

## Municipal Exchange Fund Austria for Ukraine – A4U

# Application Guideline Call 1 for Proposals

## Deadline for submission of application: 15 May 2026

# Table of Contents

<b>List of Abbreviations</b> .....	<b>3</b>
<b>1 Background</b> .....	<b>4</b>
<b>2 Objectives</b> .....	<b>5</b>
<b>3 Financial allocations</b> .....	<b>5</b>
<b>4 Eligibility criteria</b> .....	<b>5</b>
4.1 Eligibility of applicants .....	5
4.1.1. Lead Partner .....	6
4.1.2. Project Partner .....	6
4.1.3. Roles and responsibilities .....	7
4.2 Eligibility of actions .....	9
4.2.1. Period of implementation .....	9
4.2.2. Location .....	9
4.2.3. Topics .....	9
4.2.4. Activities .....	11
4.2.5. Gender equality and social inclusion .....	12
4.2.6. Anti-corruption .....	12
4.3 Eligibility of costs .....	13
<b>5. Visibility</b> .....	<b>14</b>
<b>6. How to apply and procedures to follow</b> .....	<b>15</b>
6.1 Number of applications and grants .....	15
6.2 Application package .....	15
6.3 Questions and answers .....	15
6.4 Deadlines and timetable .....	15
<b>7. Evaluation process and evaluation criteria</b> .....	<b>16</b>
<b>8. Contract award and implementation</b> .....	<b>19</b>
<b>9. Reporting and payment</b> .....	<b>19</b>
<b>10. Annexes</b> .....	<b>22</b>
<b>Annex 1: Conflict Sensitive Guidance Note</b> .....	<b>22</b>

## List of Abbreviations

**A4U** – Municipal Exchange Fund Austria for Ukraine

**AACT** – Austrian Association of Cities and Towns

**ADA** – Austrian Development Agency

**CSO** – Civil society organization

**DNH** – Do No Harm principle

**EU** – European Union

**IDP** – Internally Displaced Person

**IMC** - Intermunicipal cooperation

**LoI** – Letter of Intent

**MoU** – Memorandum of Understanding

**NGO** – Non-governmental organization

# 1 Background

Ukraine is operating in a context of ongoing war and large-scale disruption, while continuing its decentralization reform and advancing on its path toward European Union integration. These parallel processes place significant demand on public institutions at all levels of government, and require approaches that combine crisis resilience with long-term governance and development perspectives.

In particular, at local level, municipalities are required to maintain essential public services, respond to the needs of the war-affected and displaced populations, and plan for recovery, often under the conditions of uncertainty and constrained resources. Reinforcing local self-government is therefore a key pillar of Ukraine's recovery and European integration process. In this regard, strengthening institutional capacity, improving governance practices, and supporting inclusive and transparent decision-making processes at municipal level are critical for sustainable recovery.

Against this background, **the Municipal Exchange Fund Austria for Ukraine (A4U)** has been established to support structured municipal partnerships between Austria and Ukraine, to contribute to and foster these efforts. The programme is implemented by KDZ – Centre for Public Administration Research and funded by the Austrian Development Agency (ADA), as part of *International Partnerships Austria*, and the Austrian Association of Cities and Towns (AACT). The A4U is part of the U-LEAD with Europe.

U-LEAD with Europe: Local Empowerment, Accountability and Development Programme is a multi-donor action of the EU and its member states Germany, Denmark, France, Austria, Poland and Slovenia to support Ukraine on its path to strengthening local self-government. U-LEAD promotes transparent, accountable, resilient and responsive multi-level governance in Ukraine and empowers municipalities.

Through peer-to-peer cooperation and municipal partnerships, Austrian municipalities bring relevant experience in decentralized governance, public service delivery, strategic planning, and the application of European Union standards at local level. Structured partnerships enable this practical know-how to be adapted to the Ukrainian context, supporting learning that is directly applicable to municipal needs. Conversely, the Austrian municipalities will strengthen their own resilience and crisis-management capacity by learning from Ukrainian partners' real-world experience in maintaining public services under extreme disruption.

This Call supports practice-oriented and capacity-building initiatives implemented through municipal partnerships. All projects are expected to be designed in a conflict-sensitive manner, apply the Do No Harm principle, ensure transparency, and integrate gender equality and social inclusion in line with the objectives of the A4U.

## How to Use this Guideline for Application?

The A4U is a two-year project implemented from 1 December 2025 to 30 November 2027.

This Application Guide applies to **Call 1 for Proposals** under the A4U programme. All information, requirements, and timelines set out in this Guideline apply fully to this Call.

## 2 Objectives

The Municipal Exchange Fund Austria for Ukraine (A4U) reinforces Ukrainian municipalities as frontline actors of decentralization, recovery, and EU integration. Rooted in Ukraine's State Strategy for Regional Development 2021–2027, Ukraine Plan 2024-2027, and EU accession process, it reflects principles of local ownership, subsidiarity, inclusiveness, and transparency. Its intended impact is strengthened and sustainable local governance and socio-economic recovery in Ukraine through enhanced EU integration and municipal partnership.

## 3 Financial allocations

The total amount available for this Call for Proposals is **€250 000**. Grant amounts will range between **€25,000 as a minimum** and **€50,000 as a maximum**. The exact amount awarded will depend on the submitted project budget and the assessment against qualitative criteria.

Grant funds are paid **after the project has been implemented**, and the required reports have been approved.

At the request of the applicant, **pre-financing up to 20%** of the total grant amount may be provided. Requests for pre-financing must be indicated and justified in the Application Form.

## 4 Eligibility criteria

### 4.1 Eligibility of applicants

A joint project proposal should be submitted for a project that is jointly developed by **one Austrian municipality or municipal partner, and one Ukrainian municipality**. Since the main purpose of the grant programme is the transfer of know-how from Austria to Ukraine, **projects must be led by the Austrian Partner (hereinafter referred to as the 'Lead Partner')**, implementing a joint project with the **Ukrainian Partner (hereinafter referred to as the 'Project Partner')**. The Austrian Partner contributes through the provision of municipal expertise, peer-to-peer exchange, mentoring, and sharing of good practices based on its institutional experience, while the Ukrainian partner is the sole beneficiary.

Project activities are expected to actively involve both partners and may include study visits, internships, mentoring, and joint development of practical solutions, procedures, or policy

documents. Costs incurred on both the Austrian and Ukrainian sides may be eligible where they are directly linked to the implementation of these activities (e.g. expert inputs, mentoring, travel, or hosting of study visits).

While the roles of the partners differ, the partnership should be based on mutual cooperation and an equal exchange of experience.

#### 4.1.1. Lead Partner

The **Lead Partner** must fulfil the following conditions:

- Be a local government of Austria, as defined by the legislation of Austria; or
- Be an intermunicipal cooperation (IMC) arrangement, meaning a cooperation structure established by two or more municipalities to perform tasks or deliver services, in line with the national legislation, which may support the implementation of the project where the participating municipalities are part of the cooperation structure; or
- Be a communal enterprise, a local authority association (*Gemeindeverband*), civil society organization (CSO), educational or research institution legally registered in Austria, whose statutory activities are directly related to the thematic focus of this Call;
- Have been established at least twelve months before launching the Call for proposals.

In cases where an **Intermunicipal Cooperation (IMC) arrangement of municipalities applies**, the Lead Partner principle applies, as the Grant Contract will be concluded with only one contracting partner. The IMC must therefore designate one municipality as the Lead Partner, which will hold full contractual responsibility for the project. If the consortium already constitutes a legal entity (legal personality), the IMC **may apply in its own name** and act as the Lead Partner.

If the Austrian Partner is not a municipality, a communal enterprise, or a local authority association, a **Letter of Intent (LoI)** from an Austrian municipality is required to ensure municipal expertise and commitment in the project.

#### 4.1.2. Project Partner

Under the Municipal Exchange Fund Austria for Ukraine (A4U), **Ukrainian local governments are the target group and beneficiaries**. All proposed actions must be clearly municipal in character, respond to an identified need of a Ukrainian municipality, and demonstrate direct relevance for municipal responsibilities, service delivery, planning, governance, recovery, or EU integration.

The **Project Partner** must fulfil the following conditions:

- Be a local government of Ukraine, as defined by Ukrainian legislation; or
- Be an intermunicipal cooperation (IMC) arrangement, meaning a cooperation structure established by two or more municipalities to perform tasks or deliver services, in line with the national legislation, which may support the implementation of the project where the participating municipalities are part of the cooperation structure; The IMC should have been established at least twelve months before launching the Call for proposals.

If a **Ukrainian inter-municipal cooperation** (IMC) arrangement is part of the partnership, the IMC must designate one municipality to act as the project coordinator. This municipality will serve as the main counterpart to the Lead Partner for communication and coordination.

As outlined above, the Grant Agreement will be signed only with the Lead Partner, which remains fully responsible for the project under the contract.

Other Ukrainian entities, such as communal enterprises, associations of local authorities, civil society organizations (CSOs), educational or research institutions, may participate **only as supporting or implementing partners**. They must have been established at least twelve months before launching the Call for proposals. They are not the primary target group of the Call and may not lead, substitute for, or stand in place of a municipality as the main institutional partner and beneficiary.

### 4.1.3. Roles and responsibilities

Clear roles and responsibilities between Partners are essential for effective project implementation and accountability.

#### **Role of the Lead Partner (Austria)**

The Lead Partner bears overall responsibility for the project. In particular, the Lead Partner is responsible for:

- Overall coordination and management of the project.
- Ensuring that project activities are implemented in line with the approved application, budget, and timeline.
- Financial management of the grant and compliance with reporting and audit requirements.
- Coordination with Ukrainian Partner and other involved stakeholders.
- Provide technical expertise, peer mentoring, and practical experience from the Austrian municipal context.
- Ensuring that gender equality, social inclusion, conflict sensitivity, the Do No Harm, and transparency principles are integrated into project design and implementation.
- Submission of narrative and financial reports.
- The Lead Partner remains fully responsible for the project, including in cases where specific activities are implemented jointly with or by the Project Partner.
- The Lead Partner is not a beneficiary of the grant and may not receive direct project benefits outside project-related cost coverage.

#### **Role of the Project Partner (Ukraine)**

Ukrainian Project Partners can only be local governments and they are the primary beneficiary of the A4U. They participate in project activities to strengthen their institutional capacity, enhance local government practices, support recovery, and EU integration processes. In particular, Ukrainian Partners are expected to:

- Participate in joint planning, exchange, and capacity-building activities.
- Identify and articulate their institutional needs, priorities and challenges relevant to local government, recovery, and EU integration efforts.
- Contribute to the development of project outputs, such as guidance materials or strategies.
- Support mutual learning and institutional cooperation between municipalities.
- Apply the knowledge and practices gained during the project activities within their own institutions;
- Support the integration of project results into municipal and organizational practices, policies, or planning processes;
- Support the preparation of narrative and financial reports.

It is strongly recommended, though not obligatory, that Ukrainian local governments involve local NGOs, universities, research institutions, experts, and similar actors in project design and implementation to strengthen the integration of project results into municipal practices.

### Joint Responsibilities

The Applicants are jointly responsible for:

- Establishing an effective cooperation and communication framework.
- Agreeing on roles, responsibilities, and modes of cooperation at the outset of the project.
- Ensuring regular coordination and information exchange throughout implementation.
- Contributing to the achievement of project objectives and expected results.

### Partnership Arrangements

As part of the application package, applicants must provide a document demonstrating the partnership and commitment between the Austrian and Ukrainian municipalities. If the municipalities already have an existing Partnership Agreement, Memorandum of Understanding, or Letter of Intent, it may be attached to the application.

If no such document exists, applicants may use the template of the Partnership Agreement available in the Application Package documents on the website: <https://www.municipalexchange4u.eu/>

Applicants without an existing partnership at the time of application are also **eligible**.

Applicants are strongly encouraged to identify and agree on a partnership with an Austrian municipality prior to submitting an application. Where this is not possible, KDZ may, **upon request**, facilitate initial matchmaking between Austrian and Ukrainian municipalities through targeted online outreach and consultation sessions. This support will be provided on a **best-effort basis** and **does not guarantee** the establishment of a partnership.

Interested municipalities should submit the Expression of Interest Form (see Application Package documents on the website: [municipalexchange4u.eu](https://www.municipalexchange4u.eu/)) to indicate their interest and provide the information needed to support the matchmaking process with a potential partner.

Matchmaking activities may be supported by KDZ, U-LEAD with Europe, the Association of Austrian Cities and Towns (AACT), and the Austrian Association of Towns and Cities (AAATC).

## 4.2 Eligibility of actions

### 4.2.1. Period of implementation

The expected implementation period for each project is **between 6 and 10 months**, depending on individual work plans after the date specified in the grant contract as the beginning of the implementation.

### 4.2.2. Location

From a geographical perspective, the programme **does not impose regional limitations**. Municipalities from all parts of Ukraine are eligible to apply.

While some regions are more heavily affected by the war than others, the A4U aims to remain inclusive and ensure that promising and innovative project ideas are not excluded based on location.

At the same time, all projects must take the war context into account. A **Conflict Sensitivity Guidance Note** (see [Annex 1: Conflict Sensitive Guidance Note](#)) is provided to support applicants in designing and implementing activities in a way that is responsible, safe, and does not exacerbate existing tensions.

To further address security, mobility, and accessibility constraints, **hybrid and remote participation formats** will be supported and encouraged where appropriate.

### 4.2.3. Topics

#### Overall orientation

The A4U supports joint projects implemented by Ukrainian and Austrian municipalities that contribute to sustainable local governance, socio-economic recovery, and Ukraine's integration into the European Union.

Projects are expected to be based on practical cooperation and peer-to-peer exchange between municipalities. Activities should respond to clearly identified local needs and demonstrate how cooperation with an Austrian municipal partner adds value to the proposed intervention.

Applicants are required to provide **specific baseline information** that clearly describes the local context and the challenges addressed by the proposed project. The Baseline Information Form (see Application Package documents on the website: [municipalexchangea4u.eu](http://municipalexchangea4u.eu)) is the foundation for project design and will be used to assess the relevance, feasibility, and expected impact of the proposal.

#### Eligible topics

Projects may address one or more of the thematic areas listed below. The list is **indicative and non-exhaustive**, and applicants may propose additional topics, provided they are clearly linked to municipal responsibilities and the overall objectives of the A4U programme.

### 1. Strengthening Local Governance and Institutional Capacity

Projects may focus on improving the functioning and effectiveness of local self-government, including:

- Strategic planning and management at municipal level;
- Improvement of administrative processes and internal coordination;
- Transparency, accountability, and citizen participation mechanisms;
- Strengthening inter-municipal cooperation;
- Digitalization of municipal services and administrative procedures.

### 2. Decentralization and EU-Integration at Local Level

Projects may support municipalities in advancing decentralization reforms and preparing for closer alignment with EU standards, including:

- Alignment of local policies, procedures, and practices with EU principles;
- Capacity-building related to EU governance, funding and financing, legislation, and implementation practices;
- Exchange of experience on multi-level governance and cooperation with regional and national authorities.

### 3. Socio-Economic Recovery and Resilient Local Development

Projects may contribute to recovery and resilience at local level, including:

- Development or updating of recovery-oriented local development strategies and recovery programs;
- Strengthening the provision of basic municipal services;
- Support to local economic recovery and livelihoods within municipal competences;
- Enhancing municipal resilience to crises, including war-related challenges.

### 4. Gender Equality and Social Inclusion in Local Governance

Projects are encouraged to integrate gender equality and social inclusion as a substantive focus, including:

- Gender-responsive local policies, planning, and budgeting;
- Inclusive approaches to service delivery and decision-making;
- Measures to improve participation of women;
- Measures to improve participation of internally displaced persons (IDPs), veterans, persons with disabilities, youth, elderly people, and other vulnerable groups;
- Strengthening municipal capacities to address gender and social inequalities.

## 5. Environmental Protection at Municipal Level

Projects may focus on strengthening municipal capacities related to environmental protection, including:

- Water supply and wastewater management within municipal responsibilities;
- Waste management and circular economy approaches;
- Environmental protection and sustainable use of local resources;
- Planning and management of environmentally sustainable municipal services.

## 6. Urban and Sustainable Development

Projects may support municipalities in advancing strategic planning and sustainable urban development, including:

- Integrated urban development strategies and spatial planning documentation, addressing the fact that many municipal planning documents in Ukraine are outdated and do not reflect reconstruction needs, infrastructure damage, and other consequences of war;
- Sustainable land use and regeneration of urban areas;
- Climate-responsive and resource-efficient urban development approaches;
- Strengthening municipal capacities for long-term urban planning.

## Cross-Cutting Requirements

The following requirements apply to **all projects**, regardless of the chosen topic, and must be integrated into project design and implementation:

- Be based on a clear understanding of the local context, supported by baseline information;
- Apply a gender-responsive and socially inclusive approach;
- Be conflict-sensitive and aligned with the Do No Harm principle;
- Be based on the principles of transparency and accountability;
- Clearly demonstrate the added value of the Ukrainian–Austrian municipal partnership.

## Excluded Activities

The A4U does not support:

- Large-scale infrastructure investments;
- Military or defence-related activities;
- Humanitarian assistance;
- Activities outside the mandate or responsibilities of local self-government;
- Stand-alone events or exchanges without a clear capacity-building or partnership objective.

#### 4.2.4. Activities

The A4U supports activities that contribute to capacity-building, knowledge exchange, and the strengthening of municipal practices through cooperation between Ukrainian and Austrian municipalities.

The following types of activities are eligible for funding:

##### 1. Expert Support and Mentoring

- a. Provision of expert advice and technical assistance;
- b. Peer-to-peer mentoring between Ukrainian and Austrian municipal staff;
- c. Short-term expert inputs related to project topics;
- d. Support for institutional development and implementation of good practices;
- e. Short-term internships of Ukrainian municipal representatives in the Austrian partner municipality, aimed at learning from practical experience and jointly developing concrete outputs, such as draft policies, guidelines, procedures, or other documents relevant to municipal practice.

##### 2. Workshops, Seminars, Trainings, and Exchanges Activities

- a. Workshops and training sessions for municipal staff and local stakeholders;
- b. Thematic seminars and learning events;
- c. Exchange sessions between partner municipalities;
- d. Capacity-building activities delivered in in-person, hybrid, or remote formats.

##### 3. Preparation of Analytical and Strategic Documents

- a. Development of surveys and data collection tools;
- b. Preparation of guidance materials, roadmaps, and action plans;
- c. Drafting of model decisions, internal procedures, or policy-related documents.

##### 4. Pilot Activities

- a. Small-scale pilot activities to test improved municipal practices or approaches, such as piloting new service delivery methods, testing participatory approaches for citizens engagement, etc.;
- b. Demonstration of new processes, tools, or methods within municipal operations.

#### 4.2.5. Gender equality and social inclusion

Gender equality and social inclusion are **core principles** of the Municipal Exchange Fund Austria for Ukraine (A4U). All projects supported under this Call are expected to actively promote inclusive local governance and ensure that project benefits are accessible to different groups within the community.

Applicants are required to describe how gender equality and social inclusion are integrated into the proposed project (in the [Application Form](#)). For this purpose, a **dedicated ADA's Environmental, Gender and Social Impact Management (EGSIM) Manual** is available on

the programme website: <https://www.municipalexchangea4u.eu/> for reference when designing and implementing the project.

#### 4.2.6. Anti-corruption

The Municipal Exchange Fund Austria for Ukraine (A4U) applies a **zero-tolerance approach to corruption, fraud, and misuse of funds**. All projects funded under this Call are expected to be implemented in a transparent, accountable, and ethical manner. All Applicants are required to:

- Commit to the prevention of corruption, fraud, and misuse of funds.
- Implement appropriate internal control and financial management procedures.
- Ensure transparent decision-making and documentation related to all project activities and expenditures.
- Avoid practices that could give rise to real or perceived conflicts of interest.

Any suspected or confirmed cases of irregularities **must be reported immediately** to the Grant Manager ([hatsenko@kdz.or.at](mailto:hatsenko@kdz.or.at)).

### 4.3 Eligibility of costs

The total eligible project budget varies between **€25,000 and €50,000** based on the project. The budget shall be calculated based on actual and necessary costs linked to project activities. Cost for fees, per diems, travel, and events must be calculated using clear cost units (e.g. daily rates, per diem rates, number of events). Considering the eligible activities, the following types of costs to be covered by the grant are eligible:

#### 1. Fees (experts, facilitators)

Fees must be calculated based on **the number of days** an expert or facilitator is expected to work on the project. Daily fee rates (fixed day equivalent = 8 hours) should not exceed **€450/day**<sup>1</sup>, unless the higher rate is clearly justified by specific expertise required.

#### 2. Travel cost

Travel costs for project-related activities between the Austrian and Ukrainian partners, including travel of Ukrainian representatives to Austria, and travel of Austrian representatives to Ukraine, are eligible. Travel costs must be based on the most economical and reasonable means of transport available, considering **the security situation in Ukraine**.

In the context of ongoing war, considerations related to safety and accessibility may justify deviation from the lowest-cost options. Where security conditions, damage of infrastructure or restriction of movement require alternative travel routes or additional overnight stays, the related costs may be considered eligible, provided they are **clearly justified**.

*Please note:* The 1st class train tickets and business-class flight tickets are not accepted, unless there is a reasonable justification for their use.

---

<sup>1</sup> European Commission. Guidance note — Methodology for expert fees for remote evaluation and ethics review 2021-2027: [guidance-note-methodology-for-expert-fees-for-remote-eval-and-ethics-review\\_en.pdf](#)

### 3. Costs of events

May include the costs of renting premises, audio and translation equipment, translation/interpretation services, and refreshment/lunches. **Venue rental is eligible only where excising municipal premises are not available or suitable for the project activities. Where municipal premises, such as city or town halls, can be used, the venue's rental cost is not eligible.** Any proposed venue rental must be clearly justified in the budget.

### 4. Per diems

Per diems cost may be used to cover accommodation, meals, and local transport for experts during travel and on-site presence related to the project activities and must not exceed **€234/day for activities taken place in Austria** and **€270/day for activities taken place in Ukraine**<sup>2</sup>. The applicable per diem rate is determined by the country where the activity takes place and is not linked to the nationality or residency of the expert or staff member.

### 5. Other expert-related costs

Other expert-related costs, such as insurance or specific material costs directly related to the project, are eligible only if clearly justified, directly linked to the project activities, and calculated based on the actual cost. Such costs are not covered by per diems and **must be presented separately** in the budget.

The following costs are not eligible as costs of the action:

- cancellation fees,
- minibar or pay TV, or alike.

## 5. Visibility

The Applicants are obliged to publicize the funding provided by ADA and the Austrian Association of Cities and Towns (AACT). All documents developed during the action, as well as reports, shall include the following:

- This programme is funded by the Austrian Development Agency as part of International Partnerships Austria and the Austrian Association of Cities and Towns (AACT) through the Municipal Exchange Fund Austria for Ukraine – A4U, which is implemented by KDZ-Centre for Public Administration Research as a part of U-LEAD with Europe – a multi-donor action of the EU and its member states Germany, Denmark, France, Austria, Poland and Slovenia.
- Logos will be provided in the contracting phase.
- Disclaimer: “This publication/document has been produced with funding from the Austrian Development Agency (ADA) as part of International Partnerships Austria. The Austrian Development Agency (ADA) accepts no responsibility for the content of

<sup>2</sup> European Commission. Decision C(2024)5405. Current per diem rates: [https://international-partnerships.ec.europa.eu/document/download/167fc5d8-015b-4a51-85b1-266891fbcc21\\_en?filename=per-diem-rates-20241108\\_en.pdf](https://international-partnerships.ec.europa.eu/document/download/167fc5d8-015b-4a51-85b1-266891fbcc21_en?filename=per-diem-rates-20241108_en.pdf)

communication materials produced by partner organisations. The statements, opinions, and information contained therein are solely the responsibility of the respective authors and do not necessarily reflect the position or stance of the ADA.”

- Disclaimer: “This publication has been produced with the assistance of the European Union and its member states Germany, Denmark, France, Austria, Poland and Slovenia. The contents of this publication are the sole responsibility of its authors and do not necessarily represent the views of U-LEAD with Europe, the European Union and its member states Germany, Denmark, France, Austria, Poland and Slovenia.”
- Disclaimer: “This video has been produced with the assistance of the European Union and its member states Germany, Denmark, France, Austria, Poland and Slovenia. The contents of this video are the sole responsibility of its authors and do not necessarily represent the views of U-LEAD with Europe, the European Union and its member states Germany, Denmark, France, Austria, Poland and Slovenia.”

## 6. How to apply and procedures to follow

### 6.1 Number of applications and grants

The Austrian Lead Partner may submit one application, with one Ukrainian Partner Municipality. The Partnership may not be awarded more than one grant per Call.

### 6.2 Application package

The Application Package is available for download at the webpage: [www.municipalexchangea4u.eu](http://www.municipalexchangea4u.eu).

The completed forms are to be submitted electronically to the following email address: [a4ucall@kdz.or.at](mailto:a4ucall@kdz.or.at), within the given **deadline of the 15<sup>th</sup> of May 2026**.

The Application Package consists of the following forms, and each of them needs to be filled in and submitted to consider the application acceptable for evaluation:

1. Application Form (including reporting section);
2. Budget Template (including reporting section);
3. Baseline Information Form (including reporting section);
4. Memorandum of Understanding or Letter of Intent (see Section 4 of this Application Guideline); or
5. Partnership Agreement (see Section 4 of this Application Guideline).

## 6.3 Questions and answers

Any questions related to the Call may be submitted to the following email address: [hatsenko@kdz.or.at](mailto:hatsenko@kdz.or.at). The answers shall be provided not later than 7 days after submission of the question and will be published on the project website.

## 6.4 Deadlines and timetable

The application may be submitted only after launching the Call for proposals. An indicative timetable of the present Call is the following:

Activity	Timetable of the First Call for Proposals
Launch of the Call for proposals	30 <sup>th</sup> of March 2026
Deadline for submission of applications	15 <sup>th</sup> of May 2026
Information on approved applications	Approximately beginning of June 2026
Award of the Contract	Approximately June 2026
Project Implementation and Reporting	6-10 months depending on the project
Payment	End of the municipal project, on individual basis, 30 days after approval of the Report

## 7. Evaluation process and evaluation criteria

The evaluation process includes the following steps:

1. The KDZ team checks:
  - a. if the application is submitted within the deadline;
  - b. if the eliminatory criteria are met.

If any of these conditions are not fulfilled, the application may be rejected.

2. The A4U Fund Evaluation Committee shall make the assessment according to defined evaluation criteria, based on which the ranking list is drafted.
3. ADA will be informed of the final decision and project selection.

The following criteria will be used to assess the applications, with the set of eliminatory criteria and evaluation criteria, with a total maximum score of **66 points**:

Eliminatory criteria	YES/NO
----------------------	--------

The correct Application Form has been used.	
All sheets of the Application Form have been completed.	
All relevant Annexes have been added to the Application Form	
The Application form has been enclosed to the Application and filled in by both the Lead Partner and the Project Partner.	
The Applicants are fulfilling the eligibility criteria set out in the Section 4.1.1 of the Guideline for Applicants.	
The eligibility criteria set out in Section 4.1.2 of the Guideline for Applicants are fulfilled.	
The location of the Action is as specified in Section 4.2.2 of the Guideline for Applicants.	
The requested funding is less than or equal to the maximum allowed as per the Section 3.	
The pre-financing request has been specified and justified (as explained in Section 9 of the Guideline).	
<b>Evaluation criteria</b>	<b>Max. 66 points</b>
<b>Relevance</b>	<b>Max. 12 points</b>
Does the action address any topic identified for the current Call, and/or are they clearly linked to municipal responsibilities and the overall objectives of the A4U programme?	
To what extent are the identified needs, baseline information, and proposed activities consistent and well aligned?	
Is the project relevant to the local needs and municipal responsibilities?	

Does the action contain measures related to environmental protection?	
<b>Effectiveness</b>	<b>Max. 15 points</b>
Does the proposal present a clear and coherent intervention logic linking objectives, activities, and expected results?	
Are activities contributing clearly to the achievement of identified objectives and results?	
Does the proposal demonstrate adequate identification of risks and appropriate mitigation measures, including conflict sensitivity and Do No Harm?	
Does the proposal demonstrate clear and well-structured cooperation between the Partners, including clearly defined roles, active partner involvement, and a concrete approach to knowledge exchange and peer learning?	
Does the proposal demonstrate appropriate arrangements to ensure transparent, accountable, and ethical implementation of project activities?	
<b>Efficiency</b>	<b>Max. 12 points</b>
Are all activities appropriately reflected in the budget?	
Is the ratio between expected costs and estimated results satisfactory?	
Does the proposal demonstrate adequate financial management arrangements and internal controls to ensure transparent and accountable use of funds?	
Does the proposal clarify and justify any request for pre-financing?	

Sustainability	Max. 12 points
Are the results likely to be sustainable (financially, institutionally, at policy level, environmentally (if applicable))?	
Is it likely that project results will be sustained beyond the funding period?	
Does the proposal demonstrate planned integration of project results into municipal policies, strategies, or procedures?	
Does the project demonstrate potential for institutionalisation, replication, or scaling of project results?	
Gender equality and social inclusion	Max. 15 points
How are women and men involved in the project planning and decision-making?	
How are vulnerable groups involved in project planning and decision-making?	
How do project activities address gender-specific needs (e.g. access to public services, participation in governments)?	
What expected gender-responsive or inclusive results will be achieved?	
Does the proposal include appropriate indicators or measures to monitor gender and social inclusion of outcomes?	

In addition to the eliminatory criteria, the applications that do not reach the following minimum number of points shall be rejected:

- The necessary total **minimum of points is 44.**
- The necessary minimum for the Section *Relevance* is 8 points.
- The necessary minimum for the Section *Effectiveness* is 10 points.
- The necessary minimum for the Section *Efficiency* is 8 points.
- The necessary minimum for the Section *Sustainability* is 8 points.

- The necessary minimum for the Section *Gender equality and social inclusion* is 10 points.

## 8. Contract award and implementation

Once the evaluation process is completed and the decision made, all Applicants will be informed of the results. The selected Applicants will receive the contracts and will have 2 weeks to return the signed contracts. If an Applicant fails to meet the deadline without written justification, the next Applicant from the ranking list will be offered the contract.

Once the contracts are signed, the list of awarded actions will be published on the A4U website: [www.municipalexchangea4u.eu](http://www.municipalexchangea4u.eu)

The date of the beginning of the action shall be defined in the contracting phase, after which the activities may be implemented in a period of 6-10 months, depending on the agreed project implementation period, including reporting.

## 9. Reporting and payment

In order to receive the funding, the Lead Partner must submit the following:

- Completed report and financial statement using the provided templates;
- Materials produced during the implementation, including, when appropriate, photos and lists of participants;
- Supporting accounting documents.
- Mid-term report (for projects longer than 7 months) in the form of a one-pager (to be provided at the mid-stage by the Grant Manager).

Supporting accounting documents must be submitted in originals that will be kept by KDZ, and include the following:

1. Request for payment with the specified costs per category and the total amount spent.
2. For justification of costs of **FEES**:
  - a. Invoice of expert/s specifying the number of working days, total amount, and tax number.
  - b. Completed and signed timesheets using provided templates (please note that the maximum number of working hours per day is 8, and the travel time cannot be charged as working hours).
  - c. Bank statements on transfers made.
3. For justification of costs of **PER DIEMS**
  - a. Bank statement on transfer made to the expert's account OR signed receipts for cash payments with the words "cash received".
4. For justification of costs of **TRAVEL**

- a. Bank statements on transfers made if paid through the account, OR the Invoice for the ticket.
  - b. Boarding passes or used train/bus tickets, or, in case of car costs, the justification of the choice of car as the most rational means of transport and calculation of the amount spent per kilometer travelled, in line with the Austrian legislation<sup>3</sup> for Austrian Partners. In the case of Ukrainian Partners, travel by private motor vehicle may be reimbursed on a lump-sum basis at a rate of EUR 0.30 per kilometre.
  - c. Reimbursement of mileage is generally limited to a maximum one-way distance of 200 km. For journeys exceeding 200 km one way, mileage beyond this distance may only be reimbursed in duly justified cases, such as transport of heavy or bulky materials, limited public transport availability, strikes or cancellations, safety considerations, night travel, or necessary vehicle use by persons with disabilities. Such justification must be clearly documented in the travel expense report.
  - d. Where the use of a private motor vehicle has not been agreed in advance with the responsible Grant Manager, any related risks shall be borne by the staff member.
5. For justification of costs of **OTHER EXPERT-RELATED COSTS**
- a. Invoice or other written evidence clearly indicating the nature of the cost (e.g. insurance, purchase or specific materials);
  - b. Short written justification explaining what the cost relates to, why it is necessary for the project implementation, and how the amount was calculated.
  - c. Proof that the cost is not covered by per diem payments.

As outlined in the **Section 3 (Financial allocation)** of this document, at the request of the Applicant, **pre-financing of up to 20%** of the total grant amount may be provided. The decision to provide pre-financing is taken on a **case-by-case basis** and depends on the Applicant's demonstrated capacity and justified need. In particular, the following aspects may be considered:

- The nature and timing of planned activities and the need for upfront costs;
- The Applicant's financial management capacity and experience with grant implementation;
- The overall risk assessment of the project, including compliance with the Do No Harm principle;
- The clarity and justification of the request as indicated in the Application Form.

Pre-financing is **not automatic** and may be granted only if it is considered necessary for the effective start and implementation of the project.

---

<sup>3</sup> Verordnung der Bundesregierung vom 29. März 1955, betreffend die Gebühren bei Dienstreisen, Dienstverrichtungen im Dienstort, Dienstzuteilungen und Versetzungen (Reisegebührevorschrift 1955) StF: BGBl. Nr. 133/1955 idF BGBl. Nr. 223/1956 (DFB), ABSCHNITT II-Dienstreisen, § 4, UNTERABSCHNITT A- Reisekostenvergütung, § 10 und § 11 (<http://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10008156>) in der geltenden Fassung

## 10. Annexes

### Annex 1: Conflict Sensitive Guidance Note

#### 1 Purpose and Positioning

This Conflict Sensitivity Guidance Note is intended as a practical support tool for Applicants and Grantees of the **Municipal Exchange Fund Austria for Ukraine (A4U)** programme. It aims to help reflect on how proposed activities may interact with local contexts affected by the Russian full-scale invasion of Ukraine, displacement, recovery, and social changes. The guidance is designed to support thoughtful project design and implementation, encourage awareness of local sensitivities, and help reduce the risk of unintended negative effects. It promotes approaches that contribute to social cohesion, trust, and inclusiveness, in line with the A4U programme's overall objectives.

The concept of “**conflict sensitivity**” starts from recognizing that humanitarian, development and peacebuilding activities cannot be separated from the peace and conflict context in which they are implemented.

Therefore, conflict sensitivity is the capacity of any organization supporting or implementing humanitarian or development interventions in crises, conflict-prone or conflict-affected contexts, to:

- understand the context of their intervention;
- understand the different aspects of the intervention itself;
- understand the interaction between the intervention and the context, and act upon this new understanding to avoid harm or to contribute to peace when possible.

*(CONFLICT SENSITIVITY, PEACEBUILDING AND SUSTAINING PEACE, UN Sustainable Development Group 2022)*

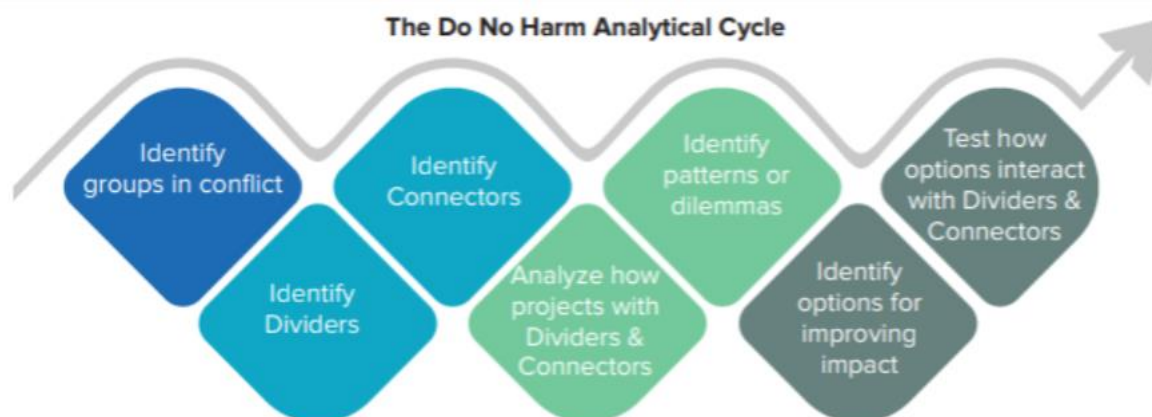
This Guidance Note does not introduce additional compliance requirements and should not be understood as an assessment or screening instrument.

Applicants and Grantees are encouraged to use this guidance as **a reflection and practical orientation source**, adapting its principles in a way that is proportionate to the scale, scope, and local context of their project.

This Guidance Note primarily uses the **Do No Harm (DNH)** conflict sensitivity approach. “Do No Harm” refers to an approach developed by the Collaborative for Development Action (CDA) in the 1990s as a methodology to help those working in conflict-affected settings to understand and manage the impacts of international assistance on the peace and conflict context where they work<sup>4</sup>. The DNH framework also helps to understand how project activities may influence relationships between different groups within a community.

<sup>4</sup> CDA. Do No Harm: <https://www.cdacollaborative.org/cdaproject/the-do-no-harm-project/>

Figure 1. The Do No Harm Analytical Cycle



Source: [UNDP](#)

## 2 Understanding the Context

The A4U programme is implemented in the context of the ongoing war against Ukraine and its social, economic, and institutional consequences. Municipalities across the country are experiencing different realities depending on their geographic location, proximity to the frontline, exposure to occupation, levels of destruction, displacement dynamics, and access to resources.

From a DNH perspective, this diversity of experiences means that local contexts may contain both **Dividers** and **Connectors** that influence how programme activities are perceived and experienced. Potential **Dividers** may include, for example:

- differences between municipalities that have experienced occupation, direct hostilities, or large-scale destruction and those that have not;
- disparities in access to recovery funding, services, or external support between regions or local authorities;
- increased pressure on local infrastructure and services in communities hosting internally displaced persons;
- varying administrative capacity and experience in managing externally funded projects.

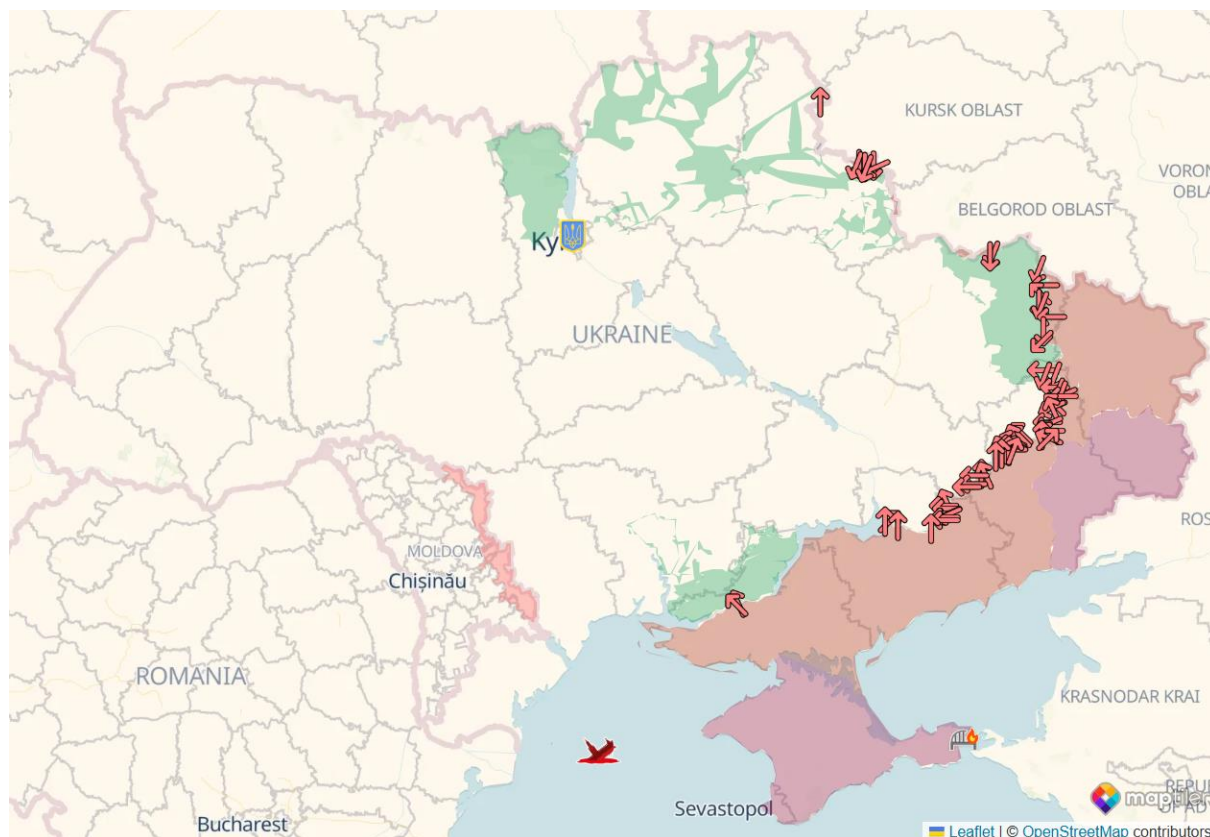
At the same time, many communities demonstrate strong **Connectors**, such as:

- shared experiences of mutual support and volunteerism local self-organization;
- cooperation between municipalities on initiatives focused on recovery, resilience;
- rebuilding common needs related to safety, livelihoods, and public services.

These Dividers and Connectors are not static. They may evolve over time and differ significantly between regions and municipalities. Applicants and Grantees are therefore encouraged to recognize that **there is no single “Ukrainian context”**. Instead, projects should be designed with sensitivity to local dynamics, acknowledging differences while building

on existing strengths, cooperation, and shared interests. Understanding this context does not require specialized conflict analysis. It involves awareness of how project choices, such as targeting, communication, partnership arrangements, or resource allocation, may interact with local dynamics and affect relationships between different groups.

Figure 2. Map of the full-scale invasion of Ukraine as of 30.03.2026.



Source: [DeepStateMap](#)

### 3 Typical Risks Areas

In the Ukrainian context, the programme activities may unintentionally interact with local dynamics in ways that create or reinforce **Dividers** if potential risks are not sufficiently considered. The following risks areas list is not exhaustive but illustrates situations may be relevant during projects implementation.

#### 1. Exclusion of specific groups

Project design or implementation may unintentionally exclude certain groups, such as women, Internally Displaced Persons (IDPs), veterans, older people, youth, etc. Even if the exclusion is not intentional, lack of adapted formats may limit meaningful participation.

#### 2. Local capacity imbalances

Municipalities and local partners vary significantly in institutional capacity and experience with externally funded programmes. Projects that rely heavily on existing administrative or political structures may unintentionally strengthen local power imbalances or marginalise less visible stakeholders.

### 3. Limited flexibility in changing environment

The rapidly changing security situation in Ukraine may affect security conditions, population movement, local priorities, as well as prevent exchange visits or project activities from taking place. Projects that lack flexibility may struggle to adapt, increasing the risk of activities of misalignment with local sensitivities.

### 4. Addressing less relevant or urgent for the community topics

Activities that are perceived as addressing less relevant or less urgent topics may generate frustration or disengagement at local level, particularly where immediate needs remain unmet. At the same time, it is important to note that A4U does not support military or defence-related activities, including activities directly linked to security operations or military assistance. Projects should focus on civilian, institutional, social, EU-integration, and recovery-oriented objectives.

### 5. Insufficient coordination between local self-government bodies and district and regional military administrations

In some locations, insufficient coordination between local self-government bodies and district or regional military administrations may act as a Divider, affecting how programme activities are planned, implemented, and perceived. The establishment of Military Administrations has, in certain cases, led to constraints on local self-governance, including unclear or overlapping mandates between military administrations and elected local authorities. This may result in unilateral decision-making by Military Administrations on issues of local importance, with limited involvement of local self-government bodies, community residents, or civil society organizations.

### 6. Communication and transparency challenges

Insufficient or unclear communication of project objectives or expected benefits may result in misunderstanding, mistrust, and unrealistic expectations among stakeholders.

### 7. Limited absorption capacity of municipalities due to staff shortages or administrative burdens

Due to the staff shortages or administrative burdens, municipalities may lack the capacity to oversee procurement processes, ensure compliance with donor requirements, or monitor and report on project implementation. At the same time, existing personnel may already be overstretched due to increased administrative workload or crisis response responsibilities.

### 8. Environmental and contamination risk

Environmental degradation and land contamination due to the full-scale war against Ukraine remain significant challenges in many parts of Ukraine. In addition to the damaged infrastructure, the war has caused soil degradation, water pollution, damage to ecosystems, and contamination of unexploded ordnance and military debris. As of 2025, the area of potentially mined zones is approximately 137,000 square kilometers<sup>5</sup>. Failure to consider those risks may create safety concerns. Applicants are therefore encouraged to assess

<sup>5</sup> Ukrinform. About 137 thousand square kilometers are still potentially mined in Ukraine - Prime Minister of Ukraine: <https://www.ukrinform.ua/rubric-society/4007749-v-ukraini-dosi-potencijno-zaminovani-blizko-137-tisac-kvadratnih-kilometriv-premer.html>

environmental risks in the local context and ensure that activities do not inadvertently expose participants or staff to harm.

Applicants are encouraged to use these risk areas as reflection points during project design and implementation. In line with the **Do No Harm approach**, the aim is not to eliminate all risks, but to recognize potential dilemmas early and identify adaptive options that reduce harm and strengthen cooperation and trust.

## 4 Operational Guidance

This section provides practical orientation on how conflict sensitivity can be integrated into project design and implementation in a proportionate and context-appropriate manner. In line with the DNH approach, the focus is on recognizing potential Dividers, strengthening Connectors, and adapting activities where needed to avoid unintended negative effects.

### 4.1 Conflict-sensitive targeting criteria

Applicants are encouraged to apply targeting criteria that are **transparent, fair, and clearly communicated**. In the context of Ukraine, differences in needs, capacity, and access to resources between municipalities and communities may influence how project support is perceived.

Where relevant, Applicants should consider:

- whether targeting decisions could unintentionally favor certain municipalities, groups, or actors over others;
- how these criteria are communicated and understood locally;
- whether groups with lower administrative capacity or limited access to information may be disadvantaged.

Clear justification of targeting choices can help reduce perceptions of exclusion and support trust in the programme. Targeted decisions should be outlined based on the assessment of the needs and baseline conditions, as outlined in the **Baseline Information Form** (to be filled out in the Application Form).

### 4.2 Partnership arrangements

Partnership arrangements may influence local dynamics and perceptions of legitimacy. Project partners are encouraged to establish partnerships based on **relevance, competence, and responsiveness** to local needs, considering the specific context in which activities will be implemented.

The Ukrainian partner should be:

- committed to the active practice of non-discrimination;
- while stakeholders may have political affiliations, project decisions and implementation must remain strictly political neutral and free from any partisan influence.

Where feasible, Applicants may consider:

- balancing formal institutional partners with informal consultation or engagement of local actors;

- ensuring clarity of roles and responsibilities among partners to reduce coordination challenges.

The involvement of local organizations or experts may strengthen contextual understanding but should remain appropriate to the local setting and project scope.

In the context where Military Administrations exercise decision-making, the Lead Partners are encouraged to clarify roles, responsibilities, and approval procedures with their Ukrainian partners at an early stage. In some municipalities, certain decisions on local level, for instance, authorization of organization of large public events, may fall under the competences of the Military Administration. As governance arrangements may differ between municipalities and evolve over time, such clarifications should be **assessed on a case-by-case basis**, considering the local legal and institutional context.

### 4.3 Staff behaviour and messaging

The behaviour and communication of staff involved in project implementation can significantly influence local perceptions. Staff and partners are encouraged to act in a manner that is **respectful, neutral, and inclusive**, particularly when engaging with communities affected by the war.

Good practice includes:

- using clear, accessible, and non-political language in public communication;
- avoiding assumptions about community needs or priorities;
- being sensitive to local experiences of displacement, loss, or disruption;
- ensuring consistent messaging across partners and levels of implementation.

### 4.4 Complaint and feedback mechanisms

Applicants are encouraged to ensure that:

- participants and stakeholders are informed about how to raise concerns or provide feedback;
- feedback mechanisms are appropriate to the local context and capacities;
- concerns related to fairness, inclusion, or transparency are taken seriously and addressed where possible;
- feedback can be provided without fear of negative consequences.

Grievance mechanisms do not need to be complex or highly formalized. Proportionate arrangements, such as designated contact persons, written submissions, or integration with existing municipal feedback channels, may be sufficient, provided they are accessible and clearly communicated.

### 4.5 Monitoring conflict-related unintended effects

Acknowledging that conflict sensitivity is an ongoing process, Applicants are encouraged to remain attentive to **unintended effects** that may emerge during implementation.

Monitoring may include:

- observing changes in participation, engagement, or trust among different groups;
- identifying emerging complaints or misunderstandings related to project activities;
- reflecting on whether initial assumptions about the context remain valid.

Where potential negative effects are identified, partners are encouraged to consider some **adaptive options**, e.g. adjusting targeting, communication, or implementation approaches.

## 5 Red lines and Escalation

The A4U programme is designed to support civilian, recovery-oriented, and institution-strengthening activities. In line with the **Do No Harm** approach, certain activities and situations are considered inharmonious with the A4U objectives or may require adaptation.

### 5.1 Activities the project must avoid

Projects supported under this programme must not:

- support or be directly linked to military or defence-related activities, including security operations, military assistance, or activities that contribute to combat capacity;
- provide humanitarian or emergency relief as a primary objective, where such activities fall outside the programme's scope;
- reinforce discrimination, exclusion, or unequal treatment of individuals or groups of individuals on any grounds;
- engage in activities that may exacerbate local tensions, legitimize contested actors, or undermine local democratic processes;
- use hate speech or politically messaging in project activities or communication.

These exclusions aim to ensure that programme activities remain focused on civilian cooperation, recovery, and inclusive institutional development.

### 5.2 Triggers for pausing, adapting, or redesigning activities

During implementation, certain developments may indicate the need to **pause**, **adjust**, or **redesign** project activities to avoid unintended harm. Such triggers may include:

- significant changes in the local context, such as security situation worsening, new displacement, or shifts in local governance arrangements;
- credible concerns or complaints indicating that project activities are contributing to exclusion, mistrust, or local tensions;
- persistent misunderstandings or opposition from local stakeholders that cannot be resolved through dialogue or clarification;
- risks to the safety of participants or staff.

Where such triggers arise, Applicants are encouraged to **notify the Grand Manager** ([hatsenko@kdz.or.at](mailto:hatsenko@kdz.or.at)) and consider adaptive options, such as revising targeting approaches, adjusting timelines, modifying communication strategies, or temporarily suspending specific activities.