

Announcement 2024:

Small project funds for municipal development policy

Initiative to promote the introduction of new activities and partnerships in municipal development policy

German municipalities can apply to the Small Project Funds for Municipal Development Policy scheme for grants to help deliver small-scale projects. The programmes are administered by Engagement Global's Service Agency Communities in One World (SKEW) 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.

Guidelines on project planning and applications

Table of contents

1.	OBJECTIVE.....	2
2.	WHO CAN APPLY?	2
3.	FUNDING PURPOSE	2
4.	ELIGIBLE ACTIVITIES.....	3
5.	FUNDING CONDITIONS AND VALUE.....	3
6.	OTHER CONDITIONS.....	4
7.	USE OF FUNDS.....	4
8.	DISTRIBUTING FUNDS.....	5
9.	TRAVEL, SAFETY AND SECURITY	5
10.	APPLICATION PROCEDURE	6
11.	OUR SERVICES.....	6

1. OBJECTIVE

The objective of the Small Project Funds for Municipal Development Policy scheme is to allow new and experienced municipalities to introduce new municipal development policy measures and partnerships. This is designed to promote and deepen discussion of development policy and engagement in German municipalities. It also aims to support networking between relevant stakeholders. A further goal is to promote intercultural dialogue with the Global South.

2. WHO CAN APPLY?

Applications may be submitted by:

- Municipal administrations
- the city administrations of Berlin and Hamburg.

In the case of partnership projects, the municipal partner must be a counterpart municipality in a country which the OECD defines as eligible to receive official development assistance. You can find the DAC list of developing countries and territories

→ [on the BMZ website](#)

Joint applications from several German municipalities and their partners may be submitted. In these cases, one German municipality acts as the applicant. This municipality then receives the funding under an on-lending agreement. Other municipalities can provide funding in a third-party capacity and/or take part in implementing the project.

Funding recipients can work with publicly owned enterprises, independent companies and civil society organisations such as local initiatives and charities in Germany and abroad. These count as participants in the project, supporting the funding recipient in delivering the project. They should demonstrate specific skills related to the project and, wherever possible, share local connections with the funding recipient or project partners.

Overall leadership of the project and accountability remains solely with the applicant and may not be transferred to third parties.

3. FUNDING PURPOSE

Only projects which can be designated as municipal development policy projects are eligible for funding. By “municipal development policy”, 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 project’s development policy objective should relate to one or more of the following areas:

- contributing to implementing Agenda 2030 for sustainable development and SDGs at a local level in the spirit of the Service Agency Municipalities for Global Sustainability programme.
- fair trade and fair procurement at a local level
- International municipal relations and/or partnerships with municipalities and regions in the Global South

4. ELIGIBLE ACTIVITIES

Activities which are eligible for funding include:

- Supporting public information and education activity to raise public awareness around development policy.
- Supporting conceptual development of municipal development policy and training municipal stakeholders.
- Supporting networking, dialogue and cooperation between municipal development policy stakeholders in Germany and stakeholders in partner municipalities.
- Promoting understanding between countries in the Global South and North and encouraging small-scale projects with municipal partners in the Global South. This includes supporting trips to initiate municipal relationships and projects, supporting governance dialogue between municipal policymakers and administrative officers, or funding transport to Ukraine.

Applicants should ensure that projects do not replace existing civil society activities.

Furthermore, the project must clearly relate to the municipalities' skills and spheres of influence.

- We particularly welcome projects which are connected with Service Agency activities and which implement studies, designs and individual measures from action plans in this context.
- 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.

5. FUNDING CONDITIONS AND VALUE

Duration: Projects may run for **no more than 12 months** and must be **completed no later than 31 December 2024**.

Part-funding: Projects are funded on a part-funded basis. Grants are awarded worth up to 90% of eligible spending. Applicants must contribute at least 10% of total spending in the form of their own or third-party capital.

Co-funding provided from federal state funds can count towards a part or all 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.

Grants may be awarded for:

- Domestic projects with grants worth between €1,000 and €20,000.
- North-South meetings and small-scale partnership projects with grants worth between €1,000 and €50,000.
- A flat-rate sum for administrative costs to cover costs such as staffing and communications may be awarded up to 7% in addition to the eligible project spending as stated on the spending and funding plan.

The lead municipality may pass on the flat-rate sum for administrative costs wholly or in part to project partners or other stakeholders to compensate them for staffing or fees.

- Apart from this, applicants may also apply for full funding for the transport of disaster and public protection goods to municipalities in Ukraine, up to a maximum of **€5,000**. This excludes goods purchased through a grant. Applications for these grants will only be accepted from German municipal administrations which are actively involved in a partnership or solidarity partnership with a Ukrainian municipality **and** are active in the Service Agency German-Ukrainian network.

6. 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. There must be progress and outcome monitoring during and after the completion of the project. A proper report on the use of funds must be presented after the completion of the project, as per German funding law (Zuwendungsrecht).

Funding recipients must ensure the **sustainability** of a project beyond its conclusion. In addition to this, funding recipients must undertake to use other sources of funding to cover other costs arising from the project. Funding recipients 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 take care that each funded project represents a separate project and is not dependent on other funding. This provision does not include any third party 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.

7. USE OF FUNDS

- Spending on investment activities or infrastructure investment must be associated with capacity development activities, raising awareness or international sharing of experience. Capacity development includes spending on accommodation and catering, travel and/or transport, material spending, fees, seminar room hire, course fees for training activities etc. Projects which only focus on infrastructure are 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.
- Ukraine is the only case where transport alone is eligible for funding, where this involves transporting disaster and public protection goods to support partner municipalities.
- Spending on construction which directly contributes to achieving project objectives is eligible for funding. However, 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. If a suitable site is not currently available, the purchase must be made separately from the grant funding. It must also consider social criteria and apply procedures which are transparent to the local population.
- Technical or scientific studies and the development of plans and strategies are eligible for funding.

- 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 and clearly explained.
- It is not possible to use this tool to fund the role in German municipal administrations. Fees for municipal staff cannot be included in the application. However, spending on local staff in the partner country is eligible where this is directly related to delivering the project. This includes temporary training measures. Staffing costs must be in line with local levels and appropriate to the total spending on the project.
- Material costs such as printing for publications, flyers, posters and information materials are eligible, as is spending on consumables, renting office space, rental fees, transport and technology.

It is possible to synergise the small project fund with individual support from Engagement Global schemes such as Coordinating Municipal Development Policy and FKPW Expert fund. However, the project must be designed in such a way that it can be delivered without other project funding.

- ➔ [More information on Coordinating Municipal Development Policy funding](#)
- ➔ [More information about the Experts for Municipal Partnerships fund](#)

8. DISTRIBUTING FUNDS

The funding recipient may distribute funds to project partners in the partner country in order to achieve the funding objective. We recommend concluding a project agreement in a 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, funds worth up to one-third of the total grant may be passed on to these persons. Funds are to be used for project activities as agreed in the on-lending agreement. Where funds are transferred, these may only comprise funds for operational measures. Project management remains under the control of the 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 funding recipient 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. This spending is eligible for funding.

9. TRAVEL, SAFETY AND SECURITY

For project-related travel abroad, the funding recipient is required to take due care that travellers are aware of local laws and the security conditions at their destination. Funding recipients are also required to ensure travellers are informed of necessary health precautions and that they 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](#)

The travel and accommodation expenses of up to four participants on expert missions may be funded. Where the trip involves initiating a new partnership with reciprocal meetings, funding may be requested for up to six participants.

10. APPLICATION PROCEDURE

Applications for projects to be carried out in 2024 may be submitted through Engagement Global's project funding tool at any point up to **15 October 2024**. 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. Please be aware that applications to the Small Project Funds for Municipal Development Policy must be submitted to Engagement Global **10 weeks before the start of planned activities** in order to prepare as carefully as possible for the project.

The application must be accompanied by the signature of the authorised signatory of the municipality. Applications received will be processed in order of their submission according to the guidelines in this Announcement. Funding will only be granted once eligibility has been confirmed.

Application documents can be sent by post to the following address:

Engagement Global gGmbH
Servicestelle Kommunen in der Einen Welt
z. Hd. Team „Kleinprojektfonds kommunale Entwicklungspolitik“
Friedrich-Ebert-Allee 40
53113 Bonn

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.

We hold an applications seminar to help you prepare for submitting your application. The seminars take place on various dates during the application period. The dates are published on the homepage of our website.

If you'd like to arrange an advisory session, we recommend getting in touch with our team in good time. We'd love to hear from you!

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

<https://skew.engagement-global.de/kleinprojektefonds.html>

If you'd like to ask a question by email, please contact us at:

kleinprojekte.skew@engagement-global.de