



Contracting Authority:

European Union Office in Kosovo
and
The Delegation of the European Union
to Montenegro

**Cross-Border Cooperation Programme
Montenegro – Kosovo***

2011-2013 Guidelines
for grant applicants

Instrument for Pre-Accession Assistance (IPA),
Component II

Guidelines
for grant applicants

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* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence

NOTICE

This is an open Call for Proposals, where all documents are submitted at one stage (Concept Note and Full Application Form). However, in the first instance, opening session, administrative and eligibility check and evaluation of the Concept Notes will be performed. Thereafter, for applicants whose Concept Notes have been pre-selected, evaluation of the full proposal will be carried out. The eligibility check will be undertaken on the basis of the supporting documents requested by the Contracting Authorities and the signed "Declaration by the applicant 1" and "Declaration by the applicant 2" and "Partnership Agreement" sent together with the application.

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1. CROSS BORDER COOPERATION PROGRAMME MONTENEGRO-KOSOVO

1.1. BACKGROUND

These Guidelines are intended to be used by those applying for grants under the 1st Call for Proposals for the **Cross-Border Cooperation Programme Montenegro-Kosovo, 2011-2013 (hereinafter ‘the Programme’)**. This Programme is the result of joint planning efforts made by the governments and other stakeholders of the two countries. The Programme analyses the socio-economic situation of the border region, sets out a common strategy for remedying problems identified and formulates joint priorities and measures for development.

The territory of the programme area covers 10,927 km² with a total population of about 1,229,000 inhabitants. The overall borderline length is 75.6 km. There are two border cross points: in Kulla/Kula (on the road Rožaje – Pejë/Peć), which is also a custom point; and in Qakor/Čakor (on the road from Murino linking Plav and Peja/Peć municipalities) that has been closed to traffic for the last ten years. The eligible and adjacent areas are listed in section 2.1.3 below.

Based on the Programme, grant schemes, such as the one, which is the subject of this call, will be launched at regular intervals on both sides of the border in order to select cross-border cooperation projects that contribute to achieving the strategic objectives agreed upon by the participating countries and fall under identified priorities and measures.

Joint actions and cross-border projects implemented within the programme should have an impact on the social and economic situation of the population, improve the joint management and valorisation of natural and cultural resources and strengthen the image and the cohesion of the cross-border region and sub-regions.

The current Call for Proposals will facilitate the cooperation between the two countries and will be implemented under the IPA Cross-Border-Cooperation (CBC) financial allocation for 2011, 2012 and 2013. It includes three measures aimed at supporting economic, environmental and social development. The call for proposals is intended to function as a catalyser of actions that would foster cooperation in the two countries within the framework of IPA programme, promote the design of feasible and sustainable projects and strengthen the administrative capacity of beneficiaries and national institutions for the implementation and management of the projects.

More details about the IPA Cross-Border Cooperation Programme Montenegro-Kosovo 2011-2013 can be found on the web page of the Operating Structure in Kosovo at <http://mapl.rks-gov.net>, on the web page of the Operating Structure in Montenegro www.mvpei.gov.me and www.eu.me

The Programme is implemented jointly by both countries.

In Montenegro, the responsible institutions are:

- The Ministry of Foreign Affairs and European Integration as Operating structures responsible for the overall coordination of the programme
- The Delegation of the European Union to Montenegro, responsible for all contract and payment issues, is the Contracting Authority.

In Kosovo, the responsible institutions are:

- The Ministry of Local Government Administration, responsible for the overall coordination of the programme
- European Union Office in Kosovo responsible for all contract and payment issues is the Contracting Authority.

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 is also responsible for selecting projects to be financed under the Programme.

Both countries are assisted by the Joint Technical Secretariat (JTS) based in Peja/Peć (Kosovo), composed by representatives of both countries and the JTS antenna located in Berane (Montenegro) 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 will be the main contact point for applicants to the Programme, though all information can be obtained from the Antenna in Berane (Montenegro), as well.

1.2. OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

1.2.1. Overall objective of the Programme

The **global objective** of the programme is the socio economic development of the programme area by fostering cooperation and joint initiatives.

The **specific objectives** of the Programme are:

- Protection of biodiversity and promotion of the sustainable use of natural resources in the programme area;
- Economic development of the programme area with a special emphasis on two priority sectors: a) Sustainable agriculture and forestry; b) development of the tourism offer complementary to the existing seaside tourism in Montenegro. This objective may also include infrastructure projects aiming to facilitate the cooperation and trade within the programme area (e.g. upgrading of cross-border points; road rehabilitation);
- Promotion of socio-economic cohesion between communities living in the bordering regions by encouraging inter-municipal cooperation and developing partnerships and networking between Civil Society Organisations (CSOs), professional organisations (i.e Chambers of Commerce, entrepreneurs and farmers organisations) and educational institutions.

1.2.2. Priorities and measures to be implemented through the Grant Scheme

These Guidelines for Applicants relate to the 1st Call for Proposals under this Priority Axis 1 of the Cross border programme Montenegro-Kosovo: **Economic and social development and promotion of natural resources**.

This Priority Axis will be implemented through three different measures. Each of them is specifically targeted on the specific objectives identified above:

Measure 1.1	Environment protection
Measure 1.2	Sustainable economic development
Measure 1.3	Social cohesion and people-to-people initiatives

1.3 FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this call for proposals is € 3,240,000 (out of which € 1,620,000 by Montenegro and € 1,620,000 by Kosovo).

European Union funding in adjacent areas: In duly justified cases, the proportion of funds available for actions or part of actions to be implemented in the adjacent areas of Montenegro and Kosovo (see section 2.1.3 below) is limited to 20% of the respective allocation for Montenegro and Kosovo. Under this Call for Proposals, a maximum amount of € 648,000 (€324,000 belonging to the allocation for Kosovo and €324,000

belonging to the allocation for Montenegro) may be assigned to finance applications with activities totally or partially taking place in adjacent area. The selection of applications with activities in the adjacent area shall be in all cases confirmed by the Contracting Authorities (CAs).

In case all funds available for adjacent areas under the Call for Proposals have already been allocated, any additional application which includes activities in adjacent areas may be proposed by the JMC for funding to the Contracting Authorities not including the financing of activities envisaged in the adjacent areas.

The JMC will monitor the percentage of funds spent in adjacent areas at the level of the Programme in order to ensure compliance with the 20% rule.

Where expenditure in the adjacent area is proposed, the applicant must clarify in the Application Form and in the Budget description, the activities which will be carried out in the adjacent area and the costs relating to those activities.

Size of grants (EU contribution)

Any grant awarded under this programme must fall between the following minimum and maximum amounts as shown below. An action implemented in both countries will consist of two grants: one awarded in Kosovo and one in Montenegro. Thus, the application (project proposal) will have two separate budgets for the financial contribution, which is sought from each of the participating countries (for each grant).

- Minimum amount: Euro 80.000
- Maximum amount: Euro 250.000

The minimum and maximum amounts refer to the value of each of the two grants separately, i.e. not to the sum of the two grants.

The Contracting Authorities of the Cross-Border Programme Montenegro-Kosovo, the European Union Office in Kosovo and the Delegation of the European Union to Montenegro, reserve the right not to award all the available programme funds in this Call for Proposals.

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

- Minimum percentage: 55% of the total eligible costs of the action.

- Maximum percentage: 85% of the total eligible costs of the action (see also section 2.1.4).

The balance (i.e. the difference between the total cost of the action and the amount requested from the Contracting Authority) must be financed from sources other than the European Union budget or the European Development Fund¹.

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

2. RULES FOR THIS CALL FOR PROPOSALS

These guidelines set out the rules for the submission, selection and implementation of actions financed under this call, in conformity with the provisions of Part One, Title VI of the Financial Regulation and Part One, Title VI of its Implementing Rules² and in conformity with the Practical Guide to contract procedures for EU external actions, which is applicable to the present call (available on the Internet at this address: <http://ec.europa.eu/europeaid/prag/document.do?locale=en>).³

2.1. ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

1) the actors:

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

(2) the actions:

Actions for which a grant may be awarded (2.1.5);

(3) the costs:

- types of cost that may be taken into account in setting the amount of the grant (2.1.6).

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

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

- be legal persons, **and**
- be non-profit-making, **and**
- belong, to one of the following categories:
 - Local Government units and their depending institutions;
 - Professional associations;
 - Chambers of Commerce, Crafts and Trades, business support organisations and social partners;

² http://www.cc.cec/budg/leg/leg_en.html

³ 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 PA Grant Agreement based on the PAGoDA 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 PAGoDA template.

- Independent Administrative Bodies⁴ and those established by Specific Law or Regulation
 - Public enterprises dealing with local/regional utilities and services;
 - Bodies supporting the workforce;
 - Health care institutions;
 - Universities, schools, educational and research institutions;
 - Civil Society Organisations, including Foundations
- be nationals⁵ of Kosovo, Montenegro, a Member State of the European Union, other IPA beneficiary country, a country that is a beneficiary of the European Neighbourhood and Partnership Instrument (ENPI), or a Member State of the European Economic Area; **and**
 - the lead applicant be registered or accredited⁶ in Kosovo when applying for the allocation assigned to Kosovo and be registered or accredited in Montenegro when applying for the allocation assigned to Montenegro; the lead applicant must also have been operational for at least 12 (twelve) months before the deadline for submission of this Call for Proposals; **and**
 - be directly responsible for the preparation and management of the action with their co-applicants, not acting as an intermediary.

Please note that political parties are not eligible, neither as applicants, co-applicants nor as affiliated entity(ies).

- (2) The potential applicant may not participate in calls for proposals or be awarded grants if it is in any of the situations listed in Section 2.3.3 of the Practical Guide to contract procedures for EU external actions (available from the following Internet address:

http://ec.europa.eu/europeaid/work/procedures/implementation/index_en.htm);

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

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

Co-applicant(s)

Applicant **must have** at least one co-applicant

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

⁴ In line with the provision of Decree on the Organization and the manner of work of Public Administration in Montenegro Decree issued on the 23rd January 2012, Gazette No5/2015 (changes/amendments : 11.05.2012-25/2015;07.12.2012-61/2012;26.04.2013-20/2013;04.04.2014-17/2014;10.02.2015-6/2015) and Law on the State Administration of Kosovo (no. 03/L-189)

5. Such nationality being 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. 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.

6 The lead beneficiaries shall be established in the respecting participating beneficiary country, according to the meaning of the provisions of Article 96(3) of the IPA Regulation (EC) No 718/2007 as amended by Regulation (EU) No 80/2010.

Co-applicant(s) must satisfy the eligibility criteria as applicable to the applicant himself, except they do not need to be registered or accredited in Kosovo or in Montenegro respectively

Co-applicant(s) must sign the Mandate in Part B section 4 of the grant application form. If awarded the Grant contract, the co-applicant(s) will become beneficiaries in the Action (together with the Coordinator).

2.1.2. *Affiliated entities*

Affiliated entity(ies)

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

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

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

This structural link encompasses mainly two notions:

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

Entities affiliated to an applicant may hence be:

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

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

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

What is not an affiliated entity?

The following are not considered entities affiliated to an applicant:

- Entities that have entered into a (procurement) contract or subcontract with an applicant, act as concessionaires or delegates for public services for an applicant,
- Entities that receive financial support from the applicant,

- Entities that cooperate on a regular basis with an applicant on the basis of a memorandum of understanding or share some assets,
- Entities that have signed a consortium agreement under the grant contract (unless this consortium agreement leads to the creation of a "sole applicant" as described above).

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

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

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

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

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

2.1.3. Associates and Contractors

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

- Associates

Other organisations 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.

- Financial support to third parties

The grant beneficiaries of the allocation for Kosovo may award financial support (sub-grants) to third parties (the sub-grantees). These entities are neither affiliated entity(ies) nor associates nor contractors. However, they are subject to the nationality and origin rules set out in Annex IV to the standard grant contract.

2.1.4 Concept of Applicant and Functional Lead Applicant for each proposal

Each proposal must have two cross-border applicants, one applying for funds from the Kosovo allocation and the other applying for funds from the Montenegrin allocation, acting in partnership.

Applicants (A1 and A2) must sign and date the Partnership Agreement (Part B, Section 8 of the Grant Application Form).

This partnership will not be accepted when established between operators responding to the same name **and** belonging to the same mother organisation, irrespective of the fact that they are established in each of the two eligible participating countries.

The applicant must act at least with one co-applicant(s) under the Action as specified hereafter.

According to the provisions of Article 96 (3) of the IPA Implementing Regulation No 718/2007, Applicant 1 and Applicant 2 shall assume the following responsibilities for the part of the action taking place in the respective country:

- a) it shall lay down an agreement with the project co-applicants, affiliated entities (if any) in order to guarantee the sound financial management of the IPA funds allocated to the action, including the arrangements for recovering amounts unduly paid;
- b) it shall be responsible for ensuring the implementation of the entire action (on its side of the border);
- c) it shall be responsible for transferring the Community contribution (IPA funds) to co-applicant(s) and affiliated entities (if any);
- d) it shall ensure that the expenditure presented by the co-applicant(s) and affiliated entities (if any) has been paid for the purpose of implementing the action and corresponds to the activities agreed between the applicants/co-applicant(s)/affiliated entities (if any).

Applicant 1 and Applicant 2 from both participating countries shall ensure a close co-ordination among them in the implementation of the action.

Prior to the submission of the project proposal, applicants will appoint between themselves a **Functional Lead Applicant**, who is responsible for:

- The overall coordination of the project activities on both sides of the border;
- Organizing joint meetings with all project actors (applicants, co-applicants, affiliated entities), regular information exchange and correspondence;
- Reporting to the Joint Technical Secretariat (JTS) and the Contracting Authorities on the overall project progress.

If awarded the Grant contract, the applicants (Applicant 1 and Applicant 2) will become the Beneficiaries identified as the Coordinators in Annex G.

2.1.5 Eligible actions: actions for which an application may be made

Definition:

An action (or project) is composed of a set of activities.

The action must involve cross-border cooperation in order to be eligible, i.e. it must:

- take place in the programme area;
- have effect on both Kosovo and Montenegrin parts of the programme area;
- foresee cooperation of the two cross-border between both applicants in at least one of the four following ways:
 - Joint project development: partners cooperate in designing the action, filling in the application form and drawing up its budget;
 - Joint financing: activities are financed from the applicants' budgets;
 - Joint staffing: staff on both sides of the border act as one project team;
 - Joint implementation: beneficiaries coordinate their activities across the border.

Duration

The planned duration of an action shall not be shorter than 12 (twelve) nor exceed 18 (eighteen) months.

Sectors or themes

Applicants will submit applications for actions falling at least in one of the three (3) priority measures described below:

MEASURE 1.1 – Environment protection

The specific objective of this measure is to support joint initiatives aimed at protecting, promoting and managing the valuable and sensitive ecosystems of the programme area.

This measure is a response to the existing concern for the protection of natural resources in the two countries.

This measure focuses on joint initiatives aimed at protecting and managing sensitive eco-systems and at promoting a sustainable environmental development of the area.

MEASURE 1.2 – Sustainable economic development

The specific objective of this measure is the promotion of economic development of the programming area through economic valorization of its tourist and sustainable agriculture and forestry potentials.

This measure focuses on the development of the agricultural and food processing activities as well as wood processing activities in the programme area and developing a joint tourism offer in the Northern Region of Montenegro and in Kosovo, complementary to the sea side tourism.

MEASURE 1.3 - Social cohesions and people-to people initiatives

The specific objective of this measure is to support joint initiatives aimed at fostering economic and social development through people-to-people and institution-to-institution initiatives.

People-to-people actions target directly the civil society and are expected to enhance, facilitate and strengthen cooperation among local communities and organisations, such as non-governmental organizations (NGOs), and to encourage these actors to engage in cross-border partnerships.

Location

Actions must have as final beneficiaries the population of the programme area and their activities must take place in these areas. The programme area consists of the territories of the following local government units of Kosovo and Montenegro:

Kosovo		Montenegro	
Eligible area	Adjacent area	Eligible area	Adjacent area
West economic region, composed of municipalities: - Peja/Peć - Istog/Istok - Klinë/Klina - Junik/Junik - Deçan/Deçani - Gjakovë/Dakovica	North economic region, composed of municipalities: - Skenderaj/Srbica - Vushtri/Vučitrn - Zubin Potok - Zveçan/Zveçane - Mitrovica e Veriut /Mitrovica Sever - Mitrovica e Jugut /Mitrovica Jug - Leposaviq/Leposaviç	Municipalities of: - Andrijevica, - Berane - Bijelo Polje - Kolašin - Mojkovac - Plav - Rožaje - Petnjica - Gusinje	Municipalities of: - Podgorica - Coastal region, composed of the municipalities of Ulcinj and Bar

Actions in “Adjacent Areas” in Montenegro and Kosovo

In accordance with Article 97(1) of the IPA IR, in duly justified cases, expenditure incurred in implementing actions or part of actions in the adjacent areas may be financed up to a certain limit. The accumulated value of all the activities in the adjacent areas cannot exceed 20% of the total Kosovo grant allocation and of the Montenegrin grant allocation.

Applications for projects involving activities in the adjacent areas must specify and justify the need for the activities that are to take place in the adjacent areas, in the Application Form section 2.1 “Description of the Action” and in the Budget (Annex B) the costs relating to these activities must be shown in the memo column “Adjacent” and they must be justified in the attachment to the Budget “Justification of the Budget for the Action”.

The Joint Monitoring Committee (JMC) will monitor the percentage of funds committed to the adjacent area at the level of the Programme in order to ensure compliance with the 20% rule.

Types of action

To be eligible, an **action** which may be financed under this call **must** fulfil the following criteria:

- deliver a clear cross-border benefit;
- include co-applicants from both sides of the border (see section 2.1.1);
- establish contacts and links between local communities in the programming area;
- support links between relevant institutions/ organisations from both side of the border;
- encourage equal participation by women and marginalized groups;
- be environmentally sustainable;
- comply with national [of each beneficiary country] legislation related to constructions and works, national environment and nature protection legislation and with national strategies for sustainable economic, tourism and agricultural development;
- assure that all investments (e.g. infrastructure works) be carried out in compliance with the relevant European Union environmental legislation. The procedures for Environmental Impact Assessment (EIA) as set down in the EIA-directive⁷ fully apply to all investment projects under IPA. If the EIA-directive has not yet been fully transposed, the procedures should be similar to the ones established in the above-mentioned directive. If a project is likely to affect sites of nature conservation importance, an appropriate nature conservation assessment shall be made, equivalent to that provided for in Article 6 of the Habitats Directive⁸.

The actions should relate to the objectives as stated in section 1.2.

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;
- purchase of land;
- actions aimed at the upgrading of infrastructure and equipment in privately owned facilities;
- actions aimed at resorts and tourism sites that are already well developed, intensively advertised and widely known;
- preparatory studies or preparation of preliminary design for works to be carried out within the project;
- actions without cross-border impact;

⁷ Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment (OJ L 175, 5.7.1985, p. 40. Directive as last amended by Directive 2003/35/EC, OJ L 156, 25.6.2003, p. 17.

⁸ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L206, 22.7.1992). Directive as last amended by Regulation (EC) No 1882/2003 (OJ L284, 31.10.2003, p. 1)

- actions related to profit making activities except of small-scale sub-granting as defined under "financial support to third parties";
- actions linked to political parties;
- actions which fall within the general activities of competent state institutions or state administration services, including local government;
- actions with provisions for financing the usual (routine) activities of the local organisations, especially covering their running costs;
- actions started before the signature of a contract;
- actions covered by other European Union programmes;
- actions confined to charitable donations;
- actions related to:
 - the tobacco industry (CAEN code 16);
 - production of alcoholic distilled beverages (CAEN code 1591);
 - arms and munitions (CAEN code 296).

Types of activity

Indicative types of activities, which may be financed under this call for proposals, are given below. The following list is not exhaustive and appropriate innovative activities that are not mentioned below may also be considered for support. By way of illustration, projects could contain a range of the following activities:

Measure 1.1: Environment protection

- Operation for improving the management of the National Parks and protected areas. Projects aiming at establishing cross-border synergies for the management of the protected areas located in the border area are fully eligible (e.g. Prokletije in Montenegro ad Bjeshkët e Nemuna in Kosovo);
- Joint researches for a better knowledge of the wildlife and plant resources of the programme area;
- Operations aiming at protecting rare or endangered animal and plant species in the programme area;
- Operations for improving the usage and maintenance of pasture areas;
- Operations for improving the usage and maintenance of the public and private forests;
- Awareness campaigns on environmental protection issues;
- Small infrastructure projects, joint researches and technical studies aiming at identifying pollution hot spots and/or at reducing their impact on sensitive sites;
- Joint researches and technical studies on the renewable energy potential in the programme area;
- Small-scale infrastructure projects in the field of renewable energy having a cross –border dimension are eligible.

Measure 1.2: Sustainable economic development

- Protecting, branding and promoting in internal and international markets traditional and organic agro-food products as well as wood products and handicrafts;
- Cooperation among farmers associations, food processors, wood processors, etc.;
- Introduction of standards and labels, trainings and guidelines for improving private accommodation facilities, etc.;
- Defining and promoting joint tourism products (hiking and biking tours, rafting, etc.);
- Sign-posting campaigns;
- Training activities for improving the capacities of the local stakeholders in the tourism sector;
- Improving and systematizing the use of internet for promoting the tourism offer; connecting local stakeholders with internal and international operators (e.g. tour operators);
- Protecting and promoting the cultural and historical heritage;
- Researching and promoting the cultural and historical heritage;
- Research and development projects in economic sectors involving the education and research centres (e.g. facilities);
- Infrastructure projects facilitating trade and communication within the programme area.

Measure 1.3: Social cohesion and people-to-people initiatives

- Operations supporting regional CSOs networking and common grassroots CSO's initiatives in rural areas (e.g. partnership between experienced CSOs/grassroots CSOs; capacity building for CSOs, exchange of experiences and knowledge);

- CSOs cooperation in social inclusion, culture, environment, health protection, etc;
- Support to promoting health in schools and building sustainable health awareness systems in particular for vulnerable and socially marginalised people;
- Inter-municipal cooperation: transfer of experiences on decentralisation process; services to citizens;
- Operations aiming at strengthening members of minorities' rights;
- Cooperation and joint activities of youth and sport associations;
- Joint operations of aim to promote education and academic exchanges at all levels;
- Support to promotion of regional products through organisation of cross-border business exhibitions, etc.
- Research & Development projects involving universities and professional actors or local and regional authorities;
- Youth exchange activities

Financial support to third parties⁹

Applicants may propose financial support to third parties.

Applicants may propose financial support to third parties in order to help achieving the objectives of the action.

The maximum amount of an individual financial support to third parties (sub-grant) is limited to EUR 10,000, while the total amount that may be awarded as financial support to third parties (sub-grants) shall be limited to 20% of the total cost of the action.

These provisions for financial support to third parties (sub-granting) are only applicable for applicants from Kosovo and are not for applicants from Montenegro.

Under this Call, financial support to third parties may not be the main purpose of the action.

In compliance with the present guidelines and notably of any conditions or restrictions set above, applicants should define mandatorily in section 2.1.1. of the grant application form:

- (i) the objectives and results to be obtained with the financial support
- (ii) the different types of activities eligible for financial support, on the basis of a fixed list
- (iii) the types of persons or categories of persons which may receive financial support
- (iv) the criteria for selecting these entities and giving the financial support
- (v) the criteria for determining the exact amount of financial support for each third entity, and
- (vi) the maximum amount which may be given.

The following types of action are ineligible for sub-grants:

- 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;
- credit programmes;
- investments at the retail level;

⁹ These third parties are neither affiliated entity(ies) nor associates nor contractors.

Visibility

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

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

Number of applications and grants per applicants / affiliated entities

An applicant may not submit more than **one (1)** application under this Call for Proposals.

An applicant may **not be** co-applicant or an affiliated entity in another application at the same time.

A co-applicant may not submit more than **one (1)** application under this Call for Proposal.

A co-applicant may **not be** the applicant or an affiliated entity in another application at the same time.

The affiliated entity(ies) may not take part in more than **one (1)** application.

2.1.6. Eligibility of costs: costs that can be included

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

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

- actual costs incurred by the beneficiary(ies) and affiliated entity(ies)
- one or more simplified cost options.

Simplified cost options may take the form of:

- **unit costs:** covering all or certain specific categories of eligible costs which are clearly identified in advance by reference to an amount per unit.
- **lump sums:** covering in global terms all or certain specific categories of eligible costs which are clearly identified in advance.
- **flat-rate financing:** covering specific categories of eligible costs which are clearly identified in advance by applying a percentage fixed ex ante.

The amounts or rates have to be based on estimates using objective data such as statistical data or any other objective means or with reference to certified or auditable historical data of the applicants or the affiliated entity(ies). The methods used to determine the amounts or rates of unit costs, lump sums or flat-rates must comply with the criteria established in Annex K, and especially ensure that the costs correspond fairly to the actual costs incurred by the beneficiary(ies) and affiliated entity(ies), are in line with their accounting practices, no profit is made and the costs are not already covered by other sources of funding (no double funding). Refer to Annex K for directions and a checklist of controls to assess the minimum necessary conditions that provide reasonable assurance for the acceptance of the proposed amounts.

Applicants proposing this form of reimbursement, must clearly indicate in worksheet no.1 of Annex B, each heading/item of eligible costs concerned by this type of financing, i.e. add the reference in capital letters to

"UNIT COST" (per month/flight etc), "LUMPSUM" or "FLAT RATE" in the Unit column. (see example in Annex K)

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

- describe the information and methods used to establish the amounts of unit costs, lump sums and/or flat-rates, to which costs they refer, etc.
- clearly explain the formulas for calculation of the final eligible amount¹⁰
- identify the beneficiary who will use the simplified cost option (in case of affiliated entity, specify first the beneficiary), in order to verify the maximum amount per each beneficiary (which includes if applicable simplified cost options of its affiliated entity(ies))

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

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

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**.

Eligible direct costs

To be eligible under the Call for Proposals, costs must comply with the provisions of Article 14 of the General Conditions to the Standard Grant Contract (see Annex G of the Guidelines).

Even though conducting an expenditure verification (audit) is not obligatory when the financing provided by the CA does not exceed € 100,000, the applicants are strongly recommended to allocate a part of the budget envisaged for this activity.

When the financing provided by the CA exceeds € 100,000, conducting an expenditure verification (audit) is obligatory. A report on the verification of the action's expenditure, produced by an approved auditor who meets the specific conditions of the Terms of Reference for the expenditure verification, shall be produced in accordance with the provisions of article 15.7 of the General Conditions applicable to European Union-financed grant contracts for external actions (see annexes).

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.

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

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.

Ineligible costs

The following costs are **not eligible**:

- debts and debt service charges (interest);
- provisions for losses or potential future liabilities;
- costs declared by the beneficiary(ies) and financed by another action or work programme receiving a European Union (including through EDF) grant;
- purchases of land or buildings, except where necessary for the direct implementation of the action, 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;
- conversion costs, charges and exchange losses associated with any of the component specific euro accounts, as well as other purely financial expenses;
- taxes, including value added taxes;
- credits to third parties unless otherwise specified in the Special Conditions;
- purchase of second hand equipment;
- fines, financial penalties and expenses of litigation;
- contributions in kind;
- operating costs;
- bank charges, costs of guarantees and similar charges;
- customs or import duties, or any other charges.

Please note that:

The Grants may NOT have the purpose or effect of producing a profit for the beneficiary as the direct result of the operations/ activities financed under the Grant.

Therefore, civil servants or other public employees of the central and local administrations that participate under this call for proposals are not eligible for EU financing and may not receive fees for their contribution to the action other than their salaries in the respective institution. The salaries of the

civil servants or other public employees of the central and local administrations may be presented as co-financing contribution of the applicant up to the percentage of co-financing required for the action.

2.2. HOW TO APPLY AND THE PROCEDURES TO FOLLOW

Prior registration for applicants and co-applicants in PADOR for this Call for Proposals is **not obligatory**.

2.2.1. Application forms

Applications must be submitted in accordance with the instructions on the Grant Application Form annexed to these Guidelines (Annex A). Applicants must fill in the Application Form jointly. Applicants should keep strictly to the format of the application and fill in the paragraphs and the pages in order.

Applicants are requested to provide budget estimates with amounts with two decimals.

Applicants must apply in English, which is the language of this Call for Proposals.

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

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

Hand-written applications will not be accepted.

Please note that only the grant application form and the published annexes which have to be filled in (budget, logical framework) will be evaluated. It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action. No additional annexes should be sent.

The following are the documents, which must be submitted as an application for a grant in the first place:

ANNEX A: GRANT APPLICATION FORM (WORD FORMAT)

ANNEX B: BUDGET (EXCEL FORMAT)

ANNEX C: LOGICAL FRAMEWORK (WORD FORMAT)

ALONG WITH THE ANNEXES THE APPLICANT MUST PROVIDE SUPPORTING DOCUMENTS LISTED UNDER SECTION 2.4.

The application form is available:

- on the website of the Ministry of Local Government Administration in Kosovo (www.mapl.rks-gov.net)
- on the website of the Ministry of Foreign Affairs and European Integration in Montenegro (www.mvpei.gov.me and www.eu.me);
- on the website of EuropeAid (http://ec.europa.eu/europeaid/work/funding/index_en.htm);
- on the JTS website (www.cbcmne-ks.org)

Applicants must verify that the application form is complete on the basis of the checklist attached to the application form (section V) and that the signatures, where required, are well visible and recognizable. Incomplete applications may be rejected.

Each Applicant must sign Declaration by the Applicant (Sections 8a and 8b of Part B of the Grant Application Form). The Declaration must be handwritten signed by the legally authorized representative.

Both Applicants must sign the Partnership Agreement between Applicants (Section 8c of Part B of the Grant Application Form). The Declaration must be handwritten signed by the legally authorized representative.

The co-applicants mandate must be handwritten signed by all legally authorized representatives. (Section 4.2 of Part B of the Grant Application Form)

Please make sure that all above documents are signed by the legally authorized representative of the relevant institution or organization.

Despite the fact that only one application form is submitted, in the description of the action it should be clear which activities are implemented on the each side of the border, by each applicant (or partners) as well as the contribution of each applicant in each expected result and/or output.

2.2.2. Where and how to send applications

Applications must be submitted in one (1) original and two (2) copies in A4 size, each bound. The complete Application Form: (Part A: concept note and Part B: full application form), budget and logical framework **must also be supplied in electronic format (CD-Rom)** – but in a format that allows modifications for contracting purposes. The electronic format must contain **exactly the same** application as the paper version enclosed and must be in the requested file format. In case of any discrepancy, the paper version will prevail.

The Checklist (Section 7 of Part B of the grant application form), the Declarations by the applicants (section 8 of part B of the grant application form - *Declaration by the applicant 1 & Declaration by the applicant 2*) and Partnership Agreement (Section 8 of the grant application form - *Partnership Agreement between Applicants 1 and 2*) must be stapled separately and enclosed in the envelope.

The outer envelope must bear the following information:

Publication reference number of the Call for Proposals: EuropeAid/137-411/DD/ACT/Multi

The title of the Call for Proposals:

Cross-Border Cooperation Programme Montenegro-Kosovo 2011 - 2013

The number and title of the measure:

(write the Measure no. and title, e.g. *Measure 1.1. Joint actions for environment, nature and cultural heritage protection*)

The full name and address of the Functional Lead Applicant and of the other Applicant:

(write the name and the address of the organization/institution)

and the words "Not to be opened before the opening session" and in Kosovo "Të mos hapet përpara sesionit të hapjes së aplikimeve" and in Montenegro "Ne otvarati prije početka sastanka za otvaranje prijedloga projekata".

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

Joint Technical Secretariat
IPA Cross Border Cooperation Programme between Montenegro - Kosovo
Str. "Gazmend Zajmi" No. 32, 30 000 Peja, Kosovo
e-mail address: hjts.montenegrokosovo@cbcmne-ks.org

Tel/Fax: + 381 (0) 39 422 032

Or in

Joint Technical Secretariat/Antenna Office
IPA Cross Border Cooperation Programme between Montenegro - Kosovo
Str. Dusana Vujosevica bb, Berane, Montenegro
E-mail address: antenna.montenegrokosovo@cbcmne-ks.org
Tel/Fax : +382 (0) 51 241 216

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

Applicants must verify that their application is complete using the checklist (Section 7 of Part B of the grant application form) and that the signatures, where required, are well visible and recognizable on both the original and the copies. Incomplete applications may be rejected.

2.2.3. *Deadline for submission of applications*

The deadline for the submission of applications is **15 September 2015** 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 16:00 local time, as evidenced by the signed and dated receipt.

Any application submitted after the above deadline will automatically be rejected.

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

In the interest of potential applicants due to the short time of submission of application it is strongly recommended to avoid using registered mail.

2.2.4. *Further information about applications*

The date, time and place of the information sessions on this call for proposals are specified in **Section 2.5.2 Indicative Timetable.**

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

E-mail address: hjts.montenegrokosovo@cbcmne-ks.org
Fax: ++ 381 (0) 39 422 032

The Contracting Authorities have no obligation to provide clarifications to questions received after this date.

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

In the interest of equal treatment of applicants, the Contracting Authorities and the Joint CBC bodies cannot give a prior opinion on the eligibility of an applicant, a partner, an action or specific activities.

Questions that may be relevant to other applicants, together with the answers, will be published on the websites of the Ministry of Local Government Administration in Kosovo <http://mapl.rks-gov.net> and Ministry of Foreign Affairs and European Integration in Montenegro: www.mvpei.gov.me and www.eu.me as well as on the European Commission website at <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome> ; It is therefore highly recommended to regularly consult the above mentioned websites in order to be informed of the questions and answers published.

2.3. EVALUATION AND SELECTION OF APPLICATIONS

The evaluation and selection of applications under the Programme is the responsibility of the Joint Monitoring Committee (JMC), composed of representatives of the participating countries. The Joint Monitoring Committee (JMC) may delegate this task to a Joint Steering Committee (JSC) with the possible assistance of external assessors. Upon request by the JMC and the prior approval of the EU Delegations, it may be possible to combine stages of the evaluation process.

All actions submitted by applicants will be assessed according to the following steps and criteria.

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

(1) STEP 1: OPENING SESSION, ADMINISTRATIVE AND ELIGIBILITY CHECK AND CONCEPT NOTE EVALUATION

The following will be assessed:

- Compliance with the submission deadline. If the deadline has not been met, the application will automatically be rejected.
- The Application Form satisfies all the criteria specified in points 1-10 of the Checklist Section 7 of Part B of the grant application form. If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.
- The eligibility verification, based on the supporting documents that should be submitted along with the Application Form will be performed for the applications that successfully passed the previous opening and administrative checks. The Declarations by the applicants (Declaration by the applicant 1 and Declaration by the applicant 2) will be cross-checked with the supporting documents provided by the applicant. Any missing supporting document or any incoherence between the Declarations by the applicants and the supporting documents may lead to the rejection of the application on that **sole** basis. The eligibility of applicants, the affiliated entities, and the action will be verified according to the criteria set out in Sections 2.1.1, 2.1.2 and 2.1.5.

The Concept Notes that pass the first opening, administrative and eligibility check will be evaluated on the relevance and design of the proposed action.

The Concept Note can receive an overall score out of 50 points in accordance with the breakdown provided in the Evaluation Grid below. The evaluation shall also verify the compliance with instructions provided in the guidance for Concept Note, 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 in accordance with the following assessment categories: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

	Scores	
1. Relevance of the action	Sub-score	30
1.1 How relevant is the proposal to the objectives and priorities of the Call for Proposals?*	5x2*	
1.2 How relevant to the particular needs and constraints of the target country(ies) or region(s) is the proposal? (including synergy with other EU initiatives and avoidance of duplication)	5x2*	

1.3 How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs been clearly defined and does the proposal address them appropriately?	5	
1.4 Does the proposal contain specific added-value elements, such as environmental issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and rights of indigenous peoples, or innovation and best practices?	5	
2. Design of the action	Sub-score	20
2.1 How coherent is the overall design of the action? In particular, does it reflect the analysis of the problems involved, take into account external factors and relevant stakeholders?	5x2*	
2.2 Is the action feasible and consistent in relation to the objectives and expected results?	5x2*	
TOTAL SCORE		50

*the scores are multiplied by 2 because of their importance

Once all Concept Notes have been assessed, a list will be established with the proposed actions ranked in one overall list according to their total score.

First, only the Concept Notes which have been given a score of a minimum of 30 points will be considered for pre-selection.

Secondly, the number of Concept Notes will be reduced, taking account of the ranking, to the number of Concept Notes whose total aggregate amount of requested contributions is equal to 200% of the available budget for this Call for Proposals. The amount of requested contributions of each concept note will be based on the indicative financial envelopes of this Call for Proposals.

Following the Concept Note evaluation, the Joint Steering Committee (JSC) will send letters to all applicants, indicating whether their application was submitted by the deadline, informing them of the reference number they have been allocated and whether the Concept Note was evaluated and the results of that evaluation. The JSC will subsequently proceed with the applicants whose proposals have been pre-selected.

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

First, the following will be assessed:

- The full application form satisfies all the criteria specified in points of the Checklist (Section V of Part B of the grant application form). If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

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

The selection criteria help to evaluate the applicant(s)'s and affiliated entity(ies) operational capacity and the applicant's financial capacity and to ensure that they:

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

The award criteria help to evaluate the quality of the applications in relation to the objectives and priorities, and to award grants to projects which maximise the overall effectiveness of the Call for Proposals. They help to select applications which the Contracting Authority can be confident will comply with its objectives and priorities. They cover the relevance of the action, its consistency with the objectives of the Call for Proposals, quality, expected impact, sustainability and cost-effectiveness.

Scoring:

The evaluation grid is divided into sections and subsections. Each subsection of sections 1 of the evaluation grid will be assessed on whether the criteria has been fulfilled or not. Each subsection of sections 2, 3, 4 and 5 will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

Evaluation Grid

Section	Maximum Score
1. Financial and operational capacity	20
1.1 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient experience of project management?	5
1.2 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient 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 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 of the action	30
<i>Score transferred from the Concept Note evaluation</i>	
3. Effectiveness and feasibility of the action	20
3.1 Are the activities proposed appropriate, practical, and consistent with the objectives and expected results?	5
3.2 Is the action plan clear and feasible?	5
3.3 Does the proposal contain objectively verifiable indicators for the outcome of the action? Is any evaluation planned?	5
3.4 Is the co-applicant(s)'s and affiliated entity(ies)'s level of involvement and participation in the action satisfactory?	5
4. Sustainability of the action	15
4.1 Is the action likely to have a tangible impact on its target groups?	5
4.2 Is the proposal likely to have multiplier effects? (Including scope for replication, extension and information sharing.)	5
4.3 Are the expected results of the proposed action sustainable?:	5

- financially (<i>how will the activities be financed after the funding ends?</i>) - institutionally (<i>will structures allowing the activities to continue be in place at the end of the action? Will there be local 'ownership' of the results of the action?</i>) - at policy level (where applicable) (<i>what will be the structural impact of the action — e.g. will it lead to improved legislation, codes of conduct, methods, etc?</i>) - environmentally (if applicable) (<i>will the action have a negative/positive environmental impact?</i>)	
5. Budget and cost-effectiveness of the action	15
5.1 Are the activities appropriately reflected in the budget?	/ 5
5.2 Is the ratio between the estimated costs and the expected results satisfactory?	/ 10
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 list will be established with the proposed actions ranked in one overall list according to their total score and within the limits of the funds available. In addition, a reserve list will be drawn up following the same criteria to be used if more funds should become available during the validity period of the reserve list.

2.4. SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS

Applicants **must supply** the following documents, along with the Application Form in order to allow the Joint Steering Committee to verify the eligibility of the applicants, (if any of the co-applicant(s) and (if any) of their affiliated entity(ies)).

1. The statutes or articles of association of the applicant, of each co-applicant(s) and (if any) of each affiliated entity(ies)¹¹. Where the Contracting Authority has recognized the applicant's eligibility for another call for proposals under the same budget line within 2 years before the deadline for receipt of applications, the applicant may submit, instead of its statutes, copy of the document proving the eligibility of the applicant in a Call for Proposals (e.g.: copy of the special conditions of a grant contract received during the reference period), unless a change in its legal status has occurred in the meantime.
This obligation does not apply to international organisations, which have signed a framework agreement with the European Union.
2. A copy of the applicant's latest accounts (the profit and loss account and the balance sheet for the last financial year for which the accounts have been closed)¹². A copy of the latest account is not required from (if any) the co-applicant(s) nor from (if any) affiliated entity(ies)).

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

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

3. Legal entity sheets (see annex D of these Guidelines) duly completed and signed by each of the applicants (i.e by the applicant and (if any) by each co-applicant(s)), accompanied by the justifying documents which are requested therein. If any of the applicants have already signed a contract with the European Union Delegation to Montenegro or with the European Union Office to Kosovo, instead of the legal entity sheet and its supporting documents the legal entity number may be provided, unless a change in its legal status occurred in the meantime.
4. A financial identification form of the applicant (not from co-applicant(s)) conforming to the model attached at Annex E of these Guidelines, certified by the bank to which the payments will be made. This bank should be located in the country where the applicant is established. If the applicant has already submitted a financial identification form in the past for a contract where the European Commission was in charge of the payments and intends to use the same bank account, a copy of the previous financial identification form may be provided instead.

For all the applicants whose project involves the execution of works, the following documents will be required in addition to the aforementioned ones:

- Proof of ownership or long term lease (10 years after the signature of the contract) of the land /assets;
- Preliminary works design or detailed works design;
- All necessary legal authorisations (e.g. location and construction permits);
- Indicative priced bill of quantities – calculated in EUR.

The requested supporting 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. However, the Legal Entity Sheet and the Financial Identification Form must always be submitted in original.

Where such documents are not in one of the official languages of the European Union, a translation into English of the relevant parts of these documents, proving the applicant's eligibility, must be attached and will prevail for the purpose of analysing the application.

Where these documents are in an official language of the European Union other than English it is **strongly** recommended, in order to facilitate the evaluation, to provide a translation of the relevant parts of the documents, proving the applicant's eligibility, into English.

If the abovementioned supporting documents are not provided by the submission deadline indicated in section 2.2.3, the application may be rejected.

Based on the verification of the supporting documents, the Joint Monitoring Committee will make a final recommendation to the Contracting Authorities (CAs) which will decide on the award of grants.

2.5. NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

2.5.1. Content of the decision

Based on the ranking list of total scores, the JMC will make a final recommendation to the Contracting Authorities (CAs), which will decide on the award of grants. Applicants will be informed in writing of the CA's decision concerning their application and, if rejected, the reasons for the negative decision.

In the event that the CAs could not draw a contract with any of the applicants who were awarded a grant or after budgetary revision of the applications, which received an award, some funds are freed, the next best placed application (-s) in the reserve list that falls within the available envelope could receive a grant award.

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

2.5.2. Indicative timetable

	DATE	TIME*
Information meetings	Bijelo Polje – 05/08/2015, Municipal Hall	11:00 hrs
	Plav - 06/08/2015, Cultural Centre	11:00 hrs
	Mitrovica – 11.08.2015 Municipality Assembly	10:30 hrs
	Peja – 13.08.2015 - Municipality Assembly	10:30 hrs
Deadline for request for any clarifications from the JTS	24 August 2015	16.00 hrs
Last date on which clarifications are issued by the JTS	04 September 2015	
Deadline for submission of Application Form	15 September 2015	16:00 hrs
Information to lead applicants on opening, administrative checks, concept note evaluation and eligibility check (Step 1)	06 October 2015*	
Information to lead applicants on the evaluation of the full applications (Step 2)	November 2015*	
Contract signature for projects with allocation 2011	November 2015*	
Contract signature for projects with allocation of 2012 - 2013	December 2015 *	
	January 2016 *	
	DATE	TIME*

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

This indicative timetable may be updated by the JSC during the procedure. In such case, the updated timetable shall be published on the websites of the Ministry of Local Government Administration in Kosovo

<http://mapl.rks-gov.net/> and Ministry of Foreign Affairs and European Integration in Montenegro: www.mvpei.gov.me and www.eu.me

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

Following the decision to award a grant, the Beneficiary will be offered a contract based on the Contracting Authority's standard contract (see Annex F of these Guidelines). By signing the Application form (Annex A of these Guidelines), the applicant agree, if awarded a grant, the Contractual conditions as laid down in the standard grant contract.

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.

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)

ANNEX D: LEGAL ENTITY SHEET (PDF FORMAT)

ANNEX E: FINANCIAL IDENTIFICATION FORM (PDF FORMAT)

DOCUMENTS FOR INFORMATION

ANNEX G: STANDARD CONTRACT
SPECIAL CONDITIONS OF GRANT CONTRACTS

ANNEX II: GENERAL CONDITIONS APPLICABLE TO EUROPEAN UNION-FINANCED GRANT CONTRACTS
FOR EXTERNAL ACTIONS

ANNEX IV: CONTRACT AWARD PROCEDURES

ANNEX V: STANDARD REQUEST FOR PAYMENT

ANNEX VI: MODEL NARRATIVE AND FINANCIAL REPORT (INTERIM AND FINAL)

ANNEX VII: MODEL REPORT OF FACTUAL FINDINGS AND TERMS OF REFERENCE FOR AN EXPENDITURE
VERIFICATION OF AN EC FINANCED GRANT CONTRACT FOR EXTERNAL ACTIONS

ANNEX VIII: MODEL FINANCIAL GUARANTEE

ANNEX IX: STANDARD TEMPLATE FOR TRANSFER OF OWNERSHIP OF ASSETS

ANNEX H: DAILY ALLOWANCE RATES (PER DIEM), available at the following address:
http://ec.europa.eu/europeaid/funding/about-procurement-contracts/procedures-and-practical-guide-prag/diems_en

ANNEX K: GUIDELINES AND CHECKLIST FOR ASSESSING BUDGET AND SIMPLIFIED COST OPTIONS.

ANNEX J: INFORMATION ON THE TAX REGIME APPLICABLE TO GRANT CONTRACTS SIGNED UNDER THE
CALL.

Useful links:

Project Cycle Management Guidelines

http://ec.europa.eu/europeaid/aid-delivery-methods-project-cycle-management-guidelines-vol-1_en

The implementation of grant contracts

A Users' Guide

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

Financial Toolkit

http://ec.europa.eu/europeaid/funding/procedures-beneficiary-countries-and-partners/financial-management-toolkit_en

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.