any visits made to the organisation. If there is no previous documentation of results, Norad may use an alternative scoring method for assessment.

5 Allocation of grants

The grant administration is based on competition for funding among the applicants. The allocation of grants to individual organisations will primarily be calculated in accordance with the Civil Society Department’s RAM assessment, but special guidelines that may apply are also taken into account. Special priorities shall be stated in the announcement text. Norad will be able to stipulate the grants to the organisations for a period of up to five years.

The calculation mechanism will be based on the following principles:

- Correspondence between the RAM score and an adjustment of grants compared with earlier grants.
- In the application rounds for 2016, 2017, 2018, and 2019 the best organisations received an increase ranging from 10 to 15 percent relative to their previous levels. Weaker applications received a 10 to 20 percent reduction in their grants, or up to one year of funding to cover phasing out the project, and many applicants received rejections. These percentages may be increased or decreased within reasonable limits.
- The scope of grants available from year to year will largely be dependent on the appropriation in the government budget and the Letter of Allocation No. 1 from the Ministry of Foreign Affairs to Norad.
- The level of the grant for new applicants will be stipulated based on the score achieved and the budgetary scope of action.

Applicants can, as before, appeal Norad’s decision on a grant in accordance with the current rules of the Public Administration Act.

Appendix: RAM V.5 standards

APPLICANT ORGANISATION
<p><u>Standard 1: Assessment of the applicant and partners</u></p> <p>The applicant has relevant expertise and experience in development cooperation and the thematic and geographic area of the initiative. The applicant demonstrates that they have the capability and a system for learning-based results management and risk management in their own organisation. The applicant has good financial management and financial irregularities are prevented, identified and followed up actively at all levels.</p> <p>The selection of partners is well justified in the applicant's partnership model and theory of change. This includes how the partners in the partnership give the initiative added value beyond the transfer of money. The applicant performs a background check of their partners (for example, due diligence) and ensures proper follow-up and control of their partners. The applicant demonstrates that they have assessed the legitimacy of their partners. The applicant works systematically to create or safeguard equal-status relationships in the partnership.</p> <p>Source of information in the application:</p> <ul style="list-style-type: none">• Organisation – Routines and systems• Organisation – Other• Project/programme – Partners
RESULTS ACHIEVED
<p><u>Standard 2: Assessment of the achieved results</u></p> <p>The applicant has documented achieved results and reflects critically on deviations and experiences. The applicant has contributed to positive changes for the target group (outcome) together with the partners. The applicant has demonstrated the likelihood that the initiative has contributed to changes at impact level. The applicant has contributed to positive changes for civil society in the country of engagement and can document this. The achieved results are proportionate to the spending shown in the accounts.</p> <p>Source of information in the application:</p> <ul style="list-style-type: none">• Attachment: Most recent results report produced by the applicant organisation

PROGRAMME AND PROJECT PLANS

Standard 3: Assessment of relevance

The applicant clearly demonstrates how the plans will be able to contribute to the achievement of selected SDGs and targets in cooperation with other actors. The plans are based on the recipient country's and/or partner's priorities/plans. The applicant's plans fit particularly well with the objectives and target groups described in the call for proposal, government budget (Prop. 1 S and the relevant chapter) and the Norwegian Parliament's (Storting's) consideration of this.

Source of information in the application:

- Project/programme

Standard 4: Assessment of the result management in the initiative

The applicant's plans for the initiative build on credible problem analyses and are based on real needs of target groups and how civil society can be strengthened in the countries of engagement. The applicant has a theory of change and/or justification of how the change will take place and the degree to which it is probable that the initiative will be able to create the expected changes.

The results framework/plan for the collection of information on results for the initiative has clear and relevant goals that have a logical connection to each other and correspond to the theory of change. Measurable goals have been identified at a level that is higher than output level, at a minimum outcome level, and there is a logical connection between the results levels. The applicant has made provisions to be able to demonstrate the likelihood that impact level results have been achieved¹ and document how civil society will be strengthened through the initiative. The results framework/plan for the collection of information on results is suited to the organisation's size, capacity and engagement. This includes relevant indicators, data sources and baseline information, and adequate disaggregation.

Source of information in the application:

- Project/programme
- Theory of change (either in the application text or attachments)
- Project/programme – Partners
- Attachment: results framework and/or plan for the collection of information on results

Standard 5: Assessment of risk and cross-cutting issues in the initiative

The applicant identifies and systematically analyses relevant risks that can hinder results achievement in the initiative, and potential negative effects on the broader community and surroundings, including the cross-cutting issues 1) human rights, 2) climate and the environment, 3) women's rights and gender equality and 4) anticorruption. Importance will be attached to the fact

¹ Impact level results should be at a level that is low enough so that it is possible to see the connection between the effects on the target group (outcome) and possible social effects (impact). Remember that impact does not necessarily mean an effect on national statistics.

that the applicant has assessed the probability and consequences of risk factors and planned effective risk reduction measures.

Source of information in the application:

- Attachment: risk analysis

Standard 6: Assessment of the sustainability, local ownership and exit strategy of the initiative

The applicant has assessed sustainability, local ownership and phase-out strategy, so that the partner can themselves maintain the results and/or continue the initiatives when financial support ceases.

Source of information in the application:

- Project/programme
- Project/programme – Partners
- Attachment: budget

Standard 7: Assessment of the budget of the initiative

The plans and budgets show how the costs are allocated between the various levels in the applicant organisation and partners. The applicant's budgeted costs are relevant, necessary and realistic in order to carry out the plans so that the goals are achieved in a cost-effective manner. The cost allocation appears to be reasonable with respect to the type of initiative and added value at each level. Cooperation with other actors and multiple sources of funding will be assessed positively.

The applicant has the capacity to absorb the grant well. The applicant has sources of income beyond public funding. The applicant has sufficient equity to withstand absence of income over a given period of time or to cover possible losses (for example, in the event of financial irregularities). Own-contribution beyond the minimum requirement will be assessed positively.

Source of information in the application:

- Attachment: budget
- Attachment: last auditor's report and management letter

Samples of detailed budgets may also be requested as part of the processing of the application.