



**Hungary-Slovakia-Romania-Ukraine**  
ENPI Cross-border Cooperation Programme



Contracting Authority: Joint Managing Authority of the programme  
hosted by the National Development Agency in Hungary

Call for Proposals title:

**Hungary-Slovakia-Romania-Ukraine**  
**ENPI CBC Programme**  
**2007-2013**

**Guidelines**  
**for grant applicants**

Budget lines numbers: General budget Articles 19 08 02 01 and 19 08 02 02

Reference number: HUSKROUA/1101

Deadline for submission of proposals:

31 January 2012



## Notice

This is an **open** Call for Proposals, where all documents are submitted at one stage.

Please note that this Call for Proposals has been issued under a Suspension Clause. This entails that the award and signature of the Grant contracts is therefore subject to the adoption of the Addendum to the Joint Operational Programme of the “Hungary Slovakia-Romania-Ukraine ENPI Cross-border Cooperation Programme 2007-2013” concerning limited participation of the adjacent areas by the Decision of the European Commission.

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# 1. HUNGARY-SLOVAKIA-ROMANIA-UKRAINE ENPI CROSS-BORDER COOPERATION PROGRAMME 2007-2013

## 1.1 BACKGROUND

The programme area is located on the Hungarian-Slovak-Romanian-Ukrainian border.

The programme area includes approximately 598.9 km joint border with Ukraine which covers fully the Slovak-Ukrainian (97.9 km) the Hungarian-Ukrainian (134.6 km) and partially the Romanian-Ukrainian (366.4 km) border lines.



The programme area, in reality, features strong historical and cultural connections. It is also characterised by many common geographical and ecological features, such as importance of rivers as well as the presence of ecological corridors crossing administrative borders. This cooperation programme – like some other as well – has been introduced with the aim to eliminate social and economic disparities and to bring the population of these neighbouring countries closer to each other. The inhabitants of the separate regions are linked by common cultural heritage and common religious traditions as well.

Based on strong historical links and having in mind the concern that the EU border should not become a barrier, the ENPI objectives promoting cooperation and development along the EU's external borders offer great opportunities for enhancing the economic and social cooperation of this area.

In the eligible area for the ENPI CBC Hungary-Slovakia-Romania-Ukraine Programme, the EU supports also other programmes of cross-border cooperation (Romania-Ukraine-Republic of Moldova and Hungary-Slovakia Cross border Cooperation Programmes 2007 2013) and regional cooperation on a larger regional scale (Eastern regional, Interreg IVC, South-East Europe), and supported projects implemented under the Neighbourhood programmes 2004-2006 (Neighbourhood Programme Hungary-Slovakia-Ukraine, PHARE/TACIS Neighbourhood Programme Romania-Ukraine). The Joint Managing Authority, as defined hereafter, will ensure coordination mechanisms with these other programmes.



The following joint structures have been established to manage the ENPI CBC Hungary-Slovakia-Romania-Ukraine Programme:

- Joint Monitoring Committee (JMC): supervising and monitoring the programme implementation, ultimately responsible for selecting projects;
- Joint Managing Authority (JMA): bearing overall responsibility for the management and implementation of the programme towards the European Commission; in the context of this Call for Proposals and in accordance with the Practical Guide, the Joint Managing Authority fulfils the role of the Contracting Authority.
- Joint Technical Secretariat (JTS): the programme coordination and implementation body, assisting the Joint Managing Authority, the Joint Monitoring Committee and the National Authorities in carrying out their respective duties, the JTS acts under the responsibility of the JMA.

The legal framework for the implementation and management of the mentioned Programme is the following:

- Commission Decision No. 5146/2008 of 23 of September 2008 adopting the Hungary-Slovakia-Romania-Ukraine Cross-border Cooperation Programme 2007-2013
- Regulation (EC) no 1638/2006 of the European parliament and of the council of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument;
- Commission Regulation (EC) No 951/2007 of 9 August 2007 laying down implementing rules for cross-border cooperation programmes financed under Regulation (EC) No 1638/2006 of the European Parliament and of the Council laying down general provisions establishing a European Neighbourhood and Partnership Instrument;
- Practical Guide to Contract procedures for EU external actions ([http://ec.europa.eu/europeaid/work/procedures/implementation/practical\\_guide/index\\_en.htm](http://ec.europa.eu/europeaid/work/procedures/implementation/practical_guide/index_en.htm))
- Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities
- Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities
- Financing Agreement for the Joint Operational Programme for the Cross Border Cooperation "Hungary/Slovakia/Romania/Ukraine 2007-2013" (ENPI-CBC/2008/020-302), signed by the European Commission and the Partner Country, notably, the Government of Ukraine.

## 1.2 PROGRAMME ELIGIBLE AREA

The Actions financed from the programme budget **can exclusively** be implemented in the following territorial units:

### In Hungary

- Szabolcs-Szatmár-Bereg
- Borsod-Abaúj-Zemplén (adjacent area with full participation)

### In Slovakia

- Košický
- Prešovský

### In Romania

- Maramureş,
- Satu-Mare
- Suceava (adjacent area with limited participation)

### In Ukraine

- Zakarpatska,
- Ivano-Frankivska
- Chernivetska (adjacent area with limited participation)

### 1.2.1 Adjacent area with full participation

“Adjacent area with full participation” means that any organisation located in the concerned area is able to cooperate within the programme without any restriction.

### 1.2.2 Adjacent areas with limited participation

“Adjacent areas with limited participation” means that any organisation located in the concerned area is able to cooperate within the programme with restriction as follows:

- in order to avoid any overlap with the Romania-Ukraine-Republic of Moldova Programme where Suceava in Romania and Chernivetska in Ukraine are also eligible, projects involving “Adjacent areas with limited participation” should include at least one partner from one of the two EU Member States Hungary and Slovakia.

## 1.3 OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

The **overall objective** of the Programme, also covered by this Call for Proposals is: to intensify and deepen the cooperation in an environmentally, socially and economically sustainable way between Zakarpatska, Ivano-Frankivska and Chernivetska regions of Ukraine and eligible and adjacent areas of Hungary, Romania and Slovakia.

*According to the decision of the Joint Monitoring Committee Priority 1, 2 and 4 will be available under the present Call for Proposals.*

The **specific priorities, measures and indicative actions** of this Call for Proposals are:

*Table 1*

Priority 1: Promote economic and social development	
Indicative list of activities	
<b>Measure 1.1</b>  Harmonised development of tourism	<ul style="list-style-type: none"> <li>• Construction and modernisation of tourist infrastructure (walking, cycle, skiing paths)</li> <li>• Creating cross-border tourism products and standards of services (thematic routes, quality systems etc.)</li> <li>• Improvement of multilingual information flow in tourism (development of multilingual literature, information brochures, websites, sign- and information posts etc.)</li> <li>• Training in tourism (e.g. hotel management, food hygiene etc.)</li> <li>• Creation and development IT based services such as integrated and interactive databases on tourism facilities and attractions, WLAN (Wireless area network) as “Hot Spot” internet access for the rural tourism etc.</li> <li>• Developing and implementing joint strategies and initiatives, including plans and actions for joint promotion and marketing as well as impact forecasts and studies</li> </ul>
<b>Measure 1.2</b>  Create better conditions for SMEs and business development	<ul style="list-style-type: none"> <li>• Establishment and upgrade of business infrastructure facilities (Joint business innovation, trade and logistic centres, business incubators, business parks)</li> <li>• Upgrade energy and telecom infrastructure linked to business infrastructures</li> <li>• Development of R&amp;TD infrastructure (creation of R&amp;TD centres, and developing existing ones directly serving the purpose of cross-border cooperation, dissemination research results and their use in practice)</li> <li>• Promotion of opportunities for investment and cooperation of enterprises</li> <li>• Promotion of joint marketing actions for SMEs</li> <li>• Impact studies and surveys</li> <li>• Development and organisation of cross-border information system for SMEs (supporting close cooperation of the existing information networks)</li> <li>• Trainings for staff in SMEs (e.g. marketing, product development, small business accounting, book-keeping, procurement etc.) and in supporting</li> </ul>

	<p>institutions</p> <ul style="list-style-type: none"> <li>• Consultancy services (such as preparation of business plan, support for creation of new SMEs, marketing plans etc.)</li> <li>• Specific actions for supporting the creation of companies by women, disabled and disadvantaged groups and development of environmentally friendly projects</li> </ul>
<b>Priority 2: Enhance environmental quality</b>	
<b>Indicative list of activities</b>	
<p><b>Measure 2.1</b></p> <p>Environmental protection, sustainable use and management of natural resources</p>	<ul style="list-style-type: none"> <li>• Improving the management of natural resources, including natural park and forestry management</li> <li>• Protection of landscape, biodiversity and eco-systems</li> <li>• Promoting ecologically sustainable use of natural resources</li> <li>• Improvement of water quality and protection of water resources</li> <li>• Joint planning activities and possibly pilot projects on consolidation of the eroded river banks</li> <li>• Development of technologies for rehabilitation of ecosystems following mine exploitation.</li> <li>• Joint planning activities in the field of environmental protection and management</li> <li>• Improving transborder energy interconnections as appropriate</li> <li>• Promotion of measures to increase energy efficiency and energy savings</li> <li>• Establishment of pilot infrastructure and network for renewable energy production (wind, biomass and geo-thermal sources)</li> <li>• Improvement of air quality</li> <li>• Joint recycling initiatives</li> <li>• Planning and design of effective waste collection and processing systems</li> <li>• Planning and design for effective treatment of wastewater including alternative ways</li> <li>• Survey and planning of site cleanups</li> <li>• Small scale actions of communities and civil organisations aiming to enhance responsibility, increase knowledge and raise awareness to environmental and nature protection issues</li> </ul>
<p><b>Measure 2.2</b></p> <p>Emergency Preparedness</p>	<ul style="list-style-type: none"> <li>• harmonising activities in the field of flood prevention (creation and/or harmonising of flood forecast system, establishment of water catchment area level monitoring systems for this purpose, joint development of staff, structures and strategies)</li> <li>• Setting up joint early warning systems for fire, avalanches, or other natural disasters incidents</li> <li>• Strategic and technical planning and establishment of joint monitoring systems on environmental (air, water, soil) pollutions</li> <li>• Increasing awareness and knowledge and developing skills to develop local and regional strategies to prevent and mitigate the impact of global climate change and to adapt to the local impacts of those changes, in the form of joint training programmes and workshops</li> </ul>
<b>Priority 4: Support people to people cooperation</b>	
<b>Indicative list of activities</b>	
<p><b>Measure 4.1</b></p> <p>Institutional cooperation</p>	<ul style="list-style-type: none"> <li>• Developing systems, plans and actions to promote the practice of the “life long learning” concept</li> <li>• Elaboration and delivery of specialised training programmes such as distance learning, trainings for early school leavers, women returning to work and specific trainings to adapt qualifications to the needs of the labour market, including minor upgrade of related facilities</li> </ul>





	<ul style="list-style-type: none"> <li>• Improve information exchange on training systems and qualifications, as well as training and assessment methods</li> <li>• Development of information and monitoring systems on labour-market issues</li> <li>• Development of distance working opportunities</li> <li>• Promotion of R&amp;D and innovation through the development of networks between universities, research centres and organizations supporting SMEs</li> <li>• Protection and exhibition of cultural heritage, creation and exhibition of new cultural products</li> <li>• Establishment of on-line network for emergency actions and joint use of medical equipment</li> <li>• Developing systems for a continuous exchange of knowledge and experiences as well as future initiatives on environmental and nature protection issues</li> <li>• Exchange of criminal information and increase understanding on criminal risks and groups</li> <li>• Support for the development of cross-border ICT based information resources</li> </ul>
<b>Measure 4.2</b>  Small scale “People to people” cooperation	<ul style="list-style-type: none"> <li>• Support of know-how exchange (e.g. staff exchange programmes for local school-teachers and scientists of research or educational institutions, for local municipalities, minority groups etc., including youth exchange)</li> <li>• Various type of joint small-scale actions such as <ul style="list-style-type: none"> <li>- Activities sustaining common identity and traditions of local communities</li> <li>- Support of local folk-art and handicraft</li> <li>- Joint sport and cultural events</li> <li>- Joint events of local media organs</li> <li>- Joint environmental awareness campaigns and knowledge transfer events</li> <li>- Promotion of the practice of civil partnership in strategic and project-planning</li> </ul> </li> </ul>

## 1.4 CROSS-CUTTING THEMES OF THE PROGRAMME

In addition to the priorities which are in the focus of the Programme activities, there are three horizontal criteria that are crucial in case of any project activity. Project applicants are expected to consider these criteria when developing their projects.

### a) Equal opportunities

The principle of equal opportunities underpins the Programme and it is important that all groups in society have equal access to the opportunities and benefits of the Programme - in order to obtain the objectives defined by the Programme. Equal opportunities include women children/youth, the disabled, ethnic minorities and other disadvantaged groups.

### b) Sustainable development

Socio-economic development and integration of the border regions are to be conducted in such a way that socio-economic and environmental sustainability is ensured. All Actions recognise and appropriately utilise the environmental strengths of the border regions, without harming the environment of the area contribute to economic and social benefit.

### c) Territorial Cohesion

The principle of territorial cooperation is a key in many EU programmes and aims at the stimulation of the economic and social development in the programme area so that regional disparities are reduced between the eligible regions in this Programme and other regions in Hungary, Slovakia, Romania and Ukraine.

## 1.5 INDICATIVE FINANCIAL ALLOCATION PROVIDED BY THE JOINT MANAGING AUTHORITY

The overall *indicative* amount made available under this Call for Proposals is 8,000,000 EUR. The Joint Monitoring Committee 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, defined according to the priorities and measures and can not be more than 90% of the total eligible costs of the Action.

Table 2

Priority	Measure	Minimum amount in EUR	Maximum amount in EUR	allocation per measure in EUR	% of the total budget
<b>Priority 1:</b> Promote economic and social development	Measure 1.1 Harmonised development of tourism	100,000	500,000	1,000,000	12,5%
	Measure 1.2 Create better conditions for SMEs and business development	100,000	275,000	275,000	3,44%
<b>Priority 2:</b> Enhance environmental quality	Measure 2.1 Environmental protection, sustainable use and management of natural resources	100,000	950,000	950,000	11,88%
	Measure 2.2 Emergency preparedness	100,000	2,300,000	2,300,000	28,75%
<b>Priority 4:</b> Support people to people cooperation	Measure 4.1 Institutional cooperation	50,000	500,000	2,400,000	30%
	Measure 4.2 Small scale "People to people" cooperation	25,000	100,000	1,075,000	13,43%

The organisations located in "adjacent areas with limited participation" should follow the condition as laid down in point 1.2.2

#### Co-financing rate

EC Grants may not finance the entire eligible cost of the Action of a Beneficiary. No grant may exceed 90 % of the total forecasted eligible costs of the Action.

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. The co-financing shall amount to at least 10% of the total eligible costs of the Action.

In case of grant Beneficiaries/Partners registered in participating Member States maximum 5% of the total eligible costs of the Action (50% of the co-financing) will be funded from the national budget. The remaining minimum 5% of the total eligible costs of the Action (50% of the co-financing) has to be covered from the Beneficiary's/Partner's own contribution or from sources other than the European Community budget or the European Development Fund. Detailed information on the national co-financing in the Member States will be available on the Programme's website.

## **1.6 STATE AID RULES (FOR MEMBER STATES)**

According to Article 107(1) of the TFEU (Treaty on Functioning the European Union) 'any aid granted by Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favoring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market'. Thus, on the territory of the Member States state aid rules shall apply, as described in detail in Annex G (State Aid Guidelines) to the present Guidelines. State aid rules will be taken into account in the evaluation process and can affect the contracting conditions of the selected project proposals in terms of the amount and ratio of Community funding and state contribution. Before the Grant Contract signature Applicants and Partners should sign the declaration stating that they will comply with the relevant State Aid rules during the implementation. State Aid rules do not apply to Applicants and Partners from Ukraine.

## 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 EU external actions, which is applicable to the present Call (available on the Internet at this address: [http://ec.europa.eu/europeaid/work/procedures/implementation/index\\_en.htm](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**
- public bodies, bodies governed by public law<sup>1</sup> or non profit making private bodies **and**
- established for the purposes of public interest or specific purpose of meeting needs of general interest, which may belong to one of the groups indicated in the following non-exhaustive list:
  - a. national, regional and local organisations implementing policies in the fields of relevant policies defined as programme priorities;
  - b. semi-public institutions like regional development associations and promoters, innovation and development agencies, research institutes and universities;
  - c. regional and local associations of enterprises (e.g. chambers of commerce, unions); professional organisations;
  - d. regional, local and county self-governments and their organisations acting as legal entities, regional councils;
  - e. non-state actors such as:
    - non-governmental organisation;
    - organisation representing national and/or ethnic minorities;
    - local citizen groups and traders' associations;
    - cooperatives, trade unions, organisations representing economic and social interests;
    - local organisations (including networks) involved in the decentralised regional cooperation and integration;
    - consumer organisations, women's and youth organisations, teaching, cultural research and scientific organisations;

<sup>1</sup> Body Governed by public law, as defined in article 1.9 of Directive 2004/18/EC means any legal body established for the specific purpose of meeting needs in the general interest, *not having an industrial or commercial character*, and financed, for the most part, by the State, regional or local authorities, or other bodies governed by public law; or subject to management supervision by those bodies; or having an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law.



- universities;
  - churches and religious associations and communities;
  - the media;
  - cross border associations, non-governmental associations and independent foundations **and**
- be nationals<sup>2</sup> of a Programme participating countries: Hungary, Slovakia, Romania, Ukraine **and**
- have their headquarters or a registered regional/local branch having legal entity in the specified programme territorial units (see point 1.2)
- If the Applicant is a regional/local branch of a national/regional organisation, and the national/regional organisation's *headquarter is not situated* in the eligible regions, and the regional/local *branch is a legal entity*, the *regional/local branch shall apply* for funding, and in case of contracting it shall be the Beneficiary; or
  - A central/national public sector body or a body governed by private law with a public service mission from a participating country may act as an Applicant or as a Partner if it can demonstrate that the Action is fully for the benefit of the eligible area covered by the Programme.
- be directly responsible for the preparation and management of the project with their Partners, not acting as an intermediary.

Participation of International Organisations<sup>3</sup> (referred to as IO) including regional organisations, UN bodies, departments and missions, international, financial institutions and development banks is tied to following conditions:

- IOs may participate in CBC calls as applicants or partners.
- They do not have to fulfil the nationality requirement. They may have their registered office in any country.
- They may be considered to fulfil the partnership requirement if they participate as the local representation office in the country in question and on the condition it is this local representation office which will implement the project activities.
- IOs are subject to the same selection and award criteria as any other applicant/partner. They have to fill in the same application form and annexes.
- IOs shall also fill in the Legal Entity Sheet (Annex 4). Should the IO have its head of office not in the programme countries, it is requested to provide the 'letter of accreditation' or the 'bilateral agreement' with Hungary, Slovakia, Romania or with Ukraine.
- If the IO in question has passed the "four pillars assessment" (accounting, audit, internal control and procurement procedures) by the Commission, the JMA should use the contribution agreement as the contract instead of the standard grant contract. The standard contribution agreement as well as other information on IO are available at [http://ec.europa.eu/europeaid/work/procedures/implementation/international\\_organisations/index\\_en.htm](http://ec.europa.eu/europeaid/work/procedures/implementation/international_organisations/index_en.htm)
- Some IOs have special tailor-made contribution agreements (e.g. WB or EBRD). You can find all relevant info at:

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<sup>2</sup> 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

<sup>3</sup> International organisations are international public-sector organisations set up by intergovernmental agreements as well as specialized 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.



[http://ec.europa.eu/europeaid/work/procedures/implementation/international\\_organisations/index\\_en.htm](http://ec.europa.eu/europeaid/work/procedures/implementation/international_organisations/index_en.htm).

- For all UN agencies there exists a special Financial and Administrative Framework Agreement (FAFA). Provisions of FAFA have been transposed to the standard contribution agreement. FAFA does not need to be attached to the contribution agreement.
- the requirement to submit an external audit report for grants exceeding € 500,000 does not apply to IOs
- the requirement of an expenditure verification report as an annex for the financial reports will be applicable in any case

In addition to the above mentioned eligibility criteria the indicative list of the legal entities - eligible Applicants according to the Slovak and Romanian national legislation - can be found in Annex I.

(2) Potential Applicants and partners **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:

a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations

b) they have been convicted of an offence concerning their professional conduct by a judgment which has the force of *res judicata*; (i.e. against which no appeal is possible)

c) they have been guilty of grave professional misconduct proven by any means which the Contracting Authority can justify

d) they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the Contracting Authority or those of the country where the contract is to be performed

e) they have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organization or any other illegal activity detrimental to the Communities' financial interests

f) they are currently subject to an administrative penalty referred to in Article 96(1) of the Financial Regulation (BUDGET)/ Article 99 of the Financial Regulation (10<sup>th</sup> EDF)

g) they have been declared to be in serious breach of contract for failure to comply with their contractual obligations in connection with a procurement procedure or other grant award procedure financed by the Community budget.

Applicants must declare that they do not fall into any of these situations ("Declaration by the applicant").

### **2.1.2 Partnerships and eligibility of Partners**

- **Applicant**

A legal person that submits an application with a view to obtaining a grant and in case its project proposal is selected by the JMC will receive the financial contribution in order to implement the activities of a project.

Applicants must act with partner organisations as specified below following the Lead Partner Principle.

- a. Beneficiary**



The Applicant will be the “Beneficiary” in case its project proposal is selected for financing by the JMC and a Grant Contract is signed between the Applicant and the Joint Managing Authority.

### **b. Lead Partner Principle**

The “Lead Partner Principle” is a basic requirement in all projects financed from the Programme.

The Lead Partner is referred to as “Applicant” when submitting the proposal and as “Beneficiary” after signature of the contract.

For each project an Applicant/Beneficiary shall be appointed by the Partners among themselves before submitting the proposal.

The Applicant/Beneficiary is a body which takes the overall responsibility for the submission of the Application Form, signs a Grant Contract with the Joint Managing Authority and which assumes full legal and financial responsibility for project implementation vis-à-vis that authority. It receives the financial contribution from the Contracting Authority and ensures it is managed and, where appropriate, distributed in accordance with the agreements drawn up with its partners. The Beneficiary is directly accountable to the Contracting Authority for the operational and financial progress of activities.

The project will be presented by the Beneficiary who will act as the only direct contact between the project and the joint management bodies of the Programme. It is the responsibility of the Beneficiary to create a well working partnership and lawful connection between the project partners ensuring the proper and sound implementation of the project.

The Beneficiary shall assume the following responsibilities:

- a) it shall lay down the arrangements for its relations with the Partners participating in the Action in an agreement (Partnership Agreement) comprising, inter alia, provisions guaranteeing the sound financial management of the funds allocated to the Action and the arrangements for recovering amounts of grant unduly paid;
- b) it shall be responsible for ensuring the implementation of the entire Action;
- c) it shall ensure that the expenditure presented by the Partners participating in the Action has been paid for the purpose of implementing the Action and corresponds to the activities agreed between the Partners participating in the Action;
- d) it is responsible for the verification of project’s expenditures by an approved auditor/national controller in accordance with PRAG and submission of requests for payment to the Joint Technical Secretariat on the basis of the Grant Contract;
- e) it shall be responsible for transferring the ENPI contribution to the Partners participating in the Action.

The possibility to initiate projects and to act as Applicant/Beneficiary will be open for all eligible organisations.

The “Declaration by the Applicant” shall be filled in and duly signed by the Applicant.

Organisations from the “adjacent areas with limited participation” must follow the conditions laid down in point 1.2.2 of the Guidelines.

### **• Partners**

**Partner(s)** are these other organisation(s) that in addition to the Beneficiary are involved with the implementation of the projects.

Partnerships must consist of at least one Partner from one of the Member States participating in the Programme and at least one Partner from Ukraine. This compulsory Partner(s) must fulfil the eligibility criteria set up for the Applicants in the point 2.1.1 of the Guidelines.

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.

In addition to the categories referred to in section 2.1.1, the Partners from adjacent area with limited participation are also eligible as defined in the section 1.2.2 of the Guidelines.

The applicant organisations may have partnerships with organisation(s) from their own country (Local Partners). If a Partner from the same country (if any) is a recipient of the funding, it should be located in the eligible territorial unit and must comply with the same eligibility criteria identified in the point 2.1.1 of the Guidelines.

The Applicant and its Partners must be presented in section II and III of the Grant Application Form.

Partnership Statement of the Grant Application Form will have to be filled in and duly signed by the statutory representative of each Partner. For the objective evaluation of the partnership, the real role and involvement of the Partner(s) during planning, development, implementation, financing and utilisation after completion of the proposed Action must be described in detail and endorsed by all Partners (Partnership Statement, as well as Work packages – including the involvement of specific Partners). The necessary number of copies should be made of this statement and included in the Application Form.

Before the signing of the Grant Contract a Partnership Agreement has to be signed by the Beneficiary and Partners. The model Partnership Agreement regulating the relationship between Beneficiary and its Partners is Annex G to the present Guidelines.

#### **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 the eligibility criteria referred to in section 2.1.1. The associates have to be mentioned in section IV - “Associates of the Applicant Participating in the Action” of the Grant Application Form.

- **Contractors<sup>4</sup>**

The grant Beneficiaries and Partners have the possibility to award contracts. Contractors are neither Partners nor associates, and are subject to the procurement rules set out in Annex IV to the Standard Grant Contract. Partners can not be Contractors.

- **Target group**

Target groups are the groups/entities who will be directly positively affected by the project at the Project level.

- **Final beneficiaries**

Final beneficiaries are those who will benefit from the project in the long term at the level of the society or sector at large.

### **2.1.3 Eligible Actions: Actions for which an application may be made**

Definition: An action (project) is composed of a set of activities aiming at achieving specific, measurable, relevant, achievable and timed objectives, which contribute to the programme priorities.

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<sup>4</sup> “Contractor” within the meaning of these Guidelines and the PRAG (version applicable from November 2010) corresponds to the “subcontractor” within the meaning of the relevant Ukrainian legislation.



### Duration

The planned duration of an Action may not be lower than 6 months nor exceed 24 months.

In exceptional and justified cases the possibility of the Action prolongation (without grant amount or rate increase) will be foreseen with approval of the JMA on the request of the Beneficiary. However, due to the Action prolongation the own contribution rate can be increased upon the request of the Beneficiary.

### Location

Actions must take place in one or more of the eligible territorial units (see point 1.2).

In exceptional cases, if necessary for achieving the project's objectives and if clearly identified in the proposal with the approval of the Joint Monitoring Committee, Action can take place partially in regions other than those defined in the point 1.2 but within the participating countries. The necessity should be duly justified in Section 1.6 Methodology of the Application form.

### Project Nature

The Hungary-Slovakia-Romania-Ukraine Cross-border Cooperation Programme 2007-2013 concept ensures the possibility to develop projects in close cooperation between partners from different sides of the border. Basically the nature of the foreseen projects may be of two kinds:

#### **Integrated project**

The project where each Partner carries out a part of the cross-border activities of the joint project on its own territory.

#### **Symmetrical project**

Project developed in cross-border cooperation where similar activities are carried out in parallel in Member State(s) and Ukraine.

*Projects shall be submitted by Applicants representing partnerships consisting of at least one Partner from a Member State participating in the Programme and at least one Partner from Ukraine.*

### Cooperation criteria

*Main four cooperation criteria* of the project should be respected in the projects of all nature.

1. joint project development
2. joint project implementation
3. joint staffing
4. joint financing

Projects have to satisfy at least two of the four criteria.

### Types of activity

The type of activity which can be financed under this Call: the indicative list of activities is defined in the Table 1 of the point 1.3.



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;

Note that the applicant must comply with the objectives and priorities of this call and guarantee the visibility of the EU-financing (see the Communication and Visibility Manual for EU external actions laid down and published by the European Commission at [http://ec.europa.eu/europeaid/work/visibility/index\\_en.htm](http://ec.europa.eu/europeaid/work/visibility/index_en.htm)).

Number of applications and grants per Applicant

An Applicant may submit more than 1 application under this Call for Proposals.

An Applicant may be awarded more than 1 grant under this Call for Proposals.

An Applicant may at the same time be Partner in other applications.

Partners may take part in more than one application.

An Applicant (Beneficiary) may be awarded more than one grant under this Call for Proposals, if he can demonstrate its financial and administrative capacity of managing and co-financing all the awarded projects. If, in the evaluation stage, the respective Applicant does not meet the financial and operational capacity requirement to implement all projects, the Selection Committee may reject the proposal with the lowest score, according to PRAG provisions and shall justify its decision in the Evaluation report.

<b>2.1.4 Eligibility of costs: costs which may be taken into consideration for the grant</b>
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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 indirect costs where flat-rate funding applies).

In order to be eligible the expenditure of the project must be incurred during the project period and in the previously defined eligibility area of execution of each relevant contract. The eligible costs have to meet the following criteria:

- a) be incurred during the implementation of the Action as specified in Article 2 of the Special Conditions to the Standard Grant Contract and only after the date on which the grant is signed.
- b) must be indicated in the estimated overall budget of the Action
- c) must be necessary for the implementation of the Action which is the subject of the grant
- d) they are identifiable and verifiable, in particular being recorded in the accounting records of the Beneficiary/Partner(s) and determined according to the applicable accounting standards of the country where the Beneficiary/Partner(s) is established and according to the usual cost accounting practices of the Beneficiary/Partner(s)
- e) must be reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

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 Joint Managing Authority/Joint Technical Secretariat 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).

Subject to the above and where relevant to the provisions of Annex IV to the Standard Grant Contract being respected, the following direct costs of the Beneficiary and its Partners shall be eligible:

- a) the cost of staff assigned to the Action, corresponding to actual gross salaries including social security charges and other remuneration-related costs; salaries and costs must not exceed those normally borne by the Beneficiary or its Partners, as the case may be, unless it is justified by showing that it is essential to carry out the Action;
- b) travel and subsistence costs for staff and other persons taking part in the Action, provided they do not exceed those normally borne by the Beneficiary or its Partners, as the case may be.
- c) purchase or rental costs for equipment and supplies (new or used) specifically for the purposes of the Action, and costs of services, provided they correspond to market rates;
- d) costs of consumables;
- e) subcontracting expenditure;
- f) costs deriving directly from the requirements of the Contract (dissemination of information, evaluation specific to the Action, audits, translation, reproduction, insurance, etc.) including financial service costs (in particular the cost of transfers and financial guarantees).

#### 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 Joint Technical Secretariat.

#### 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. Indirect costs are eligible provided that they do not include costs assigned to another heading of the budget of the standard grant contract. The applicant may be asked to justify the requested percentage before contracting. However, once the flat-rate has been fixed in the special conditions of the standard grant contract, no supporting documents need to be provided.

If the Applicant is in receipt of an operating grant financed from the EU no indirect costs may be claimed within the proposed budget for the Action.

#### Contributions in kind

Contribution in kind is not considered actual expenditure and is not eligible costs of the project partner contribution. The contributions in kind may not be treated as co-financing by the Beneficiary.

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

The following costs are not eligible:

- debts and debt service charges
- provisions for losses or potential future liabilities
- interest owed;
- costs declared by the beneficiary and covered by another action or work programme;
- items already financed in another framework;
- purchases of land or buildings, except where necessary for the direct implementation of the Action, in which case ownership must be transferred to the final beneficiaries and/or local Partners, at the latest by the end of the Action;
- currency exchange losses;
- taxes, including VAT, unless the Beneficiary (or the Beneficiary's Partners) cannot reclaim them and the applicable regulations do not forbid coverage of taxes;
- credit to third parties.

The unjustified and ineligible cost will be deducted from the Action's eligible expenditure.

### Non-profit

Grants may not have the purpose or effect of producing a profit for the Beneficiary.

Profit is defined as:

- in the case of a grant for an Action, a surplus of receipts over the costs incurred by the Beneficiary when the request is made for final payment.

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

### **2.2.1 Application Form, its annexes and supporting documents**

Applicants must apply in English.

Any error or major discrepancy related to the points listed in the instructions on the Application Form 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 Joint Technical Secretariat from conducting an objective assessment.

Hand-written applications will not be accepted.

Please note that only the Grant Application Form including the Partnership Statement and Declaration by the Applicant and the published annexes which have to be filled in [Annex B: Budget; Annex C: Project team and CVs of the key permanent staff of applicant/partner which will be involved in the Action implementation; Annex D: Logical Framework (in case of actions where the requested grant exceeds 100,000 EUR)] as well as the supporting documents detailed below will be evaluated. It is therefore of utmost importance that these documents contain ALL relevant information concerning the Action.

The following supporting documents should be submitted together with the Application Form and its annexes:



1. The Statutes or Articles of association of the applicant organisation<sup>5</sup>.
2. The Statutes or Articles of association of each partner organisation<sup>6</sup>.
3. Copy of the Applicant's latest accounts
  - a) the profit and loss account or its equivalent and
  - b) the balance sheet for the previous financial year for which the accounts have been closed <sup>7</sup>.
4. Legal entity sheet (model provided) duly completed and signed by the Applicant, accompanied by the justifying documents which are requested therein.
5. Financial identification form with the EURO account (model provided), certified by the bank to which the payments will be made. This bank must be located in the country where the Applicant is registered. In case the Applicant does not have EURO account at the moment of the application the existing account in national currency should be declared in the Financial identification form. However before the Contract signature and after the Applicant gets the Award letter it should provide the Contracting Authority with the Financial identification form with the bank account in Euro. The Applicant must inform the Contracting Authority about any changes in the bank requisites.
6. The original specimen of signature of the legally authorized representative of the applicant organization issued by a public notary<sup>8</sup>.
7. In case of Actions where the requested grant exceeds € 500,000 the Applicant must provide an external audit report produced by an approved auditor. The report must certify the accounts for the last financial year available.<sup>9</sup>
8. Declaration for Hungarian Applicants and Partners in accordance with the Act No. 181/2007 concerning only Applicants and Partners registered in Hungary.

All the 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 following documents must always be submitted in original:**

- Declaration by the Applicant,
- Partnership Statement(s),
- Legal entity sheet,
- Financial identification form and
- Original Specimen of Signature.

The Statutes or Articles of association of the applicant and partner organisation shall be submitted in original language ***accompanied with brief English summary (max. 1 page)***, reflecting the main content as follows:

- name of the organisation
- legal status
- main goals and types of activities
- registration and location of headquarters and,
- if it is the case, of the subsidiary(ies)/branch(es).

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<sup>5</sup> Where the Applicant is a public body created by a law, the Statutes or Articles of association are not required. In such cases the Applicant should submit a statement referring to the relevant legal act.

<sup>6</sup> Where the Partner(s) is a public body created by a law, the Statutes or Articles of association are not required. In such cases the Partner(s) should submit a statement referring to the relevant legal act.

<sup>7</sup> If the Applicant cannot provide a copy of the Applicant's latest accounts since it does not have an accomplished previous financial year, a declaration with explanation has to be provided.

<sup>8</sup> Signature of the legally authorized representative of the applicant organization should be the same on the Declaration by the Applicant, Legal Entity sheet, Financial Identification Form and Original Specimen of Signature. In case if the abovementioned documents are signed by more than one legally authorized representative of the Applicant organisation, all the corresponding original specimens of signature have to be provided.

<sup>9</sup> This obligation does not apply to public bodies.

In case of changes of the abovementioned relevant parts of the Statutes proving the Applicant's, and its Partners' eligibility, the decision of the competent authority regarding the registration of the modifications according to the national legislations in force, must also be submitted.

Projects which contain construction, work and/or supply components are called investment type of the Action. In case of the investment type of the Actions the following documents should be additionally submitted:

9. Feasibility study (if according to the national legislation it is required for the obtaining the building permission in the set format) or Brief Feasibility Study (containing the following elements: the executive summary, project background, definition of demand/ development needs and goals, implementation part, financial needs analysis and risk analysis).
10. Environmental impact assessment (if the national legislation requires) signed by the relevant authority or the certification issued by the relevant regional or national authority proving that the project has no negative environmental impacts.
11. Building permission signed by the relevant authority (notified copy<sup>10</sup>)
  - a. if the investment does not require a building permit, a certification should be annexed that the works component is not subject of a building permission,
  - b. if the permission is already requested but not issued, a certification from the relevant authority should be annexed that the request is under consideration,
  - c. in case of Romanian Applicants/Partners – if the building permission is not issued yet, the urban certificate for construction should be submitted, as well as the authorizations and permits listed in it.
12. Proof of ownership, trusteeship, rental or right of common of land/buildings (e.g. duplicate title deed, contract or pre-contract) (notified copy<sup>11</sup>).
13. Project technical documentation (ordinary copy), depending on the type of the Action it could be: construction plan submitted for the building permit or, in case the works activity is not subject to permission, the technical description; diagrammatical plan and/or the general plan of the building site.

Feasibility study or Brief Feasibility Study (point 8) and Environmental impact assessment or relevant certification (point 9) shall be submitted in original language ***accompanied with brief English summary***, reflecting the main content.

**The Application will be disqualified from the evaluation process in case any of the following documents or its parts are missing from the Application both in paper and electronic versions:**

- The Grant Application Form and its annexes
  - Annex B: Budget,
  - Annex C: Project team and CVs of the key permanent staff of the applicant/partner which will be involved in the Action implementation,
  - Annex D: Logical Framework in case of actions where the requested grant exceeds 100,000 EUR
- Legal entity sheet
- Financial Identification Form.

However, in case of uncertainties or unclear information provided in the Application Form and its annexes and/or the supporting documents, the Applicant is invited to submit a clarification within 8 calendar days after receipt of the official letter (as evidenced by the date of dispatch, the postmark or the date of the deposit slip). The Project Selection Committee may use its discretion to decide whether or not it should still be considered during the rest of the evaluation process, while ensuring the equal treatment of proposals and in accordance with the principle of proportionality. Whatever the Project Selection Committee decides, this must be fully recorded and justified in the Evaluation Report.

<sup>10</sup> Notified copy means a copy certified (duly signed) by the legally authorised representative of the organisation.

<sup>11</sup> As above.

The Applicants could be requested to submit the missing supporting documents, defined in the above points 1-3 and 6-13. The Applicants have to submit missing documents to the Joint Technical Secretariat within 8 calendar days after the receipt of the official letter from the Secretary of the Project Selection Committee (as evidenced by the date of dispatch, the postmark or the date of the deposit slip). If the Applicant fails to submit the missing supporting documents within the given deadline the application will be rejected.

Incoherence between the Declaration and the supporting documents will lead to the rejection of the proposal on that sole basis.

### 2.2.2 Where and how to send the Applications

Applications must be submitted in one original and as many copies as the number of countries involved in the Partnership but not less than 2 copies<sup>12</sup> in A4 size, each bound, **containing Table of Contents** and all pages numbered. The numbering shall be with whole numbers (e.g. 12/1 and 12/2 is not allowed) and it shall be continuous (i.e. after the last page of the Application Form one should not re-start the numbering by Annex B). Numbering can be handwritten as well.

The Grant Application Form and its annexes (Annex B: Budget, Annex C: Project team and CVs of the key permanent staff of applicant/partner which will be involved in the Action implementation, Annex D: Logical Framework in case of actions where the requested grant exceeds 100,000 EUR) as well as the Legal entity sheet, Financial Identification Form must also be supplied in electronic format (CD-Rom) each one in a separate and unique file in the same format as the relevant forms of the Call for Proposals published on the programme's website (e.g. Annex A: Grant Application Form must not be split into several different files and must be submitted in 'doc' format)<sup>13</sup>. The documents sent in electronic format must contain **exactly the same** information as the paper version enclosed.

The Checklist (Section V of the Grant Application Form) and the Declaration by the Applicant (Section VI of the Grant Application Form) must be stapled separately and enclosed in the envelope.

Where an Applicant sends several different applications, each one has to be sent separately and contain all required documents for each application.

Please complete the application carefully and as clearly as possible so that it can be assessed properly. The applicant should be precise and provide enough detail to ensure the application is clear, particularly as to how the aims of the Action will be achieved, the benefits that will flow from it and the way in which it is relevant to the Programme's priorities and measures.

The outer envelope must bear the reference number and the title of the Call for Proposals (**HUSKROUA/1101, Hungary-Slovakia-Romania-Ukraine ENPI Cross-border Cooperation Programme**), together with the full name and address of the Applicant, and the words **"Not to be opened before the opening session"**.

Applications must be submitted in one package 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:

**HU-SK-RO-UA ENPI CBC  
Joint Technical Secretariat  
VÁTI  
H-1016 Budapest, Gellérthegy u. 30-32.**

<sup>12</sup> There are following possibilities: 1. If Project is **bilateral**, e.g. HU-UA, Applicant must submit 1 original and 2 copies, 2. If project is **trilateral**, e.g. HU-SK-UA Applicant must submit 1 original and 3 copies, 3. If project is **quadrilateral**, e.g. HU-SK-RO-UA Applicant must submit 1 original and 4 copies.

<sup>13</sup> Annexes B and D: must be submitted in 'xls' format, Annex C in 'doc' format. It is not allowed to submit the above mentioned documents in xlsx, docx or pdf format. Legal Entity Sheet and Financial Identification Form must be submitted in pdf format.





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 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 **31 January, 2012** 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 14:00 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 Joint Monitoring Committee may reject any application sent before the deadline, but received after the effective date of approval of the administrative and eligibility check (see indicative calendar under section 2.4.2).

### **2.2.4 Further information for the Application**

During the Call for Proposals the JTS will organise information sessions (Info days) for potential applicants and partners. The dates will be announced on the programme's website.

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: [info@huskroua-cbc.net](mailto:info@huskroua-cbc.net)

Fax: +36 1 224 3291

The Joint Technical Secretariat 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 Joint Managing Authority and the Joint Technical Secretariat 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: <http://huskroua-cbc.net> It is therefore highly recommended to regularly consult the above-mentioned website in order to be informed of the questions and answers published.

Branch Offices have been set up at Košice self-governing region and Prešov self-governing region in Slovakia as well as at Satu-Mare County Council in Romania, and in Uzhgorod, Ukraine. The contact details of the Branch Offices are published on the programme's website.

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

Applications will be examined and evaluated by the Project Selection Committee appointed by the Joint Monitoring Committee with the possible assistance of the 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 paragraphs 2.1.1, 2.1.2 and 2.1.3, the application shall be rejected on this sole basis.



## (1) STEP 1: OPENING SESSION, ADMINISTRATIVE AND ELIGIBILITY CHECK

All proposals received should be opened in an opening session at which the registration details will be checked and completed and the application numbered. The secretaries to the Project Selection Committees who are the representatives of the JTS supervise the opening session and may request the assistance of other staff of the Branch Offices according to the needs.

The registration of proposals should contain the following information:

- registration number of Application
- date of submission
- the Applicant's name and address.

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 1-16 of the Checklist (section V of the Grant Application Form) and the Assessment Grid (to be used by the Joint Technical Secretariat for administrative and eligibility check). 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 Application will be disqualified from the evaluation process in case any of the following documents are missing from the Application: The Grant Application Form and its annexes (Annex B: Budget, Annex C: Project team and CVs of the key permanent staff of applicant/partner which will be involved in the Action implementation, Annex D: Logical Framework in case of actions where the requested grant exceeds 100,000 EUR) as well as the Legal entity sheet and Financial Identification Form.

However, in case of uncertainties or unclear information provided in the Application Form and its annexes, the Applicant is invited to submit a clarification within 8 calendar days after receipt of the official letter (as evidenced by the date of dispatch, the postmark or the date of the deposit slip). The Project Selection Committee may use its discretion to decide whether or not it should still be considered during the rest of the evaluation process, while ensuring the equal treatment of proposals and in accordance with the principle of proportionality. Whatever the Project Selection Committee decides, this must be fully recorded and justified in the Evaluation Report.

The Declaration by the Applicant (Section VI of the Grant Application Form) will be cross-checked with the supporting documents provided by the Applicant (see point 2.2.1). The Applicants could be requested to submit the missing supporting documents, defined in points 1-3 and 6-13 of the section 2.2.1. The Applicants have to submit missing documents to the Joint Technical Secretariat within 8 calendar days after the receipt of the official letter from the Secretary of the Project Selection Committee (as evidenced by the date of dispatch, the postmark or the date of the deposit slip). If the Applicant fails to submit the missing supporting documents within the given deadline the application will be rejected.

**Incoherence between the Declaration and the supporting documents will lead to the rejection of the proposal 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 and will be performed by the members of the JTS appointed as secretaries of the Project Selection Committee. The Evaluation Report will be endorsed by the JMC.

Following the opening session and the administrative and eligibility check, the Chairperson of the Project Selection Committee 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 APPLICATION

The evaluation of the Application Forms that have passed the first opening session, administrative and eligibility check will cover the relevance of the Action, its merits and effectiveness, its viability and sustainability. An evaluation of the quality of the applications, including the proposed budget, and of the capacity of the Applicant and its Partners, cross-border impact will be carried out in accordance with the evaluation criteria set out in the Evaluation Grid. 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. They cover such aspects as the relevance the Action, its consistency with the objectives of the Call for Proposals, quality, expected cross-border impact, sustainability and cost-effectiveness.

### *Scoring:*

The Application Form will be given an overall score out of **100 points** in accordance with the breakdown provided in the Evaluation Grid below.

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	Reference
<b>1. Financial and operational capacity</b>	<b>20</b>	
1.1 Do the Applicant and, if applicable, Partners have sufficient <b>experience of project management</b> ?	5	GAF: Part II. Chapter 3. Section 3.1.1
1.2 Do the Applicant and, if applicable Partners have sufficient <b>technical expertise</b> ? (notably knowledge of the issues to be addressed.)	5	GAF: Part II. Chapter 3. Section 3.1.2
1.3 Do the Applicant and, if applicable, Partners have sufficient <b>management capacity</b> ? (including staff, equipment and ability to handle the budget for the Action)?	5	GAF: Part II. Chapter 3. Section 3.2 ANNEX C
1.4 Does the Applicant and, if applicable, Partners have stable and sufficient sources of <b>finance</b> ?	5	GAF: Part II. Chapter 3. Section 3.2 Balance sheet and Profit/Loss Statement
<b>2. Relevance of the action</b>	<b>30</b>	



2.1 How relevant is the proposal to the <b>priorities</b> , to one or more of the <b>measures</b> of the Call for Proposals and to the <b>cross-cutting themes of the Programme</b> ? Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses at least <b>one measure</b> . Note: A score of 5 (very good) will only be allocated if the proposal contains 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 and cross-cutting themes of the Programme.	5x2*	GAF: Part I. Chapter 1. Section 1.4. Bullet points 5-6 Section 1.5. Bullet point 4
2.2 How strong is the cross-border cooperation and impact of the project?	5	GAF: Part I. Chapter 1. Section 1.4. Bullet point 8 Section 1.6. Bullet points 5-6 Section 1.7. last column of the table Annex B: Budget
2.3 How relevant to the particular <b>needs and constraints</b> of the target country/countries or region(s) is the proposal? (including synergy with other EU initiatives and avoidance of duplication)	5x2*	GAF: Part I. Chapter 1. Section 1.4. Bullet point 4 Section 1.6. Bullet point 3
2.4 How clearly defined and strategically chosen are those involved ( <b>final beneficiaries, target groups</b> )? Have their <b>needs</b> been clearly defined and does the proposal address them appropriately?	5	GAF: Part I. Chapter 1. Section 1.4. Bullet points 2-3
<b>3. Effectiveness and feasibility of the action</b>	<b>20</b>	
3.1 Are the <b>activities</b> proposed appropriate, practical, and consistent with the objectives and expected results?	5	GAF: Part I. Chapter 1. Section 1.3. Section 1.5. Bullet point 1, 5 (table) Section 1.6. Bullet point 1 Annex E: LFM
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 <b>evaluation</b> ?)	5	GAF: Part I. Chapter 1. Section 1.4. Bullet point 1 Section 1.8. Bullet point 1 Section 1.6. Bullet point 4
3.3 Is the <b>action plan</b> clear and feasible?	5	GAF: Part I. Chapter 1. Section 1.5. Bullet point 5 Section 1.7.
3.4 Does the proposal contain adequate <b>objectively verifiable indicators</b> for the outcome of the Action?	5	GAF: Part I. Chapter 4 Annex E: LFM
<b>4. Sustainability of the action</b>	<b>15</b>	
4.1 Is the Action likely to have a tangible <b>impact</b> on its target groups?	5	GAF: Part I. Chapter 1. Section 1.5. Bullet point 1, 3
4.2 Is the proposal likely to have <b>multiplier effects at cross-border level</b> ? (including scope for replication and extension of the outcome of the Action and dissemination of information.)	5	GAF: Part I. Chapter 1. Section 1.5. Bullet point 1
4.3 Are the expected results of the proposed Action <b>sustainable</b> : - 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 ( <i>what will be the structural impact of the</i>	5	GAF: Part I. Chapter 1. Section 1.8. Bullet point 3



<i>Action — e.g. will it have <b>strong cross-border effect</b>, will it lead to improved legislation, codes of conduct, methods, etc?)</i> - environmentally (if applicable) (will the Action have a negative/positive environmental impact?)		
<b>5. Budget and cost-effectiveness of the action</b>	<b>15</b>	
5.1 is the ratio between the estimated costs and the expected results satisfactory?	5	Annex B: Budget
5.2 Is the proposed expenditure <b>necessary</b> for the implementation of the Action?	5x2*	GAF: Part I. Chapter 1. Section 1.5. Bullet point 5 (table) Section 1.6. Bullet point 7 Annex B: Budget
<b>Maximum total score</b>	<b>100</b>	

\*the scores are multiplied by 2 because of their importance

*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.

### *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.

Based on the evaluation of the applications the Joint Monitoring Committee will decide on the award of grants and will inform about its final decision the Joint Managing Authority.

## 2.4 NOTIFICATION OF THE JOINT MONITORING COMMITTEE'S DECISION

### 2.4.1 Content of the decision

Applicants will be informed in writing of the Joint Monitoring Committee'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 evaluation process may file a complaint not later than 14 calendar days (as evidenced by the date of dispatch, the postmark or the date of the deposit slip) after receiving the letter of the Joint Managing Authority. Complaints should be sent to the address of the Joint Technical Secretariat (see section 2.2.2). See further section 2.4.15 of the Practical Guide:

[http://ec.europa.eu/europeaid/work/procedures/implementation/practical\\_guide/documents/2008new\\_prag\\_final\\_en.pdf#page=30](http://ec.europa.eu/europeaid/work/procedures/implementation/practical_guide/documents/2008new_prag_final_en.pdf#page=30)

The complaint can be filed in case the decision:

- infringes the rights stipulated in the Regulations of the European Union and PraG;
- presents an encroachment to the Call for Proposals published or the procedures regulating the assessment process.

The complaint has to be:

- written in English;
- addressed to the Head of JMA and sent to the Joint Technical Secretariat by registered mail to the following address:  
HU-SK-RO-UA ENPI JTS - VÁTI Nonprofit Kft. H-1016, Budapest, Gellérthegy utca 30-32.;
- filed by the legal representative of the Applicant;
- sent in 14 calendar days following the notification regarding the rejection of the project<sup>14</sup>;
- contain clear and articulate reference to the nature of the encroachment based on EU Regulations, PraG and programme procedures or the Call for Proposals.

All complaints shall be considered and answered by the JMA, as the responsible complaint handling body, in 20 calendar days following receipt of the complaint and can be extended once with an extra 45 calendar days in case further investigations are needed. The Applicant will be informed about the extension of the deadline.

Complaints shall be automatically rejected, without any examination in case:

- they were not filed by the one entitled to submit a complaint;
- in case they were filed after 14 calendar days following the receipt of the official rejection letter;
- they do not contain clear reference to the nature of the encroachment based on EU Regulations, procedures or the Call for Proposals;
- in case the subject and content of a complaint correspond with a complaint already filed and rejected;
- the complaint was not sent by registered mail (e.g. complaints received by fax or e-mail will be automatically rejected).

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<sup>14</sup> This can be proved by the date of the postal stamp, or postal counterfoil



## 2.4.2 Indicative time table

	DATE	TIME*
<b>Information meeting (if any)</b>	see on the programme's website	see on the programme's website
<b>Deadline for request for any clarifications from the Joint Technical Secretariat</b>	10 January 2012	16:00
<b>Last date on which clarifications are issued by the Joint Technical Secretariat</b>	20 January 2012	-
<b>Deadline for submission of Application</b>	31 January 2012	14:00 (for hand-delivery)
<b>Information to Applicants on the opening administrative &amp; eligibility check (step 1)</b>	30 May 2012	-
<b>Notification of award with information to Applicants on the evaluation of the Application Form (step 2)</b>	15 September 2012	-
<b>Contract signature</b>	15 November 2012	-

\***Provisional date.** All times are in the time zone of the country of the Joint Managing Authority

This indicative timetable may be updated by the Joint Managing Authority during the procedure. In such case, the updated timetable shall be published on internet at the EuropeAid web site <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome> and Programme web site <http://www.huskroua-cbc.net/>

## **2.5 CONDITIONS APPLICABLE TO IMPLEMENTATION OF THE ACTION FOLLOWING THE JOINT MONITORING COMMITTEE'S DECISION TO AWARD A GRANT**

Following the decision to award a grant, the Beneficiary will be offered a contract based on the Joint Managing Authority's standard grant 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 grant contract. International organisations will sign contribution agreement.

### Implementation contracts

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

## **2.6 PROJECT MONITORING**

The term monitoring applies for the process of regular gathering of physical and financial data on project implementation, activities that were carried out, payments and achievement of objectives. Monitoring aims at identifying potential deviations in achieving set goals, justifying the Programme in the public and gathering information for the needs of evaluation of the programme implementation

The monitoring of Hungary-Slovakia-Romania-Ukraine ENPI CBC Programme and projects is handled in IMIS 2007-2013 monitoring and information system especially developed for the needs of the joint implementing bodies (Joint Managing Authority, Joint Technical Secretariat, Project Selection Committee) involved in the management of the Programme.

IMIS 2007-2013 supports the whole project cycle of projects implemented under the Hungary-Slovakia-Romania-Ukraine ENPI CBC Programme from contracting till the closure of each project. On project level the system contains the basic data of the progress and final reports submitted by the Beneficiaries.

### Approval of data management / Privacy Policy

The Applicant by submitting the application for the present Call for Proposals duly consents to the fact that the Contractor (Data Manager) and VÁTI Nonprofit Kft. (Technical Data Processor) will manage all the personal data included in the application package and provided in the contracting or project implementation phase, in particular with regard to the data managed in the IMIS 2007-2013.

### **2.6.1 Indicators**

The project progress is measured by financial and physical indicators which are regularly monitored.

Indicators should as much as possible reflect the objectives that the Partners want to achieve with the project.

The Applicant is obliged to specify and monitor the project indicators according to the priority and measure selected. Each Applicant should use at least one or more indicators (key outputs) pre-defined in the table below. The Applicants are required also to define and monitor additional indicators, according to specific outputs, results and impacts of the Action.



Priority	Measure	Results	Key Outputs
<b>1. To promote economic and social development</b>	To harmonise and to develop tourism in the border area	Number of new joint products or partnerships in the area of tourism	Number of infrastructures created or modernised
			Number of joint plans or strategies prepared
			Number of partnerships agreements establishing permanent relations
			Number of trainings done for professionals
	To create better conditions for SMEs and business development	Number of projects fostering locally based business activities	Number of events (aiming at providing training, consultancy or at promoting cooperation in innovation, marketing, investment promotion) for entrepreneurs initiated
			Number of facilities upgraded
			Number of economic agents involved in project activities
			Number of operating networks created
<b>2. To enhance the quality of environment</b>	To develop environmental protection, sustainable use and management of natural resources	Number of project with a direct positive impact on ecosystems and natural resources	Number of tools/methods/model solutions developed/tested to protect or enhance environment
			Number of joint planning activities
			Number of operating networks about environment
	To reduce risks of damages on natural environment	Number of institutions (authorities or professional associations) involved in cross-border emergency systems	Number of trainings for professionals of emergency
			Number of networks designed ready to be operational
			Number of operating networks created
<b>4. To support people to people cooperation</b>	To improve the effectiveness of public services	Number of official bodies involved in partnerships agreements establishing permanent relations	Number of partnerships agreements establishing permanent cross-border relations
	To increase mutual understanding of various groups of the society	Number of citizens and NGO's involved in cultural projects	Number of joint cultural / sports / environmental events promoting regional identity

### 3. LIST OF ANNEXES

#### DOCUMENTS TO BE SUBMITTED:

ANNEX A: GRANT APPLICATION FORM

ANNEX B: BUDGET (EXCEL FORMAT)

ANNEX C: PROJECT TEAM AND CVS OF THE KEY PERMANENT STAFF OF APPLICANT/PARTNER WHICH WILL BE INVOLVED IN THE ACTION IMPLEMENTATION

ANNEX D: LOGICAL FRAMEWORK (IN CASE OF ACTIONS WHERE THE REQUESTED GRANT EXCEEDS € 100,000)

#### SUPPORTING DOCUMENTS:

1. THE STATUTES OR ARTICLES OF ASSOCIATION OF THE APPLICANT ORGANISATION
2. THE STATUTES OR ARTICLES OF ASSOCIATION OF EACH PARTNER ORGANISATION
3. 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)
4. LEGAL ENTITY SHEET (SAMPLE PROVIDED)
5. A FINANCIAL IDENTIFICATION FORM (SAMPLE PROVIDED)
6. ORIGINAL SPECIMEN OF SIGNATURE OF THE LEGALLY AUTHORIZED REPRESENTATIVE OF THE APPLICANT ORGANIZATION ISSUED BY A NOTARY PUBLIC
7. THE APPLICANT'S EXTERNAL AUDIT REPORT (IN CASE OF ACTIONS WHERE THE REQUESTED GRANT EXCEEDS € 500,000)
8. DECLARATION FOR HUNGARIAN APPLICANTS AND PARTNERS (SAMPLE PROVIDED)

#### ADDITIONAL SUPPORTING DOCUMENTS IN CASE OF INVESTMENT PROJECTS:

9. FEASIBILITY STUDY OR BRIEF FEASIBILITY STUDY
10. ENVIRONMENTAL IMPACT ASSESSMENT OR CERTIFICATION ISSUED BY THE RELEVANT REGIONAL OR NATIONAL AUTHORITY PROVING THAT THE PROJECT HAS NO NEGATIVE ENVIRONMENTAL IMPACTS
11. BUILDING PERMISSION
12. PROOF OF OWNERSHIP, TRUSTEESHIP, RENTAL OR RIGHT OF COMMON OF LAND/BUILDINGS
13. PROJECT TECHNICAL DOCUMENTATION

#### DOCUMENTS FOR INFORMATION:

ANNEX E: STANDARD GRANT CONTRACT

- ANNEX II: GENERAL CONDITIONS APPLICABLE TO EUROPEAN UNION-FINANCED GRANT CONTRACTS FOR EXTERNAL ACTIONS
- ANNEX IV: CONTRACT AWARD PROCEDURES
- ANNEX V: STANDARD REQUEST FOR PAYMENT
- ANNEX VI: MODEL NARRATIVE AND FINANCIAL REPORT
- ANNEX VII: MODEL REPORT OF FACTUAL FINDINGS AND TERMS OF REFERENCE FOR AN EXPENDITURE VERIFICATION OF AN EU FINANCED GRANT CONTRACT FOR EXTERNAL ACTIONS
- ANNEX VIII: MODEL FINANCIAL GUARANTEE
- ANNEX IX: STANDARD TEMPLATE FOR TRANSFER OF OWNERSHIP OF ASSETS

ANNEX F: MODEL PARTNERSHIP AGREEMENT

ANNEX G: STATE AID GUIDELINES

ANNEX H: INDICATIVE LIST OF ELIGIBLE APPLICANTS ACCORDING TO THE SLOVAK AND ROMANIAN LAW

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

[http://ec.europa.eu/europeaid/work/procedures/implementation/per\\_diems/](http://ec.europa.eu/europeaid/work/procedures/implementation/per_diems/)

PROJECT CYCLE MANAGEMENT GUIDELINES

[http://ec.europa.eu/europeaid/multimedia/publications/publications/manuals-tools/t101\\_en.htm](http://ec.europa.eu/europeaid/multimedia/publications/publications/manuals-tools/t101_en.htm)