

FUNDS FOR LOCAL COOPERATION (FLC)

GUIDELINES FOR APPLICANTS

These guidelines have been developed for organisations interested in applying for FLC support from the Embassy of Finland in Cairo.

The guidelines provide applicants with information on the required templates and other guidance for the completion of a successful application.

Please note that the application process and the application templates have been updated and we therefore recommend applicant organisations to carefully read the information provided here.

Table of Contents

FUNDS FOR LOCAL COOPERATION (FLC) GUIDELINES FOR APPLICANTS

I. Legal and normative context.....	3
II. Call for Applications 2022.....	4
III. Preparing the application.....	4
Required documentation.....	4
Some principles to take into account	5
Compiling the budget.....	6
Duration of the projects.....	7
Co-funding and co-implementing	7
Range of funding.....	7
Geographical area	7
IV. The selection process	8
V. Terms for the implementation of the project.....	9

I. Legal and normative context

The Fund for Local Cooperation (FLC) is an instrument of Finnish development cooperation channelled through local civil society organizations and/or the private sector. It is part of the implementation of Finland's development policy and efforts towards eradicating extreme poverty and reducing inequality.

Project supported by FLC must serve Finland's foreign and security policy objectives. As a development policy instrument, FLC projects must in particular support the goals set for Finland's development policy: eradication of poverty by means of economically, socially and ecologically sustainable development. Please see <https://um.fi/goals-and-principles-of-finland-s-development-policy> for more on Finland's development policy.

FLC, operated by diplomatic missions of Finland, are governed by Finnish legislation, particularly the Act on Discretionary Government Transfers (688/2001), and the Internal Instructions (6/2014) of the Ministry for Foreign Affairs (MFA) of Finland. The Internal Instructions set out the main principles concerning eligibility criteria for partners and use of the FLC funds. These instructions are explained in these guidelines.

The local partners implementing FLC projects must abide by the relevant Egyptian legislation. All projects must be implemented by the local partners themselves, and only small procurements of a maximum of €15.000 from external agents may be allowed. If any procurement of goods or services for the value of or over €15.000 is needed, the procurement shall be carried out in compliance with the Finnish legislation on competitive bidding.

II. Call for Applications 2022

The 2022 Call for Project Proposals is looking for

Projects enhancing community level climate awareness and resilience through climate mitigation and adaptation actions by

- Creating sustainable employment opportunities for women
- Capacity building and skills development for women

Projects targeting sustainable private sector partnerships in marginalized areas are prioritized.

Applicants are encouraged to work with young people as well as vulnerable groups.

The application period is open ***from Thursday 9 June until Saturday 25 June, 2022 (23.59 Cairo time)***. Please note that applications received after this time will not be taken into consideration. Inquiries and applications of a maximum of two pages using the provided template for proposals should be sent to the Embassy's email lcfund.kai@formin.fi and titled "Funds for Local Cooperation Application".

III. Preparing the application

Required documentation

This year the application process consists of a **two-step selection procedure**. In the first round, all applicants are asked to send a maximum two-page (2) project idea in English using the provided template for proposals. The free-standing proposal should include the following information:

- Short presentation of the project (project plan)
- An indicative budget
- How the project is related to the priority areas of the call for proposals
- Planned results at outcome and output levels
- Description of the project management, monitoring and reporting
- Name, official registration number of your association, contact details and a signature of the authorized representative of the organization.

Together with the proposal, organizations must submit **three** additional documents:

- 1) Scanned copy of the official registration certificate of the organization in the original language. If the organization has an official translation of the registration certificate available, it can be submitted **in addition** to the original registration certificate.
- 2) Proof of an existing bank account in name of the applying organization in the original language.
- 3) Brochure of the organization and/or a link to the organization's website.

Project Proposals need to be signed by an eligible person in the applicant organisation. The Embassy can therefore only accept **project proposals in the .pdf format** in which the signature is clearly visible. Other required documentation should also be submitted in .pdf format.

Some principles to take into account

Specific attention should be given to assure that the proposal is aligned with the principles of **Result Based Management (RBM) and the Human Rights Based Approach (HRBA)**. Please download the guidance notes on RBM and on HRBA from the Embassy website, as these provide helpful information on how best to incorporate the RBM and HRBA principles in your proposal. Be aware that proposals not taking into account RBM and/or HRBA principles will not qualify for support.

It is required that the proposed project takes the three **cross-cutting issues** in the Finnish development policy strategy into consideration. These are **(1) gender equality, (2) reduction of inequality in society, and (3) climate sustainability**.

The project proposal must also align to at least one of the **OECD/DAC development classification** codes. The list of the 2016 OECD/DAC Development Codes can be downloaded from the website.

Compiling the budget

The indicative budget should be in local currency and in Euros and the currency conversion rate should be specified. The currency used at the time of the agreement will be fixed and used until the end of the project. Significant currency fluctuations that could influence the outcomes of the project negatively will be discussed between the project implementers and the Embassy. Currency gains can, after mutual agreement, be used to further strengthen the outputs and/or outcomes of project.

The Euro amount will be the legally binding amount for support by the Embassy. In case your proposal is selected for funding, the Euro amounts will be mentioned in the agreement.

It is recommended to allocate not more than 30% of the total budget to staff salaries and administrative costs. Out of this amount, it is recommended to allocate around 1/3th for admin costs and 2/3th for staff salaries. At least 70% of the project costs must be allocated for project activities. An annual audit should be conducted on all projects, which receive annual payments exceeding 20.000 €. The cost of the audit should be covered from the allocated project funding.

Organisations must provide an own contribution to the project of minimum 10% of the overall project amount. This can be in the form of a financial contribution or in the form of use of premises, staff time and equipment. The Organisation's contribution needs to be identifiable in the submitted budget.

Eligible and ineligible costs:

- In principle, only costs that are directly linked to the management of the project, cost of project activities, the project procurement, M&E and audit can be funded.
- The FLC does not fund microfinance-related activities or loans.
- Sub grants to other organisations can be considered and will be governed by special provisions in the agreement. The contractual partner of the Embassy remains always accountable for the correct use of the funds and the appropriate reporting to the Embassy.
- FLC does not provide core funding to support the normal functioning of the applicant organisation, such as rent for the Organisation's office, or general salaries of office staff not related to the project.

- FLC will only commit funds to activities that are described in the proposal and are identifiable in the budget.
- The FLC approach is to finance longer-term development activities. Once-off events like workshops or seminars, etc. will not be considered. However, trainings, workshops and seminars can be part of the wider proposed project in combination with or in support of other activities.

Duration of the projects

Successful project proposals are usually one to two years long, although slightly shorter and longer projects may also be considered.

Co-funding and co-implementing

FLC can participate in co-funded projects with other donors. However, FLC is not able to fund activities that have already taken place as part of other projects. If the organisation is requesting funding for a component of a co-funded project that already is ongoing, please provide details of the whole project, including the other sources of funding.

If the project is co-implemented with other organisations, co-applicant(s) must also meet the eligibility criteria; namely that they are registered in Egypt and are non-profit-making. Co-implementers can be national or local government, parliament or civil society organisations. The funding agreement will, in all cases, be made with an eligible organisation listed in the call.

Range of funding

The Embassy's Fund for Local Cooperation for 2022 is about 340,000 euros in total, which will be divided between 4-6 projects, depending on the received proposals.

Geographical area

The geographical scope of the FLC support covers whole Egypt. However, the Embassy cannot fund projects in areas that it cannot access for monitoring visits.

IV. The selection process

Applications will be evaluated according to their compliance with the objectives of Finland's development policy and the FLC priorities of the Embassy, as well as the quality and feasibility of the project plan.

Eligible applications must meet the compulsory requirements of the assessment criteria described in the Call for proposals and in this document. Applications meeting all the compulsory requirements will be submitted for technical assessment.

A limited number of selected project proposals will be contacted and asked to provide a more in-depth project plan and a budget. The proposals for the second round will receive a package of guiding documents to accompany the application. The chosen applicants will have two weeks to provide the more in-depth project plan after being notified of the selection for the second round.

For applications accepted for final selection, the Embassy will assess the applicant organization's financial and administrative capacity. Should an organization fail this assessment, its application will be rejected. Based on the competitive scoring results, the Embassy will approve the best applications for funding. Any applications that do not conform to the set of public criteria will not be accepted.

Both successful and unsuccessful applicants will be informed individually with justifications.

After the Embassy has made the funding decision, it will conclude a standard format agreement with the organisation(s) approved for project implementation. The FLC funding decision and agreement must include the disbursement schedule as well as the related reporting obligations. Any changes must be agreed to in writing. The Embassy of Finland reserves the right to accept or reject project proposals.

The Embassy has a right to evaluate and audit a project at any time; the organization responsible for the project will make all required documentation available for the evaluation/audit.

V. Terms for the implementation of the project

Successful organisations will be invited to sign a financing agreement with the Embassy of Finland. The financing agreement contains all the terms and conditions for the project implementation and largely covers the following topics:

- Timeframe of the project implementation
- Payment conditions and frequency during the implementation
- Reporting cycle and end-of-project audit
- Information sharing conditions
- Required management practices
- Management of equipment/commodities
- Conditions for repayment, suspension of payments and recovery of funds
- Settlement of disputes
- Conditions for amendments of the agreement

The successful project proposal and its annexes (part of application round 2), together with an Ethical Code of Conduct, form an integral part of the financing agreement. The Ethical Code of Conduct can be downloaded from the Embassy website.

The Embassy will also provide its partners with a set of administrative documents that should be used during the project implementation, such as the reporting formats, payment request, request for amendments etc.

Further Information:

Embassy of Finland

3, Abu El Feda Street, 13th Floor

Zamalek, Cairo

Tel: +20-(0)12-2008-2115

Email: lcfund.KAI@formin.fi