



Contracting authority:

The Government of Montenegro, Ministry of Finance, Directorate for Finance, Contracting and Implementation of the EU Assistance Funds (CFCU)

Cross-Border Cooperation Programme Montenegro – Kosovo

2021-2027

under the Instrument of Pre-accession Assistance (IPA III)

Guidelines
for grant applicants

Budget lines IPA 2022 and 2024 Cross-border Cooperation Action
Programme Montenegro-Kosovo for 2021-2027

Reference: **EuropeAid/182608/ID/ACT/Multi**

Deadline for submission of concept note: 25th October 2024

Notice

This is a restricted call for proposals. In the first instance, only concept notes (Part A of the grant application form) must be submitted for evaluation. Thereafter, lead applicants who have been pre-selected will be invited to submit a full application. After the evaluation of the full applications, an eligibility check will be performed for those which have been provisionally selected. Eligibility will be checked on the basis of the supporting documents requested by the contracting authority and the signed 'declaration by the lead applicant' sent together with the full application.

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1. CROSS-BORDER COOPERATION PROGRAMME MONTENEGRO - KOSOVO 2021-2027

1.1. BACKGROUND

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

- Regulation (EU) no 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing an Instrument for Pre-accession Assistance (IPA III);
- Commission Delegated Regulation (EU) no 2021/2128 of 1 October 2021 supplementing Regulation (EU) 2021/1529 of the European Parliament and of the Council, as regards setting out certain specific objectives and thematic priorities for assistance under the Instrument of Pre-accession Assistance (IPA III);
- Commission Implementing Decision C(2021)8914 of 10.12.2021 adopting the Instrument of Pre-accession Assistance (IPA III) Programming Framework for the period 2021-2027; and
- Commission Implementing Regulation (EU) no 2021/2236 of 15 December 2021 on the specific rules for implementing Regulation (EU) no 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing an Instrument for Pre-accession Assistance (IPA III).

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

More details about this 2021-2027 IPA III cross-border cooperation programme can be found on the web page <https://cbc-mne-kos.org/ipa-iii-cross-border-cooperation-programme-montenegro-kosovo-published/> and are available for download on the web page of <https://www.gov.me/mep> and <https://www.eu.me/>, and on the web page of the <https://mapl.rks.gov.net/en/shpallje-konkurse-en/thirrje-per-propozime-en/>.

The programme is implemented jointly by both countries. In Montenegro, the responsible institutions are:

- Ministry of European Affairs of Montenegro, in charge of the overall management of the programme, is part of the CBC system of the lead country;
- Ministry of Finance of Montenegro, Directorate for the Finance, Contracting and Implementation of the EU Assistance Funds, responsible for all budget implementation tasks (procurement, contract and payment issues), is the Intermediate Body for Financial Management (IBFM) acting as contracting authority (CA).

In Kosovo, the responsible institutions are:

- Ministry of Local Government Administration of the Republic of Kosovo, responsible for the overall management of the programme, is the CBC structure in this country.
- Ministry of Local Government Administration of the Republic of Kosovo, as integral part of the management and control system (control body) in this country.

Moreover, the implementation of the programme is overseen by a joint monitoring committee (JMC) composed of representatives of both participating countries' institutions and civil society. The JMC will examine and provide an advisory opinion on the list of operations selected through this call for proposals before the grant award decision.

The Intermediate Body, the CBC structures, the Managing Authority and the JMC are assisted by the joint technical secretariat (JTS) with its head office in Podgorica, Montenegro, and staffed with experts from Montenegro and Kosovo. The JTS is the administrative body responsible for the day-to-day management of the programme including support and advice to potential applicants as well as grant beneficiaries. The JTS has an antenna located in Prishtina, Kosovo. The JTS will assist potential applicants in partner search and project development, organising information days and workshops; develop and maintain a network of stakeholders; advise grant beneficiaries in project implementation; and prepare, conduct and report on monitoring visits to cross-border cooperation operations.

1.2. OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

In line with the objectives specified in the programme document, the **global objective** of this call for proposals is: To promote good neighbourly relations, foster Union integration and contribute to social, economic and territorial development of the programme cross-border area by improving employment, labour mobility and social and cultural inclusion across borders; and developing sustainable tourism a stable, socially and economically developed cross-border region.

As a result of a decision made by the JMC of the programme on 19 December 2023, out of the two thematic priorities of the programme document¹,

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

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

SPECIFIC OBJECTIVES	RESULTS
1.1 To Increase cross-border employment of youth and vulnerable people	Result 1.1.1: The conditions for increased employability and self-employability of youth and vulnerable groups are improved linked with national and regional strategies and actions
2.1 To boost sustainable tourism in the cross-border region	R 2.1.1 Business competitiveness (products and services) in tourism related sectors is strengthened
	R 2.1.2 Increased cross-border tourism integration of cultural and natural heritage.

Mainstreaming of cross-cutting issues²:

¹ Please note that the thematic cluster 5: *Improved capacity of local and regional authorities to tackle local challenges* will be mainstreamed.

² Please see recommendation no. 14 of the final report of the 2007-2013 CBC evaluation: https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/final_approved_evaluation_report_0.pdf

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

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

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

- b) Gender equality and promotion of equal opportunities.

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

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

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

- d) Integration of persons with physical and mental disabilities.

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

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

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

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

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

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

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

As the IPA III CBC programmes must push forward the goals of the Economic and Investment Plan (EIP) and the Green Agenda for the Western Balkans, applicants are encouraged to embed in the design of their project such goals. This must be evident in their application, when describing its relevance to the objectives of the CBC III CBC programme Montenegro-Kosovo

Please note that mainstreaming cross-cutting issues will be assessed and scored under this call as part of the Design for the action (specified in Section 2.3 below on evaluation and selection of applications).

NOTA BENE: This action should incorporate cross-border cooperation and have a tangible impact on its target groups at cross-border level. Sustainability should be embedded in the project proposal, showing how the desired outcomes will benefit the region even after the operation has ended.

1.3. FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this call for proposals is EUR 5.400.000,00. The contracting authority reserves the right not to award all available funds.

More specifically, the contracting authority might cancel the call completely or partially when only few good quality applications can be contracted and relaunch the unallocated assets in the next call for the thematic priority/specific objective concerned.

Indicative EU-funded allocations by thematic priority/specific objective:

Thematic priority/specific objective	Allocation
1.1 To Increase cross-border employment of youth and vulnerable people	EUR 2.399.760,00
2.1 To boost sustainable tourism in the cross-border region	EUR 3.000.240,00
Total	EUR 5.400.000,00

The applications will compete for the financial resources available within each thematic priority/specific objective or lot separately. Please note that the terms ‘thematic priority/specific objective’ and ‘lot’ are interchangeable.

When the remaining funds per thematic priority/specific objective or lot will not allow financing another application, the evaluation committee may recommend to the contracting authority to pool these funds and award a grant to the application or applications with the highest scores in the ranking of a sole reserve list irrespective of the thematic priority/specific objective(-s)/ or lot (-s).

If the allocation indicated for a thematic priority/specific objective or lot cannot be used due to insufficient quality or number of proposals received, the contracting authority reserves the right to reallocate the remaining funds to that/those application/s being higher in the ranking of a sole reserve list irrespective of the thematic priority/specific objective or lot.

Moreover, the contracting authority may increase the funds allocated to the call to fund all or part of those applications qualifying for funding or lot.

Size of grants

Any **grant** requested under this call for proposals must fall between the following minimum and maximum amounts:

Thematic priority/specific objective	Minimum amount of EU-funded grant	Maximum amount of EU-funded grant
1.1 To Increase cross-border employment of youth and vulnerable people	EUR 200.000,00	EUR 400.000,00
2.1 To boost sustainable tourism in the cross-border region	EUR 300.000,00	EUR 600.000,00

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: 50 % of the total eligible costs of the action.
- Maximum percentage: 85 % of the total eligible costs of the action (see also Section 2.1.5.).

Please note that in the event the requested EU contribution is not between the minimum and maximum allowed, the applications will not be evaluated.

The balance (i.e., the difference between the total cost of the action and the amount requested from the contracting authority) must be financed from sources other than the general budget of the Union.

Please note that for applicants which are non-governmental organisations effectively established in Montenegro, their Ministry of Public Administration may provide co-financing in accordance with the Regulation of the Government of Montenegro on the procedure for co-financing projects and programmes of non-governmental organizations supported by the European Union ("Službeni list Crne Gore", No. 064/18 of 04.10.2018), whose reference can be found on the website of the Government: <https://www.gov.me/en/mju> or at the address kofinansiranje@mju.gov.me. For the applicants effectively established in Kosovo, there is no information on existence of a similar co-financing possibility at the moment of the publication of the call.

SUSPENSIVE CLAUSE in accordance with the provisions of Section 2.6.12 of 2022 PRAG

Please note that the awarding of the contract(s) is subject to the condition of the prior conclusion of an addendum to the financing agreement for budget line IPA 2024, which does not modify the elements of the call for proposals. If the precedent condition is not met, the contracting authority will either abandon the procurement or cancel the award procedure without the candidates or tenderers being entitled to claim any compensation.

2. RULES FOR THIS CALL FOR PROPOSALS

These guidelines set out the rules for the submission, selection and implementation of the actions financed under this call, in conformity with the practical guide, which is applicable to the present call (available on the internet at this address <https://wikis.ec.europa.eu/display/ExactExternalWiki/ePRAG>).³

2.1. ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

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

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

(2) the actions (2.1.4.):

- actions for which a grant may be awarded;

(3) the costs (2.1.5.):

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

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

Lead applicant

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

- be a legal person, **and**
- be non-profit-making, **and**
- be effectively established in⁴ either Montenegro or Kosovo, **and**
- be directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity(ies), not acting as an intermediary, **and**
- be one of the following institutions or organisations:

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

- National authorities/institutions overseeing employment policies and social welfare policies

³ Note that a lead applicant (i.e., a coordinator) whose pillars have been positively assessed by the European Commission and who is awarded a grant will not sign the standard grant contract published with these guidelines but a contribution agreement based on the contribution agreement template. All references in these guidelines and other documents related to this call to the standard grant contract shall in this case be understood as referring to the relevant provisions of the contribution agreement template.

⁴ To be determined on the basis of the organisation’s statutes, which should demonstrate that it has been established by an instrument governed by the national law of the country concerned and that its head office is located in an eligible country. The effective establishment of applicants should be proved not only with the statutes but with the registration certificate. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a ‘Memorandum of Understanding’ has been concluded.

- Institutions and organisations responsible for providing social services
- Local governments represented in the programme area
- Local and regional development organisations/agencies
- Civil society organisations (CSOs)
- Youth organisations,
- Educational and research institutions and organisations
- Professional associations
- Social partners
- Business support organisations, self-employment promotion institutions

Priority 2: Tourism and cultural and natural heritage

- Local governments represented in the programme area
- National authorities and institutions overseeing tourism, environmental, cultural policies
- Development organisations/agencies
- Business associations
- Tourism organisations
- Chambers of commerce and crafts
- Cooperatives/Associations of farmers
- Institutions in the fields of natural and cultural heritage, and environmental protection
- Educational, science and research institutions and organisations
- Civil society organisations (CSOs).

(2) Potential applicants may not participate in calls for proposals or be awarded grants if they are in any of the situations listed in Section 2.6.10.1 of the practical guide;

Lead applicants, co-applicants, affiliated entities and, in case of legal entities, persons who have powers of representation, decision-making or control over the lead applicant, the co-applicants and the affiliated entities are informed that, should they be in one of the situations of early detection or exclusion according to Section 2.6.10.1 of the practical guide, personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the early detection and exclusion system, and communicated to the persons and entities concerned in relation to the award or the execution of a grant contract. In this respect, provisionally selected lead applicants, co-applicants and affiliated entities or those placed in the reserve list are obliged to declare that they are not in one of the exclusion situations through a signed declaration on honour (Annex H). For grants of EUR 15 000 or less, no declaration on honour is required. See Section 2.4.

In Part A, Section 3 and Part B Section 8 of the grant application form ('declaration(s) by the lead applicant'), the lead applicant must declare that the lead applicant himself, the co-applicant(s) and affiliated entity(ies) are not in any of these situations.

The lead applicant must act with co-applicant(s) as specified hereafter.

If awarded the grant contract, the lead applicant will become the beneficiary identified as the coordinator in Annex G (special conditions). The coordinator is the sole interlocutor of the contracting authority. It represents and acts on behalf of any other co-beneficiary (if any) and coordinate the design and implementation of the action. The lead beneficiary shall ensure the implementation of the entire operation, monitor that the operation is implemented in accordance with the conditions set out in the contract and lay down the arrangements with other beneficiaries to guarantee the sound financial management of the funds allocated to the operation, including the arrangements for recovering amounts unduly paid⁵.

Co-applicant(s)

The applicant must act with at least one co-applicant as specified hereafter.

If the applicant is established in Montenegro, at least one co-applicant must be established in Kosovo, and vice versa.

The maximum number of co-applicants/affiliated entities that could be involved in the action is 3. This means that an application cannot have more than 4 entities involved in total. However, CBC partners must carefully bear in mind the most appropriate conditions to ensure an intra-project efficient coordination when deciding on this. The number of partners and the composition of the partnership should be coherent with the envisaged objectives and activities of the action (see Section 2.1.4 below).

In genuine cross-border operations, the applicant and co-applicant(s) shall cooperate in the development and implementation of action. In addition, they shall cooperate in either the staffing or the financing of operation or both (see Section 2.1.4 below). The lead applicant and co-applicant(s) must represent different legal entities.

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

Co-applicants must satisfy the eligibility criteria as applicable to the lead applicant himself⁶.

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

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

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

2.1.2. *Affiliated entities*

The lead applicant and its co-applicant(s) may act with affiliated entity(ies). **Only the following entities may be considered as affiliated entities to the lead applicant and/or to co-applicant(s):**

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

This structural link encompasses mainly two notions:

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

⁵ As stipulated in Article 72(2) of the FFPA.

⁶ In line with the cross-border nature of the programme, please note that the nationality of the lead applicant (either country X or Y) automatically determines the nationality of at least one co-applicant (country Y if the lead applicant is effectively established in country X or country X if the lead applicant is effectively established in country Y).

Entities affiliated to an applicant may hence be:

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

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

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

What is not an affiliated entity?

The following are not considered entities affiliated to an applicant:

- Entities that have entered into a (procurement) contract or subcontract with an applicant, act as concessionaires or delegates for public services for an applicant,
- Entities that receive financial support from the applicant,
- Entities that cooperate on a regular basis with an applicant on the basis of a memorandum of understanding or share some assets,
- Entities that have signed a consortium agreement under the grant contract (unless this consortium agreement leads to the creation of a 'sole applicant' as described above).

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

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

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

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

Affiliated entity(ies) must satisfy the same eligibility criteria as the lead applicant and the co-applicant(s). They must sign the affiliated entity(ies) statement in Part B Section 5.2 of the grant application form.

2.1.3. Associates and contractors

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

- Associates

Other organisations or individuals may be involved in the action. Such associates play a real role in the action but may not receive funding from the grant, with the exception of per diem or travel costs. Associates do not have to meet the eligibility criteria referred to in Section 2.1.1. Associates must be mentioned in Part B Section 6 — ‘Associates participating in the action’ — of the grant application form.

- Contractors

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

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

Definition:

An action is composed of a set of activities.

Duration

The initial planned duration of an action will meet the following requirements depending on the programme’s thematic priority/specific objective addressed by the application, namely:

Specific objective	Minimum number of months	Maximum number of months
1.1 To Increase cross-border employment of youth and vulnerable people	18	26
2.1 To boost sustainable tourism in the cross-border region	18	30

Sectors or themes

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

SPECIFIC OBJECTIVES	RESULTS
1.1: To Increase cross-border employment of youth and vulnerable people	Result 1.1.1.: The conditions for increased employability and self-employability of youth and vulnerable groups are improved linked with national and regional strategies and actions.
2.1: To boost sustainable tourism in the cross-border region	Result 2.1.1 Business competitiveness (products and services) in tourism related sectors is strengthened

	Result 2.1.2 Increased cross-border tourism integration of cultural and natural heritage
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In their application, the lead applicant and its co-applicant(s) will have to refer to the programme's thematic priorities/specific objective under which their action is meant to contribute, as well as the programme's result(s) affected by the action, and the programme's core and specific indicators that will be instrumental to measure the action's success. For the sake of consistency and aggregation, applicants must have the same units to quantify their output, outcome and impact indicators in line with the programme output, outcome and impact indicators. The programme indicators should be prioritized within the long list of potential indicators (from the regional monitoring system) provided in Annex M.⁷

The following illustrates the list of indicators that the applicants will have to include, where appropriate, to estimate the project's contribution to the programme's objectives. Applicants should confine the choice of indicators in their operation to the list provided below and in Annex M and add exceptionally some other indicators that could be necessary under their operation.

Table of the core indicators for all IPA III CBC programmes displayed in the section 3.2 of the programme document:

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

The tables of indicators for the 2021-2027 cross-border cooperation programme Montenegro – Kosovo displayed in the section 3.2 of the programme document are provided below for each specific objective and programme result.

Programme specific objective: 1.1 Increased cross-border employment of youth and vulnerable people

Result: 1.1.1 The conditions for increased employability and self-employability of youth and vulnerable groups are improved in the cross-border area, linked with national and regional strategies and actions

⁷ The CA, in coordination with the relevant CBC structures in charge of providing specific inputs to the application package, could make compulsory the incorporation of a minimum number of programme indicators into the logical framework matrix of every application.

IMPACT INDICATORS	Number of youth and people of vulnerable groups who found employment (disaggregated by sex and between youth and vulnerable group)
	Number of new businesses established (disaggregated by sex and age of the owner)
OUTCOME INDICATORS	Number of joint strategies and action plans implemented by organisations
	Percentage of vulnerable groups, youth and businesses claiming that the quality of new/upgraded services has been improved (to be disaggregated by gender and between youth and vulnerable group)
	Number of people with increased employment and self-employment competences and skills (on ICT, language, entrepreneurship, disaster management, environmental protection, etc.) disaggregated by sex and between youth and vulnerable group)
OUTPUT INDICATORS	Number of joint action plans developed addressing common problems in terms of youth/vulnerable group unemployment (disaggregated by sex and between youth and vulnerable group)
	Number of new/improved joint local employment projects supporting youth and vulnerable groups
	Number of joint capacity building events organised (e.g. focused on digital technologies/ICT literacy, language, environmental protection, natural heritage, disaster management, etc.)
	Number of participants among youth and vulnerable groups attending training and skill development activities (e.g. in ICT literacy, language, environmental protection, disaster management, etc.) (disaggregated by sex and between youth and vulnerable group)
	Number of participants among youth and vulnerable groups attending training and skill development activities for establishing their own business (disaggregated by sex and between youth and vulnerable group)
	Business start-up packs (equipment and supplies) provided to youth and vulnerable groups
	Number of organisations participating in cross-border networks/partnerships formed under the programme (to be disaggregated by type of organisation)

Programme specific objective: 2.1 To boost sustainable tourism in the cross-border region

Result: 2.1.1 Business competitiveness (products and services) in tourism related sectors is strengthened

IMPACT INDICATORS	Number of new jobs created in tourism and related sectors (to be disaggregated by gender)
OUTCOME INDICATORS	Number of tourists using new/improved products/services/offers
	Number of people utilising the increased capacities in sustainable tourism
OUTPUT INDICATORS	Number of joint eco and sustainable tourism product developed
	Number of new local products with tourism potential developed (organic food, wood products, souvenirs)

	Number of participants attending training and skill development activities related to sustainable tourism (disaggregated by sex)
	Number of new businesses established linked to sustainable tourism (disaggregated by sex of the owner)
	Number of organisations participating in cross-border networks/partnerships formed under the programme (to be disaggregated by type of organisation)

Programme specific objective: 2.1 To boost sustainable tourism in the cross-border region

Result: 2.1.2 Increased cross-border tourism integration of cultural and natural heritage

IMPACT INDICATORS	Number of new jobs created in tourism and related sectors (to be disaggregated by gender)
OUTCOME INDICATORS	Number of tourists in supported natural and cultural heritage sites
OUTPUT INDICATORS	Number of newly developed joint strategies/action plans addressing sustainable tourism including natural and cultural heritage
	Number of newly developed promotion activities (marketing, communication to the wider public)
	Number of joint projects to restore, protect and promote cultural heritage sites
	Number of cultural and natural heritage sites upgraded

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

Applicants are advised that according to the provisions of the Article 4.3 of the special conditions of the grant contract they will quarterly have to report on the achievement of indicators through an information system. These reports will be submitted at regular intervals on 31 March, 30 June, 30 September and 31 December every year and then upon the submission of the final report. The Joint Technical Secretariat (JTS) of the programme will be available for technical support while using this information system and will carry out a sort of validation of the submitted data.

Baseline data surveys: All applicants are advised to devote some time while preparing their application to collect statistics from relevant bodies or conduct surveys by their own in order to determine the baseline data of their indicators. Applicants are reminded that expenses such as these, related to the preparation of the application, are ineligible. However, during the period of implementation of the action, the expertise costs associated to the launch of surveys (particularly recommendable for qualitative indicators) and the collection and analysis of statistics to refine or amend the baseline data of the operation indicators may be eligible. The contracting authority strongly recommends that the applicants envisage an amount in the budget for this purpose.

Location

Actions must have as final beneficiaries the population of the programme area. Most activities must take place in one or more of the following territorial units⁸:

1. For Montenegro:

- **Andrijevica**
- **Bar**
- **Berane**
- **Bijelo Polje**
- **Gusinje**
- **Kolašin**
- **Mojkovac**
- **Petnjica**
- **Plav**
- **Podgorica**
- **Rožaje**
- **Tuzi**
- **Ulcinj and**
- **Zeta.**

2. For : Kosovo

- **Pejë/Peć;**
- **Istog/Istok;**
- **Klinë/Klina;**
- **Junik/Junik;**
- **Deçan/Dečani; and**
- **Gjakovë/Đakovica.**

Types of action

Actions selected under this cross-border cooperation programme shall deliver clear cross-border impacts and benefits, that is, they must:

- mostly take place in the specific programme area of Montenegro and/or Kosovo;
- have cross-border impacts and benefits in parts of the programme area of Montenegro and Kosovo;
- envisage cooperation of the cross-border applicant and co-applicant(s) in both:

⁸ Please note that some activities may take place outside the programme eligible area in exceptional, well justified circumstances, but always for the benefit of its population.

- joint development: applicant and co-applicant(s) cooperate in designing the action, filling in a joint application form and drawing up their respective budget;
 - joint implementation: grant beneficiaries coordinate, in the frame of the operation, their activities across the border, and carry out most of the project activities together and not as independent, unrelated, mechanically reproduced and country-bound initiatives;
- envisage cooperation of the cross-border applicant and co-applicant(s) in either:
- joint staffing: staff on both sides of the border act as one project team (e.g., some staffers carry out their duties for all entities in the partnership: procurement, financial management, overall coordination, training planning, etc.); or
 - joint financing: activities are financed by the applicant's and co-applicant(s)'s own budget;
 - or both joint staffing and financing.

Briefly, following the joint development of an operation by at least two cross-border partners, **full cross-border cooperation would mean the joint implementation and financing of activities by the partners resulting in the intensification of neighborly relations, sustainable partnerships for socio-economic development and/or the removal of obstacles to this development.**

Note: the potential applicants are encouraged to use all available channels (programme website or JTS) to get information on all projects that have been selected and implemented until now under the CBC programme Montenegro – Kosovo, in order to avoid tackling similar problems through their project proposal and avoiding repetition of same or similar projects.

The following types of action are ineligible:

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences and congresses;
- actions concerned only or mainly with individual scholarships for studies or training courses or research;
- actions concerned only or mainly at the upgrading of infrastructure and equipment in privately owned facilities;
- actions containing preparatory studies or the preparation of preliminary design for works to be carried out as part of the operation;
- actions without genuine cross-border impacts and benefits⁹;
- actions linked to political parties;
- actions concerned only or mainly with commercial and profit-making activities¹⁰;
- actions exclusively confined to charitable donations;
- actions covered and financed by other EU funded programmes.

⁹ The cross-border partnership **must produce a tangible added value** (i.e., the problems of the target groups and final beneficiaries are solved more efficiently and effectively by utilizing the partnership than they would be solved if applicants and affiliated entity(ies) would have acted independently].

¹⁰ [In case the project generates revenue, it shall be used to finance the operation, together with the other sources of funding. Revenue of an operation means cash in-flows directly paid by users for the goods and services provided by the operation, such as charges borne directly by users for the use of infrastructure, sale or rent of land or buildings, or payment for services incurred during the period of implementation of the operation.

Types of activity

Indicative types of activities which may be financed under this call for proposals are given below. The following list, extracted from the IPA III CBC programme document, is not exhaustive and appropriate innovative activities that are not mentioned below may also be considered for financing when they can clearly contribute to the achievement of the call's priorities. By way of illustration applications could contain a range of the following activities in relation to the programme's results targeted in the call:

Specific objective 1.1 Increased cross-border employment of youth and vulnerable people :

Cross-border know-how and good practice exchange among relevant stakeholders to address labour market issues with the following indicative actions:

- cross-border exchange between local authorities addressing youth unemployment, and employment of vulnerable groups with new innovative solutions (e.g. apprenticeship, mentoring, on the job training, internship);
- cross-border exchange between labour market institutions on the matters of improving the quality of their services for youth and vulnerable groups;
- know-how and exchange of experience among stakeholders across the border on ICT skill development, languages, etc.
- good practice exchange in vocational schools tailored to market needs in the region (e.g. ICT, agricultural production, food processing).

Joint strategy/action plan development addressing the cross-border labour market access of young people and vulnerable groups. Indicative actions could be:

- linking cross-border action plans with national strategies focusing on labour market development and skill development of youth and vulnerable groups;
- joint action plans to improve the quality of labour market services and promote cross-border cooperation, specifically on vulnerable groups;
- joint development of curricula and training plans addressing ICT literacy, language barriers, environmental protection, natural heritage, disaster management, etc;
- joint elaboration of topics that can be addressed in vocational training and lifelong learning programmes to prepare youth and vulnerable groups for the labour market.

Joint actions including small-scale investments with the following indicative actions:

- joint events to support matching (e.g. between youth and business sector across the border), joint entrepreneurial events between young people across the border;
- investment in equipment to support entrepreneurship and business development for young entrepreneurs;
- introduction of good practices in vocational schools tailored to market needs;
- fostering cooperation between educational institutions and business entities (e.g. internships, apprenticeships);
- joint actions to support SMEs and enterprises to employ young people and vulnerable groups (e.g. developing mentoring programmes).

Training and skill development with the following indicative actions:

- training and skill development on ICT to boost the competitiveness of businesses in the cross-border area and facilitate their access to international markets;
- training and development of entrepreneurial skills to increase the self-dependence of youth and vulnerable groups in the CB area (e.g. access to public procurement);
- training and skill development to prepare young people for new/emerging markets and sectors such as circular economy in the cross-border area;
- training and skill development to prepare young people for future challenges caused by climate change and its environmental consequences in the cross-border area (e.g. environmental protection, disaster management).

Specific objective 2.1. To boost sustainable tourism in the cross-border region:

Joint planning, analysis and action plans addressing sustainable tourism. Indicative actions are:

- alignment of cross-border sustainable tourism strategy with national strategies;
- strategic alignment of tourism activities with activities carried out under other programmes related to agriculture, environment and tourism;
- joint preparation of Visitor Management Action Plans, which should define the visitor capacity in the addressed areas;
- coordination among relevant organisations across the border to improve the planning and strategy development in this sector;
- joint analysis and feasibility study in order to identify type(s) of tourism offers and products that could be developed, based on joint comparative advantages;
- workshops identifying priority actions/activities for tourism development projects;
- joint studies on natural and/or cultural heritage sites to be improved.

Joint business development in tourism and related sectors to improve and diversify the cross-border tourism offer in the region. Indicative actions are:

- development of new models for tourism actors/SMEs promoting local products;
- development of new, innovative and qualitative products/services in the tourism sector by taking into account the characteristics and potential of the CB region;
- development of sustainable, circular and/or low-waste tourist products;
- joint actions to involve local businesses and farmers in tourism services (e.g. organic food as new touristic products, wood products/souvenirs);
- development of local bio products contributing to sustainable tourism;
- small-scale investments to help local service providers upgrade their offer;
- support for business start-ups with advice and mentoring in the field of tourism;
- investment in facilities related to sustainable tourism;
- investment in equipment for small business clusters relevant for sustainable tourism development;
- joint actions in tourism related business (e.g. ICT, food and wood processing and packaging, joint market access, organic food production, women in business, joint producers' fairs, etc.);
- matchmaking events for entrepreneurs.

Joint promotion activities to make the cross-border region more visible. Indicative actions are:

- organization of CBC partnership events for tourism service providers;
- joint marketing solutions for local bio products/services contributing to sustainable tourism;
- joint promotion of natural and cultural heritage sites;
- support and promotion of intangible cultural heritage (history, tradition, recipes, etc)
- development of innovative solutions (online digital tours, mapping, etc);

Joint training and skill development to increase the capacity and know-how on sustainable tourism (aligned with projects within TP1). Indicative actions are:

- skill development, know-how exchange and joint actions addressing sustainable tourism, including knowledge sharing and workshops for local stakeholders to integrate circular and sustainable principles in their products;
- joint skill development activities (e.g. tourism management, language, digital skills particularly relevant for the tourism sector – aligned with projects within TP1).
- curricula and training material for VET programmes for tourism enterprises in the programme area

Investment in cultural and national natural heritage to better integrate it into sustainable tourism offers/services. Indicative actions are:

- improvement of natural and cultural heritage sites – restauration;
- improvement of services in cultural and natural heritage sites;

- improvement of the monitoring system and management of cultural and natural heritage sites.

Financial support to third parties¹¹

Applicants may not propose financial support to third parties.

Visibility

The applicants must take all necessary steps to publicise the fact that the European Union has financed or co-financed the action. Unless the European Commission agrees otherwise, actions that are wholly or partially funded by the European Union must ensure the visibility of EU financing by displaying the EU emblem in accordance with the guidelines set out in the Operational guidelines for recipients of EU funding, published by the European Commission. If applicable, communication activities may be undertaken to raise the awareness of specific or general audiences of the reasons for the action and the EU support for the action in the country or region concerned, as well as the results and the impact of this support.

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

Number of applications and grants per applicants / affiliated entities

The lead applicant may not submit more than 2 applications under this call for proposals.

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

The lead applicant may be a co-applicant or an affiliated entity in 1 application at the same time.

A co-applicant/affiliated entity may not be the co-applicant or affiliated entity in more than 2 applications [per thematic priority/ specific objective] under this call for proposals.

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

Please note that in the event of failure to fulfil these requirements, the applications of all concerned entities will be rejected.

2.1.5. Eligibility of costs: costs that can be included

- Reimbursement of eligible costs that may be based on any or a combination of the following forms:

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

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

Simplified cost options (SCOs) may take the form of:

- **unit costs:** covering all or certain specific categories of eligible costs which are clearly identified in advance by reference to an amount per unit.

¹¹ These third parties are neither affiliated entity(ies) nor associates nor contractors.

- **lump sums:** covering in global terms all or certain specific categories of eligible costs which are clearly identified in advance.
- **flat-rate financing:** covering specific categories of eligible costs which are clearly identified in advance by applying a percentage fixed ex ante. This form is not applicable to output or result based SCOs.

Simplified costs options which can be proposed are the following:

"output or result based SCOs": they include costs linked to outputs, results, activities, deliverables in the framework of a specific project (for example the determination of a lump sum for the organization of a conference, or for the realisation of a determined output/activity). Where possible and appropriate, lump sums or unit costs shall be determined in such a way to allow their payment upon achievement of concrete outputs and/or results. This type of SCO can be proposed by the beneficiary (no threshold is applicable) at proposal's stage (Grant application form – Full application). In case the evaluation committee and the contracting authority are not satisfied with the quality of the justification provided, reimbursement on the basis of actually incurred costs is always possible.

Please refer to Annex K for the details of the procedure to be followed depending on the type and amount of the costs to be declared as SCO.

Applicants proposing this form of reimbursement, must clearly indicate in worksheet no.1 of Annex B, each heading/item of eligible costs concerned by this type of financing, i.e., add the reference in capital letters to 'UNIT COST', 'LUMPSUM' in the Unit column (see example in Annex K).

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

- describe the information and methods used to establish the amounts of unit costs and/or lump sums, to which costs they refer, etc for output or result based SCO;
- clearly explain the formulas for calculation of the final eligible amount for output or result based SCO.

Where SCOs are proposed the evaluation committee and the contracting authority decide whether to accept the proposed amounts or rates on the basis of the provisional budget submitted by the applicants, by analysing factual data of grants carried out by the applicants or of similar actions. In case the evaluation committee and the contracting authority are not satisfied with the quality of the justification provided reimbursement on the basis of actually incurred costs is always possible.

No threshold is set ex-ante for the total amount of financing that can be authorised by the contracting authority on the basis of simplified cost options.

Recommendations to award a grant are always subject to the condition that the checks preceding the signing of the grant contract do not reveal problems requiring changes to the budget (such as arithmetical errors, inaccuracies, unrealistic costs and ineligible costs). The checks may give rise to requests for clarification and may lead the contracting authority to impose modifications or reductions to address such mistakes or inaccuracies. It is not possible to increase the grant or the percentage of EU co-financing as a result of these corrections.

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

The grant may take the form of a single lump-sum covering the entire eligible costs of an action or a work programme.

Single lump sums may be determined on the basis of the estimated budget, which should comply with the principles of economy, efficiency and effectiveness. Compliance with these principles shall be verified ex ante at the time of evaluation of the grant application.

When authorising single lump sums the authorising officer responsible shall comply with the conditions applicable to output or result based SCOs.

When using this form of financing, the description of the action shall include detailed information on the essential conditions triggering the payment, including, where applicable, the achievement of outputs and/or results.

Eligible direct costs

To be eligible under this call for proposals, costs must comply with the provisions of Article 14 of the general conditions to the standard grant contract (see Annex G of the guidelines).

Salary costs of the personnel of national, regional or local administrations, as well as those of other publicly owned or controlled institutions or enterprises, may be eligible to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the action or operation were not undertaken.

These personnel shall not receive for the engagement in the project activities any other remuneration than their standard, regular salaries in their respective institutions.

The total sum of the salaries of these personnel shall not exceed the amount of co-financing provided by the applicant, co-applicant(s) and affiliated entity(-ies).

Prior to the signature of a grant contract, the contracting authority may require from the relevant beneficiaries the appointment of these staffers by their authorised representative in writing (indicating their names, project function and gross salaries).

Please note that this does not apply to professional staff recruited by the national, regional or local administrations, as well as other publicly owned or controlled institutions or enterprises, for the sole purpose of managing the project resulting from the grant award.

Contingency reserve

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

Eligible indirect costs

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

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

Contributions in kind

Contributions in kind mean the provision of goods or services to beneficiaries or affiliated entities free of charge by a third party. As contributions in kind do not involve any expenditure for beneficiaries or affiliated entities, they are not eligible costs (except for personnel costs for the work carried out by volunteers under an action or an operating grant if so authorised).

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 eligible¹²:

- debts and debt service charges (interest);
- provisions for losses, debts or potential future liabilities;
- costs declared by the beneficiary(ies) and financed by another action or work programme receiving a European Union grant (including through European Development Fund);
- purchase of land and existing buildings, except where justified by the nature of the programme in the financing decision, in which case ownership must be transferred in accordance with Article 7.5 of the general conditions of the standard grant contract, at the latest at the end of the action;
- currency exchange losses;
- credits to third parties, unless otherwise specified in the special conditions;
- in kind contributions (except for volunteers' work);
- salary costs of the personnel of national administrations, unless otherwise specified in the special conditions and only to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the action were not undertaken;
- bonuses included in costs of staff;
- negative interest charged by banks or other financial institutions;
- bank charges, costs of guarantees and similar charges;
- fines and financial penalties;
- expenses of litigation.

2.1.6. Ethics clauses and Code of Conduct

a) Absence of conflict of interest

The applicant must not be affected by any conflict of interest and must have no equivalent relation in that respect with other applicants or parties involved in the actions. Any attempt by an applicant to obtain confidential information, enter into unlawful agreements with competitors or influence the evaluation committee or the contracting authority during the process of examining, clarifying, evaluating and comparing applications will lead to the rejection of its application and may result in administrative penalties according to the Financial Regulation in force.

b) Respect for human rights as well as environmental legislation and core labour standards

The applicant and its staff must comply with human rights. In particular, and in accordance with the applicable act, applicants who have been awarded contracts must comply with the environmental legislation including multilateral environmental agreements, and with the core labour standards as applicable and as defined in the relevant International Labour Organisation conventions (such as the

¹² The list encompass the provisions of Section 2.1.5 of the standard PRAG June 2022 template for the guidelines for applicants, the provisions of Article 14.11 of the general conditions for grant contracts (PRAG version June 2022), the provisions of Article 6 of the annex II – general conditions of the IPA III financing agreement and the provisions of Article 29(3) of the FFPA for IPA III.

conventions on freedom of association and collective bargaining; elimination of forced and compulsory labour; abolition of child labour).

Zero tolerance for sexual exploitation, abuse and harassment

The European Commission applies a policy of 'zero tolerance' in relation to all wrongful conduct which has an impact on the professional credibility of the applicant.

Physical abuse or punishment, or threats of physical abuse, sexual abuse or exploitation, harassment and verbal abuse, as well as other forms of intimidation shall be prohibited.

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

c) Anti-corruption and anti-bribery

The applicant shall comply with all applicable laws, regulations and codes relating to anti-bribery and anti-corruption. The contracting authority reserves the right to suspend or cancel project financing if corrupt practices of any kind are discovered at any stage of the award process or during the execution of a contract and if the contracting authority fails to take all appropriate measures to remedy the situation. For the purposes of this provision, 'corrupt practices' are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or execution of a contract already concluded with the contracting authority.

d) Unusual commercial expenses

Applications will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a payee who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

Grant beneficiaries found to have paid unusual commercial expenses on projects funded by the European Union are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from receiving EU/EDF funds.

e) Breach of obligations, irregularities or fraud

The contracting authority reserves the right to suspend or cancel the procedure, where the award procedure proves to have been subject to breach of obligations, irregularities or fraud. If breach of obligations, irregularities or fraud are discovered after the award of the contract, the contracting authority may refrain from concluding the contract.

2.2. HOW TO APPLY AND THE PROCEDURES TO FOLLOW

2.2.1. *Concept note content*

Applications must be submitted in accordance with the concept note instructions in the grant application form annexed to these guidelines (Annex A).

Applicants must apply in English.

Please note that:

1. In the concept note, lead applicants must only provide an estimate of the requested EU contribution as well as an indicative percentage of that contribution in relation to the eligible costs of the action. A

detailed budget is to be submitted only by the lead applicants invited to submit a full application in the second phase.

2. The elements outlined in the concept note may not be modified in the full application, except for the changes described below:
 - The EU contribution may not vary from the initial estimate by more than 20%. Lead applicants are free to adapt the percentage of co-financing required within the minimum and maximum amount and percentages of co-financing, as laid down in these guidelines in Section 1.3.
 - The lead applicant may add, remove or replace one or more co-applicant(s) or affiliated entity(ies) only in duly justified cases.
 - The lead applicant may adjust the duration of the action if unforeseen circumstances outside the scope of the applicants have taken place following the submission of the concept note and require such adaptation (risk of action not being carried out). In such cases, the duration must remain within the limits imposed by the guidelines for applicants. Own contributions by the applicants can be replaced by other donors' contributions at any time.

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

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

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

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

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

2.2.2. Where and how to send concept notes

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

An electronic version of the concept note must also be submitted. A CD-Rom or a USB stick with the concept note in electronic format will be included, along with the paper version, in a sealed envelope as described below. The electronic file must contain **exactly the same** application as the paper version enclosed.

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

The envelope must bear the **reference number and the title of the call for proposals**, together with [the lot number and title] the full name and address of the lead applicant, and the words 'Not to be opened before the opening session' and equivalent in Montenegrin language („Ne otvarati prije sastanka za otvaranje prijedloga projekata“)

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

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

Postal address:

Ministry of Finance

Directorate for Finance, Contracting and Implementation of the EU Assistance Funds (CFCU)

Stanka Dragojevića 2,

81000 Podgorica, Montenegro

Address for hand delivery:

Ministry of Finance

Directorate for Finance, Contracting and Implementation of the EU Assistance Funds (CFCU)

Stanka Dragojevića 2, room 5

81000 Podgorica, Montenegro

Please note that the opening hours of the Contracting Authority are 07:00h – 15:00h.

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

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

2.2.3. Deadline for submission of concept notes

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

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

The deadline for the submission of concept notes is 25th October 2024 as evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at 25th October 2024, before 14:30h hours local time>, as evidenced by the signed and dated receipt. Any concept note submitted after the deadline will be rejected.

The contracting authority may, for reasons of administrative efficiency, reject any concept note submitted on time to the postal service but received, for any reason beyond the contracting authority's control, after the effective date of approval of the concept note evaluation, if accepting concept notes that were submitted on time but arrived late would considerably delay the evaluation procedure) or jeopardise decisions already taken and notified (see indicative calendar under Section 2.5.2).

2.2.4. Further information about concept notes

Information sessions on this call for proposals will be held in Montenegro and Kosovo. The dates, time and location of these sessions will be announced within 15 days of the publication of this call for proposals, on:

- The programme website <https://www.cbc-mne-kos.org/>
- The website of the contracting authority <https://www.gov.me/mif> The website of DG International Partnerships https://ec.europa.eu/international-partnerships/funding/looking-for-funding_en or

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

Funding & Tender opportunities (F&T Portal) <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home>

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

E-mail address: cfpmne.kos@mif.gov.me

The contracting authority has no obligation to provide clarifications to questions received after this date.

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

To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities.

No individual replies will be given to questions. All questions and answers as well as other important notices to applicants during the course of the evaluation procedure will be published on the website where the call was published: website of DG International Partnerships https://ec.europa.eu/international-partnerships/funding/looking-for-funding_en or Funding & Tender opportunities (F&T Portal) <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home>, website of the contracting authority <https://www.gov.me/mif> and the Programme Montenegro-Kosovo 2021-2027 - <https://www.cbc-mne-kos.org>, as the need arises. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

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

2.2.5. Full applications

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

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

- The EU contribution may not vary from the initial estimate by more than 20 %. Lead applicants are free to adapt the percentage of co-financing required within the minimum and maximum amount and percentages of co-financing, as laid down in these guidelines in Section 1.3.
- The lead applicant may add, remove or replace one or more co-applicant(s) or affiliated entity(ies) only in duly justified cases.
- The lead applicant may adjust the duration of the action if unforeseen circumstances outside the scope of the applicants have taken place following the submission of the concept note and require such adaptation (risk of action not being carried out). In such cases, the duration must remain within the limits imposed by the guidelines for applicants.

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

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

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

- its target groups and final beneficiaries.

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

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

Any error related to the points listed in the checklist (Part B, Section 7 of the grant application form) or any major inconsistency in the full application (e.g. if the amounts in the budget worksheets are inconsistent) may lead to the rejection of the application.

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

Please note that only the full application form and the published annexes which have to be filled in (budget, logical framework) will be transmitted to the evaluators (and assessors, if used). It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action. **With the full application the lead applicant also has to submit completed PADOR registration form (Annex F) for the lead applicant, each co-applicant (if any) and each affiliated entity¹⁴ (if any).**

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

1. The statutes or articles of association of the lead applicant, of each co-applicant (if any) and of each affiliated entity (if any). Where the contracting authority has recognised the lead applicant's, or the co-applicant(s)'s, or their affiliated entity(ies)'s eligibility for another call for proposals under the same budget line within 2 years before the deadline for receipt of applications, what should be submitted, instead of the statutes or articles of association, is a copy of the document proving their eligibility in a former call (e.g. a copy of the special conditions of a grant contract received during the reference period), unless a change in legal status has occurred in the meantime. This obligation does not apply to international organisations that have signed a framework agreement with the European Commission.
2. Legal entity form (see Annex D of these guidelines) duly completed and signed by each of the applicants (i.e. by the lead applicant and by each co-applicant, if any), accompanied by the justifying documents requested there. If the applicants have already signed a contract with the contracting authority, instead of the legal entity form and supporting documents, the legal entity number may be provided, unless a change in legal status occurred in the meantime.
3. A financial identification form of the lead applicant (not from co-applicant(s)) conforming to the model attached as Annex E of these guidelines, certified by the bank to which the payments will be made. This bank should be located in the country where the lead applicant is established. If the lead applicant has already submitted a financial identification form in the past for a contract where the European Commission was in charge of the payments and intends to use the same bank account, a copy of the previous financial identification form may be provided instead.

In addition, for the purpose of the evaluation of the financial capacity, the following documents should be submitted¹⁵:

1. For action grants exceeding EUR 750 000 and for operating grants above EUR 100 000, the lead applicant must provide an audit report produced by an approved external auditor where it is available, and always in cases where a statutory audit is required by EU or national law. That report shall certify the accounts for up to the last three available financial years.

In all other cases, the applicant shall provide a self-declaration signed by its authorised representative certifying the validity of its accounts for up to the last three available financial years. Such self-

¹⁴ Natural persons who apply for a grant (if so allowed in the guidelines for applicants) do not have to provide an organisation data form. In this case, the information included in the grant application form is sufficient.

¹⁵ No supporting documents will be requested for applications for a grant not exceeding EUR 60 000.

declaration shall be dated and signed, either by hand or by applying a qualified electronic signature (QES)¹⁶ by an authorised representative of the signatory.

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

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

2. For action grants not exceeding EUR 750 000 and for operating grants below EUR 100 000, a copy of the lead applicant's profit and loss account and the balance sheet for up to the last three financial years for which the accounts were closed¹⁷. A copy of the latest account is neither required from the co-applicant(s) (if any) nor from affiliated entity(ies)(if any).

Documents must be supplied in the form of originals, photocopies or scanned versions (i.e. showing legible stamps, signatures and dates) of the said originals.

Where such documents are not in one of the official languages of the European Union or in the language of the country where the action is implemented, a translation into the/one of the language(s) of the call for proposals of the relevant parts of these documents proving the lead applicant's and, where applicable, co-applicants' and affiliated entity(ies)' eligibility, must be attached for the purpose of analysing the application.

Where these documents are in an official language of the European Union other than the/one of the language(s) 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 lead applicant's and, where applicable, co-applicants' and affiliated entity(ies)' eligibility, into the/one of the language(s) of the call for proposals.

If the abovementioned supporting documents are not provided by the deadline for the submission of the full application, the application may be rejected.

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

2.2.6. Where and how to send full applications

Full applications (i.e., the full application form, the organisation data or PADOR registration form, the budget, the logical framework and the declaration by the lead applicant) must be submitted in a sealed envelope by registered mail, private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) to the address below:

Postal address

Ministry of Finance

Directorate for Finance, Contracting and Implementation of the EU Assistance Funds (CFCU)

Stanka Dragojevića 2,

81000 Podgorica, Montenegro

Address for hand delivery

¹⁶ Please note that only the QES within the meaning of Regulation (EU) No 910/2014 (eIDAS Regulation) will be accepted. Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC.

¹⁷ This obligation does not apply to natural persons who have received education support or who are in most need or in receipt of direct support, nor to public bodies and to international organisations. It does not apply either when the accounts are in practice the same documents as the external audit report already provided pursuant to Section 2.2.5, point 1.

Ministry of Finance

Directorate for Finance, Contracting and Implementation of the EU Assistance Funds (CFCU)

Stanka Dragojevića 2, room 5

81000 Podgorica, Montenegro

Please note that the opening hours of the Contracting Authority are 07:00h – 15:00h.

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

Applications must be submitted in one original and 3 copies in A4 size, each bound. The full application form, budget and logical framework and the organisation data or PADOR registration form must also be supplied in electronic format (CD-Rom or a USB stick) in a separate and single file (i.e. the full application must not be split into several different files). The electronic file must contain **exactly the same** application as the paper version. Hand-written applications will not be accepted.

The declaration by the lead applicant (Section 8 of Part B of the grant application form) must be stapled separately and enclosed in the envelope.

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

The envelope must bear the **reference number and the title of the call for proposals**, together with the number and title of the lot, the full name and address of the lead applicant, and the words 'Not to be opened before the opening session' and equivalent in Montenegrin language („Ne otvarati prije sastanka za otvaranje prijedloga projekata“).

Applicants are advised to verify that their application is complete using the checklist (Section 7 of Part B of the grant application form). Incomplete applications may be rejected.

2.2.7. Deadline for submission of full applications

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

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

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

The contracting authority may, for reasons of administrative efficiency, reject any application submitted on time to the postal service but received, for any reason beyond the contracting authority's control, after the effective date of approval of the full application evaluation, if accepting applications that were submitted on time but arrived late would considerably delay the award procedure or jeopardise decisions already taken and notified (see indicative calendar under Section 2.5.2).

Any application submitted after the deadline will be rejected.

2.2.8. Further information about full applications

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

E-mail address: [cfpmne.kos@mif.gov.me](mailto:cfpme.kos@mif.gov.me)

The contracting authority has no obligation to provide clarifications to questions received after this date.

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

To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), or an action.

No individual replies will be given to questions. All questions and answers as well as other important notices to applicants during the course of the evaluation procedure, will be published on the website where the call was published: website of DG International Partnerships: https://ec.europa.eu/international-partnerships/funding/looking-for-funding_en or Funding & Tender opportunities (F&T Portal) <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home>, website of the contracting authority <https://www.gov.me/mif> and the Programme Montenegro-Kosovo 2021-2027 - <https://www.cbc-mne-kos.org>, as the need arises. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

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

2.3. EVALUATION AND SELECTION OF APPLICATIONS

Applications will be examined and evaluated by the contracting authority with the possible assistance of external assessors. All applications will be assessed according to the following steps and criteria.

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

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

During the opening and administrative check the following will be assessed:

- If the deadline has been met. Otherwise, the application will be automatically rejected.
- If the concept note satisfies all the criteria specified in the checklist in Section 2 of Part A of the grant application form. This includes also an assessment of the eligibility of the action. If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The concept notes that pass this check will be evaluated on the relevance and design of the proposed action.

The concept notes will receive an overall score out of 50 using the breakdown in the evaluation grid below. The evaluation will also check on compliance with the instructions on how to complete the concept note, which can be found in Part A of the grant application form.

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

Evaluation grid

		Scores
1. Relevance of the action	Sub-score	20
1.1 How relevant is the proposal to the objectives and priorities of the call for proposals and to the specific themes/sectors/areas or any other specific requirement stated in the guidelines for applicants? Are the expected results of the action aligned with the priorities defined in the guidelines for applicants (Section 1.2)?	5*	
1.2 How relevant is the proposal to the particular needs and constraints of the eligible programme area and/or relevant sector (including synergy with other EU initiatives, in particular with the EU Strategy for the Danube Region and the one for the Adriatic and Ionian Region ¹⁸ , as well as avoidance of duplication)?	5	
1.3 How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs and constraints been clearly defined and does the proposal address them appropriately?	5	
1.4 Does the proposal contain particular added-value elements (e.g.: innovation, best practices)? <i>[and the other additional elements indicated under 1.2. of the guidelines for applicants]</i>	5	
2. Design of the action	Sub-score	30
2.1 How coherent is the overall design of the action? Does the proposal indicate the expected results to be achieved by the action? Does the intervention logic explain the rationale to achieve the expected results?	5x2**	

¹⁸ Please note that in many applications where the lead applicant or a co-applicant is effectively established in Kosovo the linkage with these two macro-regional strategies is not possible as this IPA III Beneficiary is a member of neither of them.

2.2 Does the design reflect a robust analysis of the problems involved, and the interest and capacities of the relevant stakeholders?	5	
2.3 Does the design take into account external factors (risks and assumptions)?	5	
2.4 Are the activities feasible and consistent in relation to the expected results (including timeframe)? Are results (output, outcome and impact) realistic?	5	
2.5 To which extent does the proposal integrate relevant cross-cutting elements such as improved capacity of local and regional authorities to tackle local challenges, environmental/climate change issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and children, support to youth, democratic standards and good governance?	5	
TOTAL SCORE		50

* Note: A score of 5 (very good) will only be allocated if the concept note clearly demonstrates how it specifically addresses one of the specific objectives of the call as indicated in Section 1.2 (objectives of the programme) of these guidelines.

** This score is multiplied by 2 because of its importance

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

Firstly, only the concept notes with a score of at least 30 will be considered for pre-selection.

Secondly, the number of concept notes will be reduced, taking account of the ranking specific objective, 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 specific objective , where relevant.

After the evaluation of concept notes, the contracting authority will send letters to all lead applicants, indicating whether their application was submitted by the deadline, informing them of the reference number they have been allocated, whether the concept note was evaluated and the results of that evaluation. The pre-selected lead applicants will subsequently be invited to submit full applications.

STEP 2: OPENING & ADMINISTRATIVE CHECKS AND EVALUATION OF THE FULL APPLICATION

Firstly, the following will be assessed:

- If the submission deadline has been met. Otherwise, the application will automatically be rejected.
- If the full application satisfies all the criteria specified in the checklist (Section 7 of Part B of the grant application form). This includes also an assessment of the eligibility of the action. If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

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

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

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

The award criteria help to evaluate the quality of the applications in relation to the objectives and priorities set forth in the guidelines, and to award grants to projects which maximise the overall effectiveness of the call for proposals. They help to select applications which the contracting authority can be confident will comply with its objectives and priorities. They cover the relevance of the action, its consistency with the objectives of the call for proposals, quality, expected impact, sustainability and cost-effectiveness.

Scoring:

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

Evaluation grid

Section	Maximum Score
1. Financial and operational capacity	20
1.1 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in-house experience of project management? ¹⁹	5
1.2 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in-house technical expertise? (especially knowledge of the issues to be addressed) ²⁰	5
1.3 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in-house management capacity? (Including staff, equipment and ability to handle the budget for the action)? ²¹	5
1.4 Does the lead applicant have stable and sufficient sources of finance? ²²	5
2. Relevance	20

¹⁹ This section will be scored from 1 to 5 as follows: 1 = very poor Applicants and affiliated entity(ies) have not managed, by the deadline for submission of full applications, any project within the last 3 years; 2 = poor Applicants and affiliated entity(ies) have managed, under set conditions, only 1 project; 3 = adequate Applicants and affiliated entity(ies) have managed, under set conditions, at least two projects; 4 = good Applicants and affiliated entity(ies) have managed, under set conditions, at least three projects; 5 = very good Applicants and affiliated entity(ies) have managed, under set conditions, at least four projects.

²⁰ This section will be scored from 1 to 5 as follows: 1 = very poor Applicants and affiliated entity(ies) have not managed, by the deadline for submission of full applications, any project within the last 3 years in an area of expertise similar or identical to the TP under which the application is submitted; 2 = poor Applicants and affiliated entity(ies) have managed, under the above conditions, only 1 project in an area of expertise similar or identical to the TP under which the application is submitted; 3 = adequate Applicants and affiliated entity(ies) have managed, under the above conditions, at least two projects in an area of expertise similar or identical to the TP under which the application is submitted; 4 = good Applicants and affiliated entity(ies) have managed, under the above conditions, at least three projects in an area of expertise similar or identical to the TP under which the application is submitted; 5 = very good Applicants and affiliated entity(ies) have managed, under the above conditions, at least four projects in an area of expertise similar or identical to the TP under which the application is submitted.

²¹ This section will be scored from 1 to 5 as follows: 1 = very poor Applicants and affiliated entity(ies) have not managed, by the deadline of submission of full applications, any project within the last 3 years; 2 = poor They have managed, under the above conditions, only 1 project and the number of staff at the HQ of the lead applicant is less than 10; 3 = adequate They have managed, under set conditions, at least two projects for a minimum cumulated amount of €100 000 (TP1)/ €150.000 (TP 2); 4 = good They have managed, under set conditions, at least three projects for a minimum cumulated amount of € 150 000 (TP1)/ € 250.000 (TP2), and the number of staff at the HQ of the lead applicant is higher than 10 people; 5 = very good They have managed, under set conditions, at least four projects for a minimum cumulated amount of € 200 000 (TP1)/ €300.000 (TP2), and the number of staff at the HQ of the lead applicant is higher than 10 people.

²² This section will be scored from 1 to 5 as follows: 1 = very poor, if the lead applicant had an average turnover or equivalent for last three years for which accounts have been closed below the 30 % of the requested grant amount under this call; 2 = poor, if the lead applicant had an average turnover or equivalent for last three years for which account has been closed above 30 % but below the 50 % of the requested grant amount under this call; 3 = adequate, if the lead applicant had an average turnover or equivalent for last three years for which account has been closed above 50 % but below the 70 % of the requested grant amount under this call; 4 = good, if the lead applicant had an average turnover or equivalent for last three years for which account has been closed above 70 % but below the 90 % of the requested grant amount under this call; 5 = very good, if the lead applicant had an average turnover or equivalent for last three years for which account has been closed above 90 % or 100% of the requested grant amount under this call.

<i>Score transferred from the Concept Note evaluation</i>	
3. Design of the action	15
3.1 How coherent is the design of the action? Does the proposal indicate the expected results to be achieved by the action? Does the intervention logic explain the rationale to achieve the expected results? Are the activities proposed appropriate, practical, and consistent with the envisaged outputs and outcome(s)? ²³	5
3.2 Does the full application contain objectively verifiable indicators (at impact, outcome and output level)? Are the project indicators likely to contribute to the achievement of programme indicators? Does the full application/logical framework matrix include credible baseline, targets and sources of verification? If not, is a baseline study foreseen (and is the study budgeted appropriately in the proposal)?	5
3.3 Does the design reflect a robust analysis of the problems involved, and the capacities of the relevant stakeholders?	5
4. Implementation approach	20
4.1 Is the action plan for implementing the operation clear and feasible? Is the timeline realistic?	5
4.2 Does the proposal include an effective and efficient monitoring system? Is there an evaluation planned (previous, during or/and at the end of the implementation)?	5
4.3 Is the co-applicant(s)'s and affiliated entity(ies)'s level of involvement and participation in the action satisfactory? Does the proposal involve genuine cross-border cooperation (joint development, joint staffing, joint implementation, joint financing)? Are the activities proposed likely to have a clear cross-border benefit and impact?	5x2
5. Sustainability of the action²⁴	15
5.1 Is the action likely to have a tangible impact on its target groups at cross-border level? Have assumptions and risks been well assessed?	5
5.2 Is the action likely to have multiplier effects, including scope for replication, extension, capitalisation on experience and knowledge sharing?	5
5.3 Are the expected results of the proposed action sustainable? - Financially (<i>e.g.: financing of follow-up activities, sources of revenue for covering all future operating and maintenance costs</i>)	5

²³ The score of this question will be seriously affected if the application includes the execution of works and the information included in Section 2.1.1 of the application form will call into question whether all preconditions to undertake works have been met by the applicants.

²⁴ If the project is not able to demonstrate that it will intensify neighbourly relations, create sustainable cross-border partnerships for socio-economic development and/or remove cross-border obstacles to sustainable development, it is unlikely to have a tangible effect, multiplier effects or sustainable results, and hence should be marked to zero, irrespective of any other merits of the proposal.

<ul style="list-style-type: none"> - Institutionally (<i>will structures allow the results of the action to be sustained at the end of the action? Will there be local 'ownership' of the results of the action?</i>) - At policy level (where applicable) (<i>what will be the structural impact of the action — e.g.: improved legislation, codes of conduct, methods</i>) - Environmentally (if applicable) (<i>will the action have a negative/positive environmental impact?</i>) 	
6. Budget and cost-effectiveness of the action	10
6.1 Are the activities appropriately reflected in the budget? Are the expenses well justified?	/ 5
6.2 Is the ratio between the estimated costs and the expected results satisfactory? Are the costs estimated based on real market prices?	/ 5
Maximum total score	100

If the total score for Section 1 (financial and operational capacity) is less than 12 points, the application will be rejected. If the score for at least one of the subsections under Section 1 is 1, the application will also be rejected.

Provisional selection

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

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

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

The eligibility verification will be performed on the basis of the supporting documents requested by the contracting authority (see Sections 2.2.5 & 2.4). It will by default only be performed for the applications that have been provisionally selected according to their score and within the available budget for this call for proposals.

- The declaration by the lead applicant (Section 8 of Part B of the grant application form) will be cross-checked with the supporting documents provided by the lead applicant. Any missing supporting document or any incoherence between the declaration by the lead applicant and the supporting documents may lead to the rejection of the application on that sole basis.
- The eligibility of applicants and the affiliated entity(ies) will be verified according to the criteria set out in Section 2.1.1. and 2.1.2.

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

2.4. SUBMISSION OF SUPPORTING DOCUMENTS

The lead applicant should submit the documents listed in Section 2.2.5

In addition, a lead applicant whose application has been provisionally selected or placed on the reserve list will be informed in writing by the contracting authority. It will be requested to supply the following documents:

1. Declaration on honour: the lead applicant as well as all co-applicants and affiliated entities shall fill in and sign the declaration on honour certifying that they are not in one of the exclusion situations (see Section 2.6.10.1 of the PRAG) where the amount of the grant exceeds EUR 15 000. The declaration on honour shall be dated and signed, either by hand or by applying a qualified electronic signature (QES)²⁵ by an authorised representative of the signatory.
2. Self-evaluation questionnaire on SEA-H: the lead applicant as well as all co-applicants and affiliated entities shall fill in the self-evaluation questionnaire assessing the organisation's internal policy and procedure against sexual exploitation, abuse and harassment (SEA-H) (Annex L) where the amount of grant exceeds EUR 60 000 (see Section 2.5.6 of the PRAG)²⁶.
3. **Please bear in mind when an operation contains the execution of works, the following supporting documents, submitted along with the full application form, will be necessary:**
 - a. Proof of ownership or long-term lease (at least for 10 years after the signature of the contract) of the land/assets where the works are to be executed;
 - b. A positive decision on environmental impact assessment or otherwise a statement from the relevant public authority(ies) that the latter assessment(s) are/is not needed for the specific project activities;
4. **Furthermore, when an operation contains the execution of works, the following supporting documents shall be submitted before the contract signature:**
 - a. All necessary legal authorisations (e.g.: location and construction permits).
 - b. Approved/certified detailed work design or otherwise a statement by the relevant national institution(s) confirming that the national legislation(s) do/does not require the design's approval for this type of works;
 - c. An indicative priced bill of quantities drawn not earlier than 2 years prior to the deadline for submission of full applications – calculated in euro.

After verifying the supporting documents, the evaluation committee will make a final recommendation to the contracting authority, which will decide on the award of grants.

NB: In the eventuality that the contracting authority is not satisfied with the strength, solidity, and guarantee offered by the structural link between one of the applicants and its affiliated entity, it can require the submission of the missing documents allowing for its conversion into co-applicant. If all the missing documents for co-applicants are submitted, and provided all necessary eligibility criteria are fulfilled, the above mentioned entity becomes a co-applicant for all purposes. The lead applicant has to submit the application form revised accordingly.

2.5. NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

²⁵ Please note that only the QES within the meaning of Regulation (EU) No 910/2014 (eIDAS Regulation) will be accepted. Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC.

²⁶ Applicants, co-applicants and affiliated entities who are (i) natural persons (ii) pillar-assessed entities and (iii) governments and other public bodies do not have to submit the self-evaluation questionnaire.

2.5.1. Content of the decision

The lead applicants will be informed in writing of the contracting authority's decision concerning their application and, if rejected, the reasons for the negative decision. Please note that the lead applicant is the intermediary for all communications between applicants and the contracting authority during the procedure.

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

Applicants and, if they are legal entities, persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations of early detection or exclusion, their personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the early detection and exclusion system, and communicated to the persons and entities concerned in relation to the award or the execution of a grant contract. For more information, you may consult the privacy statement available on http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm

2.5.2. Indicative timetable

	DATE	TIME
1. Information meeting (if any)	tbd	tbd
2. Deadline for requesting any clarifications from the contracting authority	4 th October 2024	15:00h
3. Last date on which clarifications are issued by the contracting authority	14 th October 2024	-
4. Deadline for submission of: concept notes	25 th October 2024	14:30h
5. Information to lead applicants on opening, administrative checks and concept note evaluation (Step 1)	24 th December 2024	-
6. Invitations to submit full applications	24 th December 2024	-
7. Deadline for submission of full applications and, where appropriate, supporting documents for the execution of works	7 th February 2025	14:30h
8. Information to lead applicants on the evaluation of the full applications (Step 2)	16 th April 2025	-
9. Notification of award (after the eligibility check) (Step 3)	17 th June 2025	-
10. Contract signature	22 nd August 2025	-

All times are in the time zone of the country of the contracting authority.

This indicative timetable refers to provisional dates (except for dates 2, 3, and 4) and may be updated by the contracting authority during the procedure. In such cases, the updated timetable will be published on the web site where the call was published: website of DG International Partnerships: https://ec.europa.eu/international-partnerships/home_fr or Funding & Tender opportunities (F&T Portal) <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home> the websites of the programme <https://www.cbc-mne-kos.org/> and the contracting authority <https://www.gov.me/mif>

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

Following the decision to award a grant, the beneficiary(ies) will be offered a contract based on the standard grant contract (see Annex G of these guidelines). By signing the application form (Annex A of these guidelines), the applicants agree, if awarded a grant, to accept the contractual conditions of the standard grant contract. Where the coordinator is an organisation whose pillars have been positively assessed, it will sign a contribution agreement based on the contribution agreement template. In this case, references to provisions of the standard grant contract and its annexes shall not apply. References in these guidelines to the grant contract shall be understood as references to the relevant provisions of the contribution agreement.

Implementation contracts

Where implementation of the action requires the beneficiary(ies) and its affiliated entity(ies) (if any) to award procurement contracts, those contracts must be awarded in accordance with Annex IV to the standard grant contract.

In this context, a distinction should be made between awarding implementation contracts and subcontracting parts of the action described in the proposal, i.e. the description of the action annexed to the grant contract, such subcontracting being subject to additional restrictions (see the general terms and conditions in the model grant contract).

Awarding implementation contracts: implementation contracts relate to the acquisition by beneficiaries of routine services and/or necessary goods and equipment as part of their project management; they do not cover any outsourcing of tasks forming part of the action that are described in the proposal, i.e. in the description of the action annexed to the grant contract.

Subcontracting: subcontracting is the implementation, by a third party with which one or more beneficiaries have concluded a procurement contract, of specific tasks forming part of the action as described in annex to the grant contract (see also the general terms and conditions in the model grant contract).

3. LIST OF ANNEXES

DOCUMENTS TO BE COMPLETED

- Annex A: Grant application form (Word format)
- Annex B: Budget (Excel format)
- Annex C: Logical framework (Word format)
- Annex D: Legal entity form
- Annex E: Financial identification form
- Annex F: Organisation data or PADOR registration form
- Annex M: CBC indicators_MNE-KOS_R 1.1.1
- Annex M: CBC indicators_MNE-KOS__R 2.1.1
- Annex M: CBC indicators_MNE-KOS__R 2.1.2

DOCUMENTS FOR INFORMATION²⁷

- Annex G: Standard grant contract
 - Annex II: general conditions
 - Annex IV: contract award rules
 - Annex V: standard request for payment
 - Annex VI: model narrative and financial report²⁸ (incl. the detailed breakdown of expenditure)
 - Annex VII: model report of factual findings and terms of reference for an expenditure verification of an EU financed grant contract for external action
 - Annex IX: standard template for transfer of ownership of assets
- Annex H: Declaration on Honour
- Annex I: Daily allowance rates (per diem), available at the following address: https://international-partnerships.ec.europa.eu/funding/guidelines/managing-project/diem-rates_en (as all necessary information is available via the link the publication of the annex is optional)
- Annex J: Information on the tax regime applicable to grant contracts signed under the call.
- Annex K: Guidelines for assessing simplified cost options.
- Annex L: Self-evaluation questionnaire on SEA-H

Useful links:

Project Cycle Management Guidelines

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

The implementation of grant contracts

A Users' Guide

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

²⁷ These documents should also be published by the contracting authority.

²⁸ In case the participating countries have envisaged the submission of progress reports, there should be a reference here, as well as in the standard grant contract (special conditions) and the corresponding template should be part of this list of annexes.

Financial Toolkit

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

Please note: the toolkit is not part of the grant contract and has no legal value. It merely provides general guidance and may in some details differ from the signed grant contract. In order to ensure compliance with their contractual obligations, beneficiaries should not exclusively rely on the toolkit but always consult their individual contract documents.

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