

Checklist for Business Partnerships

The Private Sector and Development Unit offers various financial instruments; Feasibility Studies (up to a grant of €20.000), Business Partnerships (up to a grant of €300.000), strategic Partnerships and Alliances (grants over €300.000, only in individual cases). This checklist is intended to provide a better overview of funding available under the Austrian Development Agency's (ADA) Business Partnerships program. These are the basic requirements that must be met for funding to be granted.

Ideally, a business partnership has a duration of three years. The maximum funding amounts to EUR 300,000 with a minimum own contribution of 50% by the funding recipient. The total project volume usually amounts to EUR 600,000. The maximum funding rate is 50%. (*Due to the de minimis regulation of the European Commission, the funding amount in the standard program is limited to a maximum of EUR 300,000*).

<u>Business Partnership:</u> Business partnerships are projects with a beginning and an end, a specific goal, and an accompanying budget, which are implemented by a company (see below applicant) in a developing country (see below partner country) to achieve social goals (see below additionality).
<u>Partner Country:</u> The business partnership must take place in a <u>recipient country</u> of official development assistance in accordance with the OECD. (Of particular interest are projects in <u>priority countries</u> of Austrian Development Cooperation (OEZA)).
<u>Applicant/Funding recipient:</u> Companies that are registered in Austria along with companies registered in the European Economic Area or Switzerland are eligible to apply. Under certain conditions, chambers and associations are also eligible to apply.
The applicant has been in existence for more than three years and has the administrative, technical, and financial capacity to successfully carry out a project. (The following guidelines are essential for successful projects: a minimum number of eight employees and an annual turnover of at least EUR 800,000. The company's ability to provide the required equity contribution must be guaranteed, which is why it is important that the company has a positive annual balance and sufficient equity and liquidity.)
In principle, business partnerships are possible in all areas of business life. However, projects that are directly or indirectly connected with the manufacture or distribution of weapons or other war materials are excluded (Exclusion list, in the Annex p. 31). Projects aimed at the production or trade of dangerous goods or environmentally harmful substances are also excluded. Furthermore, the exclusive funding of exports of goods or services is not possible.
<u>Local Partner:</u> The applicant has the prerequisites to implement projects in the partner country, e.g. through a local branch, participation in a joint venture or through a local partner company or organization.
<u>Profitability:</u> The applicant demonstrates a credible business benefit from the project.

CONTACT

Austrian Development Agency Zelinkagasse 2 1010 Wien

Email: wirtschaft@ada.gv.at



- ☐ <u>Sustainability:</u> Entrepreneurial benefits and developmental impacts extend beyond the formal end of the funded project.
- Additionality: The project creates an additional benefit for the target group, the local market or the region that would not be realized without the grant. (*Projects whose implementation has already begun cannot be funded in retrospect as part of a Business Partnership.*)

Sustainable Development Goals (SDG) and Business Partnerships

Fundable projects contribute to the United Nations Sustainable Development Goals (SDGs) and improve living conditions in the partner countries. A particular focus is to contribute to SDG 8 (Decent Work and Economic Growth) and SDG 9 (Industry, Innovation, and Infrastructure). Contributions to all 17 SDGs are welcome, for example,

- (SDG 2) Increase the average income of small-scale food producers
- (SDG 4) the availability of needs-based vocational education and training
- (SDG 5) the promotion of gender equality
- (SDG 7) Access to affordable, reliable, sustainable and modern energy
- (SDG 12) Implementation of sustainability principles in the economy



Abbildung 11:https://unric.org/de/17ziele/

Email: wirtschaft@ada.gv.at