



Contracting authority:

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

**Cross-border Cooperation programme Serbia – North Macedonia
for 2021-2027
under the Instrument of Pre-accession Assistance (IPA III),
allocations 2022 and 2024**

Guidelines
for grant applicants

1st Call for Proposals

Budget line: 15.020300
JAD.975086
JAD.975087*

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

Reference: EuropeAid/182708/DD/ACT/RS

Deadline for submission of concept note: 22 October 2024

Notice

This is a restricted call for proposals. In the first instance, only concept notes (Part A of the grant application form) must be submitted for evaluation. Thereafter, lead applicants who have been pre-selected will be invited to submit a full application. 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 adoption of subsequent yearly financial commitments for year 2024 which will be approved by exchange of letter between the Commission and the IPA III beneficiaries.



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1. CROSS-BORDER COOPERATION PROGRAMME SERBIA – NORTH MACEDONIA

1.1. BACKGROUND

These guidelines are intended to be used by those applying for grants under the 1st call for proposals for the 2021-2027 cross-border cooperation programme Serbia – North Macedonia (hereinafter 'the programme'). The programme is implemented under the framework of the third instrument of pre-accession assistance (IPA III) and is the result of joint planning efforts made by the governments and other stakeholders of the two participating beneficiaries. IPA III supports cross-border cooperation with a view to promoting good neighbourly relations, fostering Union integration and promoting socio-economic development through joint local and regional initiatives. The legal provisions for its implementation are stipulated in the following pieces of legislation:

- Regulation (EU) no. 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing an Instrument for Pre-accession Assistance (IPA III);
- Commission Delegated Regulation (EU) no. 2021/2128 of 1 October 2021 supplementing Regulation (EU) 2021/1529 of the European Parliament and of the Council, as regards setting out certain specific objectives and thematic priorities for assistance under the Instrument of Pre-accession Assistance (IPA III);
- Commission Implementing Decision C(2021)8914 of 10 December 2021 adopting the Instrument of Pre-accession Assistance (IPA III) Programming Framework for the period 2021-2027; and
- Commission Implementing Regulation (EU) no. 2021/2236 of 15 December 2021 on the specific rules for implementing Regulation (EU) no 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing an Instrument for Pre-accession Assistance (IPA III).

Following a detailed analysis of the socio-economic situation of the border region, the programme sets out a common strategy for remedying problems identified and formulates joint thematic priorities for development. As specified in the programme document and in Article 71(2) of the Financial Framework Partnership Agreement between the Commission and the governments of the participating countries, its implementation is carried out through calls for proposals such as this one. These calls will be launched at regular intervals to fund cross-border cooperation operations that will contribute to achieving the strategic objectives agreed upon by the participating countries.

More details about this 2021-2027 IPA III cross-border cooperation programme can be found on the web page <https://eu.rs.mk.org/eng> and are available for download on the web page of the Ministry of European Integration of the Republic of Serbia www.mei.gov.rs and on the web page of the Ministry of Local Self-Government of the Republic of North Macedonia www.mls.gov.mk.

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 management of the programme, is part of the CBC structures of the lead country as Managing Authority (MA) of the Programme;
- The Ministry of Finance, Department for Contracting and Financing of EU Funded Programmes (CFCU), responsible for all budget implementation tasks (procurement, contract and payment issues), is the contracting authority (CA)/Intermediate body for financial management (IBFM).

In the Republic of North Macedonia, the responsible institutions are:

- Government of the Republic of North Macedonia, Ministry of Local Self Government (MoLSG), responsible for the overall management of the programme, is the CBC structure in this country.



- The Ministry of Local Self Government (MoLSG), as integral part of the management and control system and its organisational unit within the Department responsible for finance matters functionally separated from the CBC Structure, will be the 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 Intermediate Body/CA, the CBC structures, the Managing Authority and the JMC are assisted by the joint technical secretariat (JTS) with its head office in Leskovac, the Republic of Serbia, and staffed with experts from Serbia and North Macedonia. 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 Kumanovo, North Macedonia. 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 **global objective** of this call for proposals is: to promote good neighbourly relations, foster Union integration and contribute to social, economic and territorial development of the programme cross-border area by improving social and cultural inclusion and health and by developing sustainable tourism.

As a result of a decision made by the JMC of the programme on 24 October 2023, out of the two thematic priorities of the programme document,

- ❑ Priority 1: Employment, labour mobility and social and cultural inclusion across borders
- ❑ Priority 2: Encouraging tourism and cultural and natural heritage

the following are the specific objectives and the corresponding results that the applications submitted under this call will contribute to attaining:

| SPECIFIC OBJECTIVES | RESULTS |
|--|--|
| 1.1 Improving social and cultural inclusion and health | 1.1.1 Increased access to social, health and cultural services for vulnerable groups |
| 2.1 Enhancement of cultural and natural heritage for sustainable tourism development | 2.1.1 Cross-border tourism products developed |
| | 2.1.2 Cultural and natural heritage protected and valorised |

Mainstreaming of cross-cutting issues:

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

a) Improved capacity of local and regional authorities to tackle local challenges

To mainstream the thematic cluster 5 as stipulated in the Commission Implementing Decision C(2021)8914 of 10.12.2021 adopting the Instrument of Pre-accession Assistance (IPA III) Programming Framework for the period 2021-2027, every application should **demonstrate that regional and local authorities have been involved** in their development and their future implementation. Every operation should describe how it has been developed, how it is aligned to and contributes to local development plans or how its implementation will be monitored and evaluated.

b) Gender equality and promotion of equal opportunities.

Equality between sexes must be taken into consideration when setting the project objectives, defining activities (e.g., participation in capacity building activities) and expected results. Equal opportunity prevails when women and men have the same rights, obligations and opportunities.

c) Protection and promotion of ethnic minority rights, including their participation in decision-making processes.

Enforcement of equal opportunities has to be secured in the project design in order to promote the integration of ethnic minorities and ensure their participation in decision-making processes in line with project activities and expected results.

d) Integration of persons with physical and mental disabilities.

Enforcement of equal opportunities has to be secured in the project in order to promote integration of persons affected by disabilities and in securing their participation in project activities (e.g. accessibility to buildings and project sites) and in decision-making processes in line with project activities and expected results.

e) Safeguard and promotion of children's rights and promotion of children's participation in decision-making processes.

The project should involve children as relevant stakeholders where and if appropriate (e.g. in case the specific project objective is in a sector mainly relating to children's needs, such as education, health, sports and culture, but also in sectors in which the project can indirectly influence their lives).

f) Democratic standards, anti-discriminatory practices and good governance.

Activities and operations cannot set up barriers in relation to religion or belief, age, gender, sexual orientation, political affiliation, racial or ethnic origin particularly regarding employment and HR policy pursued towards persons who will be employed within the projects implemented under this grant scheme. Actions must secure a wide public participation and consultation, where appropriate, throughout project activities. This may include setting up consultative processes in developing strategies/policies; executing infrastructural works; ensuring inclusion of target groups and a wide range of different stakeholders.

g) Protection of environment and preservation of natural resources and biodiversity.

The project needs to describe how it will contribute to a better environment or otherwise have a neutral impact on the environment. The concept of environment involves not only issues of pollution, but issues sustainable development (e.g., waste supply chain management and recycling), nature protection and biodiversity, renewable energy, etc.

Please note that mainstreaming cross-cutting issues will be scored in the evaluation methodology of this call as formulated in Section 2.3 below.

1.3. FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this call for proposals is EUR 5,400,000. 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 thematic priority/specific objective concerned.

Indicative EU-funded allocations by specific objective:

| Specific objective | Allocation |
|--|-------------------------|
| 1.1 Improving social and cultural inclusion and health | EUR 3,000,000.00 |
| 2.1 Enhancement of cultural and natural heritage for sustainable tourism development | EUR 2,400,000.00 |
| Total | EUR 5,400,000.00 |

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

When the remaining funds per **specific objective** will not allow financing another application, the evaluation committee may recommend to the contracting authority to pool 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 specific objective.

If the allocation indicated for a specific objective 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.

Moreover, the contracting authority may increase the funds allocated to the call 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 OBJECTIVES | Minimum amount of EU-funded grant | Maximum amount of EU-funded grant |
|--|-----------------------------------|-----------------------------------|
| Specific objectives 1.1 Improving social and cultural inclusion and health | | |
| Result 1.1.1 Increased access to social, health and cultural services for vulnerable groups | EUR 150,000.00 | EUR 500,000.00 |
| Specific objectives 2.1 Enhancement of cultural and natural heritage for sustainable tourism development | | |
| Result 2.1.1 Cross-border tourism products developed | EUR 150,000.00 | EUR 500,000.00 |
| Result 2.1.2 Cultural and natural heritage protected and valorised | EUR 150,000.00 | EUR 500,000.00 |

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.

Please note that for applicants effectively established in the Republic of North Macedonia, their Ministry of Local Self-government (MLSG) may provide as co-financing up to a maximum of the 15% of the total eligible costs of the action. The procedure for retrieving the National co-financing is an ISO standardized procedure of the Ministry of Local Self Government. This procedure is subject of presentation at the informative sessions organized for each launched call for proposals and subject to specific trainings for the successful grant beneficiaries from Republic of North Macedonia, after the grant and subsidy contracts are signed.

National co financing reaches the amount of max 15% of the eligible expenditure. For grant contacts implemented under indirect management it shall be executed after issuance of each notification for verified amounts.

Applicants established in the Republic of Serbia shall cover by their own resources the co-financing amount.

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 adoption of subsequent yearly financial commitments for year 2024, which will be approved by exchange of letter between the Commission and the IPA III beneficiaries.

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 <https://wikis.ec.europa.eu/display/ExactExternalWiki/ePRAG>).¹

¹ 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.

2.1. ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

(1) the actors (2.1.1. & 2.1.2.):

- the '**lead applicant**', i.e., the entity submitting the application form;
- 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)');
- and, if any, **affiliated entity(ies)** to the lead applicant and/or to a co-applicant(s);

(2) the actions (2.1.4.):

- actions for which a grant may be awarded;

(3) the costs (2.1.5.):

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

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 effectively established in² either the Republic of Serbia or the Republic of North Macedonia, **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 one of the following institutions or organisations:

For TP 1 Employment, labour mobility and social and cultural inclusion across borders:

- CSOs active in the field of social, health and cultural policies and CSOs representing interests of vulnerable groups
- Institutions and organisations providing formal, non-formal and/or informal education
- Social, health and cultural institutions

² 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. The effective establishment of applicants should be proved not only with the statutes but with the registration certificate. 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.

- Local self-governments
- Organisations representing national or ethnic minorities
- Local and regional development organisations/agencies
- Science and research institutions and organisations
- Governmental ministries and institutes overseeing social and health policy

For TP 2: Encouraging tourism and cultural and natural heritage:

- Local and regional tourist organisations
- National tourism boards
- Local and regional development organisations/agencies
- Local self-governments
- Chamber of commerce, crafts, business associations, clusters, cooperatives, associations of farmers
- Nature/environment protection institutions
- Institutions in the field of cultural or historical heritage
- CSOs active in tourism, nature, environment and/or cultural/historical heritage
- Science and research institutions and organisations
- Institutions and organisations providing formal, non-formal and/or informal education
- Government ministries and institutes overseeing tourism policy.

(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, provisionally selected lead applicants, co-applicants and affiliated entities or those placed in the reserve list are obliged to declare that they are not in one of the exclusion situations through a signed declaration on honour (Annex H). For grants of EUR 15 000 or less, no declaration on honour is required. See Section 2.4.

In Part A, Section 3 and 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 sole 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. The lead beneficiary shall ensure the implementation of the entire operation, monitor that the operation is implemented in accordance with the conditions set out in the contract and lay down the arrangements with other beneficiaries to guarantee the sound financial management of the funds allocated to the operation, including the arrangements for recovering amounts unduly paid³.

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 the Republic of North Macedonia, and vice versa.

At least two legal entities in the partnership, one per participating country, being the lead applicant or the co-applicant, must be public institutions that are effectively established and/or have territorial competence for the programme eligible area.³

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 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-applicants must satisfy the eligibility criteria as applicable to the lead applicant himself.⁴

Co-applicants must sign the mandate in Part B Section 4.2 of the grant application form.

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

In addition, please note that contracts cannot be awarded to or signed with applicants included in the lists of EU restrictive measures (see Section 2.4. of the PRAG).

³ 1. For the Republic of Serbia:

Jablanica district: City of Leskovac and municipalities of Bojnik, Lebane, Medveđa, Vlasotince and Crna Trava and Pčinja district: City of Vranje with two city municipalities: Vranje and Vranjska Banja, and municipalities of Vladičin Han, Surdulica, Bosilegrad, Trgovište, Bujanovac and Preševo.

2. For the Republic of North Macedonia:

North – East Region: municipalities of Kratovo, Lipkovo, Kumanovo, Staro Nagoričane, Rankovce and Kriva Palanka and Skopje Region: municipalities of Aračinovo, Čučer Sandevo, Ilinden, Petrovec, Sopište, Studeničani, Zelenikovo, and municipalities Butel, Gjorče Petrov, Šuto Orizari, and Gazi Baba of the City of Skopje.

⁴ In line with the cross-border nature of the programme, please note that the nationality of the lead applicant (either Serbia or North Macedonia) automatically determines the nationality of at least one co-applicant (country North Macedonia if the lead applicant is effectively established in Serbia or Serbia if the lead applicant is effectively established in North Macedonia).

2.1.2. *Affiliated entities*

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):**

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 and subcontractors) 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 5.2 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 or operation 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 Improving social and cultural inclusion and health | | |
| Result 1.1.1 Increased access to social, health and cultural services for vulnerable groups | 12 | 36 |
| Specific objectives 2.1 Enhancement of cultural and natural heritage for sustainable tourism development | | |
| Result 2.1.1 Cross-border tourism products developed | 12 | 36 |
| Result 2.1.2 Cultural and natural heritage protected and valorised | 12 | 36 |

Sectors or themes

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

| THEMATIC PRIORITIES/ SPECIFIC OBJECTIVES | RESULTS |
|--|--|
| TP1: Employment, labour mobility and social and cultural inclusion across borders SO 1.1: Improving social and cultural inclusion and health | R 1.1.1. Increased access to social, health and cultural services for vulnerable groups |
| TP2: Encouraging tourism and cultural and natural heritage SO 2.1: Enhancement of cultural and natural heritage for sustainable tourism development | R 2.1.1 Cross-border tourism products developed R 2.1.2 Cultural and natural heritage protected and valorised |

In their application, the lead applicant and its co-applicant(s) will have to refer the programme's thematic priority/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 core and specific 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. The programme indicators should be prioritized within the long list of potential indicators (from the regional monitoring system) provided - in the Annex M (CBC INDICATORS_RS-MK Result 1.1.1 / CBC INDICATORS_RS-MK Result 2.1.1 / CBC INDICATORS_RS-MK Result 2.1.2).

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. Applicants should confine the choice of indicators in their operation to the list provided below and in Annex M and add exceptionally some other indicators that could be necessary under their operation.

Table of the core indicators for all IPA III CBC programmes displayed in the section 3.1 of the programme document:

| IPA III Strategic Objective for CBC | Indicator |
|--|---|
| Reconciliation, confidence building and good neighbourly relations | Number of cross-border networks/partnerships formed |
| | Number of organisations participating in cross-border networks/partnerships formed, disaggregated by type of organization (special mention of women's associations) |
| | Number of organisations directly involved in the implementation of the projects, disaggregated by type of organisation ⁵ (special mention of women's associations) |
| Economic, social and territorial development of border areas | Number of new jobs resulting from programme activities, disaggregated by the sex and age ⁶ of the new employees |
| | Number of new businesses established, disaggregated by the sex and age of the owner |
| Capacity building at all levels | Number of organisations/institutions with increased capacities, disaggregated by the type of organisation (especial mention of women's associations) |

Tables of indicators for the Cross-border cooperation programme Serbia – North Macedonia for 2021-2027 displayed in the section 3.2 of the programme document are provided below for each specific objective and programme result.

Programme specific objective: 1.1. Improving social and cultural inclusion and health

Result: 1.1.1. Increased access to social, health and cultural services for vulnerable groups

| | |
|--------------------|---|
| IMPACT INDICATORS | Number of new beneficiaries of the upgraded social, health and cultural services (disaggregated by type of service, gender, age, and rural/urban community) |
| OUTCOME INDICATORS | Number of new solutions (services, tools, programmes) developed for fostering social and cultural inclusion |
| | Number of existing health and social services improved as well as their accessibility (to be disaggregated) |
| OUTPUT INDICATORS | Number of participants in promotional events and programmes (such as events and programmes promoting social and cultural inclusion, healthy lifestyle, cultural and sports events) (disaggregated by sex and age) |
| | Number of events organized across the border for promotion of social and cultural inclusion (including gender equality and integration of migrants, seasonal workers, refugees, returnees, and vulnerable groups) |

⁵ Common types of organisations are: local government units, regional or canton-level government units, entity-level government units, national government units (ministries, agencies, offices), non-governmental organisations (NGOs, CSOs, associations, particularly women's associations), business (particularly tour operators), regional development agencies, educational institutions, health institutions, cultural institutions, public institutions (particularly public enterprises), public utility companies, public services, national employment agencies, social welfare organisations, local employment offices, tourism organisations, local tourism organisations, regional tourism organisations, national tourism organisations, local communities, chambers of economy, management organisations of protected areas, national (nature) parks, research institutions, protection and rescue (emergency) services, other (please specify).

⁶ Common age groups are: 0-30, 31-50, 51-65, 65+



| | |
|--|--|
| | Number of innovative approaches, methods and processes designed in promoting social and cultural inclusion across border |
| | Number of programmes promoting healthy lifestyle, women health and sickness prevention activities (to be disaggregated by type of activity: healthy lifestyle, women health, sickness prevention activities) |
| | Number of local actors that exchange their experience in the field of social and cultural inclusion (to be disaggregated by type of inclusion: social or cultural) |
| | Number of investments into equipment or renovation of facilities for improvement of the quality and accessibility of health and social services (disaggregated by health and social) |
| | Number of cultural and sports events as a result of cross-cultural cooperation (to be disaggregated by type of event: cultural or sports) |

Programme specific objective: 2.1. Enhancement of cultural and natural heritage for sustainable tourism development

Result: 2.1.1. Cross-border tourism products developed

| | |
|--------------------|---|
| IMPACT INDICATORS | Number of tourist arrivals in the cross-border area (disaggregated by domestic and foreign tourists) |
| | Length of tourist stays in the cross-border area (disaggregated by domestic and foreign tourists) |
| OUTCOME INDICATORS | Number of new/improved CB tourism products commercialised |
| | Number of tourist providers (disaggregated by gender of the entrepreneur) with improved competences |
| OUTPUT INDICATORS | Number of new/improved sites |
| | Number of investments in new exhibition and interpretation methods, including accessible digital solutions and interpretation |
| | Number of new itineraries developed |
| | Number of new/improved services/thematic products (to be disaggregated by new or improved, and services or thematic products) |
| | Number of women and men (disaggregated by sex and age) with increased capacity for management of tourism products |
| | Number of hotels and other hospitality facilities included in activities aiming to introduce international quality standards (to be disaggregated by type of facility: hotel, motel, hostel, private accommodation) |
| | Number of participants (disaggregated by sex and age) in visibility and communication events organized to promote newly developed tourism products |

Programme specific objective: 2.1. Enhancement of cultural and natural heritage for sustainable tourism development

Result: 2.1.2. Cultural and natural heritage protected and valorised

| | |
|--------------------|---|
| IMPACT INDICATORS | Number of tourist arrivals in the cross-border area (disaggregated by domestic and foreign tourists) |
| | Length of tourist stays in the cross-border area (disaggregated by domestic and foreign tourists) |
| OUTCOME INDICATORS | Number of newly established thematic routes |
| | Number of cross-border networks between cultural institutions formalized |
| OUTPUT INDICATORS | Number of knowledge bases established |
| | Number of cultural heritage places which received support (and were improved) |
| | Number of natural heritage places which received support (and were upgraded) |
| | Number of people with increased capacities for common cultural and/or natural heritage preservation and management (to be disaggregated by sex and age) |
| | Number of cross-border intangible cultural/natural heritage coordination bodies established |
| | Number of participants (disaggregated by sex and age) in joint cultural/awareness raising events |

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

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 through an information system. 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. The Joint Technical Secretariat (JTS) of the programme will be available for technical support while using this information system and will carry out a sort of validation of the submitted data. Additionally, according to the provisions of the Article 4.3 of the special conditions of the grant contract, applicants will quarterly have to submit progress report to the Contracting Authority 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 are advised to devote some time 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. Applicants are reminded that 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. The activities must take place in one or more of the following territorial units⁷.

1. For the Republic of Serbia:
 - Jablanica district: City of Leskovac and municipalities of Bojnik, Lebane, Medveda, Vlasotince and Crna Trava and
 - Pčinja district: City of Vranje with two city municipalities: Vranje and Vranjska Banja, and municipalities of Vladičin Han, Surdulica, Bosilegrad, Trgovište, Bujanovac and Preševo.
2. For the Republic of North Macedonia:
 - North – East Region: municipalities of Kratovo, Lipkovo, Kumanovo, Staro Nagoričane, Rankovce and Kriva Palanka and
 - Skopje Region: municipalities of Aračinovo, Čučer Sandevo, Ilinden, Petrovec, Sopište, Studeničani, Zelenikovo, and municipalities Butel, Gjorče Petrov, Šuto Orizari, and Gazi Baba of the City of Skopje.

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 the Republic of Serbia and the Republic of North Macedonia;
- have cross-border impacts and benefits in parts of the programme area of the Republic of Serbia and the Republic of North Macedonia
- envisage 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;
- envisage 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.

⁷ Please note that some activities may take place outside the programme eligible area in exceptional, well justified circumstances, but always for the benefit of its population.

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 neighbourly 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 concerned only or mainly at the upgrading of infrastructure and equipment in privately owned facilities;
- actions containing preparatory studies or the preparation of preliminary design for works to be carried out as part of the operation;
- actions without genuine cross-border impacts and benefits⁸;
- actions linked to political parties;
- actions concerned only or mainly with commercial and profit-making activities⁹;
- actions exclusively 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, extracted from the IPA III CBC programme document, 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 priorities. By way of illustration applications could contain a range of the following activities in relation to the programme's results targeted in the call:

1.1.1. Increased access to social, health and cultural services for vulnerable groups:

- Activities promoting social and cultural inclusion (including gender equality and integration of migrants, seasonal workers, refugees, returnees and vulnerable groups)
- Activities promoting social innovation related to social and cultural inclusion – demonstrations projects focusing on the joint development of new solutions (services, tools, programmes) improving the wellbeing and active participation of, for instance, groups at disadvantage in society (elderly,

⁸ The cross-border partnership **must produce a tangible added value** (i.e., the problems of the target groups and final beneficiaries are solved more efficiently and effectively by utilizing the partnership than they would be solved if applicants and affiliated entity(ies) would have acted independently.

⁹ In case the project generates revenue, it shall be used to finance the operation, together with the other sources of funding. Revenue of an operation means cash in-flows directly paid by users for the goods and services provided by the operation, such as charges borne directly by users for the use of infrastructure, sale or rent of land or buildings, or payment for services incurred during the period of implementation of the operation.

women, young in peripheral areas; victims of domestic violence, victims of bullying, people living with mental health problems, people living with disabilities, etc.)

- Programmes promoting healthy lifestyle and sickness prevention activities
- Activities supporting the exchange of experience between local self-governments, CSOs and other actors in the field of social and cultural inclusion
- Small scale investments into equipment or renovation of facilities for improvement of the quality and accessibility of health and social services
- Activities supporting cross-cultural cooperation among different national and ethnic minorities (e.g. social and cultural inclusion initiatives, community cooperation supporting the learning and exchanges regarding traditions and cultural heritage, youth cooperation and exchanges)

2.1.1 Cross-border tourism products developed:

- Planning and designation of routes, signs
- Small scale investments in conservation of natural and cultural heritage sites, related to visitors' infrastructure and accessibility
- Investments in new exhibition and interpretation methods, including accessible digital solutions and interpretation
- Creation, improvement and connection of local offers (food, crafts, accommodation and other services), especially exploring community-based forms of tourism/offers
- Development of complementary specific thematic products (e.g. hiking, biking, culture, nature)
- Integration of local offers itineraries, packages
- Skills development for raising quality of services, especially with women and members of vulnerable groups
- Introduction of quality standards
- Destination management and promotion
- Establishment of common structures to coordinate and promote CB sustainable tourism products
- Marketing actions, digital marketing

2.1.2 Cultural and natural heritage protected and valorised:

- Activities related to knowledge base development, such as: cross-border mapping of common cultural and/or natural heritage, identification of good practices in its conservation, protection and revitalisation
- Common cross-border training for specific common cultural and/or natural heritage preservation, management
- Investments in rehabilitation, accessibility and revitalisation of cultural heritage
- Investments in protection and revitalisation of natural heritage and values
- Common management of cultural and natural heritage



- Promotion of cultural and natural heritage
- Cross-border awareness raising events
- People to people actions for strengthening cultural cooperation

Financial support to third parties¹⁰

Applicants may not propose financial support to third parties.

Visibility

The applicants must take all necessary steps to publicise the fact that the European Union has financed or co-financed the action. Unless the European Commission agrees otherwise, actions that are wholly or partially funded by the European Union must ensure the visibility of EU financing by displaying the EU emblem in accordance with the guidelines set out in the Operational guidelines for recipients of EU funding, published by the European Commission. If applicable, communication activities may be undertaken 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.

All measures and activities relating to visibility and, if applicable, communication, must comply with the latest Communicating and Raising EU Visibility: Guidance for External Actions 2022, laid down and published by the European Commission (Communicating and raising EU visibility: Guidance for external actions (europa.eu)).

Number of applications and grants per applicants / affiliated entities¹¹

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

The lead applicant may not be awarded more than 1 grant under this call for proposals.

The lead applicant may not be a co-applicant or an affiliated entity in another application of the same thematic priority at the same time.

A co-applicant/affiliated entity may not be the co-applicant or affiliated entity in more than 1 application per thematic priority under this call for proposals.

A co-applicant/affiliated entity may not be awarded more than 1 grant per thematic priority under this call for proposals.

Failing to comply with all requirements related to the number of applications per applicants / affiliated entities may lead to rejection of all applications where the said lead applicant/co-applicant/affiliated entity appears.

¹⁰ These third parties are neither affiliated entity(ies) nor associates nor contractors.

¹¹ In case that one legal entity, being lead applicant, co-applicant or affiliated entity, is placed on both lists for financing, the award criteria will be better overall score of the project proposal, regardless of the ranking position on the particular list for financing.

2.1.5. Eligibility of costs: costs that can be included

Union contributions under this call for proposals take the following form(s):

- Financing not linked to costs of the relevant operations based on¹²:
 - (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;
- Reimbursement of eligible costs that may be based on any or a combination of the following forms:
 - (i) actual costs incurred by the beneficiary(ies) and affiliated entity(ies);
 - (ii) one or more simplified cost options (see below).

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'.

Simplified cost options (SCOs) 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. This form is not applicable to output or result based SCOs.

Simplified costs options which can be proposed are the following:

"output or result based SCOs": they include 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 or unit costs 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 (Grant application form – Full application). 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.

¹² Such performance-based financing is not subject to other sub-articles of Article 14 of the General Conditions to the grant contract. The relevant results and the means to measure their achievement shall be clearly described in Annex I to the contract.

The amount to be paid per achieved result shall be set out in Annex III. The method to determine the amount to be paid per achieved result shall be clearly described in Annex I, take into account the principle of sound financial management and avoid double-financing of costs. The beneficiary shall not be obliged to report on costs linked to the achievement of results. However, it shall submit any necessary supporting documents, including where relevant accounting documents, to prove that the results triggering the payment as defined in Annex I and III have been achieved.

Articles 15(1) (schedule of payment), 15(7) (expenditure verification), 17(3) (no-profit) of the General Conditions do not apply to the part of the action supported by way of result-based financing.

Please 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', 'LUMPSUM' 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 and/or lump sums, 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.

Where SCOs are proposed 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.

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.



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 of the action. 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. These personnel may receive for the engagement in the project activities additional remuneration other than their standard, regular salaries in their respective institutions, in accordance with the applicable National legislation – Labour Law of the Republic of Serbia**

The total sum of the salaries of these personnel shall not exceed the total 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 this 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 the 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.

NOTE only for the Republic of North Macedonia:

For applicants effectively established in the Republic of North Macedonia, their Ministry of Local Self-government (MLSG) may provide as co-financing up to a maximum of the 15% of the total eligible costs of the action. In that case, staff cost for in-house staff that will participate in project implementation shall be presented as additional percentage of the co-financing exceeding the one already provided by MLSG. Please note that co-financing may not exceed 40% of the total eligible costs of the action as stated in 1.3.

When calculating all above, please bear in mind that as per 2.1.5 total costs for Human Resources (Budget Heading 1) and Local Office (Budget Heading 4) must not exceed the 30% of the total eligible costs.

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 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.

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

Ineligible costs

The following costs are not eligible

- debts and debt service charges (interest);
- provisions for losses, debts or potential future liabilities;
- costs declared by the beneficiary(ies) and financed by another action or work programme receiving a European Union grant (including through European Development Fund);
- purchase of land and existing buildings, except where justified by the nature of the programme in the financing decision, in which case ownership must be transferred in accordance with Article 7.5 of the general conditions of the standard grant contract, at the latest at the end of the action;
- currency exchange losses;
- credits to third parties,
- in kind contributions (except for volunteers' work);
- performance-based bonuses included in costs of staff;
- fines, financial penalties and expenses of litigation;
- negative interest charged by banks or other financial institutions
- value added tax (VAT) except when it is non-recoverable under national VAT legislation;
- taxes, customs and import duties and levies and/or charges having equivalent effect.

2.1.6. 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, abuse and harassment

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.

Applicants (and affiliated entities) other than (i) natural persons, (ii) pillar-assessed entities and (iii) governments and other public bodies, whose application has been provisionally selected or placed in a reserve list shall assess their internal policy against sexual exploitation, abuse and harassment (SEA-H) through a self-evaluation questionnaire (Annex L). For grants of EUR 60 000 or less no self-evaluation is required. Such self-evaluation questionnaire is not part of the evaluation of the full application by the contracting authority, but is an administrative requirement. See Section 2.5.6 of the PRAG.

c) Anti-corruption and anti-bribery

The applicant shall comply with all applicable laws, regulations and codes relating to anti-bribery and anti-corruption. The contracting authority 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

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

Restricted call for proposals

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 (Part A, Concept Note of Annex A).

Applicants must apply in English.

Please note that:

1. In the concept note, lead applicants must only provide an estimate of the requested EU contribution as well as an indicative percentage of that contribution in relation to the eligible costs of the action. A detailed budget is to be submitted only by the lead applicants invited to submit a full application in the second phase.
2. The elements outlined in the concept note may not be modified in the full application, except for the changes described below:
 - The EU contribution may not vary from the initial estimate by more than 20%. Lead 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 in Section 1.3.
 - The lead applicant may add, remove or replace one or more co-applicant(s) or affiliated entity(ies) only in duly justified cases.
 - The lead applicant may adjust the duration of the action if unforeseen circumstances outside the scope of the applicants have taken place following the submission of the concept note and require such adaptation (risk of action not being carried out). In such cases, the duration must remain within the limits imposed by the guidelines for applicants. Own contributions by the applicants can be replaced by other donors' contributions at any time.

An explanation/justification of the relevant replacements/adjustments shall be included in section 2.1.1. of the full application form. Should the explanation/justification not be accepted by the evaluation committee, the proposal may be rejected on that sole basis.

3. Only the concept note form will be evaluated. It is therefore of utmost importance that this document contains all relevant information concerning the action. No additional annexes should be sent, apart from the Declaration from the Lead Applicant.

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

Any error or major discrepancy related to the concept note instructions may lead to the rejection of the concept note.

Clarifications will only be requested when information provided is not sufficient to conduct an objective assessment.

2.2.2. *Where and how to send concept notes*

The concept note and declaration by the lead applicant (to be found in **Part A Section 3** of the grant application form) must be submitted in one original and 2 copies in A4 size, each bound. Hand-written concept notes will not be accepted.

An electronic version of the concept note must also be submitted. A CD-Rom or a USB stick 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.

Where lead applicants send several different concept notes (if allowed to do so by the guidelines of the call), each one must be sent separately.

The 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 lead applicant, and the words 'Not to be opened before the opening session' and 'Ne otvarati pre početka sastanka za otvaranje projektnih predloga'.

To reduce expense and waste, we strongly recommend that you do not use plastic folders or dividers. Please also use double-sided printing if possible.

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

Ministry of Finance
Department for Contracting and Financing of EU Funded Programmes (CFCU)
Division for Tender Evaluation and Contracting
53 Balkanska Str, ground floor/ registry office
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
53 Balkanska Str, ground floor/ registry office
11000 Belgrade, Republic of Serbia

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

Please note that incomplete concept notes may be rejected. Lead applicants are advised to verify that their concept note is complete using the checklist for concept note (Part A Section 2 of the grant application form).

2.2.3. *Deadline for submission of concept notes*

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

In the first case, the concept note must be sent before the date for submission, as evidenced by the postmark or deposit slip¹³, but in the second case it is the acknowledgment of receipt given at the time of the delivery of the concept note which will serve as proof.

The deadline for the submission of concept notes is 22 October 2024 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 22 October 2024 before 15:00 hours local time, as evidenced by the signed and dated receipt. Any concept note submitted after the deadline will be rejected.

¹³ It is recommended to use registered mail in case the postmark would not be readable.

The contracting authority may, for reasons of administrative efficiency, reject any concept note 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 concept note evaluation, if accepting concept notes that were submitted on time but arrived late would considerably delay the evaluation procedure) or jeopardise decisions already taken and notified (see indicative calendar under Section 2.5.2).

2.2.4. Further information about concept notes

Information sessions on this call for proposals will be held in The Republic of Serbia and the Republic of North Macedonia. 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://eu.rs-mk.org>
- The website of the contracting authority <http://www.cfcu.gov.rs>
- The website of DG International Partnerships https://ec.europa.eu/international-partnerships/funding/looking-for-funding_en or Funding & Tender opportunities (F&T Portal) <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home>.

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

E-mail address: 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 submission of concept notes.

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 where the call was published: website of DG International Partnerships https://ec.europa.eu/international-partnerships/funding/looking-for-funding_en or Funding & Tender opportunities (F&T Portal) <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home> and the website of the contracting authority <http://www.cfcu.gov.rs> and that of the program www.eu.rs-mk.org as the need arises. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

Please note that the contracting authority may decide to cancel the call for proposals procedure at any stage according to the conditions set out in Section 6.5.9 of the PRAG.

2.2.5. Full applications

Lead applicants invited to submit a full application following pre-selection of their concept note must do so using Part B of the grant application form annexed to these guidelines (Annex A). Lead applicants should then keep strictly to the format of the grant application form and fill in the paragraphs and pages in order.

Please note that the elements outlined in the concept note may not be modified in the full application except for the changes described below:

- The EU contribution may not vary from the initial estimate by more than 20 %. Lead 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 in Section 1.3.

- The lead applicant may add, remove or replace one or more co-applicant(s) or affiliated entity(ies) only in duly justified cases.
- The lead applicant may adjust the duration of the action if unforeseen circumstances outside the scope of the applicants have taken place following the submission of the concept note and require such adaptation (risk of action not being carried out). In such cases, the duration must remain within the limits imposed by the guidelines for applicants.

An explanation/justification of the relevant replacements/adjustments shall be included in section 2.1.1. of the full application form. Should the explanation/justification not be accepted by the evaluation committee, the proposal may be rejected on that sole basis.

The elements outlined in the concept note that cannot change in the full application are:

- the number and title of the thematic priority/specific objective of the call under which the concept note was submitted;
- the specific objective(s)/outcomes of the action;
- its intended outputs;
- its target groups and final beneficiaries.

Lead applicants must submit their full applications in the same language as their concept notes.

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 (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.

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.

With the full application the lead applicant also has to submit completed PADOR registration form (Annex F) for the lead applicant, each co-applicant (if any) and each affiliated entity (if any).

Please note that the following documents should be submitted together with PADOR registration form (Annex F) and the full application:

1. The statutes or articles of association of the lead applicant, of each co-applicant (if any) and of each affiliated entity (if any). 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, what should be submitted, instead of the statutes or articles of association, is 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. This obligation does not apply to international organisations that have signed a framework agreement with the European Commission.



2. Legal entity form (see Annex D of these guidelines) duly completed and signed by each of the applicants (i.e. by the lead applicant and 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 form and supporting documents, the legal entity number may be provided, unless a change in legal status occurred in the meantime.
3. 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.

In addition, for the purpose of the evaluation of the financial capacity, the following documents should be submitted¹⁴:

1. 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 three available financial years.

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 three available financial years. Such self-declaration shall be dated and signed, either by hand or by applying a qualified electronic signature (QES)¹⁵ by an authorised representative of the signatory.

This requirement shall apply only to the first application made by a beneficiary the same contracting authority in any one financial year.

The external audit report is not required from the co-applicant(s) or affiliated entities (if any).

2. For action grants not exceeding EUR 750 000 and for operating grants below EUR 100 000, a copy of the lead applicant's profit and loss account and the balance sheet for up to the last three financial years for which the accounts were closed¹⁶. A copy of the latest account is neither required from the co-applicant(s) nor from affiliated entity(ies)(if any).

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 language, it is strongly recommended, in order to facilitate the evaluation, to provide a translation of the relevant parts of the

¹⁴ No supporting documents will be requested for applications for a grant not exceeding EUR 60 000.

¹⁵ Please note that only the QES within the meaning of Regulation (EU) No 910/2014 (eIDAS Regulation) will be accepted. Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC.

¹⁶ This obligation does not apply to natural persons who have received education support or who are in most need or 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 2.2.5, point 1.

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 by the deadline for the submission of the full application, the application may be rejected.

No additional annexes being part of the application package should be sent by the applicant. However, when the application includes the undertaking of works, please refer to the provisions under paragraph 3 of section 2.4 of these guidelines which deals with specific supporting documents that must be submitted with the full application.

2.2.6. Where and how to send full applications

Full applications (i.e., the full application form, the organisation data or PADOR registration form, the budget, the logical framework and the declaration by the lead applicant) 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

Ministry of Finance
Department for Contracting and Financing of EU Funded Programmes (CFCU)
Division for Tender Evaluation and Contracting
53, Balkanska Str, ground floor / registry office
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
53, Balkanska Str, ground floor / registry office
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.

Applications must be submitted in one original and 2 copies in A4 size, each bound. The full application form, budget and logical framework and the organisation data or PADOR registration form must also be supplied in electronic format (CD-Rom or a USB stick) in a separate and single file (i.e. the full application must not be split into several different files). The electronic file must contain **exactly the same** application as the paper version¹⁷. Hand-written applications will not be accepted.

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 lead applicants send several different applications (if allowed to do so by the guidelines of the call), each one must be sent separately.

The 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 lead applicant, and the words 'Not to be opened before the opening session' and 'Ne otvarati pre početka zvaničnog sastanka za otvaranje predloga projekata'.

¹⁷ Please note that Annex B (budget) and Annex C (logical framework) should be presented in the same electronic format as in their relevant templates which can be found in folder Documents to be completed (MS Excel for budget and MS Word for logical framework; not scanned PDF versions of the mentioned documents).



Applicants are advised to 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 applications*

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

In the first case, the full application 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 full application that will serve as proof.

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

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 full application evaluation, 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).

Any application submitted after the deadline will be rejected.

2.2.8. *Further information about full applications*

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

E-mail address: 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 full 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), 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 where the call was published: website of DG International Partnerships: https://ec.europa.eu/international-partnerships/funding/looking-for-funding_en or Funding & Tender opportunities (F&T Portal) <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home> and the website of the contracting authority <http://www.cfcu.gov.rs> and that of the program <http://www.eu.rs-mk.org>, as the need arises. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

Please note that the contracting authority may decide to cancel the call for proposals procedure at any stage according to the conditions set out in Section 6.5.9 of the PRAG.

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 at any time 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 concept note satisfies all the criteria specified in the checklist in Section 2 of Part A 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 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.

Evaluation grid

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 eligible programme area and/or relevant sector (including synergy with other EU initiatives, in particular with the EU Strategy for the Danube Region and the one for the Adriatic and Ionian Region, as well as 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)? | 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 interest and 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 improved capacity of local and regional authorities to tackle local challenges, environmental/climate change issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and children, support to youth, democratic standards and good governance? | 5 | |
| TOTAL SCORE | | | 50 |

* Note: A score of 5 (very good) will only be allocated if the concept note clearly demonstrates how it specifically addresses one of the specific objectives of the call 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 thematic priority, to the number of concept notes whose total aggregate amount of requested contributions is equal to at least 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 thematic priority, 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 pre-selected lead applicants will subsequently be invited to submit full applications.

(2) STEP 2: OPENING & ADMINISTRATIVE CHECKS

Firstly, the following will be assessed:

- If the submission deadline has been met. Otherwise, the application will automatically be rejected.]
- 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: they 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 |
|---|---------------|
| 1. Financial and operational capacity | 20 |
| 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 |
| 2. Relevance | 20 |
| <i>Score transferred from the Concept Note evaluation</i> | |
| 3. Design of the action | 15 |
| 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 full application contain objectively verifiable indicators (at impact, outcome and output level)? Are the project indicators likely to contribute to the achievement of programme indicators? Does the full application/logical framework matrix 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 |
| 4. Implementation approach | 20 |
| 4.1 Is the action plan for implementing the operation 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? Does the proposal involve genuine cross-border cooperation (joint development, joint staffing, joint implementation, joint financing)? Are the activities proposed likely to have a clear cross-border benefit and impact? | 5x2 |
| 5. Sustainability of the action | 15 |

| | | |
|---|---|------------|
| 5.1 | Is the action likely to have a tangible impact on its target groups at cross-border level? Have assumptions and risks been well assessed? | 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? <ul style="list-style-type: none"> - 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 |
| 6. Budget and cost-effectiveness of the action | | 10 |
| 6.1 | Are the activities appropriately reflected in the budget? Are the expenses well justified? | / 5 |
| 6.2 | Is the ratio between the estimated costs and the expected results satisfactory? Are the costs estimated based on real market prices? | / 5 |
| Maximum total score | | 100 |

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.

Provisional selection

After the evaluation, a table will be drawn up listing the applications ranked according to their score. The highest scoring applications will be provisionally selected until the available budget for this call for proposals is reached. In addition, a reserve list will be drawn up following the same criteria. This list will be used if more funds become available during the validity period of the reserve list. Please see Section 1.3 above for more details.

Applications which had obtained less than threshold of 70 points as score in the ranking list will not be recommended for funding by the Evaluation Committee.

(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 Sections 2.2.5 & 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 Section 2.1.1. and 2.1.2.

Any rejected application will be replaced by the next best placed application on the reserve list that falls within the available budget for this call for proposals. Please see the provisions of Section 1.3 above for more details.

2.4. SUBMISSION OF SUPPORTING DOCUMENTS

The lead applicant should submit the documents listed in Section 2.2.5

In addition, 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 documents¹⁸:

1. Declaration on honour: 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) where the amount of the grant exceeds EUR 15 000. The declaration on honour shall be dated and signed, either by hand or by applying a qualified electronic signature (QES)¹⁹ by an authorised representative of the signatory.
2. Self-evaluation questionnaire on SEA-H: the lead applicant as well as all co-applicants and affiliated entities shall fill in the self-evaluation questionnaire assessing the organisation's internal policy and procedure against sexual exploitation, abuse and harassment (SEA-H) (Annex L) where the amount of grant exceeds EUR 60 000 (see Section 2.5.6 of the PRAG)²⁰.
3. **Please bear in mind when an operation contains the execution of works, the following supporting documents, submitted along with the full application form, will be necessary:**
 - 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. 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;
4. **Furthermore, when an operation contains the execution of works, the following supporting documents shall be submitted before the contract signature:**
 - a. All necessary legal authorisations (e.g.: location and construction permits).
 - 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;
 - c. An indicative priced bill of quantities drawn not earlier than 2 years prior to the deadline for submission of full applications – calculated in euro.

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,

¹⁸ No supporting documents will be requested for applications for a grant not exceeding EUR 60 000.

¹⁹ Please note that only the QES within the meaning of Regulation (EU) No 910/2014 (eIDAS Regulation) will be accepted. Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC.

²⁰ Applicants, co-applicants and affiliated entities who are (i) natural persons (ii) pillar-assessed entities and (iii) governments and other public bodies do not have to submit the self-evaluation questionnaire.



the above mentioned entity becomes a co-applicant for all purposes. The lead applicant has to submit the application form revised accordingly.

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. Please note that the lead applicant is the intermediary for all communications between applicants and the contracting authority during the procedure.

An applicant believing that it has been harmed by an error or irregularity during the award process may lodge a complaint. See Section 2.12 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.

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 | 1 October 2024 | 15:00 |
| 3. Last date on which clarifications are issued by the contracting authority | 11 October 2024 | - |
| 4. Deadline for submission of concept notes | 22 October 2024 | 15:00 |
| 5. Information to lead applicants on opening, administrative checks and concept note evaluation (Step 1) | December 2024 | - |
| 6. Invitations to submit full applications | January 2025 | - |
| 6. Deadline for submission of full applications and, where appropriate, supporting documents for the execution of works | March 2025 | - |

| | | |
|--|--------------|---|
| 7. Information to lead applicants on the evaluation of the full applications (Step 2) | May 2025 | - |
| 8. Notification of award (after the eligibility check) (Step 3) | July 2025 | - |
| 9. Contract signature | October 2025 | - |

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 where the call was published: website of DG International Partnerships: https://ec.europa.eu/international-partnerships/home_fr or Funding & Tender opportunities (F&T Portal) <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home> and the websites of the programme <http://www.eu.rs-mk.org> and the contracting authority <http://www.cfeu.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 (Word format)
- Annex D: Legal entity form
- Annex E: Financial identification form
- Annex F: Organisation data (ONLY IF IMPOSSIBLE TO REGISTER IN PADOR)
- Annex H: Declaration on Honour
- Annex L: Self-evaluation questionnaire on SEA-H

DOCUMENTS FOR INFORMATION²¹

- 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 report²² (incl. the detailed breakdown of expenditure)
 - 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 I: Daily allowance rates (per diem), available at the following address: https://international-partnerships.ec.europa.eu/funding/guidelines/managing-project/diem-rates_en
- Annex J: Information on the tax regime applicable to grant contracts signed under the call
- Annex K: Guidelines for assessing simplified cost options
- Annex M: CBC INDICATORS_RS-NMK_Result 1.1.1/ CBC INDICATORS_RS-NMK_Result 2.1.1/
CBC INDICATORS_RS-NMK_Result 2.1.2

Useful links:

Project Cycle Management Guidelines

https://ec.europa.eu/international-partnerships/funding/managing-project_en

The implementation of grant contracts

A Users' Guide

<https://wikis.ec.europa.eu/pages/viewpage.action?pageId=48169235>

Financial Toolkit

https://ec.europa.eu/international-partnerships/financial-management-toolkit_en

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.

²¹ These documents should also be published by the contracting authority.

²² In case the participating countries have envisaged the submission of progress reports, there should be a reference here, as well as in the standard grant contract (special conditions) and the corresponding template should be part of this list of annexes.