

## Call for Proposals 2023 Fund for Small-Scale Municipal Development Cooperation Projects

An initiative to help municipalities get started with new activities and partnerships for municipal development cooperation

This year (2023), German municipalities can once again apply for a grant to implement small-scale projects under the 'Fund for Small-Scale Municipal Development Projects' (KPF).

This support is being offered by Engagement Global's Service Agency Communities in One World on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), which will provide the funds.

The purpose of the small projects fund (KPF) is to support municipalities in embarking on new activities and partnerships for municipal development cooperation. In so doing the KPF also aims to stimulate and deepen the development debate and engagement in German municipalities, and support the networking of relevant actors. A further aim is to promote inter-municipal dialogue with the Global South.

The Service Agency will be glad to advise entities interested in this funding, and the subsequent grant recipients, on professional and administrative aspects of submitting project proposals, implementing projects and reporting. Training courses will be held on these topics, and dialogue with other involved municipalities will be initiated. We recommend that those interested take part in these activities.

This is the 8th Call for Proposals. For all KPF projects under this Call for Proposals a total funding amount of up to EUR 630,000 has been earmarked, subject to the availability of budget funds.

This funding will be provided pursuant to Sections 23 and 44 of the German Federal Budget Code as a grant for projects of municipal development cooperation, in which the German Federal Government has a significant development-policy interest. The applicant has no legal entitlement to the award of funding. Funding decisions will be based on the requirements laid out in this Call for Proposals and the OECD-DAC criteria (relevance, impact, efficiency, effectiveness and sustainability).

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**ENGAGEMENT  
GLOBAL**

Service für Entwicklungsinitiativen



mit ihrer

**SERVICESTELLE**   
KOMMUNEN IN DER EINEN WELT

im Auftrag des



Bundesministerium für  
wirtschaftliche Zusammenarbeit  
und Entwicklung

## Guidelines for submitting a proposal

Please not the following when planning and subsequently implementing your project:

### 1. Who is eligible to apply

- Municipalities
- The city districts for the Land of Berlin and the city-state of Hamburg are eligible to apply in their own right.

Further information on the role of applicants and on actors to be involved:

- Joint proposals by several German municipalities and their partner municipalities are possible. In such cases one German municipality will act as the applicant and grant recipient for the project. The other municipalities may be third-party donors and/or be involved in implementation.
- The grant recipient may work together with municipally-owned companies and enterprises, as well as civil society organisations (e.g. local initiatives and associations) in Germany and abroad. These are considered to be further project actors. They will support the grant recipient in implementing the project, and have specific project-related competences and where possible a local link to the grant recipient or the project partner. Overall management of the project and accountability are always incumbent solely on the applicant, and may not be transferred to third parties.

### 2. What can be funded

- Only projects that involve municipal development cooperation are eligible. The term 'municipal development cooperation' encompasses all the development funds employed and the measures taken by German municipalities both in Germany and in partner countries. Its purpose is to promote sustainable global development aligned with the common good, and help improve economic and social development in the Global South.
- The development objective that the project aims to achieve may relate to one or more of the following areas:
  - Contributions toward implementing the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) at the local level, as envisaged by the Service Agency's Municipalities for Global Sustainability programme



- Fair trade and fair procurement at the local level
- International inter-municipal relationships and/or partnerships with municipalities and regions in emerging, transition or developing countries

Measures eligible for support in this context might be:

- Education and information work: education and information work to raise public awareness of development issues.
- Conceptual development/training: conceptual refinement of municipal development cooperation and training of local actors
- Joined-up action: networking, dialogue and cooperation among local development actors in Germany, and between them and actors from partner municipalities
- South-North/North-South meetings and small projects in partnership with municipal partners from the Global South: e.g. journeys to initiate inter-municipal relationships and projects, and dialogue on governance among local councillors and administrators
  - Please note that existing civil society activities may not be substituted. For further information please refer to the information sheet and the instructions for filling in the form.
  - Particularly eligible for support here are projects which are linked to the measures conducted by the Service Agency, and in that context implement studies, designs and individual measures from action plans.

### 3. Formal requirements for the grant and scope

- Term: Projects must not exceed a maximum duration of 12 months, and must be completed by no later than **31/12/2023**.
- Partial financing: The funding will be provided to finance part of your eligible project costs. Up to 90 per cent of the total eligible expenditure will be funded. At least 10 per cent of the total expenditure must be provided by the applicant in the form of the partners' own funds or third-party funds. Co-financing contributions of funds from a (German) federal state can be recognised as part of this contribution of the partners' own funds. In that case, the relevant state budgetary regulations must be complied with. As a basic principle in-kind contributions provided by the partners are not eligible as the partners' own funds, and will be shown alongside the budget for informational purposes.



- The grant will be awarded for:
  - projects in Germany with a financial scope of between EUR 1,000 and EUR 20,000.
  - South-North/North-South meetings and small partnership projects of between EUR 1,000 and EUR 50,000.
  - A lump sum for administrative overheads (to cover the administrative costs incurred, e.g. a percentage for personnel, communication etc.) equivalent to a maximum of 7% in addition to the total eligible project expenditure (as listed in the Cost and Financing Plan). To offset their staff/fee costs the municipality implementing the project may transfer some or all of the lump sum for administrative costs to the project partner or participating actors.
- Monitoring: Only projects with a clearly defined and measurable project objective that can be achieved within the envisaged financial framework and time frame are eligible for support. It must be possible to monitor the results of implementation once the project is complete. A proper final report must be produced once the project has been completed.
- The sustainability of the project beyond the project term must be guaranteed. To this end the grant recipient also undertakes to meet by other means any follow-on costs generated by the project.
- Neither the grant recipient nor the project partners may pursue commercial interests of their own or of third parties through the activities, either directly or indirectly.
- Avoiding chains of funding and duplication of funding: Please note that each funded project must be a self-contained project, and must be capable of being implemented independently of any other funding. No other funding from the German Federal Government or Engagement Global may be applied for or have been approved for the proposed project or its individual activities.

#### 4. Use of the funds

- Capacity development: Expenditure on investment measures/investment in infrastructure must be combined with measures for capacity development (costs for accommodation and board, travel and/or transport, materials, fees, rental of seminar rooms, any course fees for training measures, etc.), awareness raising or international dialogue. Projects that involve only infrastructure are ineligible for support.

- Expenditure on items of equipment and materials, and the initial supply of consumables, including the necessary costs for procurement and transport thereof, are eligible. Equipment and materials must match local needs in terms of quality, price, availability and maintenance/care.
- Expenditure on construction measures that contribute directly to achieving the project objective is eligible, however the acquisition of land is ineligible. The land to be used for the project must be owned by the partner municipality or by a local not-for-profit institution, and is not eligible as an in-kind contribution. If no suitable building land is available as yet, procurement thereof – which is independent of the support – must comply with social responsibility criteria and involve procedures that are transparent for the public.
- Technical/scientific studies and the preparation of papers and strategies are eligible.
- Expenditure incurred in the course of results measurement is eligible, provided that the results are forwarded to Engagement Global, and that the expenditure is proportionate to the total expenditure and is clearly justified.
- Human resources: It is not possible to finance positions in the German municipality. Fees paid to municipal staff members are ineligible.

Expenditure on local personnel in the partner country (including short-term training measures) are eligible, provided that the personnel are directly involved in implementing the project. The personnel costs must be in line with local going rates, and be proportionate to the total project expenditure.

- Costs for materials and equipment such as expenditure on printed products (publications, information materials, flyers, posters etc.), consumables, room hire, rental fees, transport, technical equipment are eligible.

## 5. Onward transfer of funds

- The grant recipient may transfer funds onward to the project partner in the partner country in order to fulfil the purpose of the grant. In this case we recommend that a project agreement be entered into in the form of a civil law contract, in order to guarantee compliance with the requirements contractually agreed with Engagement Global. The



grant recipient/German municipality remains the responsible contractual partner of Engagement Global.

- If local actors play an important role in the project, and work to help achieve its objectives, funds equivalent to up to 1/3 of the grant amount may be transferred onward to these actors. The funds must be used for activities of the project in question, whose implementation was agreed in the onward funding agreement. The transferred funds comprise exclusively financial resources for operational activities. Responsibility for project management still always rests with the municipalities. The local actors (initiatives and associations) cannot charge for their own services (personnel costs). Funds may not be transferred onward to municipal enterprises or associations; exceptions to this rule are utilities and municipally-owned companies that form part of the municipalities, and not-for-profit associations. Nor may funds be transferred onward to private individuals.
- When funds are transferred onward to the final grant recipients, the foreign exchange import regulations of the country concerned must be complied with, and vouchers documenting the exchange transactions must be kept. If the grant recipient transfers grant funds onward to partner organisations (in the partner country), and if legal provisions in the partner country prescribe the withholding of original vouchers, then instead of submitting original vouchers the grant recipient may call in independent chartered accountants to prepare proof of the use of funds. The expenditure is then eligible.

## 6. Travel and safety

In case of project-related journeys abroad, the grant recipient must ensure that beforehand the persons making the journeys obtain the relevant information on local laws and the local security situation, as well as the necessary health precautions, and take the necessary measures, such as vaccinations and the taking out of foreign travel insurance (health, accident and liability insurance). To ensure they are included in the German Embassy's crisis preparedness and response measures, the persons travelling must register online at [ELEFAND Anmeldung \(diplo.de\)](https://www.diplo.de/ELEFAND) no later than 10 days prior to their outward journey.

For journeys outside of Germany, please note the instructions on safety and security precautions and on what to do in an emergency or a crisis, which are available at Nakopa – Service Agency ([engagement-global.de](https://www.engagement-global.de)).

## Submission procedure

Proposals can be submitted at any time between now **and no later than 15 October 2023** using Engagement Global's support programme software, which you can access at <https://foerderung.engagement-global.de/>. Please note that you must first register in our system and request verification of your entity's eligibility to submit a proposal. After verification, we will notify you that you have been cleared to submit your proposal. Please note that proposals for the Small-Scale Projects Fund should be received by Engagement Global **10 weeks prior to commencement of the planned measure**, in order to ensure that projects are prepared as carefully as possible.

The submitted proposal must be signed by the authorised signatory pursuant to your municipal code.

The proposals we receive will be evaluated in the order in which we receive them on the basis of the OECD-DAC criteria and the requirements detailed in this Call for Proposals. They will not be approved until deemed to be eligible for support.

Please submit your proposal documents by post to the following address:

**Postal address:**

Engagement Global gGmbH/Service Agency Communities in One World  
c/o the 'Fund for Small-Scale Municipal Development Cooperation Projects (KPF)'  
Friedrich-Ebert-Allee 40  
53113 Bonn  
Germany

For contact details of our programme officers please see our website:

<https://skew.engagement-global.de/fund-for-small-scale-municipal-development-cooperation-projects.html>

Please submit email enquiries to our programme mailbox:

[kleinprojekte.skew@engagement-global.de](mailto:kleinprojekte.skew@engagement-global.de)

For further information, please browse our website.

