

Will FCDO publish objective continuation criteria for funding beyond 31 March 2027 before award?

Continuation funding beyond 31 March 2027 will be mainly subject to internal funding confirmation. FCDO will also consider progress against the milestones delivered by February 2027 and the partner's demonstrated capacity and readiness to deliver the remaining activities beyond March 2027.

May Phase 1 be designed as a self-contained inception, demonstration or validation phase, with Phase 2 contingent on continuation?

Applicants may structure the period to 31 March 2027 as a coherent first phase, provided the proposed activities and budget are commensurate with the delivery approach and do not exceed £50,000 per project. Any activities and budget after 31 March 2027 must be clearly contingent on FCDO confirming continuation funding.

If the continuation decision is delayed beyond February 2027, can implementation be paused or a no-cost extension be agreed?

If FCDO's continuation decision is delayed beyond February 2027, implementation may need to be paused or terminated, depending on the availability and timing of funding confirmation. A no-cost extension would not be required for this purpose, as the funding agreement is expected to remain in place until 31 March 2028. Any continuation of activities beyond 31 March 2027 will remain subject to FCDO confirmation.

Should the financial proposal separate Phase 1 and Phase 2 budgets, and must all Phase 1 costs be within the £50,000 ceiling?

The financial proposal should clearly separate the two funding periods. The Year 1 tab of the Budget Template should set out all activities and costs up to 31 March 2027, which must not exceed £50,000 per project. The Year 2 tab should set out activities and costs beyond 31 March 2027, which will be contingent on FCDO confirming continuation funding.

How will in-kind co-funding be valued and verified?

Applicants should identify the type and value of each proposed contribution, who will provide or own it, how it supports delivery, and how it contributes to value for money and sustainability. The supplied documents do not prescribe a valuation method or verification evidence. Applicants should state a transparent and reasonable valuation basis in the financial narrative.

Must co-funding be secured at proposal stage, or may it be indicative?

Co-funding is encouraged and where proposed, its added value and credibility will be assessed. Applicants should distinguish confirmed contributions from indicative ones and explain any conditions attached.

Can co-funding be provided by third parties outside the consortium?

Yes. Where co-funding contribution is proposed, the documents require applicants to explain its source / ownership, value, contribution to the project, and sustainability.

Must financial co-funding be transferred to the lead applicant, or may a co-funder spend it directly?

The specific mechanism should be agreed between the lead applicant and co-funder. FCDO does not prescribe whether financial co-funding must be transferred to the lead or spent directly, provided the contribution to the project is clearly evidenced, supports sustainability, has clear accountability arrangements, and is transparently distinguished from FCDO funding.

How will co-funding be assessed within Value for Money?

Value for money and sustainability account for 15% of the assessment. FCDO will consider the details, added value and credibility of proposed co-funding, alongside economy, efficiency, effectiveness, equity and the pathway to sustainable impact. Lack of co-funding will not, by itself, make an otherwise strong proposal ineligible.

Are costs for regulatory approvals, certification, standards compliance and IP filing or management eligible as direct costs?

These costs may be eligible as direct costs where they are necessary for the proposed cross-border deployment or commercial adoption of the innovation. Applicants should clearly explain their

relevance to the project, demonstrate that the costs are reasonable and proportionate, and ensure compliance with the applicable FCDO Eligible Cost Guidance.

May SMEs and start-ups be formal consortium members or subcontractors receiving grant funds?

SMEs and start-ups may participate as downstream partners. The lead applicant must, however, be an eligible not-for-profit organisation and remain accountable to FCDO. The lead applicant should undertake suitable due diligence and take the necessary steps prior to transferring FCDO funds and at regular intervals throughout the implementation to assess the internal controls and systems of any downstream partners.

Are there restrictions on profit, overheads or procurement from for-profit entities?

Refer to the answer above. FCDO's funding agreement will be with the eligible not-for-profit lead applicant, which will remain accountable for the use of FCDO funds. Procurement must follow applicable FCDO guidance and international best practice. The lead applicant must retain appropriate procurement records and make them available to FCDO upon request. Any additional requirements, such as overheads, will be set out during grant finalisation.

If for-profit partners cannot receive grant funds, may they participate as co-funders or commercialisation partners?

For-profit organisations may participate as downstream partners and receive funding through the eligible not-for-profit lead applicant. They may also participate in other roles e.g., co-funder, as agreed with the lead applicant. The proposal should clearly define each partner's role, contribution and governance arrangements, including how any downstream funding will be managed and accounted for. It should also demonstrate how the partnership supports cross-border deployment, commercial adoption and sustainability beyond the grant period. The lead applicant will remain accountable to FCDO for the use of all funds.

Is sub-granting to local partners permitted?

Refer to the answer above.

What due diligence or prior approval thresholds apply to downstream partners?

The lead partner will undertake suitable due diligence and take the necessary steps prior to transferring FCDO funds and at regular intervals throughout the implementation to assess the internal controls and systems of any Downstream Partners. These assessments will be shared with FCDO, upon request and should determine, relative to project risk:

- the reliability, integrity and efficiency of the Downstream Partners' controls, systems and processes including compliance with applicable legislation, regulations, rules, policies and procedures;
- whether the Downstream Partner can successfully deliver the relevant outputs based on its processes, past experience and whether they have the sufficient staff capacity and capability available;
- the Downstream Partner's ability to correctly manage and account for aid monies and assets as well as its financial health; and
- where appropriate, whether the Downstream Partner has sufficient capacity and capability to properly monitor and control its implementing partners.

May the lead apply full cost recovery, including local overheads, as direct costs for downstream partners?

Any proposed costs for downstream partners, including local overheads, must be clearly itemised in the Budget Template and supported by details of the downstream delivery arrangements. The costs should be necessary, reasonable and proportionate to the proposed activities. Their eligibility, including the treatment of overheads, will be assessed in line with the applicable FCDO Eligible Cost Guidance and finalised during the funding agreement stage.

Would milestone-based or advance payments be possible?

Advance payments will not be available. Payments will normally be made on a time-based schedule, such as quarterly, but may also be linked to agreed milestones where appropriate. The payment

schedule and associated requirements will be finalised with the selected lead applicant during the funding agreement stage.

Will FCDO claim rights or access to project-generated IP?

Intellectual property in all material (including, but not limited to, reports, data and designs, whether or not electronically stored) produced by the Partner or its personnel, members or representatives in the course of this Arrangement (“the Material”) will be the property of the Partner.

FCDO will be granted a worldwide, non-exclusive irrevocable and royalty-free licence to use all the Material, where “use” shall mean, without limitation, the reproduction, publication and sub-licence of all the Material and the intellectual property therein, including the reproduction of the Material and products incorporating the same, for use by any person or for sale or other dealing anywhere in the world. FCDO shall inform the Partner before it seeks to sub-license or reproduce any Material and the intellectual property therein.

What level of IP detail is sufficient at proposal stage? Is a signed consortium IP agreement required before first disbursement?

Applicants should provide sufficient detail on proposed IP arrangements to demonstrate that they will support effective project governance and implementation, with clear ownership, access and decision-making arrangements during and beyond the project. The arrangements should also provide a credible basis for sustainability and continued deployment after FCDO funding ends. A signed agreement is not required at proposal stage, but appropriate arrangements should be established before project implementation.

Is there an ODA compliance statement or template?

There is no separate ODA compliance template / statement. Applicants must demonstrate that the project's primary intent meets the [OECD DAC definition](#) of Official Development Assistance and that the project primarily benefits ODA-eligible countries in Southeast Asia.

How should applicants show development benefit rather than private commercial gain?

Applicants should define the development challenge, intended beneficiaries and distribution of benefits and risks; explain the pathway from deployment and commercial adoption to sustainable and inclusive development outcomes; and show how local partners, users and adopters influence delivery and learning. The proposal should distinguish public and development benefits from benefits accruing to individual firms and demonstrate economy, efficiency, effectiveness and equity.

How is the country of origin defined? Is a UK-led innovation always treated as originating in the UK?

The country of origin is generally where the innovation was principally developed, or where its underlying IP originates. The proposal should aim to explain the innovation's origin, ownership, development history and the respective roles of all partners.

For a Southeast Asia-led innovation, must the originating country be ODA-eligible?

No, the originating Southeast Asia country does not have to be ODA-eligible. The key requirement is that the project must primarily benefit ODA-eligible countries in Southeast Asia and present a credible pathway to scale the innovation to at least two ASEAN Member States beyond its country of origin.

Can an innovation originating in Singapore or Brunei be scaled to ODA-eligible AMS?

Refer to the answer above.

Does ‘one innovation’ allow a platform technology with complementary components?

Applicants should present one coherent innovation proposition with a credible cross-border deployment and adoption pathway. Complementary components that are necessary to the proposition will be allowed, but they should not amount to unrelated innovations bundled into one proposal.

What due diligence, partner vetting or prior approval applies to activities involving Myanmar?

Any activities involving Myanmar must be designed and managed so that UK programme funds do not benefit the current Myanmar military regime. Related proposals will be subject to FCDO's internal due diligence and the assurance requirements in the final funding arrangement.

How should shared costs involving Singapore or Brunei be allocated?

Applicants should separate costs attributable to activities that are *specifically* designed for Singapore or Brunei from the FCDO-funded budget, and explain the allocation basis transparently in the financial narrative. Activities specifically designed to benefit Singapore or Brunei must be self-funded.

Will clarification responses be shared with all prospective applicants?

We will share the responses to all prospective applicants, with support from the ASEAN Secretariat.

Is there any application template or proposal format?

There is no separate template for the technical proposal. Applicants should use the required structure in the Call for Proposals Invitation Form. A separate budget template is provided for the financial proposal.

What is the definition of mature innovation? Innovation is regarded as something relatively new to the commercial market and hence unclear to us what 'mature' covers? Is it mature in terms of well-researched and documented/published? Therefore, funding is to support commercial deployment and scaling up?

Refer to the information provided in the Statement of Outcomes that was included in the document pack.

What does demonstrating deploying of innovation to at least 2 AMS countries entail? do we demonstrate through the project the development of approach and evidence of potential uptake by candidates in AMS countries?

Refer to the information provided in the Statement of Outcomes that was included in the document pack.