

# RAM model v.6

---

1	Introduction.....	2
2	Process behind the development of RAM.....	2
3	Goal of RAM.....	3
4	RAM model.....	3
4.1	Minimum requirements for a RAM assessment.....	4
4.2	Scoring system.....	4
4.3	Weighting of assessment areas.....	5
4.4	Assessment basis for RAM.....	6
5	Allocation of grants .....	6
	Appendix: RAM V.6 standards.....	7

## 1 Introduction

Norad's Civil Society and Private Sector Department (ASP) 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 and Private Sector 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 (now ASP) 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 has drawn on the experiences of the Danish development agency, Danida, in their work on their "*Resource Allocation Model (RAM)*". The Norwegian grant scheme (chapter/post 170.70) differs, however, significantly from the Danish context, and therefore Norad's Civil Society and Private Sector 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

Norad 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 ASP. 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 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. This is continued in RAM version 6, with some adjustments to ensure coherence between RAM, the application format and the grant decision document.

### 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 present version of RAM has been significantly simplified and 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 ASP 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%
<b>Total</b>	<b>7</b>	<b>100%</b>

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 ASP 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 ASP’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.6 standards

APPLICANT ORGANISATION
<p><b><u>Standard 1: Assessment of the applicant and partners</u></b></p> <p>The applicant has expertise and capacity to implement the project, including competence in the relevant thematic and geographic area of the initiative. The applicant has solid routines on financial management and internal control. The applicant has sufficient capital to resolve eventual debts and to reimburse eventual claims of mismanagement, in addition to stable sources of income. The applicant has the capacity to absorb the grant well. The applicant has a good system to select and monitor cooperation partners. There are written agreements available with eventual partners in line with Norad's requirements<sup>1</sup>.</p> <p>Source of information:</p> <ul style="list-style-type: none"><li>• The application</li><li>• Reports from Norad's duty travels</li><li>• Project and institutional accounts including respective audit reports and eventual Management Letters</li><li>• Latest results report produced by the applicant</li><li>• Extended partner assessment</li><li>• Other relevant information about the organisation in Norad's archive</li><li>• Information from Norad's Fraud and Integrity Unit</li></ul>

RESULTS ACHIEVED
<p><b><u>Standard 2: Assessment of the achieved results</u></b></p> <p>The applicant has documented achievement of planned results and sub-goals within the agreement period/project period. The applicant has documented that planned deliverables (outputs) and positive changes for the target group (outcome) were achieved. The applicant has demonstrated the likelihood that the initiative has contributed to changes at society level (impact). Describe the most important achievement(s) of the project and areas where progress towards project goals did not develop according to the plan. The achieved results are proportionate to the spending shown in the accounts.</p> <p>Source of information:</p> <ul style="list-style-type: none"><li>• The application</li><li>• Most recent results report produced by the applicant organisation</li></ul>

---

<sup>1</sup> Written agreements with eventual partners in line with Norad's requirements only relevant if the applicant has a running agreement with Norad when the application is sent

- Last assessment of the organisation's progress- or final report in Norad's Results portal
- Relevant review or assessment of results
- Extended partner review/External partner review
- Reports from Norad's duty travels
- Other relevant information on the organisation in Norad's archive

## 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.

The applicant explains how the initiative contributes to strengthening of the civil society in the target country and how this will be documented. The applicant selects systematically local partners which enjoy legitimacy and has a partnership model based on participation and equal relations in the partnership, in line with Norad's principles for support to civil society. The applicant has an added value in addition to monetary transfer to local partners.

In general terms, the project is regarded as a good initiative to obtain the prioritised goals in the government budget and the grant call.

Source of information:

- The application

### **Standard 4: Assessment of the result management in the initiative**

The applicant's plans for the initiative is based on credible problem analyses and departs from real needs of target groups.

It is evident what the project will deliver in terms of concrete products and services and to whom (output). It is evident what this will lead to in terms of changes/effects and for whom (outcome). It is evident what societal effects the project will contribute to and who will benefit from these (impact).

The applicant has a knowledge-based 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. There is a direct link between the theory of change and the logic of the results framework. The results framework/plan for the collection of information is adapted to the size of the organization, capacity and efforts. This includes relevant indicators, data source and baseline data, and adequate disaggregation. The results framework can be used to follow the progress and adjust the course if so needed.



Source of information:

- The application
- 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 relevant risks factors that can influence the achievement of the results negatively. The applicant has analysed the identified risk factors sufficiently with regard to the probability and consequence, as well as presenting a reasonable mitigation and follow-up plan for these risks. There is a risk analysis and risk mitigation measures which provide reasonable assurance to prevent negative effects on the broader community and surroundings in general, and the cross-cutting issues in particular: 1) human rights, 2) climate and the environment, 3) women's rights and gender equality and 4) anticorruption.

Source of information:

- The application
- Attachment: Risk analysis

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

The plans provided by the applicant shows that the applicant has provided for local ownership and that the results are sustainable, also after the termination of the project period. The applicant has a phase-out strategy and clarifies how they plan to withdraw.

Source of information:

- The application

#### **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, and in a reasonable scope to achieve the expected results. The cost allocation appears to be reasonable with respect to the type of initiative and added value at each level. The budgeted expenses are at a reasonable level taking into consideration the quality and price in the local context.

Cooperation with other actors and multiple sources of funding (other than Norad and the MFA) that exceeds the minimum requirement of the call will be assessed positively. Own contribution has been fulfilled if so required.

Source of information:

- The application
- Attachment: Budget

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