

CALL AND GUIDELINES FOR PROPOSALS

NGO Fund of the EEA/Norwegian Financial Mechanism

The Hungarian Environmental Partnership Foundation - Ökotárs Alapítvány (HEPF) in cooperation with the Autonomia Foundation, Foundation for Development of Democratic Rights (DEMNET) and the Carpathian Foundation - Hungary hereby announces a call for proposals in the framework of the NGO Fund of the EEA/Norwegian Financial Mechanism 2004-2009 for Hungarian NGOs in four thematic areas, which represent the priority sectors of the EEA and Norwegian Financial Mechanisms¹ as follows:

- Environment protection and sustainable development
- Civil liberties and capacity building
- Social cohesion, and health and childcare
- Cultural heritage

Based on the **general principles** of the program the NGO Fund will support applications within the above listed thematic areas which:

- are innovative and employ approaches or methods not used in the target area so far and employ a holistic approach overstepping the usual sectoral ones (or the applied approach is new in relation to the target group)
- have concrete and viable vision about project outcomes or about the sustainability of the initiated activity / service after the project period, and
- are effectively communicating the social values (solidarity, gender equality, environmental consciousness, sustainable development, good governance, etc.) expressed in their projects
- strengthen the grass-root nature of civic organizations, use direct actions to achieve their goals
- strengthen NGOs' membership, social acceptance and relationship with the public
- improve cooperation of the NGO and other sectors of society (other NGOs, governmental, local governmental and business sector)
- build on already existing, but unexploited potentials of the local community, using local resources with the involvement of the target groups
- are implemented mainly in rural areas and aim at developing disadvantaged communities

¹ The priority sectors of the EEA and Norwegian Financial Mechanisms are:

- a) protection of the environment;
- b) promotion of sustainable development;
- c) conservation of European cultural heritage;
- d) human resources development;
- e) health and childcare;
- f) implementation of Schengen acquis, support of national Schengen action plans, as well as strengthening the judiciary;
- g) environment, with emphasis on strengthening the administrative capacity to implement relevant acquis;
- h) regional policy and cross-border activities;
- i) technical assistance relating to implementation of *acquis communautaire*; and
- j) academic research within priority sectors a) to e).

What is the procedure of the program?

The conditions and procedure of the program is regulated by the Agreement between the Hungarian Environmental Partnership Foundation (Ökotárs Alapítvány) and the EEA/EFTA Financial Mechanism Office. This procedure is distinct from any other sources funding from the EEA and Norwegian Financial Mechanisms.

HEPF is managing the NGO Fund in consortium with three partner organizations mentioned above, each managing the applications of one thematic area. Questions related to each thematic area have to be asked from the responsible organization:

- Environmental protection and sustainable development - Ökotárs Alapítvány

Tel: (1) 411-3505, email: kornyezet@norvegcivilalap.hu

- Civil liberties and capacity building - Foundation for Development of Democratic Rights (DEMNET)

Tel: (1) 411-0410, email: kapacitasfejlesztes@norvegcivilalap.hu

- Social cohesion, and health and childcare - Autonomia Foundation

Tel: (1) 237 6023, email: szocialis@norvegcivilalap.hu

- Cultural heritage - Carpathian Foundation - Hungary

Tel:(36) 516-750 email: kulturalisorokseg@norvegcivilalap.hu

The NGO Fund is coordinated by the Hungarian Environmental Partnership Foundation (Ökotárs Alapítvány): it is receiving the proposals, signing the contracts and transferring the grants.

Who may apply?

In the framework of this program **non-governmental organizations** may apply, namely voluntary, self-governing organizations not subject to direction by public authorities, independent of political control and established under the legal system of the beneficiary state.

- Civil organizations, alliances, employers' organizations and trade unions established after the Act of 1989. II on the Right to Association (except parties, chambers, public bodies, insurance associations, churches) meeting the following conditions:
 - The court registered them at least one year before the publication of the call for proposals
 - They are working according to the goals stated in their statutes
 - They have no public debts.
- Foundations founded after the Act of 1959. IV. - the Civil Code (except public foundations) meeting the following conditions:
 - The court registered them at least one year before the publication of the call for proposals
 - They are working according to the goals stated in their statutes
 - They have no public debts
 - Among the founders no governmental and/or state and municipal administrative bodies can be found

One organization can submit one proposal in one round (as a lead applicant). In the second round only those organizations can apply which haven't been supported in the first round.

What is the amount to be distributed?

The total amount to be distributed under the fund until 2011 is EUR 5,932,540,540, with 4,128,000 being made available in this first open call.

The total re-granting is evenly shared among the four thematic areas. The Operator may decide to re-allocate funds between categories. However, no individual thematic area will receive more than 30 percent of the total re-granting amount.

Size of grants and project duration

Grants are divided into two categories:

- For **macro grants**, the amount of grants per project shall be from 25,000 EUR to 80,000 EUR; the overall amount is half of the distributed funds
- For **micro grants**, the amount of grants per project shall be from 5,000 EUR to 25,000 EUR; the overall amount is half of the distributed funds

Project budgets must be submitted in Euros (using the exchange rate applicable on the day of submission). In the category of macro projects about 50-80 projects will be supported, in the category of micro projects 200-250.

Own contribution

The NGO Fund can provide up to 90 percent of the eligible cost of the project. The applicant shall provide or obtain the remaining eligible costs (min 10%). Up to 80 percent of the co-financing can be provided as in-kind, i.e. a minimum of 20 percent has to be financial contribution.

Own contributions provided in kind have to meet following conditions:

- it has to arise from material (assets, equipments, machinery) donated to the applicant during the project's implementation or human resources (voluntary work)
- no cash flow shall connect to them;
- it has to be verifiable in the financial reports about the project in any case.

What shall be the duration of the projects?

The duration of macro projects is minimum 12 month and maximum 24 months.

The duration of micro projects launched in the first open call can be implemented for a period of maximum 24 months. The projects launched in the second open call can be implemented for a period of maximum 12 months. There is no minimum duration here.

What are the deadlines for the proposals?

During the program proposals can be submitted in two round:

- In 2008 from 10th of April to 9th of June (inclusive) proposals can be submitted for micro and macro projects
- In 2009 from the 1st of February to 1st of April (inclusive) for micro projects

In April 2008 and February 2009, the implementing organizations will organize workshops in each county where potential applicants can learn about project elaboration. The exact date of the workshops can be find at the website of the program:
www.norvegcivilalap.hu

How to apply?

Applications must be submitted online, through filling the Application and Budget Forms at www.norvegcivilalap.hu. The Application and Budget Forms has to be filled out after

the directives of the Guidelines. No other documents have to be submitted with the Application Form.

In case of technical or other problems occurring with the program, please consult the responsible foundations.

Applicants whose application is rejected due to non-compliance with eligibility criteria can request the Operator to review its decision within 10 days of being notified about the rejection. The Operator will forward this request to the Evaluation Committee for decision.

What are the eligible costs?

Costs are eligible if they are justified, necessary and appropriate, except:

- appropriation to reserves for covering possible future losses and liquidating debts
- debit interest
- items already covered by other sources
- losses on exchange
- value added tax refund
- studies necessary for submitting the application, advisory fees of writing the application and other preparation costs
- loans, aids and supports provided for other organization or individual (not part of the project)
- amortisation, deficit payment, capital injection, post-financing of costs incurred before contracting
- realty building and the purchase of realty or land

Non-eligible projects:

The NGO Fund is supporting proposals with project approach Therefore, it cannot support:

- political organizations or the candidates of such organizations
- investments; purchase of land or real estate
- general operational costs and costs of asset acquisition (except if it is an integral part of a supported project)
- activities with primarily leisure objectives

What other principles are taken into account in the assessment process?

Special emphasis has to be placed on the so-called horizontal aspects:

- sustainable development
- equal opportunities
- good governance

Sustainable development: a development process that equally considers the carrying capacity of the environment, the well-being of society and the enhancement of economy; one that which meets the needs of the present without compromising the needs of the future generations. Sustainability may also be applied not only on the level of society, but also on an organization or project too. In this respect it means that the operation and activities are foreseeable and can be continued in the long run too, the necessary resources (human and financial) don't go beyond the limits of the organization.

Equal opportunities: both man and woman and all disadvantaged groups have equal access to the resources and results of the organization or project and they have equal op-

opportunities to participate in the project-implementation and operation. In this respect, the special circumstances and needs of the concerned groups must be taken into account, the activities must be adjusted to these, and they receive help in negotiating the obstacles.

Good governance: planning and operating process characterized by the principles of transparency, accountability and participation. These principles assure that stakeholders are well informed about the project and the related activities and their opinion is taken into account. The project helps to improve the capacity of stakeholders concerning the principles of good governance.

(When a project aims to implement one or all horizontal aspects as a main objective, it does not have to be stated extra in the application.)

What do the thematic areas mean?

Applications may be submitted in main 4 thematic areas, taking into account the general principles listed above. . Eligible activities are projects connecting to the target areas primarily but not exclusively at the following areas:

1. In the thematic area of **environmental protection and sustainable development** the program aims at supporting civic initiatives benefiting the environment, the local community and the whole society, and serving:

- the increase in environmental awareness
- public participation in environmental decision-making
- the integration of environmental aspects into other sectors

In the following, broadly defined areas:

1. Climate change
2. Environmental health and food safety
3. Urban environmental quality
4. Biodiversity and landscape protection
5. Rural environment protection and land use
6. Conservation and sustainable use of waters
7. Waste management
8. Environmental safety

A project may concern several thematic areas.

2. In the thematic area of **Civil liberties and capacity building**, the program aims at supporting project strengthening civil society and its role in protecting civil rights in the following main areas:

- 2/A. Developing the operational and human resource capacity of civic organizations
- 2/B. Developing the advocacy and watchdog capacity of civic organizations
- 2/C. Developing the role and advocacy of civil organizations in regional and community development

2/A. Developing the operational capacity and human resource management of civil organizations

The operational and human resource management capacity of Hungarian civic organizations is very low. It is crucial for the future development and sustainability of the NGO

sector to strengthen its ability to attract and retain qualified workforce and improve its own potential for human resources management and development - in other words enhance the ability of NGOs to be stronger and better employers. For the sake of this cause the institutional development, the employing abilities and the professional development of present and future workers of NGOs must be developed and amended.

Eligible activities: projects connecting to the target areas primarily but not exclusively at the following areas:

- Strengthening the leadership and governance structures of NGOs, decision and implementation levels of civil organizations (board of trustees, organizational development, strategy planning, leadership)
- Developing, accrediting and teaching non-profit professions (possibly in cooperation with higher education and adult education institutions)
- Apportioning non-profit knowledge in the curriculum of other educational programs (e.g. business studies)
- Career-development programs for young professionals who start their work experience in the NGO sector
- Volunteer development projects
- Efforts to promote part-time, home-based and other flexible employment opportunities
- International internships, know-how transfers, primarily in cooperation with civil organizations from EEA countries (Norway, Iceland, Liechtenstein).

2/B. Developing the advocacy and watchdog ability of civil organizations

Compared to the European level, advocacy and watchdog abilities of Hungarian NGOs are quite weak. Decisions are made on the basis of party preferences; NGOs are absent from the public discourse as well as from media communication. Bearing in mind the issue of sustainability and societal acceptance it is essential to change this situation. The main factors contributing to sustainability: efficient advocacy based on societal support, enhancement of media relations and creating more effective means of fundraising/donation.

Eligible activities: projects connecting to the target areas primarily but not exclusively at the following areas:

- Handling new types of social problems arising from the implementation of Schengen acquis (e.g. human rights, migrants and refugees, organised crime, trafficking)
- Watchdog and advocacy activities in the implementation of the acquis communautaire
- Cooperation with state administrative bodies in creating appropriate policies, regulations and legal institutions
- Monitoring the creation and implementation of policies, assuring publicity of these processes
- Improving the requirements towards accountability, transparency and regulation of NGOs, that are essential in the societal support and cooperation with the state

2/C. Developing the role and advocacy of civil organizations in regional and community development

An important role of local, community civil organizations is to represent and articulate the view, interest and values of their community in local, sub-regional and regional decision making processes. The success of local organizations in this field depends mainly

on their ability to establish their societal basis and function, create partnerships with state and municipal institutions and participate institutionally in the planning and implementation processes.

Eligible activities: projects connecting to the target areas primarily but not exclusively at the following areas:

- Participation in the elaboration and implementation of local, sub-regional and regional development plans, monitoring the development processes
- Enhancing public participation in local, sub-regional and regional preparation, decision-making and implementation activities.
- Community development, supporting local initiatives (citizen actions), creating and managing community space, offering community services and functions

A project may concern several thematic areas.

3. In the field of **social cohesion, health and childcare** the program aims at supporting projects targeting the following groups and problems:

3/A Social cohesion: Economic and social changes after the millennium resulted in the further drop off of disadvantaged social strata in Hungary. It is harder and harder to succeed for people born in low-income families, or where the active members of the household are out of the labour market or for the disabled.

These problems - high unemployment level; bad housing conditions; low level of schooling and lack of vocational qualifications; bad health conditions, low infrastructure - are present in a concentrated form among members of the Roma population comprising 5-10% of the population of Hungary. Despite several private, state or EU financed programs have been launched to deal with these, we are far from a satisfactory solution to the situation.

3/B Child welfare, Childcare: Out of the all dependent children under age 20 living in Hungary in 2005, 19% or 420,000 children lived below the widely accepted poverty threshold. Also, 60% of large families live under the subsistence minimum. Poverty especially struck children of parents with no schooling, unemployed parents, those living in small villages, the Roma, and parents of children with severe disabilities.

Beside all these, components of poverty that deserve special attention are the increasing institutional, habitation and school segregation; the ethnic discrimination also related to this and affecting the Roma in many fields; uneven access to good institutions and services. A related problem is the low number of places in nursery schools and kindergartens compared to the needs and the number of children, which is a major obstacle to the labour market (re)integration of women.

3/C Healthcare: The Hungarian health care provision system is characterised by outdated infrastructure and low efficiency of services. All these reinforced by the uneven access to the services.

The role taken by the civil sector in this field is the provision of subsidiary services that exceed the capacity of the state and municipal provision system and are not financed by the health insurance system. However, the activity level of the civil sector is again higher in places where indicators of economy and development are better than in other settlements and regions.

A challenge facing the civil sector and the support system is that of strengthening and supporting real civil actors that reach target groups, which other institutional or civil actors cannot involve in the scope of their services.

Eligible activities: projects connecting to the target areas primarily but not exclusively at the following areas:

- community development, support for self-supporting communities
- education
- health preservation, healthy lifestyle
- assisting possibilities of employment, entrepreneurship and income generation
- child welfare, childcare

A project may concern several thematic areas.

4. In the thematic area of **cultural heritage protection** the fund aims primarily but not exclusively at supporting civic initiatives aiming to preserve, maintain, and develop and especially to utilize sustainably:

4/A intangible cultural heritage (living heritage, traditions, practices, exercises, folk handicrafts etc.)

4/B physical or tangible cultural heritage (historic places, buildings, monuments, artifacts, etc.)

4/C natural cultural heritage (natural environment, landscape, area, formation, creations and makings)

The aim of this program is to extend the available resources of the cultural heritage and cultural sectors. Complex projects implemented within the following areas are preferred:

Development based on integrated cultural heritage:

- sustainable long term utilization of European cultural heritage, developments connecting to heritage protection (development of historic places, buildings and monuments in the framework of complex projects promoting European and world heritage based on utilization plans)
- protection of integrated urban environment (collective of intangible, tangible and natural heritage) and complex development initiatives based on this
- cultural heritage preservation programs as a tool for economic, rural and community development, preservation of living heritage (e.g.: employment-, tourism-, community development projects based on traditional crafts, values and their protections)

Influencing culture policies and awareness raising:

- policy influence, participation in decision-making, cooperation, watchdog and awareness-raising activities and programs regarding cultural heritage preservation
- cultural heritage conversation and considerations to be integrated into planning and development processes at local, regional and national levels
- human resource development in the cultural sector and for the preservation and development of the cultural sector (adult trainings, vocational education and training, life-long learning, scholarship programs, experience exchange programs, study tours, sharing best practices in country and abroad, increasing the competence and administrative capacity of cultural organizations, etc.)
- innovative structures and methods for the creation and maintenance of funding and sponsorship channels in cultural heritage sector independent from state and governmental funds, sources (e.g.: donations, involving business actors, et.)
- fostering cross-sector cooperation in cultural heritage protection

Supporting multiculturalism and tolerance:

- projects about multiculturalism, acceptance and understanding other cultures in cultural heritage protection
- national and ethnic minorities' cultural preservation and cultural value dissemination;
- enhancement, cultivation and dissemination of cultural values, traditions with different origins
- cross-border and international cooperation projects, know-how transfer for cultural heritage protection

Each project may cover more areas.

Selection criteria

- a. How relevant is the proposal to the objectives and priority sectors of the NGO fund?
- b. How relevant is the proposal to the objectives of the thematic area?
- c. How clearly defined are the goals and targets of the proposal?
- d. How relevant is the proposal to the needs and constraints of the target group?
- e. To what extent are the target group or other stakeholders/constituencies involved in the project?
- f. To what extent does the project contain innovative elements?
- g. How coherent, achievable and appropriate are the proposed activities?
- h. To what extent is the proposal built upon real partnership and cooperation with other organisations/institutions?
- i. To what extent does the proposal contain objectively verifiable indicators for measuring project results/outcomes?
- j. To what extent is the budget clear and detailed? To what extent is the proposed expenditure necessary for the implementation of the project?
- k. To what extent does the proposal contribute to the strengthening and sustainability of the applicant and of the NGO sector?
- l. Will the capacities and experience of the applicant and its partners allow the successful implementation of the project both in technical and financial terms; and to achieve the expected results?

What to know about contracting?

Implementation of projects can be started on the day of the grant decision (for the first round this is expected to take place on the 10th of August 2008). Costs are eligible from this date too.

Supported organizations will receive their contracts via e-mail (or via post). They have to print and sign them in two copies and send it back to the organization responsible for their thematic area. After controlling the contracts the responsible organizations will forward them to HEPF for signing, then HEPF transfers the grants to the grantees.

Compulsory supporting documents to the contract (to be submitted together with the contract):

- Statement of official registration of the applicant organization, max. 30 days old (it can be procured from the competent county administrative court)
- Certification of Hungarian Tax and Financial Control Administration (APEH) that the organization doesn't have any public dues ("Null" certificate issued by the regional APEH Directorate)

In special cases the selection committee may specify the submission of further documents.

The contract defines the **grant amount in Euro**. Instalments will be paid as follows:

In case of projects longer than 12 month, instalments of the grant will be transferred to the bank account of the grantee as follows:

- first instalment, 50% of grant, within 10 days after sending back the contract,
- second instalment, 30% of the grant, within 10 days after the annual progress report about the first year has been submitted and approved
- third instalment, 20% of the grant, within 10 days after the final report about the whole program has been submitted and approved

In case of projects shorter than 12 month:

- first instalment, 80% of grant, within 10 days after sending back the contract,
- second instalment, 20% of the grant, within 10 days after the final report has been submitted and accepted

(Except if the first instalment would exceed 50 000 EUR. In which case the second disbursement will be increased accordingly, still leaving the third disbursement to equal at least 20%).

The model grant contract is available at the www.norvegcivilalap.hu webpage.

How to report?

Supported grantees have to send progress reports **quarterly** (from the beginning of the project) to the organization responsible for their thematic area. Progress reports shall include **information on program progress** (narrative part) and a financial table presenting the use of grant support (financial table).

In case of projects longer than 12 month an annual progress report has to be submitted similar to the final report. This is a precondition for disbursing the due instalment.

A final report has to be submitted 30 days after finishing the project. This report shall include **information on the implementation of the program** and a **cumulative financial table** (listing invoices) presenting the use of grant support. The final report must also show that the sub-project has been completed according to the conditions on which the grant was awarded.

In the financial table the amounts have to be stated in Forint and in Euro too.

In sub-project reporting, conversion has to be counted using the **exchange rate used by the bank of the supported grantee on the day of grant transfer!**

The HEPF will select and check at least **10% of the financial records to be submitted** (copies of invoices, cash records, transfer documents, etc.). All financial records might be submitted if requested.

The last instalment can be disbursed only after the final report has been accepted.

More information about reporting is available in the reporting guide.