



Federal Ministry
for the Environment, Climate Action,
Nature Conservation and Nuclear Safety



IKI Medium Grants (IMG) 2025

**Funding announcement for the selection of projects under the
International Climate Initiative (IKI)**

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1 List of abbreviations

ANBest-P	Allgemeine Nebenbestimmungen für Zuwendungen zur Projektförderung [General Auxiliary Terms and Conditions for Grants for Project Funding]
AZA	Proposal for a grant on an expenditure basis
BHO	Bundeshaushaltsordnung [Federal Budget Code]
BMUKN	Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety
CBD	Convention on Biological Diversity
CET	Central European Time
DAC	Development Assistance Committee
GHG	Greenhouse Gas
EbA	Ecosystem-based Adaptation
EU	European Union
GDPR	General Data Protection Regulation
IATI	International Aid Transparency Initiative
ICM	Independent Complaint Mechanism
IFC	International Finance Corporation
IKI	International Climate Initiative
IMG	IKI Medium Grants
IPLCs	Indigenous peoples and local communities
ITMOs	Internationally Transferable and Tradable Emission Reduction Certificates
MCU	Mitigation Contribution Units
NBSAPs	National Biodiversity Strategies and Action Plans
NDCs	Nationally Determined Contributions
NGOs	Non-Governmental Organisations
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
TSP	Thematic priority
UNFCCC	United Nations Framework Convention on Climate Change
PA	Paris Agreement
VCM	Voluntary Carbon Market
VV	Verwaltungsvorschriften [Administrative regulations]
VwVfG	Verwaltungsverfahrensgesetz [Administrative Procedure Act]
ZUG	Zukunft – Umwelt – Gesellschaft gGmbH

2 Funding objective, purpose of funding, legal basis

2.1 Funding objective and purpose

The International Climate Initiative (IKI) is Germany's contribution to implementing international climate and biodiversity agreements such as the **Paris Agreement** and the **UN Convention on Biological Diversity**. It supports **developing and emerging countries** in reducing greenhouse gases, adapting to climate change, and conserving biodiversity – in the interests of sustainable and equitable development. Dedicated climate and biodiversity conservation needs strong advocacy and will only succeed if it involves all relevant actors, including civil society, in planning, implementation, and use.

The IKI offers two funding instruments specifically for **civil society organisations**:

- **IKI Small Grants:** is aimed at smaller NGOs and local actors in partner countries and is implemented by the **GIZ** (further information on the [IKI website](#)).
- **IKI Medium Grants:** supports organisations based or established in Germany at the time of the first disbursement of the grant. They implement projects for climate action, adaptation, and biodiversity together with partners in the Global South. The aims are to test innovative bottom-up approaches to be taken up by other non-state actors, and to strengthen civil society structures.

In this way, the IMG primarily contribute to two of the objectives listed in the IKI strategy: improved framework conditions for cross-sectoral or transformative climate action, biodiversity conservation, and/or climate adaptation as well as the implementation of climate action, biodiversity, and/or climate change adaptation measures.

The IKI Medium Grants ideas competition shall be held annually – on the basis of an annual funding announcement. As part of the funding announcement 2025, the German Government is providing grants totalling up to EUR 8 million for a maximum of 12 projects. Funding is available for projects that are assigned to one of the following two thematic priorities:

I. TSP I – Climate action through Circular Economy: Local approaches

II. TSP II – “Towards locally-led adaptation”: Strengthening of local capacities for adaptation to climate change

This funding announcement describes the object of funding, the criteria for project selection and implementation, and the procedure for the funding instrument of the IKI Medium Grants.

2.2 Legal basis

Grants are awarded on the basis of sections 23 and 44 of the Federal Budget Code (BHO), the associated General Administrative Regulations (VV), and Sections 48 to 49a of the Administrative Procedure Act (VwVfG). There is no right to funding. The decision on funding is taken by ZUG gGmbH on behalf of the BMUKN within the scope of its discretionary powers and available budgetary resources.

Sections 48 to 49a of the Administrative Costs Procedure Act (VwVfG), Sections 23 and 44 of the Federal Budget Code (BHO), and the general administrative regulations issued in this regard shall apply to the approval, disbursement, and accounting of the grant as well as to the proof and examination of its use and, if necessary, the revocation of the grant award document and the reclaiming of the grant awarded. The Federal Audit Office of Germany (Bundesrechnungshof) is entitled to an audit in accordance with Sections 91 and 100 BHO. In the case of grants on an expenditure basis, the General Auxiliary Provisions for Grants for Project Funding (ANBest-P), as amended, are binding.

The annexes attached to the funding announcement are binding components. They provide detailed information on many aspects and steps in the application process.

3 Object of funding

The IKI Medium Grants provide targeted support for projects that advance international climate and biodiversity goals through innovative, practical approaches. The project ideas must relate to exactly one of the annually changing thematic priorities and at least one defined funding approach. Applications are possible only within the framework of these thematic guidelines.

3.1 Thematic priorities

I. Climate action through Circular Economy: Local approaches

Circular economy is a key building block for overcoming the planetary triple crisis and achieving the targets of the Paris Agreement. A cross-sectoral shift from a linear economy to a circular economy and the associated closure and slowing of material loops will reduce resource consumption and waste generation, lower global greenhouse gas emissions and promote environmental protection and biodiversity conservation. A circular economy also opens up new economic opportunities through innovations and local business models such as start-ups or cooperatives.

This is also where civil society organisations play a key role: They raise awareness of the issue, advocate for favourable political framework conditions, support sustainable initiatives, test adapted concepts and demonstrate these through pilot projects in order to work towards the inclusion of corresponding measures in the NDCs. They also strengthen the capacities of local actors by sharing knowledge and skills in order to ensure the long-term implementation of circular approaches.

Funding is provided for projects that promote resource conservation and efficiency, waste prevention or recycling at the local level, thereby establishing closed material loops. These include measures along the entire value chain such as sustainable product design, resource-conserving production, extension of product lifespans through repair, reuse, and recycling (i.e., “R strategies”).

Successful projects will, inter alia, develop practical solutions, new business and/or financing models and promote networking and the exchange of best practices in order to facilitate the scalability and replication of successful approaches. The projects involve at least one of the following sectors: Construction, plastics, textiles, food and agriculture, ICT and electrical appliances, waste management. Where appropriate, the potential of digitalisation should also be harnessed and further developed.

The projects empower women, marginalised population groups, and young people in particular as key drivers of sustainable practices. The use of participatory methods and targeted measures to promote gender justice is a prerequisite. Where relevant, local micro, small and medium-sized enterprises (MSMEs), associations, cooperatives, non-governmental organisations, and individuals in the informal sector should be involved.

II. “Towards locally-led ecosystem-based adaptation”: Strengthening of local capacities for climate change adaptation

The costs of adapting to climate change will rise dramatically – countries that are highly vulnerable and have low economic, institutional and social readiness will be particularly affected.

Only a fraction of the funding currently available for climate change adaptation reaches the local level. In addition, adaptation measures are often planned and implemented top-down and without the involvement of local actors, thereby increasing the risk of maladaptation. The people and communities directly affected know their needs best and are therefore in a position to develop customised solutions.

The projects we are looking for are intended to empower local actors to fulfil their role as shapers of more effective, inclusive, and self-directed adaptation. Funding is provided for projects that implement the concept of ecosystem-based adaptation (EbA) and combine it with locally-led adaptation (LLA) approaches in order to achieve a high degree of participation, control, and decision-making power of the local population.

The aim is to empower local communities to better deal with expected climate risks (e.g. through the joint development and implementation of adaptation plans and climate-resilient practices). To this end, people's needs and priorities should be explicitly taken into account and their local knowledge combined with evidence-based data.

We are looking for project ideas that combine EbA as a multidimensional approach to reducing ecological, economic, and social vulnerability with the development and piloting of LLA approaches. The integration of priorities, needs, and realities of women and underrepresented groups as well as the development of long-term financing strategies for the implementation of local adaptation measures are important success factors. After a transparent selection of target groups and municipalities, they should be involved from the outset in the participatory analysis, planning, and implementation of climate adaptation measures, supported by capacity-building activities. The selection of specific communities and the project area should be presented in a comprehensible and evidence-based manner – including with reference to the Notre Dame Global Adaptation Initiative (ND-GAIN) Index for countries with high vulnerability and low adaptive capacity (ND-GAIN score of 43 or less) – and make it clear how ecosystem services can be strengthened in a meaningful and coherent way.

The involvement of state decision-makers at the local level is essential for anchoring project results in existing planning and decision-making processes. Furthermore, involvement at the subnational and national level is expressly welcomed.

Local organisations with proven expertise, including in EbA and LLA as well as gender-transformative work, ensure good embedding and a targeted approach to specific local conditions. They are therefore also part of a convincing exit strategy. Long-term, existing partner structures in the region for the effective implementation of the project measures are essential and explicitly desired. Where possible, local micro, small, and medium-sized enterprises (MSMEs) should be involved.

3.2 Funding approaches

The funding approaches describe what kind of projects are being sought. In addition to selecting a thematic priority, a project must also be methodologically assigned to one of the two funding approaches (a combination of both approaches is possible):

- **Pilot projects:** Implementation of innovative, locally anchored demonstration measures.
- **Capacity development:** Developing and strengthening civil society skills and organisational structures locally.

Further information on the funding approaches can be found in section [7.2](#).

4 Grant recipients

4.1 Eligible organisations

Funding is provided to civil society organisations, universities, research institutions, and non-profit enterprises. The prerequisite is an ideal business area and no intention to make a profit as well as the ability to plan, implement, and account for projects. The implementing organisation must have its registered office, head office, or head quarter of business in Germany or another EU Member State at the time the outline is submitted. At the time of the first disbursement of funding, the implementing organisation must have a permanent establishment, branch, or other facility in Germany. This must guarantee a permanent, independent, and commercially active presence with its own management, freedom of disposition, and accounting.

Further information on the formal requirements for the implementing organisation can be found in [section 5.1](#).

4.2 Non-eligible organisations

Commercial enterprises as well as governmental and intergovernmental actors (e.g. federally owned companies¹, municipalities, multilateral organisations, and UN organisations) are excluded from funding.

¹ An overview of the non-eligible federally owned companies can be found on the website of the [Federal Ministry of Finance](#).

5 Special eligibility requirements

5.1 Requirements for the implementing organisation

Formal requirements for the implementing organisation

No intention to make a profit

Implementing organisations with a charitable purpose and an additional profit-making purpose can be funded provided that the project is part of the ideal business area of the organisation. No profit-making objectives are allowed to be pursued in the implementation of the project.

Turnover criterion

The requested average annual funding volume may not exceed 50% of the average annual turnover of the last two fiscal years of the applicant. This turnover criterion serves to ensure the appropriate financial sustainability of the implementing organisation.

Legal independence

The prerequisite for submitting a project proposal is the legal independence of the implementing organisation. This organisation submits both the project outline and, if successful, the final project proposal.

Thematic experience

During the outline phase, the implementing organisation must demonstrate three years of experience in international co-operation through the attached reference projects as well as three years of experience in the selected thematic funding area.

Financial responsibility for subgrants

The implementing organisation is the sole recipient of direct payments from the IKI and bears full financial responsibility, including when subgrants are made to implementing partners. The subgrant is to be regulated by project agreements under private law in accordance with VV No. 12.5 to Section 44 BHO. The IKI Office provides templates for a subgrant agreement via the IKI website for use as needed.

Review of interim and final reports for subgrants

The implementing organisation is obliged to review the interim and final reports submitted by the implementing partners. The corresponding audit certificate must be attached to the final report in accordance with ANBest-P. The IKI Office provides templates for the review on the IKI website.

Checking of the non-profit status of implementing partners

When selecting its partner organisations, the implementing organisation must be able to verify and prove their non-profit status and creditworthiness. Detailed specifications can be found in the IMG Administrative Guidelines.

Compliance with applicable sanctions

The implementing organisation undertakes to comply with all applicable sanctions regimes of the EU, the United Nations, and the Federal Republic of Germany. Any violation may result in full or partial reclaim of the grant.²

² Applicable sanctions can be viewed on the EU sanctions map.

5.2 Requirements of the implementing partners

Formal requirements for the implementing partners

Number of implementing partners

As part of project implementation, one to a maximum of two implementing partners must be appointed to work together with the implementing organisation. The implementing partner and the implementing organisation must not be identical.

Thematic experience

The implementing partner must demonstrate two years of experience in the selected thematic funding area by means of the attached reference projects.

Local embedding

The following applies with regard to local embedding: If the project is carried out in one country of implementation, at least one implementing partner must be based in this country. A potential second partner should also be based there but may alternatively come from the relevant geographical region (see list of countries in the outline form). For projects taking place in two implementing countries, there must be one implementing partner based in each country.

Non-profit status and legal status

All designated implementing partners must be non-profit organisations in accordance with their organisational purpose. According to the IKI definition³, implementing partners are institutions that operate in at least one of the countries of implementation as an independent legal entity under local law. Legally dependent representations do not count.

³ Local implementing organisations: The following applies to national and regional offices of international civil society applicants: Offices must be registered and pay applicable taxes in a partner country of the respective IKI project. The national or regional office can make independent decisions and is largely independent of instructions from the “umbrella organisation” in the operational design and implementation of project funds.

6 Type, scope and amount of the grant

6.1 Type of the grant

For the implementation of the projects, grants may be awarded on an expenditure basis by way of project funding as non-repayable grants. Funding on a cost basis is possible only in exceptional cases; in this case, concluding a subgrant agreement is not possible.

6.2 Amount and duration of the grant

A funding volume between EUR 300,000 and EUR 800,000 can be granted per project. The maximum funding period for a project is 36 months. A follow-up financing is not intended.

6.3 Type of financing

Financing is usually provided as partial financing.

The grant recipients must make an appropriate contribution to the financing of the purpose to be funded with their own funding, taking into account their financial strength. Which amount of own funds is appropriate can be decided only on a case-by-case basis. Overall, it must be demonstrated that the project funding can be secured based on the planned funding, own funds, and, if necessary, further third-party funds. Furthermore, cooperation with projects financed by other funding organisations is conceivable.

6.4 Eligible expenditures

IKI funding is permitted only if the implementation of the project that forms the subject of the funding application would not be possible without public funding (**principle of subsidiarity**). Furthermore, projects can be funded only if the project has not yet started at the time of application.

All expenditures required to meet the project objective through sound, cost-effective financial management are eligible for funding. **Efficient spending** and the **economical use of funds** must be demonstrated during implementation.

Eligible expenditures include all project-related costs that are customary and necessary for the economical and efficient use of resources, and for achieving the project objectives (e.g. for personnel, material costs, services, travel, or public relations work). Measures to neutralise the climate impact of business trips (e.g. through video conferencing or [offsetting emissions with high-quality CO₂ certificates⁴](#)) are eligible and explicitly encouraged. The respective (federal/state) Travel Expenses Act applies to the expenditure basis.

The following are not eligible for funding: institutional funding, pure research funding, and projects that intend to carry out most of their activities in Germany.

In addition, certain activities that are considered too risky for the environment and people are excluded from funding without exception ([IKI exclusion criteria](#)).

6.5 Synergies/ avoidance of double funding

To take advantage of synergies and avoid double funding, **references to other funding instruments and priorities** must be presented with respect to planned, ongoing, and previous funding measures

⁴ We recommend using certificates registered under Article 6.4 of the Paris Agreement with accounting under Article 6.2. "Mitigation outcome units" under Article 6.4 of the Paris Agreement can alternatively be used to strengthen the implementation of NDCs in developing countries without using them to make emissions climate neutral.

offered by the German Government and the European Union as well as the national and international funding institutions and programmes of other donors. Relevant databases (e.g. grants database, order database) must be used for research. The more similar a planned project is to an ongoing/completed project in terms of its objectives, target groups, measures, and specific products, the more precise this distinction or affiliation should be.

7 Other regulations on grants

In the proposal for funding, applicants must agree that

- all documents submitted with the proposal or in the subsequent procedure are submitted to the federal ministry responsible or the project management agency, the Federal Audit Office of Germany (Bundesrechnungshof), and the auditing bodies of the European Union on request, the necessary information is provided, access to books and documents relating to the project and audits are permitted, and the relevant documents are made available;
- they shall inform the Budget Committee of the German Bundestag (German parliament), other committees and members of the German Bundestag about applications or grants upon request;
- the federal ministry responsible or its authorised representatives may disclose the name of the funded organisation, the funding amount, and the funding purpose as part of its public relations work;
- the funding is to be recorded in a centralised federal system (grant database) on the basis of Section 44 Federal Budget Code (BHO) in conjunction with Administrative Regulation No. 9.1 and 9.2 on Section 44 BHO;
- all data and evidence disclosed in connection with the funding
 - may be stored on data carriers by the project management agency, the responsible federal ministry, or an authorised body
 - may be further processed for the purpose of performance monitoring in accordance with Administrative regulation no. 11 a on Section 44 BHO
 - may be passed on by the federal ministry responsible to third parties commissioned with an evaluation and further processed there
 - will be used and analysed for the purposes of processing and checking proposals, statistics, monitoring, scientific issues, linking with official data, evaluation, and measuring the success of the funding instrument.
- The anonymised or aggregated evaluation results can be published and forwarded to the Bundestag (German Parliament) as well as to federal and European Union institutions.

In order to enable electronic processing, it must be ensured in advance that there is a possibility of legally secure electronic signature and delivery of funding documents.

IKI complaint mechanism

IKI Medium Grants projects should actively contribute to overcoming discrimination against groups that are socially, culturally, geographically, politically, legally, religiously, or economically disadvantaged.

The [independent complaint mechanism of the IKI](#) enables anyone who may be adversely affected by IKI projects – be it socially or environmentally – to lodge a complaint and seek legal remedy. Implementing organisations are obliged to publicise this mechanism in an appropriate form to the target groups concerned in the project area and to cooperate in investigations by the mechanism. It must be ensured that incidents are immediately reported to the IKI office (ideally within three working days). In the event of an incoming complaint to the IKI ICM, there is an obligation to cooperate with the ICM.

Evaluation and transparency

As part of its reporting obligations, the BMUKN or its authorised representatives regularly publish project-specific information on IKI projects, including quarterly updates on ongoing and newly approved

projects in climate and biodiversity conservation on the IATI platform (see also: [IATI data](#)). All IKI Medium Grants projects are subject to regular performance reviews and external evaluations. The implementing organisations are required to provide relevant data and documents, facilitate participation in surveys, and assign the necessary personnel. Evaluation results are published on the IKI website in compliance with the GDPR (see [IKI website](#)); consent to data collection is given as part of the project outline.

Regulation on the handling of emission credits in the IKI

As part of the IKI, the German Federal Government supports the development and piloting of market-based instruments under Article 6 of the Paris Agreement. However, the use of the carbon market as a source of financing in IKI projects must take place within certain limits and guidelines.

In general, ODA funds must not be used to generate mitigation credits⁵ that can be used on the compliance market to fulfil international mitigation targets outside the project country. The additionality of the greenhouse gas reductions and the ODA eligibility of IKI funds must be ensured. Therefore, emission reductions financed by IKI funds must **not generate internationally transferable and tradable mitigation credits** that are used for the target achievement of states or companies in international compliance systems such as CORSIA. Nevertheless, additional emission reductions achieved in a partner country may be used to **enhance that country's ambition** beyond its current NDC target, for example in the form of Mitigation Contribution Units (MCUs) under Article 6.4 of the Paris Agreement in the voluntary carbon market. This requires corresponding agreements with the partner country.

In principle, the broader [IKI requirements for the handling of mitigation credits](#) set out in **Annex 2**, including the requirements for technical and natural carbon sinks, must be complied with.

⁵ This certifies a carbon removal or emission reduction (converted into the unit CO₂ equivalent) compared with a set baseline.

8 Selection and funding procedure

8.1 Two-stage selection process

The selection process for IKI Medium Grants is carried out in two stages:

- First stage – outline phase
- Second stage – proposal phase

8.2 First stage – Outline phase

Project outlines for the IKI Medium Grants must be submitted in English exclusively via the [IKI online platform](#) and using the official outline form. The deadline for **timely and complete** submission is **20.01.2026 at 11:59 CET**.⁶ Submissions outside the online platform will be excluded. In order to provide interested organisations an understanding of the characteristics of a good outline, an **online seminar** in English is scheduled for 04.12.2025. In addition, in-depth information about the selection process and the further procedure will be provided. More information will be published on the IKI website in due course.

The project outlines consist of the completed form and a project concept. The assessment is carried out in several stages: First, compliance with the formal requirements is reviewed. A positive review is followed by a technical assessment of the project content, the qualifications of the implementing organisations, and the planned partnership cooperation.

The assessment is carried out by ZUG experts using the criteria defined in Annex 1 and with the involvement of external experts if necessary. If anything is unclear, particularly with regard to administrative requirements, the IKI Office of ZUG may contact the implementing organisation for clarification. The final selection is made by the BMUKN based on available budget.

8.3 Second stage – proposal phase

Only selected outlines are invited to submit a complete, formal project proposal by means of the “Request for Project Proposal”. The proposal must be submitted via the online platform [Easy-Online](#). The templates and specifications provided, in particular those for monitoring and safeguards, apply. These are available once the first stage has been completed and are published on the [IKI website](#).

The completeness of the application documents is a prerequisite for a proper and scheduled application review. Each funding application is subject to a formality and completeness check. It must be established whether the IMG forms listed in the letter of formal notice, the project-specific documents, and evidence have been submitted on time, in full, and in the prescribed form. If necessary, additions shall be requested.

To ensure visibility and transparency in the partner countries, the CBD and UNFCCC focal points of the countries concerned receive letters of information and project descriptions. A funding proposal can be successfully reviewed only if the partner government has no objections to the implementation of the project.

The project can start no earlier than quarter 1 of 2027.

⁶ Support for the outline submission can be provided only until 20 January 2026 11:59 am Central European Time (CET). From this point on, the implementing organisation assumes responsibility for any technical problems that arise during outline submission.

9 Formal and technical requirements for the project outline

9.1 Formal requirements for the project outline

Geographical localisation of the project

Priority is given to bilateral and, in individual cases, regional projects. Bilateral projects refer to project implementation between the implementing organisation and the implementing partners in a selected ODA country as the country of implementation. Regional projects are transnational, multi-country projects involving a maximum of two countries from one geographical region. For regional projects, countries do not necessarily have to be neighbouring within the same geographical region. However, it is preferable to cover connected economic or natural areas. The allocation to geographical regions for selected ODA countries can be found in the country list provided in the outline form. In any case, the geographical approach of the project outline (regional/bilateral) must be presented comprehensively.

A country must be ODA-eligible by the deadline for submitting the project outline. More information on ODA eligibility can be found on the [DAC list of ODA recipients](#).

Project concept

The project concept must not exceed 5 pages in 11pt Arial font. A structured template with specifications on content and format is included in the outline form and must be used.

9.2 Technical requirements for the project outline

Thematic fit

The project outline must **align with the chosen thematic priority**. Failure to meet the requirements of the thematic priority leads to the automatic exclusion of the project outline.

Target groups

Relevant target groups must be presented disaggregated by gender. It should be explained how the project makes specific contributions to solving climate and biodiversity-related challenges for these groups, and how knowledge is passed on.

Selection of the country of implementation

The rationale is based on the explanation of how the project idea addresses and links to the initial local situation. In addition, possible synergies with existing local projects should be addressed.

Funding approaches

A project must follow at least one of the two methodological approaches (pilot project or capacity development). The proposal must clearly demonstrate how the project applies the chosen funding approach in relation to the described activities and intended results.

A combination of both approaches is possible, provided that it is plausibly demonstrated how both components interact effectively and contribute jointly to achieving the objective.

In both cases, the focus is on promoting innovative, locally adapted, and socially effective measures – with the overarching aim of identifying, promoting, and structurally strengthening bottom-up approaches.

Funding approach I – pilot projects

This funding approach supports specific projects with a pilot and demonstration character that contribute locally to overcoming the climate and biodiversity crises. The aim is to test innovative solutions in practice and make their effectiveness visible. These innovations can be technological, methodological, or social in nature – the decisive factor is that they are applied in the respective region for the first time or in a new form.

A pilot project may introduce a new method for addressing environmental challenges; however, applying proven methods to new target groups, topics, or regions is also considered innovative.

Social anchoring is particularly important: The project must be well embedded locally – for example, through the inclusion of local expertise or targeted capacity development. The aim is for the knowledge gained to be disseminated in an exchange between local, national, and international actors (North-South, South-South), thereby strengthening bottom-up initiatives based on local experience.

Funding approach II – capacity development

The aim of this funding approach is to sustainably strengthen civil society actors in the partner countries. Funding is provided for projects that address specific needs and use suitable – including innovative – methods to develop expert knowledge, methodological skills, or organisational capabilities.

The measures may include the following:

- Training and knowledge transfer
- Support for strategic organisational development
- Promotion of participatory processes and networks

By developing these capacities, local organisations should be better able to initiate, shape, and promote bottom-up processes themselves through participation in political processes, consultations, or cooperation with other actors across various governance levels.

The focus is on strengthening the local scope for action and network structures for the long-term empowerment of actors as agents of sustainable change.

Project planning

The project objectives are presented in a transparent, systematic, and concrete manner. A convincing, ambitious, and realistic results chain (output, outcome, impact) is described. The project planning explains, in particular, how the intended objectives are to be achieved efficiently through the planned activities within the project duration. Duplication of content with ongoing and completed IKI projects should be avoided. When planning projects, particular care must be taken to ensure that the annual budget planning is realistic. It cannot be assumed that unused funds will automatically be transferred in full to subsequent years. In addition, attention is to be paid to a climate-neutral implementation of the project.

Involvement of the private sector

It will be considered a positive factor in the selection decision if the project directly or indirectly involves the private sector as a target group, as this can increase the sustainable effectiveness, scalability, and connectivity of the project results. Examples include improving the framework conditions for the private sector, developing and promoting green business models, involving the private sector in

the project's exit strategy, consulting and training for companies as well as participation of company representatives in project workshops and events.

The private sector comprises all organisations that engage in profit-oriented activities and are predominantly privately owned. This includes financial institutions and intermediaries, national and multinational companies, small and medium-sized enterprises, co-operatives, individual entrepreneurs and agricultural businesses (e.g. farms). (Profit-oriented) state-owned companies that are organised under private law are treated as private sector organisations. Associations that represent the interests of private sector organisations or of state-owned companies organised under private law are also treated as part of the private sector. This applies irrespective of whether these associations are for-profit or non-profit organisations.

Sustaining of the project impacts after the end of the funding (exit strategy)

The project concept provides answers to how the project activities can help to ensure that funded activities and results can be sustained after the end of the funding. In addition, reference is made to a possible potential for replicability and upscaling of the project results and impacts. The private sector can be a key stakeholder group for a successful exit strategy and should therefore be given greater consideration in the concept depending on the respective context. An increase in funding at or after the end of the project is generally not envisaged.

Environmental and social standards and project risks

The implementing organisations are obliged to comply with the [IKI Safeguards Policy](#) and the Safeguards Standards of the Green Climate Fund (currently [IFC Performance Standards](#)). Potential environmental and social risks as well as planned protective measures must be systematically presented during the second stage of application. The risk category does not affect the outcome of the project selection process as long as the safeguards measures are in line with the risk.

The project also addresses potential risks that could influence the course of the project and presents suitable measures to minimise these risks. Project ideas concerning countries affected by conflict or with restrictions on foreign funding should address the risks to implementation. For conflict contexts, measures for conflict-sensitive project implementation must be presented.

Implementation of the IKI Gender Strategy

Gender justice is a central goal of the IKI ([IKI Gender Strategy](#)) due to its close connection to climate action, climate change adaptation, and biodiversity conservation. Projects should therefore include specific measures to reduce gender-based disadvantages. The IKI requires at least gender-responsive project implementation and supports gender-transformative approaches. In the second selection step, a gender analysis according to IKI standards is mandatory.

Requirements for partnership cooperation between North and South

IKI Medium Grants promote a partnership on equal terms between the implementing organisation and the implementing partners. The allocation of roles and responsibilities must be clearly presented, and an appropriate, needs-based budget allocation must be justified. Opportunities for knowledge exchange and mutual learning should also be described.

Partnerships and cooperation mechanisms

Where appropriate and possible, existing global, regional, and national partnerships and collaborative mechanisms should also be used or contributions made to them (e.g. the [NDC Partnership](#) or the [NBSAP Accelerator Partnership](#)).

10 Contact details of the project management agency

If you have any questions about the IKI, the IMG Call, or the provisions of this funding announcement, please contact only the IKI Office at ZUG:

IKI Office at Zukunft – Umwelt – Gesellschaft (ZUG) gGmbH
Stresemannstraße 69–71
10963 Berlin

Email: IKI-Office@z-u-g.org

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For telephone consultation hours, see the [IKI website](#).

Specific information and contacts on the following topics can be found on the IKI website:

[IKI Gender Strategy](#)

Contact via Gender Helpline

[Independent Complaint Mechanism \(ICM\) of the IKI](#)

Contact via the ICM office

[IKI safeguards – environmental and social standards](#)

Contact via the IKI safeguards team

[Emission credits](#)

Contact via the IKI Office

[Priority countries of the IKI](#)

Contact via the IKI Office

Berlin, 17 November 2025

For the German Government
represented by the Federal Ministry for the Environment, Climate Action, Nature Conservation and
Nuclear Safety

On behalf of
Dr Philipp Behrens

Annex 1: IMG selection criteria

The projects are assessed and selected by the project management agency and the responsible ministries according to the following selection criteria:

Criteria		Explanations
! – Minimum requirements		
Both the minimum requirements and the assessment criteria are used to assess the outlines submitted. All minimum requirements that, if not met, will lead to the exclusion of the project outline from the selection process are marked with a “!”.		
Formal eligibility of the project concept		
Funding requirements		
!	Submission in due time via online platform	The project outline must be submitted by the deadline of 20.01.2026 at 11:59 a.m. (CET) and only via the online platform .
!	Completeness of the documents	The documents were submitted completely and in accordance with the specifications.
!	Scope of the project concept	The project concept may not exceed five pages. The default font size is 11 pt Arial. The specified template must be used.
!	Need for public funding	There is a need for funding (i.e. the project cannot be implemented on a significant scale without public funds or through its own resources).
!	No early start of measures	Only activities that have not yet started at the time of submitting the project outline are eligible for funding.
!	Exclusion criteria	With the exclusion criteria, certain activities considered too risky for the environment and people are excluded from funding without exception. The exclusion criteria can be viewed here .
!	No institutional funding	Only one project implementation with a limited project duration can be funded. Institutional funding is excluded.
!	No investment measures	The funding covers the implementation of a project concept and not predominantly (> 50%) the financing or procurement of objects that exceed the individual acquisition value of EUR 800.
!	No pure research funding	The implementation of a measure (pilot projects, capacity development) and not a pure investigation/research project will be funded.
!	No focus on Germany	The funded measures must take place mainly in the country of implementation and not primarily in Germany.
Duration and amount of funding		
!	Funding volume	The funding volume of the project is between 300,000 EUR and 800,000 EUR.
!	Project duration	The duration of the project is between 24 and 36 months.
Project funding		

	Own funds	The financial contributions of the lead organisation as well as the amount of additional funding resources (co-financing) are clear and appropriate.
!	Double funding	The project or the measures may not already be funded by other donors.
	Involvement of the private sector	It will be considered a positive factor in the selection decision if the project involves the private sector as a target group.
Country of implementation		
!	ODA-eligible countries	At the time of submitting the project outline, the country or countries of implementation must be listed in the outline form as ODA-eligible state(s).
!	Number of countries of implementation	The project must be implemented in at least one and no more than two of the ODA-eligible countries listed in the outline form.
!	Geographical approach	The geographical approach (regional/bilateral) is clearly justified. The allocation to geographical regions for selected ODA countries can be found in the outline form.
Technical eligibility of the project concept		
!	Objective of the thematic priority	The project concept must be clearly aligned with the chosen thematic priority and technically suitable for achieving its specific objectives.
	Argumentation for funding approach	The project concept plausibly presents and justifies how the selection of the relevant funding approaches supports the planned impact of the intended project objective.
Funding approaches		
	Level of innovation (for Funding approach I – pilot project)	In this context, innovative means any technological, methodological, or social measure that has not been applied in the project region before or not in the same form. The project uses either new means (e.g. methods, approaches, and technologies) or existing means in the context of a new purpose (e.g. new themes, target groups, or regions/countries). It must be ensured that the pilot project is sufficiently anchored locally through appropriate capacity development or the use of local expertise.
	Methods for strengthening capacities (Funding approach II – capacity development)	On the basis of plausibly presented needs, the project sustainably strengthens the capacities of the defined target groups through suitable and, if necessary, innovative methods. Depending on the needs, this can include an increase in specialist knowledge, methodological and management skills or strategic organisational development skills.
Selection of the country of implementation		
	Link to the initial situation in the country of implementation	The project establishes a link to the local implementation landscape and addresses possible synergies with existing projects.

Project planning		
	Convincing and realistic project planning	The project concept convincingly demonstrates the realistic achievement of the intended project objectives through the planned activities within the project duration. The project objectives are presented in a transparent, systematic, and concrete manner. The targeted consideration of gender justice in the context of project planning is positively assessed.
	Results chain	The project concept shows a convincing, ambitious, and realistic application of the OECD results chain for the problem-solving approach (output, outcome, impact). If the main or secondary objective of the project is to promote gender justice as a contribution to the protection of climate and biodiversity, this is anchored in the results chain.
	Environmental and social standards	Possible environmental and social risks and safeguard measures are presented in a transparent and appropriate manner.
	Carbon neutrality	The project concept reflects negative climate impacts and gives possible approaches to CO ₂ avoidance (e.g. through video or telephone conferences).
Target groups		
	Target groups	The project concept clearly lists all target groups relevant to the project in a gender-disaggregated manner, describes approaches to solutions for the challenges of the relevant target groups, and describes how knowledge can be transferred to these actors in a transparent manner.
	Promotion of gender justice	The project concept includes specific measures aimed at counteracting unequal gender roles, relations, and norms. A gender-responsive approach is therefore plausible. These measures serve to implement the project objectives and are clearly recognisable in the results chain.
Sustainability of the project results		
	Exit strategy	The project concept provides an answer as to how the project impacts and results can be maintained after the end of IKI funding.
	Replicability and upscaling	The project concept describes the potential for replicability and upscaling of the project results and effects.
Formal eligibility of the lead implementing organisation		
!	Outline Phase	Projects are eligible for funding only with one lead organisation based in Germany or the EU at the time of submitting the outline. The latter submits the project outline and receives the grant award document from ZUG gGmbH upon successful proposal review.
!	Implementation Phase	At the time of the first disbursement of a grant awarded, the lead organisation must be able to demonstrate the existence of a permanent business establishment, branch, or other facility in Germany (implementing organisation) that serves the activities of the organisation receiving the grant.

!	Ideal business area	The lead organisation must have an ideal business area. The project must be located in the ideal business area of the German implementing organisation.
!	profit-making intentions	Implementing organisations may not pursue any intents to realise a profit with the project.
!	Turnover criterion	The calculated average annual IKI funding volume may not exceed 50% of the average annual turnover of the last two business years of the lead organisation.
Technical eligibility of the lead implementing organisation		
!	Experience in international cooperation	The lead organisation must demonstrate at least three years of experience in international cooperation.
!	Thematic experience	The lead organisation must demonstrate at least three years of experience in the chosen thematic funding area.
Formal eligibility of the implementing partner		
!	Local organisation(s) from country of implementation	The following applies with regard to local embedding: If the project is carried out in a country of implementation, at least one implementing partner must be based in this country. A potential second partner should also be based there but may alternatively come from the relevant geographical region (see list of countries in the outline form). For projects that take place in two implementing countries, one implementing partner must be based in each of the two countries. The implementing partner and the implementing organisation must not be identical.
	Charitable purpose	The partner organisation(s) pursue(s) a non-profit purpose according to its object of organisation. When selecting its partner organisations, the implementing organisation must be able to verify and prove their non-profit status and creditworthiness.
Technical eligibility of the implementing partner		
!	Thematic experience	Partner organisation(s) must demonstrate two years of experience in the chosen thematic priority by means of the attached reference projects.
Assessment of the North–South partnership		
	Division of tasks and roles	The division of tasks and roles between the lead organisation and the partner organisation(s) is coherent and appropriate based on the respective skills.
	Budget distribution	The distribution of the total budget between the implementing organisations is appropriate and transparent.
	Knowledge exchange in partnership	The exchange of knowledge among all implementing organisations takes place on equal terms and enables mutual learning from each other.

Annex 2: Regulation on the Handling of Mitigation Credits⁷ in the IKI

The German Federal Government, through the IKI, strives at the global level for high integrity of carbon markets and for aligning them with the goals of the Paris Agreement. The German Government's position is that, in the use of international carbon markets, the interaction of market actors must be oriented towards the Paris Agreement goals so that markets contribute to a global increase in ambition and advance the necessary transformation towards net greenhouse gas (GHG) neutrality. For this, qualitative requirements must be met on both the supply and demand side of the market.

As part of the IKI, the German Government supports the further development and piloting of market-based instruments under Article 6 of the Paris Agreement. This includes, in particular, activities to introduce and strengthen GHG pricing instruments and to promote the integrity of carbon market use within the framework set by Article 6. The German Government aims to have all voluntary carbon market activities established under Article 6.4 (cf. [German Government position on the role of the voluntary carbon market](#)).

IKI funds are intended to contribute to promoting quality and transparency in the carbon market, leveraging private capital to scale up IKI projects, and ensuring the financing of mitigation actions beyond the end of the project. A priority for the IKI is to integrate measures and methodologies into the future NDCs of partner countries.

To ensure a clear separation between **ODA-eligible climate finance and compliance markets for mitigation credits**, the following requirements must be met:

- IKI-funded projects may aim to **develop conceptual preparations** (methodology development, project design, and feasibility studies) and **build capacities for mitigation activities under Article 6** – and primarily under Article 6.4 – until carbon market projects reach financial close. However, the **technical implementation** of mitigation measures that lead to internationally transferable and tradable mitigation outcomes (ITMOs) or removal certificates must not be financed with IKI funds, but must be financed independently of IKI funding using other sources. Such technical implementation may take place simultaneously with or after the IKI project. Ensuring hereby a clear separation from IKI funding, it may be possible to generate ITMOs.
- **Seed funding**⁸ for Article 6 pilot projects (i.e. technical implementation) is possible under the condition that any mitigation credits generated with IKI funds must either a) be **cancelled/retired** (proof of ITMO cancellation required), or b) **remain in the host country** and be credited towards the host country's NDC ("Mitigation Contribution Units – MCU"), and thus contributing to the NDC implementation of that country. However, both - ITMO cancellation or MCUs – require activity-specific agreements with the partner country.

⁷ This certifies an emission reduction (converted into the unit CO₂ equivalent) that results either from an additional mitigation or integration of greenhouse gases (compared with the baseline). These certificates should not be confused with emission allowances, which are traded in an emission trading system and are subject to a "cap". For the sake of clarity, we use the term (emission) mitigation credits here.

⁸ E.g., the introduction of costly or high-quality mitigation technologies, such as green cooling or technical carbon sinks, which lead to emission reductions and the generation of mitigation credits.

Mitigation projects in the voluntary carbon market

- The German Federal Government strives to have all international market activities of the voluntary carbon market (VCM) registered under Article 6.4 (UN international registry) to ensure transparency and quality in the global carbon market and drive transformation in the host countries. Climate mitigation measures through the VCM may therefore only be funded with IKI funds if they are implemented under the Article 6.4 crediting mechanism of the Paris Agreement (PACM).
- Emission reductions achieved through IKI funds **must not generate mitigation credits on the voluntary carbon market that are internationally transferable and tradable** and that have been authorised by the host country for compliance purposes (e.g. NDC or CORSIA).
- Funding for mitigation credits under a purely national certification system (not internationally transferable or tradable) of the respective host country where the emission reductions occur is possible and desirable to raise ambition beyond the NDC (see above).
- Article 6.4 certificates representing a voluntary contribution to the achievement of the host country's NDC (MCUs) should be used to mobilise private capital in addition to IKI financing.

Mitigation projects in the area of technical and natural carbon sinks

For quality requirements of credits in the forestry and land use sector as well as for technical sinks funded with IKI funds, the **removal standard under Article 6.4** is mandatory. For financing climate action projects in agriculture, forestry, or land use, the sustainability requirements of the IKI, including social (benefit-sharing), and the relevant international standards such as the Cancún Safeguards and reporting systems must also be met.