



Federal Foreign Office Funding Concept

Federal Foreign Office funding for political participation and democracy in North African and Middle Eastern countries (Division S 04)

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1. Funding goal and intended purpose

The people of North Africa and the Middle East had high expectations that the uprisings known as the Arab Spring would bring them greater personal freedoms, more equitable socio-economic conditions and greater political participation. With the two foreign policy funding programmes known as the **transformation partnership** (appropriation 0501 item 687 21) and **scientific partnership** (appropriation 0504 item 687 18), the German Government has developed a pair of flexible and complementary instruments for supporting democratic processes and the rule of law and reinforcing civil society participation and interconnectedness, by means of measures including the creation of (real or virtual) spaces in the media and cultural sector, outside the realm of politics.

The political realities in the region – including the restoration of authoritarian systems of rule and the collapse of certain states as well as the emergence of new democratic movements – and the results of the strategic evaluation of the two funding programmes made it necessary to **substantially realign** these foreign policy instruments. The political objective, however, remains the same: **supporting political processes which aim to bolster democracy and the rule of law in the Middle East and North African region**. This offer of partnership to political decision-makers and members of civil society in the region is now known as the **Ta’ziz Partnership for Democracy**. The Arabic word *ta’ziz* means strengthening/consolidating and is intended to highlight the aim of our funding programmes. In this way, we hope to ensure greater acceptance and visibility in the partner countries.

Ta’ziz funding (appropriation 0501 item 687 21) is **managed by Division S 04 and directed at transformation processes which aim to bolster democracy and the rule of law**; the focus shall be on countries in which:

- the conditions for free and fair elections are already in place or will be in the foreseeable future, efforts are being made to establish them, or there is already a democratically elected government in place to act as our partner;
- spaces for sincere, structured cooperation with state and civil society actors are opening up (growing rather than shrinking spaces);
- civil society and the state are seeking to establish a partnership in order to consolidate the democratic achievements in the country, and scaling up its cooperation with this country is in Germany’s interests.

These criteria are currently met by Tunisia and the Sudan as well as Lebanon and Iraq, two democracies marked by significant religious divides. Projects in these countries will focus on sectors which are crucial for consolidating the still-fragile transformation process and which require versatile measures that are carefully managed by political bodies and are compatible with long-term development policy measures.

The funding managed by Division 609 for the long-term scientific partnership with Ta’ziz countries (appropriation 0504 item 687 18), for projects in the fields of cultural relations and education policy, is intended for the creation of spaces outside the realm of politics for the future generation, particularly in countries in which we are not able to directly build on a political transformation process. Our primary partners in this context are individuals (generally scholarship recipients) and NGOs operating with relative autonomy from the state. This allows us to maintain a connection even with societies whose

governments are not, or no longer, engaging with a democratic transformation. In the future, we aim to align these projects even more closely with the goal of creating the civil society basis needed for democratic transformations. This funding is governed by the existing provisions of the funding concept for transformation partnerships as listed here (sections 3-8). They will be replaced by the regulations contained in the funding guidelines for the funding area crisis prevention, stabilisation and peacebuilding once the latter take effect.

2. What can be funded?

The Federal Foreign Office's Division S 04 funds projects and measures which support democratisation and reform processes in the region. Project partners can be members of civil society in the target countries (TUN, LBN, IRQ, SDN), international organisations including NGOs, Germany's political foundations, and institutions which aim to uphold the rule of law such as the German Foundation for International Legal Cooperation (IRZ) and GIZ. The Ta'ziz partnership is also aimed at state partners in the region.

Projects and measures are eligible for funding if they:

- encourage participative civil society discourse; this includes, for example, measures to professionalise the media, especially investigative journalism; local media initiatives and citizen journalism; political (TV) debates; promotion of media literacy; strategic communication for the promotion of democracy, the rule of law and good governance; cultural initiatives devoted to civic education.
- strengthen the rule of law; this includes, for example, supporting constitutional or legal reforms to consolidate transformation efforts; supporting the implementation of reforms in the judiciary, administration and police; transitional justice.
- allow people to experience for themselves the benefits of a transition towards democracy and the rule of law, in particular by implementing good governance; this includes, for example, state or civil society initiatives to prevent and combat corruption, and efforts to make the administration efficient, transparent, accessible, service-oriented and accountable.

Projects relating to business and the economy can receive funding if they have a connection to one or more of the above areas, such as political education, good governance, political economics, the rule of law, business journalism, or the sharing of general knowledge in the field of economic policy. Projects with a focus on supporting businesses or the economy, such as measures to boost employment, on the other hand, are not eligible for funding.

2.1 The following areas do not fall under this funding concept

The long-term **scientific partnership** with the MENA region (appropriation 0504 item 687 18) supports civil society participation and interconnectedness by means of measures including the creation of (real or virtual) spaces outside the realm of politics, along with related media work. There is a separate funding concept for this.

Projects which primarily fall within the area of **democracy-building assistance** (e.g. election assistance or monitoring) may be eligible for funding earmarked for this purpose (appropriation 0501 item 687 34). There is a separate funding concept for this.

Projects relating to **crisis prevention, peacekeeping and conflict management**, particularly in Africa and in the Middle East, may receive support under appropriation 0501 item 687 34 (support for international measures in the fields of crisis prevention, peacekeeping and conflict management by the Federal Foreign Office). There is a separate funding concept for this.

Division S 09 at the Federal Foreign Office is responsible for **humanitarian assistance projects**. For **projects designed to strengthen human rights**, please contact Division OR 06. Projects dealing with **culture, cultural preservation, media and scholarships** should be submitted to Directorate-General 6.

Development policy measures are not supported with funds from Directorate-General S. The Federal Foreign Office and the Federal Ministry for Economic Cooperation and Development enjoy a constant close dialogue in order to avoid any overlap with development cooperation projects.

No projects and measures are financed that already receive funding from other federal authorities out of public budget funds. In exceptional cases, however, applicants may receive a share of the support from more than one federal authority if the same measure serves several different development policy aims.

Purely academic projects (studies, seminars, conferences, etc.) are not supported unless they are geared towards a specific need for political advice in order to support transformation processes.

3. Funding recipients

The Federal Foreign Office cooperates with international organisations, foreign state agencies, German and foreign non-governmental organisations (NGOs) and United Nations institutions that can demonstrate that they have substantial experience with concrete project work – ideally including in fragile contexts. Individuals may not apply for funding.

Applicant organisations are free to exclusively use their own project personnel. The measures should, as a rule, be implemented in conjunction with local partners, however.

Applicant organisations must possess legal status under their host country's laws and must guarantee sound management. Evidence of sound management can be provided by submitting register entries, audited and approved annual financial statements (balances, profit and loss calculations) or, in the case of non-profit organisations, annual financial statements or net income accounts for the last two years, confirmed by a tax advisor or accountant where necessary.

Proof of legal capacity must be provided. Applicant organisations must also ensure that they are able to oversee their projects and measures at all times using their own personnel (monitoring) and that they have a progress-review plan (evaluation).

German political foundations and similar bodies that already receive institutional funding are also entitled to receive project funding. Applications may be submitted via their headquarters or branches in Germany. Organisations that are exclusively based abroad must submit their applications to the relevant German mission or to Division S 03.

The beneficiaries of project funding should above all be countries and regions undergoing transformation processes in North Africa / the Middle East to whose transformation the Federal Foreign Office wants to contribute as part of international efforts. With this in mind, funding is focused on projects and measures in North Africa, the Middle East and the non-European Mediterranean region.

4. Specific conditions for funding allocation

The general conditions for funding allocation apply (paragraph 1 of the Administrative Regulations on section 44 of the Federal Budget Code (BHO)).

The Federal Foreign Office's Division S 04 decides on submitted applications **after due assessment of the circumstances** within the scope of the budget funds available, in accordance with this funding concept, the Administrative Regulations pertaining to the BHO, the general supplementary provisions for project grants (ANBest-P) and the particular supplementary provisions of the Federal Foreign Office on the awarding of grants (BNBest-AA) as amended. These latter provisions will become binding on the applicant if funding is granted. The aforementioned provisions will be applied mutatis mutandis to grants to recipients based outside Germany. **There is no automatic entitlement to a grant.** Particular attention must be paid to the conditions for funding allocation set out in paragraph 1 of the Administrative Regulations on section 44 of the BHO. Pursuant to sections 23 and 44 of the BHO and the corresponding Administrative Regulations, grants are constantly examined to ensure that the grant recipient is using the project funds economically, efficiently and for the intended purpose, pursuant to section 7 of the BHO.

5. Type, scope and amount of funding

Grants are awarded exclusively as **project funding**. No institutional funding is provided. The following types of financing are possible:

- **Deficit financing:** The grant is limited to a specified maximum amount. It can only be claimed if all of the applicant's own resources and third-party funding have been used up.
- **Partial funding** (generally for grants based on costs): The costs for which a grant can be awarded are calculated according to a fixed percentage or share.
- **Fixed-sum financing:** In this case a fixed sum is provided for expenditure recognised as eligible for a grant. The precondition for this type of funding is that the recipient has its own or third-party resources.

- **Full financing:** If the grant recipient has no resources of its own with which to implement the project and cannot receive any funding for this purpose from third parties, but the project **and** the purposes for which it is to be implemented are quite clearly in the public interest, then the Federal Foreign Office may in exceptional cases consider funding all expenditure recognised as eligible for a grant. In this case, the grant is limited to a specified maximum amount.

All **expenditure** necessary in the context of efficient and economical budgetary management for projects and measures aimed at achieving the approved grant purpose is eligible for a grant. The grant must be utilised by the recipient within the scope of the binding financial plan and the specified type of financing. If travel expenses are claimed as part of the project funding, please note that the amount granted will be determined by the provisions of the Federal Travel Expenses Act (BRKG) as amended. In addition, only costs for project staff (i.e. staff employed solely for the project concerned) can be approved as eligible for a grant. As a rule, no funding can be provided for members of an organisation's permanent staff. This also applies to existing infrastructure (offices, IT, etc.).

6. Other grant provisions

The prohibition of preference applies to organisations that are predominantly financed by public grants, i.e. payment of project employees must be in line with the costs for comparable activities in the public sector.

Administrative costs with a causal connection to the project may be combined as lump sums if itemising them individually would not be possible without considerable effort (c.f. paragraph 2.3 of the Administrative Regulations on section 44 of the BHO). Recognition of the lump sums by the Federal Foreign Office is conditional on a comprehensible calculation of expenses and details of the type of expenses contained in the lump sum. A brief explanation of the effort involved in providing an itemised list of the costs is also required.

7. Procedures

7.1 *How and when should funding applications be submitted?*

As a rule, applicants may apply for funding from the Federal Foreign Office at any time. The first time they make contact, they should take the opportunity to submit a project outline (no longer than three pages!), based on the question words who, what, how, why, where, etc., to give the Federal Foreign Office's Division S 03 a quick overview of the project. At this stage the Federal Foreign Office can already provide information as to whether the project is likely to be considered for funding.

The project outline, together with the logframe and a draft financial plan using the template provided, should be emailed to S04-R@diplo.de or, in the case of organisations based outside Germany, to the competent German mission abroad. Should the project be taken into consideration for funding, a formal application signed by at least one person who is authorised to represent the applicant organisation can then be submitted. Regarding authorisation to

submit an application, the provisions regarding authorisation to represent the applicant organisation apply. The application, together with all the relevant documentation, must arrive at the Federal Foreign Office at least eight weeks before the scheduled project start date. Projects that have already begun are not eligible for funding (c.f. paragraph 1.3 of the Administrative Regulations on section 44 of the BHO).

7.2 Where should the formal project application be sent?

If funding as provided within the scope of this funding concept is desired, the signed project application using the Federal Foreign Office form should be sent to the following address together with the financial plan, logframe and evidence of sound management (c.f. 3):

- if the grant amounts to 400,000 euro or more and the organisation is based in Germany:
Auswärtiges Amt, Referat S04 Umsetzung Stabilisierung in Ländern und Regionen,
11013 Berlin, Germany
- if the grant amounts to less than 400,000 euro, regardless of where the organisation is based:
ifa – Institut für Auslandsbeziehungen e. V., Förderprogramm zivik,
Linienstrasse 139/140, 10115 Berlin, Germany, zivik@ifa.de, www.ifa.de

7.3 Submitting applications via ifa (Institut für Auslandsbeziehungen)

Since 2012 the Federal Foreign Office has funded individual projects run by German and international NGOs in the area of transformation partnerships via the **ifa zivik** programme. To this end **ifa zivik** receives Federal Foreign Office project funding for projects run by German and international NGOs; in the future, it will continue to receive such funding from the S 03 Ta'ziz programme. **ifa zivik** oversees the entire project cycle (application, disbursements, auditing of proof of employment of funds etc.). The Federal Foreign Office retains political control and overall responsibility. The tasks of the **ifa zivik** project office include advising NGOs in Germany and abroad.

For applications to the zivik funding programme, the forms provided for that programme must be used.

7.4 Information about receiving approved funding

As a rule, funding approved by the Federal Foreign Office is made available through the funds withdrawal procedure. The approved funding can only be paid out on the day on which it is needed (i.e. the day on which payments become due) at the earliest.

A request procedure is used in order to take account of circumstances specific to the region or the project. In this case the grant may only be requested if and when payments actually become due, and not before. Where the request procedure is followed, the funds paid out are to be used to fulfil the intended purpose of the allocation within six weeks of payment. Payments to grant recipients outside Germany always follow the request procedure.

7.5 Outsourcing of processing steps to the Federal Agency for Foreign Affairs

The Federal Agency for Foreign Affairs (BfAA) performs certain processing tasks relating to the review of grant applications and the approval of grants on behalf of the Federal Foreign Office. The actual decisions on funding are taken by the Federal Foreign Office.

7.6 How is project progress monitored?

The grant recipient is obliged to conduct monitoring measures at regular intervals, depending on the length of the project, to monitor project progress and use of funding in accordance with the intended purpose.

Following the conclusion of the project, the Federal Foreign Office evaluates its success on the basis of the project application, the proof of employment of funds which has to be submitted by the grant recipient, and its own assessment of the project.

The indicators for fulfilment of the intended purpose of the grant (output, measure indicators) and achievement of the project goal (outcome, goal indicators), which the applicant has to define in the funding application logframe and agree upon with the Federal Foreign Office, provide the basis for monitoring during the implementation of the project and for the subsequent evaluation of its success. The more informative and measurable the indicators are, the easier it is to clearly ascertain the success of the project.

The Federal Foreign Office evaluates projects which it has provided with funding when necessary. The evaluation is carried out by staff from the Head Office in Berlin and/or the German mission responsible for the region and by external experts. The format and specific goal of the evaluation is agreed upon with the grant recipient.

7.7 Press and public relations work

The grant recipient is requested to expressly refer to the funding by the Federal Foreign Office in an appropriate form when issuing public statements, particularly to the press but also on its website. Contact with and statements to the press are to be discussed with the Federal Foreign Office in advance.

The Federal Foreign Office, for its part, shall refer to selected projects receiving funding within the context of its own press and public relations work. To this end the grant recipient is obliged to make available informative photographs, graphics and at least one text for the presentation of individual stories and relevant examples in the media to show how Federal Foreign Office funding is being deployed. Furthermore, the grant recipient is requested to inform the Federal Foreign Office at an early stage of any planned measures and events in which members of the Federal Foreign Office or the competent German mission abroad could play a representative or practical role.

Such press and public relations measures are not considered for projects with sensitive content (e.g. confidential mediation talks) or if publicising the project or the funding could put project staff at risk.

8. Period of validity

This funding concept is valid until the Federal Foreign Office (FFO) guidelines on funding for projects in the field of crisis prevention, stabilisation and peacebuilding (appropriation 0501 item 687 34) and the Ta'ziz partnership (appropriation 0501 item 687 21).