

Funding Guideline

Individual Projects

CSO co-financing in developing countries

Please note that the present document is not an official translation.
In case of any discrepancies, the German version shall prevail.

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1. Background and aims

Within the framework of the bilateral programme and project support of the Austrian Development Agency (ADA), projects are promoted which sustainably improve **the living conditions** and **development perspectives** of the **population in developing countries** and contribute to poverty reduction. The principles and objectives of international targets such as the Agenda 2030 (Sustainable Development Goals), the Addis Ababa Action Agenda on Financing for Development, and the Busan Partnership for Effective Development Co-operation are taken into account and all ADA projects shall contribute to their achievement.

The funding instrument “**Individual projects - CSO co-financing in developing countries**” applies to projects in developing countries according to the OECD’s Development Assistance Committee/DAC’s definition which are implemented by development organisations in cooperation with local partner organisations.

2. Legal bases

- Development Cooperation Act (DCA), BGBl. I No. 49/2002 in the current version.
- Three-Year Programme on Austrian Development Policy in the current version.
- Additionally, the Regulation of the Ministry of Finance regarding General Guidelines for the granting of subsidies from federal funds 2014 in the current version (ARR) applies.

3. Eligible applicants, eligible projects, amount of funding

3.1 Eligible applicants

Eligible applicants are **development organisations**¹ as defined by clause 3 (2) of the Development Cooperation Act. Individuals are not eligible to apply. No later than the time of submission of the application, the development organisation must have a permanent operating center or establishment in Austria.

The projects must be planned and implemented in collaboration with one or more **local partner organisation(s)** – Civil Society Organisations (CSOs)² – which is/are registered in the partner country.

Organisations currently implementing a Framework Programme or a Strategic Partnership with funding from ADA in **Southern Regions** are **not eligible** for funding of individual projects in **Southern Regions** (see list of countries under www.entwicklung.at).

Organisations currently implementing a Framework Programme or a Strategic Partnership with funding from ADA in **Eastern Regions** are **not eligible** for funding of individual projects in **Eastern Regions** (see list of countries under www.entwicklung.at).

3.2 Eligible projects

Eligible projects aim at **poverty reduction, good governance, human security** and the **preservation of a liveable environment** according to the Sustainable Development Goals (SDGs) and the Three-Year Programme on Austrian Development Policy. Thematic foci are rural development, food security, water supply and sanitation, education, human rights and peacebuilding, disaster preparedness, environment and climate change as well as migration and development. Projects must be implemented in developing countries (according to the OECD's Development Assistance Committee/DAC's definition) and be in accordance with national and local strategies of the respective partner country.

A precondition for eligibility for funding is that

- projects are self-contained and have clearly defined goals;
- project activities are implemented in the partner country;

¹ A development organisation is defined by the Federal Act (DCA) as a non-profit legal entity under private law, provided that development cooperation is among its statutory objectives and its de facto operational activities. Institutions which carry out development cooperation as defined by Section 2, Subsection 3, in particular institutions of legally recognised churches and religious communities, regional and local governmental and administrative authorities and bodies governed by public law as well as businesses shall be deemed equivalent to development organisations.

² In special cases — e.g. if no suitable local NGO or other civil society organisation is available — ministries, local government authorities or other decentralised actors may act as local partners.

- projects are based on an analysis of problems, needs and potentials;
- relevant national and local actors are actively involved;
- projects aim to strengthen and build capacities of target groups and local project partner organisations;
- an adequate risk assessment (including suitable mitigation measures) and active risk management are provided for;
- projects are in accordance with the partner countries' development plans and ADA principles;
- adherence to environmental, gender and social standards is ensured;³
- project goals are achievable within a minimum of two years and a maximum of three years;
- projects are planned with a plausible and adequate budget.

Funding is not provided for

- projects devised solely for transporting persons or goods to a developing country or projects in which more than 50 percent of the expenditure are material costs (e.g. procurement of medical equipment and/or construction, including associated personnel costs);
- scholarships and associated travel costs;
- individual measures which are not part of, or relevant to, a project (e.g. one-off events, stand-alone studies).

³ See the Environmental, Gender and Social Impact Management (EGSIM-Manual): <https://ada.kontainer.com/cdownload/b4Tw8awc3Wbx/egsim-manual.pdf>

3.3 Amount of funding

Per individual project, the **minimum amount of funding** provided by ADA is **EUR 350,000**; the **maximum amount** is **EUR 600,000**.

The **funding rate** depends on the **country** in which the project is implemented.

Categorization and list of countries:

Individual projects South: <https://www.entwicklung.at> > Individual projects South

Individual projects East: <https://www.entwicklung.at> > Individual projects East

4. Funding conditions

Prerequisites for the allocation of funding are that the applicant has a **legitimate executive management**, and the implementation can be assumed to be well-executed based on available **technical, economic and administrative capacities**. ADA will ascertain eligibility, proper registration, seemly conduct of business and suitability.

The applicant must provide a **total project budget** and a **financing plan**, which fully accounts for all financial means for financing the project as well as the share of financial means contributed by different financing partners and the applicant's own funds.

The applicant must contribute **own funds** (e.g. donations, sponsorships) amounting to at least 10 percent of the total project costs, and these must be clearly identified and accounted for in the budget. Only financial contributions (i.e. in-cash in the form of funds) are accepted as own funds. In-kind contributions and funding from other public funding agencies are not accepted as own funds. If the own funds (10%) and the ADA funding are insufficient to cover the total project costs, additional own funds and/or third-party funds (funding from other public funding agencies) must be used for the total financing of the project.

If funding is granted, the **General Terms and Conditions to the ADA Grant Agreement for Support in the Field of Development Cooperation (AVB)** in the current version apply, as well as the **Environmental, Gender and Social Impact Management Manual**, and the **Guidelines for the Visibility of the Austrian Development Agency** in their current versions. These documents are available on the ADA website: www.entwicklung.at.

5. Eligible costs

Only those costs are **eligible** which are **directly related to the implementation of the project** and for which **proof of expenditure** must be provided. The costs must be presented in detail in the project budget and can consist of the direct and indirect costs listed in the project budget template in its current version.

6. Process of allocation of funding

6.1. Submission

Funding applications must be submitted via e-mail to ADA. Only complete applications which are submitted in the standard forms (available under www.entwicklung.at) and within the prescribed time limit will be considered for appraisal. The funding application may be submitted in German or English. The submission of documents in other languages requires prior consultation with the unit Civil Society International & Humanitarian Aid. An informative short description (in German or English) of the problem, goals, target groups and activities must be included in the funding application.

Submission **deadlines are published on the ADA website.**

The complete and signed funding application must be submitted within the stipulated period (deadline 24:00 CET/CEST) via e-mail to ADA's unit Civil Society International & Humanitarian Aid: zivilgesellschaft-international@ada.gv.at

The funding application consists of:

- Application form
- Logical Framework
- Project Budget
- Bank data sheet
- Environmental, Gender and Social Standards (EGSS) checklist
- Copy of the statutes of the organisation
- Extract from the register of associations, the company register or equivalent
- ADA Financial Health Form, not older than 3 years, completed and signed by an external/internal auditor or tax consultant, including the documentation required therein
- Proof of creditworthiness / financial soundness according to a recognized rating system (e.g. by Creditreform, Kreditschutzverband 1870, Bisnode, Crif, Dun & Bradstreet, Schufa, Moody's, Fitch, DBRS)

6.2. Appraisal and funding recommendation

Only applications that meet the requirements set out above in sections 3 and 4 will be considered.

The evaluation is carried out by a commission. The commission consists of at least three members appointed by the unit Civil Society International & Humanitarian Aid.

At the same time, in the case of projects with a total budget of over EUR 500,000, the environmental, gender and social risks of the planned project are assessed by the responsible ADA technical advisors, and possible suggestions for improvement are made. In the event of moderate or high environmental, gender or social risks, a specific study of the potential impact of the project and, if necessary, the development of an associated risk management and sustainability plan must be provided in accordance with the recommendations of the responsible technical advisors.

The evaluation of the applications is based on the following **criteria**:

- **Capacity** of the **applicant organization**
- **Capacity** of the **local partner(s)**
- **Cooperation** between the applicant organization and local partner(s)
- **Relevance** for target groups
- **Coordination** with other projects, initiatives and donors
- Quality of the **problem analysis**
- Quality of the **intervention strategy**
- Consideration of **EGSIM & cross-cutting issues**
- **Risk and risk management**
- Quality of **budget planning**

A presentation of the evaluation criteria and their weighting can be downloaded from the website.

Approximately eight weeks after the submission deadline, the applicants will be notified in writing of the outcome of the evaluation commission (funding **recommendation**, funding recommendation with conditions, or rejection). The **approval** of the funding respectively of the grant agreement is given by ADA's **managing director**. Only after signing the grant agreement does the funding recipient have a legal claim against the ADA.

7. No legal claim

There is no legal right to funding.

6. Final provisions

Entry into force: 01.04.2017

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The ADA unit Civil Society International & Humanitarian Aid is responsible for the development of the present guidelines.

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