

KARELIA

CBC // Cross-border cooperation



KARELIA CBC PROGRAMME

Guidelines for micro projects

Growing cross-border business cooperation/Call for proposal 1

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www.kareliacbc.info

NOTICE

These guidelines provide information about the procedures applied during the call for proposals for Micro projects and also set out the rules for the submission and evaluation of projects under this call for proposals.

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1. KARELIA CBC PROGRAMME

1.1. Background

Cross-border cooperation is an integral part of EU-Russia cooperation. Karelia CBC Programme is one of the CBC Programmes operating on the EU's external borders. All the CBC programmes operate for the benefit of both sides of the border.

Joint Operational Programme is prepared jointly by Finland and Russian Federation to guide the implementation. Both Regional and National levels have participated to the preparation.

Karelia CBC Programme 2014–2020 is financed by European Union, Russian Federation and Finland. The European Union is financing the programme out of the European Neighbourhood Instrument (ENI).

The overall financing of the Programme for the years 2014-2020 is **43 002 108 eur**.

Karelia CBC joint Operational Programme is available in Programme websites in address

<http://www.kareliacbc.info/documents/>

1.2. Objectives of the programme

Karelia CBC Programme contributes to regional development with activities that have clear cross-border dimension and cooperation nature. Activities benefit regions and stakeholders on both sides of the border. Programme complements other regional development programmes operating on the regions.

Programme is divided to four priorities:

- Priority 1: Growing cross-border business cooperation
- Priority 2: Attractive cultural environment
- Priority 3: Clean and comfortable region to live
- Priority 4: Well-functioning border crossings

The promotion of local cross-border “people-to-people” actions is included in all the priorities, the special focus being on young people. Innovations, research and education are considered as cross-cutting themes that shall be promoted within all priorities.

With these priorities and cross-cutting themes the Programme works towards its overall objective which is

to make the Programme area attractive for the people to live and work and businesses to locate and operate

2. DESCRIPTION OF THE MICRO PROJECT CALL FOR PROPOSALS

2.1. Purpose of Micro projects

Micro projects in Karelia CBC Programme have a preparatory nature. Purpose of these projects is to:

- make necessary preparatory actions for development and investment projects
- make surveys or prefeasibility studies to justify activities within larges projects

Micro project may aim at a larger project within the Karelia CBC Programme context but may also strive for a larger project in other financial instruments.

Micro projects are also cooperation projects and the partnership requirements for cross-border cooperation described in chapter 3.1.2 also apply.

2.2. Objectives for the Micro project call for proposals

Micro projects are connected to priorities

1 Growing cross-border business cooperation and
3 Clean and comfortable region to live

of Karelia CBC Programme.

Micro projects in this call for proposal connect to Priority 1 and the objectives described below.

Priority 1: Growing cross-border business cooperation

- 1 Identification of bottlenecks, barriers and obstacles of cross-border economic interaction and trade
- 2 Solving/ removing of the barriers hindering the cross-border economic cooperation

- 3 Activities increasing the capacity of the enterprises to start cross-border economic cooperation
- 4 Activities increasing the areas attractiveness as a target for investments

2.3. Financial allocation

The overall indicative amount made available under this call for proposals is EUR 500 000. The Joint Monitoring Committee reserves the right not to award all available funds.

Size of grants

Total costs of the project may be maximum EUR 50 000. Maximum amount of the grant is EUR 45 000.

No grant may exceed 90 % of the total eligible costs of the action. The partners' own contribution must be financed by the applicant and/or partners or from other financing sources. Finances from European Union budget can't be used as an own contribution.

3. RULES FOR THE CALL FOR PROPOSALS

3.1. Eligibility criteria

There are three sets of eligibility criteria, relating to

- applicant(s) which may request a grant (3.1.1), and their partners (3.1.2)
- projects for which a grant may be awarded (3.1.3)
- types of cost which may be taken into account in setting the amount of the grant (3.1.4).

3.1.1. Eligibility of applicants: who may apply?

(1) In order to be eligible for a grant, lead partners and partners **must**

- be legal persons **and**
- be directly responsible for the preparation and management of the project with their partners, not acting as an intermediary

The Lead Partner and partners can be e.g. national, regional or local public authorities or organisations, municipalities, joint municipal boards, public utility companies, chambers of commerce, organisations and associations, universities and higher education institutions, research institutes, and private companies and networks made up of these as well as non-governmental and international organisations.

Note that even if a private company acts as a lead partner or partner in the project the project cannot be profit making. Subsidies for individual enterprises are not granted.

(2) Lead Partners and partners will be excluded from participation in the call and no grants will be awarded to them if

- a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- b) they or persons having powers of representation, decision making or control over them have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State which has the force of *res judicata*;
- c) they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify including by decisions of the EIB and international organisations;
- d) they are not in compliance with their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the contracting authority or those of the country where the contract is to be performed;
- e) they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such illegal activity is detrimental to the Union's financial interests;
- (f) they are subject to an administrative penalty referred to in Article 109(1) in Regulation (EC, Euratom) No 966/2012 of the European Parliament and of the Council on the Financial rules applicable to the general budget of the European Union and repealing Council Regulation No 1605/2002

By signing the application the applicant assures that it is not/will not become involved in situations of the above kind.

Ineligibility of the lead partner or partners leads to the rejection of the whole project.

3.1.2 Partnerships and eligibility of partners

The programme area consists of *core region*, *adjoining regions* and *major economic, social and cultural centers*.



The programme core region consists of the following regions:

in Finland: Kainuu, North Karelia and Oulu Region

in Russia: the Republic of Karelia

The adjoining regions are:

in Finland: Lapland, South Karelia, North Savo, South Savo

in Russia: Leningrad, Murmansk and Arkhangelsk

Major economic, social and cultural centers:

in Finland: Helsinki

in Russia: City of St. Petersburg, City of Moscow

All projects in Karelia CBC Programme have to include at least one partner from core region in Finland and one partner from the core region in Russia. (Partner refers to both lead partner and other project partners).

Each partner has to participate to the financing of the project (salaries of the project personnel paid by the partner are considered as financing)

Note! Exception for the requirement for the partners from the core region:

Core region requirement does not apply if the partner is a national level public entity based in Helsinki or Moscow who doesn't have structural units in the programme region that could act as project partner or an international organisation with a base of operations in the Programme area. In these cases at least one partner from both countries is though required.

- Partners from adjoining regions are eligible if it is required by the nature and by the objectives of the project and it is necessary for its effective implementation. Partners from adjoining regions have to bring an expertise or know-how that is not available in the core region as such. These projects have to benefit the programme core region o
- From Helsinki and Moscow only national-level public entities that do not have their structural units in the Programme core region can act as project partners.
- Partners from St Petersburg may participate in projects where it is required by the nature and by the objectives of the project and is necessary for its effective implementation. Partners participating in projects from St Petersburg have to bring an expertise or know-how that is not available in the core area as such.

Partners participate in planning and implementing the action, and the costs they incur are eligible in the same way as those incurred by the lead partner. They must therefore satisfy the eligibility criteria as applicable on the lead partner himself.

The applicant will act as the lead partner and as the contracting party.

3.1.3 Projects for which an application may be made

Definition

Project is composed of a set of activities. The projects selected for financing have to support the objectives defined for this call.

Duration

The planned duration of a micro project may not exceed 12 months. A project can start only when the programme's Managing Authority and the project's lead partner have signed the grant contract. Project costs are eligible from the date defined in the Grant Contract. All projects financed by the programme must end by 31 December 2022 at the latest.

Location

Projects must benefit the Programme core region.

Types of activity

Activities within the projects have to be eligible (see chapter 3.1.4), justifiable and necessary in order to reach the objectives set.

3.1.4 Eligibility of costs: costs which may be taken into consideration for the grant

In Micro projects labour and travel costs are the only eligible cost types.

The costs of staff assigned to the project are eligible under the following cumulative conditions:

- they relate to the costs of activities which the partners would not carry out if the project was not undertaken,
- they must not exceed those normally borne by the partners unless it is demonstrated that this is essential to carry out the project,
- they relate to actual gross salaries including social security charges and other remuneration-related costs

Travel and subsistence costs of staff and other persons taking part in the project are eligible provided they won't exceed the costs normally paid by the partners.

Applicant will attach detailed budget to Micro project application. The applicant describes in budget table what the total amount of estimated costs consists of.

Checking process precedes the signing of the contract. The checks may give rise to requests for clarification and may lead the Managing Authority to impose modifications or reductions to address such mistakes or inaccuracies (for instance arithmetical errors, inaccuracies or unrealistic costs and other ineligible costs). The amount of the grant and the percentage of co-financing as a result of these corrections will not increase.

Programme manual provides more detailed information about the eligibility of costs. Manual is available on Programme websites <http://www.kareliacbc.info>

3.2 How to apply and the procedures to follow

The lead partner fills in the application in programme's electronic management system (PROMAS) at the address <https://promascbc.fi>.

Application must be filled in English. Hand-written applications will not be accepted.

3.2.1 Micro project application content

The application consists of the basic information of applicant, requested financing, partner details and their capacity and summary of the project idea.

In the application, the applicants provide an estimate of the total costs of the project together with the amount of contribution requested from the programme. Budget will be attached to the application. The annex and the information in PROMAS must be consistent with each other. Budget template is available on programme web site (<http://www.kareliacbc.info/>)

Project idea will be presented in “Summary” section in PROMAS. In summary section the applicant should give an overview of the project describing:

- the initial problem that the micro project will work with, how the problem has been identified and how the micro project will support the solution of the problem;
- the key target groups affected by the initial problem;
- the activities to be implemented and their costs;
- the outputs to be produced;
- the foreseen continuation of the work started by the micro project, such as infrastructure investments, large development initiatives or other efforts related to the initial problem.

The maximum amount of characters in Summary section is 12 000. PROMAS won't allow to produce content exceeding the limit.

Partners should fill partnership statement where they express the will of participating the project. These statements signed by partner organisations will be sent only electronically as pdf document. These will be attached to the application in PROMAS.

In addition the Logical Framework Matrix will be attached to the application.

Please note that only the application form with the requested annexes will be evaluated. It is therefore important that the application contains **ALL** relevant information concerning the project.

Only the following documents shall be sent:

- The application form
- Partnership statements from all partners (not needed from the lead partner)
- Project budget
- Logical Framework Matrix

3.2.2 Further information for the Micro project applications

Questions may be sent during the call by email to the address below, indicating clearly the reference of the call for proposals:

E-mail address: kareliacbc@kareliacbc.info

In the interest of equal treatment of applicants, the Managing Authority cannot give a prior opinion on the eligibility of an applicant, a partner, a project or specific activities.

Questions that may be relevant to other applicants, together with the answers as well as other important notices to applicants during the course of the evaluation procedure, will be published on the internet at the Programme's website <http://www.kareliacbc.info/>, as the need arises. It is therefore highly recommended to regularly consult the above-mentioned website in order to be informed of the questions and answers published.

3.2.3 Where and how to send micro project applications

The application is filled in the electronic management system PROMAS. The electronic version of the application is submitted via PROMAS. Final version of the application is printed, signed and submitted to the Managing Authority. **Only application is sent as a hard copy.**

The content of the printed application must not be modified after electronic submission. Electronic version submitted in PROMAS will be used in the evaluation and is considered as the binding version that the applicant confirms with its signature.

For economical and ecological reasons, we strongly recommend that you submit your files on paper-based materials (no plastic folder or divider). We also suggest you to use double-sided print-outs as much as possible.

Where an applicant sends several different applications, each one must be sent separately.

The envelope must bear the reference to the call for proposals **(Call for proposals 2017/1/1)** together with the full name and address of the applicant.

Signed applications must be submitted in a sealed envelope by registered mail, private courier service or by hand-delivery at the address below (do not address the application to any member of the MA personally):

Council of Oulu Region / Karelia CBC Programme
Sepänkatu 20
FIN-90100 OULU
FINLAND

or

Karelia CBC Branch Office
 Kuibyshev str 26, 3rd floor, office 305
 185035 Republic of Karelia
 RUSSIAN FEDERATION

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

3.2.4 Checklist

Since incomplete applications may be rejected, it is highly recommended that applicants verify their applications by using the checklist below.

Checklist application:

	YES
1. Is the application filled in English?	
2. Has the electronic version of the application been submitted via PROMAS?	
3. Has the original printed and signed version of the application been sent to Managing Authority / Programme Branch Office?	
4. Is the requested programme financing maximum 45 000 EUR?	
5. Is the percentage of total financing maximum 90% of total costs?	
6. Is the maximum total costs of the project maximum 50 000 EUR?	
7. Is the duration of the project maximum 12 months?	
8. Do the lead partner and partners fulfill the eligibility criteria as defined in the guidelines and all partners participate to the financing of the project?	
9. Does the project have minimum one partner from Finland and one from Russia according to the criteria defined in the guidelines?	
10. Are all parts of the application filled in?	
11. Is the project budget presented in euros and attached electronically to the application? Does it include costs related only to salaries and travel?	
12. Has the signed partnership statements from all the partners been attached electronically to the application?	
13. Has the logframe matrix been attached electronically to the application?	
14. Are the annexed budget and the information in PROMAS consistent with each other?	

3.2.5 Deadline for the submission of the micro project applications

The deadline for the submission of the electronic version of the concept cote is 23.3.2017 at 15:00 o'clock Finnish time.

The deadline for the submission of the signed version is 23.3.2017 as evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at **15.00** Finnish time. The signed version needs to reach the Managing Authority / Programme Branch Office on 30.3.2017 at the latest.

Any application submitted after the deadline and/or reaching the MA after the date of the latest arrival will automatically be rejected.

3.3 Evaluation and selection of applications

All applications submitted will be assessed according to the following steps and criteria:

STEP 1: ADMINISTRATIVE CHECK OF THE APPLICATIONS / MICRO PROJECT APPLICATIONS

The following will be assessed:

- The submission deadline has been respected. If the deadline has not been respected the application will automatically be rejected.
- The application satisfies all the criteria specified in the Checklist in chapter 3.2.4. If any of the requested information is missing or is incorrect, the application may be rejected on that sole basis and the application will not be evaluated further.

Following the administrative check, the Managing Authority sends information to all applicants indicating whether their application passed the administrative check and whether they have been recommended for further evaluation. Administrative check shall be performed by the Managing Authority with the assistance of the Branch Office.

STEP 2: EVALUATION OF THE APPLICATIONS

The applications that have passed the administrative check will be evaluated according to the evaluation grid below.

Evaluation of the applications will be done by the Joint Selection Committee. Joint Selection Committee conducts its deliberations on the basis of assessors' assessments.

The application will be given an overall score out of 50 points in accordance with the breakdown provided in the evaluation grid below.

The evaluation criteria are divided into headings and subheadings. Each subheading will be given a score between 1 and 5 in accordance with the following assessment categories: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

An evaluation of the applications, including the proposed budget, and of the capacity of the applicant and its partners, will be carried out in accordance with the evaluation criteria set out in the evaluation grid included below. There are two types of evaluation criteria: selection and award criteria.

The selection criteria assesses the applicant's financial and operational capacity to complete the proposed action and assures that the applicant has stable and sufficient sources of funding to maintain its activity throughout the period during which the project is being carried out and to participate in its funding. Also applicants' and their partners' professional competencies and qualifications to complete the proposed project will be evaluated.

The award criteria assess the quality of proposals against the set objectives and priorities, so that grants are awarded to the actions which maximise the overall effectiveness of the call for proposals.

Joint Monitoring Committee makes the final decision on project selection following the evaluations and proposals done by the Joint Selection Committee.

Evaluation Grid :

<u>1. Justification / Relevance of the project</u>	<u>20</u>
1.1. Are the initial problem(s) clearly identified and described?	5
1.2. Is the project relevant to the target groups?	5
1.3. How relevant is the project to the objectives / priority of the call for proposals?	5
1.4. Does the project have a cross-border nature?	5

Award criteria: quality of the proposal

<u>2. Quality of the proposal</u>	<u>10</u>
2.1. Are the activities proposed appropriate, practical, and consistent with the objectives and expected results?	5
2.2. Is the role and motivation of proposed partners appropriate and clear?	5

Award criteria: expected results (quality)

<u>3. Expected results of the project</u>	<u>10</u>
3.1. Are the main outputs necessary and sufficient in order to achieve the objectives of the project?	2 x 5 *

Award criteria: Budget and cost-efficiency (quality)

<u>4. Budget and cost-effectiveness</u>	<u>5</u>
4.1. How good is the price-quality ratio of the proposed action?	5

Selection criteria: Capacity

<u>5. Capacity</u>	<u>5</u>
5.2. Do the applicant and partners have sufficient technical expertise to implement the proposed activities? (notably knowledge of the issues to be addressed.)	5

*the scores are multiplied by 2 because of their importance

Maximum score is 50.

Firstly, only the applications which have been given a score of a minimum 12 points in the category Relevance as well as a minimum total score of 30 points will be considered for pre-selection.

Secondly, if necessary, the lists of applications will be reduced in accordance to the ranking to those whose sum of requested contributions amounts to twice the available budget for the priority on this call for proposals.

Provisional selection

Results of the application evaluation process are presented in the evaluation report. Report lists the applications according to their total score as well as the rejected proposals. In case the applications get the same total score the rank is determined by the scores on section 1 (Relevance). In case the applications still have equal scores, the rank is determined by the score on section 2 (Quality of the proposal).

Please note, that no overlapping actions will be financed. In such cases the project getting a higher score will be offered a contract.

3.4 Notification of the Joint Monitoring Committee's decision

3.4.1 Content of the decision

Applicants are informed in writing of the Joint Monitoring Committee's decision concerning their application and, in case of rejections, the reasons for the negative decision.

Applicants believing that they have been harmed by an error or irregularity during the award process may file a complaint.

3.4.2 Indicative time table

	DATE	TIME*
Opening of the Call for proposals	16.1.2017	
Deadline for submission of Applications	23.3.2017	15:00
Information about the project selection	week 25	
Launching event	date to be specified later	

These dates are indicative.

3.5 Conditions applicable to implementation of a project following the Managing Authority's decision to award a grant

Following the decision to award a grant, the lead partner will be offered a contract. By signing the application, the applicant declares accepting, in case where it is awarded a grant, the contractual conditions as laid down in the standard contract.

4. Templates

Following documents are available on programme web site www.kareliacbc.info

Budget

Partnership statement

Logical Framework Matrix

DOCUMENTS FOR INFORMATION:

Grant contract template

General conditions to the Grant Contract

Programme manual