



EUROPEAN UNION



GOVERNMENT OF  
ROMANIA



GOVERNMENT OF  
SERBIA

MANAGING AUTHORITY



ROMANIA

NATIONAL AUTHORITY

MINISTRY OF FINANCE



Republic of SERBIA

## APPLICANT'S GUIDE



ROMANIA-SERBIA  
IPA CROSS-BORDER COOPERATION PROGRAMME

PRIORITY AXIS 3 - Promoting "People To People" Exchanges

Call for proposals No. 1

30<sup>th</sup> of April 2009

Deadline for receipt of applications: 29<sup>th</sup> of July 2009

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For the purposes of the Romania-Serbia IPA Cross-Border Cooperation Programme and its related documents, the following definitions shall apply:

Glossary of terms	
Applicant's Guide	A document, which is a part of the Application Pack and contains information, requirements and recommendations for preparing applications.
Application	A set of forms which have to be filled in properly and submitted by the Lead Partner to the Joint Technical Secretariat in order to apply for the programme funding.
Application Pack	A set of documents, forms and guidelines that group all information, requirements and forms needed to prepare application.
Partner	Any applicant whose application has been approved for financing
Eligible expenditure	Expenditure incurred by project partners involved in the implementation of a project approved by the programme concerned, which could be financed from the structural instruments, as well as from the state budget and/or own Partner contribution
Eligible area/region	The Romanian counties and Serbian districts located in the border area, as mentioned in the programming document approved by the European Commission.
First level control	Control on project level. In order to validate expenditure declared by a project partner, the controller will verify the delivery of products and services co-financed, the soundness of expenditure declared for operations or parts of operations implemented on its territory and the compliance of such expenditure and of related operations, or parts of those operations, with Community and its national rules.
Ineligible expenditure	Project expenditure which is not eligible for co-funding from the programme. See rules on eligible and ineligible expenditure in the Applicant's Guide.
Lead Partner	An applicant designated by the partners involved in a project, responsible for coordinating the process of development, submission and implementation of that specific project
National legislation	The legislation of the state on whose territory the partner is located
Partner	Any applicant involved in a project

Partnership Agreement	A document that formalises relationship between project partners and the Lead Partner. Mutual rights and obligations regarding cooperation in project are laid down in the agreement, also including provisions guaranteeing the sound financial management of the funds allocated to the project.
Potential applicant	Any legal entity meeting the eligible criteria for submitting an application to be financed by the programme
Potential beneficiary	Any applicant or potential applicant is a potential beneficiary until the decision for financing its project has been issued
Subsidy contract	Contract between the Managing Authority and the Lead Partner. It determines the rights and responsibilities of the Lead Partner and the Managing Authority, the scope of activities to be carried out, terms of funding, requirements for reporting and financial controls, etc.

Glossary of acronyms	
AA	Audit Authority
CA	Certifying Authority
CBC	Cross-Border Cooperation
CBC RO TM	Regional Office for Cross-border Cooperation Timisoara
EC	European Commission
EU	European Union
GD	Government Decision
GDP	Gross Domestic Product
ICT	Information and Communication Technology
IPA	Instrument for Pre-accession Assistance
IT	Information Technology
JMC	Joint Monitoring Committee
JTS	Joint Technical Secretariat
MA	Managing Authority
MRDH	Ministry of Regional Development and Housing
MF	Ministry of Finance (Serbia)
MEF	Ministry of Public Finance (Romania)
MIS-ETC	Management Information System for European Territorial Cooperation
MoU	Memorandum of Understanding
MS	Member State
ACSI	Authority for Coordination of Structural Instruments
NDP	National Development Plan
NGO	Non Governmental Organization
NIS	National Institute for Statistics
NSRF	National Strategic Reference Framework
NUTS	Nomenclature of Territorial Units for Statistics
PCC	Potential Candidate Country
Phare CBC	Phare (Poland Hungary Aid for Reconstruction of the Economy) Programme for Cross-Border Cooperation
Programme	Romania - Serbia IPA Cross-Border Cooperation Programme

RDA	Regional Development Agency
R&D	Research and Development
RTD	Research and Technological Development
RO	Romania
SWOT	Strengths, Weakness, Opportunities, Threats
TA	Technical Assistance
VAT	Value Added Tax

## Legal basis

- Romania-Serbia IPA Cross-Border Cooperation Programme
- Council Regulation (EC) No 1085/2006 establishing an Instrument for Pre-Accession Assistance (IPA) (hereafter IPA Regulation)
- Commission Regulation (EC) No. 718/2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA) (hereafter IPA implementing Regulation)
- Other relevant national and European legislation (Annex F)

Please note that all these legal provisions must also be observed by the applicants during both project elaboration and implementation phases.

## I. General information

The Applicant's guide aims to give practical information for project applicants to the Romania-Serbia IPA Cross-Border Cooperation Programme. It is a practical user friendly document that helps applicants to submit projects under this Programme. The present guide offers a range of information on how to fill in an application, budget and related forms, the application procedure, the project selection criteria, the decision making procedure and other practical advices.

### I.1 Overview of Romania-Serbia IPA Cross-Border Cooperation Programme

The Romania-Serbia IPA Cross-Border Cooperation Programme has been prepared in line with the Council Regulation (EC) No 1085/2006 establishing an Instrument for Pre-Accession Assistance (IPA) (hereafter referred to as the "IPA Regulation"), Commission Regulation (EC) No. 718/2007 implementing IPA Regulation (hereafter referred to as the "IPA Implementing Regulation"). Community's renewed Lisbon Agenda and Community's Gothenburg Agenda were also taken into consideration when preparing the Programme. The Programme is the result of a co-operative effort by the Romanian and Serbian national, regional and local authorities, supported by the EC Delegation to Romania, the EC Delegation in Belgrade, the Serbian Ministry of Finance, and the Romanian Ministry of Regional Development and Housing.

The Romania-Serbia IPA Cross-Border Cooperation Programme has been approved by the European Commission on 27 of March 2008 for the period 2007-2013 and focuses on increasing the overall competitiveness of the economy in the border area and on the improvement of the quality of life for the border communities.

The 2003 Phare External Border Initiative Programme for Romania and the Neighbourhood Programme Romania-Serbia & Montenegro 2004-2006 paved the way for the new integrated cross-border instrument to be implemented at EU external borders as of 2007, therefore basic conditions for cross-border cooperation are already in place and this IPA Cross-Border Cooperation Programme can concentrate on its strategic goal of achieving a more balanced sustainable socio-economic development of the Romania-Serbia border area.

## 1.2 Programme strategy

The IPA Cross-Border Programme provides the opportunity for both countries to continue their cross-border cooperation under the new instrument. The analysis set out in the Joint Programming Document shows that even if there is very uneven economic development within the border area this area of cooperation is characterised by similar agricultural, economic and industrial assets on both sides of the border, and thus common challenges can and should be tackled in part by joint actions.

The programme strategy focuses on the key challenges of the border region and the responses that are available to address problems that exist, namely:

- Overcoming specific issues related to the connectedness of the region, both internally between the border regions, and crucially also externally between the border region and neighbouring areas
- Tackling the lack of competitiveness which is a common issue affecting the economy of the border area as a whole, with negative impacts in both the Romanian and Serbian border areas. This includes issues such as entrepreneurship and business activity, innovation, and levels of investment
- Addressing key issues of rural development which are characteristic of the regions on both sides of the border, and which would benefit from joint cross-border action in relation to key areas such as (inter alia) agriculture, rural tourism development, and specific labour market challenges in rural areas.
- Dealing with the significant common challenges in the environment and in specific aspects of local/regional preparedness in relation to cross-border emergency situations
- Overcoming the border as a perceived "division", and promoting greater cooperation and contact between regions and communities on both sides of the border

### i. Programme objectives

The programme strategy sets out one **strategic goal** of the Romania-Serbia IPA Cross-Border Cooperation Programme:

***to achieve on the basis of joint cross-border projects and common actions by Romanian and Serbian stakeholders a more balanced and sustainable socio-economic development of the Romanian-Serbian border area.***



- Increasing the overall competitiveness of the economy in the border area
- Improvement of the quality of life for the communities of the border area

## ii. Eligible area



### **România - 3 counties:**

- Timiș
- Caraș-Severin
- Mehedinți

### **Serbia - 5 districts:**

- Severno-Banatski
- Srednje-Banatski
- Južno-Banatski
- Braničevski
- Borski

## iii. Programme Priority Axes

Four priority axes have been identified as the basis for intervention in order to address common challenges facing regions in both Romania and Serbia:

*Priority Axis 1: Economic and Social Development*

*Priority Axis 2: Environment and Emergency Preparedness*

*Priority Axis 3: Promoting “people to people” exchanges*

*Priority Axis 4: Technical Assistance*

Under Priority Axes 1, 2 and 3 projects can be financed after being submitted by applicants through the call for proposals. The fourth Priority Axis is dedicated to ensuring the proper functioning of the programme implementation bodies and is not to be included in the allocation for project applications.

Priority Axis 3: Promoting “people to people” exchanges		Indicative operations
Measure 3.1	✓ Support the development of civil society and local communities	<ul style="list-style-type: none"> <li>• Improvement of joint administrative capacity for civil society organisations</li> <li>• Support for joint local strategies and pilot actions between local administration and civil society organizations</li> <li>• Support for the capacity building and training activities for different community and civil society organizations.</li> <li>• Support for the capacity building and training activities for local authorities.</li> <li>• Development of communication networks between cross border local communities/ civil society organisations</li> </ul>
Measure 3.2	✓ Improve local governance in relation to the provision of local services to communities in the border areas	<ul style="list-style-type: none"> <li>• encourage joint training and capacity-building activities on local governance topics</li> <li>• promoting the joint local development plans/ strategies in the specific cross-border areas;</li> <li>• improving cross-border local authorities competences particularly in the provision of integrated services to the local communities;</li> <li>• small-scale collaborative projects and pilot actions between local organisations from cross-border area on local governance and local development topics;</li> <li>• promoting the exchange of</li> </ul>

		good practice/ transfer of technical competences between local authorities regarding the provision of local services and local governance.
Measure 3.3	✓ Increase educational, cultural and sporting exchange	<ul style="list-style-type: none"> <li>• promotion of common cultural heritage of cross border area;</li> <li>• supporting joint innovative methods in the field of education, sports, youth and leisure exchange activities;</li> <li>• promoting the cultural diversity and mutual understanding between different communities/ ethnic groups;</li> <li>• support the creating the cross-border partnerships for developing the common cultural/ educational projects;</li> <li>• encouraging the dissemination of good practice in cultural and educational fields from "poles of excellence" to less developed areas in the border regions</li> </ul>
Measure 3.4	✓ Enhance social and cultural integration of border areas	<ul style="list-style-type: none"> <li>• support for better preparedness for people to find new jobs in the border area</li> <li>• support for social and cultural integration measures for disadvantaged groups/ minorities</li> </ul>

For further details on programme strategy please refer to the IPA CBC Programming Document.

### iiii. Programme indicators

Priority Axis 3: People-to-people exchanges			
Output indicators			
Indicators	Measurement	Baseline 2007	Target 2015
Stronger civil society of the border area	Number of NGOs implementing cross-border projects	0	5
Increased people-to-people exchange in the fields of education, culture and sports	Number of people participated in cross-border people-to-people exchanges events	0	100
Increased integration of the border communities and improved local services in the border area	Number of cross-border public events organised for integrating people from both side of the border (calculated also by type).	0	10
Result indicators			
Indicators	Measurement	Baseline 2007	Target 2015
Increased social and cultural integration of people in the border areas	Number of participants benefiting from cross-border social and cultural events	0	200
Increased cooperation between local and regional public authorities across the border to finding solutions to joint local problems in the border area	Number of activities, actions, initiatives between local and regional public authorities in tackling joint problems, local service provision etc.	0	25
Improved quality of life and increased attractiveness of the border communities as a living place	Number of activities, actions, initiatives developing new or improving existing educational and social services, or improving other local living conditions	0	60
Improved knowledge of culture, history, society, organisational and institutional structure, and language of the neighbouring country	Number of participants gained new knowledge in events promoting/profiling the neighbouring country	0	200
Source of information: Annual implementation report; Evaluation reports;			

Monitoring reports; Surveys /studies; SMIS.  
Method of measurement: Annually.

For further details on programme indicators please refer to the IPA CBC Programming Document.

### I.3 Programme implementation structures

Managing Authority - the **Romanian Ministry of Regional Development and Housing** is responsible for the managing and implementing of the Programme in accordance with the principle of sound financial management.

National Authority - the **Serbian Ministry of Finance** is the counterpart of the Managing Authority being responsible for programming, planning and implementing the Programme in Serbia, ensuring national co-financing at programme level, first level control for the expenditures made in Serbia.

Certifying Authority - the **Romanian Ministry of Public Finance** is responsible for drawing up and submitting to the Commission certified statements of expenditure and applications for payment and for receiving the payments made by the Commission.

Audit Authority - the **Court of Accounts of Romania**. The main responsibilities of the AA consist in ensuring that audits are carried out to verify the effective functioning of the management and control system and ensuring that audits are carried out on operations on the basis of an appropriate sample to verify expenditure declared. The Audit Authority for the programme shall be assisted by a group of auditors which will assist the Audit Authority in carrying out its duties.

Joint Monitoring Committee (JMC), is formed by representatives from both participating states in the Programme (representatives from the national, regional and local level and other economic, social and environmental partners), ensures the effectiveness and quality of the implementation of the Programme, having specific tasks related to the monitoring of the Programme. The JMC plays also a very important role in the selection of the operations, due to the fact that approves/revises the criteria for selecting the operations financed by the Programme and is responsible for selecting the operations.

Joint Technical Secretariat (JTS) is based in Timișoara within the **Regional Office for Cross-Border Cooperation Timișoara**. The JTS is responsible for the day-to-day implementation of the Programme according to the provisions of the implementing agreement concluded between the Managing Authority and Regional Office for Cross-Border Cooperation Timișoara and according to the provisions of national and EU legislation. The JTS and the Regional Office for Cross-Border Cooperation Timișoara are responsible for fulfilling all the tasks delegated by the MA for the implementation of the Programme with regard to the JMC secretariat,

project generation, evaluation and selection of the projects, technical, economic and financial monitoring and control of the projects, information and publicity.

Antenna of the JTS is located in Cross-Border Local Office in Vršac, Serbia, having as its main role to serve as a local contact point for Serbian potential partners/project partners and to disseminate information at regional level, to support projects development in Serbia.

#### **I.4 Programme Financial Allocation**

The programme strategy covers the whole programming period but the programme budget approved through EC Decision 1076/ 2008 covers only the first three years (2007-2009). The total budget of the programme for 2007-2009 is €23,010,661 out of which €19,559,062 represents EU contribution. The remaining €3,451,599 are national contributions from state budgets and projects partners.

The breakdown of the programme budget on priority axes and national contributions approved by the European Commission is available in the programming document.

The EU allocation and national contributions from state budgets and projects partners for Priority Axis 3 are shown in the table below:

2007-2009	1	2	3
	IPA  85%	National Co-financing  15%	Total funding (1)+(2)  100%
Priority Axis 3 Promoting "people to people" exchanges	€2,738,269	€483,224	€3,221,493

**i. Financial allocation for the call for proposals**

The total amount allocated to this call for proposals for the third priority axis is proportional with the financial allocation corresponding to 2007-2008, broken down as follows:

2007-2008	1	2	3
	IPA  85%	National Co-financing*  15%	Total funding (1)+(2)  100%
Priority Axis 3  Promoting "people to people" exchanges	€1,620,754	€286,015	€1,906,769

\*Includes the contributions from state budgets, local budgets and contribution of partners from both countries.

The IPA contribution will be allocated for the reimbursement of eligible expenses, duly justified and certified.

Within one single project, the maximum rate of IPA financing for each partner from Serbia and Romania is 85% of eligible costs of the projects.

For Serbia, the remaining 15% must be covered by the partner; for Romania, the remaining 15% can be covered by the national public funds and the partner. National public co-financing at the state level in Romania shall be provided by the MRDH to project partners from Romania participating in approved projects.

Based on the subsidy contract concluded between the Lead Partner and the MA the Lead Partner (Romanian or Serbian) shall receive an advance payment in an amount of maximum 15% from the value of the subsidy contract.

The advance shall be paid out of the IPA funds received from the EC as pre-financing at programme level and shall be granted, at the written request of the Lead Partner, according to the provisions of the subsidy contract, relevant legislation and provisions of the Memorandum of Understanding between Romania and Serbia.

**I. 5 State aid<sup>1</sup>**

Considering the activities financed under the current call, activities for which the

<sup>1</sup> State aid as defined in the Romanian national legislation is to be observed by the Romanian partners . However the provisions under this point must be observed for any operation or part of an operation.

partners do not act as economic operators and for which there are no considerations to assume that the competition will be distorted, the projects shall not be subject to state aid rules.

To this end, the following provisions shall be fulfilled by each project:

- All expenditure must be made according to the relevant laws on public procurement (PRAG rules are to be observed). This condition applies to all partners (e.g. public administration bodies, NGOs).
- The project must not create an economic advantage to an economic operator.
- All studies or other results of the non-investment research and development projects shall be made available for free to all interested individual or legal persons, in a non-discriminatory way.

Making the project results available only for certain individual or legal persons is strictly forbidden!

Also, the project results should not create an economic advantage to a certain undertaking/activity/the production of certain goods.

Special provisions regarding state aid are included in the sections of this Guide dedicated to the eligibility of actions.

## II. Rules of the call for proposals

### II.1. Type of call for proposals

The financing under the Romania - Serbia IPA Cross-Border Cooperation Programme shall be made available to potential applicants through a competitive process. The Managing Authority together with the National Authority and the Joint Technical Secretariat are launching the present call for proposals with deadline for submitting the applications. Nevertheless, the applicants may submit their applications throughout the entire period of the call for proposals, up until the mentioned deadline.

These specific guidelines are tailored for the first call for proposals covering 2007 and 2008 financial allocations. The present call for proposal, under these guidelines, has the goal of establishing solid partnerships in the eligible area by financing "soft" projects only.



## II. 2 Eligibility Criteria

The submission of projects is open to all potential beneficiaries that meet the eligibility criteria set-out below. These eligibility criteria shall apply for the entire programme duration. However, please note that the Joint Monitoring Committee may decide to change these eligibility criteria for the forthcoming calls for proposals.

In order to be eligible for funding under the programme, a project should meet all three criteria set out below: the eligibility of *applicants*, *activities* and *expenditure*.

### i. Eligibility of applicants

➤ In order to be eligible for a grant, applicants must fulfil the following criteria:

- ❖ Be Romanian or Serbian non-profit making bodies/organizations, legally established according to national legislation of the state on whose territory they are located;

- ❖ Be non-governmental organizations (associations or foundations) or public sector operators or local/regional authorities which have their headquarters/branches registered and operating in the eligible cross border region;

- if the applicant is a regional branch of a national organisation, and the national organisation's headquarter is not situated in the eligible regions, and the regional branch is a legal entity, the regional branch shall apply for assistance and in case of contracting it shall be the beneficiary.

- ❖ Be directly responsible for the preparation and management of the action together with their partners and not acting only as an intermediary;

- ❖ Appoint, for each project, a lead partner among the project partners, which bears the overall responsibility and liability for the entire project implementation and management. The tasks of the Lead Partner are provided in article 96 of the IPA Implementing Regulation, in the subsidy contract (Annex C) and in the partnership agreement (Annex E);

- ❖ Have at least one partner on the other side of the border, which must fulfill the same eligibility criteria. Applicants without any partners from the other side of the border will not be eligible;

- ❖ Have stable and sufficient sources of finance to ensure the continuity of their organization throughout the project and, if necessary, to play a part in financing it;

- ❖ Be experienced and able to demonstrate their capacity to manage their share of activities of the project for which the subsidy is requested;

- ❖ Have not received financing support from public funds in the past 5 years before the deadline for submitting the applications under this call for proposals for the same type of operation in terms of objectives, activities and results.

***All partners in a project must sign a partnership agreement before the signing of the subsidy contract with the MA that stipulates the rights and duties of the partners. A model of partnership agreement is annexed to the present Guide.***

***The partners may decide, with prior agreement of the MA, to stipulate additional or more restrictive provisions from those mentioned in the model partnership agreement, Annex E. The minimum provisions of the partnership agreement provided in the model- Annex E must be included in the signed partnership agreement.***

***According to the Partnership Agreement, after the signing of the subsidy contract, the parties must establish a Project Steering Committee composed of representatives of all partners, having the role of approving progress reports and payment requests before submitting them to JTS and performing any other tasks stipulated in the respective agreement or assigned by project partners. The partners may choose to establish the Project Steering Committee in the project development phase, in order to have a better continuity with the implementation phase.***

***Partnerships not involving strong commitment and contributions (observing at least one of the four cooperation criteria mentioned art. 95, para.2 of the IPA Implementing Regulation) from the part of all partners shall be rejected! All partners must have clear roles in project development and implementation.***

**Political parties are not eligible as either applicant or partner!**

Potential applicants may not participate in calls for proposals if:

- (a) they are bankrupt or being wound up, they have their affairs administered by the courts, they have entered into an arrangement with creditors, they have suspended business activities, they are the subject of proceedings concerning those matters or they 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 related to the payment of debts to the consolidated budget;
- (e) they have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organization 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 calls for proposals or the award of financial support if, at the time of the call for proposals, they:

- (g) are subject to a conflict of interests; the conflict of interests represents any circumstances that may affect the evaluation 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 Technical 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 evaluation 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.

In the signed "Declaration by the applicant" included in the application form, applicants must declare that they do not fall into any of the above categories (a) to (i).

All partners should dispose of the required knowledge, resources and capacity to fulfil their designated tasks. The applicants must state their financial and administrative capacity to manage their share of the project.

The applicants must attach Annex A8 - Declaration of Commitment, Annex A2 Budget Form to the Application Form and must also attach the latest Balance Sheet of the organization for the previous 3 years and the latest budgetary execution account, both checked by the Financial administration, as specified in the list of Annexes after Section 5 of this Applicants Guide below.

The applicants must also attach the Declaration of Commitment regarding the coverage of expenditures related to the project.

The value of the contribution by the applicant and by each of the partners to the project is shown in subsection 3 - Financing Sources of Annex A2 - the Budget Form.

**According to the Annex 8 Declaration of Commitment, the applicants shall state that:**

- all partners know the application and accept to be a partner;
- all partners will provide their own contribution to the eligible expenditure

*in the amount shown in the application and will ensure the temporary availability of funds until they are reimbursed by the programme;*  
*- all partners will participate in the project activities as shown in the application*  
*- all partners will cover all non-eligible expenditures corresponding to their activities incurred during project implementation.*

The Managing Authority or the Joint Technical Secretariat may request at any time additional documentary evidence and argumentations regarding financial capacity.

Indicative examples of potential applicants<sup>2</sup>:

- County Councils/ District Administrations;
- Local Councils/Municipalities;
- Regional and local development agencies
- Associations of local public authorities;
- Public interest organisations
- Religious organizations, legally established according to the national legislation in force;
- Public equivalent bodies, which means any legal body governed by public law, and:

(i) established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character;

(ii) having legal personality, and

(iii) financed, for the most part, by the state, or 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.

- Chambers of Commerce/ SMEs associations;
- Educational institutions (schools, universities etc.);
- Non-profit research institutes;
- Other NGOs acting in the fields financed by the programme.

Concerning the retention of all documents related to the implementation of a project, the beneficiary must retain and make them available until at least December 31, 2021

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<sup>2</sup> Conflict of interest must be avoided. It is essential that there is a clear separation of functions between the part of organization applying for funding and the people from the same organization involved in the assessment (i.e independent evaluators). They cannot be directly subordinated to one another.

## ii. Eligibility of actions (operations)

As a general rule, activities for which funding is sought, have to be carried out within the eligible area and applicants are asked to demonstrate that those activities have cross border impact on the Programme area.

The project must be in line with the measures under the Priority Axis 3 as stipulated in the Romania-Serbia IPA Cross-Border Cooperation Programme.

The types of activities financed under each Measure and Indicative operation, as well as projects duration and budget limits are described below:

***All State Aid provisions must be observed for any type of action!***

### Priority Axis 3 - Promoting "people to people" exchanges

This Priority Axis is split in four measures:

#### Measure 3.1- Support the development of civil society and local communities

##### Indicative eligible operations financed under Measure 3.1:

- Improvement of joint administrative capacity for civil society organisations
- Support for joint local strategies and pilot actions between local administration and civil society organizations
- Support for the capacity building and training activities for different community and civil society organizations.
- Support for the capacity building and training activities for local authorities.
- Development of communication networks between cross border local communities / civil society organisations.

##### Indicative eligible activities within the operation may be:

- Development of joint plans/strategies on different topics related with cross-border cooperation.;
- Promoting the development of communication networks between local authorities/ NGOs on local development and small-scale project management topics using ITC tools;
- Elaboration of joint action plans/strategies for development of civil society on the programme area;

- Organisation of joint conferences, seminars and workshops for local authorities/ NGOs in different fields of local economic and social development;
- Support for inter-sectoral area-based initiatives that address the needs of marginalized/ socially excluded groups.

The above lists of eligible activities are informative. Other activities may be eligible if the applicant can justify the necessity of these activities in order to implement the project.

NOTE: The eligibility of an activity does not confer eligibility on the expenditure made for the implementation of that activity. For this purpose you should consult the *List of eligible expenditure* further provided by this Guide.

#### Project duration:

All projects must have the project duration between 6 and 18 months from the starting date of the project, on condition that the final reimbursement claim is submitted before the 30<sup>th</sup> of September 2011.

#### Project Budget:

The total financial support from the programme (IPA funds) for one project will range between 30,000 EURO and 200,000 EURO.

- EU funding shall finance up to 85% of the eligible expenditure
- Romanian state budget shall provide an additional 13% to the Romanian public bodies and NGOs.
- The remaining amount represents own contribution of Romanian project partners (2%).
- For Serbian partners the amount representing own contribution shall cover 15% of the eligible expenditure to the project.

Measure 3.2 - Improve local governance in relation to the provision of local services to communities in the border areas

#### Indicative eligible operations financed under Measure 3.2:

- Encourage joint training and capacity-building activities on local governance topics
- Promoting the joint local development plans/ strategies in the specific cross-border areas;

- Improving cross-border local authorities competences particularly in the provision of integrated services to the local communities;
- Small-scale collaborative projects and pilot actions between local organisations from cross-border area on local governance and local development topics;
- Promoting the exchange of good practice/ transfer of technical competences between local authorities regarding the provision of local services and local governance.

Indicative eligible activities within the operation may be:

- Elaboration of studies/ reports regarding the quality of local services provided on cross-border area
- Support for local communities initiatives to develop joint local development actions plans/ strategies
- Support for local communities to improve their local services delivery systems;
- Training courses and information dissemination, exchange visits, joint projects development on promoting local governance between local organisations;
- Co-operation between public administration bodies on themes of mutual interest, including the improvement the quality of local services delivered, internship programmes for administrative staff;
- Actions aiming at building cross-border competencies in public institutions particularly in the provision of integrated services to the community;
- Support for research and development of activities that can help transfer of good practice in public local services development and delivery.

The above lists of eligible activities are informative. Other activities may be eligible if the applicant can justify the necessity of these activities in order to implement the project.

NOTE: The eligibility of an activity does not confer eligibility on the expenditure made for the implementation of that activity. For this purpose you should consult the *List of eligible expenditure* further by this Guide.

**Project duration:**

All projects must have the project duration between 6 and 18 months from the starting date of the project, on condition that the final reimbursement claim is submitted before the 30<sup>th</sup> of September 2011.

**Project Budget:**

The total financial support from the programme (IPA funds) for one project will range between 30,000 EURO and 200,000 EURO.

- EU funding shall finance up to 85% of the eligible expenditure
- Romanian state budget shall provide an additional 13% to the public bodies and NGOs in Romania.
- The remaining amount represents own contribution of Romanian project partners (2%).
- For Serbian partners the amount representing own contribution shall cover 15% of the eligible expenditure to the project.

**Measure 3.3 - Increase educational, cultural and sporting exchange****Indicative eligible operations financed under Measure 3.3:**

- Promotion of common cultural heritage of cross border area;
- Supporting joint innovative methods in the field of education, sports, youth and leisure exchange activities;
- Promoting the cultural diversity and mutual understanding between different communities/ ethnic groups;
- Support the creating the cross-border partnerships for developing the common cultural/ educational projects;
- Encouraging the dissemination of good practice in cultural and educational fields from "poles of excellence" to less developed areas in the border regions

**Indicative eligible activities within the operation may be:**

- Meetings and exchanges among artistic groups/ youth organisations from border region (summer school activities, educational camps, etc);
- Joint educational and sportive competitions between border communities (language contests, sports events, music festivals etc.);
- Organisation of traditional fairs;



- Joint educational projects between cross-border schools/universities;
- Awareness campaign on common cultural heritage of regional area;
- Joint courses within the universities (internships);
- Creation of joint language learning methods;
- Initiatives for intercultural learning activities using ITC methods/tools;
- Joint creation of educational materials for schools and kindergardens for promoting cultural diversity on cross-border area;
- Support for activities sustaining identity and traditions of local communities: cross-border cooperation of cultural institutions and cooperation between local cultural and educational institutions for promotion of the cultural inheritance and renewal and maintenance of the local cultural traditions, protection of cultural, art and ethnic values;
- Promoting production of regional common culture products, arts events (folk festivals, performances, exhibitions, art workshops) and exchange of traditional crafts;
- Development of common cross-border approach in the area of education, youth and sports.
- Actions to promote dissemination of good practice from “poles of excellence” to less developed areas of the border region in the cultural and educational field.

The above lists of eligible activities are informative. Other activities may be eligible if the applicant can justify the necessity of these activities in order to implement the project.

NOTE: The eligibility of an activity does not confer eligibility on the expenditure made for the implementation of that activity. For this purpose you should consult the *List of eligible expenditure* further provided by this Guide.

#### Project duration:

All projects must have the project duration between 6 and 18 months from the starting date of the project, on condition that the final reimbursement claim is submitted before the 30<sup>th</sup> of September 2011.

#### Project Budget:

The total financial support from the programme (IPA funds) for one project will range between 30,000 EURO and 200,000 EURO.

- EU funding shall finance up to 85% of the eligible expenditure
- Romanian state budget shall provide an additional 13% to the public bodies and NGOs in Romania.
- The remaining amount represents own contribution of Romanian project partners (2%).
- For Serbian partners the amount representing own contribution shall cover 15% of the eligible expenditure to the project.

#### Measure 3.4: Enhance social and cultural integration of border areas

##### Indicative eligible operations financed under Measure 3.4:

- Support for better preparedness for people to find new jobs in the border area
- Support for social and cultural integration measures for disadvantaged groups/ minorities

##### Indicative eligible activities within the operation may be:

- Training initiatives for unemployment persons;
- Exchange of know-how and experience in adult education at various levels between different actors involved in training field;
- Local employment support (counselling, job search facilities) and professional re-training for unemployment persons);
- Joint actions plans in professional education/ training support for social disadvantages groups from border area;
- Experience exchange between educational institutions regarding the training/ educational activities for social disadvantages groups;
- Joint projects for the social integration of people with disabilities or minorities
- Awareness campaigns for promoting equal opportunities and social rights for social disadvantages groups/ minorities

The above lists of eligible activities are informative. Other activities may be eligible if the applicant can justify the necessity of these activities in order to implement the project.

NOTE: The eligibility of an activity does not confer eligibility on the expenditure made for the implementation of that activity. For this purpose you should consult the *List of eligible expenditure* further provided by this Guide.

**Project duration:**

All projects must have the project duration between 6 and 18 months from the starting date of the project, on condition that the final reimbursement claim is submitted before the 30<sup>th</sup> of September 2011.

**Project Budget:**

The total financial support from the programme (IPA funds) for one project will range between 30,000 EURO and 200,000 EURO.

- EU funding shall finance up to 85% of the eligible expenditure
- Romanian state budget shall provide an additional 13% to the public bodies and NGOs in Romania.
- The remaining amount represents own contribution of Romanian project partners (2%).
- For Serbian partners the amount representing own contribution shall cover 15% of the eligible expenditure to the project.

**Rules applicable to all projects****Cooperation criteria:**

***Projects must have a direct cross-border cooperation impact, which shall be understood in terms of respecting at least one of the following conditions as described below: joint development, joint staffing, joint implementation and joint financing.***

- ☐ *Joint development* - means that the project must be designed in common by partners from both sides of the border. This means that project proposals must clearly integrate the ideas, priorities and actions of stakeholders on both sides of the border. The Lead Partner 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. It is not enough that activities run in parallel. There must be clear content-based links between what is happening on either side of the border and regular contact between the two sides. The Lead Partner is responsible for ensuring that activities are properly coordinated, that schedules are kept and that the right quality levels are achieved;
- ☐ *Joint staffing* - means that the project should not duplicate functions on either side of the border. Therefore, regardless of where the person is located, there should be one joint project manager, one joint financial

manager etc., (of course more staff may be required for larger projects). These staff will be responsible for project activities on both sides of the border. The Lead Partner is generally the employer of core project staff;

- ❑ *Joint financing* - means that there will be only one contract per project and there must therefore be one joint project budget. The budget should be divided between partners according to the activities carried out. There is also only one project bank account for the EU contribution (held by the Lead Partner) and payments representing EU support are made from the programme to this account. The Lead Partner is responsible for administration and distribution of these funds and for reporting on their use. Match funding should come from both sides of the border and illustrates the commitment by each partner to the joint project.

#### Applicable law:

Projects must be in line with all relevant national and European legislation, including legislation on equal opportunities, environmental protection and public procurement (PRAG rules). Projects must observe the European legislation provisions on information and publicity.

***The project must include activities for information and publicity, according to the European Commission Regulations and observing the Visual Identity Manual (available at [www.romania-serbia.net](http://www.romania-serbia.net)).***

#### ***iii. Eligibility of expenditure***

The detailed budget of the application should always be prepared on the basis of the activities needed to meet the projects' objectives and the resources required to carry out these activities within the time allowed.

Only "eligible costs" can be taken into account for financial support. These costs are detailed below. The budget is therefore both a cost estimate and a maximum ceiling for "eligible costs". Note that the eligible costs must be based on real costs. The eligibility of expenditure applies to both public and own contribution, so it is not possible to consider an ineligible expenditure as own contribution.

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

#### Conditions for eligible costs

To be eligible for financial support under the call for proposals, costs must:

- be incurred for projects decided on by the JMC and in accordance with criteria fixed by the JMC;

- be directly related to the project, necessary for the development, starting and/or implementation of the project and in accordance with the project objectives
- be in conformity with the principles of sound financial management, in particular value for money and cost-effectiveness;
- have been stipulated in the approved project budget;
- be in compliance with the principles of efficiency, economy and expediency
- have actually been incurred by the partners during the implementing period for the actions defined in the application form (period of eligibility of expenditure);
- be recorded in the partners' accounts and tax documents, be identifiable and verifiable, and be backed up by supporting documents;
- be verified and certified as eligible by the controllers designated by the Managing Authority and respectively by the National Authority;
- be in line with the provisions of the subsidy contract, co-financing contract, partnership agreement, national and European legislation;
- not have been subject to financing from public funds in the past 5 years before the deadline for submitting the applications under this call for proposals for the same type of operation in terms of objectives, activities and results;
- be spent by the end of project. Projects must clearly indicate their intended duration when applying for funding. The starting date for the eligibility of expenditure as follows:
  - For Romania: The commencement date for eligibility of expenditure for project preparation is the 1<sup>st</sup> of January 2007 for the Romanian partners. The starting date for the eligibility of other expenditure than the ones for project preparation is the day after the date of the signature of the subsidy contract for operations or parts of operations implemented in Romania.
  - For Serbia: In contrast, in Serbia for operations or parts of operations implemented the expenditure for project preparation is eligible if incurred after the launch of the call of proposals and the day after the date of the signature of the subsidy contract for other expenditure than the ones for project preparation;
- all expenditure must be made according to the relevant laws on public procurement (PRAG rules). This condition applies to all partners (e.g. public administration bodies, NGOs).

**NOTE:**

The following expenditure shall not be eligible for the Community contribution:

1. taxes, including value added taxes<sup>3</sup>;
2. customs and import duties, or any other charges;
3. fines, financial penalties and expenses of litigation;
4. operating costs;
5. second hand equipment;
6. bank charges, costs of guarantees and similar charges;
7. conversion costs, charges and exchange losses associated with any of the Component specific Euro accounts, as well as other purely financial expenses;
8. contributions in kind;
9. interest on debt.

**In-kind contribution, depreciation costs and leasing are not eligible expenditure**

Also the following expenditure shall not be eligible for the Community contribution:

- any expenditure paid before or after the eligible period of the project, as defined in the subsidy contract;
- expenditure for activities implemented outside the programme area unless they are necessary for the project and confirmed by the MA or JMC;
- any forms of double financing of expenditures.

**List of eligible expenditures**

**Priority Axis 3 - Promoting "people to people" exchanges**

**Measure 3.1 - Support the development of civil society and local communities**

***In Romania expenditures from "a" to "i" shall include VAT! The VAT related to all eligible expenditures is eligible, provided that the following cumulative conditions are fulfilled:***

- is not recoverable by any means;
- it is established that is borne by the final beneficiary;
- is clearly identified in the project proposal.

**In Serbia, VAT is not an eligible expenditure.**

<sup>3</sup> VAT shall be eligible provided that:

- a. they are not recoverable by any means,
- b. it is established that they are borne by the final beneficiary, and
- c. they are clearly identified in the project proposal.

**a) Project Preparation** (maximum 10% of total eligible expenditure):

- Meetings between project partners (supporting documents shall be presented - e.g. minutes, list of participants, invoices etc):
  - Travel - the most cost-effective, based on the analysis of three offers (Internet offers are also considered);
  - Accommodation - within the ceilings allowed by national legislation for public bodies;
  - Interpretation during the meetings;
  - Daily allowances - the ceilings allowed by applicable national legislation;
  - Catering - maximum 2% from the total eligible expenditure for project preparation.
- Consultancy, studies, technical assistance and translation of documents:
  - Consultancy for project preparation (maximum 1% of the total eligible expenditure but not more than 10.000 Euro);
  - Consultancy for preparation of public procurement documents and management of public procurement procedure;
  - Translation of documents;
  - Agreements/ authorizations and other legal permits.
- Taxes and other charges (maximum 5% of total eligible expenditure):
  - charges for transnational financial transactions;
  - where the implementation of an operation requires a separate account or accounts to be opened, the bank charges for opening and administering the accounts;
  - legal consultancy fees, notarial fees, costs of technical or financial experts, and accountancy or audit costs, if they are directly linked to the co-financed operation and are necessary for its preparation or implementation;

***The following expenditures are eligible provided that they are different from the expenditures included in the project preparation costs and are made after the signing of the subsidy contract!***

**b) Staff:**

- Participation to meetings between project partners and other relevant events or activities during project implementation (supporting documents shall be presented - e.g. minutes, lists of participants, invoices etc):
  - Travel - the most cost-effective, based on the analysis of three offers (Internet

offers are also considered);

- Accommodation - within the ceilings allowed by national legislation for public bodies;

- Daily allowances: the ceilings allowed by applicable national legislation. ;

- Salaries and associated costs (taxes on salaries, social contributions) will normally be considered eligible for personnel employed by the Lead Partner /Partners and directly assigned to the project where the applicant can clearly demonstrate that the staff concerned performs tasks specifically for the respective project. The eligibility of salaries and associated costs shall be proportional with the working time spent on implementing the project, based on timesheets or on the percentage of the respective working time in the total working time of the employee. It must be evident or demonstrated that the levels of salaries and social contributions charged to the project in relation to employees are those normally paid to that person or to that class of employees.

Concerning the salaries of Serbian public servants, these shall be considered as own contribution of the partner.

**d) Consultancy, external expertise and other external services not included in the project preparation costs**

- Elaboration of studies;

- External services necessary for the implementation of the operation fully contracted to an economic operator by the project partners;

- Organization of events (conferences, seminars, workshops etc., except the information events) - in case they are organized directly by the project partners and not fully contracted to an economic operator. Expenditure may include rent of premises and equipment, material/handouts, and catering expenses;

- Translation and interpretation costs;

- Consultancy, external expertise (maximum 5% of total eligible value of the project):

- Preparation of public procurement documents and management of public procurement procedure;

- Project management, in case that the Lead Partner / Project Partner do not have adequate capacity and/or qualification to perform the related tasks. The project management shall NOT be totally contracted

**e) Equipments and goods**

Expenditure for purchase/rental of:



- ITC equipment;
- Software;
- Furniture, heaters and other endowments for buildings;
- Other equipments or goods related with the implementation of the project (must be specified).

f) Administration costs (maximum 5% of the total eligible expenditure of the project) - office rent, postal services, fax, phone, internet access, electricity, heating, water, gas, cleaning, security, garbage, stationery, office supplies and other reasonable costs associated with the direct delivery of the project (must be specified) - only when the respective expenditures are subject to contracts specifically dedicated to the project.

g) Information and publicity the expenditure necessary to fulfil the EU and programme requirements regarding information and publicity, provided that the project partners comply with the Visual Identity Manual of the programme:

- publications;
- promotional materials, brochures, press releases, advertisements, newsletter, websites, etc;
- information events;
- media campaign;
- other costs (must be specified).

h) Taxes and other charges (maximum 5% of total eligible expenditure):

- charges for transnational financial transactions;
- where the implementation of an operation requires a separate account or accounts to be opened, the bank charges for opening and administering the accounts;
- legal consultancy fees, notarial fees, costs of technical or financial experts, and accountancy or audit costs, if they are directly linked to the co-financed operation and are necessary for its preparation or implementation;

**The 5% ceiling, mentioned above, applies only for the taxes and charges mentioned above (including, for Romania only, the related VAT to these taxes and charges)!**

General Note: The Lead Partner/ Partners cannot act as a supplier (contractor or sub-contractor that provides services and products against payment). Neither the Lead Partner /Partners employees nor the Lead Partner/ Partners organisations can act or get paid as external experts for the work done in the project

Measure 3.2 - Improve local governance in relation to the provision of local services to communities in the border areas

***In Romania expenditures from "a" to "i" shall include VAT! The VAT related to all eligible expenditures is eligible, provided that the following cumulative conditions are fulfilled:***

- is not recoverable by any means;
- it is established that is borne by the final beneficiary;
- is clearly identified in the project proposal.

***In Serbia, VAT is not an eligible expenditure.***

**a) Project Preparation** (maximum 10% of total eligible expenditure):

- Meetings between project partners (supporting documents shall be presented - e.g. minutes, list of participants, invoices etc):
  - Travel - the most cost-effective, based on the analysis of three offers (Internet offers are also considered);
  - Accommodation - within the ceilings allowed by national legislation for public bodies;
  - Interpretation during the meetings;
  - Daily allowances - the ceilings allowed by applicable national legislation;
  - Catering - maximum 2% from the total eligible expenditure for project preparation.
- Consultancy, studies, technical assistance and translation of documents:
  - Consultancy for project preparation (maximum 1% of the total eligible expenditure but not more than 10.000 Euro);
  - Consultancy for preparation of public procurement documents and management of public procurement procedure;
  - Translation of documents;
  - Agreements/ authorizations and other legal permits.

- Taxes and other charges (maximum 5% of total eligible expenditure):
  - charges for transnational financial transactions;
  - where the implementation of an operation requires a separate account or accounts to be opened, the bank charges for opening and administering the accounts;
  - legal consultancy fees, notarial fees, costs of technical or financial experts, and accountancy or audit costs, if they are directly linked to the co-financed operation and are necessary for its preparation or implementation;

***The following expenditures are eligible provided that they are different from the expenditures included in the project preparation costs and are made after the signing of the subsidy contract!***

b) Staff:

- Participation to meetings between project partners and other relevant events or activities during project implementation (supporting documents shall be presented - e.g. minutes, lists of participants, invoices etc):
  - Travel - the most cost-effective, based on the analysis of three offers (Internet offers are also considered);
  - Accommodation - within the ceilings allowed by national legislation for public bodies;
  - Daily allowances - the ceilings allowed by applicable national legislation;
- Salaries and associated costs (taxes on salaries, social contributions) will normally be considered eligible for personnel employed by the Lead Partner/ Partners and directly assigned to the project where the applicant can clearly demonstrate that the staff concerned performs tasks specifically for the respective project. The eligibility of salaries and associated costs shall be proportional with the working time spent on implementing the project, based on timesheets or on the percentage of the respective working time in the total working time of the employee. It must be evident or demonstrated that the levels of salaries and social contributions charged to the project in relation to employees are those normally paid to that person or to that class of employees.

Concerning the salaries of Serbian public servants, these shall be considered as own contribution of the partner.

**d) Consultancy, external expertise and other external services not included in the project preparation costs**

- Elaboration of studies;
  - External services necessary for the implementation of the operation fully contracted to an economic operator by the project partners;
  - Organization of events (conferences, seminars, workshops etc., except the information events) - in case they are organized directly by the project partners and not fully contracted to an economic operator. Expenditure may include rent of premises and equipment, material/handouts, and catering expenses;
  - Translation and interpretation costs;
- Consultancy, external expertise (maximum 5% of total eligible value of the project):
    - Preparation of public procurement documents and management of public procurement procedure;
    - Project management, in case that the Lead Partner / Project Partner do not have adequate capacity and/or qualification to perform the related tasks. The project management shall NOT be totally contracted;

**e) Equipments and goods**

Expenditure for purchase/rental of:

- ITC equipment;
- Software;
- Furniture, heaters and other endowments for buildings;
- Other equipments or goods related with the implementation of the project (must be specified).

**f) Administration costs** (maximum 5% of the total eligible expenditure of the project) - office rent, postal services, fax, phone, internet access, electricity, heating, water, gas, cleaning, security, garbage, stationery, office supplies and other reasonable costs associated with the direct delivery of the project (must be specified) - only when the respective expenditures are subject to contracts specifically dedicated to the project.

**g) Information and publicity** the expenditure necessary to fulfill the EU and programme requirements regarding information and publicity, provided that the project partners comply with the Visual Identity Manual of the programme:

- publications;
- promotional materials, brochures, press releases, advertisements, newsletter, websites, etc;
- information events;
- media campaign;
- other costs (must be specified).

**h) Taxes and other charges (maximum 5% of total eligible expenditure):**

- charges for transnational financial transactions;
- where the implementation of an operation requires a separate account or accounts to be opened, the bank charges for opening and administering the accounts;
- legal consultancy fees, notarial fees, costs of technical or financial experts, and accountancy or audit costs, if they are directly linked to the co-financed operation and are necessary for its preparation or implementation;

**The 5% ceiling, mentioned above, applies only for the taxes and charges mentioned above (including, for Romania only, the related VAT to these taxes and charges)!**

General Note: The Lead Partner/ Partners cannot act as a supplier (contractor or sub-contractor that provides services and products against payment). Neither the Lead Partner/ Partners employees nor the Lead Partner/ Partners organisations can act or get paid as external experts for the work done in the project

**Measure 3.3 - Increase educational, cultural and sporting exchange**

***In Romania expenditures from "a" to "i" shall include VAT! The VAT related to all eligible expenditures is eligible, provided that the following cumulative conditions are fulfilled:***

- is not recoverable by any means;
- it is established that is borne by the final beneficiary;
- is clearly identified in the project proposal.

**In Serbia, VAT is not an eligible expenditure.**

**a) Project Preparation (maximum 10% of total eligible expenditure):**

- Meetings between project partners (supporting documents shall be presented - e.g. minutes, list of participants, invoices etc):
  - Travel - the most cost-effective, based on the analysis of three offers (Internet offers are also considered);
  - Accommodation - within the ceilings allowed by national legislation for public bodies;
  - Interpretation during the meetings;
  - Daily allowances - the ceilings allowed by applicable national legislation;
  - Catering - maximum 2% from the total eligible expenditure for project preparation.
- Consultancy, studies, technical assistance and translation of documents:
  - Consultancy for project preparation (maximum 1% of the total eligible expenditure but not more than 10.000 Euro) ;
  - Consultancy for preparation of public procurement documents and management of public procurement procedure;
  - Translation of documents;
  - Agreements/ authorizations and other legal permits.
- Taxes and other charges (maximum 5% of total eligible expenditure):
  - charges for transnational financial transactions;
  - where the implementation of an operation requires a separate account or accounts to be opened, the bank charges for opening and administering the accounts;
  - legal consultancy fees, notarial fees, costs of technical or financial experts, and accountancy or audit costs, if they are directly linked to the co-financed operation and are necessary for its preparation or implementation;

***The following expenditures are eligible provided that they are different from the expenditures included in the project preparation costs and are made after the signing of the subsidy contract!***

b) Staff:

- Participation in meetings between project partners and other relevant events or activities during project implementation (supporting documents shall be presented - e.g. minutes, lists of participants, invoices etc):
  - Travel - the most cost-effective, based on the analysis of three offers (Internet offers are also considered);
  - Accommodation - within the ceilings allowed by national legislation for public bodies;
  - Daily allowances - the ceilings allowed by applicable national legislation;
  - Catering - maximum 2% from the total eligible expenditure for project preparation.
- Salaries and associated costs (taxes on salaries, social contributions) will normally be considered eligible for personnel employed by the Lead Partner / Partners and directly assigned to the project where the applicant can clearly demonstrate that the staff concerned performs tasks specifically for the respective project. The eligibility of salaries and associated costs shall be proportional with the working time spent on implementing the project, based on timesheets or on the percentage of the respective working time in the total working time of the employee.

Concerning the salaries of Serbian public servants, these shall be considered as own contribution of the partner.

**d) Consultancy, external expertise and other external services not included in the project preparation costs**

- Elaboration of studies;
- External services necessary for the implementation of the operation fully contracted to an economic operator by the project partners;
- Organization of events (conferences, seminars, workshops etc., except the information events) - in case they are organized directly by the project partners and not fully contracted to an economic operator. Expenditure may include rent of premises and equipment, material/handouts, and catering expenses ;
- Translation and interpretation costs;
- Consultancy, external expertise (maximum 5% of total eligible value of the project):

- Preparation of public procurement documents and management of public procurement procedure;
- Project management, in case that the Lead Partner/ Project Partner do not have adequate capacity and/or qualification to perform the related tasks. The project management shall NOT be totally contracted;

**e) Equipments and goods**

Expenditure for purchase/rental of:

- ITC equipment;
- Software;
- Furniture, heaters and other endowments for buildings;
- Other equipments or goods related with the implementation of the project (must be specified).

**f) Administration costs** (maximum 5% of the total eligible expenditure of the project) - office rent, postal services, fax, phone, internet access, electricity, heating, water, gas, cleaning, security, garbage, stationery, office supplies and other reasonable costs associated with the direct delivery of the project (must be specified) - only when the respective expenditures are subject to contracts specifically dedicated to the project.

**g) Information and publicity** the expenditure necessary to fulfill the EU and programme requirements regarding information and publicity, provided that project partners comply with the Visual Identity Manual of the programme:

- publications;
- promotional materials, brochures, press releases, advertisements, newsletter, websites, etc;
- information events;
- media campaign;
- other costs (must be specified).

**h) Taxes and other charges (maximum 5% of total eligible expenditure):**

- charges for transnational financial transactions;
- where the implementation of an operation requires a separate account or accounts to be opened, the bank charges for opening and administering the accounts;
- legal consultancy fees, notarial fees, costs of technical or financial experts, and accountancy or audit costs, if they are directly linked to the co-financed operation and are necessary for its preparation or implementation;



**The 5% ceiling, mentioned above, applies only for the taxes and charges mentioned above (including, for Romania only, the related VAT to these taxes and charges)!**

General Note: The Lead Partner/ Partners cannot act as a supplier (contractor or sub-contractor that provides services and products against payment). Neither the Lead Partner/ Partners employees nor the Lead Partner/ Partners organisations can act or get paid as external experts for the work done in the project

#### Measure 3.4 - Enhance social and cultural integration of border areas

***In Romania expenditures from "a" to "i" shall include VAT! The VAT related to all eligible expenditures is eligible, provided that the following cumulative conditions are fulfilled:***

- is not recoverable by any means;
- it is established that is borne by the final beneficiary;
- is clearly identified in the project proposal.

***In Serbia, VAT is not an eligible expenditure.***

##### a) Project Preparation (maximum 10% of total eligible expenditure):

- Meetings between project partners (supporting documents shall be presented - e.g. minutes, list of participants, invoices etc):
  - Travel - the most cost-effective, based on the analysis of three offers (Internet offers are also considered);
  - Accommodation - within the ceilings allowed by national legislation for public bodies;
  - Interpretation during the meetings;
  - Daily allowances - the ceilings allowed by applicable national legislation;
  - Catering - maximum 2% from the total eligible expenditure for project preparation.
- Consultancy, studies, technical assistance and translation of documents:
  - Consultancy for project preparation (maximum 1% of the total eligible expenditure but not more than 10.000 Euro);
  - Consultancy for preparation of public procurement documents and management of public procurement procedure;
  - Translation of documents;
  - Agreements/ authorizations and other legal permits.

- Taxes and other charges (maximum 5% of total eligible expenditure):
  - charges for transnational financial transactions;
  - where the implementation of an operation requires a separate account or accounts to be opened, the bank charges for opening and administering the accounts;
  - legal consultancy fees, notarial fees, costs of technical or financial experts, and accountancy or audit costs, if they are directly linked to the co-financed operation and are necessary for its preparation or implementation;

***The following expenditures are eligible provided that they are different from the expenditures included in the project preparation costs and are made after the signing of the subsidy contract!***

b) Staff:

- Participation to meetings between project partners and other relevant events or activities during project implementation (supporting documents shall be presented - e.g. minutes, lists of participants, invoices etc):
  - Travel - the most cost-effective, based on the analysis of three offers (Internet offers are also considered);
  - Accommodation - within the ceilings allowed by national legislation for public bodies;
  - Daily allowances - the ceilings allowed by applicable national legislation;
  - Catering - maximum 2% from the total eligible expenditure for project preparation.
- Salaries and associated costs (taxes on salaries, social contributions) will normally be considered eligible for personnel employed by the Lead Partner / Partners and directly assigned to the project where the applicant can clearly demonstrate that the staff concerned performs tasks specifically for the respective project. The eligibility of salaries and associated costs shall be proportional with the working time spent on implementing the project, based on timesheets or on the percentage of the respective working time in the total working time of the employee. It must be evident or demonstrated that the levels of salaries and social contributions charged to the project in relation to employees are those normally paid to that person or to that class of employees

Concerning the salaries of Serbian public servants, these shall be considered as own contribution of the partner.

**d) Consultancy, external expertise and other external services not included in the project preparation costs**

- Elaboration of studies;
- External services necessary for the implementation of the operation fully contracted to an economic operator by the project partners;
- Organization of events (conferences, seminars, workshops etc., except the information events) - in case they are organized directly by the project partners and not fully contracted to an economic operator. Expenditure may include rent of premises and equipment, material/handouts, and catering expenses ;
- Translation and interpretation costs;
- Consultancy, external expertise (maximum 5% of total eligible value of the project):
  - Preparation of public procurement documents and management of public procurement procedure;
  - Project management, in case that the Lead Partner / Project Partner do not have adequate capacity and/or qualification to perform the related tasks. The project management shall NOT be totally contracted;

**e) Equipments and goods**

Expenditure for purchase/rental of:

- ITC equipment;
- Software;
- Furniture, heaters and other endowments for buildings;
- Other equipments or goods related with the implementation of the project (must be specified).

**f) Administration costs** (maximum 5% of the total eligible expenditure of the project) - office rent, postal services, fax, phone, internet access, electricity, heating, water, gas, cleaning, security, garbage, stationery, office supplies and other reasonable costs associated with the direct delivery of the project (must be specified) - only when the respective expenditures are subject to contracts specifically dedicated to the project.

**g) Information and publicity** the expenditure necessary to fulfill the EU and programme requirements regarding information and publicity, provided that project partners comply with the Visual Identity Manual of the programme:

- publications;
- promotional materials, brochures, press releases, advertisements, newsletter, websites, etc;
- information events;
- media campaign;
- other costs (must be specified).

**h) Taxes and other charges (maximum 5% of total eligible expenditure):**

- charges for transnational financial transactions;
- where the implementation of an operation requires a separate account or accounts to be opened, the bank charges for opening and administering the accounts;
- legal consultancy fees, notarial fees, costs of technical or financial experts, and accountancy or audit costs, if they are directly linked to the co-financed operation and are necessary for its preparation or implementation;

**The 5% ceiling, mentioned above, applies only for the taxes and charges mentioned above (including, for Romania only, the related VAT to these taxes and charges)!**

General Note: The Lead Partner/ Partners cannot act as a supplier (contractor or sub-contractor that provides services and products against payment). Neither the Lead Partner/ Partners employees nor the Lead Partner/ Partners organisations can act or get paid as external experts for the work done in the project.

## II.3 HOW TO APPLY

### ***1. How to get the Applicant's Pack***

The Applicant's Pack contains the Application Form and its annexes. These are the official forms that should be submitted when applying for financial support under the programme. The Applicant's Guide, which is also included in the pack, provides potential applicants with detailed guidelines on the application for funding process.

The Applicant's Pack is available on the following websites:

- Programme website ([www.romania-serbia.net](http://www.romania-serbia.net));
- Managing Authority's website ([www.mdrl.ro](http://www.mdrl.ro));
- National Authority's website ([www.mfin.gov.rs](http://www.mfin.gov.rs); [www.evropa.rs](http://www.evropa.rs));

The applicant's pack can also be provided in electronic form (CD or other memory device) from the:

- Regional Office for Cross Border Cooperation Timișoara (address: Proclamația de la Timișoara Street, no. 5, Timișoara, Timiș County, România, Tel. +40.356.426.360, Fax +40.356.426.361, E-mail: [ipacbc@brct-timisoara.ro](mailto:ipacbc@brct-timisoara.ro)) and
- Antenna of the JTS in Vrșac (address: Centar Millennium, Poslovna Kula, III Floor 17 Omladinski Trg. St., Vrșac, Serbia, [www.evropa.gov.rs](http://www.evropa.gov.rs))

## ***ii. How to fill in the Application Form and its Annexes***

Please find below the guidelines for filling in the Application Form and its Annexes.

***Make sure you fill in by computer, correctly and completely, the application form and its annexes (see below) and add all related documents. The annexes are part of the Application Form.***

***Applications and annexes must be submitted using the forms included in the Applicant's Pack.***

***The application and its annexes must be filled in using English. The supporting documents issued by national/local authorities or other bodies shall be attached in the original language accompanied by a short translation in English of relevant provisions (authorized translations are not required at this stage).***

***The page number (which will continue from the Application Form until the last page of the last annex) should be written, in the lower right corner on all annexes. The first and last page number of each annex should be specified in the Table of contents.***

***When a maximum number of characters is indicated for completing a certain field, the number does not include spaces.***

***Modifying the standard application form or its annexes will result in the rejection of your application.***

***All documents should be valid at the date of submitting the application form!***

### **A. Application Form**

Cover: The project title and the name of the Lead Partner organization should be stated in English. Priority axis no. and Measure no. should be taken from the table shown at point Programme priority axes of this document.

## **Project registration**

*Project number:* Will be filled in by the JTS

*Registration number and date:* This will also be filled in by the JTS. The registration date is the day when the dated, stamped and signed application form, together with the budget form and all annexes, arrive at the JTS. The application form and annexes in hard copy (on paper) and digital (CD/DVD) should reach the JTS before or on the deadline announced in the call for proposals.

## **Table of contents of the Application Form and annexes**

Each document should be mentioned stating its exact title and the partner to which it refers while keeping the corresponding form code in the second column (e.g. Form Code A.4. Balance sheet for the previous three years for Lead Partner; Form Code A.4. Balance sheet for the previous three years for partner 2 and so on).

### **1. Project identification**

#### **1.1. Project Information**

State the official and *full name* of the project.

Give a short name or *acronym*, which the project can be referred to. The use of an acronym or short name is necessary for efficient communication and administration.

State the priority axis, and measure where your project integrates.

Present the total number of partners (including Lead Partner), and the starting and end date of the project.

Give the number of contracts you intend to sign, according to the contracting plan.

#### **1.2. Applicant information**

The names of all partner organizations should be stated both in their native language and in English. The "legal status" field should be filled in with the type of organization (NGO, central public administration, public sector operator, local public administration etc.) For the Lead Partner organization, both the name of the legal representative and the project manager are requested. For other project partners, the legal representative and one contact person will be supplied.

The Lead Partner and the partners must present data regarding the object of activity and the tax registration number.

If there are more partners involved in the project than rows available, applicants should remember to provide the relevant information for these organizations too, by multiplying the table for each partner. Information about which eligible NUTS III level region or equivalent (for Serbian partners), county / district each partner belongs to should be included.

The *Lead Partner* is responsible for the implementation of the entire project. The Lead Partner will be the addressee of the entire correspondence during the application evaluation process and will also be responsible for reporting to the JTS after approval of the project. More information about the role and tasks of the Lead Partner are stipulated in the model contracts annexed to this Guide.

## 2. Financial information

### 2.1. *Project budget (EUR)*

Here must be stipulated the total value of the project, the eligible value, the IPA contribution, the national co-financing of which the state budget contribution and the own contribution.

### 2.2. *Financing history*

2.2.1. Here the partners must state if they have ever received financing from European funds.

2.2.2. Here the partners must state if this project has ever before been submitted for financing from another programme either as such, parts of it or as part of a bigger project.

If a project has sought *funding from other sources* prior to the Romania-Serbia IPA Cross-Border Cooperation Programme, this should be stated here, together with all relevant financial data. This section must be completed by all partners.

If the project has been rejected in another call for proposal for another programme, this should be stated here and the Rejection Letter must be annexed.

## 3. Project description

### 3.1. *Consistency with programme strategy*

All projects in the Romania-Serbia IPA Cross-Border Cooperation Programme must comply with the *strategy set out in the Programme*. This can be demonstrated by explaining the estimated contribution of a project to the aims of the programme. Applicants should explain briefly and clearly how their project will contribute to the aims of the programme.

In this area the partners must explain how the project complies with the programme strategy and state the priority axis, and measure under which the project falls.

In case the project envisages activities which might contribute or influence another priority axis or measure, explanations are to be given in this section.

### 3.2. *Project objectives*

The project should clearly set its own objectives (general and specific), in line with the programme objectives. It must be explained how the project objectives comply with the objectives of the programme and of the priority axes.

### ***3.3. Project context***

Applicants should give a clear description of the problem which the project is going to tackle and the contribution which the project will make to help solve it. It is recommended to describe what is new about the project in relation to what has been previously achieved - including other EU supported activities and other projects and programmes in the area - and in relation to what will be achieved in this area in the future. It should be described why the chosen partnership is necessary for the project. Furthermore, the level of achievements of the project should be justified in terms of having a long-lasting impact from its final results.

### ***3.4. Project activities***

Applicants should fill in the activities planned to achieve the objectives as set out in 3.2. Please state the estimated value of each activity, values that must be correlated with the data shown in the budget form (Budget per activity).

For each activity must be clearly stated the starting date, the completion date, the location and the responsible partner.

### ***3.5. Project expected results***

The applicants must provide information on the results the project is going to achieve. The results should be very clearly stated and should be easily measurable. In the "rationale" field the applicants must describe in detail the project results and state how these results will be achieved.

### ***3.6. Target groups***

The applicants must define the target groups to whom the project is directed and provide clear evidence of there being a sufficient demand for the proposed project to go ahead. The applicants must show that it is not simply a compilation of the expertise of the project partners being assembled in shaping the scope of the project nor is it merely an inward-looking project with a narrow scope of activities.

### ***3.7. Cross-border character of the project***

In order to prove the cross-border character of the project the applicant must explain which of the following criteria are fulfilled (minimum one): Joint Development, Joint Implementation, Joint Staffing and Joint Financing (please refer to section II.2.ii. (Eligibility of Actions) for details on these criteria).

Additionally, the applicants must provide information regarding the cross-border impact of the project.

### ***3.8. Programme Indicators***

It must be specified how the project influences the programme's output and result indicators, by ticking or by justifying the data.

The project must identify other relevant specific indicators, whose measurement, baseline value (situation), target value (result) and justification must be provided.



Environmental indicators are particularly important and their use shall be scored accordingly during the evaluation process.

Indicators are used to measure performance and a number of indicators have been developed for that purpose. Project applicants can select which indicators they report on. A good choice of indicators is also important. They should be relevant for the objectives of the project and the target value indicated should be reasonable as well as measurable.

### ***3.9. Project coherence with other programmes/strategies/projects***

The applicants must identify those regional/national/European programmes, strategies or projects in the field to which the application refers and demonstrate the coherence of the project to the respective documents/actions.

### ***3.10. Project coherence with horizontal themes***

Explain how your project will contribute towards the promotion of the three *horizontal themes* (gender equality and equal opportunities, sustainable development). Under some measures it might be expected that there should be a significant and positive contribution under a particular horizontal theme.

If a negative impact is envisaged, for any reason, then it should be clearly explained how such effects will be minimized or otherwise offset.

### ***3.11. Information and publicity***

According to the EC Regulations and the IPA CBC Programming Document, the partners must promote their projects and the added value of the Community funds.

All costs for proposed measures need to be included in the financial plan for the project and accounted for in the Budget Form. Partners will have to comply with the Visual Identity Manual of the IPA CBC Programme.

All project partners shall promote their project results by activities such as:

- Editing and distributing publications (flyers, leaflets, brochures, newsletters etc.);
- Developing activities in relation to mass media (writing and distributing press releases, holding press conferences, sending articles to the media channels to be delivered to the general public, holding interviews about the project on TV or radio etc.);
- Organizing promotion events (seminars, conferences, on-site visits etc.);
- Designing web pages promoting the projects and their results;
- Producing and distributing promotional materials,
- Other relevant promotion and information activities.

The partners must fill in the table from the application form containing the concrete communication activities, the target groups they address and evaluation. The evaluation refers to the impact of the promotion activities on the target groups, measured by indicators established for each activity. The indicators must be correlated with estimated values. (e.g. Indicator: number of participants;

Value: 50).

### **3.12. Breakdown of eligible expenditure per year**

The partners shall describe each eligible expenditure planned (per categories as included in the form 1.B.1. General budget) and the year when it is going to be made.

### **3.13. Contracting Plan**

Eligible expenditure must be correlated with a contracting plan. All partners must observe the relevant procurement law (PRAG rules) and must indicate which procurement procedure is intended to be used. A contracting plan will also be part of the subsidy contract and the two plans must be correlated.

### **3.14. Value Added Tax**

The VAT will be treated according to the national legislation. Before signing the contract, the Romanian applicants should bring clear proof that they are not in the position to recover the VAT for the activities of the project from any source in order to have this tax reimbursed by the programme.

## **4. Exit/continuation strategy**

Applicants should describe what impact their project results may have five years after the project has ended. The kind of follow-up actions that are planned (i.e., exit/continuation strategy) and what are the chances for them to be achieved should be also stated here. In general, it is expected that the results of a project would outlive the lifetime of the project itself. Based on the results of this projects, the applicants should estimate what other projects or activities can be developed in the benefit of the communities in the cross-border area.

## **5. Certification and Submission**

This declaration should be filled in, signed and stamped by the Lead Partner organization.

### **Annexes:**

Together with the application form the following documents must be submitted as Annexes<sup>4</sup>:

1. **Project summary:** the key issues of the application (partners, objectives, activities, budget etc.) - should be filled in English.
2. **Budget of the operation:** all the sheets of the Excel file should be filled in completely and correctly. The budget should be realistic and based on a minimum

<sup>4</sup> Annexes from point 3 and 4 may not be submitted with the Application Form but in the contracting phase. However at the moment of submitting the Application the applicant must prove that he has made all the endeavors in obtaining these permits/ agreements.

needs analysis. However, please be aware that the budget stated in the application form is maximal and cannot be increased based on further findings of the applicants.

3. Legal documents of the applicants: documents proving the establishing of the project partner entities (law, decree, government decision, statute, registration act, article of association, Tax payment Certificate, etc.) - copies of the relevant documents must be provided and English translation for relevant provisions.

4. Financial situation of all partners (copies and English translation):

- Previous three years annual balance sheet checked by the Financial Administration;
- Latest annual budgetary execution account checked by the Financial Administration (only for local public administration).

5. CVs of the project management team (the positions that have a role in the implementation of the project); if all/some of the members of the management team are not known yet/are still to be employed, job descriptions should be attached; if the project partners intend to partially contract the project management to a sub-contractor, the Terms of Reference for selecting the project management sub-contractor should be annexed

6. Legalized mandates of delegation from the legal representatives of partners (in case the application form and annexed declarations are not signed by the legal representatives of the Lead Partner/partners) - original document and its English translation.

7. Declaration of Eligibility, issued by each project partner, in original, stating that the applicant fulfils the criteria stipulated at II.2.i.

8. Declaration of Commitment, issued by each project partner, in original, stating that the applicant shall:

- provide its own contribution to the eligible expenditure and ensure temporary availability of funds until they are reimbursed by the programme (amounts that will be spent in advance by the project partners);
- cover all non-eligible expenditures corresponding to its activities incurred during project implementation;
- ensure that the representatives in the project management team are available throughout the entire implementation period.

The decisions of the empowered bodies (county council, board of directors etc.) regarding the availability of own resources and appointing their representatives in the project management team should be provided. This would include copies of the original documents appointing the employees to work on the project and its English translation. These documents must be provided in the pre-contractual phase

9. Partnership declarations from all project partners, in original, stating their willingness to participate in the project and to sign the Partnership Agreement

after the project is approved.

#### 10. Schedule of reimbursement requests (one per project)

The general principle of IPA funding is the reimbursement of the expenses already made by the partners. However, considering that the partners might have difficulties in providing their own resources for starting project implementation, the programme shall make advance payments to the partners.

The amount of the advance payment as well as the criteria and conditions for its approval shall be established through legal acts and shall be brought to the knowledge of partners by all means available, including publication on programme website.

However, the partners shall draft the Schedule of requests for payments based solely on the reimbursement principle, the advance payment being regarded as an additional support from the programme to the partners.

***At the same time, the applicants should bear in mind that one reimbursement claim per project, aggregating the requests of all partners, should be submitted every three months by the Lead Partner. To this end, all partners should present all supporting documents to the controllers in order to be verified before requesting the payments. Please take into account that a period of two months is allocated for the controllers to check the payment claim and the associated supporting documents of each partner.***

***All copies should be certified "According to the original document" by the legal representative of the respective partner or of the Lead partner.***

#### ***iii. Where and how to send the applications***

The application forms will be submitted in annual sessions to the JTS's premises, located within the Timișoara Regional Cross-Border Cooperation Office.

Filling in and submitting the application form will be done by the applicant.

When drafting the application form, the applicant must comply with the standard format of the application form, as mentioned in the Applicant's Guide. The applicant will attach to the application form the administrative and technical documents requested by this form and by the Applicant's Guide.

The applicant may contact the JTS in order to receive more clarifications regarding the completion of the application form.

After completion, the application form and its annexes, containing the administrative and technical documents:

- will be signed and stamped by the legal representative of the applicant, on the first page, in the right down corner
- will be multiplied in 5 copies by the applicant
- will be prepared an electronic copy of the application form and the summary of the project (one CD)

- will be bound (together with its annexes) in the way that pages could not be taken away from a whole set, and placed in a sealed package; on the package the following shall be mentioned: "Not to be opened before the opening session".

On the original will be written on the cover, in the right top corner, the mention „ORIGINAL” and the 5 copies will have written in the right top corner of the cover the following: „COPY NO.1”, „COPY NO.2”, „COPY NO.3” and so on.

For the original documents which, according to the law, remain to the partners, the copies must be signed by the applicant on the first page and stamped on each page, contain the mention „In compliance with the original” and must be signed by the legal representative of the applicant.

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

Postal address, Address for hand delivery or by courier service

CBC Regional Office Timișoara

5 Proclamația de la Timișoara Street, Timișoara, Timiș County.

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

The application form (one original and five copies), including the CD, containing the electronic version of the application form and the summary of the project, will be sent to the Regional Office for Cross-Border Cooperation Timișoara, in a sealed package, by post (registered letter) or will be submitted directly to the Regional Office for Cross-Border Cooperation Timișoara premises. It is mandatory that the external part of the sealed package bears a label containing the following information:

„Application form for IPA Cross- Border Cooperation Programme România-Serbia”	
Priority Axis	
Measure	
Name of the institution where the application form is submitted	
Applicant Name/address	
Project title	
Location of the project	

#### *iv. Deadline for receipt of applications*

Applications may be submitted to the JTS at any time during the period from the launching day of the present call for proposals and until the 29<sup>th</sup> of July 2009 (17:00 o'clock, Romanian local time).

Any application registered after the deadline will automatically be rejected, even if the postmark indicates a date preceding the deadline or if the delay is due to the courier service.

***The deadline for the receipt of applications is the 29<sup>th</sup> of July 2009 (17:00 o'clock, Romanian local time).***

### II.3. Evaluation and Selection of Applications

The project evaluation and selection criteria which were prepared by the Managing Authority, together with the Serbian National Authority and the Joint Technical Secretariat, are approved by the Joint Monitoring Committee and are available to potential partners being included in the present Applicant's Guide.

An Evaluation Committee approved by the Managing Authority shall be in charge of project evaluation and ranking. This Committee shall evaluate the projects proposals submitted. After the ranking is done, the list of projects is submitted for the approval of the Joint Monitoring Committee. Only projects with a score of at least 60 points will be proposed for approval.

In course of the evaluation and selection process, three sets of criteria will be used: administrative criteria (to check admissibility), technical and financial (used to rank projects) and eligibility criteria.

In the administrative phase the applications are checked for completeness, which means that all necessary documents are included in the application pack and they follow the standard application form and annexes.

The technical and financial evaluation is the phase when the projects which passed the administrative check are ranked by the Evaluation Committee according to the technical and financial characteristics of the project. The technical and financial evaluation is carried out by awarding scoring points and it refers to: consistency with the programme and other strategic documents, project maturity, operational capacity and value for money (see evaluation grids for details).

The eligibility phase refers to the eligibility of partners, activities and expenditure. The eligible partners are described in chapter II.2.i. The operations are eligible if they fall within the programme objectives, priority axes and measures while observing other supplementary criteria set out in Chapter II.2.ii. The eligibility also refers to the eligibility of expenditure, according to section II.2.iii.

The projects are pre-ranked in descending order according to the score awarded and grouped into two categories:

1. projects proposed for financing;
2. projects proposed for rejection.

The projects proposed for financing are those projects which scored at least 60 points and whose aggregated eligible budgets are within the limit set for the call for proposals.

After the eligibility verification, the projects pre-ranked in the technical and financial evaluation are forwarded to the Joint Monitoring Committee, which selects the projects for financing and approves the list of rejected projects and the list of projects proposed for financing.

Subsequently, all Lead Partners will receive notification of the approval/rejection of their projects.

The Decision of the Joint Monitoring Committee is final and mandatory for all applicants.

All evaluation grids are presented in Annex B to this Guide.

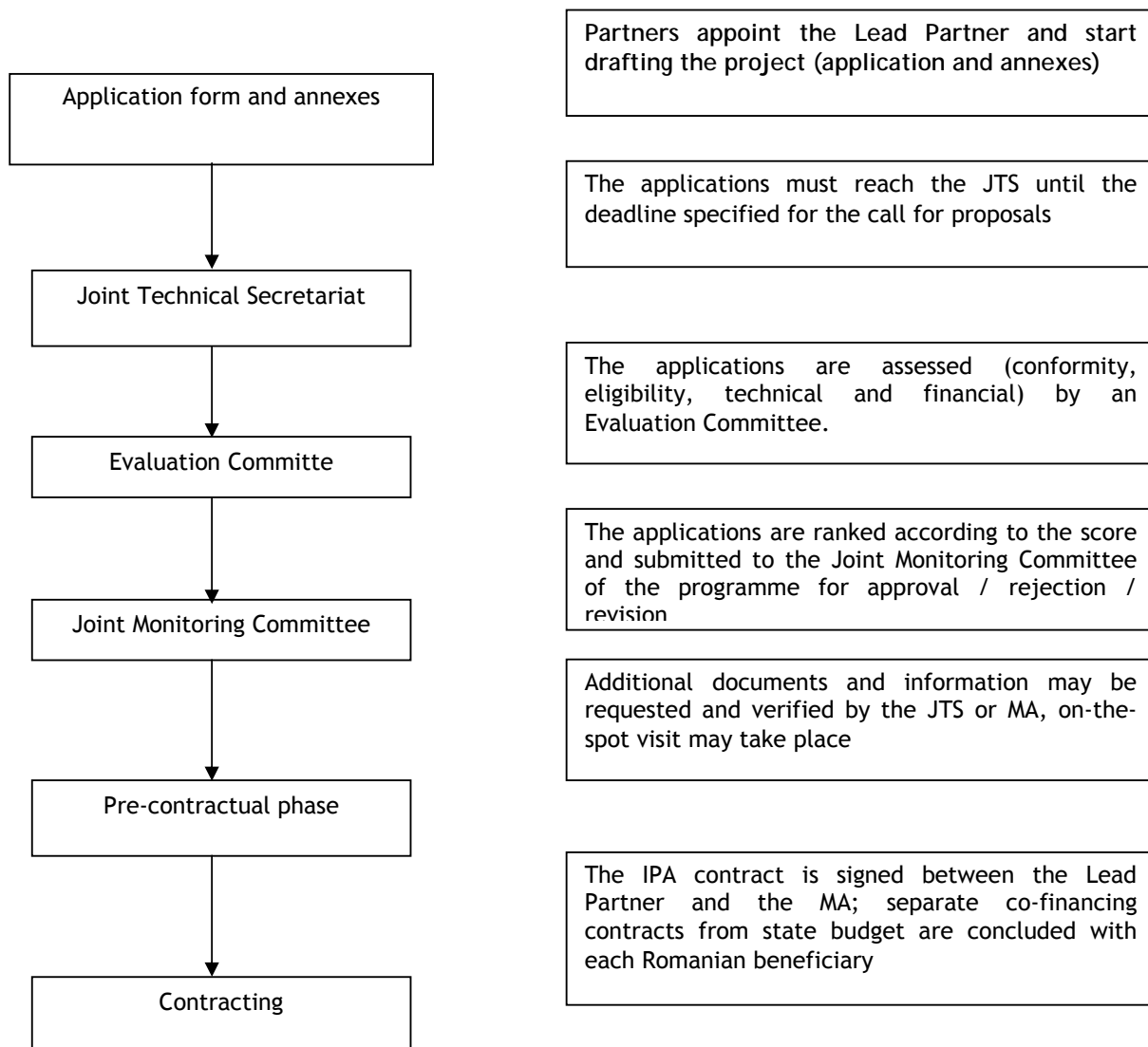
The decision of the Joint Monitoring Committee is followed by the pre-contractual

phase and then the contracts will be concluded.

Should the allocated budget be insufficient for the received applications, the Joint Monitoring Committee, at the proposal of the Managing Authority, may decide to increase the budgetary allocation.



## Project evaluation and selection procedure



### III. Pre-Contractual conditions

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After the Joint Monitoring Committee approves the projects, the JTS notifies each Lead Partner if its project has been approved or rejected.

For the projects approved the JTS prepares the subsidy contracts (for IPA contribution), which are concluded between the MA and the Lead Partner. The JTS also prepares the co-financing contracts (for Romanian state budget contribution), which are concluded between the Ministry of Regional Development and Housing and the Romanian partners.

Before signing the contracts, other documents may be requested by the JTS/MA (e.g. proof that there are no debts to the consolidated budgets, proof that the VAT is non-recoverable from other sources etc.) and on-the-spot visits may also take place. On-the-spot visits may be performed by the MA, NA, JTS and by any other body with responsibilities in the implementation of the programme. All partners have the obligation to provide all necessary documents and to be available for the on-the-spot visits in order for the contracts to be signed (e.g. partnership agreement - see Annex E for model - must be presented to the MA/JTS before the signing of the contract).

The subsidy contracts will be signed by the MA and then sent to the Joint Technical Secretariat. The partners and Lead Partners will be invited to the Joint Technical Secretariat to sign the contract until a certain deadline.

#### Changes of the contracts

Any changes inside or between budget line or lines, in limit of 10% of the total budget should be made with the previous notification of the Managing Authority through the Joint Technical Secretariat.

Changes in the budget including, component budgets, over the limit of 10% (but under € 50.000), also extension of the project duration, are allowed, with the previous approval of the Managing Authority through the Joint Technical Secretariat and No-objection letter from NA, (will be operated by an addendum to the present contract) and as long as the maximum amount of funding awarded remains and the major goals of the operation are not affected.

As an exception, any other changes must be duly justified and shall be subject to the Programme Joint Monitoring Committee's approval (changes of partners, changes between partner budgets, changes in budget lines over € 50.000,00 etc.) and will be operated by an addendum to the present contract. In this case, the MA may decide to suspend the implementation of the project until the JMC Decision.

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#### IV. Modifications of the contract

##### Procedure for Addendums

###### *For Romanian Lead Partners*

1. The lead partner prepares Addendum and sends it to the JTS;
2. JTS checks and sends the Addendum to MA;
3. MA approves the Addendum.

###### *For Serbian Lead Partner*

1. The Lead Partner prepares the Addendum and sends it to the JTS Antenna;
2. JTS Antenna sends the Addendum to the NA;
3. NA prepares a "No objection letter" and sends it back to the JTS;
4. JTS checks and sends the Addendum and the "No objection letter" to the MA for approval;
5. MA approves the Addendum.

##### Procedure for Notification letters

###### *For Romanian Lead Partners*

1. The lead partner prepares Notification letter and sends it to the JTS;
2. JTS checks and sends the Notification letter to MA, for information;

###### *For Serbian Lead Partner*

1. The Lead Partner prepares the Notification letter and sends it to the JTS Antenna;
2. JTS Antenna sends the Notification letter to the NA;
3. NA prepares a "No objection letter" and sends it back to the JTS;
4. JTS checks and sends the Notification letter and the "No objection letter" to the MA for information;

#### IV. Annexes

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##### Annex A. Application Form and its annexes

Annex A.1. Project summary (in English)

Annex A.2. Budget of the operation

Annex A.3. Legal documents of the applicants

Annex A.4. Financial situations of the applicants

Annex A.5. CV's/ Job descriptions/ Terms of reference for project management team

Annex A.6. Legalized mandates, if applicable

Annex A.7. Declaration of eligibility

Annex A.8. Declaration of commitment

Annex A.9. Partnership declarations from all project partners

Annex A.10. Schedule of reimbursement requests

##### Annex B. Evaluation grids

##### Annex C. Framework subsidy contract

##### Annex D. Model co-financing contract

##### Annex E. Model Partnership Agreement

##### Annex F. Relevant national and EU legislation

***The contracts annexed to this Guide are only indicative; the final version of all contracts (subsidy contract, co-financing contract and partnership agreement will be presented to the beneficiaries of the selected projects in the pre-contractual phase).***