

## DISCLAIMER

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## **ANNEX 2 GLOSSARY GWW-FDW**

This glossary is a translation of 'Annex 2 Begrippenlijst GWW-FDW' that accompanies the Resolution from the Minister for Foreign Trade and Development Cooperation of 29 September January 2014, MinBuza-2014.581200 to establish policy rules and a subsidy ceiling for subsidising on the basis of the Subsidy Regulations Ministry of Foreign Affairs 2006, Third call Ghana WASH Window of the Sustainable Water Fund (GWW-FDW). Please note the disclaimer above.

<b>Term</b>	<b>Definition</b>
Applicant	The party in the partnership who applies for GWW-FDW. This organisation is always the first point of contact for Netherlands Enterprise Agency (RVO.nl) with reference to the project and project proposal. Besides this, the applicant/lead party is the sole subsidy recipient if a subsidy is granted and is thus fully liable, in relation to the Minister, for fulfilling the subsidy-related (financial) obligations.
Application	A completed and legally signed application form, accompanied by all mandatory annexes.
Business case	The element of the intervention that is based on an earnings model.
Cash	Contribution towards the implementation of the project in the form of a registered financial transaction between a partner and another party.
Child labour	The definition of child labour is recorded in international treaties drawn up by the International Labour Organisation (ILO). These are children who do work which is mentally, physically, socially or morally harmful or dangerous and which impair normal schooling. The treaties are about the minimum age of working children (ILO Convention 138) and the Worst Forms of Child Labour (ILO Convention 182). ILO Convention 138 prohibits children younger than 15 years and children that follow compulsory education to work. Summer jobs and chores at home after school are allowed. For some less developed countries, 14 years is set as the standard. ILO Convention 182 prohibits children less than 18 years to be used for unhealthy, unsafe and immoral work.
Commercial investment	Investment in a commercially viable project, see commercially viable.
Commercially viable	A project is considered to be commercial viable if it involves a return on investment period of less than 10 years AND is commercially financeable. For GWW-FDW, the return on investment period is calculated using the cumulative cash flow in the cash flow analysis (Appendix 3 with application). If the cumulative cash flow is positive within 10 years, the return on investment period is less than 10 years.
Company/Private sector	Companies or enterprises. In general, an enterprise is any entity that conducts economic activities, irrespective of the way in which it is financed. Economic activity is the provision of goods or services within an economic market. Entities that carry out economic activities on a 'not for profit' and 'not for loss' basis can also qualify as a 'business or industry' in the partnership.
ICSR	International Corporate Social Responsibility (Dutch: IMVO). ICSR policy must be based on the principles of the OECD guidelines update 2011, the IFC Performance standards of ISO 26.000. Refer a.o. to <a href="http://www.oecdguidelines.nl/get-">www.oecdguidelines.nl/get-</a>

	<p><a href="#">started/creating-a-csr-policy</a> and <a href="http://www.oecd.org/daf/inv/mne/oecdguidelinesformultinationalenterprises.htm">http://www.oecd.org/daf/inv/mne/oecdguidelinesformultinationalenterprises.htm</a></p>
Enabling environment	Activities that focus on the realisation of a sustainable, positive change within the WASH context, relevant to policy objectives. This includes behavioural change, capacity building, organisational strengthening, institutional change and improvements in law and regulations.
Financially sustainability (calculation model)	All activities which continue after the PPP project is ended should be financial tenable; the extent to which the project activities are able to endure without funding from foreign donors. Both economic activities and private parties have to be able to continue after discontinuation of the PPP without any form of subsidy. If the annual cash flow from operations is positive during the project period, and it can be substantiated that cash flow from operations will remain positive after the project period, the project will be considered financially sustainable. If (part of) the project income is made up of external financing (funds, subsidies etc) then it must be substantiated that these funds will also be available after the end of the project period. This will be assessed by Netherlands Enterprise Agency (RVO.nl); the burden of proof shall lie with the applicant.
Forced labour	The ILO defines forced labour as work that someone is made to carry out as a result of a threat or risk of punishment and for which the person has not willingly volunteered. Forced labour also encompasses forced overtime or overtime that is necessary in order to attain a minimum wage level. An employee must feel free to refuse overtime. Other forms of forced labour include bonded labour, the retention of wages, paid deposits and the removal of ID documents.
Hardware (HW)	Capital goods that are used in the project, such as machinery, new buildings and installations (including any computer software). Goods that only function for one production cycle or which will be written off in one year are not considered to be investments in hardware, but as operational costs for business activities and are therefore not eligible for subsidy.
Impact	The (un)intentional, direct and indirect, positive and negative long term effects on identifiable groups in the community, as a result of the implemented development intervention.
In-kind	Contribution by one of the partners to the project which does not involve a financial transaction between the relevant partner and the other partner or party. This could concern the use of own personnel or goods, without this being invoiced to the other party. In-kind contributions from local governments in Ghana are not eligible for subsidised.
Knowledge Institutes	Knowledge institutes are education and research institutes that contribute towards the exchange of knowledge. In order to qualify as Knowledge Institute, the focus must lie on the institute's core tasks (independent research, knowledge transfer) irrespective of whether or not the knowledge institute also conducts financial activities or is part of the government. Within the GWW-FDW a knowledge institution is not considered to be a public institution or company.
Means of Verification (MoV)	Means of Verification covers tangible evidence for achieving the project Results and Sub-results as defined in the Administrative decision on the subsidy grant.
NGO	(Non-governmental organisation) Social organisation that functions on a 'not for profit' basis. This party is also registered as such.
Netherlands Enterprise Agency (RVO.nl)	Cost/benefit division of the Ministry of Economic Affairs and implementation organisation of central government with regard to implementing government policy. <a href="http://english.rvo.nl/">http://english.rvo.nl/</a>
OECD	Organisation for Economic Cooperation and Development (Dutch: OESO)
Outcome	Intended or achieved short term effects of an output, usually depending on the collective use of the partners, from an intervention. Outcomes represent changes in developing conditions that come about between the completion of the outputs and the achievement of the Impact.
Output	Products or services that result from the completion of an action within the development intervention.

Own contribution	The part of the total project budget that is financed by the partners themselves. Conditional payments, for example in the form of loans, delayed claims, expected income from project earnings and so on, are not considered to be own contributions. For GWW-FDW, the own contribution must be at least 30% of the project budget (not direct or indirectly originating from The Ministry of Foreign Affairs), whereby at least 15% of the project budget comes from companies. The contribution includes the sum of cash and in-kind payments; in-kind payments from local Ghanaian public institutions are excluded.
Partner/project partner	A formal partner of the PPP that is involved with the GWW-FDW subsidy application. During the application, each partner in the partnership must submit a completed and legally signed partner form. The secretary does not submit a partner form.
Partnership	The parties that implement the project. As far as GWW-FDW is concerned, the partnership comprises at least one company, one public institution and one NGO or knowledge institute. Of these parties, at least one comes from the Netherlands and one comes from Ghana. All partners are legal entities.
Policy rules	The Order and its annexes to the third call Ghana WASH Window of the Sustainable Water Fund (GWW-FDW) detailing the subsidy policy framework. This document forms the formal framework for assessing subsidy applications and can be found on the website <a href="http://english.rvo.nl/subsidies-programmes/ghana-wash-window">http://english.rvo.nl/subsidies-programmes/ghana-wash-window</a>
Poverty reduction	The OECD (2001, The DAC guidelines, Poverty Reduction) defines poverty as the inability of people to meet economic, social and other standards of welfare. Poverty reduction therefore focuses on enabling people to fulfil economic, social and other standards of welfare. <a href="http://www.oecd.org/dataoecd/47/14/2672735.pdf">http://www.oecd.org/dataoecd/47/14/2672735.pdf</a>
PPP	Public Private Partnership
Production chain	The chain of a product or service, running from the extraction of raw materials to the end-user.
Project	All of the activities for which a GWW-FDW application has been submitted. The project comprises investments in hardware and technical assistance and is detailed on the application form and the corresponding project proposal. A programme (collection of projects) is not eligible for subsidy. Numerous project applications can be submitted by a partnership. These will be assessed independently of one another.
Project budget	All costs that are eligible for subsidy, that are necessary in order to carry out the project and for which the GWW-FDW subsidy is being requested.
Project proposal	Annexe accompanying the application form in which the project is set out according to a set, mandatory model.
Project Result/sub-result	Project Results and Sub-results are tangible outputs and outcomes that are demonstrated via Means of Verification (MoV). If a project receives a GWW-FDW subsidy, the PPP is committed to the Results and Sub-results as detailed in the subsidy resolution. If Results or Sub-results are not or not entirely delivered, this could have consequences for the subsidy to be received.
Project-based operational costs	Demonstrable added costs (costs that otherwise would not have been incurred) for maintaining (parts of) the product provided by the project or the service provided as a result of the project during the agreed project period.
Proselytise	Activities that aim to reform.
Public body/public institution	All centralised or decentralised government parties (State, province, municipality or local variant thereof). Semi-governmental parties can also function as 'governmental' in the partnership. This often concerns bodies that carry out statutory tasks or serve the public interest and are (mainly) financed out of public resources. In the case of the water sector, this concerns supervisory bodies, among other things. A knowledge institution is not considered as a public institution.
Public Private Partnership	A Public Private Partnership (PPP) is identified by the Ministry of Foreign Affairs as collaboration between government and industry, often with the involvement of NGOs, unions and/or knowledge institutes, in which risks, responsibilities, resources and competencies are shared in order to achieve a collective goal or carry out a specific task. The GWW-FDW sets special requirements on the

	formation of the partnership (see 'partnership').
Research and Development	Activities within the sphere of fundamental research (fundamental accumulation of knowledge without direct application), industrial research (gaining new knowledge with one eye on the development of new products, procedures or services, or in order to improve existing services, general validation) and experimental development (use of existing knowledge for the development of new plans, schedules or designs for products, procedures and services, including the creation of prototypes). Costs of research and development cannot be subsidised within GWW-FDW. Previously demonstrated innovation is, not necessarily within the Ghanaian context is eligible for subsidy.
Self-reliance	The extent to which the target group is able to resolve its own problems and, thus, be less dependent on aid. See also sustainability.
Subsidy recipient	The organisation to which subsidy is granted. In this case the applicant or lead partner. See also Applicant.
Sustainability	<p>The potential in which the intervention (effects) can sustain independently without transferring negative consequences to current and future generations. The GWW-FDW splits the term sustainability into the following 5 elements</p> <ul style="list-style-type: none"> <li>* F (financial): The extent to which the projects are able to proceed without funding from foreign donors;</li> <li>* I (institutional): The degree of embeddedness in local institutional systems, procedures and policies and the capacity of local project partners and governments (knowledge transfer);</li> <li>* E (Environmental): The extent to which the projects contribute to the long-term availability of natural resources, climate smart agriculture, climate resilience and a healthy environment;</li> <li>* T (technical): The extent to which the technologies are linked to the local needs and conditions, are of good quality and are affordable and operationally sustainable.</li> <li>* S (social): The extent to which activities are socially and culturally acceptable and generate positive results (such as income growth, economic security and social services) for the most vulnerable groups (e.g. women, indigenous peoples).</li> </ul> <p>Projects should at minimum comply with the rules relating to International Corporate Social Responsibility (see OECD Guidelines for Multinational Enterprises, 2011 version)</p>
Technical Assistance	Technical Assistance (TA) encompasses activities such as project management, monitoring and evaluation, project-based operational costs, transfer of knowledge including training and improvement of the enabling environment,, certification, applications for permits, consultancy costs and marketing.
Third parties	Parties that fall outside the project consortium. This means parties that do not fulfil the role of applicant/lead partner or formal partner within the PPP that is implementing the project.
Track Record	The performances that have been achieved by the requesting organisation and its partners in the past.
Vulnerable groups	<p>Vulnerable groups comprise for GWW-FDW individuals or households that constitute a high risk on access to WASH or water safety. The most common vulnerable groups are:</p> <ul style="list-style-type: none"> <li>* Poor</li> <li>* Women and children</li> <li>* indigenous peoples</li> <li>* Disabled</li> </ul>
Wage costs	It concerns direct labour: Gross salary according salary table associated with Collective Labour Agreements (scale/step) or individual contract of employment, vacation pay, not profit-related year-end bonus/13 <sup>th</sup> month. Employers expense included in direct labour costs: Employers Part pension, unemployment premium, (supplementary) Disability Insurance contribution, Contribution Health (Insurance Act), other employer contributions for unemployment and sickness benefits.

WASH

Water, Sanitation and Hygiene. For GWW-FDW, this also includes waste management and urban water management.