



**the sustainable  
trade initiative**

# Guidelines for Planning and Reporting

for Implementing Partners

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## 1 Introduction

IDH – Sustainable Trade Initiative (“IDH”) accelerates and up-scales sustainable trade by building impact oriented coalitions of front running companies, civil society organizations, governments and other stakeholders that will deliver impact on the Sustainable Development Goals (SDGs).

These Guidelines for Planning and Reporting are developed for the implementing partner (“IP”) in order to instruct them about the financial and non-financial reporting requirements. We refer to these guidelines in our contracts.

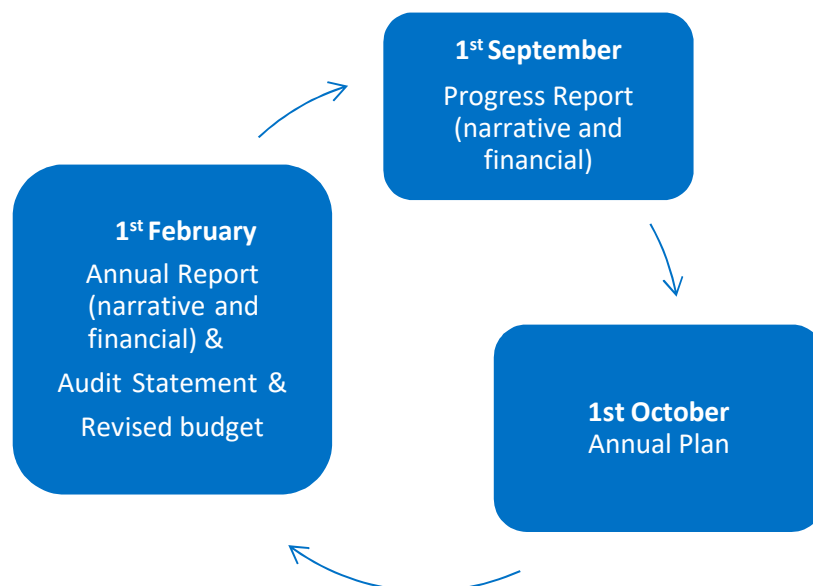
**Planning, Monitoring & Evaluation (“PME”)** includes the formal planning and reporting by IPs, this includes financial and non-financial aspects of the project.

The formats in this document cover the minimum content for annual planning and reporting for IPs. IDH and IPs may have confirmed in their contract deviating reporting and planning requirements. In that event, the funding agreement is leading. This is the case on all requirements. Logically financial and narrative reports need to be fully aligned.

IDH may also request additional documentation agreed upon with the implementing partners. Next to the requirements set out in this document, a regular exchange of information is required between IDH and IPs, for example by means of regular updates and bilateral meetings.

These guidelines only focus on the requirements for planning and reporting by IPs. Requirements for the Project Proposal, budget requirements and eligible private sector investments are included in the criteria included Calls for Proposals and are available upon request.

### IDH reporting and planning cycle



## 2. GENERAL PLANNING AND REPORTING REQUIREMENTS

Below you will find a table that highlights the deadlines and reporting requirements from IPs for all necessary reports:

Deadline	1 <sup>st</sup> February	1 <sup>st</sup> September	1 <sup>st</sup> October
Deliverables	Annual Report previous year	Progress Report current year	Annual Plan next year
	<ul style="list-style-type: none"> <li>Financial Annual Report</li> <li>Narrative Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>Financial Progress Report</li> <li>Narrative Progress Report</li> </ul>	<ul style="list-style-type: none"> <li>Financial Annual Plan</li> <li>Narrative Annual Plan</li> </ul>
	Audit Statement		
	Revised Budget		

In order to assess the project appropriately it is important that the narrative and financial report and plan are a reflection of each other and therefore are assessed jointly. The content of each of these deliverables is listed in the following sections.

### 2.1 Financial Reports

	Content	Submission via
Financial Annual Report	January – December (previous year) <ul style="list-style-type: none"> <li>Actuals for the previous year</li> <li>Cumulative figures up and including previous year</li> </ul>	E-mail to program team
Audit Statement* (if applicable)	January – December (previous year) <ul style="list-style-type: none"> <li>In accordance with IDH Audit Instructions</li> </ul>	E-mail to <a href="mailto:audit@idhtrade.org">audit@idhtrade.org</a> AND <a href="mailto:idhauditcoordination@mazars.nl">idhauditcoordination@mazars.nl</a>
Revised Budget	January – December (current year) <ul style="list-style-type: none"> <li>Revised budget current year and remaining years</li> <li>Cumulative actuals up and including previous year</li> </ul>	E-mail to program team
Financial Progress Report	January – June (current year) <ul style="list-style-type: none"> <li>Actuals January – June current year</li> <li>Cumulative actuals up and including previous year</li> </ul>	E-mail to program team

\* If applicable (this will be agreed in the contract and is depending on the size of the contract) it is submitted by the IP auditor. The IP is obliged to provide the contact details of their auditor.

With the approval of the project proposal and the budget (attached as an annex to the contract) the format for the financial planning and reporting is agreed.

The financial planning and reporting will always be submitted in a format that is agreed with IDH. The minimum requirements are:

- aligned to project proposal activities
- activity based (and cost based, if agreed upfront)
- in Euro's (or currency as per contract agreement)
- in English
- breakdown per funder (IDH, private, other donors)
- accrual based, not cash based
- approved annual budget for the reporting year
- cumulative received payments from IDH
- cumulative received payments or contributions from the other partners (specified per partner)
- cumulative actual expenditures (accrual based) allocated to IDH contribution
- cumulative actual expenditures (accrual based) allocated to the other program partners (specified per partner)

Please always show on the financial planning or report the following:

- the period it refers to
- the contract number of the funding agreement it refers to
- including justification of variance > 10% in relation to the main budget lines

Additionally to the abovementioned minimum requirements, the financial report will always also include an overview that shows:

- the agreed ratio on IDH : private sector that is applicable to the entire project period.

## 2.2 Revised budget

The revised budget is an updated total project budget based on the confirmation of the previous years actuals. As there may be activities that were not able to be delivered in that year and so in agreement from both parties the budget would be revised to take this into consideration.

For an example of a project budget, we refer to Annex A.

## 2.3 Audit statement

In addition, every year an annual financial report is required for the project, depending on the contract amount and contributions per donor, it may be necessary that this financial report is audited, if this is the case then this will be confirmed by IDH with the implementing partner. If an audited financial report is required it must be conducted by an external auditor and done in accordance with the IDH Audit Protocol (Annex B).

The report should include the following depending upon which is applicable due to the size of the contract:

- an unaudited annual financial report provided by the IP or
- an annual financial report provided by the IP with annual financial audit statement provided by the auditor of the IP

## 2.4 Narrative Reports

	Content	Submission via
Narrative Annual Report	January - December (previous year) <ul style="list-style-type: none"> <li>• Key Performance Indicator (KPI) Results, incl.               <ul style="list-style-type: none"> <li>○ Baseline value</li> <li>○ Annual and overall target</li> <li>○ Actual and cumulative result</li> </ul> </li> <li>• Overview of activities and link with program impact claim and budget (the latter can be in every detail included in the financial report)</li> <li>• Description of results, major deviations</li> <li>• Lessons learned</li> <li>• Risk Assessment</li> </ul>	E-mail to program team
Narrative Progress Report	January - June (current year) <ul style="list-style-type: none"> <li>• Key Performance Indicator (KPI)               <ul style="list-style-type: none"> <li>○ Baseline value</li> <li>○ Annual and overall target</li> <li>○ Actual and cumulative result</li> </ul> </li> <li>• Overview of activities and link with program impact claim and budget (the latter can be in every detail included in the financial report)</li> <li>• Description of results, major deviations</li> <li>• Lessons learned</li> <li>• Risk Assessment</li> <li>• Outlook remainder of the year</li> </ul>	E-mail to program team
Annual Plan	January - December (next year) <ul style="list-style-type: none"> <li>• Key Performance Indicator (KPI)               <ul style="list-style-type: none"> <li>○ Baseline value</li> <li>○ Overall target</li> <li>○ Annual target</li> </ul> </li> <li>• Strategic Plan</li> <li>• Overview of planned activities and link with program impact claim and budget</li> <li>• Risk Assessment</li> </ul>	E-mail to program team

In addition to the elements listed in the previous table, the following aspects are important in preparing the narrative reports:

- Key Performance Indicators: for the period 2016-2020 IDH has developed a Results Measurement Framework to strengthen its Monitoring & Evaluation practice. This framework includes a set of key performance indicators (“KPIs”) that IPs should comply

with when reporting on the project progress. These KPIs align with the overall program strategy and address the impact claims. The program specific impact claims as well as specific measurement guidance protocols on how to report on the KPIs will be made available by IDH as annex to the contract. At least progress on these KPIs should be monitored (and reported upon in the progress and annual reports), but other indicators that are considered relevant for the project can of course be included. This should be discussed and agreed upon between IDH and the IP. For the KPI reporting it is expected that IPs establish a baseline before the start of the project activities. The baseline is only set once, before the beginning of the activities and is maintained during the course of the activity. In addition targets need to be formulated for each KPI that clearly indicates what should be achieved by the project. At the beginning of an implementation project, the overall project targets are set. Then, for each year of the project duration, annual targets are set. These KPI tables need to be included in all three narrative reports.

- **Activities:** a full overview of all the planned (annual plan) and implemented (progress and annual report) activities is expected from the IPs with a link to the overall program strategy, impact claims and budget.
- **Results:** each report should include a narrative section including a clear description of the (expected) results and an assessment of the challenges and risks associated with the activities. In addition, the progress and annual reports include a clear explanation of major deviations from the planned activities and lessons learned.

### 3. Submission of reports

All plans and reports must be submitted to IDH as per the previous tables. In the case of submission to the IDH auditor web portal, before the submission is due IDH's auditor will send your auditor contact person a username and a password for the portal as well as user manual, which has step-by-step instructions about how to submit reports.

Once submitted, the report will be reviewed by IDH and after approval is granted, this will be communicated to the IP.

Should there be any questions on these Guidelines, please do not hesitate to reach out to your contact person at IDH.

Upon request

Annex A: example of a Project Budget Template

Annex B IDH Audit Instructions, please be aware that this is subject to change every year