



**PROJECT APPROVAL AND
GRANT SET-UP PROCESSING TIME
STATISTICAL SUMMARY**

FISCAL YEARS 2007-2010

November 2010

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REPORT HIGHLIGHTS

- Of the last four fiscal years, 2007 had the lowest average processing time in terms of the overall time spent from proposal submission to countersigned grant agreement, proposal submission to project approval and project approval to countersigned grant agreement (Figure 1).
- Between FY 2009 and 2010, there was a significant decrease in the average processing time from proposal submission to countersigned grant agreement, from 209 days in 2009 to 136 in 2010 (Figure 1).
- Within the last two fiscal years, the average processing time from proposal submission to approval decreased significantly, from 103 days to 60 days (Figure 1).
- The average grant set-up processing time decreased from 102 days in FY 2009 to 77 days in FY 2010 (Figure 3).
- Of the three grant agreement types¹, Grant Manager Agreement (GMA) had the lowest average grant set-up processing time in FY 2007 – 2010, followed by Development Grant Facility (DGF) and Trust Fund (TF), respectively (Figure 4).
- In FY 2009, the average grant set-up processing time for DGF grants was 104 days and 149 days for TF grants. This number decreased in FY 2010 to 90 days for DGF grants and 101 days for TF grants (Figure 4).
- In terms of grant size, the average approval processing time decreased for medium and large grants, and slightly increased for small grants (Figure 5).
- The average processing time for grant agreement drafting *and* internal clearances decreased in the last two fiscal years, from 81 days in 2009 to 58 days in 2010. The average processing time for grant agreement drafting *and* internal clearances in FY 2009 was 83 days for DGF grants and 121 days for TF grants. These numbers decreased in FY 2010, to 58 days for DGF grants and 89 days for TF grants (Table 2).
- For National Government grant recipients, the average grant set-up processing time was 125 days in FY 2009 and 163 days in FY 2010. The average processing time for grant agreement drafting *and* internal clearances for National Government grant recipients was 108 days in FY 2009 and 77 days in FY 2010 (Table 3).
- For Municipal/Sub-National grant recipients, the average grant set-up processing time was 106 days in FY 2009 and 80 days in FY 2010. The average processing time for grant agreement drafting *and* internal clearances for Municipal/Sub-National grant recipients was 78 days in FY 2009 and 60 days in FY 2010 (Table 3).

¹ Grant agreement types are based on type of recipient and type of funding source. Grant agreement type: (1) Development Grant Facility (DGF); (2) Trust Fund (TF); and (3) Grant Manager Agreement for World Bank units (GMA).

1. INTRODUCTION

This report provides a statistical summary overview of Cities Alliance project approval and grant set-up processing time in FY 2007 – 2010. The report presents statistical summary in the following areas: (1) Average processing time for combined project approval and grant set-up; (2) Average processing time for project approval; and (3) Average processing time for grant set-up. A more detailed analysis was conducted for project approval and grant set-up for FY 2009 and 2010.

The following parameters were used in analysing the data:

1. Number of projects refers to the number of projects selected for this review, not the number of projects approved per fiscal year.
2. The following conditions were applied to projects selected for this review:
 - a. Projects with grant set-up process executed in FY 2007, 2008, 2009 and 2010;
 - b. Projects with grant set-up process completed and grant agreements countersigned;
 - c. For FY 2009 and 2010, only projects with complete information on grant set-up process were selected.
3. A total of 85 projects with 93 grant agreements processed and countersigned were selected for data analysis
 - a. FY 2007: 15 projects with 19 grant agreements processed and countersigned;
 - b. FY 2008: 21 projects with 23 grant agreements processed and countersigned;
 - c. FY 2009: 22 projects with 24 grant agreements processed and countersigned;
 - d. FY 2010: 27 projects with 27 grant agreements processed and countersigned.
4. Processing time is indicated by the number of days. The days counted refer to official business days, Monday to Friday. Cities Alliance/World Bank official holidays are excluded.
5. Project approval refers to the period from proposal submission *to* approval of the proposal.
6. Grant set-up refers to period from project approval *to* grant agreement countersigned.
7. Proposal submission refers to the date on which a proposal for grant funding request was submitted by the proponent for the first time.
8. Final proposal refers to the date of submission of a proposal version that was used by the Cities Alliance to approve a project.
9. Project approval date refers to the date on which the Cities Alliance Manager or Consultative Group approved a grant funding request for the first time.
10. Phase-out projects were excluded from the analysis, with the exception of 5 phase-out projects for FY 2010 that were included.

The data used for the analysis was sourced from the Cities Alliance Secretariat proposal and project databases as well as the grant set-up and Programme Administration Team's grant administration file.

2. PROJECT APPROVAL AND GRANT SET-UP PROCESSING TIME IN FY 2007 - 2010

2.1 OVERALL PROCESSING TIME

Figure 1 illustrates the overall project approval and grant set-up processing time in FY 2007 – 2010. It includes the following information: (1) Average processing time from proposal submission to grant agreement countersigned; (2) Average processing time from proposal submission to project approval; and (3) Average processing time from project approval to grant agreement countersigned. Further detailed data on overall project approval and grant set-up processing time for FY 2007 – 2010, including the number of projects and grant agreements processed and countersigned, is presented in Table 1.

Overall, the data shows that of the last four fiscal years, FY 2007 (15 projects with 19 grant agreements processed and countersigned) had the lowest average processing time: (1) 128 days for overall proposal submission to grant agreement countersigned; (2) 49 days for proposal submission to project approval; and (3) 70 days for grant set-up process. In comparison with FY 2007, the average processing time increased significantly in FY 2008 (21 projects with 23 grant agreements processed and countersigned): (1) 277 days for proposal submission to grant agreement countersigned; (2) 139 days for proposal approval process; and (3) 143 days for grant set-up process.

In FY 2009 and 2010, however, there was a gradual decrease in the average processing time. In FY 2009 (22 projects with 24 grant agreements processed and countersigned), it decreased to: (1) 209 days for proposal submission to grant agreement countersigned; (2) 103 days for proposal approval process; and (3) 102 days for grant set-up process. The average processing time continued to decrease in FY 2010 (27 projects with 27 grant agreements processed and countersigned) to: (1) 136 days for proposal submission to grant agreement countersigned; (2) 60 days for proposal approval process; and (3) 77 days for grant set-up process.

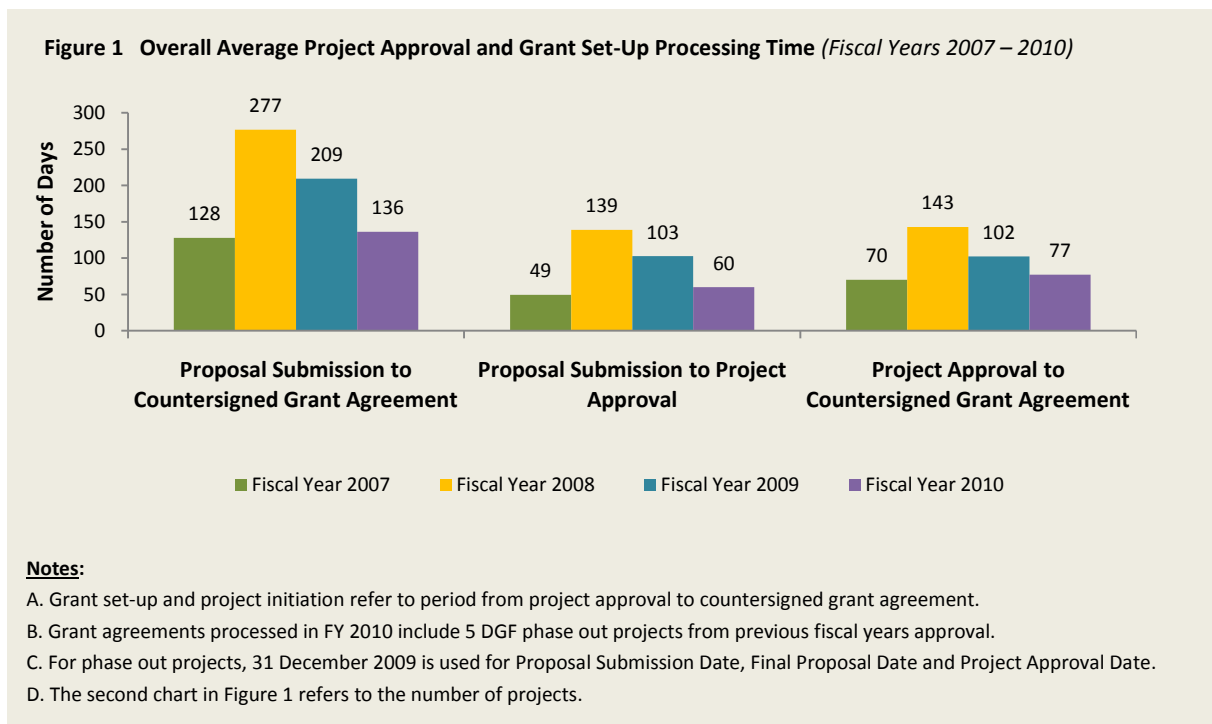


Table 1 Overall Average Project Approval and Grant Set-Up Processing Time (in days)
Fiscal Years 2007 – 2010

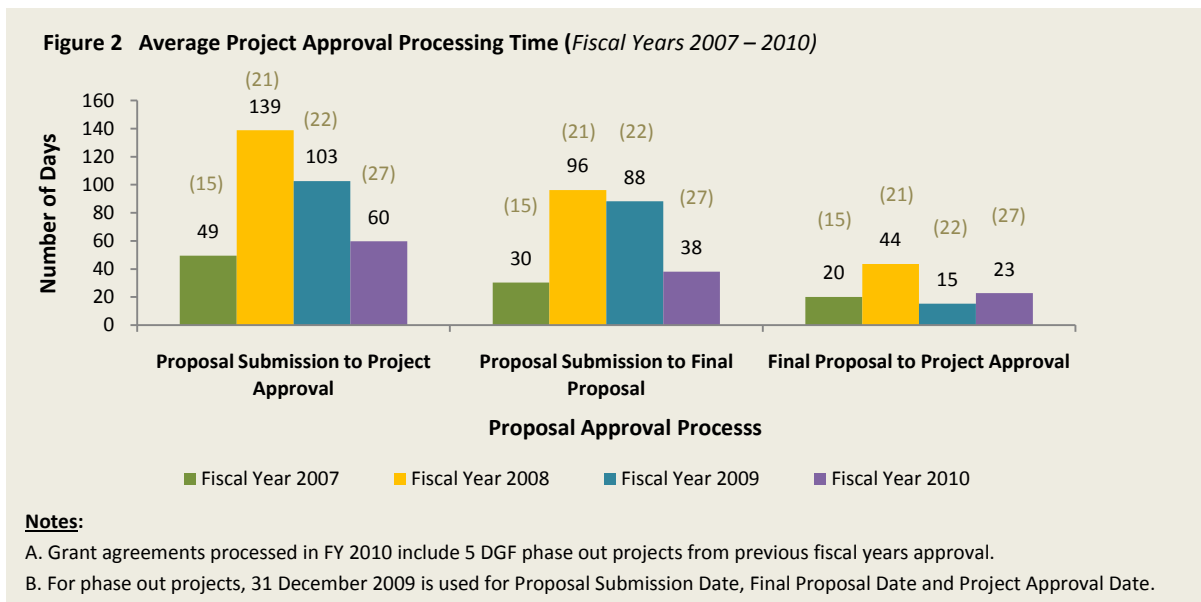
Fiscal Year	Proposal Submission to Countersigned Grant Agreement			Proposal Submission to Project Approval		Project Approval to Countersigned Grant Agreement		
	Number of Projects	Number of Grants	Processing Times in days	Number of Project	Processing Times in days	Number of Projects	Number of Grants	Processing Times in days
2007	15	19	128	15	49	15	19	70
2008	21	23	277	21	139	21	23	143
2009	22	24	209	22	103	22	24	102
2010	27	27	136	27	60	27	27	77

Notes:

- A. Grant set-up and project initiation refer to period from project approval to countersigned grant agreement.
- B. Grant agreements processed in FY 2010 include 5 DGF phase out projects from previous fiscal year’s approval.
- C. For phase out projects, 31 December 2009 is used for Proposal Submission Date, Final Proposal Date and Project Approval Date.

2.2 PROJECT APPROVAL PROCESSING TIME

Figure 2 illustrates the average project approval processing time in FY 2007 – 2010 (with 15, 21, 22, and 27 number of projects, respectively). It includes the following information: (1) Average processing time from proposal submission to project approval; (2) Average processing time from proposal submission to final proposal; and (3) Average processing time from final proposal to project approval.



The first chart in Figure 2 (from the left) shows the overall project approval processing time, from proposal submission to project approval. As with the overall processing times outlined in Figure 1, FY 2007 again had the lowest overall average processing time for project approval out of the last four fiscal years. The average processing time increased significantly in FY 2008, and then decreased gradually in FY 2009 and FY 2010.

The second chart in Figure 2 shows the average processing time from proposal submission to final proposal. Fiscal year 2007 had the lowest average processing time, with 30 days. In FY 2008 it increased significantly to 96 days, and then slightly decreased in FY 2009 to 88 days. In FY 2010 there was a considerable decrease to 38 days.

The third chart illustrates the average processing time from final proposal to project approval. Fiscal year 2009 had the lowest average processing time with 15 days. In FY 2007 and 2010, the number of days was relatively balanced at 20 and 23, respectively. Fiscal year 2008 had the highest average processing time with 44 days.

2.3 GRANT SET-UP PROCESSING TIME

Figure 3 illustrates the average grant set-up processing time for the last four fiscal years. The data shows that FY 2007 had the lowest grant set-up processing time with an average of 70 days (a total of 19 grant agreements processed). In FY 2008, the average processing time increased to 143 days (a total of 23 grant agreements processed). There was a gradual decrease in FY 2009 and 2010, with 102 days (24 grant agreements processed) in FY 2009 and 77 days in FY 2010 (with 27 grant agreements processed).

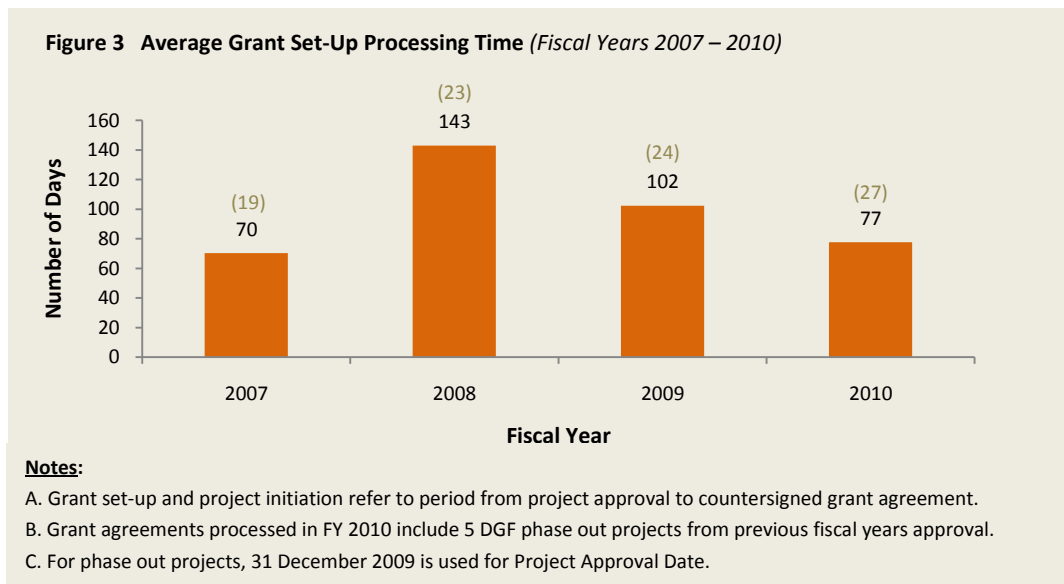
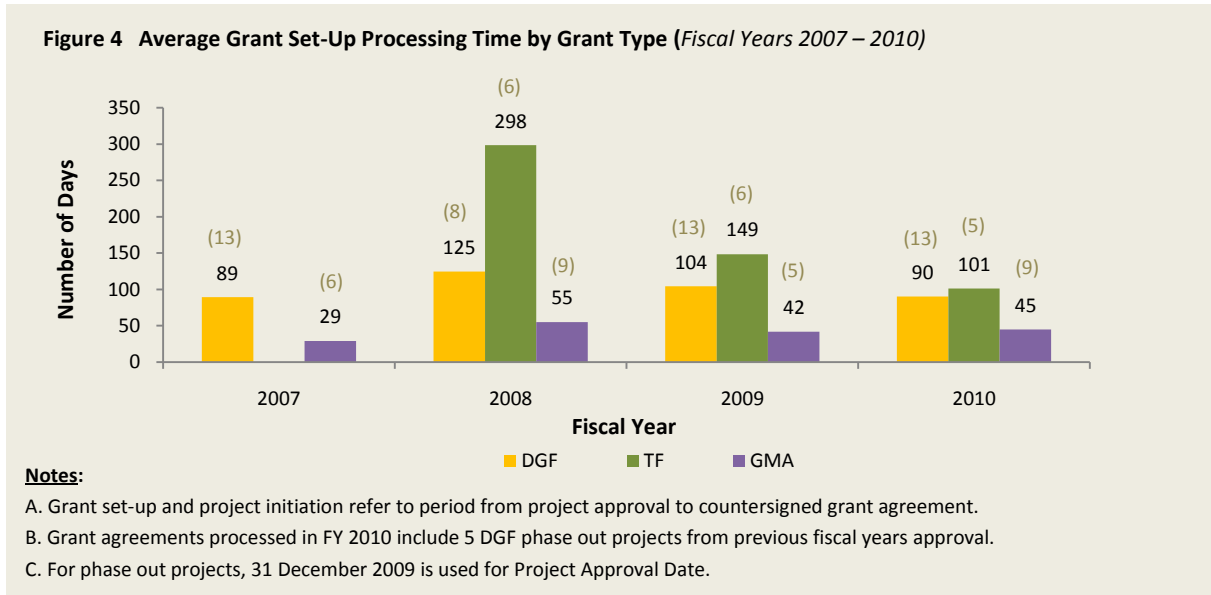


Figure 4 illustrates the overall average grant set-up processing time by grant agreement type: (1) Development Grant Facility (DGF); (2) Trust Fund (TF); and (3) Grant Manager Agreement (GMA). Over the last four fiscal years, GMA shows the lowest average processing time of the three grant agreement types, followed by DGF and TF.



For GMA grants, FY 2007 showed the lowest average processing time with 29 days (for 6 grant agreements processed). The average processing time almost doubled in FY 2008 to 55 days (for 9 grant agreements processed). In FY 2009, the number decreased to 42 days (for 5 grant agreements processed), followed by a slight increase to 45 days (for 9 grant agreements processed) in FY 2010.

Between DGF and TF grant agreements, DGF had a lower average processing time than TF:

1. **FY 2007:** The average processing time for DGF was 89 days (for 13 DGF grant agreements processed). No TF grant agreements (for Third Party recipients) were processed in FY 2007.
2. **FY 2008:**
 - a. **DGF:** The average processing time for DGF increased to 125 days (for 8 DGF grant agreements processed) in comparison with the previous fiscal year.
 - b. **TF:** The average processing time for TF was 298 days (for 6 TF grant agreements processed).
3. **FY 2009:** The average processing times for DGF and TF decreased in this fiscal year.
 - a. **DGF:** 104 days (for 13 DGF grant agreements processed).
 - b. **TF:** 149 days (for 6 TF grant agreements processed).
4. **FY 2010:** The average processing time for DGF and TF decreased further in this year.
 - a. **DGF:** 90 days (for 13 DGF grant agreements processed).
 - b. **TF:** 101 days (for 5 TF grant agreements processed).

3. PROJECT APPROVAL AND GRANT SET-UP PROCESSING TIMES IN FY 2009 – 2010 BY GRANT SIZE AND GRANT AND RECIPIENT TYPES

This section will review and compare the average processing time for project approval by grant size in FY 2009 and 2010. Grant set-up processing time for the same period is also analysed further by grant and recipient types.

3.1 PROJECT APPROVAL PROCESSING TIME BY GRANT SIZE

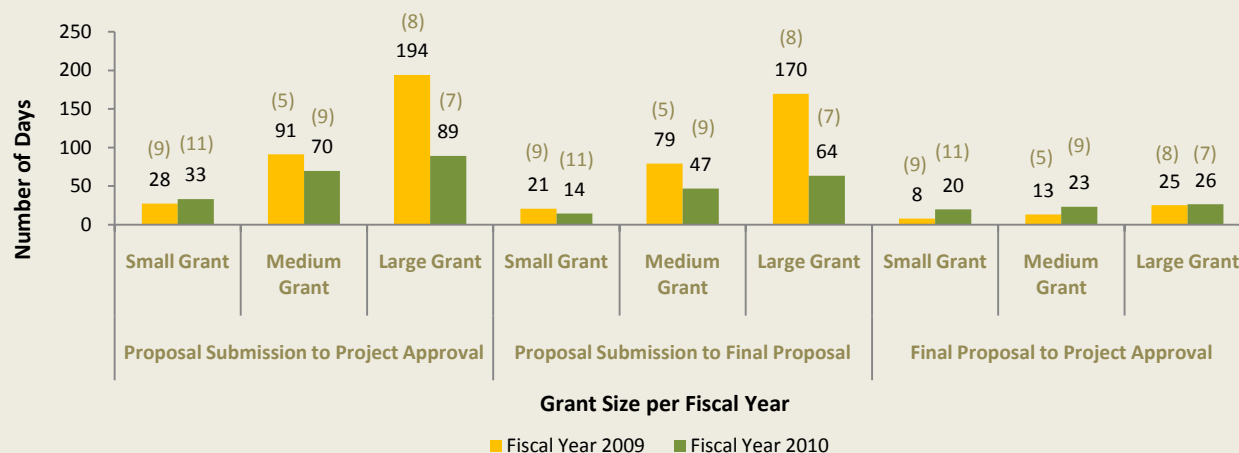
Figure 5 illustrates the average processing time by grant size for proposal submission to project approval in FY 2009 and 2010. It includes the following information: (1) Proposal submission to final proposal; and (2) Final proposal to project approval.

For the proposal submission to final proposal: (1) The average processing time for small grant slightly decreased from 21 days in fiscal year 2009 (9 projects) to 14 days in fiscal year 2010 (11 projects); (2) The average processing time for medium grant decreased from 79 days in fiscal year 2009 (5 projects) to 47 days in fiscal year 2010 (9 projects); and (3) The average processing time for large grant greatly decreased from 170 days in fiscal year 2009 (8 projects) to 64 days in fiscal year 2010 (7 projects).

For the proposal submission to project approval: (1) The average processing time for small grants increased slightly from 28 days in FY 2009 to 33 days in FY 2010; (2) The average processing time for medium grants decreased from 91 days in FY 2009 to 70 days in FY 2010; and (3) The average processing time for large grants decreased significantly from 194 days in FY 2009 to 89 days in FY 2010.

For the final proposal to project approval, the data shows a slight increase for all three grant sizes. The average processing time increased in FY 2010 compared with the average processing time in FY 2009 for all three: (1) for small grants, from 8 days in FY 2009 to 20 days in FY 2010; (2) for medium grants, from 13 days in FY 2009 to 23 days in FY 2010; and (3) for large grants, the processing time was 25 days in FY 2009 and 26 days in FY 2010.

Figure 5 Average Proposal Approval Processing Time by Grant Size (Fiscal Years 2009 – 2010)



Notes:

- Number of projects refers to number of projects selected for this review, not number of projects approved per fiscal year.
- For phase out projects, 31 December 2009 is used for Project Approval Date.
- Grant Size: (1) Small Grant: US\$75,000 or less; (2) Medium Grant: US\$75,000 to US\$250,000; and (3) Large Grant: over US\$250,000.

3.2 GRANT SET-UP PROCESSING TIME BY GRANT TYPE

Table 2 presents detailed data on grant set-up processing time by grant type for FY 2009 and 2010. Overall, the average grant set-up processing time (from project approval to countersigned grant agreement) decreased from 102 days in FY 2009 to 77 days in FY 2010. The average grant set-up processing time per grant type is as follows:

1. DGF – decreased from 104 days in FY 2009 to 90 days in FY 2010;
2. TF – decreased from 149 days in FY 2009 to 101 days in FY 2010;
3. GMA – increased slightly from 42 days in FY 2009 to 45 days in FY 2010.

Furthermore, the data shows that there was a significant decrease in processing time for proposal submission to countersigned grant agreement in FY 2010 compared to FY 2009:

1. Overall, the average processing time decreased considerably from 209 days in FY 2009 (22 projects and 24 grant agreements processed) to 136 days in FY 2010 (27 projects and 27 grant agreements processed);
2. For DGF, the average processing time decreased significantly from 236 days in FY 2009 (for 13 DGF grant agreements processed) to 116 days in FY 2010 (for 13 DGF grant agreements processed);
3. For TF, the average processing time decreased from 261 days in FY 2009 (for 6 TF grant agreements processed) to 228 days in FY 2010 (for 5 TF grant agreements processed); and
4. Despite the trend towards lower average processing times overall in FY 2009 and 2010, the average processing time for GMA grants increased during that period, from 78 days in FY 2009 (for 5 GMA grant agreements processed) to 115 days in FY 2010 (for 9 GMA grant agreements processed).

Overall average processing time for total grant agreement drafting *and* internal clearances, the data shows a decrease in the last two fiscal years, from 81 days in FY 2009 to 58 days in FY 2010.

Breaking the data down by grant agreement type, the average processing time for total grant agreement drafting *and* internal clearances in FY 2009 and 2010 showed a similar trend, with DGF and TF decreasing and GMA increasing:

1. DGF – decreased from 83 days in FY 2009 to 58 days in FY 2010;
2. TF – decreased from 121 days in FY 2009 to 89 days in FY 2010;
3. GMA – increased from 28 days in FY 2009 to 40 days FY 2010.

Table 2 Average Grant Set Up Processing Time (in days)*Fiscal Years 2009 – 2010*

	Fiscal Year 2009				Fiscal Year 2010			
	Overall	DGF	TF	GMA	Overall	DGF	TF	GMA
Number of Grant Processed	24	13	6	5	27	13	5	9
Proposal Submission <u>to</u> Countersigned Grant Agreement Received from Recipient	227	257	284	81	146	125	243	122
Proposal Submission <u>to</u> Project Approval	108	132	114	37	60	26	127	71
Proposal Submission <u>to</u> Countersigned Grant Agreement	209	236	261	78	136	116	228	115
Project Approval <u>to</u> Countersigned Grant Agreement Received	120	126	171	44	87	100	116	52
Project Approval <u>to</u> Countersigned Grant Agreement	102	104	149	42	77	90	101	45
1st Grant Agreement Drafting <u>and</u> Internal Clearances	36	35	52	20	34	23	64	32
1st Grant Agreement Draft Sent to Recipient for Review <u>to</u> 1st Draft Received from Recipient	19	24	15	12	14	19	7	11
Final Grant Agreement Drafting <u>and</u> Internal Clearances	45	48	69	8	24	35	24	8
Signed Grant Agreement Sent to Recipient <u>to</u> Counter Signature Received from Recipient	26	28	38	8	21	27	24	12
Total Grant Agreement Drafting <u>and</u> Internal Clearances	81	83	121	28	58	58	89	40

Notes:

A. Number of projects refers to number of projects selected for this review, not number of projects approved per fiscal year.

B. Grant agreements processed in FY 2010 include 5 DGF phase out projects from previous fiscal years approval.

C. For phase out projects, 31 December 2009 is used for Project Approval Date.

3.3 GRANT SET-UP PROCESSING TIME BY GRANT RECIPIENT TYPE

Table 3 presented data on grant set-up processing time by grant recipient type: (1) World Bank; (2) UN-HABITAT; (3) GTZ; (4) UNEP; and (5) Third Party. For further analysis, the Third Party grant recipient is categorised into the following organisation type:

1. National Government;
2. Municipal/Sub-National;
3. Academia/Research Institutes;
4. Network/Association/Foundation.

Table 3 Average Grant Set-Up Processing Time by Grant Recipient Type (in days)*Fiscal Years 2009 – 2010*

Grant Recipient	Number of Grant Agreements Processed	Project Approval to Countersigned Grant Agreement Received from Recipient	Project Approval to Countersigned Grant Agreement	Total Grant Agreement Drafting and Internal Clearances
2009 Overall	24	120	102	81
National Government	2	150	125	108
Municipal/Sub-National	3	142	106	78
Academia/Research Institutes	2	54	48	50
Network/Association/Foundation	4	151	141	102
WB	5	44	42	28
UN-HABITAT	6	122	101	83
UNEP	2	246	208	177
2010 Overall	27	87	77	58
National Government	1	173	163	77
Municipal/Sub-National	3	106	80	60
Academia/Research Institutes	4	101	91	78
WB	9	52	45	40
UN-HABITAT	4	108	104	67
GTZ	4	86	76	54
NGOs/Civil Society	1	99	93	91
NZAID	1	113	105	54

Notes:

A. Number of projects refers to number of projects selected for this review, not number of projects approved per fiscal year.

B. Grant agreements processed in FY 2010 include 5 DGF phase out projects from previous fiscal years approval.

C. For phase out projects, 31 December 2009 is used for Project Approval Date.

Table 3 indicates the average processing time from project approval to countersigned grant agreement in FY 2009 and 2010 for different grant recipients which was as follows:

1. World Bank – increased from 42 days in FY 2009 to 45 days in FY 2010;
2. UN-HABITAT – increased from 101 days in FY 2009 to 104 days in FY 2010;
3. UNEP – 208 days in FY 2009 (no grant agreements in FY 2010);
4. GTZ – 76 days in FY 2010 (no grant agreements in FY 2009);

5. Third Party – decreased from 130 days in FY 2009 to 111 days in FY 2010. This number breaks down as follows for the four types of Third Party recipients:
 - a. National Government: increased from 125 days in FY 2009 to 163 days in FY 2010;
 - b. Municipal/Sub-National: decreased from 106 days in FY 2009 to 80 days in FY 2010;
 - c. Academia/Research Institute: increased from 48 days in FY 2009 to 91 days in FY 2010;
 - d. Network/Association/Foundation: 141 days in FY 2009 (no grant agreements in FY 2010).

The average processing time for grant agreement drafting *and* internal clearances in FY 2009 and 2010 was as follows:

1. World Bank – increased from 28 days in FY 2009 to 40 days in FY 2010;
2. UN-HABITAT – decreased from 83 days in FY 2009 to 67 days in FY 2010;
3. UNEP – 177 days in FY 2009;
4. GTZ – 54 days in 2010;
5. Third Party – decreased from 87 days in FY 2009 to 71 days in FY 2010. The breakdown by organisation type is as follows:
 - a. National Government: decreased from 108 days in FY 2009 to 77 days in FY 2010;
 - b. Municipal/Sub-National: decreased from 78 days in FY 2009 to 60 days in FY 2010;
 - c. Academia/Research Institute: increased from 50 days in FY 2009 to 78 days in FY 2010;
 - d. Network/Association/Foundation: 102 days in FY 2009.