



Contracting Authority:

Croatian Employment Service, Department for Financing and Contracting of EU Projects (CES DFC)

LOCAL PARTNERSHIPS FOR EMPLOYMENT – PHASE 3

Guidelines
for grant applicants

**OPERATIONAL PROGRAMME FOR HUMAN
RESOURCES DEVELOPMENT (OP HRD) 2007 - 2009,
INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA)**

Reference: EuropeAid/129225/M/ACT/HR

Deadline for submission of proposals: 11 February 2010

NOTICE

This is an open Call for Proposals, where all documents are submitted at one stage (Concept Note and full proposal). However, in the first instance, only the Concept Notes will be evaluated. Thereafter, for the applicants whose Concept Notes have been pre-selected, evaluation of the full proposal will be carried out. Further to the evaluation of the full proposals, an eligibility check will be performed for those which are provisionally selected. This check will be undertaken on the basis of the supporting documents requested by the Contracting Authority and the signed "Declaration by the Applicant" sent together with the application.

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1. OPERATIONAL PROGRAMME FOR HUMAN RESOURCES DEVELOPMENT 2007 – 2009, INSTRUMENT FOR PRE-ACCESSION ASSISTANCE; *LOCAL PARTNERSHIPS FOR EMPLOYMENT – PHASE 3*

1.1 BACKGROUND

The Instrument for Pre-accession Assistance (IPA)¹ is a new instrument for pre-accession assistance for the period 2007 – 2013, which replaces programmes CARDS, Phare, ISPA, and SAPARD. The Republic of Croatia is the beneficiary of the IPA programme from 2007 until the moment of its accession to the EU.

The Local Partnerships for Employment – Phase 3 project is developed under the priority axis 1, *Enhancing access to employment and sustainable inclusion in the labour market* within IPA Component IV - Human Resources Development, which is designed to assist the candidate countries in policy development and to prepare them for the implementation of the Community and Cohesion policy.

Local partnerships for employment – Phase 3 is a continuation of CARDS 2002 Local Partnerships for Employment project and CARDS 2004 Local Partnerships for Employment – Phase 2 project which contributed to the implementation of regional development objectives and is taking into account approach and results obtained through the implementation of those projects.

In the last several years significant positive changes have been noted in the Croatian labour market. The employment rate increased from 53.4% in 2002 to 57.1%, in 2007. This was still lower than EU-27 average in the same period, where it amounted 62.4% in 2002 and 65.4% in 2007. The unemployment rate decreased from 14.8% in 2002 to 8.4% in 2008, which was still higher than EU-27 average, which amounted 7.0 in 2008 (Source: Eurostat). Economic growth in Croatia slowed down in the last quarter of 2008. In the first quarter of 2009 Croatian economy was going through a serious recession. The economic downturn also affects the labour market. Current data show that the number of registered unemployed persons has been increasing while at the same time the number of notified vacancies is significantly falling. It is expected that these negative trends will be even more significant in the second half of 2009 and in 2010. Croatia's labour market has been traditionally characterised by a strong segmentation, rigidity, over-regulation, structural mismatch between labour supply and demand as well as unevenly spread unemployment across the country. In 2007 the City of Zagreb (5.7%), Istria County (6.6%) and Varaždin County (9.9) had the lowest unemployment rates of all Croatian Counties, which are close to EU-27 average (7.1). On the other side, Virovitica-Podravina County (25.0), Sisak-Moslavina County (25.0) and Vukovar-Srijem County (27.6) had the highest unemployment rates, which was more than 3 times higher than EU-27 average (Source: Croatian Employment Service).

Existing labour market policies and measures in Croatia are mostly tailored using top-down approach, without sufficient quality inputs from the regional level. Systematic human resources development policy which is essential part of regional development is missing in the Croatian regions or it is underdeveloped. Actions that are implemented in the regional labour markets by various institutions and organisations are sporadic and often overlapping and uncoordinated. A lack of coordination and partnership approach is also evident in the process of planning where institutions and organisations elaborate their working plans without using input from other local stakeholders. Future Croatian membership in the EU requires local and regional approach in human resources development. It requires in-depth analysis of the labour market situation, long-term planning, strategic approach, consultation process of all components of the society and capacity building for efficient implementation of the priority actions set in the different regional strategic documents concerning human resources development. These requirements are currently underdeveloped or not adequate

¹ <http://www.strategija.hr/Default.aspx?sec=108>

Please pay a special attention to the similar activities foreseen under IPA Component II Cross-border cooperation programme in order to avoid the risk of duplication of activities - <http://www.strategija.hr/Default.aspx?sec=146>

at the regional level and project development capacities in the field of human resources development are not sufficient.

The partnership and regional approach in tackling unemployment has been addressed in the National Employment Promotion Plan – NEPP (2009-2010)² and is in accordance with Joint Assessment of the Employment Policy Priorities of the Republic of Croatia – JAP³ and Joint Memorandum on Social Inclusion of the Republic of Croatia – JIM⁴.

1.2 OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

The **global objective** of this Call for Proposals is:

- To reduce unemployment and threat of new unemployment at the regional and local level.

The **specific objective** of this Call for Proposals is:

- To support design and implementation of appropriate human resources development actions in accordance with identified objectives on regional and local level following partnership approach.

Priority issues

While implementing the above, the priorities of the Grant programme will be as follows:

- To support innovative local employment development initiatives, partnerships and networks aiming to improve situation at the regional and local labour markets;
- To support multi-institutional approach in designing and implementing active labour market policies and measures on the local level.

The measures pursuing the objectives have to be tailored to the specific needs of unemployed persons and employed persons threatened by unemployment, defined on the county level on the basis of HRD strategies or other relevant regional strategic documents that include HRD (e.g. Regional operational programmes, Human Resources Development Strategies) with focus on the following target groups:

- unemployed persons, with focus on the long-term unemployed, those at risk of poverty and/or social exclusion and those located in counties with the highest unemployment rates⁵;
- inactive persons;
- redundant workers;
- employed workers in need or willing to upgrade skills;
- unemployed members of national minorities with focus on Roma minority.

2 <http://www.mingorp.hr/default.aspx?id=1599>

3 <http://ec.europa.eu/social/BlobServlet?docId=1910&langId=en>

4 [http://www.delhrv.ec.europa.eu/images/article/File/Microsoft%20Word%20-%20JIM-en_032007\(1\).pdf](http://www.delhrv.ec.europa.eu/images/article/File/Microsoft%20Word%20-%20JIM-en_032007(1).pdf)

5 Vukovar-Srijem, Sisak-Moslavina, Virovitica-Podravina, Brod-Posavina, Karlovac, Bjelovar-Bilogora, Osijek-Baranja, Požega-Slavonija, Šibenik-Knin, Lika-Senj (CES Yearbook, 2008)

1.3 FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this call for proposals is EUR 2.600.000. The Contracting Authority reserves the right not to award all available funds.

Size of grants

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

- minimum amount: EUR 50 000
- maximum amount: EUR 100 000

A grant may not be for less than 70% of the total eligible costs of the action.

In addition, no grant may exceed 85% of the total eligible costs of the action (see also section 2.1.4). The balance must be financed from the applicant's or partners' own resources, or from sources other than the European Community budget or the European Development Fund.

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

2.1 ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

- applicant(s) which may request a grant (2.1.1), and their partners (2.1.2);
- actions for which a grant may be awarded (2.1.3);
- types of cost which may be taken into account in setting the amount of the grant (2.1.4).

2.1.1 *Eligibility of applicants: who may apply?*

(1) In order to be eligible for a grant, applicants **must**:

- be legal persons **and**
- be specific types of organisations such as:
 1. enterprises/institutions providing human resources development and job-market oriented services, education, training and vocational guidance;
 2. employers' associations and chambers, employees' associations, regional and local authorities, regional and local development agencies;
 3. non-governmental organisations;
 4. international (inter-governmental) organisations as defined by Article 43 of the Implementing Rules to the EC Financial Regulation⁶ **and**
- be nationals⁷ of a Member State of the European Union or Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Serbia, Montenegro, Turkey and Kosovo under UNSC Resolution 1244/99, countries of the European Neighbourhood and Partnership Instrument, countries of the European Economic Area⁸. This obligation does not apply to international organisations **and**
- be directly responsible for the preparation and management of the action with their partners, not acting as an intermediary **and**

⁶ International organisations are international public-sector organisations set up by intergovernmental agreements as well as specialised agencies set up by them; the International Committee of the Red Cross (ICRC) and the International Federation of National Red Cross and Red Crescent Societies, European Investment Bank (EIB) and European Investment Fund (EIF) are also recognized as international organisations.

⁷ 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.

⁸ According to Council Regulation (EC) No 1085/2006 – OJ L 210/82 of 31.07.2006.

- be compliant with *de minimis* rules⁹ as regulated by the Commission Regulation (EC) No 1998/2006 and in Government of the Republic of Croatia Decree on *de minimis* aid (Official Gazette, 45/2007)¹⁰, where applicable.

(2) Potential applicants may not participate in calls for proposals or be awarded grants if they are in any of the situations which are listed in Section 2.3.3 of the Practical Guide to contract procedures for EC external actions (available from the following Internet address:
http://ec.europa.eu/europeaid/work/procedures/implementation/index_en.htm);

In part B section VI of the grant application form (“Declaration by the applicant”), applicants must declare that they do not fall into any of these situations.

Grant 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 mentioned in:

- Commission decision (2008/969/EC, Euratom) of 16 December 2008 on the Early Warning System (EWS) for the use of authorising officers of the Commission and the executive agencies (OJ, L 344, 20.12.2008, p.125).
- Commission Regulation (2008/1302/EC, Euratom) of 17 December 2008 on the central Exclusion database - CED (OJ L 344, 20.12.2008, p.12).

Their personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision making or control, if legal person) may be registered in the EWS and CED, and communicated to the persons and entities listed in the above-mentioned decision and regulation, in relation to the award or the execution of a procurement contract or a grant agreement or decision.

Applicants must not derive profit from the Grant.

2.1.2 Partnerships and eligibility of partners

Applicants must act with partner organisations as specified hereafter.

Partners

Partnership approach is characterised by mutual cooperation and responsibility in achieving specific goals. In order to achieve the objectives of this programme and strengthen labour market actors, it is very important to apply partnership approach in dealing with labour market issues.

Applicants should have a minimum of one partner.

Applicants’ partners participate in designing and implementing the action, and the costs they incur are eligible in the same way as those incurred by the grant beneficiary. They must therefore satisfy the eligibility criteria as applicable on the grant beneficiary himself.

The following are not partners and do not have to sign the “partnership 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

⁹ This rule applies only to private enterprises/institutions.

¹⁰ *De minimis* "state aid" rule allows up to 200,000 euro aid to be provided from public funds to any enterprise over a period of three fiscal years. For further information please turn to the Commission Regulation (EC) No 1998/2006 (<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:379:0005:0010:EN:PDF>) or to the Government of the Republic of Croatia Decree on *de minimis* aid published in Official Gazette, 45/2007 (http://narodne-novine.nn.hr/clanci/sluzbeni/2007_05_45_1487.html).

the eligibility criteria referred to in section 2.1.1. The associates have to be mentioned in Part B section IV - "Associates of the Applicant participating in the Action" of the Grant Application Form.

- Subcontractors

The grant beneficiaries have the possibility to award contracts to subcontractors. Subcontractors are neither partners nor associates, and are subject to the procurement rules set out in Annex IV to the standard grant contract.

The applicant will act as the lead organisation and, if selected, as the contracting party (the "Beneficiary").

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

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

Duration

The planned duration of an action may not exceed 12 months and may not be shorter than 8 months.

Sectors or themes

- Projects aiming to establish and improve links between local labour market stakeholders;
- Projects focused on development and implementation of innovative active labour market actions focused on increasing employability of unemployed and employed;
- Projects focused on reducing inequalities in the local labour markets and support to disadvantaged groups in the labour market.

Location

Actions must take place in Croatia.

Types of action

- Actions focused on development of sustainable partnerships and improvement of cooperation between local labour market stakeholders aiming to improve match between supply and demand on the local labour market and provide various labour market services and models;
- Actions focused on development and improvement of the local labour market monitoring and analysis models;
- Actions aiming to improve capacity of local stakeholders in labour market related issues;
- Actions focused on increasing employability of the unemployed and employed through development and implementation of multi-institutional models of work;
- Actions focused on development of tailor made guidance and counselling services and creation of suitable job opportunities for disadvantaged groups.

Types of activity

All activities which aim at achieving the Programme objectives and fall within the eligible thematic areas could qualify for financing, such as:

- Activities supporting various partnerships in the field of human resources development such as supporting social dialogue, improving links between education and business sector, establishment of multi-county employment partnerships and networks, establishment of the sectoral and thematic partnerships and pacts;

- Development and provision of labour market services and models such as development of the local labour market information systems, analysis of the local labour markets, development of the models and handbooks for labour market analysis and surveys, trainings of local stakeholders and training of trainers in labour market analysis and labour market monitoring;
- Activities supporting employment initiatives in the field of human resources development such as development of local employment development plans, promotion of disadvantaged groups employment;
- Activities aiming to provide assistance to SMEs targeting human resources development such as training of employees, training needs analysis, training of key staff, assistance in restructuring;
- Activities aiming to provide counselling, job mediation, training and retraining services to the unemployed and employed;
- Activities related to empowerment, guidance and counselling services adapted to the needs of the disadvantaged groups in the labour market.

The abovementioned list is not exhaustive and appropriate actions that are not mentioned above will also be considered for support.

Purchase of equipment which is necessary for achieving the objectives of the project may not exceed 7% of the total eligible costs of the action.

Actions should be designed to meet specific needs of the target groups identified by the project.

The following types of action are ineligible:

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, congresses;
- actions concerned only or mainly with individual scholarships for studies or training courses;
- actions which include political or religious activities;
- academic researches;
- actions directly funding micro-credit schemes (This means that EC funding can not be used directly to provide loans. However, actions supporting improvement of access to such schemes for local individuals or groups are eligible. This could e.g. include training and capacity building to request loans, set up savings groups or link self-help groups with micro-credit institutions);
- actions which consist exclusively or primarily of capital investments, such as land, buildings, vehicles;
- actions taking part outside the mentioned location (Croatia);
- actions related to establishing of a private company;
- single conferences or congresses. Conferences can be financed from the grant only if they form part of a wider range of activities to be implemented during the lifetime of the action.

Number of applications and grants per applicant

An applicant may not submit more than one application under this call for proposals.

An applicant may not be awarded more than one grant under this call for proposals.

An applicant may at the same time be partner in another application.

Partners may take part in more than one application.

Only "eligible costs" can be taken into account for a grant. The categories of costs considered as eligible and non-eligible are indicated below. The budget is both a cost estimate and a ceiling for "eligible costs". Note that the eligible costs must be based on real costs based on supporting documents (except for subsistence costs and indirect costs where flat-rate funding applies).

Recommendations to award a grant are always subject to the condition that the checking process which precedes the signing of the contract does not reveal problems requiring changes to the budget (for instance arithmetical errors, inaccuracies or unrealistic costs and other 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. The amount of the grant and the percentage of co-financing as a result of these corrections may not be increased.

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

Eligible direct costs

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

Contingency reserve

A contingency reserve not exceeding 5% of the direct eligible costs may be included in the Budget of the Action. It can only be used with the **prior written authorisation** of the Contracting Authority.

Eligible indirect costs (overheads)

The indirect costs incurred in carrying out the action may be eligible for flat-rate funding fixed at not more than 7% of the total eligible direct costs.

If the applicant is in receipt of an operating grant financed from the Community budget no indirect costs may be claimed within the proposed budget for the action.

Contributions in kind

Contributions in kind are not considered actual expenditure and are not eligible costs. The contributions in kind may not be treated as co-financing by the Beneficiary.

The cost of staff assigned to the Action is not a contribution in kind and may be considered as co-financing in the Budget of the Action when paid by the Beneficiary or his partners.

Notwithstanding the above, if the description of the action as proposed by the beneficiary foresees the contributions in kind, such contributions have to be provided.

Ineligible costs

In line with the provisions of Article 34 (3) and Article 152 of the IPA Implementing Regulation, the following expenditure shall not be eligible for funding under the programme:

- a) taxes, including value added taxes, unless they are not recoverable by any means and it is established that they are borne by the final beneficiary;
- b) customs and import duties, or any other charges;
- c) purchase, rent or leasing of land and existing buildings, unless the rent or leasing is exclusively related to the period of co-financing of the operation, and that it is preferable to other solutions in terms of the best value for money;

- d) fines, financial penalties and expenses of litigation;
- e) operating costs, unless the operating costs relate exclusively to the period of co-financing of the operation;
- f) second hand equipment;
- g) bank charges, costs of guarantees and similar charges;
- h) conversion costs, charges and exchange losses associated with any of the component specific euro accounts, as well as other purely financial expenses;
- i) contributions in kind;
- j) maintenance and rental costs, unless the rental costs relate exclusively to the period of co-financing of the operation;
- k) depreciation costs for the infrastructure, unless the conditions in Article 35, Paragraph 3 of Financing Agreement¹¹ are met.

2.2 HOW TO APPLY AND THE PROCEDURES TO FOLLOW

Please note that the prior registration in PADOR¹² for applicants and their partners for this Call for proposal is **not obligatory**.

However the applicant and partners can register their organisation data, and upload supporting documents in PADOR.

2.2.1 *Application form*

Applications must be submitted in accordance with the instructions on the Concept Note and the Full application form included in the Grant Application Form annexes to these Guidelines (Annex A)

Applicants must apply in English.

Any error or major discrepancy related to the points listed in the instructions on the Concept Note or any major inconsistency in the application form (e.g. the amounts mentioned in the budget are inconsistent with those mentioned in the application form) may lead to the rejection of the application.

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

Hand-written applications will not be accepted.

Please note that only the 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 relevant information concerning the action. No additional annexes should be sent.

2.2.2 *Where and how to send the Applications*

Applications must be submitted in one original and 3 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) in a separate and unique file (e.g. the application form must not be split into several different files). The electronic format must contain **exactly the same** application as the paper version enclosed.

¹¹ Financing Agreement between the Government of the Republic of Croatia and the Commission of the European Communities concerning the Multi-annual Operational Programme "Human Resources Development" for Community assistance from the Instrument for Pre-Accession assistance under the "Human Resources Development" Component in Croatia (OG, IA, 02/09)

¹² For further information on PADOR, please consult the following website:
http://ec.europa.eu/europeaid/work/onlineservices/pador/index_en.htm
Helpdesk for questions related to the functioning of PADOR:
Europeaid-ON-LINE-REGISTRATION-HD@ec.europa.eu

The Checklist (Section V of part B the grant application form) and the Declaration by the applicant (Section VI of part B of the grant application form) must be stapled separately and enclosed in the envelope.

The outer envelope must bear the **reference number and the title of the call for proposals**, together with the full name and address of the applicant, and the words "Not to be opened before the opening session" and "**Ne otvarati prije sastanka za otvaranje ponuda**".

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

Postal address

Croatian Employment Service
(Hrvatski zavod za zapošljavanje)
Department for Financing and Contracting of EU Projects
(Odjel za financiranje i ugovaranje projekata EU)
Radnička cesta 39/1
10 000 Zagreb
Croatia

Address for hand delivery or by private courier service

Croatian Employment Service
(Hrvatski zavod za zapošljavanje)
Department for Financing and Contracting of EU Projects
(Odjel za financiranje i ugovaranje projekata EU)
Radnička cesta 39/1
10 000 Zagreb
Croatia

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 V of part B of the grant application form). Incomplete applications may be rejected.

2.2.3 *Deadline for submission of Applications*

The deadline for the submission of applications is 11 February 2010 as evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at 15:30 hours Zagreb local time as evidenced by the signed and dated receipt. Any application submitted after the deadline will automatically be rejected.

However, for reasons of administrative efficiency, the Contracting Authority may reject any application received after the effective date of approval of the first evaluation step (i.e. Concept Note) (see indicative calendar under section 2.5.2).

2.2.4 *Further information for the Application*

An information session on this call for proposals will be organised in advance before the deadline for the submission of proposals. For further information, please refer to: <http://www.hzz.hr/dfc/>.

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 addresses, indicating clearly the reference of the call for proposals:

E-mail address: cesdfc@hzz.hr

Fax: +385 1 640 1901

The Contracting Authority has no obligation to provide further clarifications 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 Authority 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 internet at the EuropeAid website:

<https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>.

It is therefore highly recommended to regularly consult the abovementioned website in order to be informed of the questions and answers published.

All questions related to PADOR registration should be addressed to the PADOR helpdesk:

europeaid-on-line-registration-hd@ec.europa.eu

2.3 EVALUATION AND SELECTION OF APPLICATIONS

Applications will be examined and evaluated by the Contracting Authority with the possible assistance of external assessors. All actions submitted by applicants will be assessed according to the following steps and criteria:

If the examination of the application reveals that the proposed action does not meet the eligibility criteria stated in paragraph 2.1.3, the application shall be rejected on this sole basis.

(1) STEP 1: OPENING SESSION AND ADMINISTRATIVE CHECK

The following will be assessed:

- The submission deadline has been respected. If the deadline has not been respected the application will automatically be rejected.
- The Application Form satisfies all the criteria specified in points 1-5 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.

Following the opening session and the administrative check, the Contracting Authority will send a letter to all applicants, indicating whether their application was submitted prior to the deadline, informing them of the reference number they have been allocated and whether they have been recommended for further evaluation.

(2) STEP 2: EVALUATION OF THE CONCEPT NOTE

The evaluation of the Concept Notes that have passed the first administrative check will cover the relevance of the action, its merits and effectiveness, its viability and sustainability. The Contracting Authority reserves the right not to undertake the evaluation of the Concept Notes whenever considered justified (for example when a less than expected number of applications are received) and to go straight to the evaluation of the corresponding full applications.

Please note that the scores awarded to the Concept Note are completely separate from those given to the Full Application.

The Concept Note will be given 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	15
1.1 Relevance of the action needs and constraints of the country/region to be addressed in general, and to those of the target groups and final beneficiaries in particular.	5	
1.2 Relevance to the priorities and objectives mentioned in the Guidelines.	5(x2)*	
2. Effectiveness and Feasibility of the action	Sub-score	25
2.1 Assessment of the problem identification and analysis.	5	
2.2 Assessment of the proposed activities (practicality and consistency in relation to the objectives, purpose and expected results).	5(x2)*	
2.3 Assessment of the role and involvement of all stakeholders and, if applicable, proposed partners.	5(x2)*	
3. Sustainability of the action	Sub-score	10
3.1 Assessment of the identification of the main assumptions and risks, before the start up and throughout the implementation period.	5	
3.2 Assessment of the identification of long-term sustainable impact on the target groups and final beneficiaries.	5	
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 according to their total score.

Firstly, only the Concept Notes which have been given a score of a minimum of 12 points in the category "Relevance" as well as a minimum total score of 30 points will be considered for pre-selection.

Secondly, the list of Concept Notes will be reduced in accordance to the ranking to those whose sum of requested contributions amounts to two times the available budget (5.200.000 €) for this Call for proposals, taking into account the indicative financial envelopes foreseen by lot. The Evaluation Committee will subsequently proceed with the applicants whose proposals have been pre-selected.

(3) STEP 3: EVALUATION OF THE FULL APPLICATION FORM

An evaluation of the quality of the applications, including the proposed budget, and of the capacity of the applicant and its partners, will be carried out in accordance with the evaluation criteria set out in the Evaluation Grid included below. There are two types of evaluation criteria: selection and award criteria.

The selection criteria are intended to help evaluate the applicants' financial and operational capacity to ensure that they:

- have stable and sufficient sources of finance to maintain their activity throughout the period during which the action is being carried out 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 partners of the applicant.

The award criteria allow the quality of the applications submitted to be evaluated in relation to the set objectives and priorities, and grants to be awarded to actions which maximise the overall effectiveness of the call for proposals. They enable the selection of applications which the Contracting Authority can be confident will comply with its objectives and priorities and guarantee the visibility of the Community

financing (see http://ec.europa.eu/europeaid/work/visibility/index_en.htm). They cover such aspects as 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 criteria are divided into sections and subsections. Each subsection will be given a score between 1 and 5 in accordance with the following guidelines: 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 applicant and, if applicable, partners have sufficient experience of project management ?	5
1.2 Do the applicant and, if applicable partners have sufficient technical expertise ? (notably knowledge of the issues to be addressed.)	5
1.3 Do the applicant and, if applicable, partners have sufficient management capacity ? (including staff, equipment and ability to handle the budget for the action)?	5
1.4 Does the applicant have stable and sufficient sources of finance ?	5
2. Relevance	25
2.1 How relevant is the proposal to the objectives and one or more of the priorities of the call for proposals? Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses at least one priority . Note: A score of 5 (very good) will only be allocated if the proposal contains specific added-value elements, such as promotion of gender equality and equal opportunities...	5 x 2
2.2 How relevant to the particular needs and constraints of the target country/countries or region(s) is the proposal? (including synergy with other EC initiatives and avoidance of duplication.) Note: A score of 5 (very good) can only be allocated to the projects that will be implemented in counties with the highest unemployment rates. ¹³	5
2.3 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 x 2
3. Methodology	25
3.1 Are the activities proposed appropriate, practical, and consistent with the objectives and expected results?	5
3.2 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 anticipate an evaluation ?)	5
3.3 Is the partners' and/or other stakeholders' level of involvement and participation in the action satisfactory?	5
3.4 Is the action plan clear and feasible?	5
3.5 Does the proposal contain objectively verifiable indicators for the outcome of the action?	5
4. Sustainability	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	5

¹³ Vukovar-Srijem, Sisak-Moslavina, Virovitica-Podravina, Brod-Posavina, Karlovac, Bjelovar-Bilogora, Osijek- Baranja, Požega-Slavonija, Šibenik-Knin, Lika-Senj (CES Yearbook, 2008).

replication and extension of the outcome of the action and dissemination of information.)	
4.3 Are the expected results of the proposed action sustainable : - financially (<i>how will the activities be financed after the funding ends?</i>) - institutionally (<i>will structures allowing the activities to continue be in place at the end of the action? Will there be local “ownership” of the results of the action?</i>) - at policy level (where applicable) (<i>what will be the structural impact of the action — e.g. will it lead to improved legislation, codes of conduct, methods, etc?</i>)? - environmentally (if applicable) (<i>will the action have a negative/positive environmental impact?</i>)	5
5. Budget and cost-effectiveness	15
5.1 is the ratio between the estimated costs and the expected results satisfactory?	5
5.2 Is the proposed expenditure necessary for the implementation of the action?	5 x 2
Maximum total score	100

Note on Section 1. Financial and operational capacity

If the total average score is less than 12 points for section 1, the application will be rejected.

Note on Section 2. Relevance

If the total average score is less than 20 points for section 2, the application will be rejected.

Provisional selection

Following the evaluation, a table listing the applications ranked according to their score and within the available financial envelope will be established as well as a reserve list following the same criteria.

Note: The scores awarded in this phase are completely separate from those given to the concept note of the same application.

(4) STEP 4: VERIFICATION OF ELIGIBILITY OF THE APPLICANT AND PARTNERS

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

- The Declaration by the applicant (Section VI of part B the grant application form) will be cross-checked with the supporting documents provided by the applicant. Any missing supporting document or any incoherence between the Declaration by the applicant and the supporting documents may lead to the rejection of the application on that sole basis.
- The eligibility of the applicant, the partners, and the action will be verified according to the criteria set out in sections 2.1.1, 2.1.2 and 2.1.3.

Following the above analysis and if necessary, any rejected application will be replaced by the next best placed application in the reserve list that falls within the available financial envelope, which will then be examined for the eligibility of its applicant and the partners.

2.4 SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS

Applicants who have been provisionally selected or listed under the reserve list will be informed in writing by the Contracting Authority. They will be requested to supply the following documents in order to allow the Contracting Authority to verify the eligibility of the applicants and their partners:

1. The statutes or articles of association of the applicant organisation¹⁴ and of each partner organisation. 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 former Call (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.¹⁵ This obligation does not apply to international organisations which have signed a framework agreement with the European Commission. A list of the relevant framework agreements is available at the following address:
http://ec.europa.eu/europeaid/work/procedures/implementation/international_organisations/index_en.htm
2. Copy of the applicant's latest accounts (the profit and loss account and the balance sheet for the previous financial year for which the accounts have been closed)¹⁶.
3. Legal entity sheet (see annex D of these Guidelines) duly completed and signed by the applicant, accompanied by the justifying documents which are requested therein. If the applicant has already signed a contract with the Contracting Authority, 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 conforming to the model attached at Annex E of these Guidelines, certified by the bank to which the payments will be made. This bank must be located in the country where the applicant is registered. If the applicant has already signed a contract with the European Commission or where the European Commission has been in charge of the payments of a contract, a copy of the previous financial identification form may be provided instead, unless a change in its bank account occurred in the meantime.

¹⁴ Where the applicant and/or (a) partner(s) is a public body created by a law, a copy of the said law must be provided

¹⁵ To be inserted only where the eligibility conditions have not changed from one call for proposals to the other.

¹⁶ This obligation does not apply to natural persons who have received a scholarship, nor to public bodies nor 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.

In case the applicant and/or his partner(s) is a private entity, following documents should be provided:

5. Solemn statement signed by applicant and each partner eligible under 2.1.2 that they will not derive any profit from the grant.
6. Statement signed only by applicant declaring under civil and criminal liability the amount of *de minimis* aid received during the current fiscal year and preceding two fiscal years, certified by the notary (as enclosed).¹⁷

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

Where such documents are not in one of the official languages of the European Union or in Croatian, a translation into English language 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 language, 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 language.

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

Based on the verification of the supporting documents by the Evaluation Committee it will make a final recommendation to the Contracting Authority which will decide on the award of grants.

¹⁷ Entities not established in Croatia can use the attached template or provide a documentary proof or statements required under the law of the country in which the company (or each of the companies in case of a consortium) is established, to show that it meets the de-minimis criteria. This evidence or these documents or statements must carry a date, which cannot be more than 1 year before the date of submission of the application. In addition, a statement shall be furnished stating that the situations described in these documents have not changed since then. The documentary proof or statements may be in original or copy. If copies are submitted the originals must be dispatched to the Contracting Authority upon request.

2.5 NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

2.5.1 Content of the decision

Applicants will be informed in writing of the Contracting Authority's decision concerning their application and, in case of rejections, the reasons for the negative decision.

Applicants believing that they have been harmed by an error or irregularity during the award process may file a complaint. See further section 2.4.15 of the Practical Guide.

2.5.2 Indicative time table

	DATE	TIME*
Information meeting (if any)	< Date / Not applicable >	< Time / Not applicable >
Deadline for request for any clarifications from the Contracting Authority	21 January 2010	15:30
Last date on which clarifications are issued by the Contracting Authority	29 January 2010	-
Deadline for submission of Application Form	11 February 2010	15:30
Information to applicants on the opening & administrative check (step 1)	23 March 2010*	-
Information to applicants on the evaluation of the Concept Notes (step 2)	03 May 2010*	-
Information to applicants on the evaluation of the Full Application Form (step 3)	05 July 2010*	-
Notification of award (after the eligibility check) (step 4)	19 August 2010*	-
Contract signature	02 November 2010*	-

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

2.6 CONDITIONS APPLICABLE TO IMPLEMENTATION OF THE ACTION FOLLOWING 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 declares accepting, in case where it is awarded a grant, the Contractual conditions as laid down in the Standard Contract.

If the successful applicant is an international organisation, the model Contribution Agreement with an international organisation or any other contract template agreed between the international organisation concerned and the Contracting Authority will be used instead of the standard grant contract provided that the international organisation in question offers the guarantees provided for in article 53d (1) of the Financial Regulation, as described in Chapter 7 of the Practical Guide to contract procedures for EC external actions.

Implementation contracts

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

3. LIST OF ANNEXES

DOCUMENTS TO BE COMPLETED

ANNEX A: GRANT APPLICATION FORM (WORD FORMAT)

ANNEX B: BUDGET (EXCEL FORMAT)

ANNEX C: LOGICAL FRAMEWORK (EXCEL FORMAT)

ANNEX D: LEGAL ENTITY SHEET (EXCEL FORMAT)

ANNEX E: FINANCIAL IDENTIFICATION FORM

DOCUMENTS FOR INFORMATION

ANNEX F: STANDARD CONTRACT

- ANNEX II: GENERAL CONDITIONS APPLICABLE TO EUROPEAN COMMUNITY-FINANCED GRANT CONTRACTS FOR EXTERNAL ACTIONS
- ANNEX IV: CONTRACT AWARD PROCEDURES
- ANNEX V: STANDARD REQUEST FOR PAYMENT
- ANNEX VI: MODEL NARRATIVE AND FINANCIAL REPORT
- ANNEX VIII: MODEL FINANCIAL GUARANTEE

ANNEX G: DAILY ALLOWANCE RATES (PER DIEM), available at the following address:

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

ANNEX H: STANDARD CONTRIBUTION AGREEMENT, applicable in case where the beneficiary is an International organisation

PROJECT CYCLE MANAGEMENT GUIDELINES

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