

## FAQs on the 7<sup>th</sup> EUKI Call for Project Ideas

### Own/third-party contribution

1. Q: In the information on project financing (Chapter 6) you are stating that “it is expected that implementers will make an appropriate contribution to the costs of the project out of their own funds and/or in the form of third-party funds obtained from other donors to co-finance the overall project or individual project activities”. Could you please quantify the expected co-funding rate?

*A: The appropriateness can only be decided on a case-by-case basis and depends inter alia on the financial strength of the applicant, the general availability of funds for non-profit institutions in the respective country etc. A fixed minimum level for co-financing does not exist. Usually for smaller NGOs in the EUKI target countries a co-financing rate of approximately 5% can be deemed appropriate. For implementers or their partners from other EU MS the expected co-financing rate is usually a multiple of that number.*

2. Q: Can co-financing also be provided “in-kind”, e.g. by providing equipment or personnel?

*A: In-kind contribution are eligible for co-financing if they can be monetarily classified and for which evidence can be provided. Costs of seconded personnel can only be accepted as co-financing if a regular employment contract is presented and costs are duly booked in the accounting system.*

3. Q: Are implementers or implementing partners requested to provide a bank guarantee or other collaterals?

*A: No bank guarantee is requested for the release of pre-payments. Though for grant contracts usually 10% of the overall contract value will be withheld until the final report is accepted.*

4. Q: Can the total budget of a project exceed EUR 1,000,000.00?

*A: Yes, while the maximum amount of project funding EUKI can provide is EUR 1,000,000.00, this does not prevent other parties from contributing additional funds.*

5. Q: Are implementing partners also required to contribute own or third-party funds?

*A: In general co-financing is also expected by the implementing partners, but it is not a prerequisite.*

## Target countries and eligibility

6. Q: Institutions from which countries are eligible for EUKI-funding?

| Official office/Registration  | Implementer | Implementing Partner |
|---|-------------|----------------------|
| EU member state   | ✓           | ✓                    |
| Albania/Bosnia and Herzegovina/Kosovo/North Macedonia/Montenegro/Serbia | ✓           | ✓                    |
| Turkey  | ✗           | ✗                    |
| United Kingdom  | ✗           | ✗                    |
| Switzerland   | ✗           | ✗                    |
| Norway/Iceland/Liechtenstein  | ✗           | ✗                    |
| Ukraine/Russia/Belarus/Moldova  | ✗           | ✗                    |
| Other countries   | ✗           | ✗                    |

7. Q: Does it lower our chances to get funding if we are not based in EUKI target countries?

*A: First and foremost, project ideas are evaluated based on the selection criteria stated in the information on project financing. However, as stated in the information on project financing, target countries are in Central, Eastern and South-Eastern Europe (POL, CZE, SVK, HUN, ROU, BUL, SVN, HRV, GRC) including Baltic states (LVA, LTU, EST) and six Western Balkan states (ALB, BIH, KOS, MNE, MKD, SRB). Hence, projects selected shall be primarily targeting final beneficiaries in target countries and allocate most of the project financing (>50%) to implementers and implementing partners in the target countries. This does however not exclude partners from Western Europe to be part of the project consortium.*

8. Q: What types of organisations are eligible for funding?

*A: Both applicants as well as other implementing partners must be non-profit entities and/or belonging to one of the following categories: Non-governmental organisations, universities, academic and educational institutions, regional and local authorities as well as non-profit enterprises. If within one and the same institution there is a commercial operation alongside a non-profit business, the former is excluded from financing. In such cases, implementers must prove that the project is being implemented exclusively in the non-profit area of the business and that project activities explicitly do not include any commercial activities within the meaning of European legislation on State Aid. Only legal entities endowed with legal capacity are eligible for funding; individuals cannot apply. Please understand that we cannot comprehensively assess the eligibility of individual organisations before the actual application process.*

9. Q: What is required in order to proof that an organisation is non-profit?

*A: The organisation must be non-profit according to their statutes as well as their actual activities (for both, evidence must be provided). For German organisations, a recent notice of exemption from the local tax office ("Freistellungsbescheid") is required.*

10. Q: What kind of information shall be submitted under Annex 2 “References” in the online application tool?

*A: Annex 2 refers exclusively to other completed or ongoing projects by the applicant or the implementing partners. By listing previous experiences, you demonstrate that your organisation has the necessary technical and administrative capacities to implement the requested project.*

11. Q: Is it possible to receive a follow-on grant for an existing project?

*A: In general, it is expected that projects are designed in a way that they achieve their objectives within the given timeframe and that these results will sustain beyond the end of project without additional support. Though in exceptional and well justified cases follow-on funding might be made available (e.g. for scaling-up or deepening previous activities).*

12. Q: Is it possible to obtain funding for a project that is part of a bigger initiative which is already being implemented?

*A: Projects that have already started are not eligible for funding. If the proposed project is part of a bigger initiative but sufficiently distinguishable from other projects under this initiative, it is in principle eligible for financing.*

13. Q: Can organisations founded less than three years ago apply for EUKI-funding?

*A: Potential implementers and implementing partners must demonstrate that they have the necessary technical and financial capacities to administer the requested grant. This is verified first and foremost by their administrative track record over the last three years. Recently established organisations may receive funding only if they can convincingly demonstrate to have built up the necessary capacities in other ways. It is also highly recommended for younger organisations to apply first as implementing partners to an experienced implementer.*

14. Q: We are in the process of setting up a new NGO but the formal registration process will not be completed by the end of the application deadline. Are we nevertheless eligible for financing as an implementing partner, provided we can submit all founding documents in the second stage of selection process?

*A: No, all implementers and implementing partners must be fully registered at the time of submitting your project outline.*

15. Q: With regards to average annual revenue of the implementer, is only the implementers own revenue taken into account or the revenue of all project partners combined?

*A: The average annual revenue over the past three years of the implementer alone is used to determine the maximum amount of project financing.*

## Project partnerships/ subcontracting

16. Q: Is it a necessity to establish a consortium to receive funding?

*A: Each project must be conducted in at least two eligible countries. Only in exceptional cases, projects in only one country are permitted.*

17. Q: In the Information on project financing, it is stated that subcontractors may only be selected through a competitive procedure. Could you please provide further information on the selection process for subcontractors?

*A: Minimum standards for subcontracting are laid out in Article 6 of the sample [Grant Agreement with non-German recipients](#) and Article 6 of the [Zuschussvertrag](#). The provisions are supplemented by Annex 4a of the Grant Agreement which is available [here](#).*

18. Q: Can implementing partners award contracts to subcontractors or is the implementer the only partner allowed to do this?

*A: Implementing partners can purchase external services under the same conditions as the implementer.*

19. Q: What is the difference between an implementer or implementing partner and a final beneficiary?

*A: An implementer is an institution receiving a grant from EUKI and forwarding subgrants to implementing partners), e.g. a think tank. The final beneficiaries are those target groups ultimately benefitting from the results of the project, e.g. a ministry which is designing a new funding scheme based on study prepared by the think tank.*

20. Q: Is it possible to change implementing partners after the contract is signed?

*A: This is possible in very exceptional cases if a strong justification for the change is presented, and the new implementing partner has successfully passed the commercial qualification test.*

21. Q: Can EUKI help in finding project partners?

*A: Unfortunately, not.*

## Budgeting

22. Q: Is it necessary to submit a budget proposal with the project outline?

*A: With the project outline, we only require an estimated total financing volume. In the second round, we require a full project proposal that includes a detailed budget.*

23. Q: Do we have to budget gross salaries of internal staff working on the project?

*A: Yes, please always calculate gross salaries incl. employer's contribution and other regular contractually defined salary components*

24. Q: Can EUKI-funding be used to purchase materials and equipment?

*A: Materials and equipment that are to be used in order to apply and disseminate technical solutions for climate action are eligible for financing for relatively small applications.*

25. Q: What share of EUKI-funding should be allocated to non-German implementers?

*A: Apart from supporting ambitious climate policies across the EU, EUKI seeks to support the financial and institutional development of environmental organisations in (primarily) Central, Eastern and South-Eastern EU member states as well as the Baltic States and the six Western Balkan states. Therefore, we would like to see the greater share of the funds (> 50%) to be allocated to organisations in these countries.*

26. Q: Should the budget be presented year by year or only as total sums?

*A: For the project outline (1<sup>st</sup> stage) we require you to provide total amounts per year, for individual categories just overall sums. For the full proposal (2<sup>nd</sup> stage) you will be required to prepare a detailed financial plan.*

27. Q: How much of the total project budget can be used for subcontracting?

*A: In general, it is expected that the implementer and implementing partners have the necessary (complementary) technical capacities and staff to carry out the proposed project. Subcontracting shall thus be confined to single activities and a limited proportion of the overall budget. The total amount used for subcontracting will be assessed in the overall context of the project. Therefore, the appropriateness can only be decided on a case-by-case basis.*

## Other

28. Q: Is it possible for an implementer or implementing partner to submit more than one proposal under this call?

*A: Yes, there is no formal limit to the number of project outlines an institution may submit both as an implementer or implementing partner.*

29. Q: How much time will the project partners have to develop a full project proposal after they have been notified of the preselection of their concept note?

*A: Implementers whose project outlines have been selected in the first round will be asked in writing to prepare a full project proposal, which must be submitted within approximately six weeks.*

30. Q: Is it necessary to submit official translations of required documents with the application?

*A: In general, documents need to be submitted in German or English. If the original document is in another language, we recommend an official translation in one of these languages to be included, but an internal translation is also admissible.*

31. Q: Our target groups are companies. Would such a project be eligible?

A: Companies are one of the target groups of EUKI. Though, we can only finance projects that are not distorting the internal market as requested by EU State Aid rules. Please consult the Information on project financing for further information.

32. Q: Do we need to submit letters of support during the first stage or the second?

A: *Letters of support must be submitted during the first round.*

### **Disclaimer**

These FAQs reflect the current EUKI practice and, if applicable, scope of discretion. As such these FAQs are not binding and do not justify any legal claims. The FAQs do not claim to be exhaustive. In objectively justified individual cases other decisions might be possible.