



# NGO Micro-Projects

*Co-financing of NGO micro-projects*

## ***Funding Guidelines***

An instrument of  
Austrian Development Cooperation (ADC)

Valid from July 2011

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Austrian  
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Please note that the present document is not a certified translation. In case of any discrepancies the German version shall prevail.

## 1. Aims

According to §1 of the Development Cooperation Act, projects may be funded through Austrian Development Cooperation's (ADC) bilateral programme and project aid if they sustainably improve the living conditions and development perspectives of the population in developing countries and help reduce poverty. The funding instrument for micro-projects is intended for organisations domiciled in Austria that carry out projects in developing countries with local partners for the direct benefit of the specific target group. The projects have to be completed within one year.

## 2. Legal and other bases

Development Cooperation Act, Federal Legal Gazette (BGBl.) I No. 49/2002 as most recently amended (DCA)

Three-Year Programme on Austrian Development Policy as most recently amended

General Terms and Conditions of the Austrian Development Agency (ADA) for Development Cooperation Funding as most recently amended (AVB)

## 3. Eligibility of applicants

Eligible applicants are **non-profit legal entities** such as societies, foundations, trade unions, regional or other public-law bodies and development organisations as defined in §3 (2) DCA, **domiciled in Austria**.

Individuals and organisations that have already carried out an individual project with ADC funding or that are permanent federal funding applicants are ineligible.

The applicant carries out the project together with a project partner in the project country, normally a local non-profit organisation<sup>1</sup>. The project partner as representative of civil society shares responsibility for the project planning and implementation. The applicant and local project partner must have sufficient operational and administrative competency to carry out the project.

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<sup>1</sup> 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 function as local partners.

## 4. Funding criteria

### 4.1 Geographical focuses

**Funding** is provided for projects in developing countries (as defined by the OECD Development Assistance Committee (DAC)).

### 4.2 Thematic focuses

**Funding** is provided for projects that pursue the following objectives in particular in accordance with the Millennium Development Goals and the Three-Year Programme on Austrian Development Policy:

- protection, improvement and sustainable use of natural resources
- gender equality
- human rights education and promotion of democracy
- local capacity building
- combating HIV/AIDS and its direct consequences

The strengthening of the target groups and local project partner through sustainable capacity building should be integrated as an essential component of project activities.

In all projects gender equality, environmental protection and the inclusion of disadvantaged groups such as children, elderly persons and persons with disabilities should be taken into account.

### 4.3 Thematic structural criteria

**Funding** is provided for projects that are self-contained and have clearly defined goals that can be achieved within one year with the resources listed in the project budget. The project activities must normally take place in the project country (with the exception of project-related public awareness raising and advocacy in Austria).

**Funding is not** provided for:

- projects in which more than 50% of the total costs are allocated for procurement (e.g. medical equipment) and/or construction (including requisite personnel expenditure)
- travel costs for project visits (from Austria to the project region) or material supplies (e.g. containers) because of the high cost ratio
- fellowships or studies, the associated travel costs, and individual measures that are not part of a project and relevant to it

### 4.4 Formal criteria

The funding application consists of

- application form including project description and timetable
- detailed project budget
- environmental impact assessment checklist
- gender equality questionnaire

*(see standard forms)*

Funding applications must be submitted as original documents and by e-mail to the NGO Cooperation desk of ADA. Only applications on the standard forms completed in full will be considered.

The funding application may be written in German or English. Documents in other languages require consultation with the NGO Cooperation desk. A brief and explicit description of the problem, goals, target groups and activities in German is to be included with the funding application.

Only one application per organisation will be considered per year.

#### **4.5 Budgetary criteria**

The maximum amount of ADC funding is EUR 5,000 per micro-project; the total project budget should not exceed EUR 20,000.

A contribution to the budget must come from the applicant's own resources. The applicant organisation's own resources must be at least 15% of the total project budget. The rest may come from outside sources (*see Definitions in the Annex*).

## **5. Submission deadlines and timetable**

### **5.1 Submission modalities**

The submission of a complete **funding application may be made at any time:**

Austrian Development Agency  
NGO Cooperation International  
Zelinkagasse 2  
1010 Vienna  
E-mail: nro-kooperation@ada.gv.at

### **5.2 Formal assessment**

Only those projects that meet the funding criteria in these Guidelines will be considered for detailed thematic study.

### **5.3 Thematic and qualitative assessment**

Apart from the funding criteria in these Guidelines the qualitative assessment of the project will include the following considerations:

- thematic priority
- logic and consistency of the project (goals, results, activities, timetable, organisational structure, reasonableness of the costs in the project budget)
- effectiveness (what will be achieved?) and efficiency (cost-benefit ratio) of the project
- participation of local project partner and recipient population in the project planning and implementation
- local capacity building
- cooperation and coordination with relevant local authorities and organisations
- administrative capacity, competency and commitment of the applicant and local project partner

## 5.4 Funding decision

A decision will be made by ADA on funding after clarification of possible questions and detailed study of the application. The applicant will be notified by ADA of the decision. In the event that funding is granted, a funding commitment will be sent to the applicant. The ADC funding will be transferred after completion of the project and after approval of the final report/final accounting by ADA.

## 6. Legal recourse

The decision to grant funding is made by ADA exclusively on the basis of these Funding Guidelines and the availability of budget resources. No legal recourse is possible regarding the decision.

**The ADA General Terms and Conditions for Development Cooperation Funding as most recently amended (AVB) must be observed when making the application.**

# Annex

## A.1. Definitions

The **project budget** includes all financial resources for project implementation.

On the basis of the project budget (*see section A.2*) a **financing plan** is drawn up by the applicant that shows the contributions of the individual financing partners and at least 15% of the applicant's own resources.

**The applicant's own resources** must come from Austria and be included as a financial contribution to the project. They must either be available or their availability at least demonstrated by means of binding assurances before the start of the project. Apart from the applicant's direct revenues or assets, funds raised privately (sponsoring, donations, etc.) also count as own resources; funding from public-law organisations or regional bodies are regarded as outside funding.

Contributions in kind by the applicant to the project do not count as own resources.

**Outside funding:** payments by public-law organisations, provincial authorities, regional corporations, etc., and monetary contributions by the local project partner.

**ADC funding:** public federal resources, i.e. resources from Austrian ministries. Federal resources may not exceed the valid ADC funding rate per project.

## A.2. Cost calculation

Only the actual documented costs directly associated with the project implementation will be recognised. The costs are to be listed in detail by the applicant in the project budget and may be composed of the following types of costs:

### Direct project costs

- personnel costs for persons directly involved in the project implementation, who should be recruited locally. Only in explicitly justified special cases may Austrian personnel be employed.
- material costs (project material, building and construction costs, vehicles, etc.) up to max. 50% of the total project costs<sup>2</sup>
- training costs (for local project staff or target groups)
- local supplies, energy costs, communication costs (telephone, Internet, etc.)
- costs for documentation and public awareness raising directly connected with the project in the project country and in Austria (events, publications, etc.) to max. 10% of the direct costs

### Indirect project costs = project administration costs

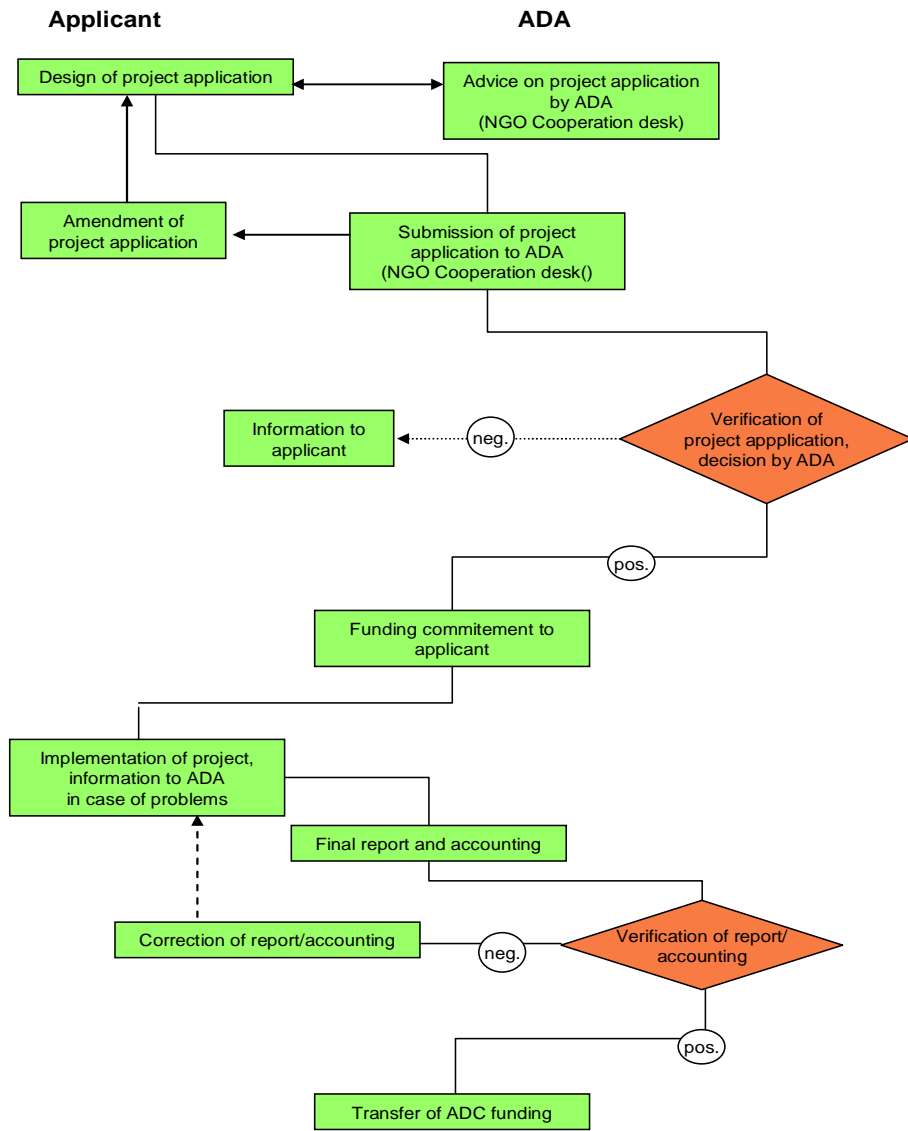
The indirect project costs or project administration costs (PBE) cover administrative costs (max. 8% of direct project costs) incurred by the applicant in Austria (*see PBE arrangement as most recently amended*)

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<sup>2</sup> All procurements should be purchased as economically as possible and should not cost more than the normal local prices. Materials are normally to be purchased in the project region or country except for those resources that are not locally available or only in much poorer quality or at an excessive price.



### A.3. Application and project implementation





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