En partenariat avec
RÉPUBLIQUE FRANÇAISE
AFD AGENCE FRANÇAISE DE DÉVELOPPEMENT

SUPPORT MECHANISM FOR CIVIL SOCIETY ORGANIZATION INITIATIVES (CSO-I)

METHODOLOGICAL GUIDE

on the procedures for co-financing projects of French and locally governed CSOs

PART 1

July 2026

#WorldInCommon

The second part of this guide will be published shortly. This guide is subject to change. You should always refer to the most recent version available on the AFD website.

/// KEY POINTS

This methodological guide has been updated (with major changes since the previous version of the guide shown in orange) to include the new procedures for the 2026 Call for Expressions of Project Intentions (AMI). It now covers financing for projects by both French CSOs and locally governed CSOs under the CSO Initiatives mechanism.

To find out more about other AFD mechanisms, please refer to AFD's website and the pages on its CSO/NGO offering.

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How to use this guide

This guide sets out the **terms of collaboration between AFD and Civil Society Organizations** (CSOs) under the CSO Initiatives mechanism, and the various projects within its scope that may be co-financed.

It supplements the information provided in the Call for Expressions of Project Intentions (AMI), published annually by AFD, and in the financing agreement.

This guide, the first part of which is presented here, provides a detailed overview of the financing cycle for shortlisted projects. The second part, which will be published at a later date, will cover financing applications, contracting, and the disbursement of funds, as well as project monitoring, auditing, and closure.

The CSO-I mechanism is supported by a range of reference documents available on AFD's website: https://www.afd.fr/en/osc-initiatives-mechanism

I. ACRONYMS

AFD	Agence Française de Développement
AG	General Assembly
ANO	No Objection Letter
AMI	Call for Expressions of Project Intentions
APCC	Crisis/Post-Crisis Call for Projects
CA	Board of Directors
CAC	Statutory Auditor
DAC	Development Assistance Committee (OECD)
CdCS	Crisis and Support Center
CICID	Interministerial Committee for International Cooperation and Development
CRTF	Technical and Financial Report (Interim or Final)
CSI	Institutional Support Agreement
MPN/OSC	Mobilization and National Partnerships Department/CSO Division (within AFD)
ECSI	Education for Citizenship and International Solidarity
EDDCM	Education for Sustainable Development and Global Citizenship
F3E	Fund for the Promotion of Preliminary Studies, Cross-Cutting Studies and Evaluations
FFEM	French Facility for Global Environment
FID	Fund for Innovation in Development
IATI	International Aid Transparency Initiative
AML-CFT	Anti-Money Laundering and Countering the Financing of Terrorism
MEAE	French Ministry for Europe and Foreign Affairs
NIONG	CSO Initiative Note
SDGs	Sustainable Development Goals
ILO	International Labour Organization
CSO	Civil Society Organization
RRMA	Regional Multi-Stakeholder Networks
AFD/SDD	Sustainable Development Solutions Directorate (formerly part of the Operations Directorate - DOE)
AFD/GEO	Geographic Directorate (formerly part of the Operations Directorate - DOE)
SMA	Structuring of the Non-Profit Sector
AFD/MPC	Mobilisation, Partnerships and Communication Executive Directorate
EU	European Union

II. AFD AND CIVIL SOCIETY ORGANIZATIONS

Agence Française de Développement (AFD) finances and supports projects that improve people's living conditions, reduce inequalities, combat climate change, and preserve biodiversity. AFD is a public financial institution that implements policies defined by the French government.

1. THE VARIOUS WAYS IN WHICH AFD WORKS WITH CIVIL SOCIETY ORGANIZATIONS (CSOS)

Over the past twenty years, AFD has significantly expanded the ways in which it works with CSOs, whether in terms of financing projects and activities, producing knowledge, or mobilizing expertise.

This collaboration now encompasses a broad spectrum of instruments tailored to the specific needs of CSOs and their added value, and may draw on various instruments managed by different AFD Group departments and organizations:

Category	Financing Instrument	Department/Organization	Financing Type
Projects initiated by CSOs	CSO Initiatives	Civil Society Organization Division (MPN/OSC) within the Mobilization and National Partnerships Department	Grants
Projects initiated by CSOs	FID – Fund for Innovation in Development FFEM - French Facility for Global Environment	Funds whose secretariats are hosted by AFD	Grants
Ad hoc thematic and geographic calls for projects	Consultation Support Fund for Feminist Organizations (FSOF) APCC (Crisis and Post-Crisis Calls for Projects): interventions in unstable regions	Development Solutions Directorate (SDD) Geographic Directorate (GEO)	Grants
Ad hoc thematic and geographic calls for projects	Call for projects by the Support Fund for Feminist Organizations (FSOF)	Co-led by the French Ministry for Europe and Foreign Affairs (MEAE) and Agence Française de Développement (AFD)	Grants
Projects initiated by AFD	Calls for tenders	AFD DG Market	Procurement of services by AFD from operators, such as CSOs, which are then responsible for implementing, as project managers, AFD-financed projects (through loans,

			delegated funds, or grants)
Micro- or medium-scale projects	Territorialized Microproject Platform (PTMP) Support Program for Migration-Related Projects by International Solidarity Organizations (PRA/OSIM) Small-Scale Initiatives Program (PPI)	The Guild FORIM FFEM	Grants
Thematic calls for projects	Calls for proposals	Expertise France	Grants for projects aimed at French, local, and international CSOs to be implemented in partnership with organizations in countries of intervention.
Thematic calls for projects (combating pandemics and strengthening health systems)	Canal Projets	L'Initiative (Health Department of Expertise France)	Grants for projects that complement programs by the Global Fund.

The partnership between AFD and CSOs is built around the specific financing mechanisms detailed above, but also through other means such as consultation meetings, strategic and technical dialogue, as well as project appraisals and monitoring.

AFD field and regional offices are increasingly involved in monitoring these partnerships, particularly in countries where there is significant non-governmental action or in countries undergoing crises or in post-crisis situations where CSOs play an important role.

2. CIVIL SOCIETY ORGANIZATIONS DIVISION - MOBILIZATION, AND NATIONAL PARTNERSHIPS DEPARTMENT (MPN/OSC)

Since 2009, the CSO Initiatives (CSO-I) mechanism has been managed by the **Civil Society Organizations Division** (MPN/OSC) of the Mobilization and National Partnerships Department (MPN/CSO) within the Mobilization, Partnerships and Communication Executive Directorate (MPC).

MPN/OSC manages the strategic partnership between AFD and CSOs, and is responsible for selecting, appraising and monitoring CSO Initiatives developed and implemented by French and local CSOs in countries eligible for official development assistance (OECD/DAC), and in France (for ECSI and SMA projects, see below).

MPN/OSC's mission is to:

- Lead the dialogue and partnership relationship with representatives of French and local civil society (strategic dialogue, production of intellectual materials, organization of meetings, etc.) and the ministries to which AFD is accountable;
- Co-finance projects led by French and locally governed CSOs that aim not only to fight poverty, reduce inequalities and achieve the sustainable development goals, but also to support the structuring and capacity building of CSOs;
- Co-finance initiatives aimed at structuring the non-profit sector (SMA) and promoting education for citizenship and international solidarity (ECSI).

The CSO Initiatives mechanism (CSO-I) of Agence Française de Développement is the primary mechanism for co-financing projects initiated by French and locally governed CSOs through French public funds.

AFD's relationship with CSOs, as well as its objectives, and operating procedures are outlined in AFD's Group Strategy (POS), which has been approved by its Board of Directors. Please consult the latest versions of these documents on AFD's website.

III. THE CSO INITIATIVES MECHANISM

AFD's CSO Initiatives mechanism co-finances projects proposed by French CSOs and locally governed CSOs, while respecting their right of initiative, both in France (for ECSI and SMA projects led by French CSOs) and in partner countries.

Which CSOs are eligible? French CSOs and locally governed CSOs[1] that have been operating for over three years and which implement projects in developing countries. All of the **eligibility criteria for shortlisting projects are defined each year in the AMI** (Call for Expressions of Project Intentions).

In which countries? All countries eligible for official development assistance according to the list drawn up by the OECD's Development Assistance Committee (DAC)[2] (with priority given to least developed countries (LDCs) and vulnerable countries, as listed in the AMI), as well as France, for ECSI or SMA projects led by French CSOs.

In which sectors? All sectors within AFD's areas of expertise, as defined on its website (https://www.afd.fr/en/our-expertise-sector), as well as ECSI, EDDCM, and SMA projects. However, priority sectors are listed in the annual Call for Expressions of Project Intentions (AMI), though these are not exhaustive.

The **following sectors are not eligible**: French language, university and hospital cooperation, youth exchanges, archaeology, volunteer work, emergency humanitarian aid, collections and shipments of materials or food.

1. THE DIFFERENT "CSO INITIATIVE" PROJECT CATEGORIES

As of the 2026 AMI, AFD has consolidated its financing instruments (Program Agreement – PA, Multi-Year Partnership Agreement - MPA, Concerted Multi-Stakeholder Program - CMSP, etc.) under a single instrument which covers **two types of projects:**

- **Field projects**
- **Projects to promote education for citizenship and international solidarity (ECSI) or education for sustainable development and global citizenship (EDDCM), depending on whether they are implemented in France or in partner countries, and projects to structure the non-profit sector (SMA).**

The project shortlisting criteria are updated every year when the Call for Expressions of Project Intentions (AMI) is issued, which should be consulted before applying.

FIELD PROJECTS

"Field" projects, whether single- or multi-country, are implemented in one or more countries eligible for official development assistance and **must be carried out in partnership with clearly identified local civil society stakeholders**. These projects are based on a partnership between a French CSO or a locally governed CSO, on the one hand, and one or more local civil society stakeholders, on the other, who are involved in the design and implementation of concrete actions on the ground.

Projects should include a capacity-building component for local stakeholders and, where possible, involve government services in the country of implementation—whether central or decentralized—unless the situation in the country does not permit this.

[1] Associations or non-governmental organizations or regional or international platforms that are non-profit and founded in accordance with the legislation in force in the country concerned and working in the field of sustainable development.

[2] https://www.oecd.org/en/topics/sub-issues/oda-eligibility-and-conditions/dac-list-of-oda-recipients.html

The project's primary focus must be strengthening local civil society stakeholders, including the CSO leading the project (when this organization is governed by local law). The project cannot focus solely on central or decentralized government services in the country of operation. These services must also be involved in the project (unless the situation in the country does not permit this).

Projects involving knowledge capitalization, experience-sharing, and multi-stakeholder dialogue remain eligible and are encouraged.

Partnership projects involving multiple CSOs and managed by a lead CSO

"Field" projects may be submitted by a single CSO or by a partnership of at least two CSOs with a designated lead organization. AFD Group strongly recommends this partnership model, previously known as a "consortium", to encourage greater cooperation between development stakeholders. In this way, CSOs can develop a more comprehensive approach, pool their expertise, experience, and resources, and thereby maximize the project's impact. This model helps facilitate project scale-up and generate sustained impact over the medium term. A project is deemed to be implemented in partnership, with a lead organization, when it meets all of the following criteria:

- A strong partnership between **at least two partners** (and their local partners), one of which acts as the lead organization for the project in relation to AFD. The partners jointly design, implement, evaluate, and report on the project.
- Partners who pool financial resources and commit to jointly raising additional co-financing.
- The lead CSO may therefore not have full control over the entire financing plan, which may be supported by contributions from other members. MPN/CSO will pay close attention to the viability of the financing plan, the reallocation of funds between partners, and the share of funds mobilized by each member.
- Partners who share their own specific skills and expertise (sector-specific expertise, experience and knowledge of the field of operation, etc.) in collaboration with their partners, particularly local partners.

Other European or international CSOs or other stakeholders (research institutes, companies, etc.) may also help strengthen the partnership and contribute funds to the project. Reallocations can only be granted to legal entities, where applicable.

ECSI AND EDDCM PROJECTS

a) ECSI projects in France

The main objective of ECSI projects led by French CSOs is to **implement initiatives primarily in France** (although some of these activities may also take place in partner countries), in the field of education for citizenship and international solidarity (ECSI).

Education for Citizenship and International Solidarity (ECSI) aims to **raise public awareness** of international issues and of development and international solidarity policies, and foster civic engagement for a more just, inclusive and sustainable world.

ECSI initiatives by CSOs must take into consideration international, European, and national strategies related to ECSI[3].

Therefore, they must incorporate, as far as possible, the **following cross-cutting priorities**: raising awareness of the SDGs among citizens of all ages, from a strictly international perspective; fostering civic

[3] Conclusion No. 13 of the CICID of November 30, 2016; European Consensus on Development; the 2030 Agenda and the Interministerial SDG Roadmap; the French Orientation and Programming Law on Development and International Solidarity (LOP-DSI); the 2023 Civil Society Strategic Orientation Document (DOS).

engagement in sustainable development and international solidarity; targeting young people but also encouraging their active involvement in ECSI, both in France and abroad; reaching groups who are not typically targeted by ECSI programs; and coordinating these efforts with regional multi-stakeholder initiatives.

ECSI projects may take place solely in France or in partner countries, or implement activities in both France and other countries (activities aimed at target groups located in Europe and/or in the countries where AFD operates).

They should be substantial in scale and have a significant impact at the national, regional, or international level.

As far as possible, they should **involve different types of stakeholders in the geographical areas concerned**: CSOs (involved with international solidarity, young people, social inclusion, sustainable development, diaspora populations, etc.), local and regional authorities, regional multi-stakeholder networks and businesses, as well as stakeholders in research, training, and higher education, the media, etc.

ECSI projects must contribute to achieving specific objectives for raising awareness and educating the public about development, international solidarity, and the 2030 Agenda. They must consist of:

- Initiatives aimed at informing, raising awareness, and mobilizing different target groups and promoting their engagement;
- And/or initiatives aimed at supporting and training project leaders or professionals who work directly with the general public;
- And/or initiatives aimed at structuring or coordinating activities in the ECSI sector;
- And/or advocacy work targeting economic and political stakeholders.

The project **may take the following forms**: education and training initiatives and programs (within formal institutions, or in the non-profit sector), the development of educational tools and resources (learning centers, games, digital tools and materials, information packs, educational toolkits, etc.), the organization of events (festivals, street performances, awards and competitions, etc.), public awareness campaigns targeting the general public or specific groups, advocacy work, and training and support for project leaders.

These initiatives may focus on the formal education sector, in schools, for example, or non-formal or informal education, led by civil society stakeholders and targeting the general public.

Combining ECSI initiatives with activities on the ground is particularly encouraged, because ECSI is far more effective when it draws on the experience of those working in the field.

The project should not compete with similar initiatives: the CSO must provide demonstrable added value.

The project must not involve religious proselytizing or political propaganda.

b) EDDCM projects in partner countries

Projects focused on education for sustainable development and global citizenship (otherwise known as "global education" or "education for citizenship and international solidarity" - ECSI) **are aligned with SDG 4 of the 2030 Agenda**, whose target 4.7[4] requires that learners "acquire the knowledge and skills needed to promote sustainable development, including through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity"...].

[4] SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. Target 4.7 specifies: "By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development."

Projects that aim to raise awareness among citizens of all ages about these issues and foster civic engagement for a more just, inclusive, and sustainable world are therefore eligible to apply. Project activities may be implemented in the partner country or internationally (including in France and Europe).
Citizenship awareness-raising activities may be combined with actions on the ground and will be all the more effective as a result.

PROJECTS AIMED AT STRUCTURING THE NON-PROFIT SECTOR (SMA)

SMA projects must contribute to achieving the following objectives: **supporting or establishing platforms or coalitions, support funds, or any long-term collective initiative**. They should aim to build the capacities of French and local CSOs, improve the coordination and overall effectiveness of activities in the non-profit sector, and increase CSO consultation and participation in major international forums. These initiatives must both meet several criteria and **have been subject to prior discussion**:

- Target a priority and innovative sector aligned with France's ODA priorities,
- Meet a collective need clearly identified by CSOs, in conjunction with AFD,
- Reflect a shared interest of CSOs and public authorities that has been duly expressed,
- Reach a very broad and diverse audience (particularly for training activities).

SMA projects in France must have an impact on a national scale, and SMA projects in partner countries must have a national, regional, or even international impact, while targeting at least one or more of the **following key pillars**:

- Structuring, fostering collaboration, and coordinating the activities of CSOs, and strengthening links within the non-profit sector;
- Professionalizing the sector and developing and disseminating innovation among civil society organizations and beyond;
- In France: contributing to CSOs' collective action to promote dialogue on public policy at the local, national, European and/or multilateral levels, and on national/international issues relating to development and international solidarity;
- In partner countries: contributing to CSOs' collective action to promote dialogue on public policy and the public sector's positioning on national and international issues.

The proposed structure must include a significant number of members and be representative of the non-profit sector concerned. If the project has a limited number of members, it must demonstrate that its activities are far-reaching in scope and can have a transformative impact on the civil society sector in France and/or in the partner country. The project must not aim to compete with similar initiatives but rather provide demonstrable added value. The project's thematic scope must not be too narrow or target only a very limited audience.

The Institutional Support Agreement (CSI): a separate mechanism to the AMI for platforms and umbrella organizations

The SMA projects detailed above involve initiatives with a clearly defined scope. However, certain organizations play a **systemic role** in coordinating, equipping, and representing other CSOs (network facilitation, advocacy work, international representation), **which does not fit within the AMI's time-bound project model**.

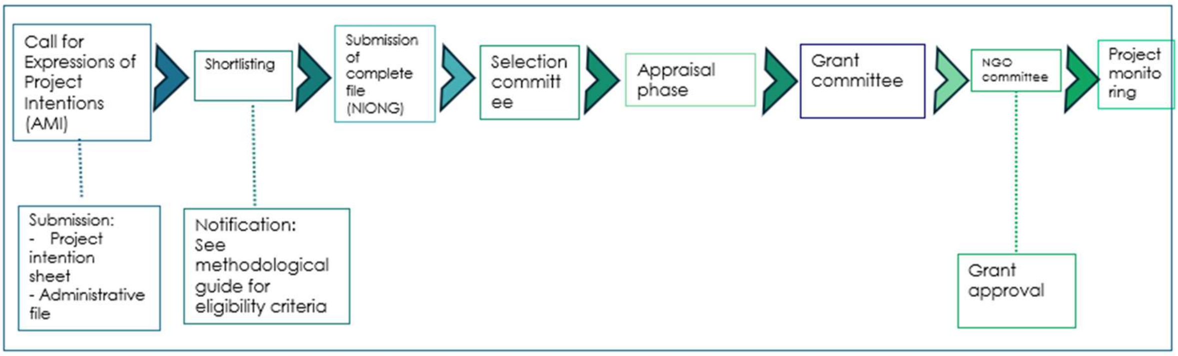
For these organizations, AFD has established a mechanism outside of the **AMI** instrument: the Institutional Support Agreement (ISA).
It provides financing to support the overall institutional mission of platforms or umbrella organizations: network facilitation and structuring, capacity-building of members, institutional advocacy, international representation, knowledge generation, inter-network collaboration, and cross-disciplinary functions (and, where applicable, an intermediary fund related to the structuring mission). It does not finance structuring projects that are not systemic in scope. Such projects remain eligible for the AMI as SMA projects.

The shortlisting, selection, and appraisal cycle defined later in this guide is specific to the AMI and does not apply to the CSI. The CSI terms and conditions for access, financing, duration, and accountability are set out in a separate document, which is sent to the organizations concerned.

2. PROJECT FINANCING CYCLE

There are three stages in the cycle before AFD decides to grant financing: shortlisting, selection and appraisal.

The CSO must first submit a project intention sheet and then, if shortlisted, a complete application file (NIONG) before a grant is awarded.



A. PROJECT SHORTLISTING – THE AMI

a) Shortlisting process for all projects

Projects are shortlisted based on a Call for Expressions of Project Intentions (AMI) launched by AFD on its website once a year for the following calendar year. The AMI is open for the period specified in the AMI (approximately two months). The AMI sets out the eligibility and shortlisting criteria, and provides a template for the project intention sheet to be submitted.

Before applying for the AMI, the CSO must follow the submission procedure specified therein:

- The CSO must ensure that its structure and project meet the shortlisting criteria.
- The CSO then uses the **OSCar portal (AMI menu)** to notify AFD of its intention to submit a project, by submitting the Project Intention Sheet (appended to the AMI), along with the documents that make up the administrative file, as detailed in the AMI.

The CSO must refer to the text and criteria of the AMI published annually on AFD's website before submitting an application for co-financing, and then submit their application by the deadline specified in the AMI. Any application that is incomplete or non-compliant will be deemed ineligible.

MPN/OSC will only contact the CSO at this stage if requiring clarification with respect to the documents submitted by the CSO.

After an in-depth review, MPN/OSC will inform CSOs whether their projects have been shortlisted for next year's program. CSOs will be notified by email within the time frame specified in the AMI.

/// KEY POINTS

The shortlisting of a project does not mean that financing will be granted; it simply entitles the CSO to submit a complete application file.

B. PROJECT SELECTION

Once the CSO has been notified that the project has been shortlisted, it must submit, via the OSCar portal only, the complete application file for co-financing (known as the CSO Initiative Note or NIONG) by the deadline specified in the AMI. This application consists of:

- The complete administrative file, and
- The project description file or NIONG. Depending on the type of project, CSOs must refer to the various NIONG templates available online at: https://www.afd.fr/en/osc-initiatives-mechanism (Reference Documents).

Please note: Any administrative file that is incomplete will be rejected..

The MPN/OSC will then assess the project description file against the selection criteria defined in this guide. Once the selection committee has met (selection committees are held throughout the year), MPN/OSC will inform the CSO by email whether its project has been selected and explain the reasons for not selecting it, where appropriate.

MPN/OSC will not appraise any project not selected at the end of this stage. If the project is not selected, the CSO may, if it wishes, resubmit an application under the next AMI, provided that the CSO submits a stronger proposal with additional information, in line with the department's feedback.

C. PROJECT APPRAISAL

All **selected projects undergo an in-depth appraisal by MPN/OSC** before they are presented to AFD's decision-making bodies. Except in exceptional cases, the average time required by MPN/OSC to appraise a project is approximately six months. During this appraisal phase, MPN/OSC will contact the CSO as necessary to obtain additional information and help improve the project, taking into consideration the various opinions received (within AFD and the French Ministry for Europe and of Foreign Affairs).

At the same time, **CSOs are strongly encouraged to contact the French Embassy and local AFD office in the relevant country or countries to schedule a meeting to present their project.**

At the end of the appraisal phase, the finalized NIONG will be presented to the Grant Committee, AFD's internal non-decision-making body.

All selected projects are then presented to the specialized committee for supporting CSO initiatives, known as the "NGO Committee", which will approve or reject the co-financing. The "NGO Committee" is an offshoot of AFD's Board of Directors, which has delegated to the committee the authority to grant financing to CSOs under the CSO Initiatives mechanism. Projects appraised by MPN/OSC are presented to the committee six or seven times a year for a decision on co-financing. If the NGO Committee approves the requested grant, AFD and the CSO sign a financing agreement.

Project financing cycle

PHASE	CSO	AFD
		Call for Expressions of Project Intentions (AMI), year N-1
SHORTLISTING	Submit the project intention sheet via the OSCar portal (accessed via the "AMI" menu)	
		- Assess the eligibility of the project intention - Send an email informing the CSO whether or not its project has been shortlisted for the following year's program
IF THE PROJECT IS SHORTLISTED		
SELECTION	Write a financing application for the shortlisted project: • Submit the CSO Initiative Note (NIONG) via the OSCar portal (NIONG menu) • Submit the administrative file via the OSCar Portal (CSO Information menu)	
		- Assess the file against the selection criteria - Present the project to the **selection committee**
AFTER THE PROJECT IS SELECTED		
		Project appraisal. *Average appraisal time: around six months, except in exceptional cases*
	Discussion between the CSO and AFD	
APPRAISAL	Once the CSO Initiative Note (NIONG) has been submitted for appraisal, contact the French Embassy and the AFD field office in the relevant country(ies)	
		Present the project to the Grant Committee, and then to the "NGO Committee" for a decision on financing

IF THE PROJECT IS APPROVED		
FINANCING AGREEMENT		Prepare and send the notification letter and the draft financing agreement to the CSO via email, using AFD's electronic signature system (esygnature) or by regular mail (if the CSO refuses to use esygnature), for approval
	- After agreement, submit the documents required to lift the conditions precedent to signature, either using the OSCar Portal (accessed via the CSO Information menu) or by regular mail (see Notification Letter)	- Approve administrative documents and lift conditions precedent to signature
AND **LIFTING OF CONDITIONS PRECEDENT**	- If not using esygnature, send the two signed and initialed copies of the agreement to AFD by regular mail	- Sign agreement via esygnature (CSO then AFD) or send a copy of the agreement, signed and initialed by AFD, to the CSO by regular mail
	- Submit the documents required to lift the conditions precedent to the first disbursement, either via the OSCar portal (Disbursement Request menu) or by regular mail (see Notification Letter)	- Approve the lifting of conditions precedent to the first disbursement

DURING THE PROJECT'S IMPLEMENTATION		
PROJECT IMPLEMENTATION	- Monitor the project's implementation - Throughout implementation, option to ask MPN/OSC to make changes to the project: request for a No Objection Letter (ANO), which may or may not require an amendment to be written	- Discuss the project with the CSO - Respond to request for a No Objection Letter (ANO)

MIDWAY THROUGH THE PROJECT		
DURING THE PROJECT	- Write the interim technical and financial implementation report - Conduct the interim audit on the completion of phase 1, which is mandatory for all projects - Submit reports via the OSCar Portal (accessed through the "Disbursement Request" menu) along with a disbursement request for the second disbursement (phase 2)	- Potential reimbursement of any ineligible expenses

		- Approve via a no-objection letter (ANO) the interim implementation report - Pay second disbursement (phase 2)

AT THE END OF THE PROJECT		
END OF PROJECT	- Write the final technical and financial implementation report - Conduct the external evaluation, mandatory at the end of each phase for multi-phase projects and recommended for other projects - Conduct the final external financial audit on completion of phase 2 of the project, mandatory for all projects	- Potential reimbursement of any ineligible expenses
		- Hold talks with the CSO on the project's completion - Approve final documents submitted by the CSO (implementation, audit and evaluation reports) - Close the project

IV. PROJECT ELIGIBILITY CRITERIA UNDER THE CSO INITIATIVES MECHANISM

Each of the two stages described above has eligibility criteria associated with it:

- **Shortlisting stage: the eligibility criteria may rule out an application**; they lead to a rejection.
- **Selection stage: the eligibility criteria do not rule out an application; they allow its admissibility to be assessed**. A negative response to one or more of these criteria may result in MPN/OSC not accepting the application and not proceeding with its appraisal.

The annual AMI document provides details regarding the eligibility and appraisal criteria, which should be consulted each year.

For each of the two stages, the eligibility criteria are divided into two categories:

- **CSO eligibility criteria**
- **Project eligibility criteria**

/// KEY POINTS

Details of the shortlisting criteria are provided in the annual AMI document, and the selection criteria are outlined in this guide.

1. SELECTION CRITERIA SPECIFIC TO FRENCH CSOS

A. GOVERNANCE

The CSO must demonstrate that it meets the criteria set out below in a **sworn statement** (this document can be downloaded from AFD's website).

The CSO complies with the following rules of professional conduct (where applicable):

i) Complies with the criteria set forth in the Charter of Ethics for organizations raising funds through appeals to the public's generosity (Don en Confiance Charter)
ii) Holds a quality label and/or accreditation/charter (AFNOR, EFQM, or other certifications), or has an ethics charter or an internal code of ethics within the CSO
iii) Complies with ILO (International Labour Organization) regulations;
iv) Publishes a social balance sheet when required by labor law.

The CSO has good governance practices and its decision-making processes are transparent: It operates in accordance with its articles of association (involvement of decision-making bodies (General Assembly, Board of Directors, Executive Committee), publication of decisions, frequency of meetings), formalized relations between headquarters and delegations, existence of a remuneration policy, a volunteer charter, transparency and publication of information.

The CSO has internal control and reporting rules: Existence and dissemination of the CSO's activity reports and Chair's reports; existence of a finance committee, a donor committee, an independent internal control department, an internal evaluation unit; existence of procedures for disseminating the conclusions/results of these controls.

The CSO has rules for external controls: Audits and/or evaluations conducted by external stakeholders (Statutory Auditor, Don en Confiance, the Cour des Comptes, the EU or other competent organizations); existence of procedures for disseminating the conclusions/results of these controls.

The CSO has and enforces purchasing and procurement procedures that comply with the principles of transparency and the applicable regulations on competitive bidding: Compliance with the French Public Procurement Code if the CSO is subject to Ordinance No. 2005-649 of June 6, 2005, which requires this compliance (CSOs are required to apply the French Public Procurement Code if half of their total operating income comes from public funding), or the adoption of internal procurement procedures if the CSO is not subject to the French Public Procurement Code. AFD's purchasing and procurement requirements are defined in the financing agreement.

The CSO has a financial information transparency policy tailored to the various audiences it addresses, for example: certification and publication of annual financial statements, communication of summary documents (income statements/balance sheets), creation of an account for the use of resources collected from the public and any other relevant financial information on its activities.

B. Management capability and quality of project implementation by the CSO

The CSO must justify its management and implementation capabilities with regard not only to the project submitted, but also to its other ongoing projects. To do this, MPN/OSC will analyze the following data:

- The ratio of project budget to the CSO's annual budget (an annual project budget higher than 70% of the CSO's annual budget is a warning threshold, except in cases that are duly justified);
- The threshold for the CSO's dependence on AFD;
- The remaining amount to be paid (Reste à Verser - RAV) for CSO projects cofinanced by AFD (MPN/CSO, FFEM, SDD) in relation to the CSO's annual budget;
- Any delays noted in the implementation of ongoing projects co-financed by AFD (across all initiative windows);
- The quality of the technical and financial implementation reports and audits, and compliance with deadlines for submitting reports, particularly to MPN/OSC.

2. SELECTION CRITERIA SPECIFIC TO LOCALLY GOVERNED CSOS

A. Governance

The CSO must demonstrate that it meets the criteria set out below in a **sworn statement** (this document can be downloaded from AFD's website).

The CSO complies with the following rules of professional conduct (where applicable):

i) Holds a quality label and/or accreditation/charter where applicable, or has an ethics charter, or an internal code of ethics within the CSO
ii) Complies with ILO (International Labour Organization) regulations;
iii) Publishes a social balance sheet when required by labor law.

The CSO has good governance practices and its decision-making processes are transparent: It operates in accordance with its articles of association (involvement of decision-making bodies (General Assembly, Board of Directors, Executive Committee), publication of decisions, frequency of meetings), formalized relations between headquarters and delegations, existence of a remuneration policy, a volunteer charter, transparency and publication of information.

The CSO has internal control and reporting rules: Existence and dissemination of the CSO's activity reports and Chair's reports; existence of a finance committee, a donor committee, an independent internal control department, an internal evaluation unit; existence of procedures for disseminating the conclusions/results of these controls.

The CSO has rules for external controls: Audits and/or evaluations conducted by external stakeholders (Statutory Auditor, the Cour des Comptes, the EU or other competent organizations); existence of procedures for disseminating the conclusions/results of these controls.

The CSO has and enforces purchasing and procurement procedures that comply with the principles of transparency and competitive bidding, in accordance with national regulations.

The CSO has a financial information transparency policy tailored to the various audiences it addresses, for example: certification and publication of annual financial statements, communication of summary documents (income statements/balance sheets), creation of an account for the use of resources collected from the public and any other relevant financial information on its activities.

B. MANAGEMENT CAPABILITY AND QUALITY OF PROJECT IMPLEMENTATION BY THE CSO

The CSO must justify its management and implementation capabilities with regard not only to the project submitted, but also to its other ongoing projects. To do this, MPN/OSC will analyze the ratio of project budget to the CSO's annual budget (an annual project budget higher than 70% of the CSO's annual budget is a warning threshold, except in cases that are duly justified).

3. SELECTION CRITERIA COMMON TO BOTH FRENCH AND LOCALLY GOVERNED CSOS

A. AML/CFT DUE DILIGENCE[5] CARRIED OUT BY THE CSO

AFD pays particular attention to corruption and fraud issues regarding the projects it finances and has adopted a policy to combat fraud and corruption which is available on AFD's website.

As an institution that holds a banking license, AFD also has a procedure for Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT).

It therefore requests that CSOs it finances comply with measures such as freezing of assets and banning the direct or indirect provision of funds or economic resources, adopted by the United Nations, the European Union or France, which are applicable without delay by all national or foreign natural persons on French soil and by any legal entity operating in France or established in France, pursuant to the provisions of Article L. 562-4 of the French Monetary and Financial Code (CMF).

To this end, a procedure has been put in place to which CSOs can refer. Details of this procedure are provided in the specific worksheet for this purpose. An organizational compliance questionnaire and a project compliance questionnaire must be completed and submitted along with the NIONG when the project is submitted. The audit terms of reference (ToR) template (for both interim and final audits) must be used, which includes a review of the CSO's compliance procedures.

Answers to FAQs are also provided, as well as information documents explaining the entire compliance framework and the screening method: all of these documents are compiled in an AML/CFT file that can be accessed via the website page on CSO financing.

[5] AML/CFT: Anti-Money Laundering and Countering the Financing of Terrorism

AFD also recommends that CSOs consult the guide published by the French Treasury entitled "Guide to humanitarian aid exemptions under EU sanctions[6]".

These sanction regimes are intended to achieve different objectives, such as the fight against terrorism, as well as combating nuclear proliferation, applying coercive measures in response to serious human rights violations, deterrence and defense against cyberattacks targeting non-EU countries or international organizations, and any act that threatens peace. Their purpose is therefore broader than countering terrorist financing.

For its part, AFD conducts anti-money laundering, fraud and corruption due diligence on the counterparties/partners it finances and must, as soon as the project appraisal is completed, collect information from its counterparties/partners, particularly in the case of financial transfers (of any kind).

This due diligence is updated throughout the project implementation phase. In such cases, MPN/OSC will issue a no-objection letter. If the AFD Compliance Department issues an unfavorable opinion on a project, the appraisal may be halted and/or the granting of co-financing refused.

CSOs with shortlisted projects must complete a specific AML/CFT questionnaire and attach it to their financing application (Project compliance questionnaire available under the AML/CFT documents section of AFD's website).

B. Financial situation of the CSO

The CSO must submit its estimated budget for the current year via the OSCar portal. If the application is submitted in the second half of the year, the CSO must also provide its estimated budget for the following year.

The CSO's financial situation must be sound. If the CSO's balance sheet shows a net loss or a negative level of equity over the past three years, AFD expects the CSO to explain this and to provide details of the planned recovery strategy. In this case, this information must be attached to the application file in the form of a written note signed by the CSO's management team or legal representative, and submitted via the OSCar portal.

4. PROJECT SELECTION CRITERIA

The selection stage involves a qualitative assessment of the project based on the information provided in the NIONG. This analysis is based on the project eligibility criteria set out in the AMI to which the French or locally governed CSO responded (which remain valid for the selection phase) and the **assessment criteria** detailed below.

Experience and expertise of the CSO: The CSO's expertise and the added value it brings will be examined in relation to the project theme and/or proposed geographical area. The NIONG must clearly demonstrate the added value provided by the CSO and its partners in implementing the project, such as know-how, expertise and experience.

The project's consistency with the CSO's rationale for intervention will also be analyzed.

Consistency and relevance: MPN/OSC pays particular attention to the relevance of the project in relation to the context and the needs identified, which the CSO must clearly explain (the submission of a summarized analysis will be appreciated). MPN/OSC also examines how consistent the project is with local sectoral public policies, where they exist in the sector concerned. Where appropriate, the project must make reference to the country's policy documents and any reforms underway. If no reference is made to these documents, the application must explain the reasons why.

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[6] https://www.tresor.economie.gouv.fr/Institutionnel/Niveau2/Pages/f3234489-26a1-48f7-8a05-f31d34551f13/files/78b41956-7c8c-4541-b392-a1364cf98a86

If there are no public policies in the sector concerned, the CSO must make reference to international good practices.

Partnerships: The quality of any partnerships forged between the CSO and other local civil society stakeholders is a key criterion for project selection. The project must primarily target the strengthening of local civil society stakeholders, including the lead CSO, and the project may not target only the central and decentralized government services of the country where the project is being implemented. These services must, however, be involved with the project (unless the situation in the country does not permit this). **The partnerships forged between the CSO and other local stakeholders are assessed against the following factors (these factors are detailed in the NIONG):**

- The NIONG must include all **useful information on all potential partners**: references, levels of expertise, resources, management capabilities, and on how they will work with the CSO leading the project.
- It must explain **how the partners will be involved in the project and to what extent**. To help ensure the sustainability of the project, MPN/OSC will take into consideration how the partners are involved in identifying, designing, implementing and evaluating the project.
- **The partnerships established between the CSO leading the project and its partners** must be described in terms of how they came about and how they have developed.
- The NIONG must also explain the **capacity-building strategy** for its partners, the objectives set, how it will be implemented, and the indicators that will be used to measure its performance. The CSO must also explain how it will position itself and how it will contribute specifically to the process. If the CSO carried out a joint institutional assessment of the partner prior to the project being developed (which is recommended), summary points from this may be included in the NIONG to help explain which aspects the capacity-building actions will focus on.
- The quality of the planned **empowerment strategy** for the stakeholders involved must be described in a specific section: the project must contribute significantly to the institutional, technical and financial empowerment of the local partners and the various stakeholders involved in the project.
- Where applicable, the NIONG must explain the terms of the project handover (project management, governance, transfer of infrastructure, equipment, supplies, property titles, contracts, agreements, etc.) when the project strategy involves the lead CSO's withdrawal from its partnership with its partner or stakeholders.
- In the case of a multi-phase project, **any planned changes to the partnership** (roles of the various stakeholders and the level of autonomy of local partner(s) during the project) will also be evaluated. The NOING must clearly distinguish between partners and service providers.

Overall quality of the project: It is essential that the NIONG is clearly written and consistent. It is therefore recommended that CSOs pay particular attention to the quality of the NIONG, which should be demonstrated in particular by the project's logical framework:

- The project's overall consistency and whether its objectives, activities and resources are aligned;
- The result and impact indicators are specific and consistent with the objectives and deliverables;
- Lessons learned from previous actions and evaluations are taken into account;
- The project's estimated budget is consistent with the planned actions, and the unit costs are justified;
- The human resources and technical resources mobilized are consistent with the project's objectives.

Project scale: Projects of significant importance and impact are preferred.

Gender analysis**:** Gender mainstreaming is a criterion for project quality. This criterion is based on a gender analysis of the project, the results of which, presented in the assessment/issues section, will inform the project's design, at the very least, as part of a "do no harm" approach so that the project does not exacerbate gender inequalities, and, in all other cases, to improve the project's objectives, outcomes, activities and indicators. Women's rights, gender equality, and support for feminist organizations are therefore priority issues.

Methodology considerations are outlined in the "Gender Equality" worksheet and it is recommended that CSOs include in their budgets all the resources required for gender mainstreaming throughout the project.

Consideration of cross-cutting objectives related to biodiversity, climate, and the environment**:** This is strongly encouraged because these themes are aligned with the priorities of France's development assistance policy and provide assurances that the project will effectively contribute to sustainable development issues. Making these issues a central part of the project will give it an advantage in the selection process. Whenever the CSO states that its project addresses one or more of these themes, they must be included in the logical framework and the performance indicators.

Methodology considerations are outlined in the "Biodiversity and Climate" worksheet.

Consideration of young people as project stakeholders: AFD believes that young people play a vital role in ensuring the "full integration" of the economy and the workplace, society and citizenship, the environment and the climate, all of which are essential to achieving the SDGs. CSOs must endeavor to include measures that promote generational equity in their projects, particularly by making it easier for young people to get involved.

Methodology considerations are outlined in the Young People as Agents of Change" worksheet.

Innovation: The innovative nature of the project will be assessed. This aspect must be described in detail.

Target groups: The NIONG must detail the project's beneficiary population, quantifying it as precisely as possible: number and status of beneficiaries, the **type of structure they plan to adopt** (for example, village committees, professional associations, neighborhood associations, etc.) and clearly distinguishing between direct and indirect beneficiaries.

It must also explain the target population's level of commitment and how the beneficiaries will take ownership of the planned actions. Young people are expected to be fully involved in the project, not just beneficiaries.

Human resources: The CSO must use the HR tab in the project budget (Excel) to explain the human resources mobilized, precisely indicating, where applicable, the status of expatriate personnel (including volunteers, salaried employees, unpaid volunteers and ad hoc experts), the duration of their assignment and their profile, and if they are working at the lead CSO's local office, or with partners. **The time spent working on the project by these personnel must be tracked (using time sheets or a time tracking tool or software, which must be reviewed by the auditor).**

The involvement of volunteers is encouraged, including under some kind of reciprocal agreement (see the "Young People as Agents of Change" worksheet). This is a further way of actively involving young people in the project. Some countries have national volunteer schemes that CSOs may draw on for the project.

The CSO must explain how the human and technical resources mobilized for the implementation of the project relate to the objectives, activities and duration of the project. The CSO must ensure that the techniques or technologies it plans to use for the project are viable and sustainable over the long term, and that they are suitable for the local context and for the management and/or maintenance capabilities of its partner(s).

Monitoring and evaluation method and system: AFD will examine the quality of the mechanism and methods used to evaluate and/or monitor and evaluate and/or study the project's impact.

AFD strongly recommends the use of **external evaluation** for all projects regardless of their type. External evaluation is required at the end of each three-year project phase. For recurring projects, an impact assessment of the change processes involved will be undertaken at the end of each of the various financed phases. This final evaluation must include an impact assessment covering all phases rather than a standard evaluation. The cost of the evaluation or effects/impact study must be included in the project's estimated budget and must not be underestimated; the evaluator must be chosen through a call for tenders.

Methodology considerations are outlined in the "Evaluation Principles" worksheet.

Project capitalization: MPN/OSC recommends performing capitalization evaluations for projects and disseminating the lessons learned beyond the CSO itself. Capitalization materials resulting from these evaluations may vary widely (brochures, reports, educational materials, conferences, videos, films, photographs, etc.)

ECSI: AFD recommends that French CSOs, whenever possible and appropriate, incorporate ECSI activities into their field projects in France and in their countries of operation, and that local CSOs include global citizenship awareness-raising initiatives in their field projects.

Long-term success and sustainability: The NIONG must explain the prospects for the sustainability of the project's actions and outcomes following its completion.

MPN/OSC pays particular attention to the conditions of social ownership, economic and financial viability and institutional sustainability of the initiative, in particular how it will be managed by the local partner(s), stakeholders and/or beneficiary communities, or by the CSO itself.

MPN/OSC also considers the strategy for financial empowerment of local partner(s) or the locally governed CSO, and how recurring costs incurred by the project will be covered over the long term.

Financial resources mobilized for the project: The CSO must ensure that its budgets are consistent (expenditure = resources) and that its financing plan is viable. The plan must indicate whether the expected resources are already available, have been applied for, or are still to be applied for.

Message content: The CSO must ensure that the content of messages conveyed by the project (publications, events, websites, etc.) does not contain racist, discriminatory or proselytizing language. France encourages CSOs to implement their projects in line with the human rights-based approach set out in the French Ministry of Europe and Foreign Affairs' Human Rights and Development Strategy[7].

Planned exit strategy: The CSO is required to clearly outline the project sustainability strategy as early as possible (exit strategy, handover to local stakeholders, continuation of the partnership in other forms, etc.), and must do so during Phases 2 and 3 (where applicable).

Particular focus is also given to the following issues:

Human rights-based approach/combating the shrinking of civic space: This methodology is based on the idea that upholding human rights is both a means and an end to achieving sustainable development. It advocates for a paradigm shift in project design, moving from meeting needs (an assistance-based model) to securing human rights (an empowerment-based model). This model is based on five principles: participation, accountability, transparency and access to information, non-discrimination and equality, and legality.

Crisis and conflict prevention and response, based on a humanitarian-development-peace nexus approach that provides long-term solutions to the issues caused by crises, particularly in terms of forced displacement and women's protection and civic participation (Women, Peace, and Security agenda).

Policy for Protection from Sexual Exploitation and Abuse (PSEA): As both a financial donor and employer, AFD is aware of its responsibility to combat sexual exploitation and abuse, to protect its employees, partners, and beneficiaries, and to promote the highest possible standards of conduct. CSOs are now required to further incorporate this issue into their projects. To this end, project budgets submitted under the "CSO Initiatives" mechanism may include expenditure for establishing, improving, implementing, maintaining, and updating policies, procedures, and tools to combat sexual exploitation and abuse. These costs must be justified and tailored to the needs and specific situation of the CSO, its partners, and the project. In particular, these expenses may include:

- Training, information, and awareness-raising activities for the CSO's and its partners' teams (both at headquarters and in the field), as well as for beneficiary populations and communities;
- Workshops for discussion, co-development, and risk assessment relating to policies and tools for protection against sexual exploitation and abuse;
- Translation-related costs;
- External, technical, and ad hoc support required by the CSO, regardless of the extent of its progress on policies and tools for protection against sexual exploitation and abuse.
- Methodology considerations are outlined in the "PSEA" worksheet.

[7] https://www.diplomatie.gouv.fr/en/the-ministry-in-action/action-for-peace-and-respect-for-human-rights/promoting-human-rights/a-human-rights-based-approach-to-development-cooperation

TOWARDS A WORLD IN COMMON

Agence Française de Développement (AFD) contributes towards implementing the French government's international development and solidarity policy.

AFD funds, supports and accelerates the transition to a fairer and more resilient world through its public sector and NGO financing activities, its research and publications (Éditions AFD), its sustainable development training programs (AFD Campus) and its awareness raising initiatives in France.

We work with our partners to develop shared solutions, with and for the people of the global South. Our teams are actively involved in more than 4,000 projects in the field, in France's overseas departments, in 115 countries and in territories in crisis, working for the common good and focusing on climate change, biodiversity, peace-building, gender equality, education and health. In this way, we contribute to the commitment of France and French people to support the Sustainable Development Goals (SDGs).

AFD
AGENCE FRANÇAISE DE DÉVELOPPEMENT

www.afd.fr

X: @AFD_France - Facebook: AFDOfficiel - Instagram: afd_france
5, rue Roland-Barthes -75598 Paris cedex 12 -France
Tel.: +33 1 53 44 31 31