

Q&A – Cfp:

Business Partnership Challenge 2026

What standards regarding compliance, integrity, conduct and ethical behavior are required from applicants, grantees, subgrantees, service providers and other project stakeholders?

Please see Point 1.9. of the [General Terms and Conditions](#) (Code of Conduct).

How is the disbursement of the grant executed?

Advance payments are not possible. Grantees must submit a progress report and an interim financial report every six months. ADA makes each disbursement upon verification of the substantive and financial accuracy of these reports. The disbursements correspond to the grant's share of the costs incurred (max. 50%).

The planned project will be implemented by various partners (companies, institutions, NGOs)

How can the costs of these partners be considered in the budget?

Partners contributing to the implementation of the project at cost are either the grantee, the grantees (consortium) or subgrantees. Please see [Guidance for budget preparation](#).

Partners providing services on a fee basis are considered external service providers and are subject to the procurement rules, which must be strictly adhered to in the interest of transparent use of public funds. (Please see GTC 1.3.3.)

Please note that in any case only a maximum of 50% of these costs can be covered by ADA grant.

While the call and guideline predominantly refer to enterprises and business partnerships, Section 2 ("Requirements for Applicants") also states that voluntary associations and non-profit foundations are eligible, provided that development cooperation forms part of their statutory purposes and actual business activities.

Please see [Invitation](#) (pt. 2.)

"Applicants eligible to apply for funding are, exclusively, • enterprises, • voluntary associations and non-profit foundations in the European Economic Area (Austria/EEA+) or Switzerland, under the proviso that development cooperation forms part of their statutory purposes and actual business activities, as well as • chambers, under the proviso that they engage in development cooperation in the meaning of section 2 par. 3 of Austria's Development Cooperation Act.

The Business Partnership Challenge 2026 is a Call primarily aimed at the Austrian and European private sector. In the evaluation of applications, economic and entrepreneurial benefits are key considerations. Applicants must convincingly demonstrate the cost-effectiveness of their projects.

Projects should provide direct operational advantages or long-term strategic value, such as increased competitiveness, access to new suppliers and consumer markets, or improved profitability.

Projects must also be economically sustainable, not directly part of the applicant's core business, and demonstrate long-term engagement in emerging and developing countries. One-off exports from the EEA without any ongoing local activity are not eligible.

We kindly ask for your understanding that, due to the competitive nature of this Call, we are unable to provide individual feedback on submitted applications.

We have a clarifying question after reviewing the guidelines:

- **On page 6, Under 3.2 Disbursement, it states that: "Applicants must contribute at least 50 percent in cash of the total project costs."**
- **On page 2, Under the Amount of Available Funds, it states that: "In every case, applicants must contribute at least 50 percent of the total project volume."**

We are trying to understand the requirements for the 50% contribution by the private sector company.

Please see [Guidance for budget preparation](#). Eligible costs are strictly linked to project activities.

The applicant's 50% contribution must be financed by the applicant itself and cannot come from other donors or projects.

In-kind contributions or benefits that do not involve cash flow are not eligible as part of the contribution.

However, this does not mean that the applicant must have the full amount available in a bank account. The purpose is to demonstrate, using meaningful financial figures, that the applicant has the financial capacity to successfully carry out the project. To assess this, applicants must submit the Financial Health Form, which uses the most recent balance sheets (preferably 2024/2023/2022) to evaluate whether the company has sufficient financial resources to cover its part of the project costs.

Can the purchase of the supply chain product such as cashew, cocoa, or coffee be eligible to show the Euro 500,000 cash purchase contribution?

No, it is not possible to use the grant to subsidize your core business.

With other grants, our company and European customers show in-kind leverage for the match. If I understand the terms of the requirements, in-kind leverage is not acceptable under this Business Partnership Challenge. Is this correct?

In-kind contributions or benefits that do not involve cash flow are not eligible as part of the contribution

In summary: The contribution must be financially supported by the applicant, but it does not have to be a cash deposit; what matters is that the applicant can demonstrate it has the resources to cover its share of the project budget.

While our project aligns well with the developmental objectives of the call, we understand that only Austria/EEA/Swiss-registered enterprises are eligible to apply as lead applicants.

It is correct that eligible applicants must have their head office in the European Economic Area (EEA) or Switzerland. Companies that do not meet this requirement may participate only as local partners in a project, for example as part of consortia.

As a non-European company, we would therefore only be able to participate as a local commercial partner in such a project. Before deciding whether to pursue this pathway further, we wanted to ask whether ADA typically provides guidance on how applicants identify Austrian or EEA-based enterprises (e.g. agribusiness, greenhouse, irrigation, or climate-solution companies) that have previously participated in Business Partnership projects and may be open to partnering with local operators.

Please note that we cannot provide recommendations for potential applicants in Austria or the EEA+. Doing so would exceed our capacities and could compromise the principle of open and fair competition underpinning this Call.

We are currently seeking an Austrian or EU/EEA/Swiss-based partner to jointly apply to the Austrian Development Agency (ADA) Business Partnership Challenge 2026, which supports sustainable private-sector projects in developing countries with funding of €500,000–€1,000,000.

Eligible applicants must have their head office in the European Economic Area (EEA) or Switzerland. Companies that do not meet this requirement may participate only as local partners in a project, for example as part of consortia.

Our non-European company would serve as the local implementation partner, while the selected partner would act as the eligible lead applicant.

Please note that we cannot provide recommendations for potential applicants in Austria or the EEA+. Doing so would exceed our capacities and could compromise the principle of open and fair competition underpinning this Call.

Seeking clarification on the eligibility criteria:

On Page two of the call for proposal the below is mentioned:

Applicants: Enterprises registered in Austria, in the European Economic Area (EU, Norway, Liechtenstein or Iceland) or in Switzerland – hereinafter referred to as “Austria/EEA+”

However, on page 8 the below criteria is mentioned:

Project member or partner is a company with a registered office, branch or permanent establishment in Austria. Kindly advise which one is correct

Eligible applicants are exclusively:

- Enterprises and chambers, provided that they engage in development cooperation in the sense of Section 2, Paragraph 3 of Austria's Development Cooperation Act; and
- Voluntary associations and non-profit foundations, provided that development cooperation is part of their statutory purposes and actual business activities,
- with their head office in the European Economic Area (Austria/EEA+) or Switzerland.
- Having a project member or partner with a registered office, branch, or permanent establishment in Austria is not a formal requirement. However, in the qualitative assessment, a contribution to engaging Austrian partners for Development Cooperation is considered an additional positive factor.

I am very interested in understanding the application process in greater depth, including any specific requirements, evaluation criteria, or supporting documents that applicants should prepare in advance. I would also appreciate knowing whether ADA plans to offer any information sessions, webinars, or opportunities to submit questions during the application period.

Any orientation materials, timelines, or points of contact you could share would be extremely helpful as I assess the alignment of my organisation's work with the objectives of the programme.

The Business Partnership Challenge 2026 follows a two-stage application process. The deadline for submitting the short application (Stage 1) is 12 April 2026, 23:59. Only applications that fully meet the formal requirements will be reviewed and shortlisted for Stage 2, where selected applicants will be invited to submit a full proposal.

Detailed information on eligibility requirements, evaluation criteria, and required supporting documents is provided in the Invitation, particularly in Sections 2 and 4. Questions regarding the Call may be submitted in writing to wirtschaft@ada.gv.at no later than three weeks before the application deadline. ADA will publish anonymized responses and clarifications on its website on a rolling basis, and at the latest 14 days before the submission deadline.

In addition, an online information session will take place on February 17, 2026, at 10:00 to address questions from applicants. Please use this link for the [Microsoft Teams-Meeting](#) to attend the online information session.

Meeting-ID: 340 629 067 795 8 | Passcode: qN3oJ7rP

I am writing to request clarification regarding the application guidelines for the Business Partnership Challenge 2026. Specifically, could you please confirm whether there is a maximum number of proposals that a single organization is allowed to submit?

Applicants are generally encouraged to focus on one project proposal. Within a single project, cooperation with partners in multiple countries is possible.

When submitting more than one project proposal, applicants must be able to provide their own contribution of at least 50 percent of the total project costs for each proposal submitted. This requirement will be taken into account during the partner assessment.

After reviewing the call documentation, we would kindly appreciate your clarification on the following points: Does this Call for Proposals foresee financial support for start-ups, or is it exclusively targeted at already established companies?

Startups are not part of the target group. To be eligible, applicant organizations must have been legally established and operational for at least three years and must demonstrate sufficient financial, organizational, and human resource capacities. Applicants must be able to show creditworthiness, economic stability, and a minimum own-funds contribution of 50%. As startups typically do not meet these criteria, they are generally not eligible for funding under this call.

Is there any list, platform, or matchmaking mechanism facilitated by ADA that identifies or connects Austrian companies interested in expanding investments and transferring technologies to OECD/DAC recipient countries?

No, we do not provide a list, platform, or matchmaking mechanism that connects companies with OECD/DAC recipient countries or vice versa. These services are not offered to Austrian or EEA+ or OECD/DAC countries' companies to avoid creating a competitive advantage.

We would highly appreciate any clarification or additional documentation that could help us better understand the collaboration opportunities within this Call.

An online information session will be organized on February 17, 2026, at 10:00 during which this issue and related aspects of the call can be explained in more detail. Please use this link for the [Microsoft Teams-Meeting](#) to attend the online information session. Meeting-ID: 340 629 067 795 8 | Passcode: qN3oJ7rP

We have the following questions regarding the Business Partnership Challenge 2026:
- Is an NPO registered in Austria or in the EEA an "eligible applicant"?
- If yes, does this NPO need a consortium partner from the private sector (company, chamber) registered in the EEA?

Eligible applicants are exclusively:

- Enterprises and chambers, provided that they engage in development cooperation in the sense of Section 2, Paragraph 3 of Austria's Development Cooperation Act; and

Voluntary associations and non-profit foundations, provided that development cooperation is part of their statutory purposes and actual business activities, with their head office in the European Economic Area (Austria/EEA+) or Switzerland.

Yes, a non-profit organization (NPO) with its head office in the European Economic Area (Austria/EEA+) is an eligible applicant. While having a partner from the private sector (such as a

company or chamber) is not required, efforts to involve the private sector in Development Cooperation are considered a positive factor.

Our organization would be keen to get involved and potentially submit a labor mobility-related project proposal together with partners in Austria and abroad. The call document, however, states eligibility for voluntary associations and "non-profit foundations". Could you please clarify which organizations this includes and excludes?

We are not a foundation but registered as a "gemeinnützige GmbH" in Germany. Our Articles of Association incorporate several non-profit purposes including the "promotion of development cooperation" (§ 52 Abs. 2 Nr. 15 of the German Revenue Code).

Yes, a German non-profit limited liability company (gemeinnützige GmbH, gGmbH) is eligible to apply both as a lead and as a co-applicant, provided that:

- development cooperation is explicitly included in its statutory objectives, and
- development cooperation is part of its actual activities, not only stated formally.

Would our organization be eligible to participate in the Challenge as a lead or as a co-applicant?

Please note that for labor mobility-related projects, it must be ensured that training activities primarily serve the local labor market (a prerequisite for ODA eligibility) in the target country. ADA's Business Partnership Program does not support the placement or recruitment of workers from target countries for employment in developed countries.

Do you offer presentations and training so that I can do everything correctly when applying and submitting?

An online information session will take place on February 17, 2026, at 10:00 to address questions from applicants. Please use this link for the [Microsoft Teams-Meeting](#) to attend the online information session.

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We are a NGO based in a non-European country collaborating with local enterprises and foundations. We seek a partnership with an Austrian/EU-based entity to co-fund a project worth €500,000–€1,000,000, focusing on private-sector growth and job creation.

Please note that we cannot provide recommendations for potential applicants in Austria or the EEA+. Doing so would exceed our capacities and could compromise the principle of open and fair competition underpinning this Call.

Can this Call be used by Austrian companies or companies registered with their headquarters in one of the EEA countries or Switzerland to:

- establish subsidiaries or operational branches in OECD/DAC recipient countries, and

- **invest in existing local companies in order to develop new technological or production lines, which could serve as demonstrative models for achieving compliance with EU acquis standards?**

Please read carefully the Guidance for budget preparation. Assets remaining with the grant recipient are only eligible for funding through depreciation. However, assets transferred to local partners or low-value assets (up to €1,000) may be fully funded.

The grant cannot be used to acquire or purchase local companies or to increase the value of the applicant's company.

However, subject to this restriction, Austrian companies and companies headquartered in EEA countries or Switzerland may use this call to establish subsidiaries or operational branches in OECD/DAC recipient countries. They may also use it to cooperate with existing local companies in developing new technological or production lines that demonstrate compliance with EU acquis. All investments must be strictly project-related.

Does this Call for Proposals foresee financial support for start-ups, or is it exclusively targeted at already established companies?

This call targets established companies. The applicant has been in existence for more than three years and has the administrative, technical, and financial capacity to successfully carry out a project. At least 50% of the project costs must be financed by the applicant.

In the preceding variant of the Business Partnership program, ADA had a list of priority countries. I was wondering whether this was still the case?

Potential partner countries are ODA recipient countries according to OECD/DAC. <https://www.oecd.org/content/dam/oecd/en/topics/policy-sub-issues/oda-eligibility-and-conditions/DAC-List-of-ODA-Recipients-for-reporting-2025-flows.pdf>

I note the 2. Requirements for Applicants lists voluntary associations and non-profit foundations as possible. Please could you let me know if a UN agency would be possible as an applicant?

Eligible applicants are exclusively:

- Enterprises and chambers, provided that they engage in development cooperation in the sense of Section 2, Paragraph 3 of Austria's Development Cooperation Act; and
- Voluntary associations and non-profit foundations, provided that development cooperation is part of their statutory purposes and actual business activities,

with their head office in the European Economic Area (Austria/EEA+) or Switzerland.

If at least one partner meets the requirements stated above, additional partners are qualified to participate in the project financially or with contributions of other monetary value. For calculation of the funding amount, the contributions made by these partners are also considered own contributions.

That means that a UN agency may participate as a member of consortium led by an eligible applicant (e.g. enterprise, please see above).

Can you please confirm whether the minimum total project costs is 500,000 EUR (with grant funding from ADA for 250,000 EUR and own contribution of 250,000 EUR), or if it is 1,000,000 EUR (with grant funding from ADA for 500,000 EUR and own contribution of 500,000 EUR)

As stated on page 2 of the Invitation, ADA provides grants between EUR 500,000 (min.) and EUR 1,000,000 (max.) per project and contributes a maximum of 50 percent of the total project costs. In every case, applicants must contribute at least 50 percent of the total project volume. This means that the minimum total project cost is EUR 1,000,000.

Can you please confirm whether the entire co-financing amount (own contribution, minimum of 50%) can be provided by the subgrantee, and not by lead applicant? (for example, in case of a NGO lead/private sector sub-grantee)

Given that the Business Partnership Challenge 2026 primarily targets the Austrian and European private sector, the co-financing amount is expected to be provided by the private sector lead applicant and not by the sub-grantee.

Is it required to have a local partner to implement the project?

A competent and reliable project team in the partner country is a key factor for project success. This team can be part of the applicant's local subsidiary or a trusted local business partner. The Grant Application (p. 3) should provide information about your local partner(s), their role in the project, and the nature of your collaboration. The composition of the project team is also an important criterion in the qualitative assessment of the proposed project (see [Invitation](#), p. 8).

Could you kindly clarify whether local NGOs based in Afghanistan are eligible to apply for this grant solely for implementation within Afghanistan?

Eligible applicants include enterprises, chambers, voluntary associations, and non-profit foundations only if they are registered in the EEA+/Switzerland.

However, local NGOs may join the project as:

- Local partners,
- Sub-grantees,
- External service providers (in line with procurement rules), or
- Member of a consortium of applicants providing its own contribution. The consortium must be led by an eligible applicant (see previous definition).

Are sub-grants to third parties (for example seed grants for small business initiatives) eligible costs within the Business Partnership Challenge 2026?

Yes. Sub-grants are permissible. Applicants may allocate part of the ADA grant to third parties as sub-grantees, provided this is described in the application. The lead applicant remains fully responsible for the actions and compliance of sub-grantees. Please also note that, if a sub-grantee receives funding of EUR 100,000 or more, the sub-grantee is required to submit documents demonstrating its financial soundness (Financial Health Form, proof of creditworthiness, extract from the commercial register, and annual financial statements for the past three years).

Do country offices of intergovernmental/UN-organizations qualify as local partners?

Eligible applicants are exclusively:

- Enterprises and chambers, provided that they engage in development cooperation in the sense of Section 2, Paragraph 3 of Austria's Development Cooperation Act; and
- Voluntary associations and non-profit foundations, provided that development cooperation is part of their statutory purposes and actual business activities, with their head office in the European Economic Area (Austria/EEA+) or Switzerland.

If these fundamental requirements are met, country offices of intergovernmental or UN organizations may participate as local partners in the Business Partnership Challenge 2026.

Would business-facing units of overall non-profit organisations be eligible? Meaning profitability is a driver, although any profits are reinvested in impact later and elsewhere...

Yes. Eligible applicants explicitly include voluntary associations and non-profit foundations—provided that development cooperation is part of their statutory purposes and their actual activities. Projects must be driven by an entrepreneurial spirit and comply with all other requirements.

How many countries can be targeted? How many proposals can be submitted?

Countries: The Call is global and open to all ODA-recipient countries; there is no maximum number of target countries per project.
Number of proposals: There is no formal cap; however, we recommend focusing on one proposal. If submitting multiple proposals simultaneously, the applicant must also be able to provide the ≥50% own contribution for all proposals submitted simultaneously.

Does ADA provide support in identifying Austrian company or companies with clear connection with Austria?

No. We do not offer matchmaking or recommendations for potential Austrian/EEA+/Swiss partners, to preserve open and fair competition.

Are there any restrictions or eligibility constraints for an Austrian NGO to act as the lead organization of a consortium when submitting a proposal together with a local company?

The Business Partnership Challenge encourages primarily private businesses (companies, enterprises) to submit their proposals. An Austrian (or EEA+/Swiss) NGO may act as lead applicant if it meets all eligibility criteria (registered in EEA+/Switzerland, >3 years of existence, and with sufficient administrative, technical and financial

capacity) and if the project proposal is driven by an entrepreneurial spirit. A local company can join as a partner, sub-grantee or service provider as per the rules.

Can a local partner in a developing country be a related party? Meaning that the owner of the Austrian company that will be applying for the grant and the local partner company is the same person?

The relationship between the company that applies for funding and its local partner(s) as well as the ownership structure must be explained transparently in the project proposal. We recommend adding an organizational chart. Subsidiaries of the applicant or a joint venture between the applicant and a local business partner can act as local partners in the project. Due to the ownership structure, they are not considered as a third party but as part of the applicant. The ownership structure is highly relevant for the budget and for the eligibility of costs, please see [Guidance for budget preparation](#). In addition, please consider that applicants and grant recipients must promptly notify ADA of any actual or potential conflict-of-interest conflicts and adhere to market-based pricing and procurement rules.

Could the 50 percent cofinancing (own contribution) be used to pay core business activities?

No. The 50% own contribution is used to finance project-specific, development-relevant activities, not routine commercial operations.

Regarding the "core-business": Can the grant be used to help local companies establish themselves in locations such as refugee camps where a market for their goods and services is yet to be developed (for instance by paying the rent and equipment for offices and storage facilities? Is that considered core business?

In the application the applicant is required to explain its core business. As the Business Partnership Challenge (BPC) encourages primarily private businesses (companies, enterprises) to submit their proposals, please consider that the BPC might not be the appropriate instrument for the kind of support your project needs.

One of the documents requested is the "Proof of creditworthiness/financial soundness according to a recognized rating system". What can be provided when applicant is a non-profit foundation?

Please provide a recognized external rating (e.g., Creditreform, CRIF, D&B, etc.) and the ADA Financial Health Form (signed by auditor/tax consultant) as requested at Stage 1. These requirements apply to all applicants.

In one of the answers to the questions it was mentioned that the co-financing amount is expected to be provided by the private sector lead applicant. If one of the applicants is a non-profit organization, could this organization provide the co-funding?

Co-funding must total at least 50% of the project costs. If there is a consortium of applicants, the co-financing amount is expected to be provided by the members of the consortium, primarily by the lead applicant. A non-profit organization can act as the lead applicant, if all financial capacity criteria are met, if it provides its own contribution and if no other donor/project contributions are presented as own funds. In-kind contributions without a cash flow cannot be considered.

Is it possible to send a short summary by email to assess whether the project would be eligible for funding?

Due to the highly competitive nature of the selection process a pre-screening of the proposals is not possible. We are happy to answer general questions by e-mail and publishes anonymized answers. Please check if your question has already been answered and published.

Can organisations that already receive ADA funding apply for other projects?

Generally, yes. This call does not exclude current ADA grant recipients. Each application is assessed on its own merits against formal and qualitative criteria and available funds. Please note that received funding from ADA or other public donors cannot be considered as part of your own contribution.

For the consortium, is it mandatory for the lead organization to have been operating for 3 years? For the partner organization (different from the local partner), must it be a company within the EEA?

Lead organisation: Yes. The applicant must have existed for more than three years and demonstrate adequate technical and financial capacity. At least one member of a consortium – preferably the lead applicant - must be registered in the EEA+/Switzerland. Other partners may be from outside EEA+, including the local partner country.

Are sub-grants to third parties (for example seed grants for small business initiatives) eligible costs within the Business Partnership Challenge 2026?

Yes. Sub-grants are permissible. Applicants may allocate part of the ADA grant to third parties as sub-grantees, provided this is described in the application. The lead applicant remains fully responsible for the actions and compliance of sub-grantees. The programme's financial rules require: strict documentation of expenditures, verification of actual costs, no use of grant funds for financial products (loans, etc.).

What about revolving funds?

Revolving funds are not eligible and cannot be part of the budget.

Is it a requirement for the local company to have been established for at least three years, or would it also be acceptable if the company is recently established?

This requirement applies to the applicant and to all applicants in a consortium.

Does the minimum project budget of EUR 500,000 allow for 50% co-funding (i.e., EUR 250,000 from ADA and EUR 250,000 from other sources), or does the EUR 500,000 refer exclusively to the ADA contribution?

The minimum amount for the ADA grant is EUR 500,000. ADA funds up to 50% of the total project costs. Therefore, the minimum total project volume is EUR 1,000,000.

How important / How strong is the weighting of the evaluation criteria to have an Austrian project partner?

Having an Austrian partner is not a formal requirement, but it positively influences qualitative scoring.

Can the local partner be a subsidiary of the European / Swiss main applicant?

Yes. Local partners do not need to be locally owned, and subsidiaries of an EEA+ company can participate.

Is it mandatory to have an NGO or NPO as part of the project consortium?

No. NGOs/NPOs may join as applicants, partners, sub-grantees, or service providers, but their participation is not mandatory. The Call is primarily targeted at the private sector, but any eligible entity (enterprise, chamber, NGO/NPO) can be the applicant.

You have stated that “The applicant has been in existence for more than three years and has the administrative, technical, and financial capacity to successfully carry out a project.” a. Is there a minimum turnover criterion for the lead applicant. b. If a lead applicant (from the EU) also has a local entity established, can the lead applicant use that to demonstrate number of employees, technical and operational capacity?

There is no fixed turnover threshold. However, the applicant must demonstrate: financial capacity, creditworthiness, and ability to finance $\geq 50\%$ of project costs. This is assessed via the Financial Health Form and recent balance sheets. Yes. The applicant may present global organisational capacity, including staffing and technical resources of its local entity, as long as the legal lead applicant meets EEA+/Swiss registration and 3-year existence requirements.

Will only the presentation or also the stream available after the session available on the homepage?

Both the presentation and the recording/stream will be available on the ADA website.

Must the 50% contribution be provided exclusively by the private company, or can it be a combination of contributions from the private company and non-private consortium members?

The contribution must be provided by the applicant/consortium from private sources.

In the guidelines for the call, where it reads local partners – refers to partners other than Consortium partners?

Yes. The call distinguishes between: Applicants / consortium members (who sign the agreement), and local partners participating in implementation but not signing the grant agreement.

Can you clarify whether the lead applicant must be a private-sector company, or whether a non-profit can apply if a private company is the main commercial partner?

The Business Partnership Challenge encourages primarily private businesses (companies, enterprises) to submit their proposals. An Austrian (or EEA+/Swiss) NGO may act as lead applicant if it meets all eligibility criteria (registered in EEA+/Switzerland, >3 years of existence, and with sufficient administrative, technical and financial capacity) and if the project proposal is driven by an entrepreneurial spirit.

Are there any focus countries for this call for proposals?

The Call is global and open to all ODA-recipient countries; there are no focus countries specified for the Challenge itself. However, in the qualitative assessment it is considered positively if the project takes place in a focus country or region of ADA.

Any preferred for geographical areas? Or multiple countries?

Projects may target any ODA-recipient countries, including multiple countries within one proposal. In the qualitative assessment it is considered positively if the project takes place in a focus country or region of ADA.

Is a farmer cooperative considered as a local SME?

Yes – if formally registered as a local company/institution, a cooperative can be considered part of the local private sector for project implementation.

Is there a preference for the lead applicant to be a private company or an NGO?

The Business Partnership Challenge encourages primarily private businesses (companies, enterprises) to submit their proposals. An Austrian (or EEA+/Swiss) NGO may act as lead applicant if it meets all eligibility criteria (registered in EEA+/Switzerland, >3 years of existence, and with sufficient administrative, technical and financial capacity) and if the project proposal is driven by an entrepreneurial spirit.

For the matching fund, can the company raise a commercial long-term loan and use it as matching fund?

No, a commercial long-term loan cannot be used as matching fund. Demonstration of financial capacity and liquidity is required.

There are docs mentioned without specifying who should provide them: ADA Financial Health Form and the Proof of creditworthiness

These documents must be provided by each applicant, including NGOs, companies, or chambers. Local partners must also submit them if they claim \geq EUR 100,000 of the grant.

Although the Call allows for NPOs as lead applicants, the proposal templates are defined for companies. How to address this?

The Business Partnership Challenge encourages primarily private businesses (companies, enterprises) to submit their proposals. An Austrian (or EEA+/Swiss) NGO may act as lead applicant if it meets all eligibility criteria (registered in EEA+/Switzerland, >3 years of existence, and with sufficient administrative, technical and financial capacity) and if the project proposal is driven by an entrepreneurial spirit. NPOs must use the same templates.

Any limitation on number of pages/length of the sections in the proposal?

There is no explicit page limit. However, the proposal should focus on completeness, not length.

Is the required contribution expected to be provided exclusively in cash, or are in-kind contributions also eligible?

Contributions without cash flow are not eligible as part of the 50% matching requirement.

If a Swiss-based investment or holding company applies, does ADA require that the operational activities be conducted through a subsidiary, or can the parent entity act as the formal applicant?

No. The applicant must be registered in EEA+/Switzerland and meet all eligibility criteria. Operational activities may be carried out by subsidiaries, but this is not mandatory.

How does ADA evaluate the commercial viability of the proposed business model? What level of proof or evidence is expected at concept stage?

Evaluation relies on: financial soundness (Financial Health Form), prior experience and market understanding, plausible business model and revenue logic, alignment with SDGs and systemic market development.

For job creation targets, does ADA require formal employment contracts, or can seasonal and cooperative-based employment count?

Seasonal or cooperative-based jobs can count, provided that: they contribute to SDG 8 (decent work), and they are measurable and reported through project indicators.

Can you clarify what qualifies as eligible co-financing? For example, can in-kind technical contributions, staff time, or existing infrastructure count toward the 50%?

Only actual, documented expenditures count toward the required 50%. The following do NOT count as own contributions: in-kind technical support, staff time without payment, use of existing infrastructure, non-cash items.

Does the encouraged involvement of Austrian companies (qualitative criteria) also apply to Austrian NGOs?

Yes. The qualitative criterion encouraging Austrian involvement applies to Austrian organisations in general, including NGOs. This involvement is a positive factor, not a requirement.

Regarding the Financial Health Assessment for the Lead Applicant: Could you please specify the mandatory reporting period? Specifically, which fiscal years are required for the balance sheets (e.g., 2022–2024)? Furthermore, is there a defined minimum annual turnover threshold or a preferred financial capacity range that the lead entity must demonstrate to qualify for a project volume of this scale?

Applicants must submit the three most recent fiscal years of balance sheets, preferably 2025–2024–2023. If 2025 is not available, then 2024–2023–2022. The applicant must show sufficient financial capacity to implement a minimum EUR 1 million project (50% own funding). We assess: -capital structure, -stability, -liquidity, -creditworthiness.

ADA identifies a few focus countries on its website. Could you please confirm whether these are also the priority countries for this call?

The Call is global and open to all ODA-recipient countries; there are no focus countries specified for the Challenge itself. However, in the qualitative assessment it is considered positively if the project takes place in a focus country or region of ADA.

What is considered as the starting time of eligible costs. Only after confirmation of the partnership with ADA or also already spent cost of a project?

Eligible costs start only after the Grant Agreement enters into force. Costs incurred before contract signature are not eligible. This follows the standard ADA funding rules: no retroactive funding, costs must be project-related and within the approved timeframe.

Is it correct that a project with a total budget of less than €1 million is not eligible for funding?

Yes, correct. The minimum ADA grant is €500,000, and ADA co-funds max. 50% of total costs. Therefore, the minimum project volume is €1,000,000.

The cash contribution requirement is not clear. Does it mean the private sector company has to transfer money (only) to the implementing partner? the inkind/cash contribution part is not clear. Can you kindly give examples of budget items considered as cash VS inkind?

Cash contributions include actual, paid, and documented project expenditures by the applicant or consortium (e.g., staff salaries, equipment purchased, travel, rent, services). Contributions without cash flow cannot be counted as own contribution. Examples of cash items: Salaries actually paid to staff and supported by payroll records, purchased equipment (with proof of payment), office rental payments, travel expenses paid, consultant invoices paid. Examples of in-kind items (NOT eligible): Staff time without salary payments, volunteer time, donated materials/services.

Can large companies (according to the EU definition) also participate, or is the campaign limited to SMEs?

Large companies are fully eligible.

Can companies from private industrial sector from Kosovo or Albania apply for financing industrial projects like filling and packaging lines in order to buy the machines from an austrian company?

No. Only applicants registered in Austria/EEA+ or Switzerland are eligible. Companies registered in non-EEA+ countries (including Kosovo and Albania) may participate only as local partners, not as applicants. Projects aimed at purchasing machinery from Austrian companies are also not eligible if they represent core business expansion or one-off exports. Projects must contribute to market-system development, job creation, and systemic impact.

Could you please share some examples of successful businesses supported by ADA that have met all the eligibility criteria? It is not necessary to disclose the names of the companies; however, we would appreciate information on the types of activities implemented and the partnership models that qualified for support.

The full list of ADA-funded projects can be found here: <https://www.entwicklung.at/en/projects/all-projects>

Supported activities typically include:
-Developing sustainable agricultural value chains (e.g., farmer training, improving processing capacity)
-Establishing inclusive vocational training systems with local SMEs
-Introducing climate-friendly production technologies
-Creating new digital market linkages for local SMEs
-Strengthening local suppliers for European companies through technology transfer

Would a project focusing on supporting producers in a target country to improve export of produce to Europe be aligned with the call?

Potentially yes, but only if the project: contributes to SDG 8 and SDG 9 (job creation & SME strengthening), demonstrates development-additionality, strengthens local market systems, not just export logistics, avoids supporting one-off exports, which are explicitly excluded.

In your Q&A you state that the applicant's 50% contribution must be financed by the applicant itself and cannot come from other donors or projects, and that in-kind contributions are not eligible. ADA also notes that the full amount does not need to be available in a bank account, but that the applicant must demonstrate financial capacity using meaningful financial figures. Could you please elaborate on what this means in practice? In a consortium, can an INGO partner share the co-funding commitment, or must the full 50% be covered exclusively by the lead applicant?

The Own contribution must be financed by the applicant, not by other donors/projects. In-kind contributions are not eligible. Cash does not need to be pre-deposited, but the applicant must show adequate financial capacity in its Financial Health Form and balance sheets. The Business Partnership Challenge focuses on the private-sector, therefore, the private-sector lead applicant – preferably a company – is expected to provide the own contribution.

Thus: An INGO may contribute, but the private-sector lead is expected to shoulder the majority or full 50%.

If applying for 1M, 500K has to be co-funded. I understood correctly that this must be cash co-funding and cannot be in-kind?

Yes. Correct. The 50% must be cash-based, paid expenditures, not in-kind.

You mentioned that the co-financing amount is expected to be provided by the private sector lead applicant. If one of the applicants is a non-profit organization, could this organization provide that co-funding?

The Business Partnership Challenge focuses on the private-sector, therefore, the private-sector lead applicant – preferably a company – is expected to provide the own contribution.

Thus: A non-profit organization may contribute, but the private-sector lead is expected to shoulder the majority or full 50%.

Does this clause apply to lead applicant only, or also to co-applicants (consortium partners?): Enterprises and chambers, provided that they engage in development cooperation in the sense of Section 2, Paragraph 3 of Austria's Development Cooperation Act

Eligible to apply for funding are, exclusively,

- Enterprises and chambers, under the proviso that they engage in development cooperation in the meaning of section 2 par. 3 of Austria's Development Cooperation Act, as well as

- voluntary associations and non-profit foundations, under the proviso that development cooperation forms part of their statutory purposes and actual business activities, with their head office in the European Economic Area (Austria/EEA+) or Switzerland.

The applicant has been in existence for more than three years and has the administrative, technical, and financial capacity to successfully carry out a project. If at least one partner meets the requirements stated before, additional partners are qualified to participate in the project financially or with contributions of other monetary value. For calculation of the funding amount, the contributions made by these partners are also considered own contributions. Please consider that a consortium declaration must be signed by all partners.

Could you please clarify whether seed grants are eligible under the proposal for ex. for social startups, or other businesses?

Yes, sub-grants (“seed grants”) are eligible, provided they are: part of the approved project design, passed on as sub-grants, and the lead applicant remains fully responsible for compliance and reporting.

However: Seed grants must be cash-based, not in-kind. They must comply with procurement, due diligence, and risk management obligations.

Is it correct that the applicant can also be the foreign subsidiary of an Austrian company?

Yes. Any enterprise with its head office in EEA+/Switzerland qualifies. A subsidiary legally registered in an EEA+ country qualifies independently of the parent company. Local subsidiaries outside EEA+ cannot be applicants but may join as partners.

Will alignment with established standards such as the IFC Performance Standards contribute (eg as additional points) in the assessments?

Aligning with IFC Performance Standards demonstrates strong ESG compliance and therefore strengthens the qualitative score, though it does not give formal “extra points.”

Can one company apply for the standard business partnership program and this business challenge as well?

Yes. There is no restriction preventing organisations from applying to both instruments. Each application is assessed separately against its own rules and budgets. (Important: double financing is prohibited; the same activities cannot be funded twice.) If submitting multiple proposals simultaneously, the applicant must also be able to provide the $\geq 50\%$ own contribution for all proposals submitted simultaneously.

Would it be possible to apply for ADA program from Serbia or submit application through mother company in Austria?

Companies headquartered in EEA+/Switzerland are eligible. Serbia is not part of the EEA+; therefore: A Serbian company cannot apply as lead applicant. The Austrian (or EEA+/Swiss) mother company must act as the formal applicant. The Serbian entity may join as local partner or sub-grantee.

Could you share ADA focus countries/regions? a link where these are listed?

The link to ADA's focus countries/regions can be found here: <https://www.entwicklung.at/en/countries>

The Call is global and open to all ODA-recipient countries; there are no focus countries specified for the Challenge itself. However, in the qualitative assessment it is considered positively if the project takes place in a focus country or region of ADA.

Can a project be based on a scaling an ongoing project that receives public funds (from the Norwegian development fund)?

No – not if the same activities are being financed.

Key rules: The applicant's own contribution cannot come from other donors or projects. Double funding is prohibited.

However, you may propose a new, additional component that expands an existing initiative, as long as: the ADA-funded portion is clearly separate, there is added value, and no overlap with activities funded by other donors.

So just to clarify, does the proposal need to build on activities already ongoing with the partners, and demonstrate how the new funding will enable additional impact and ensure continuity and "additionality" of those existing initiatives? Is a EUR 200,000 project eligible? And is the DRC a priority country for ADA and the Austrian Development Cooperation? Thank you.

No – projects do not need to build on existing activities. It is still possible to support ongoing activity, if the project demonstrates "additionality", meaning the project must create development impact that would not happen without the ADA grant. For example, you may scale an existing initiative only if: the ADA-funded component is new, clearly separated from the ongoing work financed by others, and not double-funded.

No. The minimum ADA grant is €500,000, with a 50% co-financing requirement, resulting in a minimum total project volume of €1,000,000.

For the Business Partnership Challenge, all ODA-recipient countries are eligible. DRC is an ODA-recipient country and therefore eligible, though not one of ADA's institutional focus countries: <https://www.entwicklung.at/en/countries>

Personnel Costs: Are there specific regulations governing how personnel expenses (hours/costs) must be documented? Is a time tracking tool required? Or are there other possibilities?

Yes – there are specific requirements: Staff time must be recorded in a timesheet, including date, hours worked, and type of activity. The Budget Guidance explicitly provides a timesheet template (Appendix 1).

A simple time-tracking tool is not required, but time sheets are mandatory to satisfy audit requirements.

Does the entire co-funding need to come from the main applicant? Or can different applicants join forces and together contribute the 50%?

Since the Challenge is private-sector-oriented, the 50% own contribution is expected to be provided by the private-sector lead applicant. Consortium partners may contribute, but we expect the lead applicant to show the dominant financial commitment.

Regarding financial management, does the total project budget need to be held in a dedicated project bank account, and should all expenditures be made from that account?

No. It is only required that ADA funds be administered in the bank account specified in the agreement. A fully separate bank account is not required, but accounting must allow clear tracking of all project expenditures. Please see GTC 3. Financial Management: <https://www.entwicklung.at/en/ada/calls/calls-detail/business-partnership-challenge-2026>

Is the project required to be allocated to a separate cost center (or similar)?

While not required by name, the financial rules require separate project accounting, meaning: project transactions must be clearly identifiable, records must meet audit standards, expenditures must be traceable. A dedicated cost center is not mandatory, although highly recommended.

Could you elaborate more on where the partner co-funding can come from (e.g. investments, other donors, user payment by acquiring service/product, etc.)? Thank you!

Permitted sources: Own financial resources of the applicant/consortium.

Not permitted:

- Other donor funds
- Contributions without cash flow
- Volunteer time, unpaid labor, or use of existing facilities
- Loans
- CAPEX
- Revenue from users paying for services/products during the project

Is it allowed to apply for one project as an expansion project which includes basically two projects in different world areas to cover the 1M€ minimum investment criteria as they are anyway running at the same time or is this not allowed?

Yes, in principle, if: they form one integrated project, have one theory of change, share one set of objectives, follow one budget and reporting structure.

However, you cannot combine two unrelated projects solely to reach the funding threshold.

Is the 50% co-financing requirement applicable only to the lead applicant, or to all members of the consortium?

Technically, the consortium as a whole must reach 50%, but we expect the private-sector lead applicant to provide it, even if others contribute.

Is there a defined amount/% on the budget for the overhead costs?

There is no fixed overhead percentage stated in the Call or Guidance. However: Overheads must be real, documented costs, and must fit under “Other Costs” and be project-related.

Flat-rate or lump-sum overheads are not allowed.

Is the CAPEX of the applicant which will be spent in the target country considered as own contribution?

No. Permitted sources are own financial resources of the applicant/consortium.

How long does it take to process an application? When do you plan to finalize the award decision? Thank you!

The Call follows a two-stage process:

- Stage 1 short applications due 12 April 2026
- ADA evaluates → selected applicants invited to submit full application (Stage 2)
- Final decisions follow after Stage 2 submission and assessment

Since the overall timeline depends on several factors – including how quickly applicants provide complete and accurate documentation at each stage – it is difficult to give a precise duration. Our goal is for approved projects to start in Q4/2026 or Q1/2027.

The call seems to look for economic benefit in Austria/EEA (by an Austrian or EEA company). If a project fully benefits the target country (economically, socially); is this aligned with the call?

We are looking for mutual benefits, a benefit for the applicant (e.g., operational or strategic business value) and a clear developmental impact aligned with the SDGs – especially SDG 8 (decent

jobs/income) and SDG 9 (SME support/enterprise development). Proposals should convincingly address both dimensions in equal measure.

Regarding the 50% own contribution: is it okay to share this among consortium partners, with the lead applicant e.g. covering half of it?

Yes – but we expect the private-sector lead to contribute the majority or all of it.

So the business case should refer to the lead applicant, is that correct?

Yes. The business case must be primarily tied to the lead applicant, as we evaluate: commercial viability, financial capacity, contribution to the market system, long-term commitment. Consortium partners may contribute, but the lead applicant carries strategic and financial responsibility.

First of all, please advise can a lead applicant (Austrian company) and a local partner company in a developing country (Serbia in our case) be connected parties, meaning the owner of both companies is the same person?

Yes, this is possible.

Moreover, please advise can we have 2 local partners in 2 different countries, both based in developing countries.

Yes. Projects are allowed to be implemented in multiple ODA-recipient countries, and local partners may include companies, civil-society organizations, government bodies, or research institutions in each country.

Multiple local partners are therefore fully acceptable, provided that: each local partner is relevant to the project's implementation, the roles and responsibilities are clearly defined, and the overall project remains coherent within a single theory of change, budget, and reporting structure.