

Ministry of Foreign Affairs

2. Co-financing of NGOs

Background

The Ministry of Foreign Affairs sees an increasingly important role for non-government organisations (NGOs) in Italian development co-operation. Nevertheless, the size of the Italian NGO sector working with Official Development Assistance (ODA) funding is still quite small in comparison to other DAC members – just 2.9% of total gross ODA.

This limited use of the NGO channel may relate to the procedural difficulties confronted by NGOs in using Italian government funds, some of which are now being examined by the Direzione General per la Cooperazione allo Sviluppo (DGCS). Indeed, although the number of NGOs accredited by the DGCS has steadily grown in recent years – 146 in 2000 to 171 in 2003 – the number of NGO projects approved by DGCS has declined. In 2004, the DGCS approved 66 new projects promoted by Italian NGOs with a total funding of €50 million. This was a stark decrease compared to 2003, when 116 projects totaling €70 million were funded. The NGO community has long complained of the unnecessary complexity of DGCS internal procedures, long project approval delays (36 months minimum) and of unnecessary financial controls and accounting requirements. The current administrative reform in the DGCS should help in this respect.

Types of Grant

Co-financing of Italian NGOs

Grant Size

The maximum grant given by the Ministry of Foreign Affairs for a one-year project is €258,000, with a maximum of €775,000 for three-year projects. For projects promoted by a consortium of NGOs, the maximum grant is €516,000 for a year and €1.55 million for three-year projects. Costs for buildings and/or equipment must not exceed 40% of total costs.

Own Contribution

The ministry will usually fund up to 50% of costs for projects proposed by NGOs, but in special cases this may rise to 70%.

At least 15% of the total project costs have to be borne by the NGO's own funds, and other donors may contribute the rest. In the case of a consortium of NGOs, the NGO responsible for the consortium must guarantee a contribution of 15% of total costs.

NGOs can also receive grants as implementing agencies for projects identified and designed by DGCS. These grants are awarded by the relevant geographical office of the DGCS, based on cost and previous experience.

Funding Priorities

The general priorities are the following:

- Population, women and development
- Protection of childhood and youth
- Social communication and information
- Strengthening of institutional capacity
- Good governance
- Promotion of enterprises
- Job creation
- Social projects which promote the return and integration of refugees and emigrants.

Projects financed in 2004 had the following geographical and thematic distribution:

- Central and eastern Europe: €3.8 million for seven projects, especially in Serbia and Kosovo with a focus on rural development and education;
- The Mediterranean and the Middle East: €6.5 million, especially in Morocco, Egypt, the Occupied Palestinian Territories and Lebanon;
- West Africa: €4.2 million for five projects, with a focus on desertification;
- Central and eastern Africa: €7.7 million for 10 projects, with focus on health and agriculture;
- Sub-Saharan Africa and the Horn: €16 million for 26 projects;
- Latin America: €15.3 million for 19 projects, especially in Brazil with a focus on rural development, health, basic education, gender and children;
- Asia: €3 million.

Grant-making Criteria

The Italian Ministry of Foreign Affairs grants funds to NGOs (Italian and from EU Member States) which have been formally accredited, according to Law No. 49. A formal approval procedure is applied, so the NGO must comply with the following criteria:

- The applicant must be registered as an organisation according to Articles 14, 36 and 39 of the Italian civil code.
- It must be focused on development assistance for developing countries.
- It must be a non-profit organisation.

- The applicant may not belong to an economic, financial or business organisation.
- The applicant must declare that the NGO is able to conduct the planned projects with suitable and available personnel.
- The NGO must have at least three years' experience with developing countries in the area for which formal approval has been sought.
- Periodic inspection by the Head of the Office for Development Co-operation must be permitted.
- An annual report concerning the progress of the current programme must be submitted.

Guidelines

Please, follow the special guidelines 'Progetti promossi da ONG – Schema di presentazione e procedure' (projects promoted by NGOs – presentation scheme and procedure), which can be obtained from the DGCS or online at: http://www.esteri.it/doc/4_28_66_75_248.pdf.

Project Duration

The maximum project duration is normally three years.

Deadline

No deadline applies.

Application Forms

The application forms are enclosed together with the special guidelines 'Progetti promossi da ONG – Schema di presentazione e procedure' (projects promoted by NGOs – presentation scheme and procedure) which can be obtained from the DGCS or online at: http://www.esteri.it/doc/4_28_66_75_248.pdf.

Application and Procedures

Once Office VII of the DGCS has received the applications, it checks if they are complete and compliant with the given guidelines, schemes and required inputs. Then the project is checked with regard to the consistency of the programme's aims, the sustainability of the intervention and prioritised criteria, if any. For this purpose, the proposals are sent to the Central Technical Unit – Unità Tecnica Centrale (UTC) – and to the relevant Italian embassy within 30 days of receipt. The embassy sends its

opinion within 45 days, stating its view concerning the objectives of the project. The UTC reviews the project's technical and economic features within 45 days. Finally, the approved project is transmitted by Office XI to the committee responsible for the final decision within 30 days. The applicant should take into account that the above-mentioned processes may well take longer to be completed.

Language

Italian

NAME OF GRANT PROGRAMME

Co-financing of NGOs

NAME

Ministero degli Affari Esteri

NAME IN ENGLISH

Ministry of Foreign Affairs

ACRONYM

MAE

DEPARTMENT

Direzione Generale per la Cooperazione allo Sviluppo

CONTACT

Mrs Laura Botta

Director

Direzione Generale per la Cooperazione allo Sviluppo

Ministero degli Affari Esteri

Ufficio VII

Via della XVII Olimpiade 8

00194 Rome · Italy

Phone: + 39 (0) 636916536

Fax: +39 (0) 636914184

Email: dgcs7@esteri.it

COUNTRY INDEX

PARTNER COUNTRIES

DAC

Developing countries as defined by the DAC