

Table of Contents

1.	General Principles and Objectives of Project Funding.....	1
2.	Course of Project Funding.....	2
2.1	Course from the idea until the conclusion of the Project Contract.....	3
2.2	Course of Project Funding after the Conclusion of the Project Contract	5
3.	Explanation of the Forms	6
4.	Information for the submission of the forms	10

1. General Principles and Objectives of Project Funding

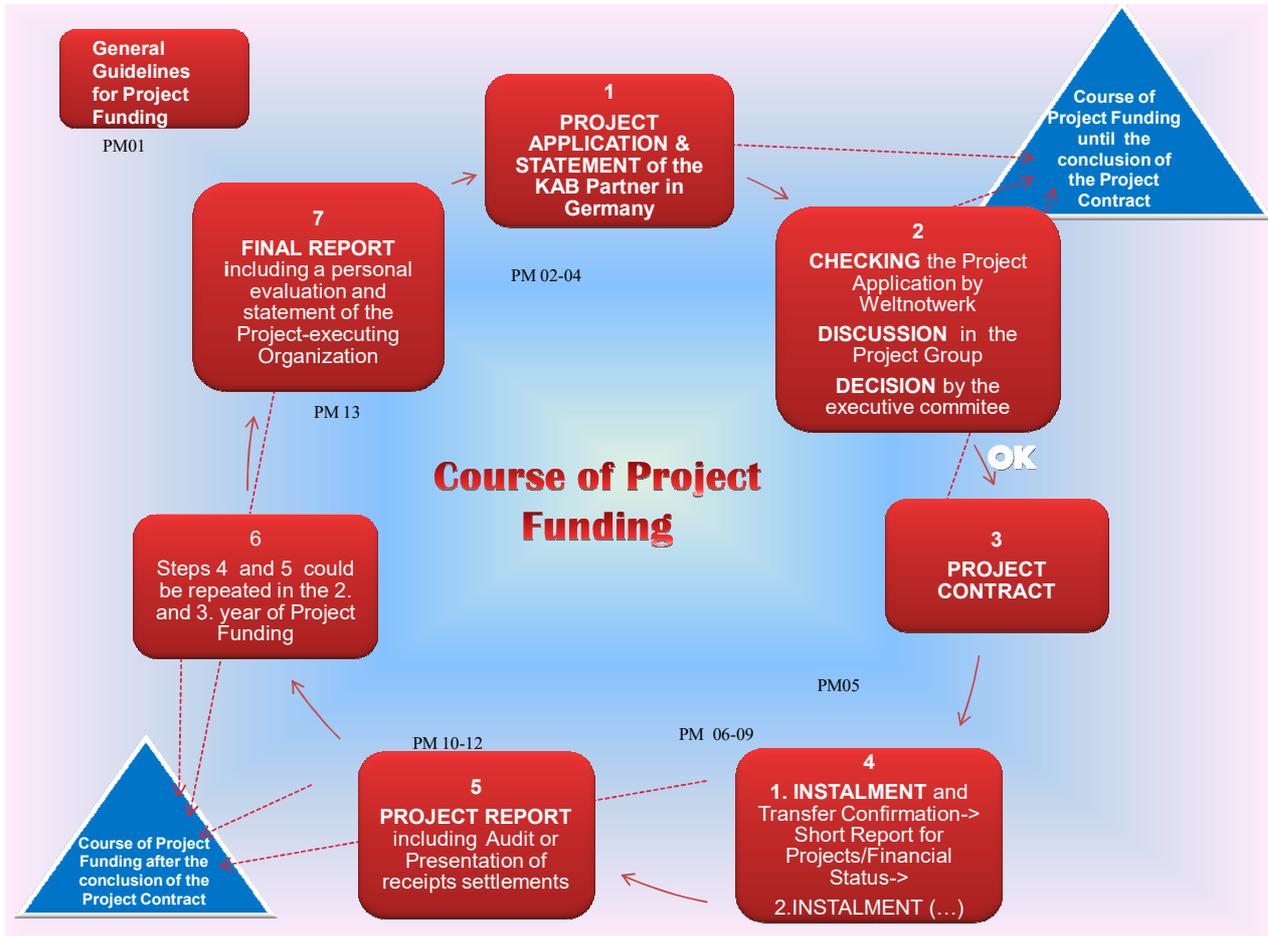
Since 1960 Weltnotwerk has been funding projects in countries of the south. The project funding focuses on social movements, which have a partnership with CAJ or KAB in Germany. Weltnotwerk pursues the following objectives and principles:

- The prime objective is **to help people to help themselves**. Essentially projects are funded financially; nevertheless long-term dependence on financial aid, from Weltnotwerk or other organizations, should be prevented.
- Apart from the **financial support**, project funding also means **to strengthen the partnership** between the three contracting partners (project-executing organization, project partner, project sponsor) **by exchanging ideas, experiences, and specialized knowledge and by having critical discussions**.
- The cooperation focuses on **poverty and social change to stop economic and social injustice and exclusion**.
- **Transparency must be guaranteed** at all levels of project funding.
- The cooperation is marked by **mutual recognition and the protection of autonomous decisions** of each contracting partner.

There is a clear distribution of the roles of the three main players:

1. The group in foreign countries, who will implement the project and is responsible for the project (legal entity). → **Project-executing organization**
2. The partner, who will accompany, give advice and support the group. In most of the cases the partner will be from a CAJ or KAB in Germany. → **Project partner**
3. Weltnotwerk which gives expert advice and is the financial sponsor of the project. → **Project sponsor**

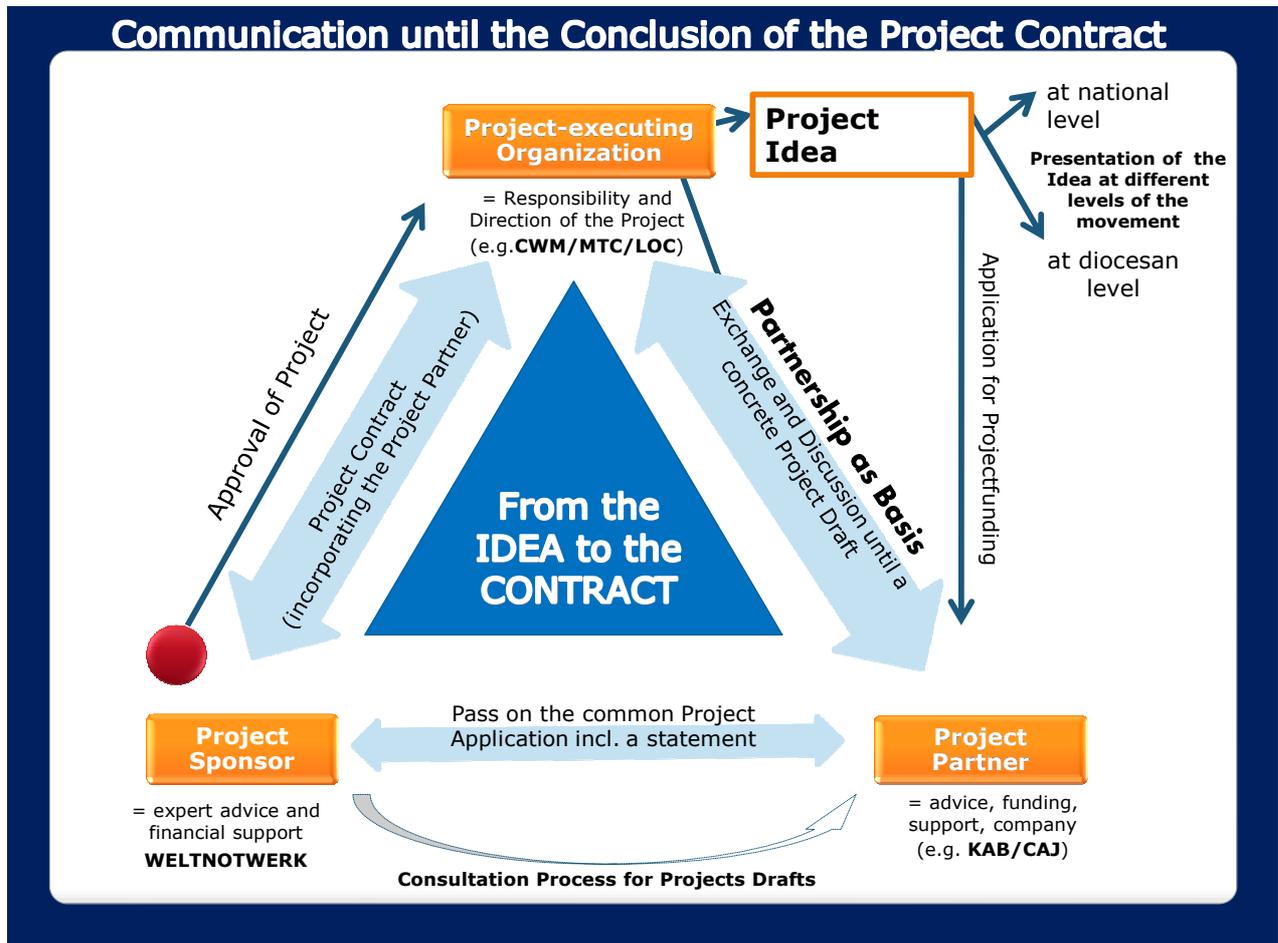
2. Course of Project Funding



This figure shows an overview of the steps of project funding from the project application to the final report. Each form has its own name (PM01 - PM15). PM is an abbreviation for project management. PM01 stands for the General Guidelines, which are the basis for project funding. PM14 is used for requests for funding a partnership meeting. PM15 serves to report about these meetings. All the other forms can be seen in the figure above.

The blue triangle in the right corner shows the steps from the project idea to the conclusion of the project contract (1-3). The blue triangle in the left corner shows the steps from the contract conclusion to the final report (4-7). Part 2.1 and 2.2 give a detailed explanation of both triangles.

2.1 Course from the idea until the conclusion of the Project Contract



Before requesting project funding, the project idea should be presented at all levels of the organization (e.g. diocesan and national level), so that the developments are transparent for all of the participants and everyone gets the opportunity to comment on the plans.

For a successful support of the project it is very important that there is a mutual exchange of these three players (see double arrows). The partnership between the project partner and the project-executing organization (group in foreign countries) is the basis for project funding, because the exchange of ideas and discussions can and should lead to a concrete project draft.

The course of project funding starts with the project idea and the planning of the realization of this idea. By sending PM02 to Weltnotwerk you apply for financial and professional support from Weltnotwerk. The project application (PM02) includes an income and expenditure plan (PM03) and a statement from the project partner (PM04). In this way the project partner in Germany is able to see the developments of the project/in the partner's movement and can think about how he can support the project.

The tasks of Weltnotwerk are:

1. Help to fill in the form for the application of project funding (PM02),

2. Give advice related to specialized issues
3. Check the application form with help of the project group and let the executive committee decide about the funding request, as well as
4. Weltnotwerk will fund the project if the Project Application is successful.

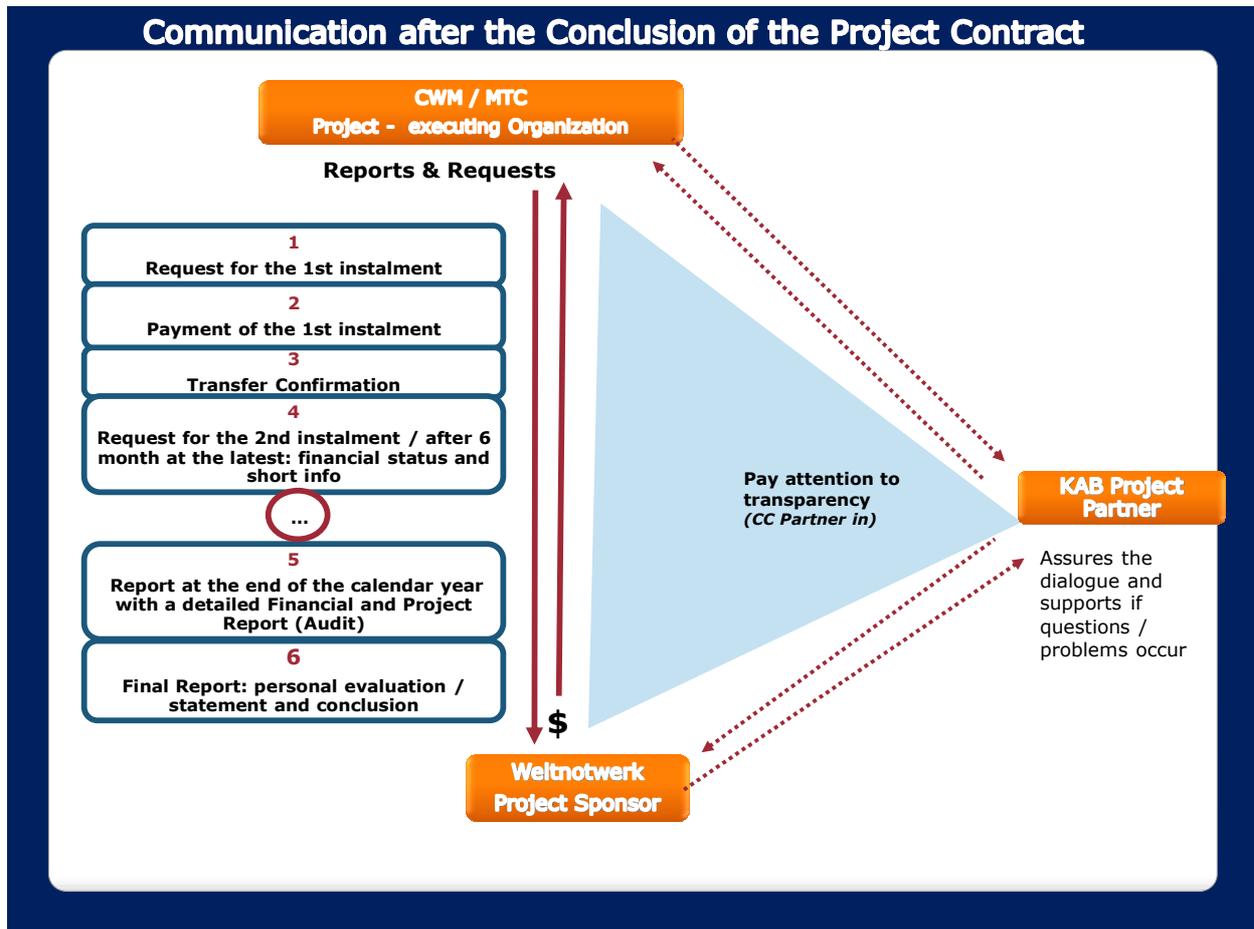
As a result Weltnotwerk is helping to finance the projects and supports the project-executing organization and the project partner in specialized issues, but is not in charge of the project's development itself. If Weltnotwerk has further questions it can directly, or via the Project Partner, which contacts the Project-executing Organization.

The project partner has an important role as agent between the other groups because the partnership with the project-executing organization exists for many years which leads to mutual trust and experience to work with each other.

As soon as Weltnotwerk has received PM02-PM04, the request will be checked, discussed and decided. Eventually Weltnotwerk will ask further questions, make propositions or asks for some improvements. For the judgment of the demands for project funding the executive committee has created a project group. This group counts circa 5 persons and meets in general one time in October to discuss about the demands for the next year. If necessary, another meeting is arranged in the first half of the next year. If the project group recommends project funding and the executive committee approves the demand the project executing organization will be informed. If the project application is successful, the project-executing organization, the project partner and Weltnotwerk will enter into a project contract. By signing the contract the contracting partners accept the General Guidelines (PM01) as binding for the cooperation.

In case of projects longer than one year the total sum of the funding amount will be noted in PM05, but due to the fact that Weltnotwerk is depended on other donors, in December of every year after the annual discounts, the funding amount for the next year will be calculated again.

2.2 Course of Project Funding after the Conclusion of the Project Contract



If they enter into an agreement, the main way of communication will be between Weltnotwerk and the project-executing organization. The project-executing organization can now start with the realization of the project. The KAB project partner still has to assure the dialogue and has to support eventually if requests or problems occur (see red broken line). From now on, Weltnotwerk is funding the project whereas the project-executing organization has to send requests and reports (see red continuous arrows and symbols).

The request for the first instalment (PM06) of the approved subsidy can be made after signing the project contract. After the reception of the first payment the project-executing organization confirms the credit transfer with the form PM07. Afterwards the next payment of instalment can be requested and so on.

The project-executing organization should come to a first conclusion about the project by means of analyzing the financial status (PM09) and a short report (PM08), at the latest after 6 months. The project-executing organization should show if aims have already been achieved, if there is a lack of money, if there are problems and so on. A detailed financial report (PM11), together with a project report (PM10) should be handed at the 31th January. The auditor's report (PM12) should be handed at the 28th of February.

The requests for payment and the reports (forms PM06-PM12) have eventually to be written again in the second or third year of project funding. At the end of the project term only, a final report (PM13) should be written as seventh and last step. The report serves above all to describe the impact of the work of the organization. This form is in preparation and will be handed to the project executing organization later on.

Within the process of project funding, all of the three players have to pay careful attention to transparency which means the project-executing organization, the project partner as well as the project sponsor will be informed at the same time when it comes to exchange of information and of forms. As a result this means that if two partners out of the three communicate they have to send a copy to the other one, for example e-mail contact, cc the other one in (see light blue triangle in diagram above). Moreover, when it comes to important matters several persons have to be contacted.

3. Explanation of the Forms

	Overview of all Forms
PM01	General Guidelines
PM02	Application for Project Funding
PM03	Income and expenditure plan
PM04	Statement from the Project Partner
PM05	Project Contract
PM06	Request for Payment
PM07	Transfer Confirmation
PM08	Short Report
PM09	Financial Status
PM10	Project Report
PM11	Financial Report
PM12	Auditor's Report
PM13	Final Report
PM14	Request for Funding of a Partnership Meeting

PM01: General Guidelines

The General Guidelines for Project Funding PM01 are a common basis for Project Funding and represent an orientation for all the persons involved during the collaboration. By signing the contract all of the contracting partners accept the General Guidelines as binding.

PM02: Application for Project Funding

The Application for Project Funding PM02 is important for Weltnotwerk to collect information about the organization and the project in order to be able to decide about the funding of the project.

- The Application should be submitted together with a statement from the Project Partner (PM04) and the income and expenditure plan (PM03).
- It is very important to keep the document PM02, because the information about the objectives and means of the project from question B.18 will be needed again in the forms PM03, PM05, PM08 and PM10.

In the formulation of the objectives and means of the project should be described which effect the project should have.

One or more means can be distributed to one goal.

- Here some examples of project objectives and means:
 - Objective 1: Fight against poverty and reduction unemployment in the area
 - Means 1a): Construction of a garden center (or tailor's shop, baker's shop, ...)
 - Means 1b): Allocation of small loan etc. to create new jobs or self-employment
 - Objective 2: Development of associations (e.g. expansion of the movement, improvement the functionality of the organization, a stronger international network with sister organizations of the WBCA)
 - Means 2a): Create member's administration, introduce accounting and adapt the office equipment (e.g. laptop, mobile phone etc.)
 - Means 2b): Support of new basic groups
 - Means 2c): Guarantee transport and communication
 - Means 2d): Develop a national work plan
 - Objective 3: Intensify the influence and fame of the association
 - Means 3a): Develop a concept for further actions on a national scale like May 1 / World Women's Day
 - Means 3b): Develop a concept for further education
 - Means 3c): Give seminars on topics like xxx
 - Objective 4: Inform the employees (formal and informal) about their rights
 - Means 4a): Carrying out xx regional seminars on social education with xx participants
 - Means 4b): Carrying out a campaign demonstrating the labor laws of domestic workers (please put in concrete terms)
- In question A) 20 an extern auditor has to be nominated who will write the audit report PM12 at the end of the year. The person who is nominated as auditor must be independent from the project executing organization and has to have knowledge in accounting, annual accounts and the customary regulations. Auditors can be e.g. certified auditors or accountants from other church-related or non-church related organizations. It is important, that the costs for the audit are appropriate.

PM 03: Income and Expenditure plan

The Income and Expenditure Plan PM03 shows an overview of the financial planning of the Project, with a list of costs for the objectives and measures noted in PM02 B.16). The same objectives and measures from PM02 should be taken over.

An important point is that the list with income and expenditures is complete, comprehensive and

understandable for Weltnotwerk.

Till the signature of the contract the plan can be adjusted or changed together with Weltnotwerk and the project partner.

Only if the project contract (PM05) is signed, the latest and final version of the plan will be determined which is binding for the contracting partners during the Project Funding period.

For income and expenditures there are special rules:

- Expenditures are only permitted for the granted budget items which are laid down in the contract. The expenditures should be efficient and go along with the income and expenditure plan to fulfil the project objectives.
- It is not permitted to overdraw the total budget.
- Money which was not spent in the calendar year can be spent in the following year (this should be consulted with Weltnotwerk).
- If adaptations in the previewed budget plan (changes of the budget) become necessary due to imperative reasons (increased costs, savings, completing measures, changes of the planned objectives). The changes will have to be discussed with Weltnotwerk and will only be possible after a written agreement.
- In particular developments during the project which have an effect on the budget and the financial plan must be told immediately.
- Granted money which is not spent till the ending of the project will be refunded to Weltnotwerk.
- If there are objects more expensive than 3000 euros that will not be used as previewed, Weltnotwerk must be informed and agree. This also concerns funds, developed or undeveloped plots as well as concessions and other legal assets.
- Of course the form can be created with a table calculation program (e.g. Excel).

PM04: Statement of the Project Partner

The Statement of the Project Partner (PM04) is important for the project partner in Germany. Thanks to this statement he is able to understand the actions of his partner in foreign countries and can think about how he can and wants to support the project.

PM04 must be submitted together with PM02 and PM03.

In his statement the project partner can give a general assessment concerning:

- The process of preparing the project
- The meaning of the project for the target group / the project-executing organization (Contribution to the development of the organisation, fight against poverty)
- His impressions on the spot
- If the project-executing organization is able to implement the project or not

PM 05: Project Contract

The Project Contract PM05 is a binding agreement between the project-executing organization, the project partner and Weltnotwerk as project funder. The contract will fix the project goal, the planned measures, the subsidy amount and the official income and expenditure plan. In case of projects longer than one year, every December a new approval for the funding for the next year is sent, which fixes the funding amount. This is necessary because Weltnotwerk depends from other external donors.

PM05 is prepared and sent immediately after the sending of the approval of project funding (PM

C). The first amount of the approved subvention will only be transferred after all of the partners have signed the project contract.

PM05 includes:

- The official income and expenditure plan
- The general guidelines of Project Funding (as attachment)
- The signatures of the contracting partners: Project-executing organization, project funder (Weltnotwerk) and project partner
- PM05 fixes the duties of the project-executing organization concerning the bill for the activities and concerning reporting

PM 06: Request for payment

By sending the Request for Payment PM06 the project-executing organization asks Weltnotwerk to transfer an amount of the subsidies to implement the project.

The paying out of the subsidies follows certain rules:

- All of the paying outs have to be demanded in written form.
- The first paying out can be requested with the return of the signed project contract.
- The subsidies will be paid out by instalments and should be requested in local currency. Afterwards Weltnotwerk will convert the paying outs in euro.

PM 07: Transfer Confirmation

The Transfer Confirmation PM07 shows Weltnotwerk that the prevailing instalment has been received on the account of the project-executing organization.

After the reception Weltnotwerk demands an immediate transfer confirmation by means of the form PM07.

PM 08: Short Report

The Short Report PM08 serves to inform about the realized activities and their results, as well as to judge if the project objectives were fully achieved.

The Short Report has to be handed to Weltnotwerk together with the Financial Status (PM09) at the latest 6 months after the start of project funding.

The Short Report includes: A list with the realized activities and information about the progress, obstacles and new strategies in project work.

PM 09: Financial Status

The Financial Status PM09 serves to inform about the money already spent and not yet spend for realized activities and for activities which have not yet been implemented. The Financial Status shows Weltnotwerk if the money was spent according to the objectives and means fixed in the project contract (PM05) as well as in accordance with the income and expenditure plan (PM03).

- For the writing of the report all of the receipts must be numbered (e.g. chronologically) and listed in a receipt list.
- Of course the form can be created with a table calculation program (e.g. Excel).

PM 10: Annual Project Report

The Annual Project Report PM10 at the end of the calendar year serves to inform about the realized activities and the results during the year as well as to judge to what extent the project objectives have already been achieved. The Project Report shows if the fixed activities were implemented.

<ul style="list-style-type: none"> ➤ PM10 will be submitted together with the Financial Report PM11 at the 31st January. ➤ The reporting period includes the whole calendar year.
PM 11: Financial Report
<p>the Financial Report shows Weltnotwerk, if the money was spent according to the objectives and measures from PM05 as well as according to the income and expenditure plan PM03.</p> <p>The Financial Report has to be submitted at January 31. The reporting period includes the whole calendar year.</p> <ul style="list-style-type: none"> ➤ The form can be created with a table calculation program (e.g. Excel). ➤ For the writing of the report all of the receipts must be numbered (e.g. chronologically). Please join a copy of this list at the report. ➤ The receipts should be used for the writing of the audit's report (PM12) or joined as a copy/scan. The project executing organization keeps the original receipts.
PM 12: Auditor's Report
<p>This form is used to report about the financial report (PM11). A person who is qualified and independent from the project executing organization was named in the application for project funding (PM02), question A) 20 and in the project contract (PM05) as auditor. The auditor should judge the correctness, appropriateness and the regularity of the accounting from the project executing organization and should report about his audit with the form PM12.</p> <p>The deadline for submission of the auditor report (PM12) is the 28th February. This report must not be written about several calendar years.</p>
PM 13: Final Report
<p>At the end of the project the project executing organization writes a full report (PM13) with a personal evaluation and statement. This form is in preparation, it will be provided for the project executing organization later on.</p>
PM 14: Request for Funding of a Partnership Meeting
<p>This form serves to request for funding a meeting of the CAJ or KAB members and their partners in Germany or in foreign countries.</p>
PM 15: Report about the partnership meeting
<p>This form is a help to report about the meeting of the partners after their journey and to account for the funding agreed-upon.</p>

4. Information for the submission of the forms

Form	Deadline	How to submit?
PM01 – General Guidelines for Project Funding	None	Not to submit: Serves as information and will be accepted as binding by signing PM05.
PM02 – Application for Project Funding	31 st August for projects that should be funded from the 1st January on (next year). Afterwards, consultation, eventually further questions from Weltnotwerk. Decision about funding in November/December.	By e-mail with a scan of the page with the signatures.
PM03 – Income and expenditure Plan		
PM04 - Statement of the Project Partner		By e-mail
PM05 – Project Contract	Will be sent by Weltnotwerk within the next month, afterwards please return as soon as possible.	At first send by e-mail, and also scan the page with the signatures. Afterwards send the complete original of the form per post.
PM06 – Request for	Can be sent from now on. Payment can	By e-mail

Payment	be requested during the whole time of Project Funding, till the whole approved sum is paid.	
PM07 – Transfer Confirmation	Always immediately after the reception of the money	By e-mail
PM08 – Short Report	During the whole Project Funding period always till 30 th June	By e-mail. The form has to be handed in with a list of receipts.
PM09 – Financial Status		
PM10 – Annual Project Report	During the whole Project Funding Period to return till 30 th January. As soon as Weltnotwerk has received the Reports (in case of perennial projects), Weltnotwerk will send the form PM-B to approve the funding in the following year. Only after the reception of the reports and the confirmation of Weltnotwerk, new payments will be possible. In case of projects of one year the organization only has to hand in the Final Report (PM13) and not the Annual Report (PM10).	At first send by e-mail, and also scan the page with the signatures. Afterwards send the complete original of the form per post. .
PM11 – Financial Report		At first send by e-mail, and also scan the page with the signatures. Afterwards send the complete original of the form per post. Besides send a list of receipts and scan all of the receipts. The original receipts will be kept by the Project executing organization.
PM12 – Auditor’s Report	Always till 28 th February every year.	At first send by e-mail, and also scan the page with the signatures. Afterwards send the complete original of the form per post.
PM13 – Final Report	At the latest three months after the end of the Funding Period.	At first send by e-mail, and also scan the page with the signatures. Afterwards send the complete original of the form per post.
PM14 – Request for Funding of a Partnership Meeting	31 st August for projects that should be funded from the 1st January on (next year). Afterwards, consultation, eventually further questions from Weltnotwerk. Decision about funding in November/December.	By e-mail
PM15 – Report about the Partnership Meeting	At the latest till 10th December the same year.	By e-mail and also scan the page with the signatures. Please scan all of the receipts which are relevant for the subvention. The originals are to be kept by the organization!