

**IPA Adriatic Cross-border
Cooperation Programme
2007-2013**

*2nd Call for Ordinary Projects
proposals*

Priority 2



Let's grow up together

Adriatic IPA

Cross Border Cooperation 2007-2013



TABLE OF CONTENT

§. 1. CONTEXT	- 3 -
§. 2. RESPONSIBLE FOR THE PROCEDURE	- 3 -
§. 3. PRIORITY, MEASURES AND OBJECTIVES	- 3 -
§. 4. BUDGET OF THE CALL FOR PROPOSALS	- 4 -
§. 5. THE PROGRAMME ELIGIBLE AREA AND THE LOCATION OF ACTIVITIES.....	- 4 -
§. 6. ELIGIBLE BENEFICIARIES.....	- 5 -
§. 7. THE PARTNERSHIP	- 7 -
§. 8. PROJECT SIZE AND CO-FINANCING RATES	- 8 -
§. 9. CONTENTS OF THE PROPOSALS	- 8 -
§. 10. ELIGIBLE EXPENDITURES.....	- 9 -
§. 11. APPLICATION PROCEDURES.....	- 10 -
§. 12. SELECTION PROCEDURE AND EVALUATION CRITERIA	- 12 -
§. 13. CONTRACT SIGNATURE AND PROJECT IMPLEMENTATION.....	- 15 -
§. 14. ADDITIONAL INFORMATION	- 16 -
§. 15. DOCUMENTS OF REFERENCE.....	- 17 -
§. 16. ANNEXES	- 18 -

§. 1. CONTEXT

The IPA is the financial instrument established by the European Union (EC Regulation n. 1085/2006) to assist the Candidate Countries and the Potential Candidate Countries (beneficiary Countries) in their progressive alignment with the standards and policies of the European Union, including where appropriate the *acquis communautaire*, with a view to membership.

The Component II of IPA finances initiatives of cross-border cooperation among Member States and beneficiary Countries, in order to promote good and neighbouring relations, foster stability, security and prosperity in the mutual interest of all the Countries concerned, and to encourage their harmonious, balanced and sustainable development.

The Adriatic Basin is a very important cooperation area for the European Union, for all coastal Members (Greece, Italy and Slovenia) and non-Member States (Albania, Croatia, Bosnia and Herzegovina, Montenegro, Serbia), because of the close historical, geographical, cultural, social and economic linkages.

The IPA Adriatic Cross-border Cooperation (CBC) Programme (hereafter, "Programme") aims at *strengthening the sustainable development capacity of the Adriatic Region through an agreed strategy of actions among the partners of the eligible territories*.

This Call for proposals concerns the applications for ordinary projects within the Priority 2 of the Programme: "*Natural and Cultural Resources and Risk Prevention*" and according to rules and procedures established in the Implementation Manual approved by the Joint Monitoring Committee.

§. 2. RESPONSIBLE FOR THE PROCEDURE

According to the IPA Adriatic Cross-border Cooperation Operational Programme, the responsible for the procedures management of this Call for proposals is the Abruzzo Region of the Italian Republic, "*Direzione Affari della Presidenza, Politiche Legislative e Comunitarie Programmazione, Parchi, Territorio, Valutazioni ambientali, Energia - Servizio Attività Internazionali*" and its representative Mrs. Giovanna Andreola, as Managing Authority of the IPA Adriatic CBC Programme.

§. 3. PRIORITY, MEASURES AND OBJECTIVES

This Call for proposals concerns the Priority 2 of the Programme: "*Natural and Cultural Resources and Risk Prevention*". It aims at promoting, improving and protecting natural and cultural resources through joint management of technological and natural risks. The significant qualitative and quantitative potential of the areas' natural and cultural resources is considered very important and consequently the interventions shall aim to improve, promote and protect these resources through joint maximising use of them.

The Priority 2 is divided in 4 Measures:

- **Measure 2.1 "Protection and enhancement of the marine and coastal environment"**: it aims at improving and protecting the coasts, also through joint management of the sea and coastal environment, and risk prevention.
- **Measure 2.2 "Natural and cultural heritage management and prevention of natural and technological risks"**: it aims at strengthening institutional ability to preserve and manage the natural and cultural heritage through regional cooperation.
- **Measure 2.3 "Energy saving and renewable energy resources"**: developing renewable energy sources and energy conservation.

- **Measure 2.4 “Sustainable tourism”**: it aims at increasing international competitiveness of tourist destinations in a sustainable way, by improving the quality of market-oriented tourist packages, particularly emphasising natural and cultural resources.

Applicants must clearly refer only to one Measure of the Priority 2; the missing or the unclear indication of the Measure shall lead to the rejection of the project.

§. 4. BUDGET OF THE CALL FOR PROPOSALS

The Priority 2 budget allocated for this Call for proposals is 27.327.300 EUR (twenty seven million three hundred twenty seven thousand three hundred EUR), of which 23.228.205 EUR (85%) ensured by Community IPA funds and 4.099.095 EUR (15%) ensured by the national co-financing.

The Joint Monitoring Committee (JMC) and the Managing Authority reserve the right not to grant all available funds in this Call, if the number of project proposals that satisfy all selection and evaluation criteria received is insufficient. Joint Monitoring Committee reserves the right to increase the Call funds up to the Programme financial resources available for Ordinary Projects.

§. 5. THE PROGRAMME ELIGIBLE AREA AND THE LOCATION OF ACTIVITIES

The Programme eligible area consists of the NUTS 3 territories of the participating EU Member States (Greece, Italy, Slovenia) and the equivalent level territories of the participating Candidate Countries (Croatia and Montenegro) and the Potential Candidate Countries (Albania, Bosnia and Herzegovina) on the Adriatic Sea. Serbia participates in the Programme with the whole territory under a *phasing out* condition: it means that Serbian Beneficiaries shall participate only in the projects that develop institutional cooperation initiatives and their expenditures are eligible at the latest until 31st December 2015.

According to the Article 97 of IPA Implementing Regulation, the Programme admits derogation to the territorial eligibility rule for adjacent areas to eligible territories, up to the limit of 20% of the amount of the Community contribution to the Programme. However, this does not mean that a fixed share of 20% of the programme budget is reserved for partners from these areas. The cross border added value of participation of partners from these areas will be assessed on project basis. In case this limit is reached, the JMC will not finance, totally or partly, expenditures incurred in territorial derogation areas.

The detailed list of the eligible territories (*with the territorial derogations*) is the following:

- **Greece**: Kerkyra and Thesprotia.
- **Italy**: Gorizia, Trieste, Udine, Padova, Rovigo, Venezia, Ferrara, Forlì-Cesena, Ravenna, Rimini, Ancona, Ascoli Piceno, Fermo, Macerata, Pesaro-Urbino, Chieti, Pescara, Teramo, Campobasso, Bari, Brindisi, Foggia, Barletta-Andria-Trani and Lecce. *Territorial derogation: L'Aquila, Pordenone, Isernia, and Taranto.*
- **Slovenia**: Obalno-kraška regija. *Territorial derogation: Goriška regija and Notranjsko-kraška regija.*
- **Croatia**: Dubrovnik-Neretva, Istra; Lika-Senj; Primorje-Gorski kotar; Šibenik-Knin; Split-Dalmatia, and Zadar. *Territorial derogation: Karlovac County.*
- **Albania**: Fier, Durrës, Lezhë, Shkodër, Tiranë, and Vlorë.
- **Bosnia and Herzegovina**: Bileća, Čapljina, Čitluk, Gacko, Grude, Jablanica, Konjic, Kupres, Livno, Ljubinje, Ljubuški, Mostar, Neum, Nevesinje, Posušje, Prozor/Rama, Ravno, Široki Brijeg, Stolac, Berkovići, Tomislavgrad, Trebinje, and Istočni Mostar. *Territorial derogation: Sarajevo Region, North-West Region and Central Region.*

- **Montenegro:** Bar, Budva, Cetinje, Danilovgrad, Herceg Novi, Kotor, Nikšić, Podgorica, and Ulcinj, Tivat. *Territorial derogation: Pljevlja, Bijelo Polje, Berane, Rožaje, Plav, Andrijevica, Kolašin, Mojkovac, Šavnik, Žabljak, and Plužine.*
- **Serbia:** whole territory (*phasing out condition*).

As general principle, the operation must be implemented in the Programme eligible area above described.

Beneficiaries with their registered office located outside the Programme eligible area, can participate with a regional/local branch office located in the Programme eligible area. In this case, the registered (head) office must be recorded in one of the Participating Countries and the organisation must explain its role in the Programme area providing the following proofs:

- at least one year of operation of a local organisational unit in the Programme area must be justified with administrative or accounting documentation **and**
- the leader of the branch office must be an authorised representative of the final beneficiary, entitled to act for the implementation of the project activities.

Expenditures are considered to be ***incurred in the place where the Final Beneficiary's registered office or, if in the eligible area, the branch office is located.*** For *meeting/event* and *expenditure in tangible assets*, the location of the meeting/event and of the tangible asset will be taken into consideration.

At project level, in exceptional cases, expenditures incurred outside the Programme area as defined above, may be eligible provided that both following conditions are respected:

1. the project could only achieve its objectives with that expenditures (art. 97.1 second subparagraph of Reg. (EC) 718/2007 as amended by Reg. (EC) 80/2010) **and**
2. the expenditures have been previously authorized in compliance with art. 97.2 of Reg. (EC) 718/2007.

§. 6. ELIGIBLE BENEFICIARIES

Final beneficiaries must have their registered office in one of the Programme Participating Countries.

All project final beneficiaries must be a body or a firm, public or private.

Entities which do not have legal personality under the applicable national law are not eligible.

All Final Beneficiaries must fall within one of the following categories:

1. **Public bodies:** national, regional, local authorities and other public bodies, established and governed under public law.
2. **Bodies governed by public law:** pursuant to the Article 1.9 of Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004, a *body governed by public law* means any body:
 - a) established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character,
 - b) having legal personality **and**
 - c) financed, for the most part, by the State, regional or local authorities, or other bodies governed by public law; or subject to management supervision by those bodies; or having an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law.
3. **Private organizations, including private companies:** any organization (non profit and profit making) established by private law, not falling in the previous categories, can be eligible partner and receive IPA funds. Under this Call for proposals, profit making organizations mean

only Small and Medium Enterprises (SMEs), according to the Commission Recommendation C(2003) 1422. SMEs can not act as Lead Beneficiaries. Serbian SMEs are not eligible as project Beneficiaries.

International organizations are not eligible under this Call for proposals. They could participate in a project only as Associates (see the next § 7).

The Serbian Beneficiaries' participation is limited to joint projects in the field of institutional cooperation. It means that Serbian Beneficiaries can act as project Lead Beneficiary/Beneficiary only in the project covering the following relevant areas of Priority 2: Culture, Tourism, Science and Research, Environment, Governance and Public Administration.

In case Serbian Beneficiaries' participation does not cover the above-mentioned sectors, the JMC will reserve the right to reject the whole project or to require the exclusion of the Serbian Final Beneficiary from the project partnership. If the Serbian Lead Beneficiary does not participate in one of the above mentioned thematic areas, the project will be rejected.

Private project partners (profit or no-profit making) will be granted by IPA Adriatic CBC Programme under the *de minimis* rule, according to the EC Regulation n. 1998/2006, unless they justify that they are **not** acting in the project as undertakings and for private interest. Public bodies and bodies governed by public law will be instead granted by IPA Adriatic CBC Programme under the *de minimis* rule in case they declare to act in the project as undertakings and for private interest.

All project partners have to declare if they act in the project under the *de minimis* regime or not, by using the "De minimis Declaration" form annexed to this Call.

The *de minimis* rule requirements imply that undertakings, public or private bodies or firms, will only be granted aid if they have not received an amount of *de minimis* aids totalling more than 200.000 EUR over a three-year financial period. This threshold is reduced to 100.000 EUR in the road transport sector, 30.000 EUR in fishery and aquaculture sector, 7.500 EUR in agricultural sector.

The Regulation 1998/2006 applies to aid granted to operators in all sectors, with the **exception** of:

- Aid granted to operators in the fishery and aquaculture (in these cases the Reg. EC 875/2007 is applied).
- Aid granted to operators in the primary production of agricultural products (in these cases the Reg. EC 1535/2007 is applied).
- Aid granted to operators in the processing and marketing of agricultural products (in certain cases).
- Aid to export-related activities towards third countries or Member States.
- Aid contingent upon the use of domestic over imported goods.
- Aid granted to operators active in the coal sector
- Aid for the acquisition of road freight transport vehicles granted to undertakings performing road freight transport for hire or reward.
- Aid granted to undertakings in difficulty.

The public assistance, which is allowed up to the 200.000 EUR ceiling, includes all aid granted under the *de minimis* framework by the national, regional or local authorities, regardless whether the resources are provided from domestic sources or are partly financed by the European Union. The ceilings apply to aid of all kinds, irrespective of the form it takes or the objective pursued.

In accordance with the Article 90.6 of the EC Regulation n. 718/2006, the ceilings on State aid must be observed by Beneficiaries both from the EU Member States and the EU-non Member States participating in the Programme.

§. 7. THE PARTNERSHIP

The minimum partnership established for an IPA Adriatic CBC project must involve at least one Beneficiary from one EU Member State (eligible territories of Greece, Italy and Slovenia) and one Beneficiary from one Candidate or Potential Candidate Countries (eligible territories of Albania, Croatia, Bosnia and Herzegovina, Montenegro, Serbia).

Projects which include Beneficiaries from Member States only or from (potential) Candidate Countries only are not admissible and will be rejected.

As basic rule, partnership from only territories covered by other CBC programmes financed with EU funds are not allowed. As regards the participation of Slovenia, Greece, Albania and Croatia in the Programme, the following cross-border partnerships are not eligible:

- the Obalno–kraška region in Slovenia and the Istarska županija and/or the Primorsko–goranska županija counties in Croatia;
- the Thesprotia and/or the Corfu prefectures in Greece and the Vlore region (districts of Vlore and Saranda) in Albania.

In order to be considered eligible under the IPA Adriatic CBC Programme, a project with the above-mentioned partnership must involve also at least a Beneficiary either from another eligible Member State or another Candidate or Potential Candidate Country.

In order to optimize the project management, the JMC suggests to build a partnership of no more of 15 Beneficiaries.

According to Article 96 of EC Regulation n. 718/2007, the final Beneficiaries of an operation shall appoint a Lead Beneficiary among themselves prior to the submission of the proposal for the operation. The Lead Beneficiary shall assume the following responsibilities:

- it shall lay down the arrangements for its relations with the final Beneficiaries participating in the operation in an agreement comprising, *inter alia*, provisions guaranteeing the sound financial management of the funds allocated to the operation, including the arrangements for recovering amounts unduly paid;
- it shall be responsible for ensuring the implementation of the entire operation;
- it shall be responsible for transferring the Community contribution to the final Beneficiaries participating in the operation;
- it shall ensure that the expenditure presented by the final Beneficiaries participating in the operation has been paid for the purpose of implementing the operation and corresponds to the activities agreed between the final Beneficiaries participating in the operation;
- it shall verify that the expenditure presented by the final Beneficiaries participating in the operation has been validated by the controllers referred to in Article 108 of the EC Regulation n. 718/2007.

All eligible Beneficiaries can act as Lead Beneficiary of a project, with the exception of the SMEs, that are eligible only as final Beneficiaries.

In case the Lead Beneficiary is not eligible, the project will be rejected.

If the Lead Beneficiary of a project selected for funding is a private organization (different from SMEs), at the moment of the Subsidy Contract signature, it will be required to provide proof that financial guarantee/s is/are in force (in a form accepted by the Managing Authority). The guarantee/s shall be issued for the IPA contribution allocated to the private project partners and be valid until the final reimbursement by the Programme is made. No financial guarantee shall be required to public Final Beneficiaries.

All project partners are final beneficiaries of the Programme funds and must have an active role in the project. The Lead Beneficiary or other Final Beneficiaries cannot act as intermediaries in the project or as a supplier (i.e. contractor or sub-contractor that provides services and products against payment): in such cases the related expenditures will not be eligible.

The participation of organizations as “Associates” without financial contribution from the Programme is allowed. As they are not Final Beneficiaries, Associates do not have to respect the eligibility rules established for the project Beneficiaries, but cannot be considered for the fulfilment of the partnership requirements. The Associates have to be clearly identified in the project proposal and their functions have to be indicated in the project description; they cannot act as supplier in the implementation of the project. Associate may not require reimbursement for their expenditures, with the only exception of travel and accommodation costs, incurred for the participation in project meetings/events: the reimbursement of such expenditures from the Programme is possible only if these costs are incurred by one Final Beneficiary. Associates are required to fill in and submit the Letter of Interest, annexed to the present Call, otherwise their participation will not be accepted.

§. 8. PROJECT SIZE AND CO-FINANCING RATES

The total project budget for ordinary projects must respect the following thresholds:

- **Minimum total budget:** 500.000,00 EUR.
- **Maximum total budget:** 5.000.000,00 EUR.

Each Beneficiary budget cannot exceed 60% of the total project budget and must have a minimum total budget of 100.000 EUR.

Total project budget includes the Programme Contribution (IPA funds and national co-financing) and Beneficiary's own contribution, if the Beneficiary is acting in the project as undertaking.

The IPA co-financing rate covers up to 85% of the total Programme contribution. 15% of the total Programme contribution is guaranteed by the national co-financing of each project Beneficiary, according to the system applied by each participating Country.

For Final Beneficiaries acting in the project as undertakings, the maximum amount granted will be calculated in compliance with the *de minimis* regime. In this respect, according to the Call rules, the maximum aid intensity is equal to 85% of the grant that would have been assigned if the Beneficiary was not acting in the project as an undertaking.

§. 9. CONTENTS OF THE PROPOSALS

A project must be referred only to one specific Measure of the Priority 2.

The annexes listed in § 16 are integral parts of this Call for proposals and can be downloaded on the Programme website: www.adriaticpacbc.org.

Final Beneficiaries should ensure that the financial size of the project truly reflects the activities foreseen in the work plan and that it is based on the principles of sound financial management. The estimated budget must be indicated in EUR, also by Beneficiaries from Countries having a different currency.

Project partners must cooperate in at least two of the following ways and justify clearly the choice in the project description:

- **Joint development:** it means that project must be planned out by the cross-border partnership. Beneficiaries from the different Countries contribute to identify project shared objectives, results, output, activities, budget and timing. The Lead Beneficiary might coordinate this process.
- **Joint implementation:** it means that project must be carried out throughout a close linkage and collaboration between cross-border Beneficiaries, ensuring the coordination of the respective tasks and activities in terms of contents, planning, timing and quality of outcomes. An efficient shared project management system shall be appointed under the Lead Beneficiaries responsibility.

- **Joint staffing:** it means that project partners have a defined role and allocate staff to fulfil this role (e.g. one joint project manager, one joint financial manager, etc.). That staff will be responsible for project activities in all Countries involved. Unnecessary duplications of functions in different partner organizations should be avoided.
- **Joint financing:** it means that the project has a joint budget with funding allocated to partners according to the planned activities. Programme reimbursement will be made to the bank account of the Lead Beneficiary. The Lead Beneficiary is responsible for administration and distribution of these funds and for reporting on their use.

The **project duration of ordinary projects must not exceed 36 months**. This limit applies for the implementation phase of the project and does not comprise the preparation phase.

The Applicant should foresee expenditures of at least 30% of the total project budget within the 1st year of project implementation.

§. 10. ELIGIBLE EXPENDITURES

As general rule, expenditures are eligible for Beneficiaries from Greece, Italy and Slovenia if incurred on or after the 1st January 2007, and for Beneficiaries from Albania, Bosnia and Herzegovina, Croatia, Montenegro and Serbia if incurred after the signature of the Financing Agreement between each of these Countries and the European Commission for 2010 and 2011.

To be considered eligible by the Programme, the costs must be incurred in compliance with the rules about the Programme eligible area and the location of activities, as established in the § 5 of this Call for proposals and in the Applicants' Manual.

In the framework of this Call for proposals, expenditures are eligible as follows:

- **Project preparation costs:** they can only be eligible for those projects finally approved for funding. These costs must relate exclusively to preparation activities carried out:
 - by Beneficiaries from EU eligible Countries, from the 1st January 2007 to the day of submission of the project application;
 - by Beneficiaries from eligible IPA Countries, from the date of the signature of the financing agreement between each of these Countries and the European Commission to the day of submission of the project proposal.

The Beneficiaries must indicate the preparation costs in the Application Form, include these expenditures in the first Progress Report and show the direct connection to the approved project. To be eligible, the preparation costs cannot exceed 2% of the approved total budget.

The preparation costs must be incurred only for the following activities:

- finalization of the application documents (staff costs and external expertise);
- joint meetings for the preparation of the project (travels, accommodation, meeting and events costs);
- preparatory studies, analysis and researches for activities to be carried out within the project (staff costs, external expertise).

The above-mentioned activities must respect the eligibility rules of expenditures defined per budget lines and described in the Applicants' Manual. For the preparation activities overheads are not eligible.

It is highlighted that in case a Final Beneficiary falls into the *de minimis* regime, the preparation costs are not eligible.

- **Project implementation costs:** they are eligible from the starting date of the project to its closing date, as defined in the Application Form approved by the JMC (and eventually revised upon request of the JMC). At the earliest implementation costs are eligible from the first day after the closure of Call for proposals, provided that this day is the official start of the project. In this case,

Beneficiaries may decide at their own risk to start the implementation activities before the project is finally selected for granting. The 'end date' of the project indicates when all the project activities will end and the related expenditures have been all actually paid and the last Progress Report has been submitted to the competent First Level Control Office.

The eligible costs categories are the following:

- Staff costs.
- Overheads.
- Travel and accommodation.
- External expertise.
- Meeting and events.
- Promotion costs.
- Equipment.
- Investments.
- Financial charges and guarantee costs.

A detailed description of the eligible expenditures is included in the Applicants' Manual, considered as a part of this Call for proposals.

§. 11. APPLICATION PROCEDURES

Project proposals must be in English in all their parts and documents, unless another language is permitted by the Call.

The Project proposal has to contain the following elements:

- The project Application Form and its annexed specifications;
- Letters of Intent from each Final Beneficiary (Lead included);
- The "de minimis" and Legal Status Declaration from each Final Beneficiary (Lead included);
- Letter of Interest of Associates (if any);
- Supporting documents.

Only the Lead Applicant (that will be Lead Beneficiary, in case of approval) can submit the project proposal: it means that the Lead Applicant has to collect the required documents from all involved partners and submit the project proposal according to the application procedures.

The documents to be used and to be taken into account for submitting a project proposal are available from the Programme Website: www.adriaticpacbc.org. Beneficiaries must not modify the templates provided by the Programme and must submit them in due forms.

Project Application Form and annexed specifications

The Lead Applicant has to fill in the **Project Application Form online**, in the Programme Management and Information System, and the related annexed specifications using the specific excel forms annexed to the Call. Both the Project Application Form and its annexed specifications must be submitted online, through the Programme Management and Information System: <https://sso.adriaticpacbc.org/gestionale/view/public/pubblicaBando.do> within the given deadline (Final Beneficiaries which are already registered into the M.I.S. must use the following URL: <https://sso.adriaticpacbc.org/gestionale>).

The ***annexed specifications*** to the Project Application Form that must be filled in and provided are the following:

1. "Budget breakdown";
2. "Investment details", which must be submitted only in case the project foresees construction works or the purchase of land.

Hard copy/ies of the annexed specification to the Project Application Form must be also sent by mail, together with the other documents and must be duly stamped by the Lead Applicant.

The Letter of Intent and the "de minimis" and Legal Status Declaration

Lead Applicant and each Final Beneficiary must fill in a single **Letter of Intent** and a single "**de minimis" and Legal Status Declaration**, duly date, stamp them with the official stamp of the institution and sign them in handwriting (with the original wet ink signature, no scanned, stamped or electronic signature) by the legal representative (or authorised representative). In case of signature by an authorized representative, the document proving the authorization must be provided or quoted (relevant statute/law provision or the general/special delegation act).

The Letter of Interest of the Associate

Project Associates (if any) must fill in a **Letter of Interest**, duly date and sign it in handwriting (no scanned, no stamped or electronic signature) by the legal representative (or authorised representative). In case of signature by an authorized representative, the document proving the authorization must be provided or quoted (relevant statute/law provision or the general/special delegation act).

Supporting documents

Lead Applicants have to upload into the Programme Management and Information System, with the Project Application Form and its annexes, also the following documents related to all the project partners (Lead Applicant included) in order to verify the eligibility of the project Beneficiaries:

- **Legal documents**, which prove the legal existence of the organization and that the organization is established according to the respective national law(s). In case of project Beneficiaries located outside the Programme eligible area, but with a branch office in the eligible area, the provided legal documents (administrative or accounting documentation) must also give evidence of the existence of the local organisational unit in the Programme as required in § 5 of the Call.
- **Final Beneficiary Bank Account Identification Notice** which have to be filled in by each Final Beneficiary and should be signed by the legal (or authorised) representative in compliance with the relevant statute/law provision or the general/special delegation act.
- **Balance sheets**, which shall be provided by all project Beneficiaries – except public bodies – for the most recent year that accounts are closed. Organisation which, according to their national law, do not need to establish balance sheet should provide the closest equivalent, e.g. a statement of income and expenditures. Newly founded organisations, which do not yet have balance sheets and profit and loss account available, should attach their business plan.

All the provided supporting documents should be duly marked as "certified copy" before scanning them and uploading in the Programme Management and Information System. In case (some of) these documents are published in a national public register, the copies do not need to be certified. In case the size of the file does not permit the online submission, Lead Applicant can submit the supporting documents by mail, together with the other documents. More detailed instructions are given in the Applicants' Manual.

Deadline for online submission

The Project Application Form, its annexed specifications and the required supporting documents, as above explained, must be submitted and validated in the Programme Management and Information System available at the following address:

<https://sso.adriaticpacbc.org/gestionale/view/public/pubblicaBando.do> (Final Beneficiaries which are already registered into the M.I.S. must use the following URL: <https://sso.adriaticpacbc.org/gestionale>) at the latest by: 02/11/2011, by the 11:59 p.m. UTC/GMT+1 hour (Rome time).

Once the validation has been done, the Programme Management and Information System issues the “**Project submission Receipt**” with the indication of the related project code assigned to the project. Lead Applicants have to print this receipt, sign it **in handwriting** (with the original wet ink signature, no scan, stamp or electronic signature), stamp it with the official stamp of the institution of the Lead Applicant and send it by mail in original within the given deadline. In case of signature by an authorized representative, the document proving the authorization must be provided or quoted (relevant statute/law provision or the general/special delegation act).

Deadline for hard copies’ submission

The documents here listed:

1. Original of the “Project submission Receipt” (no scan, copies or photocopies are allowed);
2. hard copy of the annexed specifications to the Project Application Form;
3. all originals (no scan, copies or photocopies are allowed) of the Letters of Intent, of the “*de minimis*” and *Legal Status* Declarations (of the Lead Applicant and of each partner) and of the authorization/s to sign (when applicable);
4. original of Letter/s of Interest in case of Associates;
5. supporting documents, in case the Lead Applicant did not succeed in the online submission of them,

must be sent in a single envelope at the latest on: 22/11/2011, by the 11:59 p.m. UTC/GMT+1 hour (Rome time), by post, registered letter or express courier, to the postal address of the JTS premises only:

IPA Adriatic CBC Programme - Joint Technical Secretariat

c/o Regione Abruzzo

Via Salaria Antica Est, n. 27

I-67100, L’Aquila

ITALY

The envelope must be marked as following:

“IPA Adriatic CBC Programme – 2nd Call for Ordinary Projects Proposals

Priority 2

Lead Applicant: (denomination and address)

Acronym of the project proposal

Do not open”.

Attention: only the date marked on the official mailed envelope will be taken into account (for instance, postal stamp, freight note); no other proof will be accepted.

The following documents must be provided, in the forms above required, otherwise the project will not be admitted to the Formal eligibility check:

1. Project submission Receipt;
2. Letters of Intent of each partner;
3. The “de minimis” and Legal Status Declaration from each partner.

§. 12. SELECTION PROCEDURE AND EVALUATION CRITERIA

The award of grants is subject to the principles of transparency and equal treatment.

The project selection procedure starts with the formal check of the submitted proposals, by assessing them against a set of admissibility and eligibility criteria. The formal check is made by the Joint Technical Secretariat experts, under the supervision of the Managing Authority as responsible of the procedure, in two steps:

- A Formal Admissibility check:** at first, the JTS will check the applications against a set of **formal admissibility criteria**, as following:

Admissibility criteria	§§ of the Call
A) The Project Proposal has been submitted in all its parts in due time according to the deadlines set in the Call for proposals.	§ 11
B) The Project submission Receipt is stamped and signed in original by the legal representative of the Lead Applicant or by a duly authorised representative.	§ 11
C) All the documents required for the Lead Applicant and the Final Beneficiaries have been provided in the duly forms	§ 11

Project Applications not fulfilling **all** the above-mentioned formal admissibility criteria will be immediately rejected.

- B Formal Eligibility check:** the formal admissible projects will be checked by the JTS against a set of **eligibility criteria**, as following:

Eligibility criteria	§§ of the Call/Other documents
A) Project fulfils the minimum cross-border partnership required by the Programme	§ 7
B) The project budget is within the financial thresholds established by the Call and all the costs have been expressed in EUR.	§ 8 - 9
C) Beneficiaries have secured the national co-financing shares, according to Call rules, and own contribution (where required)	§ 8 - Letter of intents
D) The project proposal clearly indicates the Measure to which it is referred	§ 9
E) The Lead Beneficiaries and all Beneficiaries are eligible, according to the rules of this Call for proposals.	§§ 6
F) All the documents required for the Lead Applicant and the Final Beneficiaries have been filled in all their parts and are consistent with each other.	§ 11
G) The project proposal is in English language in all its parts and sections	§ 9 / 11
H) Beneficiaries acting under a State aid regime respect the relevant disciplines and the financial limits (<i>de minimis</i> regime)	§ 6/8 –The “ <i>de minimis</i> ” Declaration
I) Location of activities implementation has been clearly indicated and when a Final Beneficiary is located outside the Programme area, its nationality and its registered office have been clearly indicated.	§ 5
J) Project partners cooperate in at least two of the ways foreseen in the Art. 95.2, Reg. (EC) n. 718/2007	§ 9
K) The project duration of the project does not exceed 36 months.	§ 9
L) The project does not duplicate already financed project	Letter of intent
M) The project excludes double financing	Letter of intent

Project applications not fulfilling **all** the above-mentioned eligibility criteria will be rejected.

Lead Applicants will be informed about the reasons of rejection at the end of the formal assessment phase.

If necessary to better achieve the formal assessment, the JTS might require, also to the Programme National Authorities/Coordinator, to provide documents that might integrate the evidential documents provided by the Final Beneficiaries in order to finalize the examination of the fulfilment of the formal assessment criteria.

Once the formal check is concluded, the JTS communicates the results to the JMC, with a Report on the formal assessment of all the project proposals. Once the JMC approves the report, the Managing Authority will publish on the Programme website the list of the project admitted to the quality assessment, according to the principle of transparency and publicity of the selection procedure.

- o **Quality assessment:** the JMC is responsible for the quality assessment of the project proposals, on the basis of the following evaluation grid:

Sections/ criteria n.	Criteria	Max value
A	Consistency with the Programme Strategy	25
a.1	Is the project in compliance with the Programme strategy, objectives and Priorities?	8
a.2	Are the project objectives in compliance with the relevant EU policies and the horizontal issues of the Programme, and are the activities and results in accordance with the relevant EU rules (regulations, directives, etc.)?	4
a.3	Are the project objectives coherent with the national policies of the Countries participating in the operation?	5
a.4	Are the project objectives coherent with the sub-national public policies relevant for the involved territories?	8
B	Cross-border character of the intervention	19
b.1	How many Adriatic Countries are present in the project?	5
b.2	What are the project impacts on the Adriatic cooperation area?	7
b.3	What is the joint cooperation level of the project, according to the cross-border cooperation criteria (joint development, joint implementation, joint staffing, joint financing)?	7
C	Financial and management capacity	16
c.1	Does the Lead Beneficiary have experience in cross-border or other international project management and sufficient capacities (human resources, equipment, etc.) to ensure the good functioning of the project and coordination of a cross-border partnership?	6
c.2	Do the project Beneficiaries have technical capacities and expertise in the field of action of the project?	6
c.3	Do the Beneficiaries have the experience and the capacity to manage the allocated budget for the implementation of their activities?	4
D	Quality of intervention	27
d.1	Are the objectives and expected results of the project clearly defined and addressed to solve specific problems of the area?	6
d.2	Are the activities, the work plan and the timetable clear, realistic and appropriate to achieve the expected results and the objectives of the project?	5
d.3	Are all Beneficiaries adequate for achieving the foreseen objectives and are tasks and	5

	activities clearly and appropriately distributed among the Lead Beneficiary and the partners?	
d.4	Does the project establish an organized and operational management system, able to ensure the adequate coordination of the partnership, the monitoring and evaluation of the activities progress, and the communication and publicity of the operation?	3
d.5	Is the project innovatory and what added value does it develop?	3
d.6	Do the project activities and results have the concrete and realistic possibility to have a follow up after the end of the Programme contribution?	2
d.7	Does the project represent a capitalization of previous cross-border cooperation experiences?	3
E	Budget of the project	13
e.1	Does the project budget represent value for money?	7
e.2	Are the estimated expenditures rationally quantified for the full and satisfactory implementation of the foreseen activities?	6
Total score		100

For this Call for proposals, no specific criteria per Measure are established.

All the project proposals will be assessed on the basis of the general criteria above described. The JMC is responsible for selecting and approving operations, whilst the quality assessment is carried out by JTS, the IPA Adriatic CBC Programme National or Regional Authorities/Coordinator and, if necessary, by the external experts.

The maximum score is 100, resulting from the sum of the points assigned for each section of the evaluation grid.

A project proposal will not be eligible for funding if:

- it achieves a score lower than 70 points;
- it does not achieve at least half the points foreseen in each section of the evaluation grid.

Project proposals that do not fulfil both the above-mentioned minimum scores cannot be financed by the Programme.

In case two or more projects have the same scores, priority will be given to projects that enhance the higher score under the Section D "*Quality of the intervention*" of the evaluation grid. In case of further equality, the priority will be given to projects with the higher score under the other Sections of the evaluation grid, taking into account the following order of precedence: Section A "*Consistency with the programme strategy*"; Section B "*Cross border character of the intervention*"; Section C "*Financial and management capacity*"; Section E "*Budget of the project*".

At the end of the evaluation procedure, the JMC elaborates and approves a single ranking list of all the project proposals eligible for funding for the Priority 2. The projects are financed according to the available budget of this Call for proposals and under the conditions set by the JMC.

The final ranking list will be published by the Managing Authority according to the national and regional regulations; it will be published also in the Programme website, according to the Article 62 of the Regulation (EC) n. 718/2008. The Managing Authority, throughout the JTS, notifies to the Lead Beneficiaries the project evaluation result.

§. 13. CONTRACT SIGNATURE AND PROJECT IMPLEMENTATION

After the conclusion of the evaluation procedure, the Managing Authority will notify the awarding decision to each Lead Beneficiary admitted to the Programme grants.

Lead Beneficiaries of the projects selected for funding will sign the IPA Subsidy Contract with the Managing Authority of the Programme. The IPA Subsidy Contract shall determine the rights and responsibilities of the Lead Beneficiary and the Managing Authority, the reference to the activities to be carried out, terms of funding, requirements for reporting and financial controls, etc. Project final beneficiaries have to conclude a Partnership Agreement before the signature of the IPA Subsidy Contract, where the Lead Beneficiary is entitled to act on their behalf.

Before the signature of the IPA Subsidy Contract, Lead Applicants of projects selected for funding will be required to provide the original certified copies of the supporting documents provided by each Final Beneficiary with the online submission of the project Application Form.

In case of an approved project, if a partner, due to particular situations, decides to drop out the partnership (with or without replacement) before the IPA Subsidy Contract has been signed, it is considered an important modification of the project. Therefore the project will be subject to a new evaluation in all of the selection procedure steps.

Private Lead Beneficiaries will be asked to submit to the Managing Authority, before the signature of the IPA Subsidy Contract, a financial guarantee in force. The guarantee shall be issued by the Lead Beneficiary for the IPA contribution assigned to the project final beneficiaries with a private legal status. The financial guarantee shall be valid until the final reimbursement by the Programme and has to be issued in compliance with article 19 of General Conditions of the IPA Subsidy Contract.

In case of approval of a project with Beneficiaries whose grant for the action exceeds € 500 000, in accordance with Article 173(4) of the rules implementing the Financial Regulation (Commission Regulation (EC, EURATOM) No 2342/2002), an audit report produced by an approved external auditor must be submitted by the related Beneficiary. That report must certify the accounts for the last two financial years available. No financial audit shall be required to any public body.

The contracting and implementing rules are described in the Applicants' Manual and in the General Conditions of the IPA Subsidy Contract.

The Managing Authority will assign an advance payment to the Lead Beneficiary for the project start up, up to the limit of 20% of Community contribution allocated to the project, after the signature of the IPA Subsidy Contract in compliance with the contract provisions. The advance payment is granted to Lead Beneficiaries under the condition that the Managing Authority has received by the European Commission the Programme pre-financing, according to the Article 128 of EC Regulation 718/2007.

The JMC will reserve the right to reduce the Programme contribution to projects with a level of reported expenditure within the 1st year of project implementation below 30% of the total budget.

According to the Article 121 of EC Regulation n.718/2007, as amended by the EC Regulation n. 80/2010, for the award of service, supply and work contracts, all Beneficiaries (public and private) of the approved and funded projects must apply the procurement procedures for the "External aid rules" established in the Chapter 3 of Part 2, Title IV of Regulation (EC, Euratom) No 1605/2002 and Chapter 3 of Part 2, Title III of Regulation (EC, Euratom) No 2342/2002, as well as Commission Decision C (2007) 2034 of 24 May 2007 on the rules and procedures applicable to service, supply and work contracts financed by the general budget of the European Communities for the purposes of cooperation with third countries. These procedures are available on the Programme website www.adriaticpacbc.org.

Sub-granting is not allowed in this Call for proposals.

Other information concerning the grant payment and project implementing rules are described in the Applicants' Manual and in the General Conditions of the IPA Subsidy Contract that are to be considered integral parts of this Call for proposals.

§. 14. ADDITIONAL INFORMATION

Call clarifications, selection results and any further information regarding this Call will be available in the Programme website www.adriaticpacbc.org

For call clarifications, please contact the Joint Technical Secretariat at the following addresses:

IPA Adriatic Cross-border Cooperation Programme
Joint Technical Secretariat
Via Salaria Antica Est, n. 27
by Regione Abruzzo
67100 L'Aquila – Italy
E-mail: info@adriaticpacbc.org
Fax: +39 0862 22520

Additional information on project generation may be obtained from national info points, established in Participating Countries. The addresses are available at the Programme web site.

Without prejudice to any right of the Lead Beneficiary, a complaint against the selection assessment result shall be settled in amicable way before the Managing Authority. For this purpose, the claimant shall communicate in writing the complaint and its grounds to the mail address of Joint Technical Secretariat. Proceedings may be started at the Regional Administrative Court of L'Aquila - Italy, following the procedural enforcing rules.

Without any express reserve or refuse by the Lead Beneficiary regarding technical or commercial secrets or preservation of rights of itself or any of its project partners, the Managing Authority is entitled to allow the claimant to access to any information reported in the Project proposal, in compliance with the Community and national rules.

§. 15. DOCUMENTS OF REFERENCE

Before the submission of any project, it is important to refer to the following documents:

- Council Regulation (EC) n. 1085/2006 of 17 July 2006 establishing an Instrument for Pre-accession Assistance (IPA Regulation).
- Commission Regulation (EC) n. 718/2007 of 12 June 2007 implementing Council Regulation (EC) no. 1085/2006 establishing an Instrument for Pre-accession Assistance (IPA Implementing Regulation).
- Commission Regulation (EU) No 80/2010 of 28 January 2010 amending Regulation (EC) No 718/2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA).
- IPA Adriatic CBC Operational Programme 2007-2013, approved on 25th March, 2008 and modified on 30th June 2010.
- IPA Adriatic CBC Implementation Manual.
- External aid rules for the award of service, supply and work contracts, established by the European Commission and indicated in the Chapter 3 of Part 2, Title IV of Regulation (EC, Euratom) No 1605/2002 and Chapter 3 of Part 2, Title III of Regulation (EC, Euratom) No 2342/2002, as well as Commission Decision C (2007) 2034 of 24 May 2007.
- The applicable Italian provisions that rule:
 - a) the administrative selection procedure for the access to the documents: Italian Law No. 241/1990 and Abruzzo Regional Law No. 1/2000 and following amendments;
 - b) the Court jurisdiction competence and terms to apply in the matter of administrative procedure: Italian Legislative Decree No. 104/2010 and following amendments.

These documents can be downloaded from the Programme website.

§. 16. ANNEXES

- Applicants' Manual.
- General Conditions of the IPA Subsidy Contract.
- Letter of intent form.
- "de minimis" and Legal Status Declaration form.
- Final Beneficiary Bank Account Identification Notice form.
- Letter of Interest for Associates form.
- Budget breakdown excel form.
- Investment details excel form.
- Financial guarantee form.