

Interreg IPA Cross-border Cooperation Programme Croatia-Serbia 2014-2020

1st Call for Proposals

Guidelines for Applicants

Deadline for the submission of applications: 1 July 2016

www.interreg-croatia-serbia2014-2020.eu

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Legal Basis

In the elaboration of these Guidelines for Applicants the following legal provisions have been observed:

CPR	REGULATION (EU) No 1303/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006
ETC Regulation	REGULATION (EU) No 1299/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal
Delegated ETC Regulation	Commission Delegated Regulation (EU) No 481/2014 of 4 March 2014 supplementing Regulation (EU) No 1299/2013 of the European Parliament and of the Council with regard to specific rules on eligibility of expenditure for Cooperation programmes
ERDF Regulation	REGULATION (EU) No 1301/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006
IPA II Regulation	REGULATION (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II) hereinafter referred to as IPA II Regulation
CPR EA	REGULATION (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action
IPA II Implementing Regulation (IPA II IR)	Commission Implementing Regulation (EU) No 447/2014 of 2 May 2014 on the specific rules for implementing Regulation (EU) No 231/2014 of the European Parliament and of the Council establishing an Instrument for Pre-accession assistance (IPA II)
Financial	REGULATION (EU, EURATOM) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general

Regulation	<p>budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002</p> <p>Regulation (EU, EURATOM) No 547/2014 of the European Parliament and of the Council of 15 May 2014 amending Regulation (EU, Euratom) No 966/2012 on the financial rules applicable to the general budget of the Union</p>
Delegated Financial Regulation	<p>Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union</p>
Interreg IPA Cooperation Programme	<p>Interreg IPA Cross-border Cooperation Programme Croatia–Serbia 2014-2020 approved by the European Commission Decision No C(2015)6026 of 24/08/2015</p>
Programme Rules on Eligibility of Expenditures	<p>This document sets Programme rules on eligibility of expenditures and shall provide guidance for the beneficiaries requesting IPA II¹ co-funding as well as for Programme management bodies including First Level Controllers as regards the funding conditions and certification of expenditures in the Interreg IPA Cross-border Cooperation Programme Croatia-Serbia 2014-2020.</p> <p>Programme rules are applicable for all Beneficiaries from all participating countries and for all operations² financed by Programme. Programme rules are available on Programme website: www.interreg-croatia-serbia2014-2020.eu.</p>
Relevant national rules	<p>Relevant national rules applicable to the Lead Beneficiary and its Project Partners</p>

Suspension clause:

The applicants should take into consideration that the Financing Agreement between the European Commission and the Government of the Republic of Serbia for allocation years under the Programme has not been signed at the date of publication of the 1st Call for Proposals. Therefore, Subsidy Contracts with the beneficiaries selected for funding will only be signed upon signature of the Financing Agreement.

¹ The Programme is co-financed from ERDF (Croatia) and IPA II (Serbia) Funds, as defined in Cooperation Programme.

² Application = Operation = Project.

1. GENERAL INFORMATION

The Guidelines for Applicants (hereinafter GfA) under Interreg IPA Cross-border Cooperation Programme Croatia-Serbia 2014-2020 aims to provide practical information to the applicants for the successful submission of the applications.

These Guidelines present general information on the Programme (including overview of the Programme: eligible cross-border area, objectives and priority axis, Programme management structure, financial allocation for the Call for Proposals (hereinafter CfP), Programme indicators, etc.), the application procedure, the assessment and selection criteria, the decision procedure and other practical information.

The Application Package consisting of the: Guidelines for Applicants, templates of the: Lead Partner Statement and Project Partner Statement; State-Aid Self-Assessment Questionnaire; template of the Partnership Pre-Agreement; Application Manual and model of the: Subsidy Contract and Partnership Agreement is available on the Programme web site: www.interreg-croatia-serbia2014-2020.eu.

Application Manual provides the applicants with detailed instructions on how to fill in the Application Form (including budget) through eMS.

Please read carefully these Guidelines in order to avoid possible confusion with other Cross-border Cooperation Programmes (in comparison with 2014-2020 financial perspective programmes as well as in comparison with 2007-2013 financial perspective programmes).

1.1. Overview of the Programme

The Interreg IPA Cross-border Cooperation Programme Croatia-Serbia 2014-2020 has been prepared in line with the above listed legislation (legal base). The Programme is the result of a co-operative effort coordinated by the Managing Authority together with the national, regional, local authorities and other relevant bodies of the Republic of Croatia and Republic of Serbia that were involved in preparation of the Programme. The Programme has been approved by the European Commission on 24 August 2015. The Programme has been designed under the territorial cooperation goal of the European Union. More detail description of the Programme (priorities, indicators, etc.) is available in the Interreg IPA Cross-border Cooperation Programme Croatia-Serbia 2014-2020 document.

A complete set of documents (Cooperation Programme and corresponding annexes) are available on the Programme web site: www.interreg-croatia-serbia2014-2020.eu.

1.1.1. Objectives and priorities

Interreg IPA Cross-border Cooperation Programme Croatia-Serbia 2014-2020 (the Programme) is perceived as the instrument for the implementation of EU cohesion policy as the main investment tool for delivering Europe 2020 goals: smart, sustainable and inclusive growth that is to be achieved by concentrating on more effective investments in education, research and innovation, move towards a low-carbon economy and on job creation and poverty reduction thus focusing on five ambitious goals in the areas of employment, innovation, education, poverty reduction and climate/energy.

The overall aim of this Programme is to strengthen the social, economic and territorial development of the Programme area through implementation of joint interventions in the areas of health and social care, environment protection and sustainable energy, development of sustainable tourism as well as sustainable use of cultural and natural heritage assets and strengthening of competitiveness and business environment.

The Programme consists of following **4 priority axes**³:

- 1. Priority axis 1 – “Improving the quality of public social and health services in the Programme area”** - aims to improve the quality of facilities, services and skills in the areas of public health and social welfare.
- 2. Priority axis 2 – “Protecting the environment and biodiversity, improving risk prevention and promoting sustainable energy and energy efficiency”** - directly responds to the environment and nature protection challenges, risk prevention improvement needs in the area of disaster response capability and aims at strengthening the usage of renewable energies thus improving energy efficiency.
- 3. Priority axis 3 – “Contributing to the development of tourism and preserving cultural and natural heritage”** - aims at further strengthening, diversification and integration of cross-border tourism potential in the Programme area as well as preservation, better management and sustainable use of cultural and natural heritage assets by addressing common challenges through cross-border cooperation.
- 4. Priority axis 4 – “Enhancing competitiveness and developing business environment in the Programme area”** - addresses the main challenges and needs related to enhancing the competitiveness and development of business environment in the Programme area through implementing cross-border business support actions aiming at strengthening cooperation between business support institutions, education and research organisations, clusters and entrepreneurs with aim to develop new products/services/patents/trademarks in the Programme area.

Note: Priority axis 5 – “Technical Assistance” is not subject of open Calls for Proposals, as it provides funding exclusively for the management of the Programme.

³ More information regarding priority axes available starting with page 23 of the Cooperation Programme.

Priority axes (PA)	Specific objectives (SO)
<p>1. Improving the quality of public social and health services in the Programme area</p>	<p>1.1. To improve the quality of facilities, services and skills in the area of public health and social care</p>
<p>2. Protecting the environment and biodiversity, improving risk prevention and promoting sustainable energy and energy efficiency</p>	<p>2.1. To enforce integrated cross-border monitoring / management systems for key existing risks and environmental and biodiversity protection</p> <p>2.2. To promote the use of sustainable energy and energy efficiency</p>
<p>3. Contributing to the development of tourism and preserving cultural and natural heritage</p>	<p>3.1. To strengthen, diversify and integrate the cross-border tourism offer and better manage cultural and natural heritage assets</p>
<p>4. Enhancing competitiveness and developing business environment in the Programme area</p>	<p>4.1. To improve competitiveness of the Programme area through strengthening cooperation between business support institutions, clusters, education and research organisations and entrepreneurs with aim to develop new products / services / patents / trademarks in the Programme area</p>

Under the terms of this Call for Proposals, an Application **must refer only to one** of the above-mentioned **priority axes** and **one Programme specific objective**, even in case of a project where some activities might also fall under the other priority axis.

The 1st Call for Proposals is open to four (4) above listed priority axes.

1.1.2. Programme strategy

The Programme provides the opportunity for both participating countries to continue their cross-border cooperation. The Programme is dedicated to the interventions in the areas of common interest by supporting the capacities and competitiveness of the Programme area, implementing joint institutional cooperation, sharing of experience and practices, implementing pilot actions and improving policies and governance with the objective to ensure territorial coherence of the cross border area.

Its main principle is to support cross border cooperation actions and pilot projects in Programme priority areas such as strengthening social and health care services, protecting and preserving environment and nature, improving risk prevention and promoting the use of sustainable energy, strengthening and further developing tourism as well as sustainable use of cultural and natural heritage and increasing the competitiveness of the Programme area.

The selected priority axes reflect the needs and challenges of the Programme area. For each priority axis, one or two specific objectives were identified (as listed above). Five specific objectives indicate specific changes that the Programme anticipates to achieve. The designed Programme strategy seeks to reduce barriers to development by promoting sustainable and integrated territorial approaches. It aims to strengthen existing or to make use of yet untapped potentials in order to support territorial integration, which shall ultimately result in creation of growth and jobs.

1.1.3. Programme area

The Programme area covers the following NUTS III regions⁴ in the cross border territory of Croatia and Serbia:

PROGRAMME AREA	
CROATIA	SERBIA
1. Osijek-Baranja County	1. North Bačka District
2. Vukovar-Srijem County	2. West Bačka District
3. Brod-Posavina County	3. South Bačka District
4. Požega-Slavonia County	4. Srem District
-	5. Mačva District

⁴ NUTS level III regions (or equivalent regions in the non-MS) covered by the cross-border Cooperation Programme.

Map 1: Geographical structure of the Programme area⁵



Specific territories targeted

Taking into account that common potentials and challenges have been identified throughout the **whole Programme area**, no specific territories will be targeted under the specific priority axis. Therefore, the supported applications can be implemented throughout the whole Programme area.

However, the Programme may finance activities performed outside the Programme area up to the limit of 20% of the support from the Union at Programme level. For more information, please see section 2.3.

⁵ Map 1: Geographical structure of the Programme area is Annex 3 to the Cooperation Programme. Graphical representation of the territory covered by the Programme is without prejudice to the settlement of the dispute regarding the extension of the state border between the Republic of Serbia and the Republic of Croatia.

1.2. Programme management structure

In line with relevant EU Regulations, the Programme management structure is the following:

Managing Authority (MA) – the **Agency for Regional Development of the Republic of Croatia, Directorate for Managing Cooperation Programmes and Regional Development** is designated to perform the functions of Managing Authority under the Interreg IPA Cross-border Cooperation Programme Croatia-Serbia 2014-2020. The Managing Authority is responsible for managing the Cooperation Programme in accordance with the principle of sound financial management in line with EU regulations. Furthermore, the Managing Authority will perform its functions in line with relevant regulations, more specifically in line with Annex 10 of Cooperation Programme. Inter alia, the MA is responsible for launching the Call for Proposals and contracting the operations.

National Authority (NA) – National authorities of the participating countries, Ministry of Regional Development and EU Funds of the Republic of Croatia and EU Integration Office of the Government of the Republic of Serbia, are responsible for setting up and ensuring efficient functioning of the respective national control systems, as well as all other relevant responsibilities, in line with Article 74 of the CPR and Annex 13 of Cooperation Programme.

Joint Monitoring Committee (JMC) – shall review the overall effectiveness, quality and coherence of the implementation of all actions towards meeting the objectives set out in the cross-border Programme, the financing agreements and the relevant strategy papers. It may make recommendations for corrective actions whenever needed. Members of the JMC will represent the participating countries on policy and administrative level and thus ensure a transparent approach in monitoring the Programme implementation. In line with Article 39 (1) of IPA II Implementing Regulation, operations under this Programme shall be selected by the JMC.

Joint Secretariat (JS) – the JS will assist the MA and the JMC in carrying out their respective functions. The JS undertakes the day-to-day implementation of the Programme in line with Annex 17 of Cooperation Programme. In that respect, JS will provide support to the applicants in project development phase and beneficiaries in project implementation phase.

1.3. Financial allocation and sizes of grants

The **overall budget of the Programme** for period 2014-2020 is **40.344.930 EUR** out of which the EU funding (Programme amount in the percentage of 85%) is 34.293.188 EUR and 6.051.742 EUR represents national co-financing (15%).

The **1st Call for Proposals** will cover the Programme budget for the years **2015, 2016 and 2017**. The total available budget under priority axes 1, 2, 3 and 4 for these years is **15.009.809 EUR** out of which **12.758.338 EUR** represents the EU funding (Programme amount) and the remaining **2.251.471 EUR** represents the national co-financing.

The total amount (in EUR) **allocated for 1st Call for Proposals** for the four (4) priority axes is broken down as follows:

Priority axis	Union funding (in EUR)	National co-financing (in EUR) ⁶	Total (in EUR)
Priority axis 1	2.126.390	375.245	2.501.635
Priority axis 2	4.961.576	875.572	5.837.148
Priority axis 3	3.118.705	550.360	3.669.065
Priority axis 4	2.551.667	450.294	3.001.961
TOTAL	12.758.338	2.251.471	15.009.809

The **EU will finance max. 85%** of the total eligible expenditures and the **applicants (beneficiaries) of the two participating countries shall provide min. 15% co-financing**.

Based on the Subsidy Contract concluded between the Lead Beneficiary and the MA, the **Lead Beneficiary** (from Croatia or Serbia) is entitled to receive an **advance payment, on behalf of the partnership, in an amount of maximum 10%** from the total cost of the Operation.

After completion of assessment process and respecting scores obtained, **four (4) ranking lists** will be created (one ranking list for each priority axis: list of provisionally selected and reserve list of applications).

⁶ The national co-financing for the Programme (15%) is ensured by the participating countries (includes the contributions from state budgets, local budgets and/or contribution of partners from both participating countries).

The JMC reserves the right to:

- re-allocate the remaining funds between priority axes (for example, if the allocation indicated for a specific priority axis cannot be used due to insufficient quality or number of applications received);
- allocate additional Programme funds in case of large number of qualitative applications received;
- not to use all the available funds allocated under this CfP.

Any **grant requested** under this CfP must fall between the following **minimum and maximum** amounts (per each Operation):

Priority axis	Min (in EUR)	Max (in EUR)
Priority axis 1	300.000	1.000.000
Priority axis 2	300.000	1.500.000
Priority axis 3	300.000	1.500.000
Priority axis 4	300.000	1.000.000

Any grant requested under this CfP **must fall between the following minimum and maximum percentages (%)** of total eligible expenditures of the Operation:

Minimum percentage (%):	20% of the total eligible expenditures of the Operation
Maximum percentage (%):	85% of the total eligible expenditures of the Operation

1.4. Implementation period

The planned implementation period of an Operation/Project **shall not be shorter than 12 months nor exceed 30 months.**

1.5. Programme indicators

The indicators are vital to the efficient and effective implementation of the Programme. They serve to monitor and evaluate the extent to which the Programme has achieved its objectives and how efficiently. Output and result indicators will measure the achievement of the Programme specific objectives:

- **Output indicators** - measure the achievement of the quantitative targets of the Programme.
- **Result indicators** - measure the level of achievement of the intended positive change in the cooperation fields between the two participating countries.

Note: Each Operation must contribute to the achievement of Programme results indicators.

1.6. State aid

State aid is usually understood to be aid given to an economic undertaking that is seen as distorting or threatening to distort competition in the internal market.

State aid is present when all of the following criteria are met:

- Existence of state resources: the aid is granted from the state or through state resources (including national, regional or local authorities, a private or public intermediate body appointed by the state, etc.);
- Selectivity: the aid facilitates only the development of certain entrepreneurships or of certain products;
- Economic advantage: the aid constitutes an economic advantage that the undertaking would not have received in the normal courses of business. An indirect advantage may also be granted (indirect State aid) if the funds received by entities which are direct beneficiaries of the programmes are channelled to only certain undertakings/groups of undertakings;
- Effect on competition and trade: the aid distorts, or has the potential to distort, competition and trade within the European Union.

Please note that the first two criteria always apply in the context of EU funded operations.

Important note: The Lead Partner (LP) and Project Partners (PPs) will sign statements: LP Statement and PP Statement in which, among other, they will be obliged to provide information whether the applicant institution has received any contribution falling under De minimis Regulation.

In addition, all applicants are obliged to fill in State Aid Self-Assessment Questionnaire.

1.7. Revenue generating operations

Revenue resulting from the Operation activities can occur both during implementation and after the closure of an Operation.

Interest on pre-financing payments (on the funds transferred by the CA to the LB) shall also be considered as revenue.

The LB is responsible for planning the respective revenues within the Application Form.

Revenue and net revenue during implementation

All revenues generated by Operation activities during the implementation of the Operation must be deducted from the eligible expenditures claimed in *Statement of Expenditure* within each Partner Progress Report.

Revenue and net revenue after closure of the Operation

If an Operation expects to have any revenues after the Operation closure and within three (3) years after the closure of the Programme, the beneficiaries have to report the respective net revenues to the MA/JS since these revenues have to be deducted from the final payment request of the Programme submitted to the EU Commission.

The exemption remains in place for all operations under EUR 1.000.000 which do not have to take account of revenue and net revenue after Operation closure. For those operations, monitoring of revenue and net revenue should be performed only during the implementation of the Operation.

All revenues (payments to the Operation other than the grant) must be deducted from amounts (expenditures) claimed.

For more details on State Aid and Revenues, please consult Programme Rules on Eligibility of Expenditures.

1.8. Contributions in kind

Contributions in kind are not applicable for 1st Call for Proposals.

GENERAL:

For further details on Programme objectives, Programme strategy, Programme indicators, priority axes and other, please refer to the Cooperation Programme document available on Programme website: www.interreg-croatia-serbia2014-2020.eu.

2. RULES OF THE 1st CALL FOR PROPOSALS

The funding under the Interreg IPA Cross-border Cooperation Programme Croatia–Serbia 2014-2020 shall be made available to applicants through an **open Call for Proposals**. The Managing Authority launches the 1st Call for Proposals through one step application procedure.⁷ These Guidelines set out rules for the submission and selection of the applications to be funded from 1st Call for Proposals.

2.1. Cross border relevance

The Interreg IPA Cross-border Cooperation Programme Croatia–Serbia 2014-2020 shall support operations, which deliver direct cross-border impact and benefits for the Project Partners / target groups / project area / Programme area. The Project should clearly demonstrate the importance of the cross-border approach to the topic addressed.

Direct cross-border impact is understood in terms of respecting the following **cooperation criteria** as they are defined below: joint development, joint implementation, joint staffing and joint financing.

- **Joint development** means that the Application must be designed in close cooperation of the partners from both sides of the border. The Application must clearly integrate the ideas, priorities and activities. The Lead Partner⁸ is the coordinator of this process but should include other partners from the beginning of the development process.
- **Joint implementation** means that activities must be carried out and coordinated among partners on both sides of the border. The Lead Partner bears the responsibility for the overall Project implementation; all partners take responsibilities for different parts of the implementation. Each Project Partner is responsible for the tasks foreseen for achievement of the objectives, and has to ensure that needed activities are carried out.
- **Joint staffing** means that the proposed Project staff will be jointly involved in the implementation of the Project activities (among partners on both sides of the border). Staff members coordinate their activities with others involved in the activities and exchange information regularly. However, unnecessary overlapping of similar functions within the Project team should be avoided.
- **Joint financing** means that there will be only one Subsidy Contract per Operation. The Project has a joint budget with funding allocated to partners according to the activities they are carrying out.

⁷ MA reserves the right not to take responsibility if the problems with eMS encountered (due to submission of the large number of Applications few days before CfP is closed) and to prolong the deadline for submission of the applications.

⁸ Lead Partner is synonym for Lead Applicant. In case of selection by the JMC, Lead Applicant automatically becomes Lead Beneficiary.

At least three (3) of the described cross-border criteria must be fulfilled in a way that the Project Partners from the Programme participating countries have to cooperate obligatory in joint development and joint implementation. **In addition, they shall cooperate in either the staffing or the financing of operations.**

2.2. Horizontal principles

The following Programme horizontal themes shall be observed by all applicants in the development and implementation of their applications (operations):

a) Sustainable development – activities that relate to the biodiversity and environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management, energy efficiency and renewable energy, green entrepreneurship, business focused on sustainable development, preventions of investments with considerable negative environmental and climate effects and overall sustainability;

b) Equal opportunities and non-discrimination – promotion of equal opportunities and prevention of any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation, design and implementation of the Programme and, in particular, in relation to access to funding, taking account of the needs of the various target groups at risk of such discrimination, and in particular, the requirements of ensuring accessibility for persons with disabilities;

c) Equality between men and women – promotion of equality between men and women and, where appropriate, the arrangements to ensure the integration of the gender perspective at Programme and Operation level.

2.3. Eligibility criteria

The submission of applications is open to all applicants that meet the eligibility criteria set below.

In order to be eligible for funding under the Programme, the applications should meet three following sets of eligibility criteria:

1. Eligibility of applicants (Lead Partner and Project Partners);
2. Eligibility of activities;
3. Eligibility of expenditures.

2.3.1. Eligibility of applicants (Lead Partner and Project Partners)

In order to be eligible for a grant, the **Applicant/Partner must meet all of the following criteria:**

1. be **non-profit-making** legal person/entity⁹ established by public or private law for the purposes of public interest or specific purpose of meeting needs of general interest;
2. be **registered** in respecting participating country (Croatia and/or Serbia);
3. must have **at least two partners**, one from each participating country;
4. **Lead Applicant has to be registered at least 12 months** prior to the deadline for submission of applications¹⁰.

Please note that profit making companies and political parties/organizations are not eligible, neither as Lead Partner nor as Project Partner.

Application which does not comply with all above described requirements will not be eligible.

Indicative list of potential applicants under each priority axis is given below:

Priority axis	Specific objective	Indicative list of applicants (Lead Partner and Project Partners)
1. Improving the quality of public social and health services in the Programme area	1.1. To improve the quality of facilities, services and skills in the area of public health and social care	Legal personalities that can contribute to improving facilities, services and skills in the area of public health and social care throughout the Programme area such as: NGOs, organisations responsible for providing social and health services, public/non-profit organisations including institutes, universities, colleges, educational institutions (e.g. primary and secondary schools), public institutions for adult education/learning, local and regional government bodies, development agencies, health care institutions, public elderly homes, regional and local public authorities, employment services, chambers of commerce, chambers of trades and crafts and business support institutions.
2. Protecting the	2.1. To enforce	Legal personalities that can contribute to improving in the area of natural resources, management systems for risk

⁹ Proven by statute and/or articles of association/decision on establishment of the respective institution in accordance with relevant law.

¹⁰ This criterion does not apply to other Project Partners.

<p>environment and biodiversity, improving risk prevention and promoting sustainable energy and energy efficiency</p>	<p>integrated cross-border monitoring/management systems for key existing risks and environmental and biodiversity protection</p> <p>and</p> <p>2.2. To promote the use of sustainable energy and energy efficiency</p>	<p>prevention, energy production and energy efficiency throughout the Programme area such as: NGO's, public utility companies (e.g. water management companies, public electrical companies, etc.), public energy agencies, public institutions (e.g. institutes and other research organisations, development agencies national/regional/local institutions responsible for environment and nature, etc.), educational and research institutions (for example, universities, faculties, open universities, adult education institutions, primary and secondary schools etc.), local and regional authorities, business support institutions, etc.</p>
<p>3. Contributing to the development of tourism and preserving cultural and natural heritage</p>	<p>3.1. To strengthen, diversify and integrate the cross-border tourism offer and better manage cultural and natural heritage assets</p>	<p>Legal personalities that can contribute to improving in the area of tourism and management of cultural and natural heritage throughout the Programme area such as: NGOs (for example citizens associations, development agencies, local action groups, chambers of commerce, chambers of crafts and trades, chambers of agriculture, clusters, expert associations etc.), public institutions (for example, institutes and other research organisations, development agencies national/regional/local institutions responsible for environment and nature, national/regional/local institutions responsible for culture including museums, libraries and theatres, etc.), educational institutions (for example universities, faculties, open universities, adult education institutions, primary and secondary schools etc.), local and regional authorities, tourist boards and organisations, business supporting organisations, organisations dealing with cultural and natural heritage, including museums, libraries, and theatres, etc.</p>
<p>4. Enhancing competitiveness and developing</p>	<p>4.1. To improve competitiveness of the Programme</p>	<p>Legal personalities that can contribute to enhancing competitiveness and developing business environment and investment in the Programme area such as: NGOs (for example, citizens associations, development agencies, local</p>

<p>business environment in the Programme area</p>	<p>area through strengthening cooperation between business support institutions, clusters, education and research organisations and entrepreneurs with aim to develop new products / services / patents / trademarks in the Programme area</p>	<p>action groups, chambers of commerce, chambers of trades and crafts, chambers of agriculture, expert associations, clusters, producers associations, sector associations, and SME networks, etc.), public institutions (for example, institutes and other research organisations, development agencies, national/regional/local institutions responsible for economy, research and training institutes, etc.), educational institutions (for example, universities, faculties, open universities, colleges, adult education institutions, primary and secondary schools etc.), local and regional public authorities, local and regional government bodies, business supporting organisations (for examples entrepreneurship centres and incubators, business zones and parks, etc.), cooperatives, etc.</p>
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Applicants are not eligible to participate in 1st Calls for Proposals if:

- a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation, arising from a similar procedure provided for in the national legislation or EU regulations;
- b) they have been convicted of an offence concerning professional conduct by a judgment which has the force of res judicata (i.e., against which no appeal is possible);
- c) they are guilty of serious professional misconduct proven by any means;
- d) they have not fulfilled obligations relating to the payment of debts to the consolidated state budget;
- e) they have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities or national financial interests;
- f) they have been declared to be in serious breach of Contract for failure to comply with their contractual obligations in connection with a procurement procedure or other grant award procedure financed by the Community or national budget.

Applicants are also **excluded** from participation in 1st Call for Proposals or the award of financial support if, at the time of the 1st Call for Proposals, they:

- g) are subject to a conflict of interests; the conflict of interests represents any circumstances that may affect the assessment or implementation process, in an objective and impartial manner.

Such circumstances may result from economic interests, political or national preferences or family connections;

- h) are guilty of misrepresentation in supplying the information required by the Managing Authority/Joint Secretariat as a condition of participation in the Call for Proposals or fail to supply this information;
- i) have attempted to obtain confidential information or influence the assessment bodies during the evaluation process of current or previous Calls for Proposals.

In the cases referred to in points (a), (c), (d), (f), (h) and (i) above, the exclusion applies for a period of two years from the time when the infringement is established. In the cases referred to in points (b) and (e), the exclusion applies for a period of four years from the date of notification of the judgment.

Important note: The Lead Partner (LP) and Project Partners (PP) within signed Statements (LP Statement and PP Statement) will declare that they do not fall into any of the above categories.

In case of potential conflict of interest with the Programme structure (Managing Authority, National Authority, Certifying Authority, Audit Authority, Joint Monitoring Committee and Joint Secretariat), the Applicant must immediately inform the Managing Authority.

In case any of the Programme bodies suspect of any of the criteria above, the clarification may be requested from the Applicant(s).

Please note that unprofessional conduct of the Partners that were involved in the implementation of the projects (operations) financed from 2007 – 2013 cooperation programmes such as fraud or unjustified withdrawal may be taken into account during assessment process.

Lead Partner principle and partnership requirements

All organizations, participating under 1st Call for Proposals, are called **partners**. All partners must have legal, financial and operational capacity to participate in the Programme. For each Application a **“Lead Partner”** (LP) must be **appointed among the Project Partners** prior to the submission of the Application. The Lead Partner will be responsible for the development and submission of the Application and in case of positive decision for financing will sign the Subsidy Contract with the Managing Authority. The Lead Partner takes over the role of the “engine” of the partnership, coordinating the work of the partners and being also the link between the Project and the Programme (MA and JS).

Important: The maximum number of partners in Application is five (5) including the Lead Partner!

Under the 1st Call for Proposals an institution / partners’ organization may be:

- selected for funding in **not more than 2 (two) operations as a Lead Partner** (within different priority axes);

- Applicant applying as a Lead Partner (LP) may be Project Partner (PP) in any other Application at the same time;
- Project Partner may take part and be selected for funding in more than one Operation under this CfP.

NOTE:

All partners must sign a **Partnership Pre-Agreement** in preparation phase and **Partnership Agreement** in implementation phase which stipulate their rights and duties within an Operation.

2.3.2. Eligibility of activities

All activities funded under specific objective of relevant priority axis must demonstrate a **clear cross-border effect** to the Programme area. Indicative list of eligible actions under 1st CfP (for each priority axis) is given below:

Priority axis	Specific objective	Examples of eligible actions under 1 st Call for Proposals
1. Improving the quality of public social and health services in the Programme area	1.1. To improve the quality of facilities, services and skills in the area of public health and social care	<ul style="list-style-type: none"> ▪ Developing and implementing joint cross-border initiatives, tools, services and/or related pilot projects aiming to enhance the quality, improve accessibility to and effectiveness of public health care and social services and institutions (e.g. joint health services delivery, active and healthy aging and disease prevention implementation plan, small infrastructure and/or equipment). ▪ Implementing local ICT solutions in order to improve public health and social care services. ▪ Implementing joint cross-border strengthening of health care for vulnerable groups with focus on elderly people, palliative care and persons with disabilities. ▪ Implementing exchange of experience concerning the identification, transfer and dissemination of good practices and innovative approaches as well support to the sustainability and implementation of the Cross-border Healthcare Directive (2011/24) and European Reference Networks, especially in relation to the aims of territorial cohesion, including territorial aspects and harmonious development of Union territory. ▪ Developing and implementing joint cross-border lifelong learning/training Programmes aiming to provide Programme area inhabitants the possibility to gain knowledge / experiences / qualifications in the area of health and social care in line with the labour market needs.

<p>2. Protecting the environment and biodiversity, improving risk prevention and promoting sustainable energy and energy efficiency</p>	<p>2.1. To enforce integrated cross-border monitoring/management systems for key existing risks and environmental and biodiversity protection</p>	<ul style="list-style-type: none"> ▪ Implementing joint actions in the area of monitoring and management of environmental and/or biodiversity protection that address locally specific cross-border priorities and/or contribute to implementation of higher-level regional initiative such as Danube and Sava River Basin Management Plan and the EU Strategy for the Danube Region. ▪ Developing and implementing joint plans for protection of endangered species and protection and revitalisation of habitats, including initiatives related to UNESCO Transboundary Biosphere Reserve. ▪ Joint valorisation and promotion of ecosystems and NATURA 2000 sites in the Programme area. ▪ Developing and implementing joint awareness raising activities, information campaigns, education and training in relation to environment and/or biodiversity protection. ▪ Promoting cross-border cooperation between organisations involved in environmental and biodiversity protection and joint management of protected sites and nature. ▪ Establishing and/or improving green infrastructure and ecosystem services (e.g. implementing measures that protect or expand natural retention of flood plains and/or establish protection forests in flood risk or erosion prone areas, etc). ▪ Developing and implementing integrated risk management initiatives (including ICT tools) addressing key existing and expected risks in the Programme area (floods, flushing of land mines during flood events, droughts, toxic pollution accidents, etc). ▪ Implementing pilot and demonstration projects applying innovative solutions in the area of risk prevention management related to river Danube and its tributaries Drava, Sava, Vuka and Tisa, including but not limited to activities for improving flood forecasting and warning suited to local and regional needs, developing flood risk and hazards maps in accordance with the EU Floods Directive, harmonizing design criteria and safety regulations along and across border sections, preventing and mitigating pollution of water caused by floods, increasing the capacity and raising the Interreg IPA CBC Programme Croatia-Serbia 2014-2020 45 level of preparedness of the organizations responsible for flood mitigation. ▪ Promoting cross-border cooperation between organizations dealing with emergency preparedness and improving disaster
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	<p>and</p> <p>2.2. To promote the use of sustainable energy and energy efficiency</p>	<p>response capability.</p> <ul style="list-style-type: none"> ▪ Developing and implementing pilot and demonstration projects including innovative approaches to risk prevention and mitigation. ▪ Developing and implementing pilot and demonstration projects on innovative technologies and solutions in the field of sustainable energy and energy efficiency (e.g. use of agricultural waste for energy production, demonstration projects for solar power on roofs or build surfaces, etc.). ▪ Implementing awareness rising, information campaigns, education, training and capacity building on sustainable energy, utilisation of renewable energy resources and energy efficiency. ▪ Investing in joint infrastructure on sustainable energy and energy efficiency. ▪ Developing and implementing actions aiming to increase energy efficiency in public buildings ▪ Implementing joint incentives in order to improve planning and/or legal framework in the area of renewable energy resources and energy efficiency (e.g. analyses, comparisons, recommendation, local/regional action plans, etc.).
<p>3. Contributing to the development of tourism and preserving cultural and natural heritage</p>	<p>3.1. To strengthen, diversify and integrate the cross-border tourism offer and better manage cultural and natural heritage assets</p>	<ul style="list-style-type: none"> ▪ Joint development, branding and promotion of tourism niches: e.g. hunting, bird and animal watching, cultural tourism, eco-tourism, sport and cycle-tourism, wine & food tourism, health and wellness, rural tourism, recreation tourism, memorial tourism, nautical tourism, religious tourism, industrial heritage tourism, etc. ▪ Joint development and diversification of the cross-border tourism offer, services and capacity, inter alia, by using ICT tools: e.g. standardisation of accommodation support, joint mapping the tourism offer, joint creation of destination management platforms and networks. ▪ Joint development, branding protection and promotion of new tourism products: e.g. development of thematic routes, joint promotion events and materials, site exploitation. ▪ Improvement of recreational and small-scale tourism infrastructure: e.g. walking paths, cycle routes, equipping visitor centre, information points, networking tourism centres,



		<p>spatial “beautification”.</p> <ul style="list-style-type: none"> ▪ Preparing and developing joint tourism strategies and action plans. ▪ Implementing training and other activities aiming to develop the tourism capacity and destination management skills. ▪ Implementing cross-border networking activities, including establishing or improving clusters aiming at developing joint cross-border tourism offer. ▪ Enabling joint cultural cooperation between youth, artistic and cultural organisations: e.g. art colonies and festivals, artistic manifestations and events, joint theatre performances or joint/traveling exhibitions, etc. ▪ Developing and implementing joint initiatives on valuation, preservation, restoration and revitalisation of cultural and natural heritage sites. ▪ Implementing training programs in quality assurance systems and different types of standardisation (e.g. ISO certification, etc.) of cultural and natural heritage. ▪ Deploying investments in certification including training, equipment supply but also small scale infrastructure on cultural and natural heritage. ▪ Actions to strengthen, diversify and better integrate tourism offer and to better manage cultural and natural heritage assets.
<p>4. Enhancing competitiveness and developing business environment in the Programme area</p>	<p>4.1. To improve competitiveness of the Programme area through strengthening cooperation between business support institutions, clusters, education and research organisations and entrepreneurs</p>	<ul style="list-style-type: none"> ▪ Development of training programmes aiming at improving knowledge and skills in entrepreneurship, applying innovation and new technologies in their industry, including cross-border internship, exchange and transfer of knowledge. ▪ Strengthening capacities of the business support institutions in order to enhance competitiveness of the Programme area through development of e-business and e-trade. ▪ Establishment of and support to existing and new business related sectorial networks and organisations in developing new products/services/patents/trademarks, standardisation, product protection, marketing and development of cross-border markets. ▪ Establishing and supporting development agencies, technological and competence centres, laboratories and local ICT infrastructure for common use of the enterprises in the Programme area in order to upgrade the existing and develop

	<p>with aim to develop new products / services / patents / trademarks in the Programme area</p>	<p>new products, services, processes or prototypes.</p> <ul style="list-style-type: none"> ▪ Development and strengthening cooperation between public sector, education, research & development organisations and entrepreneurs in order to improve competitiveness by applying business innovativeness based on smart specialization approach. ▪ Cross-border development, adaptation and exchange of best practices in application of ICT, new technologies, processes, products or services to be directly used by the enterprises between the clusters or groups of business, R&D and education institutions.
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Activities outside Programme area

The Programme **may finance activities performed outside the Programme area up to the limit of 20% of the support from the Union at Programme level**, ensuring that they are for the benefit of the Programme area and the conditions of the Article 44(2) of Commission Implementing regulation (EU) No 447/2014 of 2 May 2014 are satisfied.

Such proposal (that all or part of an Operation is implemented outside the Programme area) may be accepted, provided that all the following conditions are satisfied:

- a) the Operation is for the benefit of the Programme area;
- b) the total amount allocated under the cross-border cooperation Programme to operations located outside the Programme area **does not exceed 20% of the support from the Union at Programme level;**
- c) the obligations of the managing and audit authorities in relation to management, control and audit concerning the Operation are fulfilled by the cross-border cooperation Programme authorities or they enter into agreements with authorities in the Member State or Participating country in which the Operation is implemented;
- d) **justification** is provided within the Application Form.

2.3.3. Eligibility of expenditures

In order to be considered as eligible, the expenditures have to fulfil all the following criteria:

- they are incurred during the implementation period of the Operation, with the exception of preparatory costs and closure costs;
- they are indicated in the estimated overall budget of the Operation;
- they are necessary for the implementation of the Operation which is the subject of the grant;
- they are identifiable, verifiable and documented (e.g. contract, invoice, order form), in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost accounting practices of the beneficiary;
- they comply with the requirements of applicable tax and social security legislation;
- they are reasonable, justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency;
- they are incurred in accordance with the relevant EU legislation, Programme rules defined in Programme Rules on Eligibility of Expenditures document and Call for Proposals specific documents, if applicable) and national legislation, and other relevant document (e.g. Financing Agreement);
- they are not listed as an ineligible expenditure;
- they are not double funded (i.e. they are not financed from other sources under the Union Funds or other (national) Funds);
- they reflect the principle of cross-border impact;
- the expenditure item cannot be covered under more than one expenditure category or under more than one budget line under a given expenditure category;
- amounts in the Statement of Expenditure do not exceed amounts in the approved Operation budget (in line with the provisions of the Subsidy Contract/addenda/minor reallocations);
- co-financing rate (as stipulated in the Subsidy Contract) is applied to each eligible cost under all expenditure categories.

The following expenditures **shall not be eligible** for funding under Interreg IPA CBC Programme Croatia-Serbia 2014-2020:

In line with Article 43(2) of IPA IR:

- interest on debt;
- value added tax (VAT) except where it is non-recoverable under national VAT legislation;
- the decommissioning and the construction of nuclear power stations;

- investment to achieve the reduction of greenhouse gas emissions from activities falling under Annex I to Directive 2003/87/EC of the European Parliament and of the Council;
- the manufacturing, processing and marketing of tobacco and tobacco products;
- undertakings in difficulties as defined under Union State aid rules;
- investment in airport infrastructure unless related to environmental protection or accompanied by investment necessary to mitigate or reduce its negative environmental impact.
- the purchase of land not built on and land built on exceeding 10% of the total eligible expenditure for the Operation concerned shall not be eligible for funding under IPA II cross-border cooperation assistance. For derelict sites, for sites formerly in industrial use which comprise buildings and for operations concerning environmental conservation, this limit shall be increased to 15%;
- operations shall not be selected for IPA II assistance where they have been physically completed or fully implemented before the Application for funding under the cross-border cooperation Programme is submitted by the beneficiary to the Managing Authority, irrespective of whether all related payments have been made by the beneficiary.

In line with Articles 65(11) and 69(1) of CPR:

- the expenditure item included in the Statement of Expenditure which received support from another Fund or Union instrument, or support from the same Fund under another Programme or state budget;
- contributions in kind.

In line with Article 2 of Regulation No 481/2014:

- fines, financial penalties and expenditure on legal disputes and litigation;
- costs of gifts, except those not exceeding EUR 50 per gift where related to promotion, communication, publicity or information;
- costs related to fluctuation of foreign exchange rate.

Other ineligible expenditures as defined by the Programme:

- consultant fees between partners for services and work carried out within the Operation;
- contracting of employees of the beneficiary and partner organisations as external experts (e.g. as freelancers, translators, IT experts, etc.);
- unjustified ad-hoc salary bonuses that are not directly attributable to Operation delivery;
- alcohol, except in duly justified cases, when related to the Operation theme/subject¹¹;

¹¹ Please note that wine is considered as food, in line with EU and national legislations.

- purchases of equipment not indicated in the Application Form (Subsidy Contract) or specifically approved during Operation implementation by the relevant Programme body;
- equipment purchased from another Project Partner;
- cost for infrastructure and works outside the Programme area;
- shared costs;
- costs of audits and evaluations at Operation level.

In order to create qualitative budget, Applicants should be fully familiar with Programme Rules on Eligibility of Expenditures available on www.interreg-croatia-serbia2014-2020.eu.

Commission Delegated Regulation (EU) No 481/2014 establishes specific rules on eligibility of expenditure. It defines the list of costs that are eligible under the **5 categories of expenditures**:

1. **staff costs,**
2. **office and administrative expenditure,**
3. **travel and accommodation costs,**
4. **external expertise and services costs,**
5. **equipment expenditure.**

Following additional categories of expenditure are considered as **eligible expenditure category** under this Programme:

6. **infrastructure and works expenditure,**
7. **preparation and closure costs.**

Specific provisions for each expenditure category are stated in the Programme Rules on Eligibility of Expenditures available on Programme web site: www.interreg-croatia-serbia2014-2020.eu.

Please note that a maximum ceiling of the sum of the expenditure category 1. Staff costs should not exceed 30 % of the total eligible cost at the Operation level. The verification of the limit will be subject of budget optimisation process before Contract signature.

Value Added Tax – VAT

In line with Article 43(2) of IPA IR, value added tax shall not be supported by cross-border cooperation Programme, except where it is non-recoverable according to the national VAT legislation. In that respect, Value added tax (VAT) is eligible, if the following conditions are fulfilled:



- a) it is not recoverable by any means (under national VAT legislation)¹²;
- b) it is established that it is borne by the beneficiary;
- c) it is clearly identified in the invoice.

Croatia: Please note that on the current procedures applied in the Republic of Croatia, VAT is eligible if it cannot be refunded in line with the national legislation. VAT Statement issued by the relevant institution should be presented.

Serbia: Please note that on the current procedures applied in the Republic of Serbia, VAT is eligible if it cannot be refunded in line with the national legislation.

Please plan the budget accordingly.

Financial support to third parties

Applicants **may not** propose financial support to third parties (sub-granting is not allowed).

¹² Beneficiaries in Serbia cannot get VAT exemption for preparatory costs being that they are incurred prior to signing the Subsidy Contract. Therefore, for preparatory costs, VAT is considered as eligible.

3. HOW TO APPLY

3.1. The content of Application Package

The **Application Package** for the 1st Call for Proposals can be downloaded from the Programme website: www.interreg-croatia-serbia2014-2020.eu. It consists of the following documents:

1. Guidelines for Applicants (GfA);
2. Template of the Lead Partner Statement;
3. Template of the Project Partner Statement;
4. State Aid Self-Assessment Questionnaire;
5. Template of the Partnership Pre-Agreement;
6. Application Manual: instructions how to fill in Application Form;
7. Model of the Partnership Statement;
8. Model of the Subsidy Contract.

To apply projects on this Call for Proposals applicants must use **eMS system**. Applications must be filled in accordance with **Application Manual: instructions how to fill in Application Form** (including budget) and submitted in accordance with the Guidelines for Applicants.

The **official language** of the Programme is **English**. Therefore, Application and all communication between applicants and the Programme bodies is carried out in **English**. Information in the eMS as well as official correspondence must be treated accordingly.

3.2. Where and how to send the applications

Applications will be sent through eMS system.

The Application **must be submitted by the Lead Partner (LP)** solely through the online eMS system. The submitted Application **must contain all the required data** and the required accompanying documents, which are considered as **annexes to the Application Form** and have to be uploaded **as scanned documents** (signed by the legal representative of the Lead or Project Partners organisation) in the online submission system – electronic Monitoring System (eMS).

Original versions of the documents uploaded in the eMS must be provided to the Managing Authority/Joint Secretariat upon request and prior to the contracting.

Please note that only the Application Form and published annexes that have to be filled in and uploaded in eMS will be assessed:

- 1. Application Form (including budget),**
- 2. Annexes:**
 - a) Lead Partner Statement;
 - b) Project Partner Statement;
 - c) State Aid Self-Assessment Questionnaire;
 - d) Partnership Pre-Agreement.
- 3. Supporting documents for eligibility check**
 - a) **The registration acts** (in accordance with relevant national law) of the each Partner;
 - b) **Statutes or** articles of association/decision on establishment of the partners.¹³

For the purpose of **eligibility check of all Project Partners** including Lead Partner (LP), supporting documents should be annexed to Application Form (scanned as PDF and uploaded via eMS).

It is therefore of utmost importance that these documents contain **ALL** the relevant information concerning the Operation. **No additional annexes should be sent.**

Note: Where supporting documents are not in English or in the language of the participating countries (Croatian, Serbian), a translation into English must be attached and will prevail for the purpose of eligibility check.

Applications sent by any other means (e.g. by fax or by e-mail) or delivered to the address **will be rejected. Hand-written** applications will not be accepted. Incomplete applications **may be rejected.**

3.3. Deadline for the submission of applications

The deadline for the submission of applications is 1 July 2016 (15:00 h) as evidenced by the date and time of submission of Application within eMS.

Submission of the **applications after the deadline will not be possible within eMS.**

¹³ Where the Applicant/Partner is a public body created by a law, a direct reference or copy of the said law must be provided.

3.4. Further information

Information days related to 1st Call for Proposals will be held in Croatia and in Serbia.

The exact dates and locations of Information days will be published in advance on the following web sites:

- Programme website: www.interreg-croatia-serbia2014-2020.eu
- Managing Authority website: www.arr.hr
- National Authorities websites:
 - Ministry of Regional Development and EU Funds of the Republic of Croatia: www.razvoj.gov.hr
 - European Integration Office of the Republic of Serbia: www.seio.gov.rs and www.evropa.rs/cbc.

Questions related to 1st Call for Proposals may be sent in writing via e-mail no later than **10 days** before the deadline for the submission of applications, indicating clearly the reference of the Call for Proposals. Clarifications to questions received after this date will not be provided.

E-mail address: js@interreg-croatia-serbia2014-2020.eu.

To ensure equal treatment of all applicants, questions and answers will be published and **updated regularly** on the Programme website: www.interreg-croatia-serbia2014-2020.eu. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

4. ASSESSMENT AND SELECTION OF APPLICATIONS

4.1. Assessment and selection

In accordance with Article 39 of Commission Implementing Regulation (EU) No 447/2014, the selection of operations under Interreg IPA CBC Programme Croatia – Serbia 2014-2020 is responsibility of the Joint Monitoring Committee (JMC) following a standardized assessment procedure.

For 1st Call for Proposals, the JMC will set up Joint Steering Committee (JSC) acting under its responsibility for the selection of operations. The selection of operations is based on the assessment of the received applications following a standardized procedure, which safeguards the principles of transparency and equal treatment.

The assessment process will be conducted in two steps:

1. Administrative compliance and eligibility check;

2. Quality assessment.

The assessment and selection criteria are prepared in line with the Cooperation Programme Interreg IPA CBC Croatia-Serbia 2014-2020 by the Managing Authority (MA) together with the National Authorities (NAs) and the Joint Secretariat (JS) and approved by the Joint Monitoring Committee (JMC).

Step 1: Administrative compliance and eligibility check

Administrative compliance and eligibility check will be performed by Joint Secretariat under the responsibility of Joint Steering Committee respecting administrative and eligibility checklist.

Administrative and eligibility criteria - checklist

#	Criteria	Description	Yes	No	N/A
A	ADMINISTRATIVE CRITERIA				
A.1	The Application has been submitted via eMS.	<i>The Application Form has been submitted via the electronic Monitoring System (eMS) of the Interreg IPA CBP Croatia -Serbia.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A.2	All the sections of the Application Form have been duly filled in.	<i>All applicable sections of the Application Form are correctly filled in (no automatic errors or missing</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

		<i>information).</i>			
A.3	All obligatory annexes are submitted (uploaded as PDF) via eMS.	<p><i>The compulsory annexes have been filled in, duly signed and stamped and uploaded to the eMS:</i></p> <ul style="list-style-type: none"> - <i>Lead Partner Statement,</i> - <i>Project Partner Statement,</i> - <i>State-Aid Self-Assessment Questionnaire,</i> - <i>Partnership Pre-Agreement.</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A.4	Supporting documents are submitted (uploaded as PDF) via eMS.	<p><i>Supporting documents required for eligibility check of applicants/partners are uploaded (PDF) to the eMS:</i></p> <ul style="list-style-type: none"> - <i>The registration acts (in accordance with relevant national law) of the each partner;</i> - <i>Statutes or articles of association/decision on establishment of the each partner.</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A.5	The Application Form is compiled in the required language.	<i>The Application Form has been correctly filled in only in English, as the official language of the Programme.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A.6	Information in the Application Package is consistent.	<i>Information presented in Application Package documents (Application Form and annexes) is consistent.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B	ELIGIBILITY CRITERIA				
B.1	The Application fulfils minimum requirements for partnership.	<i>The Application must have at least two partners, one from each Participating Country (Croatia, Serbia).</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B.2	The Application is compliant with the requirements regarding maximum number of partners.	<i>Maximum number of partners in Application is five (5), including the Lead Partner.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B.3	The Lead Partner (LP) is eligible organisation.	<p><i>The Lead Partner is:</i></p> <p><i>1. non-profit-making legal person/entity established by public or private law for the purposes of public interest or specific purpose of meeting needs of general interest;</i></p> <p><i>2. registered in respecting Participating Country (Croatia, Serbia);</i></p> <p><i>3. registered at least 12 months prior to the deadline for submission of applications.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B.4	All Project Partners (PPs) are eligible organisations.	<p><i>The partners are:</i></p> <p><i>1. non-profit-making legal person/entity established by public or private law for the purposes of public interest or specific purpose of meeting needs of general interest;</i></p> <p><i>2. registered in respecting Participating Country (Croatia, Serbia).</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B.5	Time limits for Project implementation period are respected.	<p><i>The planned implementation period of an Operation/Project shall not be shorter than 12 months nor exceed 30 months.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B.6	Project is assigned to Programme priority and its specific objective.	<p><i>Thematically Project fits into the selected Programme priority and the specific objective.</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B.7	Minimum and maximum (%) budget requirements are respected.	<p><i>Project fall between minimum and maximum % of total eligible expenditures of the Operation:</i></p> <ul style="list-style-type: none"> - <i>Min: 20%</i> - <i>Max: 85%</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B.8	Minimum and maximum amounts per each Operation within selected priority axes are respected.	<i>Minimum and maximum amounts for grants (per Operation) within each priority axes are respected: PA 1: 300.000EUR - 1.000.000EUR PA2: 300.000EUR - 1.500.000EUR PA3: 300.000EUR - 1.500.000EUR PA4: 300.000EUR - 1.000.000EUR</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B.9	Co-financing is envisaged.	<i>Co-financing by Project Partners (min. 15% of total eligible expenditures of the Operation) is envisaged. See declaration included in LP and PP Statement.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B.10	There is no evidence of double funding of activities.	<i>See declaration included in LP and PP Statement.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B.11	State Aid/De-minimis compliance is taken into consideration.	<i>See declaration included in LP and PP Statement.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Administrative compliance and eligibility check is based on questions which can be answered with “Yes”, “No” or “Not applicable” for particular Application.

Clarifications regarding Application will be requested from the Lead Applicant only when the information provided within the Application is **unclear or missing** and thus prevents JSC from conducting an objective assessment. 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**.

Only proposals that satisfy all the administrative and eligibility criteria will be subject to quality assessment.

Step 2: Quality assessment

Quality assessment will be performed by the assessment teams under the responsibility of the Joint Steering Committee (JSC). Assessment teams will be selected in line with the required expertise relevant for the priority axes. Each assessment team consists of two independent assessors, therefore every Application is assessed by at least two assessors. Number and composition of assessment teams which

will be included in assessment process for this CfP depends on assessment strategy and number of received applications.

Quality assessment consists of three (3) sets of quality assessment criteria related to the quality of an Application and will be applied to those applications that have passed the administrative and eligibility check (in accordance with Article 39 of Commission Implementing Regulation (EU) No 447/2014):

1. Relevance criteria,
2. Operational criteria,
3. Sustainability criteria.

The quality assessment grid is structured according to the concerned assessment criteria, which are appraised using the following scale:

The quality assessment scale

SCALE		1-2-3-4-5
excellent	5	<i>The Application fulfils the given criterion to an excellent level and the provided information is sufficient, clear and coherent for assessing the criterion.</i>
very good	4	<i>The Application fulfils the given criterion to a very good level, however, some aspects of the given criterion lack certain clarity or coherence.</i>
sufficient	3	<i>The Application fulfils the given criterion to a sufficient level, however, some aspects of the given criterion have not been met fully or not explained in full clarity or detail.</i>
low	2	<i>The Application has serious shortcomings in fulfilling the given criterion and/or the provided information is of low quality.</i>
insufficient	1	<i>The Application does not fulfil the given criterion or information required is missing.</i>
SCALE		1-2-3
excellent	3	<i>The Application fulfils the given criterion to an excellent level and the provided information is sufficient, clear and coherent for assessing the criterion.</i>
sufficient	2	<i>The Application fulfils the given criterion to a sufficient level, however, some aspects of the given criterion have</i>

		<i>not been met fully or not explained in full clarity or detail.</i>
insufficient	1	<i>The Application does not fulfil the given criterion or information required is missing.</i>

The quality of the applications, including the proposed budget and capacity of the partners, will be assessed using Quality assessment grid:

Quality assessment grid

#	Assessment questions	Guiding principles for assessment	Numerical assessment	Section in AF ¹⁴
C	RELEVANCE CRITERIA			
C.1	Relevance and strategy	<i>The Project addresses common territorial challenges, joint assets and opportunities in the Programme area - there is a real need for the Project.</i>	1-2-3-4-5	Project description /Project relevance
		<i>The Project makes use of available knowledge and builds on existing results and practices.</i>	1-2-3	Project description /Project relevance
		<i>The Project clearly contributes to a wider strategy on one or more policy levels (EU /macro regional / national / regional/local).</i>	1-2-3	Project description /Project context
C.2	Project's contribution to Programme's objectives, expected results and outputs	<i>The Project overall objective clearly links to a Programme priority objective.</i>	1-2-3-4-5	Project description /Project focus
		<i>The Project results clearly link to a Programme result indicator.</i>	1-2-3-4-5	Project description /Project

¹⁴ AF = Application Form

				focus
		<i>The main Project outputs correspond to the Programme indicators and are clearly linked to the Project specific objectives.</i>	1-2-3-4-5	Project description /Project focus
		<i>Results and main outputs are specified (concretely defined and measurable) and realistic (it is possible to achieve them with given resources). Results and main outputs are in accordance with the selected target group's needs.</i>	1-2-3-4-5	Project description /Project focus
		C.3 Cooperation character and partnership approach	<i>The importance of the cross-border approach to the topic addressed is clearly described; the Project results and outputs cannot (or can only to some extent) be achieved without cooperation.</i>	1-2-3-4-5
<i>There is a clear benefit from cooperating for the Project Partners, the target groups and/or for the Programme area.</i>	1-2-3-4-5		Partner Project description /Project relevance	
<i>The Project involves relevant Project Partners from all participating countries and they prove the necessary experience and competence in the field concerned.</i>	1-2-3-4-5		Partner	
<i>Cooperation criteria are fulfilled: joint development (mandatory), joint implementation (mandatory),</i>	1-2-3		Project description /Project	

		<i>joint financing and joint staffing.</i>		relevance
D	OPERATIONAL CRITERIA			
D.1	Management	<i>The Lead Partner demonstrates competency in managing EU funded projects or other international projects or can ensure adequate measures for management support.</i>	1-2-3-4-5	Work plan
D.2	Communication	<i>The communication approach/tactics chosen are appropriate to reach communication objectives. Communication activities and deliverables are appropriate to reach the relevant target groups and stakeholder.</i>	1-2-3-4-5	Work plan
D.3	Work packages	<i>Coherence of Project activities with indicative types of actions and outputs, as per relevant priority axes. Proposed activities are relevant and lead to the planned main outputs and results.</i>	1-2-3-4-5	Work plan
		<i>All partners play a defined and active role in the Project partnership with clear responsibility (e.g. sharing of tasks is clear, logical, in line with partners' role in the Project and cross-border cooperation character).</i>	1-2-3-4-5	Work plan
		<i>Time plan is realistic (activities, deliverables and outputs are in a logical time</i>	1-2-3	Work plan

		<i>sequence).</i>		
		<i>All activities will be implemented for the benefit of the Programme area.</i>	1-2-3-4-5	Work plan
D.4	Budget	<i>The overall budget is clear and realistic and reflects real partners' involvement (it is balanced).</i> <i>To what extent does the Project budget demonstrate value for money?</i>	1-2-3-4-5	Project Budget
		<i>Financial allocation per expenditure category is in line with the work plan of activities.</i> <i>To what extent is the budget coherent and proportionate?</i>	1-2-3-4-5	Project Budget
E	SUSTAINABILITY CRITERIA			
E.1.	Sustainability, Durability and Transferability	<i>How will the Project outputs be further used and how the sustainability will be ensured once the Project has been finalised? If applicable, how the project envisages durability of relevant Project outputs?</i>	1-2-3-4-5	Project description /Project Focus
		<i>Project main outputs are applicable and replicable by other organisations/ regions/countries outside of the current partnership (transferability) – if not, it is justified.</i>	1-2-3-4-5	Project description /Project Focus

E.2	Horizontal principles	<p><i>The Project makes a positive contribution to sustainable development.</i></p> <p><i>The Project makes a positive contribution to equal opportunities and non-discrimination; OR</i></p> <p><i>The Project makes a positive contribution to equality between men and women.</i></p>	1-2-3	Project description /Horizontal Principles
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Maximum scores in quality assessment:

	ASSESSMENT CRITERIA	MAXIMUM SCORE
C	RELEVANCE CRITERIA	49
D	OPERATIONAL CRITERIA	38
E	SUSTAINABILITY CRITERIA	13
TOTAL		100

Important: In order to be considered for funding, an Application must fulfil all the administrative and eligibility criteria and receive at least 70 points at the quality assessment.

Provisional selection of operations

After the quality assessment, **four (4) ranking lists** will be established, one per each priority axis, listing the applications ranked in descending order with minimum of 70 points and within the available financial envelope as well as a reserve lists following the same criteria. These lists will be presented by the Joint Steering Committee to the Joint Monitoring Committee (JMC) for final decision. Any rejected Application will be replaced by the next best placed Application in the reserve list per priority axis that falls within the available financial envelope.

Important note: If the allocation indicated for a specific priority axis cannot be used due to insufficient quality or number of applications received, the Joint Monitoring Committee (JMC) reserves the right to re-allocate the remaining funds between priority axes. JMC reserves the right to allocate additional Programme funds in case of large number of qualitative applications received and/or not to award all the available Programme funds in this CfP.

JMC decision on the approval/placement on the reserve lists/rejection of Application together with assessment results will be communicated to each Lead Applicant through official letter signed by the MA. Upon receipt of the notification on JMC decision, Lead Applicant may request clarification from the MA or issue a formal complaint towards the decision of the JMC, following the complaint procedure described in these Guidelines for Applicants (Section 4.4.).

4.2. Contracting

Contracts with the Lead Applicants of the selected operations will be prepared on the standard template. Model of Subsidy Contract is available as part of Application Package.

Additional supporting documents:

Before signing the Contract, negotiations with provisionally selected Lead Applicants will be performed in order to finalise the Contract (“budget optimisation”).

For all projects whose activities involve the **infrastructure**, the following documents, where relevant, will be required in addition, prior to Subsidy Contract signature (contracting phase):

- legal documents specifying any legal right under the real-estate law concerning the land and/or buildings where the works will be carried out (proof of ownership or long term lease (10 years) of the land /assets *(if applicable)*);
- where applicable, necessary permissions for the execution of the works, issued by the national/regional/local relevant authorities, such as:
 - project design (preliminary works design OR detailed works design including indicative bill of quantities),
 - legal permits and all necessary legal authorizations (e.g. location and construction permits, etc.).
 - environmental impact assessments (if applicable),
 - etc.

The additional supporting documents requested must be uploaded **via eMS** in the form of **scanned originals (PDF format)** showing legible stamps, signatures and dates of the said originals.

Before signing the Contract, negotiations with provisionally selected Lead Applicants will be performed in order to finalise Contract related to **budget optimisation** (minor budget adjustments, if necessary), as well as adjustments related to content (minor adjustments of Application Form) and timing (implementation period adjustments).

After signing the Subsidy Contract, the Lead Beneficiary is responsible for implementing of the EU financed Operation on behalf of all Project Partners.

4.3. Indicative timetable

INDICATIVE TIMETABLE FOR 1st CALL FOR PROPOSALS		
Joint Secretariat for Interreg IPA Cross-border Cooperation Programme Croatia-Serbia 2014-2020		
Open Call for Proposals	DATE	TIME¹⁵
Information sessions: <ul style="list-style-type: none"> ▪ Croatia ▪ Serbia 	To be confirmed and published at: www.interreg-croatia-serbia2014-2020.eu	
Deadline for requesting any clarifications related to 1 st Call for Proposals	10 days prior submission deadline	
Deadline for publication of Q&A on Programme web site	Regularly until closure of the CfP.	
Deadline for submission of Full Application via eMS	1 July 2016	15:00 h
Information to Lead Applicants on the results of assessment process/JMC decision	January 2017	
Contracting phase	February 2017	

4.4. Resolution of Complaints

In the framework of the Interreg IPA Cross-border Cooperation Programme Croatia - Serbia 2014-2020, the complaints procedure was set up in line with Article 74(3) of Regulation (EU) No 1303/2013 (CPR). Therefore, complaints may be made in case a failure affecting the JMC funding decision is suspected during the project proposals selection process.

Failure means that the project proposal assessment or part of project proposal assessment did not comply with the selection criteria and/or with the procedures laid down in the Cooperation Programme and/or in the call-specific documents (Application Package). If a Project proposal is not selected for funding as a consequence of such failures or mistakes, the Lead Applicant has the right to submit a formal complaint.

Complaints against the project proposal selection process have to be submitted by the Lead Applicant on behalf of all Project Partners via e-mail to the Managing Authority within 14 calendar days after the notification on the JMC decision regarding the Call for Proposals. In the complaint letter, the Lead

¹⁵ Provisional date and time. All times are in the time zone of the country of the Managing Authority.

Applicant shall clearly specify what failures or mistakes have happened during the assessment of the Project proposal and support its claim with clear references to the relevant Programme documents (Cooperation Programme, Application Package or other call-specific documents) and Project proposal in question.

Prior to filing a formal complaint, the Lead Applicant is strongly recommended to request additional clarification or technical or legal information from the Managing Authority within the timeframe available for submitting a complaint (14 calendar days). Request for clarification/information interrupts the deadline for submitting a complaint until the day of the reply by the Managing Authority to the Lead Applicant.

In case the Lead Applicant is not satisfied with the received additional information from the Managing Authority, it may decide to submit a formal complaint to the Managing Authority. Managing Authority will send confirmation of receipt of any written complaint.

If a complaint includes an incomplete description of a case that does not allow Managing Authority or any involved body to perform a thorough assessment of a complaint, further information may be requested at any time of the procedure. If the information requested is not provided within the period of time as specified by the requesting authority/body (at least 3 working days) the case shall be closed without further investigation.

The complaint should clearly state:

- the name and address of the Lead Partner,
- the reference number of the Project proposal in question,
- clearly described reasons for the complaint,
- the signature of the legal representative of the Lead Partner, and
- any other supporting documents the Lead Partner may consider relevant.

Complaint must be submitted in writing to the following address:

Agencija za regionalni razvoj Republike Hrvatske

Ured za Upravljanje programima suradnje i regionalni razvoj

Upravljačko tijelo Interreg IPA Programa Prekogranične suradnje Hrvatska - Srbija 2014. - 2020.

Vlaška 108, 10 000 Zagreb

Clearly indicate following note: "Žalba na odluku Zajedničkog odbora za praćenje".

The official complaints will be examined according to internal procedures established at Programme management level. The MA shall inform in writing the Lead Partner of the results of those examinations.

4.5. Data protection

All personal data (such as names, addresses, CVs, etc.) will be processed in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the European Community institutions and bodies and on the free movement of such data.

The applicant's replies to the questions in the AF are necessary to evaluate and further process the Application in accordance with the specifications of the Call for Proposals. Personal data will be processed solely for that purpose by the JMC, JSC, MA and JS. Personal data may be transferred to third parties involved in the assessment process or in the grant management procedure, without prejudice of transfer to the bodies in charge of monitoring and inspection tasks in accordance with EU law.

In particular, for the purposes of safeguarding the financial interests of the Union, personal data may be transferred to internal audit services, to the European Court of Auditors, or to the European Anti-Fraud Office.

The results of the 1st Call for Proposals are information of public nature and will be published on the Programme web site: www.interreg-croatia-serbia2014-2020.eu after signing the Subsidy Contracts with the selected Lead Partners.

5. ANNEXES

1. Template of the Lead Partner Statement
2. Template of the Project Partner Statement
3. State Aid Self-Assessment Questionnaire
4. Template of the Partnership Pre-Agreement
5. Application Manual: instructions how to fill in Application Form
6. Model of the Subsidy Contract
7. Model of the Partnership Agreement