

Application and Budget Guidelines for 2023-2027

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Project description

Briefly describe your project for communication purposes.

Name the **partners** who will work together and where.

If the project continues from the previous period, name the **main results and lessons learned** that were taken into account while planning.

Name the **main problems** the project will address during this period or the situation that the project **wants to change**.

State the project's **overall objective**. Name the main **strategies** you plan to use to achieve this.

The change you want to bring about

1. Your project's objectives and strategies

1) What is the change we want to bring about (or contribute to)?

State the project's overall objective. Overall objective describes how you expect the situation to look like at the end of the project, so called "end change".

What are other objectives – intermediate changes – you need to bring about during the project period for the overall objective to be achieved? Can you articulate them so that their links to the *Union to Union's* thematic areas is clear?

Overall objective
<i>Describe overall objective here</i>

Add/delete columns if needed

Objective 1	Objective 2	Objective 3
<i>Write here</i>	<i>Write here</i>	<i>Write here</i>

Why do you need these changes to happen and not others? Please refer to your ***problem analysis*** and to the ***analysis of the capacities*** of the implementing partners at the local level (country/plant/multinational company).

2) How will the desired change happen?

Which changes/***expected results*** do you plan to achieve towards the objectives? How are your expected results connected, what leads to what, in what order do you plan to work on them? If you have several objectives within different thematic areas, please describe specific causal relationships – a change pathway – for each one.

What are the ***key assumptions*** underpinning your plan for how the desired change will happen? Assumptions are beliefs about conditions that we suppose already exist or are sure to happen and which we believe are unproblematic. They are, however, critical elements needed for you to succeed in bringing about the desired changes.

You can attach a graphical illustration of your project's ToC if you have developed one during the planning process or summarise it in the matrix ('Objective matrix'):

Add/delete columns if needed

	Objective 1	Objective 2	Objective 3
	<i>Write objective here</i>	<i>Write objective here</i>	<i>Write objective here</i>
Key assumptions for each objective	<i>Write here</i>		
Expected results for each objective	<i>Write here</i>		

3) What strategies will you use to bring about the desired changes?

Motivate the choice of strategies/approaches/key actions you will use during the project period for each objective. Indicate what level these strategies are applied to: regional, country or individual unions.

	Objective 1	Objective 2	Objective 3
	<i>Write objective here</i>		

Key assumptions for each objective	<i>Write assumption here</i>		
Expected results for each objective	<i>Write result here</i>		
Key strategies / approaches /key actions for each objective	<i>Write here</i>		

4) When will the desired changes happen and where?

Implementing partners in different countries might be contributing to different parts of your change pathway and different expected results. Please use your own format to organise country-level expected results and objectives that correspond to your planning and monitoring needs in different countries.

This specific country-level information will form the basis for the monitoring plan that you can further develop in dialogue with *Union to Union* after submitting the application.

The analysis at the basis of your project

2. Context where you will work

You can use *Union to Union's* quick guides to development perspectives for more information on a definition for each perspective and examples from trade union development projects.

1) Context in relation to poverty reduction

Briefly describe the situation in the country/ region / sector where the project will be implemented. Focus on the issues directly concerning the project objectives, implementing partners, and target groups. Analysis of the context should clarify how the project contribute to reducing poverty and motivate the choice of objectives and target groups.

2) Context in relation to core trade unions rights and civic space

Briefly describe the state of civic space for trade unions to exercise their rights in the country / region/ sector where you will implement the project. For the analysis of the state of the civic space, the right to freedom of association, freedom of peaceful assembly and freedom of expression are the basic ones. They have direct bearing on trade union rights to organise and collective bargaining.

3. Society, environment and risks

Gender equality is a cross-cutting perspective. Please include it in your answers.

Please focus on how the analysis you carried out during the planning period influenced the choice of objectives/the change you want to bring about, the choice of target groups and your theory of change and strategies.

1) The gender equality perspective and analysis

a) Gender equality situation

Describe the gender equality situation in the country/region/sector where you will implement the project. How does the situation for men/women look like at work and in the broader society? Can you include analysis of the situation for LGBTI+ workers in relation to your project?

a) Gender analysis

How has your gender analysis influenced the design of the project? For example, how has it influenced your choice of target groups, thematic areas, activities and/or expected results?

b) Gender mainstreaming

How will you do gender mainstreaming? How will you take it into account in monitoring, evaluation and learning?

2) The Environmental and climate perspective and analysis

a) The environmental situation including effects of climate change

Describe the environmental situation including effects of climate change in the country/region / sector where you will implement the project. This analysis is obligatory for all projects.

b) Analysis of the environmental and climate perspective

Has your analysis of the environmental and climate perspective influenced the design of your project? For example, how has it influenced your choice of target groups, thematic areas, activities and expected results? If the project is not affected and does not plan to address this perspective in any way, motivate.

c) How environmental mainstreaming will be done?

How will you do environment/climate mainstreaming? How will you take it into account in monitoring, evaluation and learning? If the project is not affected and does not plan to address this perspective in any way, motivate.

3) The conflict perspective and analysis

The conflict analysis is obligatory for those countries in the project that are affected by an ongoing or latent violent conflict or are in a post-conflict situation.

4) Risk analysis

Describe how you work with the risk management in your project. Please note that risks connected to the development perspectives, internal risks connected to the capacity of the partners and risk of corruption in the project must be addressed. How has your risk analysis influenced the design of the project? How will you take it into account in monitoring, evaluation and learning?

Summarise the risks towards the achievement of the project objectives in the matrix ('Risk matrix').

4. Sustainability and aid effectiveness

1) Exit strategy

Describe how you will work in your project to ensure that the partners at the country level will be able to maintain and develop achieved results after the end of the support period. Do you have plans or monitoring procedures that will support an exit?

2) Aid and development effectiveness

Describe how you work with the issues of aid and development effectiveness in your project. For example, what did you do to coordinate support to unions at a country level with other donors? What is the average length of your partner agreements? Does the length of the agreements allow partners to plan their work strategically, a few years ahead?

3) Strategic communication

Describe how the partners will communicate the project to the relevant target groups and to the broader society. Can strategic communication contribute to the sustainability of the results, strengthen partners' capacity and influence?

Cost-effectiveness, budget and financial control

5. Analysis of cost-effectiveness and budget

1) Cost-effectiveness

Describe how you work in your project to ensure that the project objectives are achieved in a cost-effective way.

The projects should be cost-effective, not only cost-efficient. It is not enough to measure how number of activities, cost per participant etc. Cost-effectiveness in practice is about comparing different approaches to achieve the expected results in relation to how economic resources (funds, expertise, time etc.) will be used.

The roles of partners on each level, costs on each level, chain of agreements and funds transfers (the total project set-up in other words) should correspond to the approaches / type of activities chosen to reach the project objective.

Cost-effectiveness is not a tool or a method but a way of thinking about using resources well. If an activity or a project is cost-effective, it is good value for the amount of money paid, the optimum combination of cost and quality that ensures maximum objective fulfilment.

Cost-effectiveness can be assessed using the criteria of economy, efficiency and effectiveness (*Union to Union* uses definitions according to OECD/DAC):

- Economy: Reducing the cost of resources used for an activity, with a regard for maintaining quality.
- Efficiency: Increasing output for a given input, or minimising input for a given output, with a regard for maintaining quality.
- Effectiveness: Successfully achieving the intended outcomes from an activity.

2) Financial and administrative set-up

a) Participation and transparency

Describe how you work to ensure participation in forming and transparency of the budget for the implementing partners.

The budget is an important tool to make financial information accessible for everyone in the organisation when they need it. Ability to plan the activities, flexibility to find appropriate strategies in the changing context, and accountability of the persons responsible for handling the budget require access to budget information.

Transparency and accountability can be achieved in various ways, so please inform how you do it with your partners on different levels in the project structure.

b) Local ownership of the budget

Describe how you work to ensure local ownership of the budget for activities on country level /individual partner/affiliate.

The budget is a way to make planning for activities realistic and adequate to available resources. If you relate costs to budgeted activities, it makes the work more transparent and assures that resources are not used for non-budgeted activities. It is also a tool that helps assessing a project application.

c) Decision-making in the project

Describe how the decision-making in the project is organised. How will you work with significant changes in relation to the annual activity plans and budgets? Who is authorised to communicate significant changes to *Union to Union*?

d) Risk of corruption and financial set-up

How has your analysis of the risk of corruption influenced the administrative and financial set-up? Has it influenced the choice of activities (for example, you included a special training)? How will you take it into account in monitoring, evaluation and learning?

e) Chain of agreements for funds transfer

Describe how the chain of agreements for transfer of funds will look like. Please explain specifically if funds will be transferred to unions at the country level or not. Motivate why/why not funds are transferred to unions at the country level.

f) Banking system for transfer of funds to organisations at any subsequent levels.

Comment whether your project is conducted in one or several countries where the banking system cannot be used to transfer funds to cover costs for an implementing organisation at any subsequent levels.

If funds cannot be transferred using the banking system, the contracting party may request, in writing, to *Union to Union* for the funds to be transferred in an alternative, secure, way. Please contact your program officer for detailed information.

If *Union to Union* finds that a safe transfer of funds can be secured, the parties shall enter into a special agreement, in which the routines and conditions for the transfer of funds are clearly stipulated. *Union to Union* cannot take this decision on its own and must receive an approval from Sida beforehand.

g) Use of cash for activities at any subsequent levels

In case you plan to use cash to conduct any activities at any subsequent levels, motivate why the bank system /card payments/ other digital systems/ invoice cannot be used in each specific occasion. State the expected level of the cash payments per activity and person.

The organisation must minimise the handling of cash and, in cases where cash is required, take precautions to control and document the handling.

If cash handling is the only viable option, this must be notified beforehand to *Union to Union* stating why and how, and the levels of reimbursements that are expected.

h) Risks and anti-corruption analysis connected to cash handling

If the use of cash is the only viable option, specify on the basis of your risk and anti-corruption analysis which measures are taken to prevent the risk of misuse of funds and other risks connected to cash handling.

3) Analysis of the budget

Costs shall be budgeted and reported where they are audited.

A project budget should, as far as possible, be made in local currency for each budget level. Preferably the currency that it will be audited in. The budget lines may be summarised items but must be supported by the organisations own detailed budgets.

a) Describe the type of cost that are included for rows 1-4

Describe the type of cost that are included in each of the budget item for administrative costs, audit, wages/salaries, PME-R (Planning, monitoring, evaluation and reporting). Describe the principles for wage-costs allocated to the project.

Administrative costs

The administrative costs can be

- part of the office rent
- stationary
- costs for use of necessary IT equipment
- costs for financial management/bookkeeping/accounting (other than wages/salaries)
- bank charges.

Audit

Audit is one of the key elements when it comes to internal control but also a way of capacity building for an organisation.

Audit costs for the projects must be included in the budget on all relevant levels.

The implementing organisation is committed by the Cooperation Agreement to ensure that annual reports are audited by an authorised chartered accountant according to International Standards on Auditing (**ISA 800/805**) as well as the additional assignment according to **ISRS 4400** for each level in the project chain.

Audit is a key element for internal control. Therefore, cost-efficiency is not a valid argument in order to avoid local audits.

Wages and salaries

Describe the principles for wage-costs allocated to the project.

Any wages/salaries paid by project funds must be specified under this budget line. Project coordinator, organisers and other staff employed in the project are examples of wage/salary costs.

Resource person (expert and such) shall be specified in the budget lines for activities, not as part of wages/salaries. A resource person could for example be an external person as a speaker at a seminar.

All wages/salaries allocated to the project/program must be accounted for on a regular basis and authorized by the appropriate person (according to the decision-making in the project and/or organisation). The principles applied shall be documented and allow reviewing and auditing. Rough estimates are not sufficient.

National accounting and tax rules must be followed.

Cost for accident insurance to all employees, covering medical treatment for work related accidents and compensation for work related accidents resulting in permanent disability can be included.

PME-R

Planning, Monitoring, Evaluation and Reporting involves costs that do not benefit the target group directly but are necessary for the implementation and reporting of the project/program, for example costs for planning the project, travel costs for field visits, internal or external evaluations etc.

b) Describe each budget item for rows 5-23

Describe each budget item (lines 5-23) and how the costs are related to planned activities. Attach the regional and local budgets as an appendix.

For example, if the budget line is a workshop, describe any standards that are used to calculate the budget line in total for items such as food, travel, conference facility, hotel etc. Note expected number of participants.

If the budget line is a more overall item, as in programmes, describe what kind of underlying activities might be included.

Eligible costs are costs that can be directly linked to the project budget and activity plan. Only travel and meal allowances can be reimbursed for participants at activities. Alcohol is not an eligible cost.

Participant's loss of earnings will not be reimbursed, if not requested in writing by the Co-operation Partner and approved by *Union to Union* beforehand.

c) Timelines for activities.

Comment on the estimated planned timelines noted in the budget file.

An estimated time for the activities shall be filled in to simplify follow-up in the Midterm report. It is enough to indicate a quarter, or spring/autumn term.

d) "Cost per country"- commentary

Referring to the "Cost per country"- sheet in the budget: comment on the countries where costs will occur according to subsequent agreements. What is the principle behind the amount that will be allocated to each country? (In case it is not clear on the basis of activities and detailed budget).

If the costs cannot be broken down per country and is on regional level, the region and the relevant countries may be entered as one item, but all relevant countries within that region that will be included in the project must be commented on in the narrative.

e) Audit on different levels

Describe how you work with the project audit on different levels. How will you ensure so that the correctly certified auditors on each subsequent level are procured on time and correct audit instructions are communicated on time? Note, if you already know, the auditor in the Partner information template for each agreement partner in the project.

The implementing organisation is committed to ensure that annual reports are audited by an authorised chartered accountant according to International Standards on Auditing (ISA 800/805) as well as the additional assignment according to ISRS 4400 for each level in the project chain. If the auditors are not IFAC affiliated, describe how they are certified.

6. List of local partners in the project, per country

List all partners in the project. Please note Yes/No if the local partner is included in the project chain with an [Agreement for transfer of funds with audit](#) (add rows if needed).

Country	Local partner (Name)	Agreement Yes/No	Agreement Amount

BUDGET/OUTCOME TEMPLATE

The budget is an important tool to make financial information accessible for everyone in the organization when they need it. Every trade union member and trade union staff should at times be able to access the budget and know how much money the organization spends on its activities.

The budget is a way to make planning for activities realistic and adequate to available resources. If you relate costs to budgeted activities, it makes the work more transparent and assures that resources are not used for non-budgeted activities. It is also a tool that helps the evaluation of a project application.

Costs shall be budgeted and reported where they are audited.

A **project budget** should, as far as possible, be stated in local currency for each budget level. Preferably the currency that it will be audited in. The budget lines may be summarised items but must be supported by the organisations own detailed budgets.

A **regional budget** should convert each country budget into the same currency. The budget must show the costs for achieving the different objectives. This must be supported by the partners own underlying budgets.

A **programme budget** should convert each budget level into a single currency. The programme budget must show the costs for achieving the different objectives in the partner's programme. This must be supported by the partners own underlying budgets.

Exchange rates

To obtain an equal situation for all applicants, the following exchange rates for 2023-2027 have been established)

~~1 USD = 9,00 SEK~~
~~1 CHF = 9,50 SEK~~
~~1 EUR = 10,00 SEK~~

The development in Europe has had substantial impact on the exchange rate of the Swedish krona. Therefore, we have decided to adjust the budget rates:

1 USD = 9,20 SEK
 1 CHF = 9,70 SEK
 1 EUR = 10,20 SEK

For other currencies use the average rate against SEK between January 1 and April 30, 2022 to calculate the preliminary rate.

Please verify the history of the local currency concerned for the above period. Should any exchange rate deviate considerably during the period, revised budgets could be considered. The allocated project amount in SEK will not be revised for currency exchange purpose.

Formats

Formats can be downloaded at www.uniontounion.org

There are different templates for each project type Multilateral/Bilateral/other Projects administrated by *Union to Union*.

One Excel file (Budget_Outcome...) per project/program for each year shall be submitted in the application. The budget must be filled in on the current Budget Application form. It must be submitted in the excel version even if a pdf version is submitted. The partners own detailed budgets (in the partners own format) must also be submitted with the application to enable a detailed budget analysis.

Below is a walkthrough of the financial template and each sheet:

- Sheet 1-3 must be filled in.
- Sheet 4. Transfers and Balances is for the reporting.
- "Cost analysis" is for your own notes.

Budget_Outcome

Sheet 1: Overview

(This sheet must be included in the audit report together with the "Transfers and Balances" sheet. In the printed version there is a signature line for this purpose.)

Budget amounts, basis for the amounts in the Agreements

The application project budget consists of funds from Sida and own contribution from the Swedish union/s. Own contribution is included as income in the total project budget. For the Agreement the amounts will be adjusted to even allocation and own contribution amounts

BUDGET, basis for Agreement amounts:			
Total project budget (SEK):	10 000		
Project budget requested from UtoU (SEK):	9 000		
Estimated level of Swedish own contribution (SEK)	1 000	10,00%	
		Document submitted on date/version: <input type="text"/>	
UPDATED BUDGET			
	-		
		Updated budget document submitted on date/version: <input type="text"/>	

In **multilateral** projects the own contribution is 10 % of the total project budget. It must be paid by the Swedish unions to *Union to Union* before any funds can be transferred to the GUF. The total allocation of funds for the project including own contribution will be transferred to the GUF according to the agreement.

In **bilateral** projects the own contribution is 5 % of the total project budget. It must be paid by the Swedish unions to *Union to Union* before any funds can be transferred to the Swedish union. The total allocation of funds for the project including own contribution will be transferred to the Swedish union according to the agreement.

In the **projects administrated by *Union to Union*** the own contribution is 10 % of the total project budget. It must be paid to *Union to Union* before any funds can be transferred to the partner/s.

Budget updates

On the overview sheet it will be possible to see the summary of any updated budget entered in the Budget and Outcome sheet to visualise the financial changes in the project. Please remember to enter a date or version for the original and updated budget.

Sheet 2: Budget and Outcome

(This sheet must be included in the audit report together with the “Transfers and Balances” sheet. In the printed version there is a signature line for this purpose.)

Here all levels are shown, with columns for budget and outcome, the later to be used when doing the Midterm report as well as the End of year report.

UNION TO UNION LO, TCO & SACO GLOBAL		NEW- Test project		
		GUF		
Currency:		EUR		
Exc.Rate:		10,0000	10,5600	13,0000
BUDGET ITEM		Budget	Updated budget	Outcome
1 Administration		1 000	1 000	853,00
2 Audit		500	500	500,00
3 Wages/Salaries		3 000	3 000	2 987,00
Summary overhead cost above:		4 500	4 500	4 340,00
Summary activity costs below:		9 600	9 450	8 341,00
<i>Details activity costs: Time line</i>				
4 Plan/Monitor/Eval/Reporting		500	600	600,00
5 Activity 1	march	1 500	1 500	1 000,00
6 Activity 2	feb-apr	1 500	1 500	1 389,00
7 Activity 3	jun	1 500	1 500	1 300,00
8 Activity 4	oct-dec	1 850	1 850	1 752,00
9 Activity 5	aug	2 250		-
10 Activity 6	jan	500	1 000	850,00
11				
12 Activity 7	nov	-	1 500	1 450,00
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
TOTAL (IN CURRENCY):		14 100	13 950	12 681
TOTAL (IN SEK)		141 000	147 312	164 853

Please note that the **currencies and exchange rates on each level must be filled in** in order for the summaries in the template to work.

A tentative month for the implementation of each activity shall be filled in under **Timeline** to simplify follow-up in the Midterm report.

For each level it is possible to fill in an **updated budget** during the year. This column will not affect the other sheets for the reporting purposes.

(The additional columns to the right of the additional comments are for **analysis purposes only** and will automatically be filled in as the Budget and Outcome columns are filled in. These will not appear on any printed version such as the printed version for the auditor’s signature.)

In Multilateral project any costs for Swedish affiliates should be invoiced to the GUF (thus no transfer to/from level 2) and documented on GUF level. Such costs must be motivated in the narrative application.

(If there are any problems with the format, such as the width of the columns, please contact your controller at *Union to Union* for assistance.)

Key words in the Budget and Outcome template

There are three predefined key words in the budget form:

1. Administrative costs
2. Audit
3. Wages/Salaries

PME-R (Planning, Monitoring, Evaluating, Reporting) is now a separate line under the activities. The rest of the lines for budget items can be used in the way you prefer but must correspond with underlying budgets and enable a budget analysis.

The sheet “Cost analysis” in the template is available for documentation/clarification of budget items.

UNION TO UNION LO, TCO & SACO GLOBAL		NEW-
		Currency:
		Exc.Rate:
BUDGET ITEM		
1	Administration	
2	Audit	
3	Wages/Salaries	
Summary overhead cost above:		
Summary activity costs below:		
<i>Details activity costs:</i>		<i>Time line</i>
4	Plan/Monitor/Eval/Report	
5	Activity 1	march
6	Activity 2	feb-apr

Revised budgets

All the budget items from the version of the budget included in the Agreement for the project **must remain** even if new budget items are added during a revision. The agreement regulates conditions for revisions of the budget.

The updated overall budget amount will appear on the 1.Overview sheet. Please remember to date both the original budget and the updated version before sending it to ensure that the same version is referred to by all partners.

UNION TO UNION LO, TCO & SACO GLOBAL		NEW- Test project		
		GUF		
		EUR		
		Currency:		
		Exc.Rate:	10,0000	10,5600
BUDGET ITEM		Budget	Updated budget	Out
1	Administration	1 000	1 000	
2	Audit	500	500	
3	Wages/Salaries	3 000	3 000	2
Summary overhead cost above:		4 500	4 500	4
Summary activity costs below:		9 600	9 450	8
<i>Details activity costs:</i>		<i>Time line</i>		
4	Plan/Monitor/Eval/Reporting	500	600	
5	Activity 1	march	1 500	1 500

The “Updated budget” columns does not affect the calculations in the template.

Sheet 3: Cost per country

List all countries that will have costs allocated within the budget.

The costs for level 2 or 3, the Agreement holder, will be deducted from the amount to allocate to the project countries (line "GUF HO")

If the Agreement holder level "GUF HO" has costs directly related to a country, add it and the summary in the end will be a negative amount indicating that it is related to that level.

UNION TO UNION LO, TCO & SACO GLOBAL		COST PER COUNTRY NEW-		2023
		Available budget (SEK):	3 150	
		Project Costs (SEK):	2 988	
Please list all countries where costs will occur according to subsequent agreements				
		Budget	Actual Costs	
GUF HO		1 450	1 478	
Remaining amount to be distributed:		-	10	
Countries				
Aaaaa		1 000	1 000	
Bbbbb		700	500	
Regional LA (C, D . E)				

If the regional level has costs that can be broken down on country level, enter each country and the amount for it. If the costs cannot be broken down per country and is on reg level, the region and the relevant countries may be entered as one item.

This sheet is for analysis purpose only.

Sheet 4: Transfers and Balances

(This sheet must be included in the audit report and signed by the auditor.)

Transfers

Transfer of funds must be made via the international banking system and there must be a corresponding agreement on each level.

If funds cannot be transferred using the banking system, the contracting party may request, in writing, to *Union to Union* for the funds to be transferred in an alternative, secure, way. Please contact your program officer for detailed information. If *Union to Union* considers that a safe transfer of funds can be secured, the parties shall enter into a special agreement, in which the routines and conditions for the transfer of funds are clearly stipulated. *Union to Union* have to receive an approval from Sida and make agreements about these issues.

Balances

Balances are the unused project funds at the end of the year and will be shown in the excel sheet when actual project costs are reported. The final balance in a project will be calculated at the *Union to Union* office and communicated to the partners after the approval of the yearly report. The approval will be communicated from *Union to Union* in the "Project Report Memo".