

Guidelines for Knorr-Bremse Global Care Asia Pacific (KBGC-AP) Application for Funding

1. Fundamentals of our funding

As a company-funded aid organization, we see ourselves as professional managers and sponsors of social projects covering the Asia Pacific region.

To ensure that our support is target-oriented and efficiently allocated, and the funds provided by us are used as effectively and meaningfully as possible, we require an application for funding that is based on the results-chain.

More information can be found in Annex 1 of this document and in the project application form itself

The following guideline explains our approach and is intended to help you gain a better understanding of the procedure from the application stage to project funding.

All over the Asia Pacific region there are numerous projects and initiatives dedicated to the improvement of the living conditions of disadvantaged people. Focused and committed to long-term involvement, we wish to contribute to a lasting improvement in living conditions in selected countries and sectors.

Before KBGC-AP. approves the funding of a project, the underlying concept of the application must be carefully examined. In doing so we give preference to projects that address our key objective: promoting the self-sufficiency and self-responsibility of needy people.

Only then can we contribute to structurally relevant and broad-based changes, open new perspectives and achieve a sustainable outcome. The consistent pursuit of this vision precludes the possibility of positively influencing the destiny of individuals, as for example the assumption of costs for scholarships by KBGC-AP. or individual donations to non-profit organizations for an unspecified purpose. A further selection criterion is that maintenance costs for projects must be independently covered in the long-term. Such costs will not be assumed by KBGC-AP. in order to avoid long-term dependency of those involved in the project.

Well-functioning support calls for a clear framework. We are thus committed exclusively in the funding sectors of Education and WASH/Sustainability within specific recipient countries and in emergency aid across the Asia Pacific region.

2. Funding sectors

The objects for which KBGC-AP is established are:-

- 1) The relief of poverty, distress and sickness in Hong Kong and/or worldwide;
- 2) The advancement of education and research in Hong Kong and/or worldwide;
- 3) Other charitable purposes that are beneficial to the general public (or a sufficient section) of the Hong Kong community.



For further information on our funding sectors please visit our parental organization homepage www.global-care.eu. There you will also find case studies from every area.

3. Funding countries

For KBGC-AP, project applications may only be submitted for projects in the following countries:

China (Mainland)

India

Australia

Japan

Hong Kong

Korea

Singapore

Taiwan

Thailand

Shall other countries become KB Group countries in this region in the future, they will automatically be project countries of KBGC-AP.

1. Further countries in which Knorr-Bremse Global Care (our parental organization in Germany) has acquired many years of experience within Asia Pacific and worldwide since the founding of the association and continues to fund projects (in alphabetic order):

Asia Pacific.

- Cambodia
- Myanmar
- Philippines
- Sri Lanka

Rest of the World.

- Ethiopia
- Ghana
- Kenya
- Columbia
- Peru
- Tanzania
- Ukraine



Please do not make applications to KBGC-AP for countries not listed here, as they are in principle not eligible for funding. For project applications, please contact Knorr-Bremse Global Care in Munich, Germany (global.care@knorr-bremse.com).

4. Our cooperation model

KBGC-AP. provides financial support to projects, but does not implement them on the ground. Reliable and experienced cooperation partners are therefore a prerequisite and an obligation for us. We do not support individuals, but pass funds on to an organization authorized to accept donations.

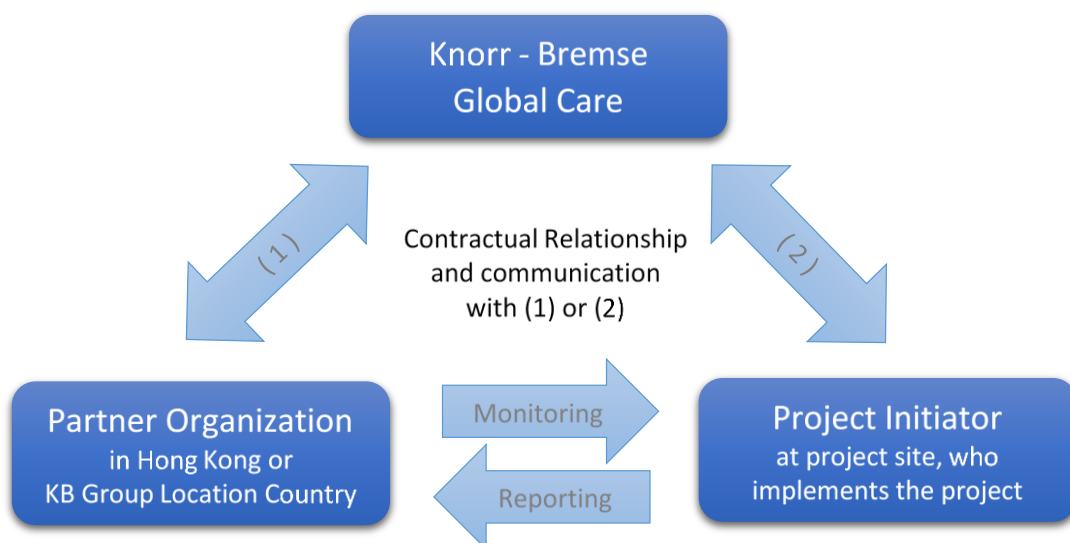
In the event of approval, a funding agreement prepared by us must be signed with the partner organization. As a rule, only non-profit organizations will be supported, and these must normally be domiciled in Hong Kong or another Knorr-Bremse host country. This is, however, not a prerequisite for funding.

The **applying partner organization** is thus the responsible **organization** that will receive the funds approved by Knorr-Bremse Global Care AP. and will be responsible for the correct implementation of measures in the project country, as well as reporting.

Normally our partner organizations in Europe cooperate with a third partner organization in the country in which the project is being implemented (see Figure 1 below). We refer to the latter as the **initiator in the project country**. The latter works directly with the **target group**, implements the planned activities and reports to the partner organization that has signed an agreement with Knorr-Bremse Global Care.

The same principle will apply for the Asia Pacific, where we would partner organizations within this region. The signed agreement however will be with KBC-AP.

This may, of course, differ in individual cases, e.g. if the partner organization is also the implementing organization and the project is being implemented where the organization is based (see Figure 2 below).



5. Application process: from submission to funding

a) Submitting an application

Properly completed written applications are required for all funding sectors, with the exception of emergency aid.

An KBGC-AP application form can be found on our website www.global-care.eu or requested from global.care@knorr-bremse.com. Please fill in the application form completely, attach all required documents and send it to us by e-mail. In the application form you will find a list all necessary attachments.

We will be pleased to help you with completing the form. Should you have any questions relating to content, technicalities or understanding, please do not hesitate to contact us. We are amenable to a preliminary review of an outline proposal prior to filling in the application form. Please arrange this in advance.

Only complete applications can be processed. Please ensure that you have all documents in hand before you submit your application. If individual documents are to be submitted in the foreseeable future, we ask you to clearly indicate this.

b) Preliminary review by KBGC employees

On the basis of the documents submitted by you, the Board of KBGC AP. will review your application. Should any outstanding issues need to be resolved, we will contact you in person. If your proposal is deemed worthy of support, we will invite you to an introductory meeting to gain a better picture of the project and the people behind it.

c) Getting to know the partner organization

Normally, one or more members of the association and an employee of Global Care will take part in this meeting. The aim is to clarify outstanding issues and get to know a potential new partner personally. At this meeting you will have the opportunity to introduce and promote your organization and application. You are free to bring along other representatives of your initiative.

d) Decision: Members or Board Meeting

KBGC-AP. has two bodies that deliberate on project proposals: the Members and the Executive Board. Depending on the scope of the project, your project will be considered in a sitting of one of the two bodies as soon as all facts and figures relevant to the decision are available. There are three possible outcomes:

1. Your application is accepted.
2. Your application is rejected.
3. The members have further questions on your project. A decision is not made but postponed until one of the next meetings. You will be contacted in order to clarify unresolved issues.



e) The project has been approved! What happens now?

On the basis of the application submitted by you, an agreement will be drawn up between the partner organization and KBGC-AP. It will specify the various rights and obligations of the partners to the agreement with regard to communications, term, funding amount and reporting.

You will receive the funding amount in instalments. The first instalment will be due after the agreement has been signed by both parties. Subsequent instalments are conditional upon full project documentation. For this purpose, an outline of progress, picture documentation and summary of expenditure together with applicable sample documents will be required.

The final instalment will not be paid out until the project has been fully completed and documented. The final instalment must thus always be covered by funds of the partner organization.

Reporting is governed by a detailed documentation guideline that forms a constituent part of the funding agreement.

In the implementation phase, employees and members of KBGC-AP. will remain in close contact with the partner organization and/or the project initiator on site. One member assumes the role of project sponsor. His/her routine tasks include site visits, contact to the partner organization / project initiator and reports to the other members.

6. Financial scope of project funding

The deciding factor is the need for your project. However, we differentiate between the various types of partner organizations.

Small partner organizations

These are organizations without full-time employees that have received total funds averaging less than 100,000 euros per year over the last three years. 5

For a first application the funding amount is limited to 30,000 euros.

After the first cooperation project with KBGC-AP. has been successfully implemented, larger sums may be applied for in subsequent applications, at the discretion of KBGC-AP.

Large partner organizations

These are organizations with full-time employees that have received total funds averaging more than 100,000 euros per year over the last three years.

For a first application, the funding amount will be limited to 80,000 euros.

Once a first cooperation project with KBGC-AP has been successfully implemented, larger sums may be applied for in subsequent applications, at the discretion of KBGC-AP.



7. Contact and further information (To be approved these are the agreed contacts)

We will be pleased to answer questions on the application system, these guidelines and further information. Please contact:-

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