

**Contracting Authority**:

Ministry of Finance, the Directorate for Finance and Contracting of the EU Assistance Funds

Transfer of knowledge between sectors of higher education, research and industry

Guidelines  
for grant applicants

Operational Programme

Human Resources Development for 2012-2013

Financed by Instrument for Pre-Accession Assistance (IPA)

Reference: EuropeAid/136938/ID/ACT/ME

Deadline for submission of full application: 10th August 2015

NOTICE

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

Table of contents

[1. Transfer of knowledge between sectors of higher education, research and industry 4](#_Toc414548752)

[1.1. Background 4](#_Toc414548753)

[1.2. Objectives of the programme and priority issues 4](#_Toc414548754)

[1.3. Financial allocation provided by the contracting authority 5](#_Toc414548755)

[2. Rules FOR thIS call for proposalS 6](#_Toc414548756)

[2.1. Eligibility criteria 6](#_Toc414548757)

[2.1.1. Eligibility of applicants (i.e. applicant and co-applicant(s)) 6](#_Toc414548758)

[2.1.2. Affiliated entities 7](#_Toc414548759)

[2.1.3. Associates and Contractors 9](#_Toc414548760)

[2.1.4. Eligible actions: actions for which an application may be made 9](#_Toc414548761)

[2.1.5. Eligibility of costs: costs that can be included 12](#_Toc414548762)

[2.2. How to apply and the procedures to follow 15](#_Toc414548763)

[2.2.1. Application forms 15](#_Toc414548764)

[2.2.2. Where and how to send Applications 15](#_Toc414548765)

[2.2.3. Deadline for submission of Applications 16](#_Toc414548766)

[2.2.4. Further information about Applications 16](#_Toc414548767)

[2.3. Evaluation and selection of applications 17](#_Toc414548768)

[2.4. Submission of supporting documents for provisionally selected applications 24](#_Toc414548769)

[2.5. Notification of the Contracting Authority’s decision 24](#_Toc414548770)

[2.5.1. Content of the decision 24](#_Toc414548771)

[2.5.2. Indicative timetable 24](#_Toc414548772)

[2.6. Conditions for implementation after the Contracting Authority’s decision to award a grant 25](#_Toc414548773)

[3. LIST OF annexes 26](#_Toc414548774)

[4. LIST OF ABBREVIATIONS 27](#_Toc414548775)

1. Transfer of knowledge between sectors of higher education, research and industry
   1. Background

Since December 2010 when Montenegro was granted the status of candidate country to European Union (EU) membership, the country is aiming to pursue the EU objectives in the field of research and technological development and ensure conditions necessary for the effective participation in the EU programmes on research and innovation.

Montenegro Signed International Agreement for association to the new EU Framework programme for Research and Innovation “HORIZON 2020” (2014-2020) on 1st July 2014 in Brussels. Based on EC Staff Working Document “Montenegro 2013 Progress Report”, in 2012 gross expenditure on research and development (R&D) represented some 0.4% of GDP, roughly the same as a year before. The private sector accounts for barely 27% of this figure. It is evident, that although public institutions participate actively in European research programmes, private sector involvement remains limited. The level of investment in research needs to be further increased in particular from the private sector and by stimulating public and private cooperation between research and innovation, therefore increasing investment in scientific research activities.

One of the priorities set by the Strategy for Scientific and Research activities (2012-2016) is to increase the competitiveness of the Montenegrin economy by facilitating access to research and innovation outcomes and enhance links between science, education and economy. The document stresses the importance of connection between the public and private sector, connecting of the initiatives between researchers in the public and the private sector.

Given the fact that the enterprises in Montenegro lack capacities to independently deal with research, technological development and innovation, it is necessary to enable their connection with universities, research institutions and consultants in order to work on increasing their potential to develop innovative products, services and processes. Therefore, the measures of connecting researchers and consultants with the enterprises are justified in order to assist them in the innovation process by knowledge transfer that may result in release of potential for creativity and productivity.

* 1. Objectives of the programme and priority issues

The **global objective** of this Call for Proposals is: to strengthen innovation capacities of higher education, research and economy.

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

* improvement of knowledge transfer between academic and industry sector, in both directions,
* development of innovation skills, improved or innovative processes, products, and/or services in the enterprises.

The **priorities** of this Call for Proposals is/are:

* prototype,
* innovative product, service, organizational models and
* improvement of the HR skills.
  1. Financial allocation provided by the contracting authority

The overall indicative amount made available under this Call for Proposals is EUR 749,442.00. The Contracting Authority reserves the right not to award all available funds.

Size of grants

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

* minimum amount: €3.000, 00
* maximum amount: € 25.000,00

Any grant requested under this Call for Proposals must not exceed maximum percentages of total eligible costs of the action:

* Maximum percentage: 90 % of the total eligible costs of the action (see also Section 2.1.5).

The balance (i.e. the difference between the total cost of the action and the amount requested from the Contracting Authority) must be financed from sources other than the European Union Budget or the European Development Fund[[1]](#footnote-2).

1. 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: <http://ec.europa.eu/europeaid/prag/document.do?locale=en>).

* 1. Eligibility criteria

There are three sets of eligibility criteria, relating to:

1. the actors:

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

1. the actions:

Actions for which a grant may be awarded (2.1.4);

1. the costs:

* types of cost that may be taken into account in setting the amount of the grant (2.1.5).
  + 1. Eligibility of applicants (i.e. applicant and co-applicant(s))

**Applicant**

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

* be a private or public legal person **and**
* be established[[2]](#footnote-3) in a Member State of the European Union **or** other eligible state stipulated in the basic act (Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA)) **and**
* be directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity(ies), not acting as an intermediary **and**
* belong to one of the following categories and fulfil the related conditions:

1. Scientific research institution:

be licensed by the Ministry of Science of Montenegro (in accordance with Art 28 of the Law on Scientific-research activities - Official Gazette of Montenegro 80/10)[[3]](#footnote-4) **and**

In the case of an institution established in an eligible country other than Montenegro, it must be registered in Montenegro as branch/office and must be licensed by the Ministry of Science of Montenegro;

1. Micro and Small-Medium Sized Enterprise (MSME):
2. be a MSME, defined as follows
   1. Medium sized enterprise - fewer than 250 employees (annual turnover up to 50.000.000,00 EUR and/or an annual balance sheet total up to 43.000.000,00 EUR);
   2. Small sized enterprise – fewer than 50 employees (annual turnover and/or an annual balance sheet total up to 10.000.000,00 EUR);
   3. Micro sized enterprise – fewer than 10 employees (annual turnover and/or an annual balance sheet total up to 2.000.000,00 EUR).
3. have been operating for two years before the deadline of submission;
4. in the case of an institution established in an eligible country other than Montenegro, it must be registered in Montenegro as branch/office
5. Higher education institutions
6. Civil society organisations, such as non-governmental organisations (NGOs)
7. Social partners, such as employers’ associations, employees' associations and trade unions
8. Science and Technology Parks, Centres of Excellence

(2) The potential applicant may not participate in calls for proposals or be awarded grants if it is in any of the situations listed in Section 2.3.3 of the Practical Guide;

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

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

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

**Co-applicant(s)**

At least one eligible entity from the category 1 **and** one eligible entity from the category 2 must be involved as applicant OR co-applicant in this Call for Proposals.

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

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

Co-applicant(s) must sign the Mandate in Part B section 4 of the grant application form.

If awarded the Grant contract, the co-applicant(s)(if any) will become beneficiaries in the Action (together with the Coordinator).

* + 1. Affiliated entities

Affiliated entity(ies)

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

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

Only entities having a structural link with the applicants, in particular a legal or capital link.

This structural link encompasses mainly two notions:

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

Entities affiliated to a beneficiary may hence be:

* Entities directly or indirectly controlled by the beneficiary (daughter companies or first-tier subsidiaries). They may also be entities controlled by an entity controlled by the beneficiary (granddaughter companies or second-tier subsidiaries) and the same applies to further tiers of control;
* Entities directly or indirectly controlling the beneficiary (parent companies). Likewise, they may be entities controlling an entity controlling the beneficiary;
* Entities under the same direct or indirect control as the beneficiary (sister companies).

(ii) Membership, i.e. the beneficiary is legally defined as a e.g. network, federation, association in which the proposed affiliated entities also participate or the beneficiary 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 a beneficiary 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 an 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 a beneficiary:

* Entities that have entered into a (procurement) contract or subcontract with a beneficiary, act as concessionaires or delegatees for public services for a beneficiary,
* Entities that receive financial support from the beneficiary,
* Entities that cooperate on a regular basis with the beneficiary on the basis of a memorandum of understanding or share some assets,
* Entities that have signed a consortium agreement under the grant contract.

How to verify the existence of the required link with the beneficiary?

The affiliation resulting from control may in particular be proved on the basis of the consolidated accounts of the group of entities the beneficiary 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 beneficiary constitutes or in which the beneficiary participates.

If the applicants are awarded a contract, their affiliated entity(ies) will not be become Beneficiary(ies) of the Action and signatory(ies) of the Contract. However, they will participate in the design and in the implementation of the Action and the costs they incur (including those incurred for Implementation Contracts and Financial Support to third parties) may be accepted as eligible costs, provided they comply with all the relevant rules already applicable to the Beneficiary(ies) under the Grant Contract.

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

* + 1. Associates and Contractors

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

* Associates

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

* Contractors

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

* + 1. Eligible actions: actions for which an application may be made

Definition:

An action is composed of a set of activities.

Duration

The initial planned duration of an action may not be lower than 12 months nor exceed 15 months.

Sectors and themes

The actions shall be in line with at least one of the priority sector for research activities and innovation outlined in the Strategy for Scientific and Research activities (2012-2016):

Set 1

• Energy,

• Information and Communication Technology (ICT),

• Medicine and Health of people,

• Sustainable development and tourism,

• Agriculture and Food

Set 2

• Competitiveness of the National Economy,

• Identity,

• New materials, products and services,

• Science and Education

• Transport.

Targeting sectors listed under Set 1 would be an asset.

Location

Actions must take place in Montenegro except for short time study trips or exchange visits, participation at exhibitions as specified hereafter.

Types of action

Types of action which may be financed under this call:

* market oriented research and innovation;
* improvement and/or innovation of the existing technological processes, products and/or services;
* design and dissemination of innovative forms of work organisation;
* increasing capacities in technological development and innovation;
* transfer of knowledge and innovation skills from academic sector to enterprises and vice versa.

Whenever possible, attention should be paid to the cross-cutting issues, specifically those issues that contribute to promotion of gender equality, human rights and democracy and [environmental sustainability](http://ec.europa.eu/europeaid/what/development-policies/intervention-areas/environment/index_en.htm).

The following types of action are ineligible:

* actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences and congresses;
* actions concerned only or mainly with individual scholarships for studies or training courses;

Types of activity

Types of activity which may be financed under this call

* implementation of market researches;
* implementation of researches;
* implementation of technological surveys;
* development of the proposal(s) for the new and innovative technology transfer activities for specific enterprise(s) participating in a project;
* technology screening;
* development and testing prototypes;
* development and testing new innovative products and/or innovative services;
* patent valorisation;
* establishment of effective quality assurance systems for manufacturing and service enterprises;
* temporary engagement of young researchers to MSME;
* consulting, exchange of information, know-how and experience
* establishment of cooperation/working relationships with regional/national innovation stakeholders interested in innovation transfer and commercialisation;
* organisation of trainings, study visits, staff exchange, etc. for development of competences and skills relevant for innovation development and commercialisation, product development, technological solutions, etc.;
* organisation of technology transfer events, workshops, open days, seminars, participation at exhibitions.

Note (1) - research and survey activities should demonstrate clear link to the expected results in a project (outputs transferred to enterprises).

Note (2)- study trips and exchange visits, participation at workshops, open days, seminars, and exhibitions may be organised in Member States of the European Union, or Member States of the European Economic Area, or official candidate countries or potential candidates that are beneficiaries of the Instrument for Pre-Accession Assistance.

Financial support to third parties[[4]](#footnote-5)

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. As far as possible, actions that are wholly or partially funded by the European Union must incorporate information and communication activities designed to raise the awareness of specific or general audiences of the reasons for the action and the EU support for the action in the country or region concerned, as well as the results and the impact of this support.

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

Number of applications and grants per applicants

The applicant may not submit more than 2 application(s) under this Call for Proposals.

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

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

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

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

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

* + 1. Eligibility of costs: costs that can be included

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

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

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

Simplified cost options may take the form of:

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

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

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

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

* describe the information and methods used to establish the amounts of unit costs, lump sums and/or flat-rates, to which costs they refer, etc.
* clearly explain the formulas for calculation of the final eligible amount[[5]](#footnote-6)
* identify the beneficiary who will use the simplified cost option (in case of affiliated entity, specify first the beneficiary), in order to verify the maximum amount per each beneficiary (which includes if applicable simplified cost options of its affiliated entity(ies))

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

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

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

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

Eligible direct cost

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

In accordance with Art 152.1 (a) of the of the Commission Regulation No. 718/2007 implementing Council regulation No. 1085/2006 establishing an Instrument for Pre-accession Assistance (IPA) and its amendment, the following costs are also eligible:

* depreciation costs under the following cumulative conditions:
* no national or Community grants have contributed to the purchase of the related investment;
* depreciation costs are calculated based on the relevant applicable national accountancy rules;
* costs relate exclusively to the period of co-financing of the operation concerned.

In accordance with the Art 152.2 of the Commission Regulation No. 718/2007 implementing Council regulation No. 1085/2006 establishing an Instrument for Pre-accession Assistance (IPA) and its amendment, the following costs are also eligible:

* taxes, including value added taxes, if they are not recoverable by any means and it is established that they are borne by the final beneficiary;
* operating costs, including rental costs, exclusively related to the period of co-financing of the operation;
* rent or leasing, provided that it is exclusively related to the period of co-financing of the operation, and that it is preferable to other solutions in terms of the best value for money.

Salary costs of the personnel of national administrations 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 were not undertaken.

Contingency reserve

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

Eligible indirect costs

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

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

Contributions in kind

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

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

Ineligible costs

The following costs are not eligible:

* debts and debt service charges (interest);
* provisions for losses or potential future liabilities;
* costs declared by the Beneficiary(ies) and financed by another action or work programme receiving a Union (including through EDF) grant;
* purchases of land or buildings, except where necessary for the direct implementation of the action, in which case ownership must be transferred to the final beneficiaries and/or local Beneficiary(ies), at the latest at the end of the action;
* currency exchange losses;
* credit to third parties;
* customs and import duties, or any other charges;
* fines, financial penalties and expenses of litigation;
* second-hand equipment;
* bank charges, costs of guarantees and similar charges;
* conversion costs, charges and exchange losses associated with any of the component specific euro accounts, as well as other purely financial expenses;
* contributions in kind
  1. How to apply and the procedures to follow

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

* + 1. Application forms

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

Applicants must apply in English.

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

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

Hand-written applications will not be accepted.

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

* + 1. Where and how to send Applications

Applications must be submitted in one original and 3copies in A4 size, each bound. The complete application form (Part A: concept note and Part B: full application form), budget must also be supplied in electronic format (CD-ROM) in a separate and single file (i.e. the application form must not be split into several different files). The electronic file must contain **exactly the same** application as the paper version enclosed.

The Checklist (Section 7 of Part B the grant application form) and the Declaration by the applicant (Section 8 of Part B of the grant application form) must be stapled separately and enclosed in the envelope.

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

The outer envelope must bear the **reference number and the title of the Call for Proposals**, together with the full name and address of the applicant, and the words ‘Not to be opened before the opening session’ and ***“Ne otvaraj prije zvaničnog otvaranja prijava”***.

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

**Postal address**

The Ministry of Finance

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

Stanka Dragojevića 2,

81 000 Podgorica, Montenegro

**Address for hand delivery or by private courier service**

The Ministry of Finance

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

StankaDragojevića 2, (Room 4)

81 000 Podgorica, Montenegro

***Please note that opening hours of the Ministry of Finance – The Directorate for Finance and Contracting of the EU Assistance Funds (CFCU) is 9:00–17:00.***

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

**Applicants must verify that their application is complete using the checklist (Section7 of Part B of the grant application form).Incomplete applications may be rejected.**

* + 1. Deadline for submission of Applications

The deadline for the submission of applications is **10th August 2015** as evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at **16:00**hours local time as evidenced by the signed and dated receipt. Any application submitted after the deadline will automatically be rejected.

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

* + 1. Further information about Applications

Notice on information session on this Call for Proposals will published after publishing call for proposals on:

* the EuropeAid website

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

* Website of the Contracting Authority

<http://www.mf.gov.me/rubrike/CFCU_tenderi/Tenderi/Otvoreni>

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

E-mail address: [cfcu@mif.gov.me](mailto:cfcu@mif.gov.me)

Fax number: +382 20 230 657

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

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

To ensureequal treatment of applicants, the Contracting Authority cannot give a prior opinion on the eligibility of applicants, affiliated entity(ies), an action or specific activities.Questions that may be relevant to other applicants, together with the answers, will be published on the:

* EuropeAid website

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

* Website of the Contracting Authority<http://www.mf.gov.me/rubrike/CFCU_tenderi/Tenderi/Otvoreni>

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

All questions related to PADOR registration should be addressed to the PADOR help desk:

<mailto:EuropeAid-IT-support@ec.europa.eu>

* 1. Evaluation and selection of applications

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

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

1. **STEP 1: OPENING&ADMINISTRATIVE CHECKS AND CONCEPT NOTE EVALUATION**

The following will be assessed:

* Compliance with the submission deadline. If the deadline has not been met, the application will automatically be rejected.
* The Application Form satisfies all the criteria specified in points 1-5 of the Checklist Section7 of Part B of the grant application form).If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

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

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

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

|  |  |  |
| --- | --- | --- |
|  | **Scores** | |
| **1. Relevance of the action** | Sub-score | **30** |
| 1.1 How relevant is the proposal to the objectives and priorities of the Call for Proposals? | 5x2\*\* |  |
| 1.2 How relevant to the particular needs and constraints of the target country(ies) or region(s) is the proposal (including synergy with other EU initiatives and avoidance of duplication)? | 5x2\*\* |  |
| 1.3 How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs been clearly defined and does the proposal address them appropriately? | 5 |  |
| 1.4 Does the proposal contain specific added-value elements, such as environmental issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and rights of indigenous peoples, or innovation and best practices? | 5 |  |
| **2. Design of the action** | Sub-score | **20** |
| 2.1 How coherent is the overall design of the action?  In particular, does it reflect the analysis of the problems involved, take into account external factors and relevant stakeholders? | 5x2\*\* |  |
| 2.2 Is the action feasible and consistent in relation to the objectives and expected results? | 5x2\*\* |
| **TOTAL SCORE** |  | **50** |

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

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

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

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

1. **STEP 2: EVALUATION OF THE FULL APPLICATION**

Firstly, the following will be assessed:

* The full application form satisfies all the criteria specified in points 1-9 of the Checklist (Section 7 of Part B of the grant application form). If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

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

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

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

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

*Scoring:*

The evaluation 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 experience of project management? | 5 |
| 1.2 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient technical expertise? (especially knowledge of the issues to be addressed) | 5 |
| 1.3 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient management capacity?  (Including staff, equipment and ability to handle the budget for the action)? | 5 |
| 1.4 Does the lead applicant have stable and sufficient sources of finance? | 5 |
| **2. Relevance of the action** | **30** |
| *Score transferred from the Concept Note evaluation* |  |
| **3. Effectiveness and feasibility of the action** | **20** |
| 3.1 Are the activities proposed appropriate, practical, and consistent with the objectives and expected results? | 5 |
| 3.2 Is the action plan clear and feasible? | 5 |
| 3.3 Does the proposal contain objectively verifiable indicators for the outcome of the action? Is any evaluation planned? | 5 |
| 3.4 Is the co-applicant(s)'s and affiliated entity(ies)'s level of involvement and participation in the action satisfactory? | 5 |
| **4. Sustainability of the action** | **15** |
| 4.1 Is the action likely to have a tangible impact on its target groups? | 5 |
| 4.2 Is the proposal likely to have multiplier effects? (Including scope for replication, extension and information sharing.) | 5 |
| 4.3 Are the expected results of the proposed action sustainable?:  - financially*(how will the activities be financed after the funding ends?)*  - institutionally*(will structures allowing the activities to continue be in place at the end of the action? Will there be local ‘ownership’ of the results of the action?)*  - at policy level (where applicable) *(what will be the structural impact of the action — e.g. will it lead to improved legislation, codes of conduct, methods, etc?)*  - environmentally (if applicable) *(will the action have a negative/positive environmental impact?)* | 5 |
| **5. Budget and cost-effectiveness of the action** | **15** |
| 5.1 Are the activities appropriately reflected in the budget? | / 5 |
| 5.2 Is the ratio between the estimated costs and the expected results satisfactory? | / 10 |
| **Maximum total score** | **100** |

*Note on section 1. Financial and operational capacity*

If the total score for section 1 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 and within the limits of the funds available. In addition, a reserve list will be drawn up following the same criteria to be used if more funds should become available during the validity period of the reserve list.

1. **STEP 3: VERIFICATION OF ELIGIBILITY OF THE APPLICANTS ANDAFFILIATED ENTITY(IES)**

The eligibility verification, based on the supporting documents requested by the Contracting Authority (see Section2.4) will only be performed for the applications that have been provisionally selected according to their score and within the available financial envelope.

* The Declaration by the applicant (Section 8 of Part B the grant application form) will be cross-checked with the supporting documents provided by the applicant. Any missing supporting document or any incoherence between the Declaration by the applicant and the supporting documents may lead to the rejection of the application on that sole basis.
* The eligibility of applicants, the affiliated entity(ies), and the action will be verified according to the criteria set out in Sections 2.1.1,2.1.2 and 2.1.3.

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

* 1. Submission of supporting documents for provisionally selected applications

An applicant that has been provisionally selected or placed on the reserve list will be informed in writing by the Contracting Authority. No supporting document other than the ones listed below will be requested for applications for a grant not exceeding EUR 60 000:

* Legal entity sheet (see annex D of these Guidelines) duly completed and signed by each of the applicants (i,e by the applicant and (if any) by each co-applicant(s), accompanied by the justifying documents requested there.
* A financial identification form of the applicant (not from co-applicant(s)) conforming to the model attached at Annex E of these Guidelines, certified by the bank to which the payments will be made. This bank should be located in the country where the applicant is established.

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

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

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 applicant has to submit the application form revised accordingly.

* 1. Notification of the Contracting Authority’s decision
     1. Content of the decision

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

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

* + 1. Indicative timetable

|  |  |  |
| --- | --- | --- |
|  | **DATE** | **TIME\*** |
| **Information meeting (if any)** | To be published according to the section 2.2.4 Further information about Applications | Not applicable |
| **Deadline for requesting any clarifications from the Contracting Authority** | Monday, July 20, 2015 | 17:00 |
| **Last date on which clarifications are issued by the Contracting Authority** | Thursday, July 30, 2015 | Not applicable |
| **Deadline for submission of Application Form** | Monday, 10 August, 2015 | 16:00h |
| **Information to applicants on opening, administrative checks and concept note evaluation (Step 1)** | September 2015 | - |
| **Information to applicants on the evaluation of the Full Application Form (Step 2)** | November 2015 | - |
| **Notification of award (after the eligibility check) (Step 3)** | January 2016 | - |
| **Contract signature** | April 2016 | - |

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

This indicative timetable may be updated by the Contracting Authority during the procedure. In such cases, the updated timetable will be published on the CFCU and EuropeAid web site:

* <http://www.mf.gov.me/rubrike/CFCU_tenderi/Tenderi/Otvoreni>
* https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome&userlanguage=en
  1. 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 Contracting Authority’s grant contract (see Annex G of these Guidelines[[6]](#footnote-7)). 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.

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.

1. LIST OF annexes

**Documents to be completed**

Annex A: Grant Application Form (Word format)

Annex B: Budget (Excel format)

Annex D: Legal Entity Sheet

Annex E: Financial identification form

**DOCUMENTS FOR INFORMATION**

Annex G: Standard Grant Contract

- Annex II: General conditions

- Annex IV: contract award procedures

- Annex V: standard request for payment

- Annex VI: model narrative and financial report

Annex H: Daily allowance rates (Per diem), available at the following address: <http://ec.europa.eu/europeaid/perdiem_en>

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

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

**Useful links:**

**Project Cycle Management Guidelines**

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

**The implementation of grant contracts**

**A Users' Guide**

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

**Financial Toolkit**

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

\* \* \*

1. LIST OF ABBREVIATIONS

BRPM Body Responsible for Priority/Measure

CFCU Central Finance & Contracts Finance Unit (In Montenegro designated as the Directorate

for Finance and Contracting of the EU Assistance Funds in the Ministry of Finance of

Montenegro)

EC European Commission

EU European Union

DEU Delegation of the European Union

GDP Gross Domestic Product

HE Higher Education

MSMEs Micro Small and Medium-sized Enterprises

IPA Instrument for Pre-Accession Assistance

ICT Information and Communication Technology

R&D Research and Development

VAT Value Added Tax

HORIZON 2020 EU Framework Programme for Research and Innovation

1. Where a grant is financed by the European Development Fund, any mention of European Union financing must be understood as referring to European Development Fund financing. [↑](#footnote-ref-2)
2. To be determined on the basis of the organisation’s statutes, which should demonstrate that it has been established by an instrument governed by the national law of the country concerned and that its head office is located in an eligible country. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a ‘Memorandum of Understanding’ has been concluded. [↑](#footnote-ref-3)
3. Please note that the license must be effective at the time of the submission. [↑](#footnote-ref-4)
4. These third parties are neither affiliated entity(ies) nor associates nor contractors. [↑](#footnote-ref-5)
5. Examples:- for staff costs: number of hours or days of work \* hourly or daily rate pre-set according to the category of personnel concerned;- for travel expenses: distance in km \* pre-set cost of transport per km; number of days \* daily allowance pre-set according to the country;- for specific costs arising from the organization of an event: number of participants at the event \* pre-set total cost per participant etc. [↑](#footnote-ref-6)
6. Complemented by the provisions in Annex e3h11 where at least one of the beneficiaries is an international organisation. [↑](#footnote-ref-7)