

**CALL FOR PROPOSALS 2026 FOR PROJECTS STARTING IN 2027**

# **Partnership Projects for Sustainable Local Development (Nakopa)**

**Support for established municipal  
partnerships in municipal development  
policy**

**ENGAGEMENT  
GLOBAL** 

mit ihrer



**SKEW**  
SERVICESTELLE KOMMUNEN  
IN DER EINEN WELT

im Auftrag des



Bundesministerium für  
wirtschaftliche Zusammenarbeit  
und Entwicklung

The call for proposals is the basis for funding using Nakopa. It describes the framework for projects in terms of administration and content and is based on the German guidelines standards that apply to all financial support from public funds. The call for proposals also provides information regarding the procedure (submission of project outline and proposal) and the associated deadlines.

As the declaration of interest and proposal must be submitted by your German municipal partner, it is important that you and your municipal partner are in close contact and comply with the requirements of the call for proposals when planning projects.

German municipalities can apply to “Partnership Projects for Sustainable Local Development” for funding for development-related projects of between €50,000 and, generally, €250,000 which are designed and implemented in the context of partnerships with municipalities in the Global South.

Draft applications for 2027 can be submitted up until 31 March 2026, and the **final application can be submitted up until 30 June 2026.**

The programmes are administered by Engagement Global’s Service Agency Communities in One World on behalf of the Federal Ministry for Economic Cooperation and Development.

Funding is provided under sections 23 and 44 of the Bundeshaushaltsordnung (Federal Government budget directive) to channel funds into municipal development policy. No guarantee is made that applicants will be successful in applications for funding. Funding is provided subject to the availability of budgetary resources. Funding decisions are taken in line with the guidelines set out in this Call for Proposals and OECD-DAC criteria for relevance to development policy, efficacy, efficiency, effectiveness, and sustainability.

# Guidelines on project planning and applications

## 1. Objective

This service **aims to support municipalities which are active in areas related to development policy** as they **work with municipal partners to develop and implement projects**. These projects should work in the spirit of Agenda 2030 **to promote sustainable development by taking local approaches** to solving global challenges.

## 2. Who can apply?

Applications may be submitted by:

- Municipal administrations
- The city administrations of Berlin and Hamburg.
  - Municipal companies established under public law such as publicly owned enterprises, independent companies and public-law institutions of the applicant municipality (pure operating partnerships should contact the operators platform for municipal companies)<sup>1</sup>,

with their partner municipalities in countries on the DAC list.

- The **municipal partner must be in a country which the OECD defines as eligible to receive official development assistance**. Countries in the World Bank categories of least developed countries, low income countries and lower middle income countries are particularly eligible for support.
  - **OECD-Liste (World Bank Income Classifications)**
- Cooperation with highly advanced countries in the “upper middle income countries” category, such as China and Turkey, will continue at a different level. Countries subject to EU sanctions (such as Belarus and Nicaragua) are also subject to individual case assessment. Please enquire about topics and regions which are eligible for funding.
  - **List of DAC countries on the BMZ website**
- The projects applied for must be planned and delivered jointly and as far as possible on an equal footing in the context of a partnership of equals. The projects must have the **explicit political support of both municipalities**. Both partner municipalities are responsible for ensuring that project implementation and financing are handled correctly. Both partners should actively contribute their municipal expertise and experience to the project. This must be supported by means of **submission of a partnership declaration** included with the application.
- Measures must be taken to raise awareness of the projects in both municipalities.
- Since these projects usually run for several years, applicants should get approval from the local council before submitting an application.

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<sup>1</sup> To the operators platform website

- Joint applications from several German municipalities and their partners may be submitted. In these cases, one German municipality acts as the applicant and subsequent contractual partner for the project. Other municipalities can provide funding in a third-party capacity and/or take part in implementing the project.
- Where a German municipality maintains a three-way partnership with two municipalities in different countries in the Global South, the German municipality can submit a joint project proposal and carry out activities in both countries on an equal basis and also network the municipalities with one another.
- The German municipality can work with civil society organisations such as local initiatives and associations in Germany and abroad. These count as participants in the project, supporting the municipality in delivering the project. They should demonstrate specific skills related to the project and, wherever possible, share local connections with the funding applicant or project partner. Overall leadership of the project and accountability remains solely with the applicant and may not be transferred to third parties.
- As part of this Call for Proposals, funding will generally be granted to **no more than two applications per municipality**.

### 3. Funding propose

Only projects which can be **designated as municipal development policy projects** are eligible for funding. By this we mean the sum of development-related funding and activities deployed by German municipalities in **Germany and abroad**. Municipal development policy is designed to promote **development which is globally sustainable and community-oriented**. It should **contribute to improving social and economic development in the Global South**.

The core elements of the project should consist of the partnership between the municipalities and a sharing of municipal expertise. Developing and extending the relationship between the municipalities should be a key component of the proposed project.

The content of the projects must contribute to implementing Agenda 2030 and achieving the Sustainable Development Goals (SDGs), and thereby support the German Federal Government's Sustainability Strategy. Furthermore, the project must clearly relate to the municipalities' skills and spheres of influence. Funding is offered particularly to projects related to sustainable public services, good local governance, and climate protection and adaptation to climate impacts.

Projects must take into account the goals of gender equality and inclusive societies. They must be designed in a conflict-aware way and work in harmony with local and national development planning.

Applicants must consider relevant BMZ strategy papers when planning and implementing the projects. These documents can be accessed at:

→ <https://www.bmz.de/de/aktuelles/publikationen>

**Funding maybe awarded for:**

- **Projects awarded funding of between €50,000 and €100,000** with a simplified application process
- **Projects awarded funding of between €100,000 and €250,000** with a normal application process.<sup>2</sup>

#### **4. Funding parameters**

**Duration:** The **maximum duration of a project is 12 months**. Projects may begin no earlier than **1 March 2027** and **end no later than 30 June 2030**.

**Type of financing:** Projects are funded on a part-funded basis. Funding may be awarded **for up to 90% of eligible spending** such as project spending, reserves and a lump sum for administrative overheads/costs. Applicants must contribute **at least 10%** of total spending in the form of their **own or third-party funds**.

Co-funding provided from federal state funds can count towards a part or all of own funds contributions. Applicants must ensure they comply with state budgetary regulations in such instances. Non-cash contributions from own funds cannot as a rule be offset against own funds contributions. These should be listed next to the budget for information.

**Where funds should be used:** The majority of the funds should be put to use in the partner country. Nevertheless, funding to promote engagement explicitly calls for accompanying activities in Germany, such as networking and awareness-raising, or development-related education activities and publicity. Accompanying activities in Germany should account for no more than 20% of expenditure eligible for funding (see interim spending plan items 6.1 and 6.6).

A **lump sum for administrative overheads/costs** (to cover overheads incurred such as staffing and communications) up to an extra 7% in addition to the eligible project spending (as stated on the expenditure and financing plan) can be applied for. The lead municipality may pass on the lump sum for administrative overheads/costs wholly or in part to project partners or other stakeholders to compensate them for any expenses incurred.

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<sup>2</sup> In exceptional cases, partnerships with experience in project implementation may apply for funding up to a maximum of €500,000.

Applicants may apply for **reserves** worth up to 3.5% for unavoidable additional costs. Reserves are primarily intended to cover additional costs due to inflation. Drawing on reserves for unavoidable additional costs not related to inflation requires the prior agreement of Engagement Global.

## 5. Other conditions

**Progress monitoring:** A project is only eligible for funding if it includes a clearly defined and measurable project objective which can be achieved within the proposed funding framework and timescale. Progress monitoring must be conducted during and after completion of the project using indicators. Appropriate annual interim reports must be prepared, as well as the proof of use at the end of the project, in accordance with expenditure regulations for projects (AN Best-P)

Funding recipients must ensure the **sustainability** of a project beyond its conclusion. In addition to this, contract partners must undertake to cover – or use other sources of funding to cover – other costs arising from the project.

German municipalities and project partners are not permitted to benefit their own commercial interests or the commercial interests of third parties, either directly or indirectly, through project activities.

**Avoiding funding chains and double-funding:** Funding recipients must ensure that each funded project represents a separate project and is not dependent on other funding. This provision does not include any third party funds as described above. Furthermore, funding recipients may not use any funding from federal sources or Engagement Global (approved or applied for) for the project in this application or its component elements.

It is possible to combine Partnership Projects for Sustainable Local Development with other financial and staff support instruments from Engagement Global (“Small Projects Fund for Municipal Development Policy”, “Coordinating Municipal Development Policy” or “Funding for Expert Staff for Municipal Partnerships Worldwide”). Each project must be designed in such a way that it can be carried out independently of other project funding.

## 6. Eligible activities

- Spending on investment activities or infrastructure investment must, in principle, be associated with capacity development activities, raising awareness or international sharing of experience (spending on accommodation and catering, travel and/or transport, material spending, fees, seminar room hire, course fees for training activities, etc.). Projects which are solely procurement initiatives are, in principle, not eligible for funding.
- Spending on equipment, facilities and initial fitting out (including consumables) and the necessary procurement and transport costs is eligible for funding. Funding recipients must ensure equipment and materials are appropriate to local needs in terms of their quality, price, availability, maintenance and upkeep.

- Property or land purchases are not eligible for funding. The property or land used for the project must be owned by the partner municipality or a local charity, and cannot be counted as a contribution from own funds or assets. Please also ensure that any land use is conflict-sensitive.
- Studies: Feasibility studies and preliminary assessments of the purpose of a project must be completed before the project commences. Technical and scientific studies, and the production of design plans and strategies in the course of the project are only eligible for funding if it is connected to initial pilot activities. The application must include examples of activities for implementing the project and these must be accounted for in the budget. Pilot project planning can be adjusted after the completion of the study. This requires the approval of Engagement Global if such plans were not included in the initial application.
- Spending on monitoring costs is eligible for funding if the outcomes are shared with Engagement Global. The spending must be in reasonable proportion to total spending.

## 7. Staffing costs

- Roles in the partner country which are required to ensure the sustainability of the project beyond its conclusion are eligible for funding. Staffing costs are assessed with annual decreases from the time of claim, generally 100%, 80%, 60%. These costs must be in line with local levels and appropriate to the total spending on the project. The application must state the need for the role and describe the nature of the work. Ongoing funding for roles must be in place after the completion of the project. Spending on local staff in the partner country is eligible where this is directly related to delivering the project. This includes short-term training measures.
- It is not possible to use this funding instrument to fund staffing roles in German municipal administrations. Fees for municipal staff cannot be included in the application.
- Delegations of administrative staff or staff with skills related to the subject of the project are not eligible for funding if they are longer than 12 weeks. Medium or long-term secondments and delegations should access support from the relevant staff secondment tools.

→ **Information on Coordinating Municipal Development**

→ **Information on funding for expert staff for municipal partnerships around the world**

→ **Information on the Senior Expert Service (SES)**

## 8. Travel, safety and security

When applying for travel to the partner region, you must specifically state the purpose of the trip, along with the number of travellers, their positions and roles. The number of travellers and the length of the visit must be reasonable and appropriate, and suitable to the type of trip. This includes:

- Trips for the purpose of sharing expertise and knowledge, such as delivering training or conferences.

- Applications may include one trip a year for project management purposes such as monitoring and handovers. Such trips should last no longer than seven days and involve no more than two travellers. The necessity must be explained in the application.
- Trips where the **sole purpose is representative are not eligible for funding.**

Every trip must be assessed in terms of how necessary it is for the success of the project, its cost-effectiveness and its environmental impact.

Economy airline travel and second-class rail travel are eligible for funding. Air travel in other classes will only be reimbursed in justified individual cases with written prior approval from Engagement Global. Expenses for vaccinations, medications and visas are eligible for funding. Coverage is based on the recommendations of the Standing Committee on Vaccination ( STIKO ) at the Robert Koch Institute in conjunction with travel advice provided by the Federal Foreign Office.

For project-related travel abroad, the contractual partner is required to take due care that travellers are aware of local laws and the security conditions at their destination. The contractual partner is also required to ensure travellers have been informed of necessary health precautions and have taken appropriate measures such as vaccinations and taking out travel insurance covering sickness, injury and public liability. Involvement in disaster preparedness and response activities of the German Embassy requires online registration with the Federal Foreign Office not less than 10 days before the commencement of a visit.

→ ELEFAND disaster preparedness list managed by the Federal Foreign Office

Travel abroad should take into account advice on safety and security precautions and disasters.

→ Advice on disasters and crises abroad

## 9. Distributing funds

- The German municipality may distribute funds to project partners in the partner country in order to achieve the funding objective. Funding recipients must conclude a project agreement in contractual form to ensure compliance with the conditions contractually agreed with Engagement Global. The German municipality remains the responsible contractual partner of Engagement Global.
- Where local stakeholders play an important role in the project and contribute to achieving its goals, funding may be passed on to these persons. As a rule, the amount of these funds should not exceed one third of the funding, and must be approved by EG. Funds are to be used for project activities as agreed in the onward funding agreement. Where funds are transferred, these may only comprise funds for operational measures. Project management remains under the control of both municipalities. It is not possible to claim for staffing costs and services provided by local

initiatives and charities. Funding recipients are not permitted to transfer funds to municipal companies and associations. The only exceptions to this are publicly owned enterprises and independent companies which are part of municipal administrations, and charitable bodies. Funding recipients are also not permitted to transfer funds to private individuals.

- Where funds are transferred to a partner municipality, funding recipients must ensure this is carried out in line with local regulations on importing foreign currency and keep receipts for the transaction.
- Where funding is transferred to a partner organisation in the partner country, the German municipality may engage a chartered accountant to prepare accounts rather than keeping original receipts as proof of use, where this is permitted by local laws governing receipts in the partner country. The costs incurred are eligible for funding.

## 10. Application procedure

Project applications and verification may be submitted via Engagement Global's project funding tool only. If your municipality has not previously registered to submit an application, please be aware that you first need to register to use the tool and request an organisation audit.

→ Project funding tool

→ How to submit an application

If the audit is successful, you will receive confirmation that you can proceed to submit your application.

The application process involves two stages, beginning with submitting a draft proposal which **must be submitted to Engagement Global by 31 March 2026**. The draft must have at least sections 1-3 and 4.1 completed, and the estimated level of funding must be entered under 'Other' (4.19 or 4.27). Once the form has been reviewed and received a positive response, the same form can be used to complete the application, which must be submitted by **30 June 2026 at the latest**.

**The application documents may only be submitted digitally via the project funding tool. Please ensure your digital submission is made only by the municipality's authorised signatory.**

Funding eligibility will be based on the OECD-DAC criteria and the requirements stated in this call for proposals.

## 11. Our Services

Service Agency supports interested municipalities at every stage of the funding process from application to delivery and reporting. We provide expertise and administrative advice along with networking and training services.

To help you prepare your application, we recommend our “Applying Made Easy” training seminar. The seminars take place on various dates during the application period. The dates are published on the homepage of our website. We also offer one-to-one advice. If you’d like to arrange an advisory session, we recommend getting in touch with our team in good time.

Visit our website for the contact information for this funding tool:

→ **[Partnership Projects for Sustainable Local Development - Service Agency  
Communities in One World](#)**

We also offer seminars on project implementation (*“Designing a Successful Project”*) and project accounting (Producing the Proof of Use).

→ **[Seminar dates](#)**

→ **[Documents and forms](#)**

→ **[FAQs](#)**