



Contracting Authority:

Delegation of the European Union to the Republic of Serbia

EXCHANGE 4 Grant scheme

Guidelines
for grant applicants

Budget line: BGUE-B2012-22.020100-C1-ELARG DELSRB

Restricted Call for Proposals

Reference: EuropeAid/134435/L/ACT/RS

Deadline for submission of Concept note: 04/07/2013

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Notice

This is a restricted Call for Proposals. In the first instance, only Concept Notes must be submitted for evaluation. Thereafter, applicants who have been pre-selected will be invited to submit a Full Application Form. 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 Applicant' sent together with the application.

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1. EXCHANGE 4 GRANT SCHEME

1.1. BACKGROUND

Local self-governments play an important role in EU integration process, both with regard to the implementation of standards and the values contained in the Community acquis and with regard to preparing and implementing the projects funded from the EU and informing citizens on what they can expect in the integration process and after the accession. Looking at the status of the public administration on both, national and local level, EC 2012 Progress Report for Serbia placed focus on public administration reform aiming at enhanced transparency, accountability and effectiveness and greater focus on the needs of citizens and business. The importance of administrative capacities in the EU integration process is also recognized in the Multi-Annual Indicative Planning Document (MIPD) for the period 2011-2013 and its priority: *“To improve the efficiency, effectiveness, transparency, commitment to non-discrimination and accountability of the public administration at both central and local level”*.

The Exchange 4 programme is an inseparable part of the ongoing process of the EU (and other donor) efforts focusing on improving municipal management and service delivery by municipalities, aimed at fostering local development, together with strengthening the SCTM to provide services, information and tools to assist the municipalities in these efforts. Since 2004 there have been three municipal Exchange programmes. Two of them (Exchange 1 and 3) included a grant scheme targeting Serbian cities and municipalities. Although in the previous stages the Exchange has provided valuable contributions to the central government's efforts by supporting strategic change at the local level, the next phase should go a step further and serve as a platform for further aligning and harmonization of priorities between the national and local level.

Therefore, the new phase of Exchange 4 aims to close the gap between bottom-up and top-down policy strategic development and to better position the results of Exchange at the national government level. The programme will enhance administrative capacities and service provision effectiveness by LSG units in Serbia in line with principles of Public Administration Reform strategy, specific national, regional and local policies and EU practices.

The new Exchange 4 grant scheme aims to properly address national sector priorities and identified needs of local government building on and consolidating the results achieved in the field of legal and institutional reforms under the previous Exchange grant schemes.

The Exchange 4 programme is implemented with a support of a project management unit (PMU) established within the Standing Conference of Towns and Municipalities (SCTM).

1.2. OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

The **global objective** of the Exchange 4 grant scheme is to support implementation of priority national policies in identified priority areas at local level.

The **specific objective** of this Call for Proposals is to contribute to achievement of strategic national priorities in environment, local economic development and social welfare at local level.

To contribute to the global and specific objectives of this Call for Proposals, actions should fall into one of the following priorities:

Priority 1 – ENVIRONMENT

Improvement of solid waste management at local level.

Priority 2 - LOCAL ECONOMIC DEVELOPMENT

Raising of competitiveness of local economy through improving property management and facilitating business cooperation

Priority 3 – SOCIAL WELFARE

Introduction and improvement of social protection services for elderly population at local level.

These priorities were selected in order to maximize the Grant Scheme’s contribution in implementation of the national policies and improving socio-economic development in municipalities and cities. The table below shows the relationship between this call’s priorities and the national strategies and legislations.

Priority of the Call	Related national strategy/legislation	Scope of the national strategy/legislation
1	Strategy on Waste Management – 5.1.1 Decentralization and distribution of responsibilities	Local authorities are responsible for waste management, managing all issues related to the waste, and in particular, collection and investing collected fees and other income for the purpose of waste management.
	Law on Waste Management – Articles 2,6, 20, 38, 40, 43	Local self government unit is responsible for arranging, providing and organizing the management of municipal communal, inert and non-hazardous waste on its territory; organizing billing services in the field of managing municipal communal, inert and non-hazardous waste; One of the main objectives of the Law is to create conditions for re-use and recycling of waste and separation of recyclables. This is in line with the Waste Hierarchy Principle (Article 6), where landfilling is seen as the least preferable waste management solution. Articles 38 and 40 specifically mention re-use and recycling, as well as treatment of bio-degradable waste, and contain a provision that “it is forbidden to burn or dispose waste that can be re-used”. For communal waste, Article 43 states that “households and other generators of communal waste perform selection of communal waste for recycling”, while “LSG unit manages and arranges methods and mechanisms for collecting waste for recycling”. LSG unit is also expected to provide centers for collection of municipal waste that cannot be disposed in containers (like bulky waste).
	Law on packing and packing waste - Article 20	Main principles of the Law include “re-use of packaging, recycling and other forms of re-usage and reduction of disposed packaging waste”. Article 20 specifically states that the “end user is obligated to collect, store and forward communal packaging waste” and “to separate and/or separately store packaging waste, so it is not mixed with other types of waste and can be returned, collected, re-used and treated in line with the law regulating waste management”.
2	Law on Local Self-Government - Article 20	LSGs are responsible for managing municipal property, use of public funds and ensuring their preservation and enhancement through their bodies
	Law on public property -	Provide the conditions for local governments to

	Articles 18, 21, 24	obtain ownership of the property and the establishment of property management, in the best interest of the whole community
	National Economic Development Strategy of the Republic of Serbia (from 2006 to 2012), with the Action Plan and the Strategy for Development of Competitive and Innovative Small and Medium Enterprises for the period 2008 to 2013	Chapter on 'Legal, institutional and business environment for SMEs in Serbia' anticipates reform of legislation - amendments to existing and new laws and regulations, which regulate the economy and related fields, and their implementation on the principle: 'Think Small First. Action plan anticipates adoption of a new law which will regulate the field of cooperatives.
	Draft Law on Cooperatives - Article 13	Fostering cooperative measures of economic and agricultural policy, including the provision of appropriate facilities and benefits, which are determined by special regulations, as well as the possibility of establishing special funds (foundations) for the development of cooperatives by Local Self-Government or Autonomous region
3	Social Welfare strategy – Priority 2.3.4. Securing qualitative social service provision	Prevention of problems and social inclusion of the vulnerable groups through improvement of the system of social services
	Poverty reduction strategy – Priority 7.2. Efficient social service Priority 7.3. Better position of elderly	Reform of social services - alleviating poverty among vulnerable groups Strengthening social protection of the elderly
	National Strategy on Ageing- overall goal 2: Priority is development of aspects for social and family support to help older people living in their natural environment – Activity 2.1.	Capacity to provide support services to the elderly, help and care at home to be provided in each municipality, with an attempt to enable the use of these services in all larger and the smaller municipalities.
	Law on social welfare - Article 20	Each local government unit shall establish measures and activities to encourage the development of existing and new social services

1.3. FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this Call for Proposals is € **4.500.000**. The Contracting Authority reserves the right not to award all available funds.

Indicative allocation of funds by lot:

Lot 1: 3,920,000 EUR

Lot 2: 580,000 EUR

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Lot 1: Indicative allocation of funds per Priority is 1,300,000. If number and size of higher quality proposals prevail in any specific Priority of the Call, the Contracting Authority reserves the right to redistribute funds between different Priorities accordingly.

The call is divided into 2 Lots as follows:

Lot 1 - targeting priorities 1, 2 and 3

Lot 2 - targeting priorities 1 and 2

If the indicative allocation for a specific 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 another lot.

Size of grant

Any grant awarded under this Call for Proposals must fall between the following minimum and maximum amounts:

minimum amount: EUR 100.000

maximum amount: EUR 200.000

Any grant requested under this Call for Proposals must fall between the following maximum percentages of total eligible costs of the action:

Minimum percentage: 50 % of the total eligible costs of the action.

Maximum percentage: 90 % of the total eligible costs of the action (see also Section 2.1.4).

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 European Union Budget or the European Development Fund¹.

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 to contract procedures for EU external actions, which is applicable to the present call (available on the Internet at this address: http://ec.europa.eu/europeaid/work/procedures/implementation/index_en.htm).

2.1. ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

(1) the actors:

- The **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 applicant and its co-applicant(s) are hereinafter jointly referred as the "applicants") (2.1.1),
- and, if any, **affiliated entity(ies)** to the applicant and/or to a co-applicant(s). (2.1.2);

¹ Where a grant is financed by the European Development Fund, any mention of European Union financing must be understood as referring to European Development Fund financing.

(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. applicant and co-applicant(s))

Applicant

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

- be a legal person and
- be non-profit-making (with an exemption of the Agricultural cooperatives eligible as co-applicants)
- 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

In specific for Lot 1:

- be a local authority: municipality, town / city or city municipality in the Republic of Serbia.*

* Please note that for Priority 1, exclusively, the applicant must be a local authority participating in established regional waste management scheme, with operational regional sanitary landfill in place.

In specific for Lot 2:

- be a local authority: municipality, town / city or city municipality located in Pčinja and Jablanica districts².

(2) The potential applicant may not participate in calls for proposals or be awarded grants if it is in any of the situations listed in Section 2.3.3 of the Practical Guide to contract procedures for EU external actions (available from the following Internet address:
http://ec.europa.eu/europeaid/work/procedures/implementation/index_en.htm);

In Part A, section 3 of the grant application form ('Declaration by the applicant'), the applicant must declare that the applicant himself, the co-applicant(s) and affiliated entity (ies) are not in any of these situations.

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

If awarded the Grant contract, the applicant will become the Beneficiary identified as the Coordinator in annex E3h1 (Special conditions). The Coordinator is the main interlocutor of the Contracting Authority. It represents and acts on behalf of any other co-beneficiary (if any) and coordinate the design and implementation of the Action.

² Jablanica district - southeast Serbia: Town of Leskovac, municipalites of Bojnik, Lebane, Medveđa, Vlasotince, Crna Trava; Pčinja district - south Serbia: Town of Vranje, city municipality of Vranjska banja, municipalites of Vladičin Han, Surdulica, Bosilegrad, Trgovište, Bujanovac, Preševo

Co-applicant(s):

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

Co-applicant(s) must satisfy the eligibility criteria as applicable to the applicant himself.

Co-applicant(s) must sign the Mandate in Part B section 4 of the grant application form.

If awarded the Grant contract, the co-applicant(s)(if any) will become beneficiaries in the Action (together with the Coordinator).

The applicant must act at least with one co-applicant meeting the same eligibility criteria as specified for applicants in specific for Lot 1 and Lot 2 above. The obligatory co-applicant must be local authority from the same or from neighboring Serbian district of the applicant.

In addition to the above mentioned obligatory co-applicants, the following organizations are also eligible as co-applicants for both Lots:

- Civil society organizations registered in the Republic of Serbia and/or established in³ a Member State of the European Union .
- Regional / District Development Agencies established in the Republic of Serbia.
- Agricultural cooperatives established in the Republic of Serbia.
- Institutions and organizations fully or partially financed from the budget of the Republic of Serbia and / or municipal budget.
- Local authority (municipality, town/city or city municipality (district)) from an EU member state*.

* Please note that the proposal should clearly demonstrate the value added of the EU municipality co-applicant, and justify its inclusion, in terms of relevant knowledge, experience and information to be exchanged with the Serbian LSG.

2.1.2. *Affiliated entities*

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

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

- (i) legal entities together forming one legal entity, including where it is specifically established for the purpose of implementing the action. In this case, the resulting entity may apply as applicant or co-applicant whereas the other entities as its affiliated entity(ies).

3 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.

- (ii) legal entities having a link with the applicant, notably a legal or capital link, which is neither limited to the action nor established for the sole purpose of its implementation on the condition that they satisfy the eligibility and non-exclusion criteria of an applicant.

If the applicants are awarded a contract, their affiliated entity(ies) will not become Beneficiary(ies) of the Action and signatory(ies) of the 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 respectively the eligibility criteria as applicable to the applicant and to the co-applicant(s).

In addition to the categories referred to in section 2.1.1, the following are however also eligible:

- Regional / local public utility companies
- Centres for Social Welfare

Affiliated entity(ies) 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 are not applicant(s) nor affiliated entity(ies) and do not have to sign the "mandate" or "affiliated entities' statement":

- Associates

Other organisations 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 of the Applicant participating in the Action' — of the Grant Application Form.

- Contractors

The grant 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 planned duration of an action may not be lower than **10 months** nor exceed **12 months**.

Location

For both Lots:

Actions must take place in the Republic of Serbia. When properly justified, actions may, however, include limited study tours to EU member states.

In specific for Lot 2:

Actions must take place in the Republic of Serbia. When properly justified, actions may, however, include limited study tours to FYROM

Types of Action:

Sectors or themes

Specific sectors or themes to which the actions must relate:

Priority 1 – ENVIRONMENT:

1. Waste management

Priority 2 – LOCAL ECONOMIC DEVELOPMENT:

1. Property Management
2. Agricultural business cooperation

Priority 3 - SOCIAL WELFARE:

1. Social protection services for elderly population

Priority areas for which applicants are applying under this Call for proposals have to be identified as priorities in adopted valid municipal strategic document (sustainable development strategy - LSDS, sectoral strategy, action plan, etc.)

When submitting the Concept note it is necessary to enclose a valid municipal strategic document (sustainable development strategy (LSDS), sector strategy, action plan) where priority area for which applicant is applying for is identified as priority together with the decision on adoption of the subject document.*.

**Please note that, as an exemption, for Property management action, under Priority 2, it is not necessary to have it identified as priority in adopted valid municipal strategic document.*

Gender, minority and environmental issues need to be taken into account in the project description by every applicant applying for this Call.

Project application can cover only one action under the specific priority, as defined in the text below.

Priority 1: Environment - Waste management

Lot 1

Type of Action: Support waste management systems through establishing and/or enhancing primary waste separation in municipalities and supporting closure and remediation of unsanitary landfills and dumping sites.

Preconditions⁴:

1. Cooperation Agreement between the regional landfill operator and the LSG unit

⁴ Applicants are requested to submit the listed documents copies with the concept note submission in order to be considered eligible for this Action – Please refer to the Check list for concept note

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2. Establishing act of the operator for managing regional landfill

Indicators at priority level:

1. Number of LSG units in which primary separation of waste has been introduced (separation at household level);
2. Number of households which separate waste;
3. Amount (total and/or per type of waste) being separately collected;
4. Percentage of separated waste compared to generated;
5. Amount of waste being deposited at the landfill;
6. Number of closed landfills and waste dumping sites;
7. Number of "active" landfills and waste dumping sites (those still being used).

** For Lot 1 - please note that only local authorities participating in established regional waste management schemes, with operational landfills in place are eligible to apply under this Priority Action. (please see Art. 2.1.1.) Regional waste management schemes imply having at least two participating municipalities.*

Lot 2⁵

Type of Action: Support waste management systems through supporting closure and remediation of unsanitary landfills and illegal dump sites, and / or arrangement and cleaning of river beds and banks

Preconditions:

Not applicable

Indicators at priority level:

1. Number of closed landfills and waste dumping sites;
2. Number of "active" landfills and waste dumping sites (those still being used);
3. Amount of waste removed from river flows.

Priority 2: Local Economic Development - Property management⁶

Lot 1

Type of Action: Inventory and registration of public property subject of transfer to local government ownership

Preconditions⁷:

1. Decision on conducting property inventory for its identification and registration
2. Decision on establishment of the function / body which is to be responsible for the property inventory, registration of public property and introduction of single property records
3. Extract from Cadastre with initial data of properties that are subject of transfer of ownership to Local Authority.

Indicators at priority level:

1. The number of properties for which the inventory for registration was made

⁵ Proposed Action must have cross-border impact on the territory in FRY Macedonia

⁶ Methodology on Inventory and registration of property of LSG units, available at Exchange 4 website: <http://www.exchange.org.rs>

⁷ Applicants are requested to submit the listed documents copies with the full application submission in order to be considered eligible for this Action – Please refer to the Check list for full application

2. The number of properties subject to transfer to municipal property, (requests for confirmation filed with the Republican Property Directorate, stated as registered in the unified database of state-owned properties).
3. The number of municipalities who submitted requests for property registration to the Republican Property Directorate

Priority 2: Local Economic Development - Agricultural cooperation at local level

Lot 1 and Lot 2⁸

Type of Action: Support competitiveness of local economies through strengthening agricultural cooperatives

Preconditions⁹:

In case LSG are supporting established/active agriculture cooperatives, the following has to be proved and submitted:

1. Registration document of the agricultural cooperative issued by the Serbian Business Register Agency (APR);
2. Cooperation must have at least 5 members who are registered as active agricultural holders- Extract from the Agricultural Household Registry.

Indicators at priority level:

1. Number of established cooperatives
2. Number of cooperative members
3. Percentage of LSG budget allocated for financial incentives for development of the agricultural cooperative sector
4. Number of developed strategies with the action plans for branding
5. Volume of annual turnover aggregated for supported cooperatives

Priority 3: Social Welfare - Social protection services for elderly population

Lot 1

Type of Action: Introduction and / or improvement of social services - home care for elderly

Preconditions¹⁰:

1. Municipal decision on the establishment of social services - home care

Indicators at priority level:

1. The number of local governments that have introduced social service – home care
2. The number of local governments that have increased the number of beneficiaries for home care
3. The number of new jobs created through engagement / accreditation of “Geronto domaćica” home care service providers.
4. The number of local governments that have introduced the co-payment/ participation

⁸ Action proposed under Lot 2 must have cross-border impact on the territory in FRY Macedonia

⁹ Applicants are requested to submit the listed documents copies with the concept note submission in order to be considered eligible for this Action – Refer to the Check list for the concept note

¹⁰ Applicants are requested to submit copies of the listed documents with the full application submission in order to be considered eligible for this Action – Refer to the Check list for the full application form

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The following types of action are ineligible:

- development of sustainable development strategy (framework / integrated strategy)
- development of feasibility studies for infrastructure projects
- establishment of LED offices and training centres
- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, congresses;
- actions concerned only or mainly with individual scholarships for studies or training courses;
- actions whose budgets mainly consist of the purchase of material and equipment.
- purchase and/or renovation of buildings or offices
- activities undertaken before signature of the contract

Types of activity:

Only actions that include all mandatory activities, presented below, with the mandatory measurable project indicators provided for in the Annex I of the Guidelines for Applicants¹¹ will be considered eligible.

Optional activities are given to illustrate the type and range of activities, which could contribute to the achievement of the objective of the Action. Applicants need not limit themselves to the examples given in this list which is not exhaustive.

Priority 1:

Waste management

Lot 1

Type of Action: Support waste management systems through establishing and/or enhancing primary waste separation in municipalities and supporting closure and remediation of unsanitary landfills and dumping sites.

¹¹ Applicants are requested to submit the Annex I of the Guidelines for Applicants with the full application submission in order to be considered eligible for this Action – Please refer to the Check list for full application

1. Development planning and optimization of operations of the Public Utility Companies in charge of municipal solid waste management (management and organizational practices, capacity building, efficiency of waste collection, tariff collection and transport...)	<u>Mandatory activity</u>
2. Introducing/enhancing primary waste separation in municipalities (optimizing collection routes, organization of reception yards, relations with existing individual collectors ...)	<u>Mandatory activity</u>
3. Public awareness raising on waste management and primary separation (why to separate waste and how, what to separate...)	<u>Mandatory activity</u>
4. Provision of equipment and vehicles for waste separation and waste collection, including: containers/bins/bags; light collection vehicles (example: three wheeled 3m3 trucks);	Optional activity
5. Smaller scale works (formation of green islands; waste reception and recycling yards paving waste reception yards, putting a fence around closed locations...)	Optional activity
6. Preparation of plans and designs for closure and remediation of unsanitary landfills and waste dumps (including categorization of sites, closure enforcement measures, public communication plans etc...)	Optional activity
7. Closure and sealing of existing municipal landfills and waste dumps	Optional activity

Lot 2

Type of Action: Support waste management systems through supporting closure and remediation of unsanitary landfills and illegal dump sites, and / or arrangement and cleaning of river beds and banks

1. Optimization of municipal and Public Utility Companies operations in solid waste management and closure/remediation activities (capacity building, closure enforcement measures, public relations...)	<u>Mandatory activity</u>
2. Public awareness activities related to waste disposal and closure of waste dumps (importance of proper waste disposal, locations being closed, where to dispose bulky and similar waste...)	<u>Mandatory activity</u>
3. Preparation of plans and technical designs for closure and remediation of unsanitary landfills and waste dumps (sites categorization, including closure enforcement measures, public communication plans etc...)	Optional activity
4. Provision of equipment and works for closure of local waste dumps and non-sanitary landfills (relocation of waste, soil covering, fencing...)	Optional activity
5. Provision of works on cleaning and arrangement of river beds and banks (river bed cleaning, preventing flooding of waste disposal locations etc...)	Optional activity

Priority 2:

Property management

Lot 1

Type of Action: Inventory and registration of public property subject of transfer to local government ownership

1. Establishment of municipal organizational structure for property management	<u>Mandatory Activity</u>
2. Capacity building of municipal staff and Local self-government officials in the field of property management (trainings, workshops, seminars)	Optional activity
3. Analysis and establishment of necessary IT structures for property management (supply of IT equipment and IT infrastructure)	Optional activity
4. Collection, verification and analysis of property data, which are subject to transfer to public ownership of Local self-governments	<u>Mandatory Activity</u>
5. Creating a database of properties that are subject of transfer to public ownership of Local self-governments	<u>Mandatory Activity</u>
6. Geodetic surveys	Optional activity
7. Submission of the filled in property records form (obrazac NEP) to the Republic Property Directorate that registered properties unit is in the unified database of state-owned property	<u>Mandatory Activity</u>

Agricultural cooperation at local level

Lot 1 and Lot 2¹²

Type of Action: Support competitiveness of local economies through strengthening agricultural cooperatives

1. The establishment of cooperatives / cooperative association	Optional activity
2. Formation of agricultural cooperative funds / financial incentives by LSG units for the improvement and development of the cooperative sector	<u>Mandatory Activity</u>
3. The determination of appropriate economic policy measures (other than financial incentives) by LSG units to encourage agricultural cooperatives	<u>Mandatory Activity</u>
4. Creation / improvement of technical conditions for the functioning of agricultural cooperatives (supply of equipment and furniture, supply and development of specialized software, small scale infrastructure works, etc.)	Optional activity
5. Analysis of the market for placement of products and services and procurement of innovative raw materials	Optional activity

¹² Action proposed under Lot 2 must have cross-border impact on the territory in FRY Macedonia

6. Capacity building of the agricultural cooperatives through support in preparation of necessary documentation (business plans, business strategies)	Optional activity
7. Capacity building of its cooperative members through educational workshops, training, seminars, conferences	Optional activity
8. Branding of local products (e.g. preparation of identity development strategy and brand image development)	Optional activity
9. Promotion of agricultural cooperatives products through fairs, connection with potential investors, etc.	Optional activity

Priority 3:

Lot 1

Social protection services for elderly population

1. Establishment of a separate organizational unit within the Centre for Social Welfare to implement social services - home care	Optional activity
2. Analysis of the number of potential beneficiaries - field study to determine the costs of social service - home care	Optional activity
3. Accreditation of "geronto domačica" - homecare service providers	<u>Mandatory Activity</u>
4. Introduction of financial obligation for social service - home care within the municipal budget (Budget 2015)	<u>Mandatory Activity</u>
5. Introduction of co-payments/ participation and participation scale by beneficiaries income for the social service - home care (if not existing)	<u>Mandatory Activity</u>

*Within this Grant scheme for each individual project there will be certain limitations. These limitations will be evaluated at the project level and they are as follows:

- a) Study tours may not be longer than one week.
- b) Within one project if the co-applicant is from EU country, there should be a maximum 1 study tour/ visit to EU country
- c) Small-scale investments must not go over 20% of the overall project budget with exception for Priority 1- Waste management action where small scale investment must not go over 40%.

For Lot 2 activities in the Jablanica and Pcinja districts it is necessary to demonstrate clear cross-border impact on the territory of FYROM.

Financial support to third parties

Applicants may not propose financial support to third parties.

Visibility

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/work/visibility/index_en.htm).

Number of applications and grants per applicant

The applicant may not submit more than 1 application per lot under this Call for Proposals.

The applicant may not be awarded more than 1 grant per Lot under this Call for Proposals.

The applicant may at the same time be a co-applicant or an affiliated entity in maximum 2 applications.

A co-applicant may not submit more than 2 application(s) under this Call for Proposals.

A co-applicant may not be awarded more than 2 grants under this Call for Proposals.

A co-applicant may be an affiliated entity in maximum 1 another application at the same time.

The affiliated entity(ies) may take part in maximum 2 applications.

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 a ceiling for 'eligible costs'.

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

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

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). 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 Grant Beneficiary(ies) and affiliated entity(ies), are in line with their 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 directions and a checklist of controls to assess the minimum necessary conditions that provide reasonable assurance for the acceptance of the proposed amounts.

The applicant 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" or "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 the applicant 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.

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- clearly explain the formulas for calculation of the final eligible amount¹³
- identify the beneficiary who will use the simplified cost option (in case of affiliated entity, specify first the beneficiary), in order to verify the maximum amount per each beneficiary (which includes if applicable simplified cost options of its affiliated entity(ies))

At contracting phase, the Contracting Authority decides whether to accept the proposed amounts or rates on the basis of the provisional budget submitted by the applicant, by analysing factual data of grants carried out by the applicant or of similar actions and by performing checks established by Annex K.

The total amount of financing on the basis of simplified cost options that can be authorised by the Contracting Authority for any of the applicants individually (including simplified cost options proposed by their own affiliated entities) cannot exceed EUR 60 000 (the indirect costs are not taken into account).

For the purpose of this Call, the Contracting Authority authorizes the use of simplified cost options only to the following budget subheadings: 1.1 and 1.2 Salaries.

Recommendations to award a grant are always subject to the condition that the checks preceding the signing of the 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 applicant's interest to provide a **realistic and cost-effective budget**.

Eligible direct costs

To be eligible under the 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), supplemented with Article 7.2.2 of the Special Conditions.

The applicants (and where applicable its affiliated entities) agree that the expenditure verification(s) referred to in Article 15.7 of the General Conditions to the Standard Grant Contract (see Annex G of the Guidelines) will be carried out by the Contracting Authority or any external body authorised by the Contracting Authority.

Important notes:

- Salary costs of local government employees may be considered as eligible costs, to the extent that they relate to the costs of activities which the relevant public authority would not carry out if it did not undertake the project concerned.
The amount of time actually spent on a given action by staff declared by the beneficiary will be checked by means of time sheets signed by the staff concerned and their immediate superior.
The cost of such staff must be actual salaries plus social security charges and other statutory costs included in the remuneration provided that this does not exceed the average rates corresponding to the beneficiary's usual policy on remuneration.
- Note that EU Annex IV will have to be applied for acquisition of supplies/equipment, services (analysis, training) and works, including rule on origin of supplies.

¹³ 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.

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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 applicant may be asked to justify the percentage requested before the contract is signed. However, once the flat rate has been fixed in the special conditions of the standard 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 a Beneficiary(ies) or affiliated entity(ies) free of charge by a third party. As contributions in kind do not involve any expenditure for a Beneficiary(ies) or affiliated entity(ies), they are not eligible costs.

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

The following costs are not eligible:

- taxes, including value added taxes¹⁴;
- customs and import duties, or any other charges;
- purchase, rent or leasing of land and existing buildings;
- fines, financial penalties and expenses of litigation;
- operating costs;
- second-hand equipment;
- bank charges, costs of guarantees and similar charges;
- conversion costs, charges and exchange losses associated with any of the component specific euro accounts, as well as other purely financial expenses;
- contribution in kind;
- any leasing costs;
- depreciation costs;
- debts and debt service charges (interest);
- provisions for losses or potential future liabilities;
- costs declared by the Beneficiary(ies) and financed by another action or work programme receiving a Union (including through EDF) grant;
- credits to third parties;
- Auditing costs (expenditure verification will be contracted by the Contracting Authority).

¹⁴ VAT might be considered as eligible expense if following conditions are met: a) the value added taxes are not recoverable by any means; b) it is established that they are borne by the final beneficiary, and c) they are clearly identified in the project proposal

2.2. HOW TO APPLY AND THE PROCEDURES TO FOLLOW

Prior registration in PADOR for this Call for Proposals is obligatory.

- **Phase 1, concept note:** Registration in PADOR is obligatory for an applicant applying for grants above € 60 000.

Registration is optional though strongly recommended for:

- An applicant applying for grants of € 60 000 or less;
 - co-applicant and affiliated entity(ies).
- **Phase 2, full proposal:** Registration in PADOR is obligatory for all pre-selected applicant, co-applicant(s) and all their affiliated entity(ies).

PADOR is an on-line database in which organisations register and update their data regularly, through the EuropeAid website: http://ec.europa.eu/europeaid/work/onlineservices/pador/index_en.htm

Before starting to register your organisation in PADOR, please read the 'Quick guide' on the website. It explains the registration process.

It is strongly recommended to register in PADOR when you start drafting your proposal and not to wait until just before the deadline of submission.

On the paper version of the proposal you must give your EuropeAid ID (EID). To get this ID, your organisation must enter PADOR to register, save and 'sign' certain obligatory data (the fields shown in orange on each screen) and the related documents (see section 2.4).

However, if it is impossible for the organisation to register in PADOR, it must submit a justification proving that this impossibility is general and beyond the control of the applicants and/or its affiliated entity(ies). In such cases, the applicants and/or affiliated entity(ies) concerned must complete the 'PADOR off-line form'¹⁵ attached to these Guidelines and send it by the submission deadline, together with the application, to the address indicated in sections 2.2.2 and 2.2.6. The registration in PADOR will then be carried out by the European Commission service in charge of the CfP. If, at a later stage, the organisation wishes to update its data itself, it will have to send an access request to the PADOR helpdesk.

All questions related to registration in PADOR should be addressed to the PADOR helpdesk at: Europeaid-pador@ec.europa.eu.

2.2.1. *Concept Note content*

Applications must be submitted in accordance with the Concept Note instructions in the Grant Application Form annexed to these Guidelines (Annex A).

Applicants must apply in English.

In the Concept Note, applicants must only provide an estimate of the amount of contribution requested from the Contracting Authority and an indicative percentage of that contribution in relation to the total amount of the Action. Only the applicant invited to submit a full application in the second phase will be required to present a detailed budget.

The elements outlined in the Concept Note may not be modified by the applicant in the full application form. The EU contribution may not vary from the initial estimate by more than 20 %. Applicants are free to adapt the percentage of co-financing required within the minimum and maximum amount and

¹⁵ Which corresponds to Sections 3 and 4 of Part B of the application form.

percentages of co-financing, as laid down in these Guidelines in section 1.3. Own contributions by the applicants can be replaced by other donors' contributions at any time.

Any error or major discrepancy related to the points listed in the Concept Note instructions may lead to the rejection of the Concept Note.

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

Hand-written Concept Notes will not be accepted.

Please note that only the Concept Note form will be evaluated. It is therefore of utmost importance that this document contain ALL relevant information concerning the action. No additional annexes should be sent.

2.2.2. Where and how to send Concept Notes

The Concept Note together with the Checklist for the Concept Note (Part A section 2 of the grant application form) and the Declaration by the applicant for the Concept Note (Part A section 3 of the grant application form) must be submitted in one original and 2 copies in A4 size, each bound.

An electronic version of the Concept Note must also be submitted. A CD-Rom with the Concept Note in electronic format will be included, along with the paper version, in a sealed envelope as described below. The electronic file must contain **exactly the same** application as the paper version enclosed.

The outer envelope must bear the **reference number and the title of the call for proposals**, together with [the lot number and title] the full name and address of the applicant, and the words 'Not to be opened before the opening session' and 'Ne otvarati pre zvanicne sednice za otvaranje predloga projekata'.

Concept Notes 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) to the address below:

Postal address and address for hand delivery or by private courier service

Delegation of the European Commission to the Republic of Serbia

Contract and Finance Unit, 9th floor
GTC 19 Avenue Building
Vladimira Popovica 40
11070 Belgrade, Serbia

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

Applicants must verify that their Concept Note is complete using the Checklist for Concept Note (Part A section 2 of the grant application form). Incomplete concept notes may be rejected.

2.2.3. Deadline for submission of Concept Notes

The deadline for the submission of Concept Notes is 04 July 2013 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 15:00 hours local time as evidenced by the signed and dated receipt. Any Concept Note submitted after the deadline will be rejected.

However, for reasons of administrative efficiency, the Contracting Authority may reject any Concept Note sent in due time but received after the effective date of approval of the Concept Note evaluation (see indicative calendar under section 2.5.2)

2.2.4. Further information about Concept Notes

The information sessions on this Call for Proposals will be held during the first half of June. Detailed information will be published on the Contracting Authority, the SCTM and Exchange programme web sites and invitations will be sent to all local authorities.

Questions may be sent by e-mail no later than 21 days before the deadline for the submission of concept notes to the address(es) below, indicating clearly the reference of the Call for Proposals:

E-mail address: DELEGATION-SERBIA-FCS@eeas.europa.eu

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 submission of Concept Notes.

To ensure equal treatment of applicants, the Contracting Authority cannot give a prior opinion on the eligibility of applicants, or affiliated entity(ies), an action or specific activities.

Questions that may be relevant to other applicants, together with answers and other important notices in the course of the evaluation procedure, will be published on the EuropeAid website <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>, on the website of the Contracting Authority <http://www.europa.rs>, on the SCTM website www.skgo.org and on the website of the programme www.exchange.org.rs, 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.

All questions related to PADOR registration should be addressed to the PADOR help desk:

Europeaid-pador@ec.europa.eu

2.2.5. Full Application forms

An applicant invited to submit a full application form following pre-selection of their Concept Note must do so using Part B of the application form annexed to these Guidelines (Annex A). Applicants should then keep strictly to the format of the application form and fill in the paragraphs and pages in order.

The elements outlined in the Concept Note cannot be modified by the applicant in the full application form. The EU contribution may not vary from the initial estimate by more than 20%, although applicants are free to adapt the percentage of co-financing required within the minimum and maximum amount and percentages of co-financing, as laid down in these Guidelines under section 1.3.

Applicants must submit their applications in the same language as their Concept Note.

Please complete the full application form carefully and as clearly as possible so that it can be assessed properly.

Any error related to the points listed in the Checklist (Part B, Section 7 of the Grant Application form) or any major inconsistency in the full application form (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 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 full application form and the published annexes which have to be filled in (budget, logical framework) will be transmitted to the evaluators (and assessors, if used). It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action. **No supplementary annexes should be sent.**

2.2.6. Where and how to send Full Application forms

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) to the address below:

Postal address and address for hand delivery or by private courier service

Delegation of the European Commission to the Republic of Serbia

Contract and Finance Unit, 9th floor

GTC 19 Avenue Building

Vladimira Popovica 40

11070 Belgrade, Serbia

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

Applications must be submitted in one original and 2 copies in A4 size, each bound. The full application form, budget and logical framework must also be supplied in electronic format (CD-Rom) in a separate and single file (i.e. the full application form must not be split into several different files). The electronic file must contain **exactly the same** application as the paper version.

The Checklist (Section 7 of Part B of the grant application form) and the Declaration by the applicant (Section 8 of Part B of the grant application form) must be stapled separately and enclosed in the envelope

Where applicants send several different applications (if allowed to do so by the Guidelines of the Call), each one must be sent separately.

The outer envelope must bear the **reference number and the title of the Call for Proposals**, together with the number and title of the lot, the full name and address of the applicant, and the words 'Not to be opened before the opening session' and ' Ne otvarati pre zvanicne sednice za otvaranje predloga projekata'.

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.

2.2.7. Deadline for submission of Full Application forms

The deadline for the submission of applications will be indicated in the letter sent to the applicants whose application has been pre-selected.

However, for reasons of administrative efficiency, the Contracting Authority may reject any application sent in due time but received after the date of approval of evaluation report for full applications (see indicative calendar under Section 2.5.2)

2.2.8. Further information about Full Application forms

Questions may be sent by e-mail no later than 21 days before the deadline for the submission of applications to the addresses listed below, indicating clearly the reference of the Call for Proposals:

E-mail address: DELEGATION-SERBIA-FCS@eeas.europa.eu

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 applicants, affiliated entity(ies), or an action.

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

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<https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>, on the website of the Contracting Authority <http://www.europa.rs>, on the SCTM website www.skgo.org and on the website of the programme www.exchange.org.rs. 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 actions submitted by applicants 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 paragraph 2.1, the application will be rejected on this sole basis.

STEP 1: OPENING & ADMINISTRATIVE CHECKS AND CONCEPT NOTE EVALUATION

The following will be assessed:

- Compliance with the submission deadline. If the deadline has not been met, the application will automatically be rejected.
- Concept Note satisfies all the criteria specified in points 1-5 of the Checklist : Section 2 of Part A of the grant application form). 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 the first administrative check will be evaluated on the relevance and design of the proposed action.

The Concept Note 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 the Concept Note, which can be found in Part A of the 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	30
1.1 How relevant is the proposal to the objectives and priorities of the Call for Proposals?*	5x2**	
1.2 How relevant to the particular needs and constraints of the target country(ies) or region(s) is the proposal (including synergy with other EU initiatives and avoidance of duplication)?	5x2*	
1.3 How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs been clearly defined and does the proposal address them appropriately?	5	
1.4 Does the proposal contain specific added-value elements, such as environmental issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and rights of indigenous peoples, or innovation and best practices	5	
2. Design of the action	Sub-score	20
2.1 How coherent is the overall design of the action? In particular, does it reflect the analysis of the problems involved, take into account external factors and relevant stakeholders?	5x2**	
2.2 Is the action feasible and consistent in relation to the objectives and expected results?	5x2**	

TOTAL SCORE 50

* 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.

**these scores are multiplied by 2 because of their importance

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

First, 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, to the number of Concept Notes whose total aggregate amount of requested contributions is equal to 200% 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.

After the evaluation of Concept Notes, the Contracting Authority will send letters to all 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 pre-selected applicants will subsequently be invited to submit full applications.

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STEP 2: EVALUATION OF THE FULL APPLICATION

First, the following will be assessed:

Restricted Call for Proposals

- Compliance with the submission deadline. If the deadline has not been met, the application will automatically be rejected.
- The full application form satisfies all the criteria specified in points 1-9 of the Checklist (Section 7 of Part B of the grant application form). 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 quality of the applications, including the proposed budget and capacity of the applicants and affiliated entity(ies), 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) operational capacity and the applicant's financial capacity and to ensure 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;
- have the management capacity, professional competencies and qualifications required to successfully complete the proposed action. This also applies to any affiliated entity(ies) of the applicants.

The award criteria help to evaluate the quality of the applications in relation to the objectives and priorities, 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 of sections 1 of the evaluation grid will be assessed on whether the criteria has been fulfilled or not. Each subsection of sections 2, 3,4 and 5 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	
1. Financial and operational capacity	Yes/No
1.1 Do the applicants and, if applicable, affiliated entity(ies) have sufficient experience of project management?	
1.2 Do the applicants and, if applicable, affiliated entity(ies) have sufficient technical expertise? (especially knowledge of the issues to be addressed.)	
1.3 Do the applicants and, if applicable, affiliated entity(ies) have sufficient management capacity? (including staff, equipment and ability to handle the budget for the action)?	
1.4 Does the applicant have stable and sufficient sources of finance?	

B

	Maximum Score
2. Relevance of the action	30
<i>Score transferred from the Concept Note evaluation</i>	
3. Effectiveness and feasibility of the action	20
3.1 Are the activities proposed appropriate, practical, and consistent with the objectives and expected results?	5
3.2 Is the action plan clear and feasible?	5
3.3 Does the proposal contain objectively verifiable indicators for the outcome of the action? Is any evaluation planned?	5
3.4 Is the co-applicant(s)'s and affiliated entity(ies)'s level of involvement and participation in the action satisfactory?	5
4. Sustainability of the action	15
4.1 Is the action likely to have a tangible impact on its target groups?	5
4.2 Is the proposal likely to have multiplier effects? (Including scope for replication, extension and information sharing.)	5
4.3 Are the expected results of the proposed action sustainable?: - financially (<i>how will the activities be financed after the funding ends?</i>) - institutionally (<i>will structures allowing the activities to continue be in place at the end of the action? Will there be local 'ownership' of the results of the action?</i>) - at policy level (where applicable) (<i>what will be the structural impact of the action — e.g. will it lead to improved legislation, codes of conduct, methods, etc?</i>) - environmentally (if applicable) (<i>will the action have a negative/positive environmental impact?</i>)	5
5. Budget and cost-effectiveness of the action	15
5.1 Are the activities appropriately reflected in the budget?	5x2*
5.2 Is the ratio between the estimated costs and the expected results satisfactory?	5
Maximum total score	80

*these scores are multiplied by 2 because of their importance

Note on Section 1. Financial and operational capacity

If the answer is negative to one or more of the criteria, the application will be rejected.

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Provisional selection

After the evaluation, a table will be drawn up listing the applications ranked according to their score and within the limits of the funds available. In addition, a reserve list will be drawn up following the same criteria to be used if more funds should become available during the validity period of the reserve list.

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

The eligibility verification, based on the supporting documents requested by the Contracting Authority (see Section 2.4) will only be performed for the applications that have been provisionally selected according to their score and within the available financial envelope.

- The Declaration by the applicant (Section 8 of Part B the grant application form) will be cross-checked with the supporting documents provided by the applicant. Any missing supporting document or any incoherence between the Declaration by the applicant and the supporting documents may lead to the rejection of the application on that sole basis.
- The eligibility of applicants, the affiliated entities(ies), and the action 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 in the reserve list that falls within the available financial envelope.

2.4. SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS

An applicant that 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 applicant, (if any) of the co-applicant(s) and (if any) of their affiliated entity(ies)¹⁶:

Supporting documents must be provided through PADOR, see Section 2.2

1. The statutes or articles of association of the applicant, (if any) of each co-applicant(s) and (if any) of each affiliated entity(ies)¹⁷ Where the Contracting Authority has recognized the 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 meantime¹⁸. This obligation does not apply to international organizations which have signed a framework agreement with the European Commission.

16 No supporting document will be requested for applications for a grant not exceeding EUR 60000.

17 Where the 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.

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

2. A copy of the 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)¹⁹. A copy of the latest account is not required from (if any) the co-applicant(s).
3. Legal entity sheet (see annex D of these Guidelines) duly completed and signed by each of the applicants (i.e. by the applicant and (if any) by each co-applicant(s)), 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.
4. A financial identification form of the applicant (not from co-applicant(s)) conforming to the model attached at 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 applicant is established. If the 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.

Where the requested supporting documents are not uploaded in PADOR they must be supplied in the form of originals, photocopies or scanned versions (i.e. showing legible stamps, signatures and dates) of the said originals. However, the Legal entity sheet and the financial identification form must always be submitted in original.

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 of the relevant parts of these documents proving the applicant(s)'s eligibility, must be attached and will prevail 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 applicants' eligibility, into English.

If the abovementioned supporting documents are not provided before the deadline indicated in the request for supporting documents sent to the 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.

2.5. NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

2.5.1. Content of the decision

The applicant 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.

¹⁹ 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.

2.5.2. Indicative timetable

	DATE	TIME*
Information meeting (if any)	June 2013* ²⁰	Check websites
Deadline for requesting any clarifications from the Contracting Authority	13/06/2013	16:00
Last date on which clarifications are issued by the Contracting Authority	21/06/2013	-
Deadline for submission of Concept Notes	04/07/2013	15:00h
Information to applicants on opening, administrative checks and concept note evaluation (Step 1)	August/September 2013*	-
Invitations to submit Full Application Form]	August/September 2013*	-
Deadline for submission of Full Application Form]	October 2013*	-
Information to applicants on the evaluation of the Full Application Form (Step 2)	November 2013*	-
Notification of award (after the eligibility check) (Step 3)	December 2013*	-
Contract signature	December 2013*	-

*Provisional date. All times are in the time zone of the country of the Contracting Authority.

This indicative timetable may be updated by the Contracting Authority during the procedure. In such cases, the updated timetable will be published on the EuropeAid web site <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>, on the website of the Contracting Authority <http://www.europa.rs>, on the SCTM website www.skgo.org and on the website of the programme www.exchange.org.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 Contracting Authority's 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.

²⁰ Detailed information and dates of the information meetings will be published on the Contracting Authority's and EXCHANGE programme websites.

Implementation contracts

Where implementation of the action requires the Beneficiary(ies) and its affiliated entity(ies) (if any) to award procurement contracts, it must award the contract to the tenderer offering the best value for money, that is to say, the best price-quality ratio, in compliance with the principles of transparency and equal treatment for potential contractors, care being taken to avoid any conflict of interests. To this end, the Beneficiary must follow the procedures set out in Annex IV to the standard grant contract.

2.7. EARLY WARNING SYSTEM AND CENTRAL EXCLUSION DATABASE

The applicants and, if they are legal entities, the persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations mentioned in:

- Commission Decision of 16.12.2008 on the Early Warning System (EWS) for the use of authorising officers of the Commission and the executive agencies (OJ, L 344, 20.12.2008, p.125) or
- Commission Regulation of 17.12.2008 on the Central Exclusion Database (CED) (OJ L344, 20.12.2008, p.12),

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 EWS only or both in the EWS and CED, and communicated to the persons and entities listed in the above-mentioned Decision and Regulation, in relation to the award or the execution of a grant agreement or decision.

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
- Annex E: Financial identification form
- Annex F: PADOR off Line Form²¹
- ANNEX I: TABLE OF INDICATORS

DOCUMENTS FOR INFORMATION

- Annex G: Standard Grant Contract
 - Annex II: General conditions applicable to European union-financed grant contracts for external actions
 - Annex IV: contract award procedures
 - Annex V: standard request for payment

²¹ http://ec.europa.eu/europeaid/work/onlineservices/pador/dispensation_en.htm.

- Annex VI: model narrative and financial report-Annex IX: standard template for transfer of ownership of assets

Annex H: Daily allowance rates (Per diem), available at the following address:
http://ec.europa.eu/europeaid/work/procedures/implementation/index_en.htm

Annex K: Guidelines and Checklist for assessing Budget and Simplified cost options.

Project Cycle Management Guidelines:

http://ec.europa.eu/europeaid/multimedia/publications/publications/manuals-tools/t101_en.htm

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