



**Contracting Authority:** Central Finance and Contracting Agency

Republic of Croatia

The Business-Related Infrastructure Grant Scheme

Guidelines  
for grant applicants

Budget line: IPA 2007 HR 16 I PO 001 Regional Competitiveness  
Operational Programme 2007-2013 for Community Assistance under the  
IPA Regional Development Component in Croatia

Reference: EuropeAid/134244/D/ACT/HR

Deadline for submission of Concept note and full application:

13 June 2013

## **Notice**

This is an open Call for Proposals, where all documents are submitted together (Concept Note and Full Application Form). In the first instance, only the Concept Notes will be evaluated. Thereafter, for the applicants who have been pre-selected, the full proposal will be evaluated. After the evaluation of the full proposals, an eligibility check will be performed for those which have been provisionally selected. Eligibility will be checked on the basis of the supporting documents requested by the Contracting Authority and the signed 'Declaration by the Applicant' sent together with the application.

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## **1. THE BUSINESS-RELATED INFRASTRUCTURE GRANT SCHEME**

### **1.1. BACKGROUND**

Croatia applied to become an EU Member State in March 2003. In June 2004, Croatia officially received a candidate country status. The EU accession negotiations with Croatia started in October 2005 while chapter 22 of the *acquis communautaire* concerning Regional Policy and Coordination of Structural Instruments was formally opened at the Accession Conference held on 2 October 2009. Croatia finished accession negotiations on 30th June 2011 and on 9th December 2011 signed the Treaty of Accession to become the 28th EU member state. The ratification process, by the Parliaments of all 27 EU member states, is expected to be concluded by the end of June 2013. Therefore, entry into force and accession of Croatia to the EU is expected to take place on 1 July 2013.

Regarding pre-accession assistance Croatia received for the first time Economic and Social Cohesion (ESC) support and operated grant schemes under the Phare 2005 programme (e.g. Phare 2005 Business-Related Infrastructure Grant Scheme). Instrument for Pre-Accession (IPA) is used as a continuation of this kind of support and as further capacity building for future use of Structural Funds assistance. Furthermore it will impact on decreasing internal socio-economic disparities which are identified within the Regional Competitiveness Operational Programme (RCOP) - IPA component 3C - as an important challenge and problem that is to be tackled. The Business-Related Infrastructure Grant Scheme (BRI GS) is programmed within the RCOP covering the period 2007-2013 under priority axis 1 "Improving development potential of the lagging behind regions", measure 1.1 Business-Related Infrastructure, operation 1.1.1 Business-Related Infrastructure.

The measure is primarily meant for the investment in the development of new and existing business related infrastructure in support of the regions' perspective economy branches. Investments will focus on improving the efficiency, capacity, quality and attractiveness of existing business zones and new and existing business incubators and other business support entities grouping and servicing SMEs as well as public tourism infrastructure. The mentioned investments will be combined with investments into the accompanying services that maximise the benefit of the infrastructure to (in)directly foster SME growth and job creation. The measure consists of one operation within which three Calls for Proposals were planned. The first Call for Proposals was published on 21 May 2009 and the second on 27th July 2010. At the time of preparation of these Guidelines for Applicants (GfA) projects selected through the first call for proposals are mostly finalizing projects activities while those selected through 2nd are in various stage of implementation.

The need for investments into business-related infrastructure has been identified in Croatia's counties designated within the RCOP as "lagging behind regions" in order to provide scope for enterprise creation and growth as well as for foreign investments. Also, there is a continuous need to upgrade and improve existing business support systems (business zones, incubators, technology transfer centres and other entities grouping SMEs and providing services directly to them) and develop and improve public tourism-related infrastructure. In addition, these areas' rich natural resources and cultural heritage, though partially damaged in the war, provide potential for development of tourism related businesses in the lagging regions.

Therefore, the Ministry of Regional Development and EU Funds as Body responsible for the Priority/Measure in charge of programming of the a.m. project and monitoring of implementation of awarded grants and Central Finance and Contracting Agency (CFCA) as the Contracting Authority responsible for tendering, contracting, monitoring of implementation and payments, are launching this Call for Proposals in order to address the above mentioned key issues.

### **1.2. OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES**

The main priorities of this Call for Proposals are:

- investments in the development of new and existing business-related infrastructure of existing business zones<sup>1</sup> and new and existing business incubators and other business support entities grouping and servicing SMEs, fostering cooperation with relevant stakeholders in order to maximize the impact of the investment in question (e.g. innovation networks, investments related to a cluster, links with higher education, research institutions and the private sector);
- investments in the development of and upgrading public tourism-related infrastructure appropriate to the health, culture and activity tourism which those areas specialise in, aimed for enlargement of tourism offer and development of SMEs for tourism.

Infrastructure investment will also **have to** include investment in support services<sup>2</sup>, designed to maximise the benefits of the infrastructure investment.

The **global objective** of this Call for Proposals is to support the SMEs growth and job creation in Croatia's lagging behind regions.

The **specific objectives** of this Call for proposal are:

- Development of business-related basic communal infrastructure within established business zones, where the lack of such infrastructure is an impediment to SME development;
- Establishment and development of regional business support institutions grouping and directly servicing SMEs, such as economic zones, business incubators, innovation and technology transfer centres and development of existing business zones;
- Development and improvement of public tourism-related infrastructure;
- Provision of support services designed to maximise the benefit of the investment.

Support will be provided based on clear evidence of inherent demand and where the result of such operation shall (in)directly foster SMEs growth and job creation. Three years after completion, the operation (1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Call for Proposals) shall create at least 200 jobs in lagging behind regions and establish or expand at least 75 SMEs located within those regions.

### 1.3. FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this Call for Proposals is € 8.000.000,00 The Contracting Authority reserves the right not to award all available funds.

#### Size of grants

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

- minimum amount: € 325.000,00
- maximum amount: € 1.000.000,00

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

- Minimum percentage: 60 % of the total eligible costs of the action.
- Maximum percentage: 85% of the total eligible costs of the action (see also Section 2.1.4).

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<sup>1</sup> List of the existing business zones, according to the list provided by Ministry of Entrepreneurship and Crafts, attached in section 3, DOCUMENTS FOR INFORMATION. In case of updating the aforementioned list during the Call duration, updates will reflect to this Call for Proposal, as well.

<sup>2</sup> For example, trainings for business infrastructure management, education programmes for entrepreneurs, transfer of good practice and know-how, training of managers.

The balance (i.e. the difference between the total cost of the action and the amount requested from the Contracting Authority) must be financed from sources other than the European Union Budget or the European Development Fund<sup>3</sup>.

At least 15% of the total eligible costs of the action must be co-financed from national public contribution of the Beneficiary country (Croatia). Applicant's and/or co-applicant's contribution represents national public contribution when the applicant and/or co-applicant are financed from national, regional or local budget of the Beneficiary country.

## 2. RULES FOR THIS CALL FOR PROPOSALS

These guidelines set out the rules for the submission, selection and implementation of the actions financed under this Call, in conformity with the Practical Guide to contract procedures for EU external actions, which is applicable to the present call (available on the Internet at this address: [http://ec.europa.eu/europeaid/work/procedures/implementation/index\\_en.htm](http://ec.europa.eu/europeaid/work/procedures/implementation/index_en.htm)).

### 2.1. ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

- The applicant, the entity submitting the application form, if any, its co-applicant(s) (where it is not specified otherwise the applicant and the co-applicant(s) are hereinafter jointly referred as the "applicants") (2.1.1), and, if any, their affiliated entity(ies) (2.1.3);
- projects for which a grant may be awarded (2.1.3);
- types of cost that may be taken into account in setting the amount of the grant (2.1.4).

<b>2.1.1. Eligibility of applicants (i.e. applicant and co-applicant(s))</b>
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Applicant

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

- be legal persons **and**
- be non-profit-making with the exception of public institutions/ organizations/ agencies registered as Ltd. Company (d.o.o.) whose surplus income is used for financing own activities of the institution/ organization/ agency and not distributed to the shareholders or directors as profit/ income<sup>4</sup> **and**
- be regional or local self-government units; **or** regional/local<sup>5</sup> owned public institutions or associations<sup>6</sup>; **or** public companies owned by regional/local self-government units; **or** regional/local tourism boards;

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<sup>3</sup> Where a grant is financed by the European Development Fund, any mention of European Union financing must be understood as referring to European Development Fund financing.

<sup>4</sup> In case that the applicants and/or their co-applicants are registered as Ltd. Company their non-profit status must be proven by their statutes or articles of association or by the decision brought by the shareholders. The decision must state that applicant's and/or co-applicant's surplus income is used for financing their own activities and not distributed to the shareholders or directors as profit/income.

<sup>5</sup> Regional/local owned means that majority of ownership is in regionally or locally established bodies, institutions or companies.

- be established in<sup>7</sup> a Member State of the European Union or a Member State of the European Economic Area, Croatia, The former Yugoslav Republic of Macedonia, Turkey, Albania, Bosnia and Herzegovina, Montenegro, Serbia, including Kosovo under UNSC Resolution 1244/99 as well as of other countries eligible under the Council Regulation (EC) No 1085/2006 of 31 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA). **and**
- be directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity(ies), not acting as an intermediary

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

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

In Part B section 7 of the grant application form ('Declaration by the applicant'), the applicant must declare that the applicant himself, the co-applicant(s) and affiliated entity(ies) are not in any of these situations.

(3) Potential 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 person 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.

The applicant may act individually or with co-applicant(s).

Co-applicant(s)

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

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

In addition to the categories referred to in section 2.1.1, the following are however also eligible: regional business support organisations and institutions representing the business community, industries, professional associations, chambers of economy, chamber of trade and crafts, association of cooperatives, Public Higher Education Institutions and Public Research Organizations located in one of the eligible countries referred in section 2.1.1.

<sup>6</sup> If not regulated by local act, associations demonstrate regional or local jurisdiction and scope of operation by the seat of Association.

<sup>7</sup> To be determined on the basis of the organisation's statutes, which should demonstrate that it has been established by an instrument governed by the national law of the country concerned and that its head office is located in an eligible country. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a 'Memorandum of Understanding' has been concluded.

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

### ***2.1.2. Associates and Contractors***

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

- Associates

Other organisations may be involved in the action. Such associates play a real role in the action but may not receive funding from the grant, with the exception of per diem or travel costs. Associates do not have to meet the eligibility criteria referred to in section 2.1.1. Associates must be mentioned in Part B section 5 — ‘Associates of the Applicant participating in the Action’ — of the Grant Application Form.

- Contractors

The grant beneficiaries and their affiliated entities are permitted to award contracts. Associates or affiliated entity(ies) cannot be also contractors in the project. Contractors are subject to the procurement rules set out in Annex IV to the standard grant contract.

### ***2.1.3. Affiliated entities***

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

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

- (i) legal entities together forming one legal entity, including where it is specifically established for the purpose of implementing the action. In this case, the resulting legal entity may apply as a single applicant or co-applicant.
- (ii) legal entities having a link with the applicant, notably a legal or capital link, which is neither limited to the action nor established for the sole purpose of its implementation on the condition that they satisfy the eligibility and non-exclusion criteria of an applicant.

Affiliated entity(ies) to the applicant and of the co-applicant(s) participate in designing and implementing the action. The costs incurred by affiliated entity(ies) are eligible in the same way as those incurred by the applicant and by the co-applicant(s) respectively. If awarded the Grant contract, affiliated entity(ies) (if any) will not become the Beneficiaries in the Action

Affiliated entity(ies) must satisfy respectively the eligibility criteria as applicable to the applicant and to the co-applicant(s).

### ***2.1.4. Eligible actions: actions for which an application may be made***

Definition:

An action is composed of a set of activities.

Duration

The initial planned duration of an action may not be lower than 6 months nor exceed 18 months.

Sectors or themes

The support only pertains to maximizing the benefit of the infrastructure and accompanying services of existing business zones and new and existing business incubators and other business support entities grouping and servicing SMEs and upgrading public tourism infrastructure appropriate to the health, culture and activity tourism which those areas specialise in.

#### Location

Actions must take place in one or more of the 10 counties designated within the RCOP as “lagging behind regions”: County of Virovitica-Podravina, County of Vukovar-Sirmium, County of Brod-Posavina, County of Sisak-Moslavina, County of Šibenik-Knin, County of Osijek-Baranja, County of Lika-Senj, County of Požega-Slavonia, County of Karlovac and County of Zadar.

#### Types of action

1. development of new and existing business-related infrastructure of existing business zones and new and existing business incubators and other business support entities grouping and servicing SMEs,
2. development of and upgrading public tourism-related infrastructure appropriate to the health, culture and activity tourism which those areas specialise in.

To maximise the effective use of the newly established infrastructure and ensure that the long-term sustainability is achieved, the above mentioned actions have to **include provision of support services designed to maximise the benefit of the investment.**

#### Types of activity

- The construction, renewal<sup>8</sup>, or expansion (material enhancement) of business-related basic communal infrastructure within established business zones, where the lack of such infrastructure is an impediment to SME development (i.e. impedes access or functioning of zones). By basic communal infrastructure the following is meant: access roads, gas, water and waste water, sewage, electricity, energy and communication networks, landscaping, etc.;
- Establishment and development of regional business support institutions grouping and directly servicing SMEs, such as business zones, economic zones, business incubators, innovation and technology transfer centres, etc. through a) purchase of machinery and equipment and b) broadening and improving the quality of services (information network, provision of complex physical services, property protection, disposal and utilisation of waste);
- Development and improvement of public tourism-related infrastructure, including through infrastructure and capital investments and “soft” investments into improved service delivery;

As examples, the above mentioned activities may comprise or include the following:

- Site improvements: Site improvement costs are acceptable when necessary for the construction, renewal, or expansion (material enhancement) of infrastructure. The building should be on previously used land (derelict, under-used, brownfield) rather than green space. The use of plants and trees (phytoremediation) to remediate soil and water contamination should be considered;
- Demolition of unwanted structures from the site when necessary for the construction, renewal, or expansion (material enhancement) of infrastructure;
- Landscaping to the minimum local government standard: Local environmental features – wildlife, water, surrounding buildings – should be sympathetically considered in the design. Landscaping should incorporate native plants;
- Fencing to the minimum local government standard;

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<sup>8</sup> Renewal means renovation or replacement, excluding routine maintenance and repair.

- Signage to the minimum local government standard or as required by the contract;
- Curbs and gutter construction to local government standards;
- Pavement construction to local government standards;
- Road improvements, which incorporate native planting schemes and should not impede wildlife corridors;
- Security system provision: Natural barriers should be used to design out and deter crime. Security equipment should be energy efficient and/or use renewable energy;
- Environmentally-friendly activities:
  - Building services plant minimisation by using, for example, passive solar heating and solar water heating.
  - Grey water and/or rainwater re-utilisation.
  - Incorporation of sustainable urban drainage systems (SUDS).
  - Incorporation of renewable energy sources e.g. photo-voltaic cells, wind turbine.
  - Combined Heat and Power schemes utilisation.
  - Timber utilisation from a local sustainably managed source and/or accredited by the Pan European Scheme.
  - The energy target establishment for the building at between 130-180kWh/m<sup>2</sup>/per annum.
  - Natural ventilation utilisation or, where not possible, utilisation of a sealed low leakage building with mechanical ventilation.
  - Recycled or recyclable products utilisation (e.g. aggregates).
  - Environmental management systems should be part of the management of all infrastructure sites, including recycling, waste, energy and water management.
- Provision of support services designed to maximise the benefit of the investment.
- Project management (it is important to manage the project with sufficient human resource capacity and with a vision for continuous development and sustainability of results);
- Information dissemination actions demonstrating EU support to the project (e.g. advertising, ground breaking, ribbon cutting, etc.);
- Training and technical assistance to maximise the effective use of the new public facilities and ensure, where feasible, that the long-term sustainability is achieved.

The following activities are only eligible in combination with one or more of the above mentioned activities<sup>9</sup>:

1. Preparatory architectural and engineering design;
2. Construction monitoring and control;
3. Site clearance and development.

The construction, renewal, or expansion must comply with applicable national and local government laws and be consistent with planning practices and guidelines of Croatia.

Action must be prepared in line with partnership principle, and based on priorities and measures envisaged in county development strategies/regional operational programmes.<sup>10</sup>

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<sup>9</sup> These activities are eligible only in case they are conducted after the signature of the grant contract.

Applicants must prove the demand for the planned investment in the form of a feasibility study or in the form of feasibility study and a letter of intent from tenants in case of improvement of an existing business zone.

Additionally, when designing activities, Applicants must respect State Aid principle and assure that all relevant laws and regulations have been considered, not only in relation to activities but also and on expected results of the activities planned within the project.

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

The following types of action are ineligible:

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences and congresses;
- actions concerned only or mainly with individual scholarships for studies or training courses;
- infrastructure construction which might damage Sites of Special Scientific Interest and potential Natura 2000 sites, National Parks or other areas protected by Government legislation;
- general/periodic maintenance;
- general information campaigns;
- non-vocational training;
- non business-related infrastructure such as health and education infrastructure.

#### Number of applications and grants per applicant

The applicant may submit more than 1 application under this Call for Proposals.

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

The applicant may be a co-applicant or an affiliated entity in another application at the same time.

A co-applicant may not submit more than 1 application under this Call for Proposals.

A co-applicant may not be awarded more than 1 grant under this Call for Proposals.

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

The affiliated entity(ies) may take part in more than one application.

#### ***2.1.5. Eligibility of costs: costs that can be included***

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

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

- actual costs incurred by the Beneficiary(ies) and affiliated entity(ies)

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<sup>10</sup> It should be clearly stated in the Application Form, point 1.1.1 Relevance of the action, on which measure and priority of the county development strategy (CDS) is based.

- one or more simplified cost options.

Simplified cost options may take the form of:

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

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

The applicant proposing this form of reimbursement, must clearly indicate in worksheet no.1 of Annex B, each heading/item of eligible costs concerned by this type of financing, i.e. add the reference in capital letters to "UNIT RATE" (per month/flight etc), "LUMPSUM" or "FLAT RATE" in the Unit column. (see example in Annex K)

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

- describe the information and methods used to establish the amounts of unit costs, lump sums and/or flat-rates, to which costs they refer, etc.
- clearly explain the formulas for calculation of the final eligible amount<sup>11</sup>
- identify the beneficiary who will use the simplified cost option (in case of affiliated entity, specify first the beneficiary), in order to verify the maximum amount per each beneficiary (which includes if applicable simplified cost options of its affiliated entity(ies))

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

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

Recommendations to award a grant are always subject to the condition that the checks preceding the signing of the contract do not reveal problems requiring changes to the budget (such as arithmetical errors, inaccuracies, unrealistic costs and ineligible costs). The checks may give rise to requests for clarification and may lead the Contracting Authority to impose modifications or reductions to address such mistakes or

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

inaccuracies. It is not possible to increase the grant or the percentage of EU co-financing as a result of these corrections.

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

#### Eligible direct costs

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

#### Contingency reserve

The budget may include a contingency reserve not exceeding 5 % of the estimated direct eligible costs. It can only be used with the **prior written authorisation** of the Contracting Authority.

#### Eligible indirect costs

The indirect costs incurred in carrying out the action may be eligible for flat-rate funding, but the total must not exceed 7 % of the estimated total eligible direct costs. Indirect costs are eligible provided that they do not include costs assigned to another budget heading in the standard grant contract. The applicant may be asked to justify the percentage requested before the contract is signed. However, once the flat rate has been fixed in the special conditions of the standard grant contract, no supporting documents need to be provided.

If any of the applicants or affiliated entity(ies) is in receipt of an operating grant financed by the EU, it may not claim indirect costs on its incurred costs within the proposed budget for the action.

#### Contributions in kind

Contributions in kind mean the provision of goods or services to a Beneficiary(ies) or affiliated entity(ies) free of charge by a third party. As contributions in kind do not involve any expenditure for a Beneficiary(ies) or affiliated entity(ies), they are not eligible costs.

Contributions in kind may not be treated as co-financing. However, if the description of the action as proposed includes contributions in kind, the contributions have to be made.

#### Ineligible costs

The following costs are not eligible<sup>12</sup>:

- Taxes, including value added taxes;
- Customs and import duties, or any other charges;
- purchase, rent or leasing of land and existing buildings;
- Fines, financial penalties and expenses of litigation;
- Operating costs<sup>13</sup>;
- Second-hand equipment;

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<sup>12</sup> In line with the provisions of Article 34 (3) and Article 148 (2) of the COMMISSION REGULATION (EC) No 718/2007 of 12 June 2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA), and section 46 (amending Article 148 (2)) of the COMMISSION REGULATION (EU) No 80/2010 of 28 January 2010 amending Regulation (EC) No 718/2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA).

<sup>13</sup> Amendment to IPA Implementing Regulation (COMMISSION REGULATION (EU) No 80/2010) - By way of derogation from Article 34(3), operating costs, including rental costs, exclusively related to the period of co-financing of the operation, may be eligible.

- Bank charges, costs of guarantees and similar charges;
- Conversion costs, charges and exchange losses associated with any of the component specific euro accounts, as well as other purely financial expenses;
- Contributions in kind;
- Depreciation costs for infrastructure;
- Debts and debt service charges (interest);
- Provisions for losses or potential future liabilities;
- Costs declared by the Beneficiary(ies) and financed by another action or work programme receiving a Union (including through EDF) grant;
- Purchases of land or buildings, except where necessary for the direct implementation of the Action, in which case ownership shall be transferred to the final beneficiaries and/or local Beneficiary(ies), at the latest at the end of the Action;
- Currency exchange losses;
- Credit to third parties;

Other not eligible costs:

- costs incurred before the signing of the contract, including project preparation costs;
- contracting of services which are part of the regular activities of the applicant;
- fees for civil servants or other public employees of central or local administration of the beneficiary country, regardless of their administrative situation (civil servants or other public employees of central or local administration of the beneficiary country must not be engaged as experts by grant beneficiaries unless the prior approval of the Contracting Authority has been obtained);

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

Prior registration in PADOR for this Call for Proposals is not obligatory. Information in PADOR will not be drawn upon in the present Call.

### ***2.2.1. Application forms***

Applications must be submitted in accordance with the instructions on the Concept Note and the Full Application form 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. if the amounts in the budget worksheets are inconsistent) may lead to the rejection of the application.

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

Hand-written applications will not be accepted.

Please note that only the application form and the published annexes which have to be filled in (budget, logical framework) **Feasibility Study - FS including Cost Benefit Analysis – CBA**<sup>14</sup> will be evaluated. The FS, which must include CBA (FS/CBA), must prove the demand for the planned investment and all direct and indirect effects of a project with emphasis on job creation cost efficiency. Those effects must be quantified. In case of the extension of the business zones letters of intent<sup>15</sup> of potential tenants should be annexed to the FS. CBA must be focused on the revenue generation of the project. Those actions that contain works which will be procured by grant beneficiaries will have to have the following documents as annexes to the Application Form: **Bill of Quantities (BoQ), Technical Specifications (TS), main design and 2-5 major drawings**. It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action. No additional annexes should be sent.

### **2.2.2. Where and how to send 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 single file (i.e. the application form must not be split into several different files), while FS/CBA, BoQ, TS must be supplied only in electronic format (CD-Rom) in a separate and unique file (e.g. the FS and CBA must not be split into several different files) and 2-5 major drawings only in printed version. The electronic file must contain **exactly the same** application as the paper version enclosed.

The Checklist (Section 6 of Part B the grant application form) and the Declaration by the applicant (Section 7 of Part B of the grant application form) must be stapled separately and enclosed in the envelope.

Where an applicant sends several different applications (if allowed to do so by the Guidelines of the Call), each one has to be sent separately.

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 projektnih prijedloga’.

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

Central Finance and Contracting Agency (CFCA)  
(Središnja agencija za financiranje i ugovaranje programa i projekata EU – SAFU)  
Ulica grada Vukovara 284, objekt C, 5th Floor  
10 000 Zagreb  
Croatia

Address for hand delivery or by private courier service

Central Finance and Contracting Agency (CFCA)  
(Središnja agencija za financiranje i ugovaranje programa i projekata EU – SAFU)  
Ulica grada Vukovara 284, objekt C, 5th Floor  
10 000 Zagreb  
Croatia

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<sup>14</sup> As there is no obligatory template for the CBA and the FS the “Guide to cost-benefit analysis of investment projects” can be used. The guide is available on the following address:  
[http://ec.europa.eu/regional\\_policy/sources/docgener/guides/cost/guide2008\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docgener/guides/cost/guide2008_en.pdf).

<sup>15</sup> Letters of Intent dated before 1st January 2011 shall not be considered.

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 6 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 13 June 2013 as evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at 16 hours 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 sent in due time but 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 about Applications***

The date and place of the information session on this call for proposals will be published on the internet at: <http://www.safu.hr/> (in section: Tenders/IPA component III c) within 10 days of the launch of this call for proposals.

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(es), indicating clearly the reference of the Call for Proposals:

E-mail address: [procurement@safu.hr](mailto:procurement@safu.hr)

Fax: +385 (0) 1 4591 075

The Contracting Authority has no obligation to provide clarifications to questions received after this date.

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

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

Questions that may be relevant to other applicants, together with the answers, will be published on the EuropeAid website: <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome> and the CFCA website <http://www.safu.hr> (in section: Tenders/IPA component III c). It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

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

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

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

### **(1) STEP 1: OPENING & ADMINISTRATIVE CHECKS AND CONCEPT NOTE EVALUATION**

The following will be assessed:

- Compliance with the submission deadline. If the deadline has not been met, the application will automatically be rejected.
- The Application Form satisfies all the criteria specified in points 1-5 of the Checklist Section 6 of Part B of the grant application form). If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

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

The Concept Note will receive an overall score out of 50 using the breakdown in the evaluation grid below. The evaluation will also check on compliance with the instructions on the Concept Note, which can be found in Part A of the Application Form.

The evaluation criteria are divided into headings and subheadings. Each subheading will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

**Scores**

<b>1. Relevance of the action</b>	Sub-score	<b>30</b>
1.1 How relevant is the proposal to the objectives and priorities of the Call for Proposals?	5x2*	
1.2 How relevant to the particular needs and constraints of the target country(ies) or region(s) is the proposal (including synergy with other EU initiatives and avoidance of duplication)?	5x2*	
1.3 How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs been clearly defined and does the proposal address them appropriately?	5	
1.4 Does the proposal contain specific added-value elements, such as environmental issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and rights of indigenous peoples, or innovation and best practices?	5	
<b>2. Design of the action</b>	Sub-score	<b>20</b>
2.1 How coherent is the overall design of the action?  In particular, does it reflect the analysis of the problems involved, take into account external factors and relevant stakeholders?	5x2*	
2.2 Is the action feasible and consistent in relation to the objectives and expected results?	5x2*	

**TOTAL SCORE** **50**

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

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

First, only the Concept Notes with a score of at least 30 will be considered for pre-selection.

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

After the evaluation of Concept Notes, the Contracting Authority will send letters to all applicants, indicating whether their application was submitted by the deadline, informing them of the reference number they have been allocated, whether the Concept Note was evaluated and the results of that evaluation. The Evaluation Committee will then proceed with the applicants whose proposals have been pre-selected.

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

First, the following will be assessed:

- The full application form satisfies all the criteria specified in points 1-8 of the Checklist (Section 6 of Part B of the grant application form). If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The quality of the applications, including the proposed budget and capacity of the applicants and affiliated entity(ies), will be evaluated using the evaluation criteria in the evaluation grid below. There are two types of evaluation criteria: selection and award criteria.

**The selection criteria** help to evaluate the applicant(s)'s and the co-applicant(s) 's operational capacity and the applicant's financial capacity and to ensure that they:

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

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

*Scoring:*

The evaluation criteria are divided into sections and subsections. Each subsection will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

### Evaluation Grid

Section	
<b>1. Financial and operational capacity</b>	<b>Yes/No</b>
1.1 Do the applicants and, if applicable, affiliated entity(ies) have sufficient experience of project management?	
1.2 Do the applicants and, if applicable, affiliated entity(ies) have sufficient technical expertise? (especially knowledge of the issues to be addressed.)	
1.3 Do the applicants and, if applicable, affiliated entity(ies) have sufficient management capacity? (including staff, equipment and ability to handle the budget for the action)?	
1.4 Does the applicant have stable and sufficient sources of finance?	
	<b>Maximum Score</b>
<b>2. Relevance of the action</b>	<b>30</b>
<i>Score transferred from the Concept Note evaluation</i>	
<b>3. Effectiveness and feasibility of the action</b>	<b>20</b>

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

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

*Note on Section 1. Financial and operational capacity*

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

*Provisional selection*

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

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

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

- The Declaration by the applicant (Section 7 of Part B the grant application form) will be cross-checked with the supporting documents provided by the applicant. Any missing supporting document or any incoherence between the Declaration by the applicant and the supporting documents may lead to the rejection of the application on that sole basis.
- The eligibility of applicants, the affiliated entities(ies), and the action will be verified according to the criteria set out in Sections 2.1.1, 2.1.2 and 2.1.3.

Any rejected application will be replaced by the next best placed application in the reserve list that falls within the available financial envelope.

## **2.4. SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS**

An applicant that has been provisionally selected or placed on the reserve list will be informed in writing by the Contracting Authority. It will be requested to supply the following documents in order to allow the Contracting Authority to verify the eligibility of the applicants and their affiliated entity(ies):

1. The statutes or articles of association of the applicants<sup>16</sup> and of each affiliated entity(ies) . Where the Contracting Authority has recognised the applicants' eligibility for another call for proposals under the same budget line within 2 years before the deadline for receipt of applications, the applicants may submit, instead of its statutes, a copy of the document proving eligibility in a former Call (e.g. a copy of the special conditions of a grant contract received during the reference period), unless a change in legal status has occurred in the meantime<sup>17</sup> .
2. An external audit report produced by an approved auditor, certifying the applicant's accounts for the last financial year available where the total amount of the grant exceeds € 750 000 (€ 100 000 for an operating grant),

This obligation does not apply to public bodies and international organisations provided that the international organisation in question offers the guarantees provided for in the applicable Financial Regulation, as described in Chapter 6 of the Practical Guide to contract procedures for EU external actions.

This obligation does not apply to secondary and higher education establishments.

3. A copy of the applicant's latest accounts (the profit and loss account and the balance sheet for the last financial year for which the accounts have been closed)<sup>18</sup> .
4. Legal entity sheet (see annex D of these Guidelines) duly completed and signed by each of the applicants, accompanied by the justifying documents requested there. If the applicants have already signed a contract with the Contracting Authority, instead of the legal entity sheet and supporting

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16 Where applicants and/or (a) affiliated entity(ies) is a public body created by a law, a copy of the said law must be provided.

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

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

documents, the legal entity number may be provided, unless a change in legal status occurred in the meantime.

5. 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. In the case of local applicant bank account must be in local currency (kuna). This bank account must yield interest or equivalent benefits. If the costs for opening and/or maintaining such an account equals or exceeds the expected interest, applicants may be exempted from this obligation by submitting a declaration of honour to this fact.
6. Location permit, Main design approval or any other legal document approving building related to the works component of the actions according to the Act on Spatial Planning and Construction . In case a permit has not been issued yet, the applicant has to present to the CFCA the confirmation of its request to the authority responsible for issuing the permit. In any case, the permit(s) will have to be presented at the latest 3 days after the applicant has been notified by the CFCA on the positive outcome of the verification of the eligibility.
7. In case that the applicants or their co-applicants are registered as Ltd. Company their non profit status must be proven by the documents mentioned under point 1 of this article, or if that is not evident from these documents then by the decision brought by the shareholders. The decision must state that applicant's and/or co-applicant's surplus income is used for financing their own activities and not distributed to the shareholders or directors as profit/income.

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

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

Where these documents are in an official language of the European Union other than the language of the call for proposals, 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 the language of the call for proposals.

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

After verifying the supporting documents, the Evaluation Committee will make a final recommendation to the Contracting Authority, which will decide on the award of grants.

## **2.5. NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION**

### ***2.5.1. Content of the decision***

The applicant will be informed in writing of the Contracting Authority's decision concerning their application and, if rejected, the reasons for the negative decision.

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

The conclusion of the contract resulting from this tender procedure/call for proposals is subject to the fulfilment of the following condition:

- 1) Entry into force of amendment to Financing Agreement implementing Regional Competitiveness Operational Programme 2007-2013 for Community Assistance under the IPA Regional Development Component in Croatia concluded between the European Commission and the Republic of Croatia.

<b>2.5.2. Indicative timetable</b>
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	DATE	TIME*
<b>Information meeting (if any)</b>	To be announced <sup>19</sup>	
<b>Deadline for requesting any clarifications from the Contracting Authority</b>	23 May 2013	16:00
<b>Last date on which clarifications are issued by the Contracting Authority</b>	31 May 2013	-
<b>Deadline for submission of Application Form :</b>	13 June 2013	16:00
<b>Information to applicants on opening, administrative checks and concept note evaluation (Step 1)</b>	27 September 2013*	-
<b>Information to applicants on the evaluation of the Full Application Form (Step 2)<sup>20</sup></b>	27 January 2014*	-
<b>Notification of award (after the eligibility check) (Step 3)</b>	28 March 2014*	-
<b>Contract signature<sup>21</sup></b>	April 2014*	-

<sup>19</sup> A date and place of the information session on this call for proposals will be published on CFCA web-page [www.safu.hr](http://www.safu.hr) (in section: Tendering), within 10 days of the launch of this call for proposals.

<sup>20</sup> Note that according to the financial regulation, notifications to the applicant on the outcome of the evaluation of their applications must take place within 6 months following the submission deadline of the full application, save in exceptional cases, in particular for complex actions, large number of proposals or where there have been delays attributable to the applicants where this limit may be exceeded. Multi-beneficiary calls can be considered as complex actions calls and therefore may benefit from an exemption to the 6 month rule. The 6 months rule only applies in case of direct centralized management.

<sup>21</sup> Note that according to the financial regulation, the signing of a grant contract with the applicant must take place within 3 months from when it was notified the decision to award a contract. However, in exceptional circumstance, in particular for complex actions launched for large number of proposals or where there have been delays attributable to the applicants (or their applications) this limit may be exceeded. The 3 months rule only applies in case of direct centralised management.

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

This indicative timetable may be updated by the Contracting Authority during the procedure. In such cases, the updated timetable will be published on the EuropeAid web site <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome> and [www.safu.hr](http://www.safu.hr).

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

Following the decision to award a grant, the Beneficiary will be offered a contract based on the Contracting Authority's standard grant contract (see Annex G of these Guidelines). By signing the application form (Annex A of these Guidelines), the applicant agrees, if awarded a grant, to accept the contractual conditions of the standard grant contract.

In addition to the Standard Contract the Beneficiary will also be obliged to submit regular monthly and quarterly reports according to the instructions of the Contracting Authority.

### Implementation contracts

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

## **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)<sup>22</sup>

Annex D: Legal Entity Sheet<sup>23</sup>

Annex E: Financial identification form

### **DOCUMENTS FOR INFORMATION**

Annex F: 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

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22 Optional where the total amount of the grants to be awarded under the Call for Proposals is € 100 000 or less.

23 Only applicable where the European Commission is the Contracting Authority or will make the payments under the contracts to be signed.

- 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 action
- Annex IX: standard template for transfer of ownership of assets

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

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

ANNEX J: Information on the tax regime applicable to grant contracts signed under the call.

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)

List of the existing business zones registered by Ministry of Economy