**PROSPERITY FUND GUIDANCE**

**Projects must demonstrate that:**

* They are practical and high-impact interventions that will lead to a real and timely transformation in high level policy and action on the ground. Proposals focusing purely on research, analysis, seminars or workshops will not be relevant unless they lead to specific and measurable action.
* They will trigger further incremental action and gain leverage out of proportion to the money the FCO spends eg by leveraging co-funding from co-donors or stimulating new host government expenditure
* They are adding value to, and not duplicating, other donor activity.
* Host governments have been consulted and are supportive. If they have not, the bid should explain how the project has sufficient buy-in from the necessary stakeholders to deliver the expected outcomes.
* Local partnerships are already established.
* They build capacity in a sustainable way
* They would not happen without FCO funding – we cannot make contributions to work streams going ahead anyway

**Other guidance for projects**

* Working with governments and official bodies is more likely to result in high impact, transformational outcomes which outlive the duration of the project. But partners can include business and NGOs where their influence can bring around policy change.
* Projects can be at regional or state levelwithin a country, provided that the ability to replicate is built into the proposal and sufficient impact is likely.
* Proposals should outline impact and the changes the project will make
* Proposals should include any publicity, dissemination and outreach activities in the budget from the outset. Any media work should be directly related to the project proposal.
* Implementers’ management and administrative costs should be no more than 10% of the overall budget.
* Proposals may be single-year or multi-year within advance limits set for 14/15.
* Prospective bidders should check the terms and conditions in the programme fund accountable grant agreements and contracts, to be made available on local websites.
* Projects should be based in pounds sterling so that the implementer carries the exchange rate risk (or potential benefit). There are no separate project funds to manage this risk so liabilities can be limited by paying for activities priced at the sterling equivalent from the original activities-based budget.
* The FCO places a strong emphasis on programme and project-level evaluation. Project implementing organisations must submit quarterly progress reports for the duration of the project, and a project completion form within three months of the project conclusion. In addition, depending on the scale of the project, a full and independent evaluation may be required.

**Examples of Prosperity Fund activities**

**Open Global Economy**

* Supporting FTAs, the multilateral trade system and the rules-based international economic system
* Promoting transparency eg in public procurement
* Promoting intellectual property rights
* Developing policies to encourage FDI
* Reform of finance sector and other business enablers
* Improving foreign access to markets
* Supporting public-private partnerships
* Easing unnecessary regulatory burdens
* Improving public sector efficiency
* Strengthening business networks and corporate governance including in State Owned Enterprises
* Combating bribery, corruption and protectionism

**Climate Change**

* Events that add further value to the UNFCCC process
* Reforming fossil fuel subsidies
* Training in low carbon policies and incentives
* Capacity building in climate-related legislation
* Greening procurement and financing
* Developing low carbon sectors (eg agriculture, forestry, construction, transport, industry, town-planning, waste management)
* Facilitating policy on carbon capture and storage
* Supporting green networks in business / parliament
* Developing emissions trading schemes
* Setting standards in measuring carbon footprints
* Promoting voluntary disclosure of emissions and reduction actions at corporate level
* Improving efficiency / labelling of products

**Energy and Resource Security**

* Increasing uptake of power from solar / wind / biomass / marine
* Increasing renewable energy in rural areas
* Developing energy efficiency plans (by geography or sector)
* Promoting in-country and regional co-operation on resource security challenges
* Enhancing investment climate
* Capacity building in regulation