



**Contracting authority:  
The Government of the Republic of Serbia, Ministry of Finance,  
Department for Contracting and Financing of EU Funded  
Programmes (CFCU)**

**Cross-border Programme Serbia- Bosnia and Herzegovina 2014- 2020  
under the Instrument for Pre-accession Assistance (IPA II),  
allocations for 2016<sup>1</sup>, 2017 and 2018\***

**Guidelines  
for grant applicants**

**2<sup>nd</sup> Call for Proposals**

**Budget line(s) BGUE-B2016-22.020401  
BGUE-B2017-22.020401  
BGUE-B2018-22.020401\***

*\*This call for proposals is launched with a suspension clause*

**Reference: EuropeAid/165834/ID/MULTI**

**Deadline for submission of concept note and full application: 21 February  
2020**

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<sup>1</sup> Leftover from allocation for 2016 from the 1<sup>st</sup> CfP

## NOTICE

This is an open call for proposals, where all documents are submitted together (concept note and full application). In the first instance, only the concept notes will be evaluated. Thereafter, for the lead applicants who have been pre-selected, the full applications will be evaluated. After the evaluation of the full applications, an eligibility check will be performed for those which have been provisionally selected. Eligibility will be checked on the basis of the supporting documents requested by the contracting authority and the signed 'declaration by the lead applicant' sent together with the full application.

### **\*SUSPENSION CLAUSE**

The present call for proposals is launched with a "suspension clause" (reference Section 2.6.12 of the practical guide). The conclusion of contracts with applicants resulting from this call for proposals is subject to the fulfilment of the following condition:

The signature of the Financing Agreement between the European Commission and Republic of Serbia and Bosnia and Herzegovina concerning the Cross-border Programme for Serbia – Bosnia and Herzegovina under IPA II for the year 201

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## 1. CROSS-BORDER PROGRAMME SERBIA- BOSNIA AND HERZEGOVINA

### 1.1. BACKGROUND

These guidelines are intended to be used by those applying for grants under the 2<sup>nd</sup> call for proposals for the 2014-2020 cross-border cooperation programme Serbia- Bosnia and Herzegovina (hereinafter 'the programme'). The programme is implemented under the framework of the instrument of pre-accession assistance (IPA II) and is the result of joint planning efforts made by the governments and other stakeholders of the two countries. IPA II supports cross-border cooperation with a view to promoting good neighbourly relations, fostering European Union integration and promoting socio-economic development. The legal provisions for its implementation are stipulated in the following pieces of legislation:

- Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II);
- Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action; and
- Commission Implementing Regulation EU no 447/2014 of 2 May 2014 on the specific rules for implementing the IPA II regulation.

The programme analyses the socio-economic situation of the border region, sets out a common strategy for remedying problems identified and formulates joint thematic priorities for development. As specified in its programme document, its implementation is carried out through calls for proposals such as this one. These calls will be launched at regular intervals in order to fund cross-border cooperation projects that will contribute to achieving the strategic objectives agreed upon by the participating countries.

More details about this 2014-2020 IPA II cross-border cooperation programme can be found in the programme document downloadable at the following link of the programme's web page <http://srb-bih.org/wp-content/uploads/2018/12/Operational-Programmes.pdf>.

The programme is implemented jointly by both countries. In the Republic of Serbia, the responsible institutions are:

- The Ministry of European Integration (MEI), in charge of the overall coordination of the programme, is part of the operating structure (OS) in this country;
- The Ministry of Finance, Department for Contracting and Financing of EU funded Programmes (CFCU), responsible for all contract and payment issues, is the contracting authority (CA).

These two institutions constitute Operating Structure (OS) in the Republic of Serbia.

In Bosnia and Herzegovina, the responsible institutions are:

- Directorate for European Integration, responsible for the overall coordination of the programme, is part of the OS in this country.
- Ministry of Finance and Treasury, as integral part of the management and control system (control body) in this country.

Moreover, the implementation of the programme is overseen by a joint monitoring committee (JMC) composed of representatives of both participating countries' institutions and civil society. The JMC will examine and provide an advisory opinion on the list of operations selected through this call for proposals before the grant award decision.

The CA, the OSs and the JMC are assisted by the joint technical secretariat (JTS) based in Užice, Republic of Serbia and staffed with experts from Republic of Serbia and Bosnia and Herzegovina. The JTS is the administrative body responsible for the day-to-day management of the programme including support and advice to potential applicants as well as grant beneficiaries. The JTS has an antenna located in Tuzla, Bosnia

and Herzegovina. The JTS will assist potential applicants in partner search and project development, organising information days and workshops; develop and maintain a network of stakeholders; advise grant beneficiaries in project implementation; and prepare, conduct and report on monitoring visits to cross-border cooperation operations.

## 1.2. OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

In line with the objectives specified in the programme document the **overall objective** of this call for proposals is enhancement of socio-economic development in the cross-border area between the Republic of Serbia and Bosnia and Herzegovina, through the implementation of targeted and concrete actions, based on comparative advantages of the programmes area and the joint, efficient use of resources.

As a result of a decision made by the JMC of the programme on 8 February 2018, out of the three thematic priorities of the programme document,

- Priority 1: Promoting employment, labour mobility and social and cultural inclusion across the border
- Priority 2: Protecting the environment, promoting climate change adaptation and mitigation, risk prevention and management
- Priority 3: Encouraging tourism and cultural and natural heritage

the following are the specific objectives related to Thematic Priority 1 (Specific Objective 1) and Thematic Priority 2 (Specific Objective 1<sup>2</sup> and Specific Objective 2), as well as the corresponding results that the applications submitted under this call will contribute to attaining:

SPECIFIC OBJECTIVES	RESULTS
1.1. Enhancing the employability of the labour force, and increasing the employment opportunities	Result 1.1.1: New products and services, as well as industrial and commercial processes, thanks to transfer of knowledge and innovativeness, result in new sustainable employment opportunities in the cross-border area
	Result 1.1.2: Increased competitiveness in the commercialisation of products and services by a common use of resources in strategic sectors (e.g. wood manufacturing, food processing and metal works)
	Result 1.1.3: Unemployed persons obtained new practical skills in real working environments, based on the labour market demand and similarities at both sides of the border
2.1. Improving sustainable environmental planning and promotion of biodiversity	Result 2.1.1: The effectiveness of public services and practices in relation to solid waste and wastewater management are enhanced through joint initiatives at both sides of the border
	Result 2.1.2: The protection of the Drina and Sava

<sup>2</sup> From the 1<sup>st</sup> CfP

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	river catchment areas and the promotion of their biodiversity is fostered
2.2. Improving the management system for emergency interventions	Result 2.2.1: The capacity for preparedness, prevention and response of all organisations/institutions in the protection and rescue system in the cross-border area are strengthened on long term

**Mainstreaming of cross-cutting issues:**

This call for proposals will take into account the mainstreaming of cross-cutting issues at project level. When developing a project to address any specific objective, cross-cutting issues need to be mainstreamed in the following manner:

**Equal opportunities.** In addition to the specific interventions proposed for social integration and inclusion (thematic priority 1 ‘*Promoting employment, labour mobility, social and cultural inclusion across the border*’), the programme will not discriminate anybody under any thematic priority. On the contrary, vulnerable groups like disabled, minorities, children and youth, elderly and socially marginalised will be encouraged to participate in any activity under equal terms. In addition to that, gender equality will be promoted throughout the implementation of the programme.

**Environmental protection.** The thematic priority 2 ‘*Protecting the environment, promoting climate change adaptation and mitigation, risk prevention and management*’ has been selected under key priorities of the programme. Close linkages with other thematic priorities, for instance tourism, and high relevance of the sector for the programming territory led to the decision that environmental protection be applied as a horizontal issue throughout the implementation of the programme. Any intervention supported from the programme will need to demonstrate its positive attitude towards environmental protection and to ensure that no negative impacts are produced in this sense.

**1.3. FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY**

The overall indicative amount made available under this call for proposals is EUR 4.774.761,62 The contracting authority reserves the right not to award all available funds.

More specifically, the contracting authority might cancel the call completely or partially when only few good quality applications can be contracted and relaunch the unallocated assets in the next call for the specific objective(s) concerned.

**Indicative EU-funded allocations by specific objective:**

Specific objective	Allocation
1.1. Enhancing the employability of the labour force, and increasing the employment opportunities	EUR 2.100.000,00
2.1. Improving sustainable environmental planning and promotion of biodiversity	EUR 1.374.761,62 <sup>3</sup>

<sup>3</sup> Leftover from the 1<sup>st</sup> CfP, allocation for 2016

Specific objective	Allocation
<b>2.2. Improving the management system for emergency interventions</b>	<b>EUR 1.300.000,00</b>
<b>Total</b>	<b>EUR 4.774.761,62</b>

The applications will compete with each other for the financial resources available within each specific objective separately.

When the remaining funds per specific objective or lot will not allow financing another application, the evaluation committee may recommend to the contracting authority to pull these funds and award a grant to the application or applications with the highest scores in the ranking of the sole reserve list irrespective of the specific objective.

If the allocation indicated for a specific objective or lot cannot be used due to insufficient quality or number of proposals received, the contracting authority reserves the right to reallocate the remaining funds to that/those application/s being higher in the ranking of the sole reserve list irrespective of the specific objective or lot.

Moreover, the contracting authority may increase the funds allocated to the call in order to fund all or part of those applications qualifying for funding

#### Size of grants

Any grant requested under this call for proposals must fall between the following minimum and maximum amounts:

Specific objective <sup>4</sup>	Minimum amount of EU-funded grant	Maximum amount of EU-funded grant
<b>Specific objective 1.1. Enhancing the employability of the labour force, and increasing the employment opportunities</b>		
Result 1.1.1: New products and services, as well as industrial and commercial processes, thanks to transfer of knowledge and innovativeness, result in new sustainable employment opportunities in the cross-border area	EUR 120 000	EUR 250 000
Result 1.1.2: Increased competitiveness in the commercialisation of products and services by a common use of resources in strategic sectors (e.g. wood manufacturing, food processing and metal works)	EUR 120 000	EUR 250 000
Result 1.1.3: Unemployed persons obtained new practical skills in real working environments, based on the labour market demand and similarities at both sides of the border	EUR 120 000	EUR 250 000
<b>Specific objective 2.1. Improving sustainable environmental planning and promotion of biodiversity</b>		

Result 2.1.1: The effectiveness of public services and practices in relation to solid waste and wastewater management are enhanced through joint initiatives at both sides of the border	EUR 250 000	EUR 500 000
Result 2.1.2: The protection of the Drina and Sava river catchment areas and the promotion of their biodiversity is fostered	EUR 120 000	EUR 300 000
<b>Specific objective 2.2. Improving the management system for emergency interventions</b>		
Result 2.2.1: The capacity for preparedness, prevention and response of all organisations/institutions in the protection and rescue system in the cross-border area are strengthened on long term	EUR 250 000	EUR 500 000

Any grant requested under this call for proposals must fall between the following minimum and maximum percentages of total eligible costs of the action:

- Minimum percentage: 60 % of the total eligible costs of the action.
- Maximum percentage: 85 % of the total eligible costs of the action (see also Section 2.1.5).

The balance (i.e. the difference between the total cost of the action and the amount requested from the contracting authority) must be financed from sources other than the general budget of the Union.

**SUSPENSION CLAUSE:**

The present call for proposals is launched with a "suspension clause" (reference Section 2.6.12 of the practical guide).

**The conclusion of contracts with applicants resulting from this call for proposals is subject to the fulfilment of the following condition:**

The signature of the Financing Agreement between the European Commission and Republic of Serbia and Montenegro concerning the Cross-border Programme for Serbia – Bosnia and Herzegovina under IPA II for the year 2018.

**2. RULES FOR THIS CALL FOR PROPOSALS**

These guidelines set out the rules for the submission, selection and implementation of the actions financed under this call, in conformity with the practical guide, which is applicable to the present call (available on the internet at this address <http://ec.europa.eu/europeaid/prag/document.do?locale=en>).<sup>5</sup>

**2.1. ELIGIBILITY CRITERIA**

There are three sets of eligibility criteria, relating to:

<sup>5</sup> Note that a lead applicant (i.e. a coordinator) whose pillars have been positively assessed by the European Commission and who is awarded a grant will not sign the standard grant contract published with these guidelines but a contribution agreement based on the contribution agreement template. All references in these guidelines and other documents related to this call to the standard grant contract shall in this case be understood as referring to the relevant provisions of the contribution agreement template.

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(1) the actors:

- The **'lead applicant'**, i.e. the entity submitting the application form (2.1.1),
- if any, its **co-applicant(s)** (where it is not specified otherwise the lead applicant and its co-applicant(s) are hereinafter jointly referred as 'applicant(s)') (2.1.1),
- and, if any, **affiliated entity(ies)** to the lead applicant and/or to a co-applicant(s). (2.1.2);

(2) the actions:

Actions for which a grant may be awarded (2.1.4);

(3) the costs:

- types of cost that may be taken into account in setting the amount of the grant (2.1.5).

### *2.1.1. Eligibility of applicants (i.e. lead applicant and co-applicant(s))*

#### **Lead applicant**

(1) In order to be eligible for a grant, the lead applicant must:

- be a legal person **and**
- be non-profit-making **and**
- be established in<sup>6</sup> either Republic of Serbia or Bosnia and Herzegovina, **and**
- be directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity(ies), not acting as an intermediary, **and**
- be a specific type of institution or organisation such as:

Under the **specific objective 1.1**. Enhancing the employability of the labour force, and increasing the employment opportunities

- Employment services
- Educational and research institutions and organisations
- Chambers of commerce and crafts, associations of enterprises, clusters
- Trade unions
- Civil society organisations/NGOs
- National, local and regional authorities
- Local and regional development agencies

<sup>6</sup> To be determined on the basis of the organisation's statutes, which should demonstrate that it has been established by an instrument governed by the national law of the country concerned and that its head office is located in an eligible country. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a 'Memorandum of Understanding' has been concluded.

<ul style="list-style-type: none"> <li>• Organisations providing business support environment</li> </ul>
<p><b>Under the specific objective 2.1. Improving sustainable environmental planning and promotion of biodiversity</b></p>
<ul style="list-style-type: none"> <li>• Central, regional and local government units (ministries, municipalities, departments, agencies) with competencies/responsibilities in the eligible area for nature protection, water supply, wastewater and solid waste management</li> <li>• Civil society organizations</li> <li>• National Parks</li> <li>• Research, development and innovation (RDI) institutions</li> <li>• Agencies for local or regional development</li> <li>• Public utility companies controlled by government units</li> </ul>
<p><b>Under the specific objective 2.2. Improving the management system for emergency interventions</b></p>
<ul style="list-style-type: none"> <li>• Emergency services and organisations, including civil protection units</li> <li>• Educational and research institutions and organisations</li> <li>• Civil society organisations/ NGOs</li> <li>• National, local and regional authorities</li> <li>• Local and regional development agencies</li> </ul>

(2) Potential applicants may not participate in calls for proposals or be awarded grants if they are in any of the situations listed in Section 2.6.10.1 of the practical guide;

Lead applicants, co-applicants, affiliated entities and, in case of legal entities, persons who have powers of representation, decision-making or control over the lead applicant, the co-applicants and the affiliated entities are informed that, should they be in one of the situations of early detection or exclusion according to Section 2.6.10.1 of the practical guide, personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the early detection and exclusion system, and communicated to the persons and entities concerned in relation to the award or the execution of a grant contract. In this respect, lead applicants, co-applicants and affiliated entities are obliged to declare that they are not in one of the exclusion situations through a signed declaration on honour (PRAG Annex A14). For grants of EUR 60 000 or less, no declaration on honour is required.

In Part B Section 8 of the grant application form ('declaration(s) by the lead applicant'), the lead applicant must declare that the lead applicant himself, the co-applicant(s) and affiliated entity(ies) are not in any of these situations.

**The lead applicant must act with co-applicant(s) as specified hereafter.**

If awarded the grant contract, the lead applicant will become the beneficiary identified as the coordinator in Annex G (special conditions). The coordinator is the main interlocutor of the contracting authority. It

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represents and acts on behalf of any other co-beneficiary (if any) and coordinate the design and implementation of the action.

### **Co-applicant(s)**

**The lead applicant must act with at least one co-applicant as specified hereafter.**

**If the lead applicant is established in the Republic of Serbia, at least one co-applicant must be established in Bosnia and Herzegovina, and vice versa.**

**At least one legal entity in the partnership (being the lead applicant or the co-applicant) must be effectively established or have an office in the programme eligible area of each participating country.**

**The maximum number of co-applicants that could be involved in the action is 3.** However, CBC partners must carefully bear in mind the most appropriate conditions to ensure an intra-project efficient coordination when deciding on this. The number of partners and the composition of the partnership should be coherent with the envisaged objectives and activities of the action (see Section 2.1.4 below).

In genuine cross-border operations, the lead applicant and co-applicant(s) shall cooperate in the development and implementation of action. In addition, they shall cooperate in either the staffing or the financing of operation or both (see Section 2.1.4 below). The lead applicant and co-applicant(s) must represent different legal entities.

Co-applicants participate in designing and implementing the action, and the costs they incur are eligible in the same way as those incurred by the lead applicant.

**Co-applicant(s) must satisfy the eligibility criteria as applicable to the lead applicant himself<sup>7</sup>.**

**Co-applicant(s) must sign the mandate in Part B, Section 4 of the grant application form.**

(3) Applicants included in the lists of EU restrictive measures (see Section 2.4. of the PRAG) at the moment of the award decision cannot be awarded the contract<sup>8</sup>.

If awarded the grant contract, the co-applicant(s) will become beneficiary(ies) in the action (together with the coordinator).

### **2.1.2. *Affiliated entities***

Affiliated entity(ies)

The lead applicant and its co-applicant(s) may act with affiliated entity(ies).

**Only the following entities may be considered as affiliated entities to the lead applicant and/or to co-applicant(s):**

<sup>7</sup> In line with the cross-border nature of the programme, please note that the nationality of the lead applicant (either country A or B) automatically determines the nationality of at least one co-applicant (country B if the lead applicant is effectively established in country A or country A if the lead applicant is effectively established in country B).

<sup>8</sup> The updated lists of sanctions are available at [www.sanctionsmap.eu](http://www.sanctionsmap.eu).

Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

Only entities having a structural link with the applicants (i.e. the lead applicant or a co-applicant), in particular a legal or capital link.

This structural link encompasses mainly two notions:

- (i) Control, as defined in Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings:

Entities affiliated to an applicant may hence be:

- Entities directly or indirectly controlled by the applicant (daughter companies or first-tier subsidiaries). They may also be entities controlled by an entity controlled by the applicant (granddaughter companies or second-tier subsidiaries) and the same applies to further tiers of control;
  - Entities directly or indirectly controlling the applicant (parent companies). Likewise, they may be entities controlling an entity controlling the applicant;
  - Entities under the same direct or indirect control as the applicant (sister companies).
- (ii) Membership, i.e. the applicant is legally defined as a e.g. network, federation, association in which the proposed affiliated entities also participate or the applicant participates in the same entity (e.g. network, federation, association,...) as the proposed affiliated entities.

The structural link shall as a general rule be neither limited to the action nor established for the sole purpose of its implementation. This means that the link would exist independently of the award of the grant; it should exist before the call for proposals and remain valid after the end of the action.

By way of exception, an entity may be considered as affiliated to an applicant even if it has a structural link specifically established for the sole purpose of the implementation of the action in the case of so-called 'sole applicants' or 'sole beneficiaries'. A sole applicant or a sole beneficiary is a legal entity formed by several entities (a group of entities) which together comply with the criteria for being awarded the grant. For example, an association is formed by its members.

#### What is not an affiliated entity?

The following are not considered entities affiliated to an applicant:

- Entities that have entered into a (procurement) contract or subcontract with an applicant, act as concessionaires or delegates for public services for an applicant,
- Entities that receive financial support from the applicant,
- Entities that cooperate on a regular basis with an applicant on the basis of a memorandum of understanding or share some assets,
- Entities that have signed a consortium agreement under the grant contract (unless this consortium agreement leads to the creation of a 'sole applicant' as described above).

#### How to verify the existence of the required link with an applicant?

The affiliation resulting from control may in particular be proved on the basis of the consolidated accounts of the group of entities the applicant and its proposed affiliates belong to.

The affiliation resulting from membership may in particular be proved on the basis of the statutes or equivalent act establishing the entity (network, federation, association) which the applicant constitutes or in which the applicant participates.

If the applicants are awarded a grant contract, their affiliated entity(ies) will not become beneficiary(ies) of the action and signatory(ies) of the grant contract. However, they will participate in the design and in the implementation of the action and the costs they incur (including those incurred for implementation contracts and financial support to third parties) may be accepted as eligible costs, provided they comply with all the relevant rules already applicable to the beneficiary(ies) under the grant contract.

Affiliated entity(ies) must satisfy the same eligibility criteria as the lead applicant and the co-applicant(s). They must sign the affiliated entity(ies) statement in Part B Section 5 of the grant application form.]

### 2.1.3. Associates and contractors

The following entities are not applicants nor affiliated entities and do not have to sign the ‘mandate for co-applicant(s)’ or ‘affiliated entities’ statement’:

- Associates

Other organisations or individuals may be involved in the action. Such associates play a real role in the action but may not receive funding from the grant, with the exception of per diem or travel costs. Associates do not have to meet the eligibility criteria referred to in Section 2.1.1. Associates must be mentioned in Part B Section 6 — ‘Associates participating in the action’ — of the grant application form.

- Contractors

The beneficiaries and their affiliated entities are permitted to award contracts. Associates or affiliated entity(ies) cannot be also contractors in the project. Contractors are subject to the procurement rules set out in Annex IV to the standard grant contract.

### 2.1.4. Eligible actions: actions for which an application may be made

Definition:

An action is composed of a set of activities.

#### Duration

The initial planned duration of an action will meet the following requirements depending on the programme’s specific objective addressed by the application, namely:

Specific objective	Minimum number of months	Maximum number of months
Specific objective 1.1. Enhancing the employability of the labour force, and increasing the employment opportunities		
Result 1.1.1: New products and services, as well as industrial and commercial processes, thanks to transfer of knowledge and innovativeness, result in new sustainable employment opportunities in the cross-border area	12	24
Result 1.1.2: Increased competitiveness in the commercialisation of products and services by a common use of resources in strategic sectors (e.g. wood manufacturing, food processing and metal works)	12	24
Result 1.1.3: Unemployed persons obtained new practical skills in real working environments, based on the labour market demand and similarities at both	12	24

sides of the border		
Specific objective 2.1. Improving sustainable environmental planning and promotion of biodiversity		
Result 2.1.1: The effectiveness of public services and practices in relation to solid waste and wastewater management are enhanced through joint initiatives at both sides of the border	12	24
Result 2.1.2: The protection of the Drina and Sava river catchment areas and the promotion of their biodiversity is fostered	12	24
Specific objective 2.2. Improving the management system for emergency interventions		
Result 2.2.1: The capacity for preparedness, prevention and response of all organisations/institutions in the protection and rescue system in the cross-border area are strengthened on long term	12	24

#### Sectors or themes

As stipulated in Section 1.2 above, actions will fall under only one of the following specific objectives and will have to prove their contribution to attain one or more of their intended results:

SPECIFIC OBJECTIVES	RESULTS
Specific objective 1.1. Enhancing the employability of the labour force, and increasing the employment opportunities	Result 1.1.1: New products and services, as well as industrial and commercial processes, thanks to transfer of knowledge and innovativeness, result in new sustainable employment opportunities in the cross-border area
	Result 1.1.2: Increased competitiveness in the commercialisation of products and services by a common use of resources in strategic sectors (e.g. wood manufacturing, food processing and metal works)
	Result 1.1.3: Unemployed persons obtained new practical skills in real working environments, based on the labour market demand and similarities at both sides of the border
Specific objective 2.1. Improving sustainable environmental planning and promotion of biodiversity	Result 2.1.1: The effectiveness of public services and practices in relation to solid waste and wastewater management are enhanced through joint initiatives at both sides of the border
	Result 2.1.2: The protection of the Drina and Sava river catchment areas and the promotion of their biodiversity is fostered
Specific objective 2.2. Improving the management system for emergency interventions	Result 2.2.1: The capacity for preparedness, prevention and response of all organisations/institutions in the protection and rescue system in the cross-border area are strengthened on long term

In their application, the lead applicant and its co-applicant(s) will have to refer the programme's specific objective under which their action is meant to contribute, as well as the programme's result(-s) affected by the action, and the programme's indicators that will be instrumental to measure the action's success. For the sake of consistency and aggregation, applicants must have the same units to quantify their output, outcome and impact indicators in line with the programme output, outcome and impact indicators. Applicants are requested to introduce selected indicators in Sections of Grant Application Form (1.1. Summary of the action, 1.3.1. Relevance to the thematic priorities/objectives of the call for proposals, 2.1.1. Objectives, results and activities).

The following illustrates the list of indicators that the applicants will have to include, where appropriate, to estimate the project's contribution to the programme's objectives:

**Programme specific objective 1.1. Enhancing the employability of the labour force, and increasing the employment opportunities**

IMPACT INDICATORS	Number of direct beneficiaries involved (disaggregated by gender and age)
	Percentage of population in the programme area having direct or indirect benefits as a result of the operation undertaken
	Percentage of unemployed individuals (disaggregated by gender and type of

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	vulnerable group) benefiting from the programme activities who have found employment or have established a business initiative (craft/trade/enterprise)
	Number of businesses still active 2 years of their establishment
	Percentage of unemployed who went through an internship or mentoring hired by the host enterprises
	Number of enterprises, trades, crafts and institutions accepting a continuing internship programme (out of which for vulnerable groups)
	Number of training curricula matching the needs of the labour market demand introduced and implemented in (vocational) education institutions (out of which certified by line Ministry) (out of which for vulnerable groups)
	Percentage of potential entrepreneurs (disaggregated by gender and type of vulnerable group) having been final beneficiaries of the actions create a business
	Percentage of increase in the turnover and sales of the enterprises being part of the scheme
	Percentage of students who have finished a VET course finding a job within one year after graduation
<b>OUTCOME INDICATORS</b>	<b>Number of private and/or public sector operators developing possibilities and conditions for practical training of unemployed (to be disaggregated by type of operator and their beneficiary – gender and type of vulnerable group, if applicable)</b>
	Number of new career counselling services offered
	Number of new/improved products, services, complementary courses (e.g. e-learning), industrial and commercial processes implemented (to be disaggregated)
	Increased satisfaction of trainees with the new/improved complementary courses
	Increased satisfaction of users/clients with the new/improved services
	Number of new business established as a result of the call
	Number of training courses developed and/or certified for continuity meeting the demands of the labour market (out of which for vulnerable groups)
	Number of participants in common education and training schemes to combat unemployment (to be disaggregated by gender and type of vulnerable group)
	Number of new employment and career information centres established
	Number of new jobs created in the enterprises which received assistance from the scheme (to be disaggregated by gender and type of vulnerable group)
	<b>Number of companies in which operations, products and/or processes were improved through joint initiatives</b>
	Number of participants with increased employability and employment competences (to be disaggregated by gender and type of vulnerable group)
	Number of new programmes for increasing employability (especially of vulnerable groups) implemented
	Number of enterprises involved in cooperation with education institutions for creating adequate training curricula
	Number of participants managing to find employment thanks to new skills and competences acquired
	Number of people employed as a consequence of development of new programmes and services



	Number of internships carried out
	<b>Number of events organised for the integration and employability of vulnerable groups</b>
	Number of participants of these events (to be disaggregated by gender and type of vulnerable group)
	Number of teachers and social services staff participating in the implementation of these operations in favour of vulnerable groups
	Number of training curricula matching needs of labour market demand introduced in (vocational) education institutions
	Number of partnerships including research and development institutions, individual innovators and young university graduates (to be disaggregated by type of partnership)
	Number of new digital platforms operationalized for employment policy
	Number of policy papers on active labour market measures adopted
<b>OUTPUT INDICATORS</b>	Number of organisations cooperating in this type of initiatives (to be disaggregated per type of organisation)
	Number of inter-sectoral (local authorities-CSOs-private sector-public agencies-research and educational institutions) partnerships implementing this type of initiatives
	Number of events organised (to be disaggregated by type of event)
	Number of participants at these events
	Number of new/improved VET services and courses (e.g. e-learning) developed
	Number of research studies on active labour market measures developed
	Number of new/improved services and complementary courses (e.g. e-learning) developed
	Number of curricula for employment and/or employability developed
	Number of people involved in self-employment initiatives
	<b>Number of persons obtaining new practical skills which directly contribute to their employability (to be disaggregated)</b>
	Number of trainings, internships and mentoring support services delivered
	<b>Number of seminars/workshops supporting new business opportunities of unemployed, including social entrepreneurship activities (out of which for vulnerable groups)</b>
	Number of internships supporting new business opportunities of unemployed, including social entrepreneurship activities (out of which for vulnerable groups)
	Number of mentoring support services supporting new business opportunities of unemployed, including social entrepreneurship activities (out of which for vulnerable groups)
	Number of participants from vulnerable groups (long-term unemployed, people with disabilities, members of ethnic minorities, persons hard to place, etc.) in trainings, internships and mentoring services
	Number of new VET and life-long learning programmes for vulnerable groups developed
	Number of campaigns for self-employment carried out

Number of PCM trainings organised
Number of participants of these trainings
Number of business start-up packs (equipment and supplies) provided
Number of plans developed (to be disaggregated by type of plan)
Number of promotional activities conducted (to be disaggregated by type of activity)
Number of clusters established
Number of members of these clusters
Number of fairs visited
Number of participants at these fairs
Number of new/improved products, services, industrial and commercial processes developed (to be disaggregated)
Number of trainees in capacity building events
Number of participants in common education and training schemes to improve competitiveness
Number of persons (men, women, youth, long-term unemployed) obtaining new practical skills (both in VET programmes and internships) which directly contribute to their employability (to be disaggregated)
Number of training courses developed for continuity meeting the demands of the labour market
Number of seminars/workshops supporting new business opportunities of vulnerable groups, including social entrepreneurship activities
Number of new business development and employment generation initiatives, including social entrepreneurship, in favour of vulnerable groups supported
Number of databases of socio-economic actors developed
Number of stakeholders listed in these databases (to be disaggregated)
Number of new digital platforms developed for the implementation of employment policy
Number of policy papers on active labour market measures developed

**Programme specific objective 2.1 Improving sustainable environmental planning and promotion of biodiversity**

<b>IMPACT INDICATORS :</b>	Number of direct beneficiaries (disaggregated by gender and age) in urban and/or rural areas
	Percentage of population (disaggregated by gender and age) in the programme area having direct or indirect benefits as a result of the action undertaken
	Number of households benefiting from new and/or upgraded solid waste management systems
	Number of households benefiting from new and/or upgraded wastewater treatment systems
	Number of households benefiting from new and/or upgraded sewage systems
	Percentage (%) increase of the solid waste collected for recycling

	Number of recycling yards established by the programme's actions still active two years after their completion
	Savings (percentage reduction) in the use of water by households and businesses
	Number of platforms for the protection of these catchment areas and the promotion of their biodiversity up and running beyond the programme's action
	Percentage of the population (disaggregated by gender and age) in the eligible area made aware of the sustainable use of natural resources and environment
	At least one harmonised environmental education curriculum and/or an extra-curricular programme introduced in secondary education institutions in the participating countries
	Number of CBC agreements and/or memorandums of understanding signed and entered into effect at local and/or regional level for nature protection
	Number of new sites meeting the NATURA 2000 standards
<b>OUTCOME INDICATORS :</b>	Number of public enterprises dealing with municipal solid waste management and/or wastewater treatment which have upgraded their actions
	Number of people being target of an awareness raising campaign on sustainable use of resources and/or a cleaner environment
	Technically more accurate and regular controls on the levels of air, water and/or soil pollution in urban, rural and/or industrial areas
	Number of people being target of an awareness raising campaign as regards the implementation of environmental standards in solid waste management
	Number of people being target of an awareness raising campaign as regards the implementation of environmental standards in wastewater management
	Number of people being target of an awareness raising campaign as regards the implementation of environmental standards in sewage management
	Number of palliative measures undertaken following the publication of monitoring data
	Percentage of increase in the amount of recycled solid waste
	Total surface area of rehabilitated land
	Additional population (disaggregated by gender and age) served by an improved solid waste system
	Additional population (disaggregated by gender and age) served by an improved wastewater treatment
	Additional population (disaggregated by gender and age) served by an improved sewage system
	Number of participants (disaggregated by gender and age) taking part in communication and visibility events
	Percentage of participants (disaggregated by gender and age) with respect to the target population taking part in communication and visibility events
	Number of people being target of an awareness raising campaign as regards environmental issues and biodiversity of these catchment areas
	Technically more accurate and regular controls on the levels of air, water and/or soil pollution in urban, rural and/or industrial areas along the catchment
	Total number of kilometres along the catchment areas encompassed by the action

	Additional population (disaggregated by gender and age) served by improved solid waste management systems
	Additional population (disaggregated by gender and age) served by improved wastewater treatment systems
	Additional population (disaggregated by gender and age) served by improved sewage management systems
	Number of participants (disaggregated by gender and age) taking part in communication and visibility events
	Percentage of participants (disaggregated by gender and age) with respect to the target population taking part in communication and visibility events
	Number of palliative measures undertaken following the publication of monitoring data
	Number of endangered natural sites which became protected
	Number of water, soil and/or air polluters registered in the records of the competent environmental agency
<b>OUTPUT INDICATORS :</b>	Number of site cleaning action plans developed
	Number of pollution hot spots identified
	Number of illegal dumping sites closed and/or removed
	Number of awareness raising campaigns on sustainable use of resources and/or a cleaner environment carried out
	Number of awareness raising campaigns on implementation of environmental standards in solid waste management
	Number of awareness raising campaigns on implementation of environmental standards in wastewater management
	Number of awareness raising campaigns on implementation of environmental standards in sewage system management
	Number of improved and/or implemented value chains
	Number of solid waste management systems enhanced
	Number of wastewater management systems enhanced
	Number of sewage management systems enhanced
	Number of publicity events organized for the action's promotion
	Number of investment plans developed for solid waste management systems
	Number of investment plans developed for wastewater management systems
	Number of investment plans developed for sewage management systems
	Number of common and/or compatible environmental monitoring systems developed and implemented
	Surface area covered by common environmental monitoring systems and/or common monitoring initiatives
	Number of public utility companies' staff dealing with solid waste management benefiting from capacity building
	Number of public utility companies' staff dealing with wastewater management benefiting from capacity building

	Number of public utility companies' staff dealing with sewage management benefiting from capacity building
	Number of public/private partnerships established to deal with solid waste management
	Number of public/private partnerships established to deal with wastewater management
	Number of pilot demonstration initiatives implemented promoting higher environmental protection standards
	Number of inter-municipal and/or regional solutions developed for solid waste management
	Number of inter-municipal and/or regional solutions developed for wastewater treatment
	Number of inter-municipal and/or regional solutions developed for sewage management
	Number of pre-feasibility reports drafted regarding investments on solid waste management
	Number of pre-feasibility reports drafted regarding investments on wastewater treatment
	Number of pre-feasibility reports drafted regarding investments on sewerage
	Number of new recycling yards planned and/or established
	Number of initiatives contributing to the upgrading of the environmental situation and promotion of biodiversity
	Number of action plans on sustainable use of natural resources and/or environmental protection
	Number of newly identified water, soil and/or air polluters
	Number of illegal dumping sites closed and/or removed
	Number of publicity events organized for the action's promotion
	Number of investment plans developed for solid waste management systems
	Number of investment plans developed for wastewater management systems
	Number of investment plans developed for sewage management systems
	Number of investment plans developed for protecting biodiversity
	Number of investment plans developed for soil stability
	Number of investment plans developed for promoting ecosystem services and green infrastructures
	Number of common and/or compatible environmental monitoring systems developed and implemented
	Surface area covered by common environmental monitoring systems and/or common monitoring initiatives
	Number of common management plans for nature protected areas developed
	Number of bio-diversity and geo-diversity maps developed
	Number of assessments on endemic and endangered species
	Number of awareness raising campaigns on environmental issues and biodiversity of these catchment areas carried out

Number of sensitive eco-systems addressed by actions designed to protect them
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**Programme specific objective 2.2. Improving the management system for emergency interventions**

<b>IMPACT INDICATORS</b>	Number of direct beneficiaries involved (disaggregated by gender, age and any other relevant social feature)
	Percentage of population in the programme area benefitting from emergency preparedness and risk prevention measures (directly or indirectly)
	Number of strategies and action plans adopted on prevention and mitigation of manmade hazards and natural disasters
	Number of cross-border teams established and empowered to deal with emergency situations
	Percentage of decrease in response time of the emergency services confronted with a crisis caused by man-made hazards and natural disasters
	Size of the area (in ha) covered by the new preventive measures against the consequences of manmade hazards and natural disasters
	Number of people employed in departments for fighting against the consequences of manmade hazards and natural disasters
<b>OUTCOME INDICATORS</b>	Number of local communities being beneficiaries of capacity building activities on prevention and mitigation of manmade hazards and natural disasters
	Population encompassed by the awareness campaigns for prevention and mitigation of manmade hazards and natural disasters
	Number of new or upgraded planning, action, information, coordination and notification systems to prevent and mitigate the consequence of manmade hazards and natural disasters at local and central level
	Number of new special departments created at local level for fighting against the consequences of man-made hazards and natural disasters (particularly floods)
	Number of press releases, TV, radio programmes on emergency preparedness
	Number of emergency services from both sides of the border with increased capacities through joint initiatives
	Number of ordinary citizens with increased competence related to emergency preparedness and risk management and adaptation action
	Number of joint risk management measures included in the routine of relevant bodies in the cross-border area
	Number of staff from emergency services who have attended capacity building events and their equipment upgraded
	Population encompassed by the awareness campaigns for prevention and mitigation of floods
	Number of local communities being beneficiaries of capacity building activities on prevention and mitigation of floods
<b>OUTPUT INDICATORS</b>	Number of organisations cooperating in this type of initiatives (to be disaggregated per type of organisation)
	Number of inter-sectoral (local authorities-CSOs-private sector-public agencies-research and educational institutions) partnerships implementing this type of initiatives

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Number of trainings and capacity building events for emergency services organised for prevention, rescue and recovery actions
Number of participants at these events
Number of awareness campaigns on prevention and mitigation of floods
Number of investment plans addressing the consequences of man-made hazards and natural disasters (particularly floods)
Number of capacity building events for emergency services' staff on floods and post-flood situations according to international standards

The contracting authority will discuss with the would-be beneficiaries the **indicators** included in their application form and eventually agree upon their revision prior to the contract signature. This is meant to improve the quality of the project indicators to capture the outcomes at the level of overall objective, specific objective(s) and results.

Applicants are advised that according to the provisions of the Article 4.3 of the special conditions of the grant contract they will quarterly have to report on the achievement of indicators to the JTS of the programme. These reports will be submitted at regular intervals on 31 March, 30 June, 30 September and 31 December every year and then upon the submission of the final report.

**Baseline data surveys:** All applicants will have to devote some time and resources while preparing their application to collect statistics from relevant bodies or conduct surveys by their own in order to determine the baseline data of their indicators. Expenses such as these, related to the preparation of the application, are ineligible. However, during the period of implementation of the action, the expertise costs associated to the launch of surveys (particularly recommendable for qualitative indicators) and the collection and analysis of statistics to refine or amend the baseline data of the operation indicators may be eligible. The contracting authority strongly recommends that the applicants envisage an amount in the budget for this purpose.

### Location

Actions or operations must have as final beneficiaries the population of the programme area. They must take place in one or more of the following territorial units:

#### 1. For Republic of Serbia:

- Sremski District: Sremska Mitrovica, Šid, Indija, Irig, Ruma, Stara Pazova, Pećinci;
- Mačvanski District: Šabac, Bogatić, Loznica, Vladimirci, Koceljevo, Mali Zvornik, Krupanj, Ljubovija;
- Zlatiborski District: Bajina Bašta, Kosjerić, Užice, Požega, Čajetina, Arilje, Priboj, Nova Varoš, Prijepolje, Sjenica
- Kolubarski District: Valjevo, Osečina, Ub, Lajkovac, Mionica and Ljig

#### 2. For Bosnia and Herzegovina:

Brčko District, Gradačac, Doboj Istok, Gračanica, Srebrenik, Čelić, Lopare, Ugljevik, Donji Žabar, Domaljevac-Šamac, Modriča, Odžak, Osmaci, Banovići, Bijeljina, Brod, Bratunac, Han Pijesak, Kalesija, Kladanj, Šekovići, Lukavac, Milići, Orašje, Pelagićevo, Petrovo, Sapna, Srebrenica, Šamac, Teočak, Tuzla, Vlasenica, Vukosavlje, Zvornik, Živinice, Trnovo RS, Istočna Ilidža, Istočno Novo Sarajevo, Vogošća, Istočni Stari Grad, Vareš, Visoko, Fojnica, Višegrad, Rogatica, Sokolac, Pale, Pale Prača (FBiH), Novo Goražde, Rudo, Čajniče, Goražde, Foča Ustikolina (FBiH), Foča, Kalinovik, Trnovo, Hadžići, Ilidža, Novi

Grad Sarajevo, Stari Grad Sarajevo, Ilijaš, Breza, Kiseljak, Kreševo, Olovo, Sarajevo Centar and Novo Sarajevo.

### Types of action

Actions or operations selected under this cross-border cooperation programme shall deliver clear cross-border impacts and benefits, that is, they must:

- take place in the specific programme area of Republic of Serbia and Bosnia and Herzegovina;
- have cross-border impacts and benefits in parts of the programme area of Republic of Serbia and Bosnia and Herzegovina;
- foresee cooperation of the cross-border applicant and co-applicant(s) in both:
  - joint development: applicant and co-applicant(s) cooperate in designing the action, filling in a joint application form and drawing up their respective budget;
  - joint implementation: grant beneficiaries coordinate, in the frame of the operation, their activities across the border, and carry out most of the project activities together and not as independent, unrelated, mechanically reproduced and country-bound initiatives;
- foresee cooperation of the cross-border applicant and co-applicant(s) in either:
  - joint staffing: staff on both sides of the border act as one project team (e.g. some staffers carry out their duties for all entities in the partnership: procurement, financial management, overall coordination, training planning, etc.); or
  - joint financing: activities are financed by the applicant's and co-applicant(s)'s own budget;
  - or both joint staffing and financing.

Briefly, following the joint development of an operation by at least two cross-border partners, **full cross-border cooperation would mean the joint implementation and financing of activities by the partners resulting in the intensification of neighborly relations, sustainable partnerships for socio-economic development and/or the removal of obstacles to this development.**

The following types of action are ineligible:

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences and congresses;
- actions concerned only or mainly with individual scholarships for studies or training courses or research;
- actions aimed at the upgrading of infrastructure and equipment in privately owned facilities;
- preparatory studies or preparation of preliminary design for works to be carried out within the project;
- actions without a real cross-border impact;
- actions linked to political parties;



- actions including commercial and profit-making activities<sup>9</sup>;
- actions which fall within the general activities of competent state institutions or state administration services, including local government;
- actions confined to charitable donations;
- actions covered and financed by other EU funded programmes.

#### Types of activity

Indicative types of activities which may be financed under this call for proposals are given below. The following list is not exhaustive and appropriate innovative activities that are not mentioned below may also be considered for financing when they can clearly contribute to the achievement of the call's specific objectives and results. By way of illustration applications could contain a range of the following activities in relation to the programme's results targeted in the call:

#### **Result 1.1.1: New products and services, as well as industrial and commercial processes, thanks to transfer of knowledge and innovativeness, result in new sustainable employment opportunities in the cross-border area:**

- Joint business development activities
- Joint development of new products and services
- Networking of businesses with external innovators, researchers and graduates

#### **Result 1.1.2: Increased competitiveness in the commercialisation of products and services by a common use of resources in strategic sectors (e.g. wood manufacturing, food processing and metal works):**

- Certification and improvement of quality systems
- Branding of products and services
- Small infrastructure works and procurement of equipment

#### **Result 1.1.3: Unemployed persons obtained new practical skills in real working environments, based on the labour market demand and similarities at both sides of the border:**

- Development and implementation of vocational training programmes for answering concrete and proven needs
- Practical training in real working environment (private or public sector operators)

#### **Result 2.1.1: The effectiveness of public services and practices in relation to solid waste and wastewater management are enhanced through joint initiatives at both sides of the border**

- Upgrading of physical facilities and equipment of public utility companies;

- Upgrading of the existing procedures of the public services dealing with solid waste and wastewater management, including public utility companies and environmental inspection;
- Cleaning and remediation of unsanitary landfills.

**Result 2.1.2: The protection of the Drina and Sava river catchment areas and the promotion of their biodiversity is fostered**

- Analysis and awareness raising on water pollution sources such as in agricultural practices;
- Informing and building capacities of citizens and companies for sustainable conduct in solid waste and water protection areas;
- Creating administrative and spatial conditions for the sustainable management of solid waste and wastewater;
- Training events and capacity building of public utility companies' staff;

**Result 2.2.1: The capacity for preparedness, prevention and response of all organisations/institutions in the protection and rescue system in the cross-border area are strengthened on long term :**

- Training and capacity building of civil protection and other emergency services, particularly on flood and post flood situations, according to international standards
- Small infrastructure works and procurement of equipment
- Exchange of experiences and best practice, and networking
- Development and/or upgrading of the planning, action, information, coordination and notification systems in relation to the prevention and mitigation of natural disasters and emergency management in central and/or local level
- Raising the awareness and capacity of the local communities to respond in emergency situations.

Financial support to third parties<sup>10</sup>

Applicants may not propose financial support to third parties. In other words, sub-granting is not allowed under this call for proposals.

Visibility

The applicants must take all necessary steps to publicise the fact that the European Union has financed or co-financed the action. As far as possible, actions that are wholly or partially funded by the European Union must incorporate information and communication activities designed to raise the awareness of specific or general audiences of the reasons for the action and the EU support for the action in the country or region concerned, as well as the results and the impact of this support.

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<sup>10</sup> These third parties are neither affiliated entity(ies) nor associates nor contractors.

Applicants must comply with the objectives and priorities and guarantee the visibility of the EU financing (see the Communication and Visibility Manual for EU external actions specified and published by the European Commission at [http://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions\\_en](http://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions_en)).

#### Number of applications and grants per applicants / affiliated entities

The lead applicant may not submit more than 1 application per specific objective under this call for proposals.

The lead applicant may not be awarded more than 1 grant under this call for proposals<sup>11</sup>.

The lead applicant may not be a co-applicant or an affiliated entity in another application at the same time under this call for proposals.

A co-applicant/affiliated entity may not be the co-applicant or affiliated entity in more than 2 application(s) under this call for proposals.

A co-applicant/affiliated entity may not be awarded more than 1 grant(s) under this call for proposals.<sup>12</sup>

#### ***2.1.5. Eligibility of costs: costs that can be included***

Only 'eligible costs' can be covered by a grant. The categories of costs that are eligible and non-eligible are indicated below. The budget is both a cost estimate and an overall ceiling for 'eligible costs'.

The reimbursement of eligible costs may be based on any or a combination of the following forms:

- financing not linked to costs of the relevant operations based on:
  - (i) either the fulfilment of conditions set out in sector specific legislation or Commission Decisions;
  - or
  - (ii) the achievement of results measured by reference to the previously set milestones or through performance indicators;
- actual costs incurred by the beneficiary(ies) and affiliated entity(ies);
- one or more simplified cost options.

Simplified cost options may take the form of:

- **unit costs:** covering all or certain specific categories of eligible costs which are clearly identified in advance by reference to an amount per unit.
- **lump sums:** covering in global terms all or certain specific categories of eligible costs which are clearly identified in advance.

<sup>11</sup> In a case of more than two project proposals by the same Legal Entity (Lead applicant, co-applicant or affiliated entity) placed on respective lists for financing the award criteria will be better overall score of the project proposals, regardless of the ranking position on the particular list for financing.

<sup>12</sup> In a case where the lead applicants are different and co-applicant is the same, award criteria will be better overall score of the project proposals, regardless of the ranking position on the particular list.

- **flat-rate financing:** covering specific categories of eligible costs which are clearly identified in advance by applying a percentage fixed ex ante.

Simplified costs options (SCOs) are divided in two categories:

1/ "output or result based SCOs": this category includes costs linked to outputs, results, activities, deliverables in the framework of a specific project (for example the determination of a lump sum for the organization of a conference, or for the realisation of a determined output/activity). Where possible and appropriate, lump sums, unit costs or flat rates shall be determined in such a way to allow their payment upon achievement of concrete outputs and/or results. This type of SCO can be proposed by the Beneficiary (no threshold is applicable) at proposal's stage. In case the evaluation committee and the contracting authority are not satisfied with the quality of the justification provided reimbursement on the basis of actually incurred costs is always possible.

2/ "other/recurrent SCOs". This second category entails simplified cost options embedded in the cost accounting practices of the beneficiary, for which an ex-ante assessment is deemed necessary, considering the need of a consistent application of the conditions required. Examples are: an additional percentage on actual salaries to cover remuneration-related costs or the use of an allocation method to apportion costs of a project office foreseen in the Description of the Action. In order the use of systemic/recurrent SCOs, the beneficiary's cost accounting practices need to have been positively assessed by an audit firm based on standard ToRs provided by the Commission. To obtain reimbursement of this category of SCOs, the beneficiary shall make reference to the previously obtained ex-ante assessment in the budget justification sheet (annex B).

The amounts or rates have to be based on estimates using objective data such as statistical data or any other objective means or with reference to certified or auditable historical data of the applicants or the affiliated entity(ies). Determining SCO is possible also through 'expert judgement' provided by internally available experts or procured in accordance with the applicable rules. Experts must be either commissioned auditors or chartered accountants, or staff of the Commission but cannot be staff of the beneficiary. The methods used to determine the amounts or rates of unit costs, lump sums or flat-rates must comply with the criteria established in Annex K, and especially ensure that the costs correspond fairly to the actual costs incurred by the beneficiary(ies) and affiliated entity(ies), are in line with their cost accounting practices, no profit is made and the costs are not already covered by other sources of funding (no double funding). Refer to Annex K for the details of the procedure to be followed depending on the type and amount of the costs to be declared as SCO.

Applicants proposing this form of reimbursement, must clearly indicate in worksheet no.1 of Annex B, each heading/item of eligible costs concerned by this type of financing, i.e. add the reference in capital letters to 'UNIT COST' (per month/flight etc.), 'LUMPSUM', 'FLAT RATE' in the Unit column (see example in Annex K).

Additionally in Annex B, in the second column of worksheet no.2, 'Justification of the estimated costs' per each of the corresponding budget item or heading applicants must:

- describe the information and methods used to establish the amounts of unit costs, lump sums and/or flat-rates, to which costs they refer, etc for output or result based SCO.
- clearly explain the formulas for calculation of the final eligible amount for output or result based SCO<sup>13</sup>
- make reference to the previously obtained ex-ante assessment for other/recurrent SCOs.

<sup>13</sup> Examples:- for staff costs: number of hours or days of work \* hourly or daily rate pre-set according to the category of personnel concerned;- for travel expenses: distance in km \* pre-set cost of transport per km; number of days \* daily allowance pre-set according to the country;- for specific costs arising from the organization of an event: number of participants at the event \* pre-set total cost per participant etc.

In case of output or result based SCOs the evaluation committee and the contracting authority decide whether to accept the proposed amounts or rates on the basis of the provisional budget submitted by the applicants, by analysing factual data of grants carried out by the applicants or of similar actions. In case the evaluation committee and the contracting authority are not satisfied with the quality of the justification provided reimbursement on the basis of actually incurred costs is always possible.

No threshold is set ex-ante for the total amount of financing that can be authorised by the contracting authority on the basis of simplified cost options. Other/recurrent SCOs can be declared only if previously successfully ex-ante assessed.

Recommendations to award a grant are always subject to the condition that the checks preceding the signing of the grant contract do not reveal problems requiring changes to the budget (such as arithmetical errors, inaccuracies, unrealistic costs and ineligible costs). The checks may give rise to requests for clarification and may lead the contracting authority to impose modifications or reductions to address such mistakes or inaccuracies. It is not possible to increase the grant or the percentage of EU co-financing as a result of these corrections.

It is therefore in the applicants' interest to provide a **realistic and cost-effective budget**.

The grant may take the form of a single lump-sum covering the entire eligible costs of an action or a work programme.

Single lump sums may be determined on the basis of the estimated budget, which should comply with the principles of economy, efficiency and effectiveness. Compliance with these principles shall be verified ex ante at the time of evaluation of the grant application.

When authorising single lump sums the authorising officer responsible shall comply with the conditions applicable to output or result based SCOs.

When using this form of financing, the description of the action shall include detailed information on the essential conditions triggering the payment, including, where applicable, the achievement of outputs and/or results.

The responsible authorising officer may consider that the usual cost accounting practices of the beneficiary are compliant with the conditions applicable to simplified cost options, if they are accepted by national authorities under comparable funding schemes. In this case the grant beneficiary shall demonstrate that the national authority accepted the cost accounting practices and will have to specify in which context this acceptance is given.

The evaluation committee and the contracting authority will assess if the funding scheme is comparable and in case of positive outcome will consider these practices as if they were ex-ante assessed by an external auditor.

#### Eligible direct costs

To be eligible under this call for proposals, costs must comply with the provisions of Article 14 of the general conditions to the standard grant contract (see Annex G of the guidelines).

**NOTE : The total costs for Human Resources (Budget Heading 1) and Local Office (Budget Heading 4) must not exceed the 30% of the total eligible costs.**

**Salary costs of the personnel of national, regional or local administrations, as well as those of other publicly owned or controlled institutions or enterprises, may be eligible to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the action or operation were not undertaken.**

**This personnel shall not receive for the engagement in the project activities any other remuneration than their standard, regular salaries in their respective institutions.**

**The total sum of the salaries of this personnel shall not exceed the amount of co-financing provided by the applicant, co-applicant(s) and affiliated entity(ies).**

Prior to the signature of a grant contract, the contracting authority may require from the relevant beneficiaries the appointment of these staffers by their authorised representative in writing (indicating their names, project function and gross salaries).

Please note that all of the above explanatory text does not apply to professional staff recruited by the national, regional or local administrations, as well as other publicly owned or controlled institutions or enterprises, for the sole purpose of managing this project resulting from the grant award.

Potential applicants are also reminded that assessment of the operational capacities will be focused on in-house expertise, which is reflected in assessment grids

Applicants are reminded that in contracts where the EU grant exceeds €100,000 they must include in the budget the cost of an audit or expenditure verification carried out by an independent auditor before submitting the final financial report of the action. All grant contract requiring such an audit or expenditure verification will have the Annex G.VII referred in the list of annexes.

Visibility costs: as the grant beneficiaries will have to respect the programme requirements on visibility (please see Section 2.1.4 above), and as visibility can be instrumental for the sustainability of an action, the contracting authority strongly recommends that as a general rule applicants envisage an amount of at least 1 % of the total eligible costs for visibility purposes.

#### Contingency reserve

The budget may include a contingency reserve not exceeding 5 % of the estimated direct eligible costs. It can only be used with the **prior written authorisation** of the contracting authority.

#### Eligible indirect costs

The indirect costs incurred in carrying out the action may be eligible for flat-rate funding, but the total must not exceed 7 % of the estimated total eligible direct costs. Indirect costs are eligible provided that they do not include costs assigned to another budget heading in the standard grant contract. The lead applicant may be asked to justify the percentage requested before the grant contract is signed. However, once the flat rate has been fixed in the special conditions of the grant contract, no supporting documents need to be provided.

If any of the applicants or affiliated entity(ies) is in receipt of an operating grant financed by the EU, it may not claim indirect costs on its incurred costs within the proposed budget for the action.

#### Contributions in kind

Contributions in kind mean the provision of goods or services to beneficiaries or affiliated entities free of charge by a third party. As contributions in kind do not involve any expenditure for beneficiaries or affiliated entities, they are normally not eligible costs.

As an exception, contributions in kind may include personnel costs for the work carried out by volunteers under an action or work programme (which are eligible costs).

Volunteers' work may comprise up to 50 % of the co-financing. For the purposes of calculating this percentage, contributions in kind in the form of volunteers' work must be based on the unit cost provided by the contracting authority. This type of costs must be presented separately from other eligible costs in the estimated budget. The value of the volunteer's work must always be excluded from the calculation of indirect costs.

When the estimated costs include volunteers' work, the grant shall not exceed the estimated eligible costs other than the costs for volunteers' work.

Other co-financing shall be based on estimates provided by the applicant.

Contributions in kind may not be treated as co-financing.

However, if the description of the action as proposed includes contributions in kind, the contributions have to be made.

### Ineligible costs

According to the provisions of Article 43(2) of Commission implementing regulation (EU) No 447/2014 of 2 May 2014 and those of Article 6 of the General Conditions of the Financing Agreements for the yearly allocations of the programme, the following expenditures **are not eligible**<sup>14</sup> for a contribution from IPA II:

- value added tax (VAT) except when it is non-recoverable under national VAT legislation;
- the decommissioning and the construction of nuclear power stations;
- investment to achieve the reduction of greenhouse gas emissions from activities falling under Annex I to Directive 2003/87/EC of the European Parliament and Council of 13 October 2003;
- the manufacturing, processing and marketing of tobacco and tobacco products;
- undertakings in difficulties as defined under Union State aid rules;
- investment in airport infrastructure unless related to environmental protection or accompanied by investment necessary to mitigate or reduce its negative environmental impact;
- debts and debt service charges (interest on debt);
- provisions for losses or potential future liabilities;
- cost declared by the beneficiaries and financed by another action or work programme receiving a Union grant;
- currency exchange losses;
- credits to third parties;
- fines, financial penalties and expenses of litigation;
- the purchase of land and existing buildings. However, by way of derogation, the purchase of land not built on and land built on in the amount up of to 10 % of the total eligible expenditure for the operation concerned shall be eligible for funding. For derelict sites and for those formerly in industrial use which comprise buildings, this limit shall be increased to 15 %. In exceptional and duly justified cases, this limit may be raised above the respective preceding percentages for operations concerning environmental conservation.

In addition, the following costs **are not eligible either**:

- consultant fees between the beneficiaries for services or work carried out within the project;

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<sup>14</sup> Depending on the amendments of the relevant regulations, the contracting authority could extent the list of ineligible costs

- remuneration of any kind for staff of any of the beneficiaries being hired as external experts or freelance consultants;
- taxes, customs and import duties and levies and/or charges having equivalent effect<sup>15</sup>.

## **Ethics clauses and Code of Conduct**

### a) Absence of conflict of interest

The applicant must not be affected by any conflict of interest and must have no equivalent relation in that respect with other applicants or parties involved in the actions. Any attempt by an applicant to obtain confidential information, enter into unlawful agreements with competitors or influence the evaluation committee or the contracting authority during the process of examining, clarifying, evaluating and comparing applications will lead to the rejection of its application and may result in administrative penalties according to the Financial Regulation in force.

### b) Respect for human rights as well as environmental legislation and core labour standards

The applicant and its staff must comply with human rights. In particular and in accordance with the applicable act, applicants who have been awarded contracts must comply with the environmental legislation including multilateral environmental agreements, and with the core labour standards as applicable and as defined in the relevant International Labour Organisation conventions (such as the conventions on freedom of association and collective bargaining; elimination of forced and compulsory labour; abolition of child labour).

#### **Zero tolerance for sexual exploitation and sexual abuse:**

The European Commission applies a policy of 'zero tolerance' in relation to all wrongful conduct which has an impact on the professional credibility of the applicant.

Physical abuse or punishment, or threats of physical abuse, sexual abuse or exploitation, harassment and verbal abuse, as well as other forms of intimidation shall be prohibited.

### c) Anti-corruption and anti-bribery

The applicant shall comply with all applicable laws and regulations and codes relating to anti-bribery and anti-corruption. The European Commission reserves the right to suspend or cancel project financing if corrupt practices of any kind are discovered at any stage of the award process or during the execution of a contract and if the contracting authority fails to take all appropriate measures to remedy the situation. For the purposes of this provision, 'corrupt practices' are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or execution of a contract already concluded with the contracting authority.

### d) Unusual commercial expenses

<sup>15</sup> Please see Article 28(1) of the IPA II framework agreement



Applications will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a payee who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

Grant beneficiaries found to have paid unusual commercial expenses on projects funded by the European Union are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from receiving EU/EDF funds.

e) Breach of obligations, irregularities or fraud

The contracting authority reserves the right to suspend or cancel the procedure, where the award procedure proves to have been subject to breach of obligations, irregularities or fraud. If breach of obligations, irregularities or fraud are discovered after the award of the contract, the contracting authority may refrain from concluding the contract.

## 2.2. HOW TO APPLY AND THE PROCEDURES TO FOLLOW

Information in PADOR will not be drawn upon in the present call.

### 2.2.1. *Application forms*

Applications must be submitted in accordance with the instructions on the concept note and the full applications in the grant application form annexed to these guidelines (Annex A).

**Applicants must apply in English.**

Any error or major discrepancy related to the points listed in the instructions on the concept note or any major inconsistency in the application e.g. if the amounts in the budget worksheets are inconsistent) may lead to the rejection of the application.

Clarifications will only be requested when the information provided is unclear and thus prevents the Contracting Authority from conducting an objective assessment.

Hand-written applications will not be accepted.

Please note that only the grant application form and the published annexes which have to be filled in (budget, logical framework) will be evaluated. It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action.

**With the application the lead applicant also has to submit completed organisation data forms (Annex F) for the lead applicant, each (if any) co-applicants and each (if any) affiliated entities.**

No additional annexes should be sent.

### 2.2.2. *Where and how to send applications*

Applications must be submitted in 1 (one) original and 3 (three) copies in A4 size, each bound.

The complete application form (Part A: concept note and Part B: full application form), budget and logical framework must also be supplied in electronic format (CD-ROM or a USB stick) in a separate and single file

(i.e. the application must not be split into several different files). The electronic file must contain **exactly the same** application as the paper version enclosed.

The checklist (Section 7 of Part B of the grant application form) and the declaration by the lead applicant (Section 8 of Part B of the grant application form) must be stapled separately and enclosed in the envelope.

Where a lead applicant sends several different applications (if allowed to do so by the guidelines of the call), each one has to be sent separately.

The outer envelope must bear the **reference number and the title of the call for proposals**, together with number and title of the specific objective of the call, the full name and address of the lead applicant, and the words 'Not to be opened before the opening session' and 'Ne otvarati pre početka sastanka za otvaranje projektnih predloga'.

Applications must be submitted in a sealed envelope by registered mail, private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) at the address below:

Postal address

Ministry of Finance  
Department for Contracting and Financing of EU Funded Programmes (CFCU)  
Division for Tender Evaluation and Contracting  
3-5, Sremska Str, VII floor/office 701  
11000 Belgrade, Republic of Serbia

Address for hand delivery

Ministry of Finance  
Department for Contracting and Financing of EU Funded Programmes (CFCU)  
Division for Tender Evaluation and Contracting  
3-5, Sremska Str, VII floor/office 701  
11000 Belgrade, Republic of Serbia

Applications sent by any other means (e.g. by fax or by e-mail) or delivered to other addresses will be rejected.

**Lead applicants must verify that their application is complete using the checklist (Section 7 of Part B of the grant application form). Incomplete applications may be rejected.**

### ***2.2.3. Deadline for submission of applications***

The applicants' attention is drawn to the fact that there are two different systems for sending applications/full proposals: one is by post or private courier service, the other is by hand delivery.

In the first case, the application/full proposal must be sent before the date for submission, as evidenced by the postmark or deposit slip, but in the second case it is the acknowledgment of receipt given at the time of the delivery of the application/full proposal which will serve as proof.

The deadline for the submission of applications is 21 February 2020 as evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at 21 February 2020, before -15:00 hours, as evidenced by the signed and dated receipt. Any application submitted after the deadline will automatically be rejected.

The contracting authority may, for reasons of administrative efficiency, reject any application submitted on time to the postal service but received, for any reason beyond the contracting authority's control, after the

effective date of approval of the first evaluation step (i.e. concept note), if accepting applications that were submitted on time but arrived late would considerably delay the award procedure or jeopardise decisions already taken and notified. (see indicative calendar under Section 2.5.2).

#### **2.2.4. Further information about applications**

Information sessions on this call for proposals will be held in Republic of Serbia and Bosnia and Herzegovina. The dates, time and location of these sessions will be announced within 15 days of the publication of this call for proposals, on:

- The programme website <http://srb-bih.org>
- The website of the contracting authority <http://www.cfcu.gov.rs>
- The website of DG International Cooperation and Development <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>

Questions may be sent by e-mail [or by fax] no later than 21 days before the deadline for the submission of applications to the below address(es), indicating clearly the reference of the call for proposals:

E-mail address: [cfcu.questions@mfin.gov.rs](mailto:cfcu.questions@mfin.gov.rs)

The contracting authority has no obligation to provide clarifications to questions received after this date.

Replies will be given no later than 11 days before the deadline for the submission of applications.

To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities.

No individual replies will be given to questions. All questions and answers as well as other important notices to applicants during the course of the evaluation procedure will be published on the website of DG International Cooperation and Development <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome> and the website of the contracting authority <http://www.cfcu.gov.rs> and that of the programme <http://srb-bih.org>, as the need arises. It is therefore advisable to consult the abovementioned websites regularly in order to be informed of the questions and answers published.

### **2.3. EVALUATION AND SELECTION OF APPLICATIONS**

Applications will be examined and evaluated by the contracting authority with the possible assistance of external assessors. All applications will be assessed according to the following steps and criteria.

If the examination of the application reveals that the proposed action does not meet the eligibility criteria stated in Section 2.1, the application will be rejected on this sole basis.

## (1) STEP 1: OPENING & ADMINISTRATIVE CHECKS AND CONCEPT NOTE EVALUATION

During the opening and administrative check the following will be assessed:

- If the deadline has been met. Otherwise, the application will be automatically rejected.
- If the application satisfies all the criteria specified in the checklist in Section 7 of Part B of the grant application form. This includes also an assessment of the eligibility of the action. If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The concept notes that pass this check will be evaluated on the relevance and design of the proposed action.

The concept notes will receive an overall score out of 50 using the breakdown in the evaluation grid below. The evaluation will also check on compliance with the instructions on how to complete the concept note, which can be found in Part A of the grant application form.

The evaluation criteria are divided into headings and subheadings. Each subheading will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

### Scores\*

1. Relevance of the action	Sub-score	20
1.1 How relevant is the proposal to the objectives and priorities of the call for proposals and to the specific themes/sectors/areas or any other specific requirement stated in the guidelines for applicants? Are the expected results of the action aligned with the priorities defined in the guidelines for applicants (section 1.2)?	5	
1.2 How relevant is the proposal to the particular needs and constraints of the target country(ies), region(s) and/or relevant sectors (including synergy with other development initiatives and avoidance of duplication)?	5	
1.3 How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs and constraints been clearly defined and does the proposal address them appropriately?	5	
1.4 Does the proposal contain particular added-value elements (e.g. innovation, best practices)? <i>[and the other additional elements indicated under 1.2. of the guidelines for applicants]</i>	5	
2. Design of the action	Sub-score	30
2.1 How coherent is the overall design of the action?  Does the proposal indicate the expected results to be achieved by the action? Does the intervention logic explain the rationale to achieve the expected results?	5x2**	
2.2 Does the design reflect a robust analysis of the problems involved, and the capacities of the relevant stakeholders?	5	
2.3 Does the design take into account external factors (risks and assumptions)?	5	

2.4 Are the activities feasible and consistent in relation to the expected results (including timeframe)? Are results (output, outcome and impact) realistic?	5	
2.5 To which extent does the proposal integrate relevant cross-cutting elements such as environmental/climate change issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and rights of indigenous peoples, youth, combating HIV/AIDS (if there is a strong prevalence in the target country/region)?	5	
<b>TOTAL SCORE</b>		<b>50</b>

\* Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses more than the required minimum number of priorities as indicated in Section 1.2 (objectives of the programme) of these guidelines.

\*\*this score is multiplied by 2 because of its importance

Once all concept notes have been assessed, a list will be drawn up with the proposed actions ranked according to their total score.

Firstly, only the concept notes with a score of at least 30 will be considered for pre-selection.

Secondly, the number of concept notes will be reduced, taking account of the ranking per specific objective, to the number of concept notes whose total aggregate amount of requested contributions is equal to 250% of the available budget for this call for proposals. The amount of requested contributions of each concept note will be based on the indicative financial envelopes for each lot, where relevant.

After the evaluation of concept notes, the contracting authority will send letters to all lead applicants, indicating whether their application was submitted by the deadline, informing them of the reference number they have been allocated, whether the concept note was evaluated and the results of that evaluation. The evaluation committee will then proceed with the lead applicants whose proposals have been pre-selected.



## (2) STEP 2: EVALUATION OF THE FULL APPLICATION

Firstly, the following will be assessed:

- If the full application satisfies all the criteria specified in the checklist (Section 7 of Part B of the grant application form). This includes also an assessment of the eligibility of the action. If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The full applications that pass this check will be further evaluated on their quality, including the proposed budget and capacity of the applicants and affiliated entity(ies). They will be evaluated using the evaluation criteria in the evaluation grid below. There are two types of evaluation criteria: selection and award criteria.

**The selection criteria** help to evaluate the applicant(s)'s and affiliated entity(ies)'s operational capacity and the lead applicant's financial capacity and are used to verify that they:

- have stable and sufficient sources of finance to maintain their activity throughout the proposed action and, where appropriate, to participate in its funding (this only applies to lead applicants);
- have the management capacity, professional competencies and qualifications required to successfully complete the proposed action. This applies to applicants and any affiliated entity(ies).

**The award criteria** help to evaluate the quality of the applications in relation to the objectives and priorities set forth in the guidelines, and to award grants to projects which maximise the overall effectiveness of the call for proposals. They help to select applications which the contracting authority can be confident will comply with its objectives and priorities. They cover the relevance of the action, its consistency with the objectives of the call for proposals, quality, expected impact, sustainability and cost-effectiveness.

*Scoring:*

The evaluation grid is divided into Sections and subsections. Each subsection will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

## Evaluation grid

Section	Maximum Score
<b>1. Financial and operational capacity</b>	<b>20</b>
1.1 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in-house experience of project management?	5
1.2 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in-house technical expertise? (especially knowledge of the issues to be addressed)	5
1.3 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in-house management capacity? (Including staff, equipment and ability to handle the budget for the action)?	5
1.4 Does the lead applicant have stable and sufficient sources of finance?	5
<b>2. Relevance</b>	<b>20</b>
<i>Score transferred from the Concept Note evaluation</i>	
<b>3. Design of the action</b>	<b>15</b>
3.1 How coherent is the design of the action? Does the proposal indicate the expected results to be achieved by the action? Does the intervention logic explain the rationale to achieve the expected results? Are the activities proposed appropriate, practical, and consistent with the envisaged outputs and outcome(s)?	5
3.2 Does the proposal/Logical Framework include credible baseline, targets and sources of verification? If not, is a baseline study foreseen (and is the study budgeted appropriately in the proposal)?	5
3.3 Does the design reflect a robust analysis of the problems involved, and the capacities of the relevant stakeholders?	5
<b>4. Implementation approach</b>	<b>15</b>
4.1 Is the action plan for implementing the action clear and feasible? Is the timeline realistic?	5
4.2 Does the proposal include an effective and efficient monitoring system? Is there an evaluation planned (previous, during or/and at the end of the implementation)?	5
4.3 Is the co-applicant(s)'s and affiliated entity(ies)'s level of involvement and participation in the action satisfactory?	5
<b>5. Sustainability of the action</b>	<b>15</b>
5.1 Is the action likely to have a tangible impact on its target groups?	5



5.2 Is the action likely to have multiplier effects, including scope for replication, extension, capitalisation on experience and knowledge sharing?	5
5.3 Are the expected results of the proposed action sustainable?:  - Financially (e.g. financing of follow-up activities, sources of revenue for covering all future operating and maintenance costs)  - Institutionally (will structures allow the results of the action to be sustained at the end of the action? Will there be local 'ownership' of the results of the action?)  - At policy level (where applicable) (what will be the structural impact of the action — e.g. improved legislation, codes of conduct, methods)  - Environmentally (if applicable) (will the action have a negative/positive environmental impact?)	5
<b>6. Budget and cost-effectiveness of the action</b>	<b>15</b>
6.1 Are the activities appropriately reflected in the budget?	/ 5
6.2 Is the ratio between the estimated costs and the results satisfactory?	/ 10
<b>Maximum total score</b>	<b>100</b>

If the total score for Section 1 (financial and operational capacity) is less than 12 points, the application will be rejected. If the score for at least one of the subsections under Section 1 is 1, the application will also be rejected.

If the lead applicant applies without co-applicants or affiliated entities the score for point 4.3 shall be 5 unless the involvement of co-applicants or affiliated entities is mandatory according to these guidelines for applicants.

#### *Provisional selection*

After the evaluation, a table will be drawn up listing the applications ranked according to their score, per Specific objective.. The highest scoring applications will be provisionally selected until the available budget for this call for proposals is reached. In addition, a reserve list per each Specific objective will be drawn up following the same criteria. These lists will be used if more funds become available during the validity period of the reserve list.

### **(3) STEP 3: VERIFICATION OF ELIGIBILITY OF THE APPLICANTS AND AFFILIATED ENTITY(IES)**

The eligibility verification will be performed on the basis of the supporting documents requested by the contracting authority (see Section 2.4). It will by default only be performed for the applications that have been provisionally selected according to their score and within the available budget for this call for proposals.

- The declaration by the lead applicant (Section 8 of Part B of the grant application form) will be cross-checked with the supporting documents provided by the lead applicant. Any missing supporting document or any incoherence between the declaration by the lead applicant and the supporting documents may lead to the rejection of the application on that sole basis.
- The eligibility of applicants and the affiliated entity(ies) will be verified according to the criteria set out in Sections 2.1.1, 2.1.2 and 2.1.3.

Any rejected application will be replaced by the next best placed application on the respective reserve list that falls within the available budget for this call for proposals.

## 2.4. SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS

A lead applicant whose application has been provisionally selected or placed on the reserve list will be informed in writing by the contracting authority. It will be requested to supply the following documents in order to allow the contracting authority to verify the eligibility of the lead applicant, (if any) of the co-applicant(s) and (if any) of their affiliated entity(ies)<sup>16</sup>:

1. The statutes or articles of association of the lead applicant, (if any) of each co-applicant and (if any) of each affiliated entity<sup>17</sup>. Where the contracting authority has recognised the lead applicant's, or the co-applicant(s)'s, or their affiliated entity(ies)'s eligibility for another call for proposals under the same budget line within 2 years before the deadline for receipt of applications, it should be submitted, instead of the statutes or articles of association, a copy of the document proving their eligibility in a former call (e.g. a copy of the special conditions of a grant contract received during the reference period), unless a change in legal status has occurred in the meantime<sup>18</sup>. This obligation does not apply to international organisations which have signed a framework agreement with the European Commission.
2. For action grants exceeding EUR 750 000 and for operating grants above EUR 100 000, the lead applicant must provide an audit report produced by an approved external auditor where it is available, and always in cases where a statutory audit is required by EU or national law. That report shall certify the accounts for up to the last 3 financial years available. In all other cases, the applicant shall provide a self-declaration signed by its authorised representative certifying the validity of its accounts for up to the last 3 financial years available.  
  
This requirement shall apply only to the first application made by a beneficiary to an authorising officer responsible in any one financial year.
3. The external audit report is not required from (if any) the co-applicant(s)) or affiliated entities.
4. A copy of the lead applicant's latest accounts (the profit and loss account and the balance sheet for the last financial year for which the accounts have been closed)<sup>19</sup>. A copy of the latest account is neither required from (if any) the co-applicant(s) nor from (if any) affiliated entity(ies)).
5. Legal entity sheet (see Annex D of these guidelines) duly completed and signed by each of the applicants (i.e. by the lead applicant and (if any) by each co-applicant), accompanied by the justifying documents requested there. If the applicants have already signed a contract with the contracting authority, instead of the legal entity sheet and supporting documents, the legal entity number may be provided, unless a change in legal status occurred in the meantime.
6. A financial identification form of the lead applicant (not from co-applicant(s)) conforming to the model attached as Annex E of these guidelines, certified by the bank to which the payments will be made. This bank should be located in the country where the lead applicant is established. If the lead applicant has already submitted a financial identification form in the past for a contract where the European Commission was in charge of the payments and intends to use the same bank account, a copy of the previous financial identification form may be provided instead.

<sup>16</sup> No supporting document will be requested for applications for a grant not exceeding EUR 60 000.

<sup>17</sup> Where the lead applicant and/or a co-applicant(s) and or an affiliated entity(ies) is a public body created by a law, a copy of the said law must be provided.

<sup>18</sup> To be inserted only where the eligibility conditions have not changed from one call for proposals to the other.

<sup>19</sup> This obligation does not apply to natural persons who have received a scholarship or that are in most need in receipt of direct support, nor to public bodies and to international organisations. It does not apply either when the accounts are in practice the same documents as the external audit report already provided pursuant to Section 2.4.2.

**7. Please bear in mind when an operation contains the execution of works, the following supporting documents, will have to be submitted by the provisionally selected applicants or placed on the reserve list:**

- a. Proof of ownership or long term lease (at least for 10 years after the signature of the contract) of the land/assets where the works are to be executed;
- b. Approved/certified detailed work design or otherwise a statement by the relevant national institution(s) confirming that the national legislation(s) do/does not require the design's approval for this type of works;<sup>20</sup>
- c. A positive decision on environmental impact assessment or otherwise a statement from the relevant public authority(ies) that the latter assessment(s) are/is not needed for the specific project activities;
- d. All necessary legal authorisations (e.g.: location and construction permits);
- e. An indicative priced bill of quantities issued not earlier than 2 years prior to the deadline for submission of full applications – calculated in euro.

8. The lead applicant as well as all co-applicants and affiliated entities shall fill in and sign the declaration on honour certifying that they are not in one of the exclusion situations (see Section 2.6.10.1 of the PRAG).

Documents must be supplied in the form of originals, photocopies or scanned versions (i.e. showing legible stamps, signatures and dates) of the said originals.

Where such documents are not in one of the official languages of the European Union or in the language of the country where the action is implemented, a translation into English language of the relevant parts of these documents proving the lead applicant's and, where applicable, co-applicants' and affiliated entity(ies)' eligibility, must be attached for the purpose of analysing the application.

Where these documents are in an official language of the European Union other than English, it is **strongly** recommended, in order to facilitate the evaluation, to provide a translation of the relevant parts of the documents, proving the lead applicant's and, where applicable, co-applicants' and affiliated entity(ies)' eligibility, into English

If the abovementioned supporting documents are not provided before the deadline indicated in the request for supporting documents sent to the lead applicant by the contracting authority, the application may be rejected.

After verifying the supporting documents, the evaluation committee will make a final recommendation to the contracting authority, which will decide on the award of grants.

NB : In the eventuality that the contracting authority is not satisfied with the strength, solidity, and guarantee offered by the structural link between one of the applicants and its affiliated entity, it can require the submission of the missing documents allowing for its conversion into co-applicant. If all the missing documents for co-applicants are submitted, and provided all necessary eligibility criteria are fulfilled, the above mentioned entity becomes a co-applicant for all purposes. The lead applicant has to submit the application form revised accordingly.

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<sup>20</sup> At any step of the evaluation process, Contracting Authority/Evaluation Committee may require additional documentation related to the execution of the Works which are in line with a Law on Planning and Construction of the Republic of Serbia or, in Bosnia and Herzegovina, with legislation in the field of spatial planning and construction in the Republika Srpska, Federation of BiH, Brčko District BiH and 6 cantons (e.g. Preliminary design/Design for Construction permit/Construction design, Final designs, etc.

## 2.5. NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

### 2.5.1. Content of the decision

The lead applicants will be informed in writing of the contracting authority's decision concerning their application and, if rejected, the reasons for the negative decision.

An applicant believing that it has been harmed by an error or irregularity during the award process may lodge a complaint. See further Section 2.4.15 of the practical guide.

Applicants and, if they are legal entities, persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations of early detection or exclusion, their personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the early detection and exclusion system, and communicated to the persons and entities concerned in relation to the award or the execution of a grant contract.

For more information, you may consult the privacy statement available on [http://ec.europa.eu/budget/explained/management/protecting/protect\\_en.cfm](http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm)

### 2.5.2. Indicative timetable

	DATE	TIME
1. Information meeting (if any)	Will be published separately	Will be published separately
2. Deadline for requesting any clarifications from the contracting authority	31 January 2019	15:00
3. Last date on which clarifications are issued by the contracting authority	10 February 2020	-
4. Deadline for submission of: applications	21 February 2020	15:00
5. Information to lead applicants on opening, administrative checks and concept note evaluation (Step 1)	April 2020	-
6. Information to lead applicants on the evaluation of the full applications (Step 2)	July 2020	-
7. Notification of award (after the eligibility check) (Step 3)	September 2020	-
8. Contract signature	October 2020	-

All times are in the time zone of the country of the contracting authority.

This indicative timetable refers to provisional dates (except for dates 2, 3, and 4) and may be updated by the contracting authority during the procedure. In such cases, the updated timetable will be published on the web site of DG International Cooperation and Development: <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome> and the websites of the programme <http://srb-bih.org> and the contracting authority <http://www.cfcu.gov.rs>.

## **2.6. CONDITIONS FOR IMPLEMENTATION AFTER THE CONTRACTING AUTHORITY'S DECISION TO AWARD A GRANT**

Following the decision to award a grant, the beneficiary(ies) will be offered a contract based on the standard grant contract (see Annex G of these guidelines). By signing the application form (Annex A of these guidelines), the applicants agree, if awarded a grant, to accept the contractual conditions of the standard grant contract. Where the coordinator is an organisation whose pillars have been positively assessed, it will sign a contribution agreement based on the contribution agreement template. In this case references to provisions of the standard grant contract and its annexes shall not apply. References in these guidelines to the grant contract shall be understood as references to the relevant provisions of the contribution agreement .

### Implementation contracts

Where implementation of the action requires the beneficiary(ies) and its affiliated entity(ies) (if any) to award procurement contracts, those contracts must be awarded in accordance with Annex IV to the standard grant contract.

In this context, a distinction should be made between awarding implementation contracts and subcontracting parts of the action described in the proposal, i.e. the description of the action annexed to the grant contract , such subcontracting being subject to additional restrictions (see the general terms and conditions in the model grant contract ).

**Awarding implementation contracts:** implementation contracts relate to the acquisition by beneficiaries of routine services and/or necessary goods and equipment as part of their project management; they do not cover any outsourcing of tasks forming part of the action that are described in the proposal, i.e. in the description of the action annexed to the grant contract .

**Subcontracting:** Subcontracting is the implementation, by a third party with which one or more beneficiaries have concluded a procurement contract, of specific tasks forming part of the action as described in annex to the grant contract (see also the general terms and conditions in the model grant contract ).

### 3. LIST OF ANNEXES

#### DOCUMENTS TO BE COMPLETED

- Annex A: Grant application form (Word format)
- Annex B: Budget (Excel format)
- Annex C: Logical framework (Excel format)
- Annex D: Legal entity sheet<sup>21</sup>
- Annex E: Financial identification form
- Annex F: PADOR registration form

#### DOCUMENTS FOR INFORMATION<sup>22</sup>

- Annex G: Standard grant contract
  - Annex II: general conditions
  - Annex IV: contract award rules
  - Annex V: standard request for payment
  - Annex VI: model narrative and financial report
  - Annex VII: model report of factual findings and terms of reference for an expenditure verification of an EU financed grant contract for external action
  - Annex VIII: model financial guarantee
  - Annex IX: standard template for transfer of ownership of assets
  
- Annex H: Declaration on Honour
  
- Annex I: Daily allowance rates (per diem), available at the following address:  
[http://ec.europa.eu/europeaid/funding/about-procurement-contracts/procedures-and-practical-guide-prag/diems\\_en](http://ec.europa.eu/europeaid/funding/about-procurement-contracts/procedures-and-practical-guide-prag/diems_en)
  
- Annex J: Information on the tax regime applicable to grant contracts signed under the call.
- Annex K: Guidelines for assessing simplified cost options.

#### Useful links:

##### **Project Cycle Management Guidelines**

[http://ec.europa.eu/europeaid/aid-delivery-methods-project-cycle-management-guidelines-vol-1\\_en](http://ec.europa.eu/europeaid/aid-delivery-methods-project-cycle-management-guidelines-vol-1_en)

##### **The implementation of grant contracts**

###### **A Users' Guide**

<http://ec.europa.eu/europeaid/companion/document.do?nodeNumber=19&locale=en>

###### **Financial Toolkit**

[http://ec.europa.eu/europeaid/funding/procedures-beneficiary-countries-and-partners/financial-management-toolkit\\_en](http://ec.europa.eu/europeaid/funding/procedures-beneficiary-countries-and-partners/financial-management-toolkit_en)

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<sup>21</sup> Only applicable where the European Commission will make the payments under the contracts to be signed.

<sup>22</sup> These documents should also be published by the contracting authority.

Please note: The toolkit is not part of the grant contract and has no legal value. It merely provides general guidance and may in some details differ from the signed grant contract. In order to ensure compliance with their contractual obligations beneficiaries should not exclusively rely on the toolkit but always consult their individual contract documents.

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