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and Nuclear Safety

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giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

IKI Small Grants

International Calls

Call 2020/2021

Application guidelines

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1. Introduction

This document serves as a guideline for applicants under the IKI Small Grants scheme. It provides essential information and explanations for the different sections of the online application platform. It is crucial to follow this guideline when developing an IKI Small Grants project concept.

Applicants will get an overview of

- how an IKI Small Grants project shall be developed,
- the procedures to be followed and instruments to be used,
- the administrative and legal requirements.

The most important terms for the IKI Small Grants scheme are defined in the glossary at the end of this document.

The project concept has to be well structured following the standards of results-oriented project planning in order to be easily and properly understood in the review process. Furthermore, this structure facilitates the project monitoring by the grant donor as well as efficient project steering by the implementing organisation.

Results-based monitoring is crucial as a basis for the general learning processes in the frame of the project implementation. It helps to recognise whether the set goals can be attained with the chosen approach and activities. Additionally, unintended (indirect) effects can be traced that occur during the project implementation. Monitoring thus allows project steering: It helps to identify strengths and weaknesses of the project and allows for continuous adjustments and improvement.

The project will be monitored through its life cycle by the GIZ's IKI Small Grants team in Berlin as well as relevant units located at our headquarters in Eschborn and the GIZ field structures in the project countries. Monitoring reports must be submitted regularly to the IKI Small Grants team, informing about the progress of project activities and indicators.

Applicants are encouraged to seek assistance from third-party organisations for drafting their application if needed.

Applications must be submitted in English. Official documents of the organisation (e.g. accounting guidelines) and register entries must be translated into English. A notarised translation is not required.

We highly recommend uploading and submitting your application with a reasonable time buffer in order to avoid increased internet traffic on our server close to the deadline which can result in technical problems, especially in the last hours before the deadline.

Please follow the guidelines carefully when developing and drafting your proposal, in order to assure the highest possible quality of your project concept and consequently improve your chances of being selected for funding.

We are looking forward to your application!



2. Project master data

2.1 Project title

How to define a project title?

- The project title should **briefly and concisely reflect the main objective** of the project. It should be rather short and easily understandable – even for people who are not familiar with the technical field/aspects of your project concept. The title may contain the country of implementation and/or the target group.
- Examples:
 - *Women Empowerment of Herders Associations in Khentii province of Mongolia*
 - *Mobility Plan for Birendranagar in Nepal*
 - *Nature Based Solutions for Urban Resilience in Colombia*
 - *Managing Invasive Species in Community Forests in Nepal*
 - *Eco-Schools for Eco-Communities in Malawi*
 - *Integrated Watershed Management at Lake Hashenge*

2.2 Country of implementation

The country of implementation must be an ODA country¹, at the time of submitting the application.

2.3 Additional country / countries of implementation

If you plan to implement your project in more than one country select the additional country or countries. They must be ODA countries as well.

2.4 Project duration

The minimum duration of the proposed project is six months and the maximum is two years. Longer durations may be acceptable if justified appropriately.

After the closing of the call, the submitted proposals will undergo a selection process and the submitting organisations will be informed of the results in due time. Please be aware that this selection process covers a timespan of several months. For this reason, your project should start by the **fourth quarter of 2021** at the earliest.

Please consider seasonal aspects that define the project start, e.g. rainy/planting season. If your project concept demands a specific start this shall be described in the online application platform, in the section *Other aspects relevant to financing*.

¹ <http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC-List-of-ODA-Recipients-for-reporting-2020-flows.pdf>

2.5 Area of support

The IKI Small Grants scheme supports projects that contribute to the four IKI funding areas of mitigating greenhouse gas emissions, adapting to the impacts of climate change, conserving natural carbon sinks / REDD+, and conserving biological diversity².

Please note: Select only **one area of support** even if your project may contribute to other areas as well.

Brief description of the areas of support:

1. Mitigation of greenhouse gas emissions

In the mitigation context, IKI Small Grants supports organisations in the development and implementation of innovative instruments to reduce greenhouse gas emissions. The goal is a transformation towards a sustainable and low-emission economy and supply structure. Emission reductions can be achieved by the project through both direct reductions of greenhouse gas (GHG) emissions, as well as indirect reductions through developing mitigation capacities.

Energy production and consumption for example are responsible for around two thirds of global greenhouse gas emissions. Increasing mitigation capacities therefore encompasses, for example, the development and adoption of renewable energy plans that drive the expansion and usage of renewable energy.

Direct reductions arise, for example, in projects piloting the introduction of renewable energies, (improved) waste management or the implementation of energy efficiency measures.

2. Conserving natural carbon sinks / REDD+

Forests and tropical forest ecosystems in particular, store large amounts of carbon in their biomass. As a result of land-use change, deforestation and forest overexploitation, this stored carbon is released into the atmosphere as CO₂ and contributes to global climate change.

In many countries, deforestation and the degradation of natural forest ecosystems are causing a substantial decline in the effectiveness of these ecosystems to store water, sequester carbon and protect against erosion. Accordingly, measures for the restoration and ecosystem-based adaptation of forests not only make a decisive contribution to climate change mitigation but also work to conserve biodiversity and support sustainable development.

The international community has developed an approach known as 'REDD+', which offers financial incentives to preserve forests in emerging markets and developing economies. This approach aims to reduce emissions from deforestation and the degradation of forests in the long term.

3. Adaptation to the impacts of climate change

Project in this field can be carried out firstly by implementing measures for a direct reduction of vulnerability that lead to a greater level of adaptation in certain sectors (for example in the agricultural sector by expanding water storage capacities in regions affected by drought).

² <https://www.international-climate-initiative.com/en/issues>

Secondly, adaptation can be achieved by increasing the adaptive capacity of the population or of affected groups, i.e. increase their ability to develop and implement adaptation strategies themselves. Examples include the provision and systematisation of information about impacts of climate change or the use of such information to build risk management capacities.

4. Conservation of biological diversity

This funding area encompasses both projects designed to conserve biodiversity directly, for example by effectively expanding or improving protection areas, and projects designed to build capacity for biodiversity conservation. Projects designed to build capacity might incorporate activities, such as improving staff skills of a protection area or enhancing the knowledge about sustainable management and fire protection of the population in the surrounding areas. In general, the IKI Small Grants funding area 'conservation of biological diversity' puts emphasis on addressing the global loss of biodiversity (CBD Aichi Targets and the goals of the future post 2020 Global Biodiversity Framework).

2.6 Year established

Please state the year when your organisation was established. Only organisations which have existed for at least three years are eligible for funding.



3. Administrative and legal requirements

3.1 Legal entity / juridical person status

The direct beneficiary of the grant must be a corporation (legal entity / juridical person), i.e. it must have an independent and verifiable legal personality. This can be assumed if the recipient is legally independent and has legal competence and capacity. Having rights and obligations means that the recipient has the legal capacity to conclude contracts in its own name. Therefore, natural persons (although these also have their own legal personality) and partnerships or associations that do not have legal capacity cannot be taken into consideration as direct recipients of financing, even if they sometimes act as executing agencies for public-benefit projects.

Register extracts, statutes, or articles of association, but also other proofs according to the respective requirements of the relevant legal regulations of the country of registration can serve as evidence of legal status. For example, laws, foundation deeds, registration information, decrees and tax numbers may be submitted. In these cases, which differ from country to country, it may be necessary for the GIZ to obtain an extract from the relevant statutory regulation.

Applicants must also indicate in the relevant section of the (online) project application platform if they are a non-profit organisation. IKI Small Grants classifies a non-profit organisation (NPO, generally also known as a not for profit organisation, charitable institution, or non-business entity), as an organisation dedicated to the promotion of a particular social cause. Economically, it is an organisation which uses the surplus of its income to promote its objective, rather than distributing its income to the shareholders, managers or members of the organisation.

Please note that for profit organisations are also eligible to participate in the calls for proposals, however, they are excluded from receiving support for capacity development. Additionally, for profit organisations must clearly demonstrate that the proposed project pursues strictly non-profit objectives and does not generate any income (see chapter 4.3 for more information).

Finally, we ask applicants to specify through which law(s) their organisation has been registered. This information can be found in most cases in the registration documents themselves.

3.2 Accounting

All recipients must keep accounting records. Their bookkeeping must enable a third-party expert to gain an overview of the company's business transactions and financial situation within a reasonable amount of time.

Organisations must use a software-based accounting system that meets their respective national standards. In addition, dedicated accounting staff should be employed by the organisation. If no qualified personnel are employed, a set of risk-minimizing measures will be utilised by GIZ as part of the grant agreement.

Alternatively, the accounting tasks can be outsourced. In this case, the requirements for accounting would have to be met by the contracted company.

One requirement for organisations applying for a grant is the ability to clearly assign employee working hours to respective projects.



Therefore, an electronic or manual time recording system is required. If no traceable time recording exists, the recipient must sign and submit a self-commitment to create one before the grant agreement can be signed.

3.3 Internal and external controls

Internal controls are processes that ensure the achievement of an organisation's objectives in terms of operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations, and policies. As a broad concept, internal control involves everything that minimizes risks for an organisation. It serves to avert damage that might be caused by the organisation's own staff or malicious third parties. Measures may be undertaken independently of the internal control process in the form of retrospective controls, for example by an internal auditing unit. Alternatively, they may take the form of preventive rules as an integral part of the internal control process.

The following principles form the basis of what we regard as an internal control system:

- a) The principle of transparency: For processes, process-concepts (or process plans) must be established that enable an outsider to assess the extent to which participants work in conformity with these process-concepts. At the same time, process-concepts represents the expectations of higher management. This can take the form of accounting manuals, process descriptions and similar documents.
- b) The principle of four-eyes: In a well-functioning control system no essential process should be carried out without countercheck. This means that a certain activity, i.e. a decision, transaction, etc., must be approved by at least two people.
- c) The principle of functional separation: Executive tasks (e.g. processing purchases), booking tasks (e.g. financial accounting, stock records) and administrative tasks (e.g. stock management) that are carried out as part of a corporate process should not be performed by one and the same person.
- d) The principle of minimum information: Staff members should only be provided with the information they need to perform their work (need-to-know principle). This entails that the organisation has measures in place that sensitive information such as salaries, personal details of employees and/or participants etc. is kept securely. This also covers the corresponding security measures for IT systems.

External controls describe an auditing procedure in which external auditing firms examine the quality assurance systems of auditees. External control is not performed by an internal staff member, i.e. one who works at the organisation to be audited, but by an external third party.

3.4 Compliance with the law and anti-corruption

Compliance with the law means that the potential recipient has not violated any laws (as far as is known) for example, by evading tax payments or encouraging undeclared work.

Corruption is the misuse of public or private sector positions of power or influence for private benefit. This may take the form of bribery, dispatch money, embezzlement, nepotism, blackmail, fraud, kickbacks, the exertion of unlawful influence, secret arrangements, and insider dealing. Anti-corruption covers all activities designed to prevent and combat corruption wherever and whenever it occurs.

Corruption is a major risk for development and so it is for cooperation projects in achieving their objectives and generating sustainable results. Preventing and combating corruption is therefore a major concern of German development cooperation.

The IKI Small Grants scheme provides measures to reduce the risk of corruption. As part of the application process, we will examine if your organisation, members of its executive bodies or executive managers have been subject of allegations or investigations concerning breaches of the law, corruption or other offences (e.g. fraud, embezzlement, breach of trust) in the last five years. If such allegations have been made, we will require information on what measures the organisation has taken as a consequence. Consequently, we will want to see evidence that an effective system for preventing and combating corruption has been established and that it is being implemented consistently.

Once the grant agreement has been concluded, GIZ reserves the right to audit or evaluate a project at any time (at its own expenses). Regular financial and technical reporting during project implementation is mandatory. The IKI Small Grants scheme promotes the transparent handling of funding: relevant project information, including financial information, will be published on the IKI Small Grants' website.

GIZ – as the commissioned organisation to implement the IKI Small Grants scheme – operates a multilingual whistleblowing portal, which can be used anonymously by project stakeholders to submit information on corruption and bribery: www.giz.de/tell-us.

Furthermore, the implementation of additional corruption prevention measures can be included under capacity development measures (see chapters 11 and 12.2 of the application guidelines for further information).

3.5 Contract award procedure for supplies and services

If the beneficiary of a grant agreement contracts external staff or purchases supplies and/or services financed in whole or in part by the grant agreement, he/she must comply with the public procurement rules applicable in his/her country or in the country of deployment. If national public procurement standards are more lenient than the GIZ standards (as shown in Figure 1 below), the latter must be applied. If the beneficiary of the grant has its own procurement standards that are stricter than national or GIZ standards, these may be applied.

Order Value from	Procedure	Documentation of Contract Awards (Annex 4b)
Up to EUR 1,000.00	Contract award without competition (written tenders need not be obtained)	Generally written orders need not be obtained; a memorandum is to be kept on file for telephone offers.
From EUR 1,000.00 to EUR 200,000.00	Obtain at least three offers for comparison Purposes. From EUR 20,000.00 upwards, public or restricted invitation to tender	According to the documentation of contract awards. The documents are to be kept on file with the project documents.

Figure 1: GIZ contract award standards

4. Project description

4.1 Initial situation in the target region

Please make clear how climate change or the loss of biodiversity have contributed to the current situation in the target region. In order to put your project concept and intended impacts into perspective, provide detailed information on the target region (size, population etc.).

If land use management is planned, please also provide information on the **land tenure situation** (land rights, formal procedures to acquire or manage land etc.).

4.2 Target group and beneficiaries

The target group is composed of individuals or institutional stakeholders that the project intends to work with and reach with its activities or outputs. They may be beneficiaries at the same time if they benefit from the intended project impacts. There may be also cases where the target group is not the beneficiary of the impacts. For example: the project supports school principals (target group) to introduce energy saving stoves for providing meals to students (beneficiaries).

4.3 Non-profit character of the project

IKI Small Grants exclusively supports projects with a non-profit character. This means that the project should not generate any income or pursue commercial interests. If any kind of profit is made, this income may only be used within the project and not for other activities or purchases.

4.4 Structured brief description of the project

Please provide a short text that summarises your planned project. The short description may later be used to present the project to key stakeholders and on the IKI Website. The text shall comprise three paragraphs:

Project objective: Name the most important result your project aims to achieve – this equals to your outcome.

Background: Explain why the project is relevant for climate action or conserving biodiversity in the country of implementation – take into account the initial situation in the target region, its target groups / beneficiaries.

Project concept: Explain your project idea and concrete measures. Be concrete and on the point – take into account your planned outputs.

5. Project concept – results oriented project planning

This chapter comprises the technical guidelines for an IKI Small Grants project application and the basics of a structured project planning that enables efficient project implementation and monitoring.

5.1 Overview on results-oriented project planning

The **conceptual design of IKI Small Grants** projects should be based on **the concept of a results chain** as defined by the OECD. This assumes that the activities carried out by a project create products, goods and services which are potentially resulting into changes. Those are termed project **outputs** (i.e. “specific project goals”) which are, in turn, the prerequisite for achieving the project **outcome** (i.e. “overarching project goal”).

The outcome describes a **change at the level of the target groups** that has been made possible by the project and can verifiably be attributed to the project.

The **impact** (i.e. “long-term result”) of a project is the contribution made on a macrolevel, which can – due to multiple influences – usually not be attributed to the IKI Small Grants project. Therefore, it is not to be discussed in your proposal.

So called “**IKI Standard Indicators**” will be applied at a later stage (once your project proposal has been selected for funding) in order to be able to quantify the project results of your outputs on a higher level of aggregation (mandatory for all projects financed by the IKI).

The following diagram depicts the **results chain**, drawing on OECD terminology. The grey arrows represent the hypotheses that link the various levels (micro and macro level). These hypotheses are assumptions as to how and under what conditions activities contribute to the outputs. These outputs, in turn, contribute to the outcome, which then, respectively, unfolds its long-term impact. The hypotheses made in course of the results chain should be realistic and should be checked at regular intervals during the implementation of the IKI Small Grants project to ensure that they are (still) correct.

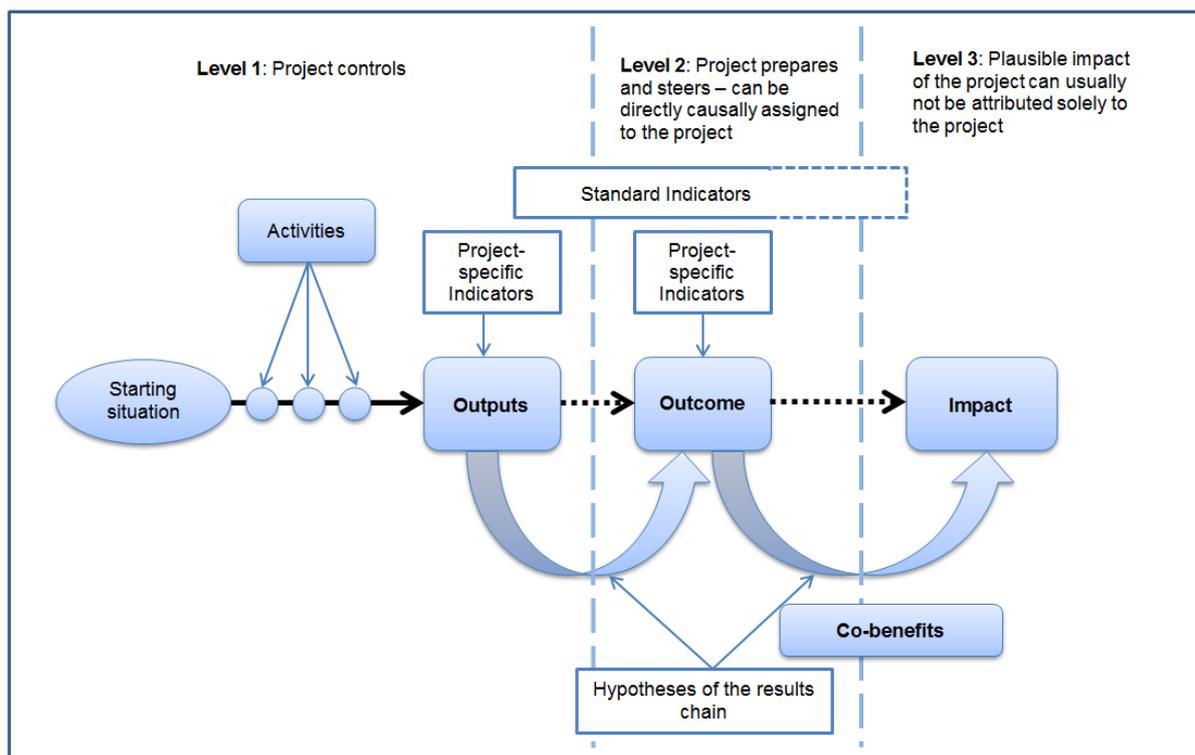


Figure 2: Graphical representation of OECD results chain

The project can thus be divided into **three levels**:

Level 1 is the project's **direct intervention level, where the activities and outputs are located**. These are implemented and achieved directly by the project and therefore, their attainment can be managed and controlled by the project to a large extent. Importantly, a project is always a joint effort between partners and target groups. Therefore, the IKI Small Grants scheme uses a definition of outputs that does not end solely with the creation of products, goods and services, but rather **incorporates their use by partners, target groups and other beneficiaries**.

Outputs shall be equipped with **activities** in the project proposal, which clearly demonstrate how activities link the achievement of outputs, as implied in the results chain. Several activities usually correspond to one distinctive output.

The project **outcome** is on **level 2**. This level describes the **intended effects** of the project on its environment, in other words especially on the target group respectively the beneficiaries. The outcome is considerably achieved through the participation of target groups and intermediaries. The project is not able to exercise complete control over the behaviour of intermediaries and target groups, and consequently, cannot fully control the achievement of the outcome. It can, however, prepare for the outcome and steer towards it. Further, it should be plausibly demonstrated that the activities and outputs – meaning the products, goods or services produced by the project – contribute to the attainment of the outcome.

Level 3 of the project impact is considered to be situated outside of the project's results chain and is therefore **not to be described** in the project proposal. It reflects the plausible impact of the project on a higher aggregated level and can therefore not solely be attributed to the project. Nevertheless, the level of project impact can be addressed in the parts of the proposal where you describe the wider socio-political context of your project.

5.2 How to define an outcome and an output

The **outcome** describes intended changes that can be directly attributed to the project and that result from achieving the planned outputs.

In this context you should ask yourself: Which exact improvements do you expect by the end of the project?

Outputs are concrete products, goods and services created through the project activities and used by the target groups. It should be kept in mind that although the outputs are placed hierarchically below the outcome, they should not ignore interactions with a potential target group.

The formulation of outputs should go beyond the simple provisioning of products, goods or services (e.g. studies, databases, mapping, management plans, regulations or standards) and **incorporate their use by the target groups and beneficiaries**. In the project activities you should describe the way how these products, goods or services are used. Please describe them with an appropriate level of detail.

The following example illustrates how the OECD results chain can be applied in project planning. When designing a project proposal, it is important to incorporate the causal relationships between the intended activities, outputs and outcome.

Example of a results chain: Conservation of biodiversity in the gulf of country X

To achieve long-term protection of biodiversity in the gulf, protected area authorities, ministries of tourism and fisheries have to coordinate and implement effective marine and coastal area protection measures (outcome).

This process will be facilitated through the establishment of a protected area alliance that exchanges, develops, and shares successful models (best practices) associated with the protection of ecosystems (outputs I and II). In addition, it requires a shared vision by key actors (among others, actors from the protected area in addition to tourism and fisheries authorities) on how to secure ecosystems and their services in the region (output III).

Context:

The high levels of biodiversity in the gulf of country X are being increasingly damaged by major tourism projects and an overfishing of marine resources. There is insufficient coordination among protection measures that additionally tend to be unsustainable.

Outcome

Effective protection measures for marine and coastal ecosystems in the gulf of country X are coordinated and implemented by key actors.



Outputs		
Output I: Key actors in the region agree on a shared vision and activities required for effective conservation and sustainable use of ecosystems and put them into practice.	Output II: Models of biodiversity conservation and of sustainable use of marine resources are developed, disseminated, and successfully applied by the target groups across the protected areas and in the surrounding zones.	Output III: Competent protected area authorities cooperate and form strategic alliances in the project region
Activities		
<i>(activities are displayed here in a very shortened form compared to the proposal)</i>		
A I.1 Training of staff on protected area management and the use of associated tools A I.2 Offering workshops for exchange of experiences A I.3. Conducting impact analyses and standardisation of the biodiversity monitoring systems A I.4 Establishing conditions for the formation of an alliance of protected area authorities, i.e. equipment is made available, the administrative centre is expanded into a training institute, an operational plan is adopted and implemented	A II.1 Conducting analyses and systematisations on issues of restoration, tourism, sustainable fisheries, and alternative sources of income A II.2 Identification of success factors, assessing transferability A II.3 Creation of specialised units within administrative offices and integration into development strategies	A III.1 Training of protected area authorities on advisory and negotiation processes in 6 workshops A III.2 Development and implementation of participatory and consultative processes at the municipal level A III.3 Preparation of zoning plans for marine areas in coordination with fisheries authorities A III.4 Facilitation of the development of a shared vision by the protected area, fisheries, and tourism authorities

Figure 3: Example of a results chain

Example of an output with indicator and means of verification			
Output I:			
The value and services provided by ecosystems are considered in national policies and planning processes in relevant ministries.			
Indicator I.1:			
Number of national governmental and non-governmental organisations that, by 10/2021, include biodiversity information generated by the project in their strategy papers or reports.			
Unit	Baseline value <i>(start of project)</i>	Target value <i>(end of the project)</i>	Months to achievement by 10/2021
Number of national governmental and non-governmental organisations	0	<i>5 organisations, including at least 2 governmental organisations</i>	
Means of verification:			
Reports and strategy papers from: environment ministry, agriculture ministry, finance ministry, Global Forest Alliance (...) that explicitly refer to the project database.			

Figure 4: Example of an output with indicator and means of verification



5.3 How to define project-specific indicators

One to two indicators must be developed for the project **outcome**. At least **one indicator** must be developed for each **output**. They all must fulfil the SMART criteria listed below. The aim of SMART indicators is to make a project outcome or output *specific, measurable, achievable* etc. and consequently easy to monitor throughout the project implementation. An efficient project monitoring is key for the implementing organisation and for the donor to evaluate the project's progress and success and/or the need for possibly adapting the projects implementation at a certain point.

This "project-specific indicators" need to be described in the project proposal. For this purpose, a baseline needs to be established for all indicators. A baseline is a form of describing an initial situation at the beginning of the project which would also persist without projects implementation. The baseline can therefore be constituted by either the current state of indicators at the outset of the project or the expected conditions that would prevail in the absence of the project ('business-as-usual').

In the course of project implementation, developments related to the project-specific indicators will have to be regularly reported to GIZ's IKI Small Grants team through periodical reporting.

For examples of the formulation of SMART indicators see the box below.

Criteria for SMART indicators

Indicators for the outcome and outputs must meet the following criteria:

- *specific*, i.e. defined unambiguously and precisely.
- *measurable*, i.e. provide measurement constructs (quantitative measures or descriptions of qualitative conditions) and methods of data collection/sources of verification.
- *achievable*, i.e. it should be possible to reach the target value of the indicator with the available resources and under the prevailing conditions.
- *relevant*, i.e. the information provided by the indicator should be of relevance to describe the outcome and outputs.
- *time-bound*, i.e. equipped with a timeframe and achieved no later than by the end of the project.

Figure 5: Criteria for SMART indicators

In order to ensure meaningful reporting on the selected indicators and, thus, on project success, the target values must be clearly assigned to a timeframe.

Note: Changes to defined goals (outcome and outputs) and project-specific indicators after the grant agreement has been signed require prior approval by the GIZ's IKI Small Grants team.

The following example of SMART indicators illustrate which pitfalls exist when formulating indicators based on these criteria comparing non-SMART and SMART formulations of an indicator.

Output example:	
The value and benefits provided by ecosystems services are considered by ministries in national policies and planning processes.	
NON-SMART indicator formulation:	SMART indicator formulation
<p>'Specific' criterion not met: <i>Percentage of political actors that include information on biodiversity conservation in their planning processes.</i></p> <p>Without clearly defining the target group of political actors in advance, this indicator remains non-specific. (It remains unclear: Percentage of which target group?) In this case, a percentage is difficult to match to a baseline or target value, since the decision of which actors to count is unclear and/or arbitrary.</p>	<p>Number of national governmental and non-governmental organisations that, by 10/2021, include biodiversity information generated by the project in their strategy papers or reports.</p> <p>Baseline: 0 organisations</p> <p>Target value: 5 organisations, including at least 2 governmental organisations</p> <p>Source of verification: Reports and strategy papers from: environment ministry, agriculture ministry, finance ministry, Global Forest Alliance (...) that explicitly refer to the project database.</p>
<p>'Measurable' criterion not met: <i>Number of governmental and non-governmental organisations (NGOs) that include relevant information on biodiversity conservation in their planning processes.</i></p> <p>Due to the evaluative formulation of this indicator ('relevant information on biodiversity conservation'), this indicator is not measurable since <u>it is not clear what it meant by "relevant"</u>. Even using expert interviews, this indicator would remain highly subjective.</p>	
<p>'Achievable' criterion not met: <i>Number of national governmental and non-governmental organisations that include biodiversity information generated by the project in their strategy papers or reports.</i></p> <p>Baseline: 0 organisations Target value: 10 organisations, including 5 governmental organisations</p> <p>The determination of the target values at the beginning of the project should be estimated based on the framework conditions on site and on the number of target values that could realistically be achieved with the available resources.</p> <p>Although ambitious project objectives are basically assessed positively, demanding targets should be set in proportion to the project's performance capabilities and to the framework conditions on site. <u>Indicators should not be too ambitious!</u></p>	
<p>'Relevance' criterion not met: <i>There has been an increase of at least 5% in the populations of three threatened flagship species in the region.</i></p> <p>This indicator is not directly relevant for the output described here since the goal formulation is primarily focused on the political process and an increase of threatened species <u>is not directly linked to this output.</u></p>	
<p>'Time-bound' criterion not met: <i>Number of national governmental and non-governmental organisations that include biodiversity information generated by the project in their strategy papers or reports</i></p> <p>The achievement of the targeted output can only be monitored <u>if an end date is set.</u></p>	

Figure 6: Example of SMART and non-SMART indicator formulation



5.4 Project activities

In addition to the formulation of suitable indicators, project proposals also describe the activities that are planned to achieve the indicators.

The activities should be described in a way, that they are clearly oriented towards the achievement of the respective output and in a way that a third person, which is not familiar with the technical context can easily and fully understand what the implementing organisations plans to do, which resources and methods shall be used, and which target groups are addressed. The activities should build on each other in a meaningful way to achieve the respective output and the aspect of capacity development of the target groups should always be sufficiently described. The planned time frame should be ambitious but realistic.

A set of activities connected to a project output should also be budgeted in a transparent manner. Realistic planning and budgeting are key for a successful implementation of the project activities.

The implementation of activities is not as strictly mandatory as project outputs. Therefore, a change of project activities does not need to be formally requested. However, a change in outputs and indicators requires such an official consultation. If deemed necessary in the course of project implementation, the activities can be adapted to better achieve the project results/outputs.

The duration (including starting and end dates) for all planned activities must be graphically illustrated in a so-called **Gantt chart** (also called logical framework - see chapter 15 for further information). Therefore, consistent numbering of activities is crucial to connect the project proposal with the Gantt chart and to understand the logical sequence of the project results chain.

Example for activities of the project output

Output I: The importance of biodiversity conservation, sustainable fisheries and issues of restoration are considered in planning processes and advocacy campaigns in relevant ministries.

Activity I.1 Data collection:

Conducting analyses and systematisations on issues of restoration, sustainable fisheries, and biodiversity conservation in the gulf of country X.

Data collection on the usage of the term “biodiversity” in official documents, generated by the ministry of fishery in country X. The database incorporates data in quantitative and qualitative form. Keywords, such as “biodiversity” and their usage by the ministry are analysed. A qualitative + quantitative data analysis is conducted, using MAXQDA as supporting software. The analysis allows to identify the ministry’s awareness of biodiversity as a term. It shows if the ministry primarily refers “biodiversity” to other keywords, such as “conservation”. Similar analysis is conducted for further related keywords.

Activity I.2 Data analysis and research conclusion:

Data analysis is conducted internally within a timeframe of six weeks. A policy brief resulting out of the data evaluation with formulated deficiencies and policy recommendations is developed and send to the ministry.

Activity I.3: Publicity work:

Presenting and discussing the database with political and civil society actors, who work in close cooperation with the ministry. Six workshops with ministerial staff/civil society organisations (each 20 participants) are carried out within three weeks. Networking and discussion rounds are planned as follow-up meetings. Awareness rising activities towards “biodiversity” (and related) keywords as well as conservation measures are key instruments used in the workshops.

Figure 7: Example for activities of the project output

For each set of activities, we recommend formulating comprehensive **milestones** in addition to the activities. Milestones establish a connection between activities and outputs by indicating key successes, thereby giving an early feedback as to whether the implementation is on the right track. Milestones, therefore, have similarities to indicators. At the same time, milestones provide a structure for reporting on activities.

Example for Milestone I.1:

Workshop to present the biodiversity database generated by the project in 06/2025

Figure 8: Example for a milestone

It is a matter of preference whether it makes more sense to set up a separate indicator for an important interim goal, or whether a milestone is used for this purpose. It should be ensured that the success of the project can be continually monitored. Milestones are very useful to supplement indicators.

6. Promotion of gender equality

Gender equality is an official secondary objective of IKI Small Grants. All applicants should therefore reflect on their actions in terms of their impact on gender equality³.

IKI Small Grants will select a limited number of projects which are submitted by women's rights organisations/networks, or particularly address gender specific issues (e.g. the empowerment of women and their rights).

Projects that particularly focus on gender issues should (among other aspects):

- briefly describe the role of women within your society (target group, beneficiaries)
- foresee an improved access to resources for women (energy, mobility, water etc.)
- not result in more workload for women, i.e., project activities on top of regular activities
- critically review current power structures between women and men
- sensitize men about gender roles
- reflect gender aspects at least in the activities or where applicable in the outputs, the outcome or even in the project title

Further, women (rights organisations) should be consulted or involved in the conception of the project or activities.

Please note that IKI Small Grants projects must still have their main focus on one of the four IKI funding areas.

7. Risks to the success of the project

This section shall describe risks that may occur during the implementation of the project and possibly impact the planned execution of the project. This section **shall not** describe the general or specific situation of the project region (e.g. general impacts of climate change are normally not considered to be a project risk).

There are different types of risks: Technical, political, economic, nature-related or social risks. Their occurrence may negatively influence the implementation, i.e. the planned execution of activities and the creation of project results. Please describe these risks, their extent and the degree to which they can be influenced by the project management. Those aspects should be analysed and ranked (low, medium, high), and strategies to minimise risks should be presented.

Finally, present your strategy to minimise the identified risk.

³ The Gender Action Plan (UNFCCC) <https://unfccc.int/topics/gender/workstreams/the-gender-action-plan>

Gender equality in German development policy. Cross sectoral strategy (BMZ)
https://www.bmz.de/en/publications/type_of_publication/strategies/Strategiepapier340_02_2014.pdf

Example 1: Inflation of the local currency

Your project is located in a country with a high currency inflation rate. This poses an economic (financial) risk to your project budget, since it may result in higher costs and therefore insufficient funds.

Your assessment concludes that this risk for the successful implementation of your project is **high (extent)**, since you might lose up to half of the project budgets value due to inflation. However, you can influence the impacts of the risk at a **high degree**. Your **strategy** is to open a foreign currency (EUR) account and make small but frequent withdrawals of funds in the local currency. This avoids larger amounts of cash reserves for a longer period that would be subject to inflation.

Figure 9: Example for risk assessment (I)

Example 2: Lack of maintenance capacities for solar energy installations

Your project plans to replace fossil fuels (which run a generator) with solar panels. However, your project is located in a region with few service providers for regular servicing of the installation. You consider this as a risk for a sustainable use of the solar energy installations (*Technical risk*).

Your assessment concludes that this risk for the successful implementation of this part of project is **medium (extent)** and that your **degree** of influence is **high**. Your **strategy** is to acquire robust and low-maintenance types of solar panels. Furthermore, you coordinate with other users of solar energy in the area, so that you can synchronise interventions by technicians. This should lead to an acceptable level of maintenance by the service provider and reasonable maintenance costs.

Figure 10: Example for risk assessment (II)

8. Safeguards system

The IKI Small Grants safeguards system is a tool to avoid and mitigate harm to people and the environment during the implementation of a project. Therefore, applicants have to assess whether the implementation of a project has the potential to cause harm, respectively negative impacts.

Project implementation has the objective to create positive impacts, expressed by the outcome of the project. However, potentially negative social or environmental impacts may also be generated by the project (activities) in an unintended way. Negative impacts on individuals, groups, or the environment must be avoided. IKI Small Grants recipients are therefore obliged to adhere to the IKI Small Grants safeguards system.

During the planning process of a project, seven “dimensions” have to be assessed, to make sure whether the project may harm any of these dimensions, and how in such a case harm may be avoided or mitigated. The assessment results are to be documented in the relevant section of the online application platform. If necessary, appropriate monitoring and management instruments to mitigate risks have to be included in the project concept (e.g. indicators or activities such as mitigation; a desk study elaborating on potential risk or a safeguard workshop).

By adhering to the different standards, the project is obliged:

- To promote non-discrimination, equal opportunities, and safe working conditions for all workers as well as to avoid forced labour. This applies to direct workers, contracted workers, and supply chain workers. (**Dimension “Labour and Working Conditions”**)
- To avoid, or as far as possible, to minimise negative impacts for human health and the environment. This includes air, soil, and water pollution, the emission of greenhouse gases, and the use of non-renewable resources. The sustainable use of resources should be supported. (**Dimension “Resource Efficiency and Pollution Prevention”**)
- To avoid or at least reduce possible health risks as well as safety/security risks for the local/affected population, which could result from project-related activities, project equipment and project-related infrastructure. Compliance with relevant international and regional human rights standards/conventions is required. This is particularly relevant in conflict and post-conflict settings. (**Dimension “Community health, Safety, and Security”**)
- To minimise negative social and economic impacts resulting from land acquisition or restriction of land use as well as to prevent involuntary resettlements as part of the project. If voluntary resettlement cannot be avoided, relevant project activities must be implemented, that ensure that living conditions at least do not deteriorate and ideally improve due to the resettlement. (**Dimension “Land Acquisition and Involuntary Resettlement”**)
- To protect biodiversity, to use ecosystems sustainably, to support the sustainable management of biological resources, and to promote the integration of nature conservation and development priorities. Avoiding negative impacts for biodiversity and ecosystems are a priority. If negative impacts cannot be completely avoided, they have to be minimised or ecosystems have to be restored as far as possible. Project activities with a significant negative impact for biodiversity and ecosystem services requiring biodiversity offsets, are not eligible under IKI Small Grants. (**Dimension “Biodiversity Conservation and Natural Resources”**)
- To minimise potentially negative impacts for indigenous people and other marginalised local groups in their respective territories regarding their rights, their cultural identity and their access to and use of land/resources. Project activities, that have the potential for direct negative impact on the rights and/or the access to and use of traditional land require free, prior, and informed consent by the affected groups before the start of the project. During the project duration, a continuous participation of and consultation with these affected groups must be guaranteed. (**Dimension “Indigenous People”**)
- To protect and conserve cultural heritage and to promote equitable sharing of cultural heritage benefits. (**Dimension “Cultural Heritage”**)

Note: Any changes to the significance of risk for any safeguard dimension during the project implementation must be communicated immediately to the GIZ’s IKI Small Grants team.



9. Ensuring sustainability and upscaling

The aspects of sustainability and a potential to upscale the project and/or the projects results is crucial for IKI Small Grants.

Therefore, the project results should be anchored in an appropriate way in the country or region of implementation. As part of the concept, please elaborate if and how the structures established by the project can prevail and continue to exist after the project ends.

Ideally a follow-up financing or independent continuation of the activities is part of the concept and the continued existence of the structures created by the project is secured.

The approaches and results of the project should be replicable (possibly also in other contexts) and the project should have a high multiplier effect. A multiplier effect can be achieved by sharing the project results and/or methods with the public (e.g. networks) or relevant stakeholders.

This means it should be possible to replicate the projects results easily and the project itself should have components which aim at spreading the projects´ methods and findings. The projects results should be effectively shared with relevant stakeholders and target groups outside the projects area of direct influence.

In any case, a good project concept should contain elements that ensure that the project results also benefit a broader interested target group outside the project target group, the implementing agency, and the donor. The project concept should describe the methods used to achieve continuation and present a consistent knowledge management and information strategy for a broader public.

The implementing organisation should also keep in mind, that IKI Small Grants projects should always try to contribute in some way to the national climate protection and/or national biodiversity goals.

10. Capacity assessment - governance

This primary capacity assessment is used to identify and leverage internal strengths while mitigating weaknesses. It is important to us to familiarize ourselves with your organisational structure to be able to provide your organisation with context-tailored accompanying capacity development support. The different forms in which support may be offered by IKI Small Grants are explained in chapter 11.

The governance of an NGO is generally defined as “establishment of policies, procedures and continuous monitoring of their proper implementation by the members of the governing body of an organisation. It includes the rules and practices that ensure a transparent, fair and accountable decision-making process⁴.” To complete this part of the online application platform, please provide a detailed description of your internal governance structure.

Furthermore, this section helps us to get an impression of your external governance/network and thus to understand how your organisation is linked to similar NGOs or civil-society organisations. The following questions can be used to guide your description:

Internal governance:

- Does your internal management provide clear, feasible objectives and work plans, that are supported by the company's staff and key target groups?
- How are these objectives set-up and monitored?
- Does your organisation have an elected executive board and officers?
- Do you have a transparent and documented system of decision making?
- How does the management involve employees in decision-making processes?
- Can staff members communicate serious concerns directly to a member of the executive board or officers of your organisation?

External governance / Network:

- If applicable, how frequently and in which way does your organisation consult with major stakeholders?
- Does your organisation promote debate on policy issues, advocacy, needs assessment, funding, project design, implementation, monitoring, and impact assessment with stakeholders?
- What is the current working relationship between your organisation and other local, national, and international organisations? Does your organisation participate in networks with other NGOs or civil society organisations?

Please try to respond to these questions in one coherent text, trying to trace a comprehensive picture of your organisation addressing as many aspects as possible.

11. Capacity needs and capacity development measures

The purpose of this section is to identify the capacity development needs of the applicant's organisation and to tailor an appropriate capacity development package considering the identified constraints and needs.

⁴ Herbel, D. Mariagrazia Rocchigiani (FAO 2013) Office of Partnerships, Advocacy and Capacity Development (OPC) FAO: Organization analysis and development, p.182.

In the first section the applicant's organisation should briefly describe the constraints to which the organisation or the employees may be subject in maintaining or developing the organisation and its projects. In this context, the need for capacity development should be emphasised. The areas for capacity development need to be well explained, appropriate and address your limitations and development potentials as an organisation. If possible, they can also be placed, in the thematic context of project implementation.

In the second section, the applicant should describe possible capacity development measures based on the identified capacity needs. These form the basis for the intended capacity development package.

As the *capacity development package* consists of two parts, (1) self-organised measures financed by the grant agreement and (2) possible additional capacity development measures supported by GIZ or third-party organisations in your country, this sub-section is also divided into two parts:

- a. Self-organised activities (1) must be entered in the budget for capacity development in the **second tab** of the *IKI Small Grants Budget* (see chapter 12.2).
- b. The second part, (2) possible additional capacity development measures carried out by GIZ or third-party organisations, should contain measures that cannot be organised by the applicant's organisation itself or measures whose implementation and development requires external expertise.

In the third part the applicant is required to define a maximum of three outputs in relation to the proposed measures. They must specify indicators to measure the extent the capacity output is achieved. Additionally, the specific measures to achieve the output have to be described. The output "capacity development" is a concrete product, service, regulation or standard created through the capacity development measures (activities).

The organisations must be able to carry out the project without depending on these capacity development measures. The measures listed in the project proposal cannot be a prerequisite for the project implementation (such as, for example, a basic accounting courses).

If the project is selected for funding, the capacity development needs and the budgeted activities will be reviewed, reflected and, if necessary, adjusted together with the technical advisors. The aim is to develop a suitable capacity development package tailored to your organisation's needs.

12. IKI Small Grants Budget

The budget document is separated into three tabs: Project Budget, Capacity Development and Revenue.



Figure 11: Budget tabs

Filling in the **Project Budget** and **Revenue** tabs is mandatory and failure to do so might result in an unsuccessful application. Non-profit organisations have the possibility of budgeting a maximum amount of 10,000 euros for self-organised capacity development measures in the **Capacity Development** tab.

If your project is selected for funding, we reserve the right to adjust the budget and capacity development measures in consultation with you.

12.1 First budget tab - Project Budget

All calculations and monetary amounts must be listed in euros. The total share of the project budget financed by GIZ must be in the range between EUR 60,000 and EUR 100,000. Projects in the field of mitigating greenhouse gas emissions and adapting to the impacts of climate change can be funded with a maximum budget of up to 200,000 euros if specific construction measures (e.g. solar panels, wind energy turbines or irrigation systems) are an integral part of the project (cf. funding info). The funding volume may not exceed the applicant's average annual revenue of the last three years.

When awarding contracts for supplies and/or services to be financed in full or in part from the grant, the recipient shall observe the regulations for public procurement which apply in the recipient's country. In any case procurements have to comply with the provisions in Annex 4a (Grant Agreement - Award Procedure), which form a constituent part of the grant agreement. As stated under chapter 3.5 of these guidelines, if the beneficiary of the grant has its own procurement standards that are stricter than national or GIZ standards, these may be applied. The contract award procedure, including but not limited to all decisions, shall be documented in accordance with the template provided as Annex 4b (Grant Agreement - Documentation of Contract Awards), which forms an integral part of the grant agreement. Both documents can be retrieved via www.giz.de/financing.

12.1.1 Staff

Please only list expenditures for internal staff that have a regular employment contract and are assigned to the project. These expenditures include:

- Gross salary incl. employer's contribution (salaries must be in line with local profession standards)
- Other regular salary components defined by contracts
- Severance payments upon termination of a contract provided they are a requirement under employment law (and not part of a contractual agreement) and provided they are listed only as the part corresponding to the working hours actually spent on the project. Severance payments that are not based on applicable employment law are not eligible.

Please state the function and role of each employee within the project in the first column (description/category of expenditure) and estimate his or her working time (in percentage) for the project.

Evidence must be provided for personnel expenditures in the form of monthly or annual payslips/payroll journal. If staff is partially financed - a time sheet must be submitted. In case payslips do not allow an adequate traceability, contracts of employment must be handed in as well. For example, traceability is not ensured if information on payslips is not comprehensible or personnel expenditure for project staff exceeds amounts paid to other employees disproportionately. In order to ensure a complete documentation, the records and originals of supporting documents (e.g. payslips, timesheets) need to be kept at the recipient's premises. Please carefully read Annex 3a (Grant Agreement) www.giz.de/financing.

12.1.2 External experts / consultants

Please list only external staff that are not employed by your organisation, but whose services are commissioned via a subcontract (e.g. advisors/consultants on technical matters, etc.).

The requirements for the award of contracts for goods and services as stated under chapter 3.5 must be observed.

All estimated expenditures for a subcontract including incidentals, e.g. travel expenditures of the subcontractor, must be budgeted in the project budget's 'External experts / consultants' column.

12.1.3 Transportation / travel costs

Travel expenses and per diems are eligible for funding but must be directly attributable to the project and comply with the internal travel regulations of the applicant or Germany's Foreign Travel Expenses Ordinance (ARVVwV). Please list only the travel expenditure of your own staff / employees in this budget category.

The document, **IKI Small Grants – Travel Allowances**, lists the current ARVVwV per diems and overnight allowances valid for travel to ODA countries.

Budgeting of travel expenditures:

Please budget travel expenditures based on an average amount per trip and the number of trips. If possible, summarize national travel as well as international travel in two separate lines. A disaggregated depiction, broken down into flights, accommodation, additional expenses of subsistence and other expenses is not required at this stage.

The requirements for the award of contracts for goods and services as stated under chapter 3.5 must be observed.

When calculating travel costs for the use of private vehicles or vehicles of the organisation, please apply a distance calculation of a maximum EUR 0.30 per kilometre instead of fuel and other costs and note that a driver's logbook has to be kept.

12.1.4 Training costs / Event costs

Please list trainings and events (workshops, meetings, etc.) planned within the framework of the project. Please base your figures on previous experience or use estimated figures. Include expenditure for catering, room rental, materials, event equipment, etc. If travel for external

guests is planned, expenditure can also be included in this budget category as an individual item.

12.1.5 Procurement of goods

The use of all items and assets during the project duration needs to be earmarked for the specific purpose of the project as outlined and approved in the project proposal. GIZ will decide on further use of items and assets after the completion of the project. Please note that printing costs for booklets, flyers etc. should also be listed under this budget line.

The requirements for the award of contracts for goods and services as stated under chapter 3.5 must be observed.

Items and assets with an individual value above EUR 800 need to be inventoried.

12.1.6 Other costs / consumables

Other costs for materials and equipment which cannot be clearly allocated to the other budget lines, such as publications (e.g. in journals or magazines), translations and IT services can be listed in this category. Please note if a translator is hired to accompany events and/or training courses, this translator must be listed under External Experts.

Miscellaneous purchases and consumables necessary to maintain standard operation, such as detergents, screws, lamps or paper, must also be included in this category. Please name budgeted expenditures precisely and show clearly and in detail how they have been calculated.

The requirements for the award of contracts for goods and services as stated under 3.5 must be observed.

12.1.7 Administrative overhead costs

A percentage may be entered for administration costs (such as office rent, telephone, internet, stationary, etc.) if it would be disproportionately time-consuming to work out specific project-related administration costs and provided that the lump sum appears to be set at an appropriate level. By contrast, imputed costings such as risk premiums or depreciation/amortisation are not eligible as they are not associated exclusively with the project. Administrative overhead costs must be reasonable and plausible and shall under no circumstances exceed 12% of the direct expenditures (budget category 1-6). Please note that in the case of an audit the administrative overheads must be explained in a comprehensible way.

Subtotal - direct costs		-
<i>Admin costs must be plausible and reasonable. It must not include expenditures claimed as direct expenditures in sections 1-6. Maximum rate for calculation of administration: 12%.</i>		
7. Supporting cost / Administration costs	Administration costs: <input style="border: 2px solid red;" type="text"/> %	-
8. Own funds / third party financing	ABC (name of the financing party)	-

Figure 12: Administrative overhead costs

The percentage of administrative costs needs to be entered in the highlighted field in the project budget.



12.1.8 Own funds / third party financing

Own- or third-party funds are not a requirement for funding but are nevertheless greatly appreciated and encouraged. Please note, that GIZ will be unable to finance partial costs within one budget line (with the exception of staff costs – see chapter 12.1.1).

Signed evidence of third-party financing must be provided as part of the application.

12.1.9 Fill in guide for the budget

Please be aware, that the information provided below only serves as an example and that we would require more extensive details in the description fields.

Budget / Schedule of Estimated Expenditures							
Date: 23.10.2020		Please fill in the name of your organisation and the date of preparation/finalisation					
Name of the Recipient: Fundacion Test							
Description	Output	Amount	Unit (e.g. person, vehicle, room, unit, ...)	Quantity	Unit (e.g. months, days, trainings, unit)	Eligible up to in EUR	C in
1. Staff (Job Title)							
<i>(Note: This budget line will be settled against payslips financed, against payslips and time sheets.)</i>							
Please connect the expenses to the outputs of your application form		Only for '1. Staff', please input if full time (100%) or less		Please input the single unit cost, in this case: 1 month, full time. The calculation will take values under 'Amount' into account			
Program coordinator (specialisation, description if applicable)	I-III	30%	person	12	months	XXX	
Program officer (specialisation, description if applicable)	I-II	100%	person	24	months	XXX	
2. External Experts / Consultants (Job Title)							
Economist for the XXX (describe tasks or responsibility)	I	1	person	40	days	XXX	
Legal Expert for the XXX (describe tasks or responsibility)	I & III	2	person	35	days	XXX	
Please provide as much information as sensible when describing the expenses							
3. Transportation / Travel Costs							
National project related travels (Workshop, Event, Site)	II	2	person	5	trips	XXX	
4. Training / Event Costs							
Advocacy training and info days	II	3	trainings	1	day	XXX	
Community workshop	II-III	2	workshops	2	days	XXX	
5. Procurement of Goods							
Laptop	I-II	1	unit	1	unit	XXX	
Dissemination Materials	III	500	posters	1	unit	XXX	
6. Other Costs / Consumables							
Translation / interpretation	III	1	unit	4	translations	XXX	
Please fill these fields as seen here (1 & unit), should a breakdown in 'Amount' and 'Unit' make no sense for the expense							
Subtotal - direct costs							

Figure 13: Fill in guide for the budget

12.2 Second budget tab - Capacity development

The self-organised capacity development measures addressed in the application form (see chapter 11) in the sections *Capacity development needs* and *Capacity development package* (Part 1) must be budgeted in the second budget tab. Please note the fill in guide in chapter 12.1.9.

In total, a defined maximum amount of EUR 10,000 can be made available for the internal self-organised capacity development of the recipient. These funds can be considered as additional resources independent of the grant itself. As mentioned before, this is only available to non-profit organisations.

Primarily, intangible assets will be funded in the context of capacity development. However, also tangible assets are financed if they are appropriate and strengthen the applicant organisation. The purchase of specific software might be approved in exceptional cases (if trainings on the software are part of the project activity).

Capacity development measures **must not be a prerequisite** for project implementation (such as basic accounting courses).

Examples of self-organised trainings might be:

- leadership training
- good governance training
- conflict management training
- anti-corruption sensitization
- fundraising and proposal writing
- presentation and negotiation techniques
- advanced language courses
- public procurement law
- national budget and grant law
- internal control systems
- carbon accounting methods
- methods of efficient networking

12.3 Third budget tab – Revenue

In this tab the applicant organisation must provide information on its annual revenue for the last three years. Filling in the information for this tab is mandatory for all applicants.

As a first step, applicants will have to select the starting month of their reporting periods, the last year of their reporting as well as the currency they use in their financial reporting (**red circles**).

Period of three years from:		Currency:		
Mrz	2019	SSP		
Fiscal year - Period from Mrz - Feb				
Year	Revenue/Income in SSP	Page(s) in the annual report (Attachment D)	Ø-annual exchange rate EUR/SSP	Revenue in EUR
03/2019 - 02/2020	please enter revenue	please enter page	0,00565	
03/2018 - 02/2019			0,00594	
03/2017 - 02/2018			0,00746	
Ø - annual revenue				
Please enter your annual income for each financial year listed above!			Funding volume in EUR:	126.000,00 €
Deviation Funding volume to average annual revenue % .				
* Basis of data: https://ec.europa.eu/budget/graphs/inforeuro.html				
* the annual exchange rate is calculated as an average of the monthly rates stated below				
* Please contact IKI-small-grants@giz.de if your currency is not available				

Figure 14: Third budget tab - Revenue

The second step is to enter the revenue of the last years as well as the page numbers in the financial statements where the revenue can be found (**orange square**).

The box in the **blue triangle** is shown as red, as seen in this example, if the requested financing amount exceeds the permitted maximum. As stated in the funding information, the funding volume shall not exceed the average annual revenue of the last three years.



13. Financial statements

Every applying organisation must submit a copy of their annual financial statements of the last three years. These statements must be **dated** and **signed** and should be a scanned document. If your financial statements are subject to external audits, then these must be submitted instead. External financial audits must be signed by the auditor and contain his or her findings.

14. Eligibility of expenditures

14.1 Expenditures must be necessary for the project

The fundamental eligibility requirement is that expenditures are indispensable for the achievement of the project results. The expenditures must be essential for the performance of the project in question. Please always ask yourself if the intended expenditures are necessary for the implementation of the project.

14.2 Expenditures must be incurred during the eligibility period of the project

All expenditures must be incurred within the eligibility period (defined in the grant agreement) of the project. This is the case when the related goods, equipment, services, works or activities have been used in connection with the project and thus became due during the implementation period of the project. The implementation period is set out in the grant agreement.

The fact that a legal commitment has been made (e.g. signature of a legally binding contract or issuing a purchase order) is not sufficient for the expenditures to be eligible. This means that the expenditures should relate to activities performed during the implementation period of the project.

Recipients should be prepared to demonstrate that expenditures have been actually incurred, for instance, in the case of a financial audit. During an audit, auditors will check all the supporting documents related to the project and the relevant dates (i.e. distribution lists, logbook, employment/service contracts, reports on end of works, post-distribution monitoring report, but also payment vouchers, bank statements, tender files including not accepted bids not accepted, or derogation forms signed at applicable level, etc.).

GIZ may have the projects audited at its own expense at any time by an independent chartered accountant commissioned by GIZ, by its own experts or by its own audit authority.

14.3 Expenditures must be identifiable and verifiable

The expenditures must be:

- recorded in the accounting records of the recipient;
- in accordance with the accounting standards of the country of registration of the recipient and its usual accounting practices;
- backed by supporting evidence (e.g. invoices, receipts, contracts, time sheets, etc.).

The recipient does not have to provide those supporting evidences with the final report, but it must keep them available at GIZ's request or in case of audits. Indirect expenditures (administrative overheads) do not need to be backed by supporting evidence during audits if prior approved by GIZ.



14.4 Expenditures must be reasonable, justified and comply with the principle of sound financial management

This principle means that the project funds must be used in accordance with the principles of thrift, efficiency and effectiveness.

- The principle of thrift requires that the resources used in the pursuit of an activity be made available in due time, in appropriate quantity and quality and at the best price.
- The principle of efficiency refers to the best relationship between resources employed and results achieved.
- The principle of effectiveness is concerned with attaining the specific objectives set and achieving the intended results.

Throughout the project, the recipient will have to make sure that these principles are respected. At the end of the project, in cases where these principles could not be respected, the recipient will have to justify the reasons and the impact on the results. If no valid justification can be provided, expenditures may be declared ineligible.

14.5 Reimbursement of non-eligible expenditures

Finally, please note that GIZ will only pass judgement as to the actual eligibility of expenditures at the liquidation stage (winding-down phase). All expenditures that do not meet the eligibility conditions will be declared ineligible and disallowed accordingly. The overpaid amount will need to be reimbursed by the recipient.

The mere fact that certain expenditures are included in the project budget does not automatically make them eligible, as this cannot overrule the otherwise applicable eligibility conditions.

The following examples of expenditures are not eligible:

- Expenditures, which cannot be supported by original supporting evidence (examples mentioned under [14.3](#)),
- Expenses without proof of payment,
- Unused discounts and rebates,
- Expenditures incurred outside the period covered by the grant,
- Insurance not required by law,
- Expenditures that cannot be clearly attributed to the project,
- Expenses that result in later refunds (e.g. rent deposit),
- Expenses for first-class flights.

This list is not exhaustive.

15. IKI Small Grants Gantt chart

A Gantt chart serves as a tool for developing a timetable for the implementation of activities and for monitoring the progress on outputs, results and milestones. Milestones are specific reference points that mark major events/progress in a project timeline. A milestone does not have a duration in the timeline, and it can be placed where there is a logical conclusion of the phase of work, or at the deadline imposed by the project plan (see chapter [5.4](#)).



All outputs, milestones and activities formulated within the project proposal and their duration and/or date of achievement must be present in the chart. The outcome does not need to be equipped with a timeline.

Please name the activities in the Gantt chart according to their title (not the whole description) used in the online application form.

An example of a project Gantt chart is displayed below:

Gantt chart on the project schedule							
Project title	Conservation of biodiversity in the gulf of country X						
Project number	A GER keyword 2XXXX						
Color coding							
Outcome (overarching project goal)							
Time frame output (specific project goal)							
Time frame activity							
Milestones (the definition of milestones is optional)							
		Year				2025	
		Goals and activities				20	
		1st quarter	2nd quarter	3rd quarter	4th quarter	1st quarter	2nd quarter
Outcome	Effective protection measures for marine and coastal ecosystems in the gulf of country X are coordinated and implemented by key						
Output I	The importance of biodiversity conservation, sustainable fisheries and issues of restoration are considered in planning processes and advocacy campaigns in relevant ministries.						
Activity I.1	Data collection						
Activity I.2	Data analysis and research conclusion						
Activity I.3	Publicity work						
...							
Milestone I.1.	Research design finalised by 01/2025						
Milestone I.2	Data base presentation workshop by 06/2025						
...							
Output II	Shared vision statement for effective conservation is developed by key stakeholders						
Activity II.1	Training of key stakeholders						
Activity II.2	Six negotiation and advisory workshops						
Activity II.3	Development of shared vision statement (municipal level)						
...							
Milestone II.1.	Invitations for workshops sent to 10 stakeholders by 02/2026						
Milestone II.2	Dates for city council- marine biodiversity session are set by 03/2026						
...							
Output III	Competent protected area authorities cooperate and form strategic alliances in the project region						
Activity III.1	Training of staff on protected area management						
Activity III.2	Offering workshops for exchange of experiences						
...							
Milestone III.1.	Workshop materials are finalised by 02/2025						
Milestone III.2	10 trainings and workshops carried out by 10/2025						
...							
Capacity Building	Development of research methods toolbox at organisational level						
Activity IV.1	Research methods workshop for staff						

Figure 15: Example of a Gantt chart



16. Glossary

Baseline	A baseline serves as a reference value for an indicator. Comparing a current value of the indicator with the baseline reveals the changes achieved by the project.
Gantt chart	Project planning instrument for scheduling the implementation of activities as well as the attainment of milestones, outputs, and outcome.
Means of verification (of sources for indicators)	An appropriate source for an indicator including a concrete means of verification is determined in the project planning phase and provides the basis for the data that is to be reported for the indicator and for its verification.
Milestone	A defined interim result based on a traceable and predefined result, product, service or output to be achieved on schedule and/or in adequate quality.
Outcome	The actual goal of the project, i.e. the intended changes related to mitigation of greenhouse gas emissions, adaptation to the effects of climate change or the conservation of biological diversity that can be directly causally attributed to the project. Moreover, this includes the transformation in processes that intermediaries and target groups undergo when using project results or outputs.
Outputs	Products, goods or services, and their use by project stakeholders/participants, produced or provided as a result of the implementation of project activities. The combined use of the project's outputs contributes to the attainment of the project outcome.
Project-specific indicators	Project-specific indicators serve as contractually binding benchmarks for measuring goal attainment and hence, project success. They specify the outcome and outputs of IKI Small Grants projects.
Result	Denotes a change that results from the IKI Small Grants project. Results may be intended or unintended, expected, or unexpected, positive, or negative. The outcome is an intended, positive result.
Results-based monitoring	Regular and systematic observation and documentation of project progress and effects based on the → <u>project-specific indicators</u> and the → <u>standard indicators</u> . The project's success can be measured based on (1) what has been done (monitoring of activities and outputs) and (2) what changes have occurred by what has been done (outcome and impact).
Safeguards (system)	Ecological and social principles, (minimum) standards and criteria for project planning and implementation. The IKI Small Grants Safeguard system is a tool to avoid and mitigate harm to people and the environment during the implementation of a project. Therefore, applicants have to assess whether the implementation of the project has the potential to cause harm respectively negative impacts during the planning and execution phase of their projects.
SMARTness	The acronym SMART includes five criteria, that an indicator has to fulfil in order to be a valid monitoring-instrument: It has to be S pecifically (unambiguously) formulated, M easurable, A chievable, R elevant as well as T ime-bound.
Target group	Individual and institutional stakeholders that the project intends to reach, or which are the focus of the project's outputs and outcome.

