



**Contracting Authority: Central Finance and Contracting  
Agency, Republic of Croatia**

**Science and Innovation Investment Fund Grant Scheme**

**Guidelines  
for grant applicants**

**Budget line: Regional Competitiveness Operational programme 2007 -  
2009 for Community Assistance under the IPA Regional Development  
Component in Croatia**

Reference: EuropeAid/128624/M/ACT/HR

Deadlines for submission of proposals:

1<sup>st</sup> Deadline: 08 September 2009

2<sup>nd</sup> Deadline: 05 March 2010

3<sup>rd</sup> Deadline: 02 July 2010

## **NOTICE**

This is an open Call for Proposals, where all documents are submitted at one stage (Concept Note and full proposal). However, in the first instance, only the Concept Notes will be evaluated. Thereafter, for the applicants whose Concept Notes have been pre-selected, evaluation of the full proposal will be carried out. Further to the evaluation of the full proposals, an eligibility check will be performed for those which are provisionally selected. This check will be undertaken on the basis of the supporting documents requested by the Contracting Authority and the signed "Declaration by the Applicant" sent together with the application.

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# 1. SCIENCE AND INNOVATION INVESTMENT FUND GRANT SCHEME

## 1.1 BACKGROUND

The Lisbon European Council of March 2000 set the objective of making Europe the most competitive and dynamic knowledge-based economy in the world by the year 2010.

By strongly and firmly placing competitiveness at the heart of the European political agenda, the reinvigorated 'Lisbon process' aims at making Europe a more attractive place to invest, by boosting the entrepreneurial initiative and creating a productive environment where innovation capacity can grow and develop.

Successful integration of the Republic Croatia to the EU therefore requires a shift towards knowledge economy where relationship between science, technology and economy is interrelated more than ever before, producing growing demand for knowledge transfer.

The most likely sources of enhanced knowledge and economic growth are Foreign Direct Investment (FDI) and/or national Research and Development (R&D) and Technology Development. R&D and high tech sectors are key elements of economic competitiveness: Market oriented R&D results in commercially exploitable innovations, applicable to business (including small and medium enterprises, SMEs), and are essential to enhancing the value added and competitiveness of the private sector.

Whereas the R&D and Innovation sector has evolved considerably in the past 15 years, Croatia still lags behind European and international competitors. Croatia also has a comparatively low level of employment in the knowledge-intensive service sector and in the high and medium-high technology manufacturing sector. There is also a dominance of the public over the business sector R&D expenditure.

The Ministry of Science, Education and Sports (MSES) is the central government institution responsible for implementation, coordination and monitoring in the science, innovation and technology sectors.

Research activity in Higher Education Institutions (HEI) and Public Research Organizations (PRO) generates knowledge and technologies that yield high quality jobs, successful businesses, better goods and services and more efficient production and management processes. Therefore, the process of knowledge transfer from HEI and PRO to business and wider community for the benefit of economy and ultimately for wealth creation has the pivotal role in national policy agenda for strategic development.

### ▪ ***Regional Competitiveness Operational Programme (2007–2009).***

This document presents a multi-dimensional programme for development in the Croatian regions and it forms the basis for planned actions for the purpose of building regional competitiveness.

Regional Competitiveness Operational Programme (2007–2009) for Croatia (RCOP) focuses mainly on the SMEs, R&D and Innovation sectors and is being run in parallel with the Human Resources Development Operational Programme (HRDOP). The RCOP supports the targeted sectors by addressing the shortcomings at the National level, as well as proposing investment into the growth potential of the regional economies, particularly the so called *Lagging Behind Regions*

Under the RCOP, Priority Axis 2 – *Enhancing the Competitiveness of the Croatian Economy* and under Measure 2.2 *Technology Transfer and Support Services for Knowledge-based Start-ups*, of the Regional Competitiveness Operational Programme (2007–2009) the financial allocation for the whole Measure 2.2. from IPA funds for the years 2007, 2008 and 2009 is €10.562.000,00 (75%) with proposed co-financing from the Ministry of Science, Education and Sports of Croatia, in those three years of €3.517.750,00 (25%). This total allocation for Measure 2.2. is further divided between two Operations:

- Operation 1 consists of Science and Innovation Investment Fund Grant Scheme and Technical Assistance project which will provide advice and support to potential applicants for the identification and elaboration of projects as well as support for the successful applicants in implementation of their projects.
- Operation 2 has a main target of the construction and equipping of the National BioCentre at the University of Zagreb.

## 1.2 OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

The global objective of this grant scheme is to build technology transfer and commercialization capacities of Higher Education Institutions (HEI) and Public Research Organizations (PRO) in order to contribute to sustainable regional development and industry competitiveness of high value added sectors of the economy and knowledge based SMEs.

The specific objective of this Call for Proposals is to support innovation commercialization in public R&D sector in order to bridge the gap between the pre-commercial and commercial phases of R&D in Croatia, and thus create a productive environment where innovation capacity can grow and develop with the resulting increase in economic activity and in employment in knowledge based industries.

**The priority issues for this Call for Proposals** include the following:

- Development of the essential infrastructure in the higher education institutions and research organizations
- Enhancement of the science-industry/business collaboration in order to enable them to effectively interact and thus to better serve the needs of industry
- Improvement of HEI's, PRO's and industry/business overall capacities related to R&D sector and establishment of effective networking between them.

## 1.3 FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this call for proposals is EUR 5.000.000,00 (This allocation consists of EUR 3.750.000,00 IPA funds and EUR 1.250.000,00 contribution of the National co-financing (Ministry of Science, Education and Sports, MSES). The Contracting Authority reserves the right not to award all available funds.

### **Size of grants:**

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

- Minimum amount: EUR 50.000,00
- Maximum amount: EUR 750.000,00

A grant may not be for less than 65% of the total eligible costs of the action.

In addition, no grant may exceed 75% of the total eligible costs of the action (see also section 2.1.4).

Furthermore, 25% of the total eligible costs of the action will be financed from the national public contribution of the Beneficiary Country provided by the MOSES of the Republic of Croatia. The balance (up to 10% of the total eligible costs of the action, if applicable) must be financed from applicant's or partners' own resources, or from sources other than the European Community budget or the European Development Fund<sup>1</sup>.

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<sup>1</sup> Since salaries/fees of current employees that will be engaged on the project by the applicant or partner being any institution that is continuously financed at any part from the local/state level budget, can only be accepted as eligible as National co-financing, which is fixed at 25% of total allocation, salaries of current employees in one particular project that exceed 25% of total eligible costs of the project will be non-eligible for financing under this project.

### **The Lagging Behind Regions**

It is envisaged that the sum of EUR 1.500.000,00 (or 30% of the allocation for this Grant Scheme) will be reserved for actions to be performed in the 10 Croatian Counties designated as *The Lagging Behind Regions*<sup>2</sup>

In case this allocation is not used (smaller number of applications are received, no applications are received in which action is to be performed in the *The Lagging Behind Regions*, or no project of adequate quality or relevance is received to be performed in any of those areas), the leftover from designated EUR 1.500.000,00 will be disbursed as a part of general fund.

For detailed explanation, see point 2.3. Evaluation and selection of applications, STEP (3): Evaluation of the full application

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<sup>2</sup> Counties in which 50% or more of the surface area is classified as an Area of Special State Concern. The “Lagging Behind Regions” are following Croatian Counties: Ličko-senjska, Vukovarsko-srijemska, Zadarska, Šibensko-kninska, Sisačko-moslavačka, Požeško-slavonska, Karlovačka, Virovitičko-podravska, Brodsko-posavska, Osječko-baranjska

## 2. RULES FOR THIS CALL FOR PROPOSALS

These guidelines set out the rules for the submission, selection and implementation of actions financed under this Call, in conformity with the provisions of the Practical Guide to contract procedures for EC external actions, which is applicable to the present call (available on the Internet at this address: [http://ec.europa.eu/europeaid/work/procedures/implementation/index\\_en.htm](http://ec.europa.eu/europeaid/work/procedures/implementation/index_en.htm)).

### 2.1 ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

- applicant(s) which may request a grant (2.1.1), and their partners (2.1.2),
- actions for which a grant may be awarded (2.1.3),
- types of cost which may be taken into account in setting the amount of the grant (2.1.4).

#### 2.1.1 *Eligibility of applicants: who may apply?*

(1) In order to be eligible for a grant, applicants **must**:

- be a legal persons **and**
- be a public higher education institution or public research organization<sup>3</sup> **and**
- be non-profit making<sup>4</sup> **and**
- be nationals<sup>5</sup> of a Member State of the European Union, Croatia, The former Yugoslav Republic of Macedonia, Turkey, Albania, Bosnia and Herzegovina, Montenegro, Serbia, including Kosovo under UNSC Resolution 1244/99 as well as of other countries eligible under the Council Regulation (EC) No 1085/2006 of 31 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA) **and**
- be directly responsible for the preparation and management of the action with their partners, not acting as an intermediary

(2) Potential applicants may not participate in calls for proposals or be awarded grants if they are in any of the situations which are listed in Section 2.3.3 of the Practical Guide to contract procedures for EC external actions (available from the following Internet address: [http://ec.europa.eu/europeaid/work/procedures/implementation/index\\_en.htm](http://ec.europa.eu/europeaid/work/procedures/implementation/index_en.htm));

In Part B section VI of the grant application form (“Declaration by the applicant”), applicants must declare that they do not fall into any of these situations.

#### 2.1.2 *Partnerships and eligibility of partners*

Applicants must act with partner organisations as specified hereafter.

Partners

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<sup>3</sup> During the Evaluation and selection process, step (4), Verification of Eligibility of the Applicants and Partners, Applicants and partners will be required to prove both that they are founded by the Public Body according to relevant legal Act of the Country involved, and that the majority of their annual budget is continuously financed by the public sources. If Croatian, Higher Education Institutions (HEI) and Public Research Organisations (PRO) are founded by the Republic of Croatia, according to Scientific Activity and Higher Education Act of the Republic of Croatia - Official Gazette 123/03, as covered by Article 25 and Article 49 (2).

<sup>4</sup> Proofs of being non-profit making will also be required in the same step (4) of the Evaluation process

<sup>5</sup> Such nationality being determined on the basis of the organisation's statutes which should demonstrate that it has been established by an instrument governed by the national law of the country concerned. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a “Memorandum of Understanding” has been concluded.

There is a minimum of **one** partner required.

Applicants' partners participate in designing and implementing the action, and the costs they incur are eligible in the same way as those incurred by the grant beneficiary. They must therefore satisfy the eligibility criteria as applicable on the grant beneficiary himself.

In case an applicant is not Public Higher Education Institution or Public Research Organization founded by the Republic of Croatia, according to Scientific Activity and Higher Education Act of the Republic of Croatia - Official Gazette 123/03, as covered by Article 25 and Article 49 (2), one of the partners must be a Higher Education Institution (HEI) or Public Research Organisation (PRO) founded by the same Act.

**The following are not partners and do not have to sign the “partnership statement”:**

- Associates

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

Note that although associates are not obligatory, they are desirable in the achievement of the objectives of the grant scheme, which relates particularly to the commercial associates (e.g. SMEs). Level of their involvement in the action will be evaluated in the scoring grids.

- Subcontractors

The grant beneficiaries have the possibility to award contracts to subcontractors. Subcontractors are neither partners nor associates, and are subject to the procurement rules set out in Annex IV to the standard grant contract.

The applicant will act as the lead organisation and, if selected, as the contracting party (the "Beneficiary").

### **2.1.3 Eligible actions: actions for which an application may be made**

Definition: An action (or project) is composed of a set of activities.

#### Duration

The planned duration of an action applied for under 1<sup>st</sup> and 2<sup>nd</sup> deadline may not be less than 12 months nor exceed 18 months.

The planned duration of an action applied for under 3<sup>rd</sup> deadline has to be 12 months.

#### Sectors or themes

The support only applies to the actions relating to the following sectors or themes:

- Establishment of new and supporting existing, business liaison offices, technology transfer offices and knowledge transfer centers and creation of the research related infrastructure to be used by them and by university spin-offs / start-ups and knowledge-based SMEs which should enable commercialization of public R&D
- Enhancing the access of the industry/business sector to technology and business development services and encouraging cooperation between the education and research sector and the industry/business sector in order to support technology transfer activities from HEI and PRO towards industry/business

- Upgrade of the business advisory services and of HEI's, PRO's and industry/business capacities related to intellectual property rights (IPR) and investment promotion at regional level

### Location

Actions must take place in Croatia.

### Types of action

The following actions may be financed under this call, with respect to the specified priority areas (see 1.2.)

- (a) Establishment of business liaison offices, technology transfer offices, knowledge transfer centers and university spin-offs / start-ups
- (b) Improving access and knowledge of industry business sector in the area of technology and business development services
- (c) Upgrade of the technology transfer activities from HEI and PRO towards industry/business
- (d) Improvement of the Intellectual Property (IP) strategic management
- (e) Improvement of the HEI's, PRO's capacities related to the commercialization activities
- (f) Establishment and upgrading of the networking and communication between HEI's, PRO's and industry/business

### Types of activity

The following activities may be financed under this call, with respect to the specified priority areas (see 1.2.)

- (a)
  - Equipping of new or existing business liaison offices, technology transfer offices, knowledge transfer centers and university spin-offs / start-ups
  - Provision of the consultancy, training and business planning services for existing and new business liaison offices, technology transfer offices, knowledge transfer centers and university spin-offs / start-ups
  - Preparation of relevant business plans for existing and new business liaison offices, technology transfer offices, knowledge transfer centers and university spin-offs / start-ups
  - Capacity building of the management teams of the existing and new business liaison offices, technology transfer offices, knowledge transfer centers and university spin-offs / start-ups
- (b)
  - Enhancing/facilitating creation and/or development of clusters or other types of associations between HEI, PRO, industry/business
  - Technology mapping
  - e-business implementation
  - Creation and implementation of databases
- (c)
  - Proposal for the new and innovative technology transfer activities
  - Creation of research projects/R&D activities in cooperation with industry/business stakeholders/ associates resulting in commercial application and/or creation of relevant know-how
  - Testing of new innovative products
- (d)
  - Drafting of patents and prototyping,
  - Technology and patent licensing,
  - IP training and promotion around IP;
  - Creation of sustainable and self –supporting system of IP protection;

- Identification, assessment and evaluation of potential IP
- (e)
- Technology screening and patent valorization,
  - Proof of concept development
  - Training activities related to technology transfer, technology based spin-offs and IPR
  - Activities related to development of technology commercialization strategies and spin-out programmes
- (f)
- Preparation of communication programmes/strategies
  - Development of innovative, collaborative programmes between HEI's, PRO's and industry/business
  - Creation and development of business friendly mechanisms and materials to promote and explain products, processes and services to industry and SMEs
  - Activities related to market orientation of R&D
  - Organization of workshops, business clubs, network meetings and similar activities.

The above activities are listed in a non-exhaustive breakdown; appropriate innovative activities that are not mentioned but fall into the above mentioned themes may also be considered for support.

Since all the actions should take place in Croatia and should contribute to the specific objective of this Call for Proposals, i.e. should contribute to creation of a productive environment where innovation capacity can grow and develop, thus strengthening the overall competitiveness of Croatia, it is especially required that all the results/outputs remain at disposal of the target groups and that the final beneficiaries in Croatia benefit from them.

The following types of action **are ineligible**:

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, congresses.
- actions concerned only or mainly with individual scholarships for studies or training courses;
- general information campaigns;
- language courses;
- actions confined only or mainly to restoration of buildings, construction and all capital investments
- consultancy services that are continuous or periodic activity or relate to applicant's operating expenditures, particularly if related to tax counselling, legal services and similar;
- proposals with provisions for financing the usual (routine) activities, especially covering their operational costs (not related to the implementation of the project)
- establishing, assisting or developing any project or activity that contributes to the violation of internationally recognised workers' rights rules and regulations in force in Croatia
- projects that already receive funds from any other sources for the same activity (double funding is strictly prohibited)

#### Number of applications and grants per applicant

An applicant may submit more than one application under this call for proposals.

An applicant may be awarded more than one grant under this call for proposals but only under condition that same organisation unit (unit at the first lower level of applicant's organisation, e.g. institute, department, division, section) within eligible institution does not receive more than one grant.

An applicant may at the same time be partner in another application.

Partners may take part in more than one application.

Please note that in case applicant is recommended to receive more than one Grant (or is recommended to be awarded a grant and is designated partner in another project recommended for financing), it's operational and financial capacity will be verified in that respect.

#### *2.1.4 Eligibility of costs: costs which may be taken into consideration for the grant.*

Only "eligible costs" can be taken into account for a grant. The categories of costs considered as eligible and non-eligible are indicated below. The budget is both a cost estimate and a ceiling for "eligible costs". Note that the eligible costs must be based on real costs based on supporting documents (except for subsistence costs and indirect costs where flat-rate funding applies).

Recommendations to award a grant are always subject to the condition that the checking process which precedes the signing of the contract does not reveal problems requiring changes to the budget (for instance arithmetical errors, inaccuracies or unrealistic costs and other ineligible costs). The checks may give rise to requests for clarification and may lead the Contracting Authority to impose modifications or reductions to address such mistakes or inaccuracies. The amount of the grant and the percentage of co-financing as a result of these corrections may not be increased.

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

##### Eligible direct costs

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

##### Contingency reserve

A contingency reserve not exceeding 5% of the direct eligible costs may be included in the Budget of the Action. It can only be used with the **prior written authorisation** of the Contracting Authority.

##### Eligible indirect costs (overheads)

The indirect costs incurred in carrying out the action may be eligible for flat-rate funding fixed at not more than 7% of the total eligible direct costs.

If the applicant is in receipt of an operating grant financed from the Community budget no indirect costs may be claimed within the proposed budget for the action.

##### Contributions in kind

Contributions in kind are not considered actual expenditure and are not eligible costs. The contributions in kind may not be treated as co-financing by the Beneficiary.

The cost of staff assigned to the Action is not a contribution in kind and may be considered as co-financing in the Budget of the Action when paid by the Beneficiary or his partners<sup>6</sup>.

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<sup>6</sup> Please note that salaries/fees of current employees that will be engaged on the project by the applicant or partner being any institution that is continuously financed at any part from the local/state level budget, can only be accepted as eligible as a part of National co-financing. Hence, salaries of current employees in one particular project that exceed 25% of total eligible costs of the project will be non-eligible for financing under this project.

Notwithstanding the above, if the description of the action as proposed by the beneficiary foresees the contributions in kind, such contributions have to be provided.

### Ineligible costs

The following costs are not eligible:

- debts and provisions for losses or debts;
- interest owed;
- items already financed in another framework;
- conversion costs, charges and exchange losses associated with any of the component specific euro accounts, as well as other purely financial expenses;
- bank charges, costs of guarantees and similar charges;
- taxes, including VAT
- customs and import duties, or any other charges;
- fines, financial penalties and expenses of litigation;
- operating costs;
- second hand equipment;
- purchase, rent or leasing of land and existing buildings;
- maintenance and rental costs;
- depreciation costs for the infrastructures.
- credits to third parties
- costs incurred before the signing of the contract, including project preparation costs.
- sub-contracting of services which are part of the regular activities of the applicant.
- fees for Civil Servants (Civil Servants or other officials of the public administration of the beneficiary country, regardless of their administrative situation, must not be engaged as experts by tenderers unless the prior approval of the Contracting Authority has been obtained)
- contributions in kind

## **2.2 HOW TO APPLY AND PROCEDURES TO FOLLOW**

Please note that the prior registration in PADOR<sup>7</sup> for applicants and their partners for this Call for proposal is not obligatory. However the applicant and partners can register their organisation data, and upload supporting documents in PADOR.

### **2.2.1 Application form**

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

Applicants must apply in English.

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

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

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<sup>7</sup> For further information on PADOR, please consult the following website:

[http://ec.europa.eu/europeaid/work/onlineservices/pador/index\\_en.htm](http://ec.europa.eu/europeaid/work/onlineservices/pador/index_en.htm)

Helpdesk for questions related to the functioning of PADOR:

*Europeaid-ON-LINE-REGISTRATION-HD@ec.europa.eu*

Hand-written applications will not be accepted.

Please note that only the application form and the published annexes which have to be filled in (budget, logical framework) will be evaluated.

Additionally, in case of projects of more than EUR 500.000,00, following supporting documents will have to be submitted:

- Feasibility Study (FS) - The FS must prove the demand for the planned investment and all direct and indirect effects of a project. Those effects must be quantified. FS **may** include Cost Benefit Analysis (CBA)<sup>8</sup>.
- Business plan (only for Technology Transfer Offices and Spin-off/Start-up companies)

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

### 2.2.2 *Where and how to send the Applications*

Applications must be submitted in one original and 3 copies in A4 size, each bound. The complete application form (part A: concept note and part B: full application form), budget and logical framework, Feasibility Study (if applicable) and Business plan (if applicable) must also be supplied in electronic format (CD-Rom) in a separate and unique file (e.g. the application form must not be split into several different files). The electronic format must contain **exactly the same** application as the paper version enclosed. The Checklist (Section V of part B the grant application form) and the Declaration by the applicant (Section VI of part B of the grant application form) must be stapled separately and enclosed in the envelope

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

The outer envelope must bear the **reference number and the title of the call for proposals**, together with the full name and address of the applicant, and the words "Not to be opened before the opening session" and "Ne otvarati prije sastanka za otvaranje projektnih prijedloga".

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

#### Postal address

Central Finance and Contracting Agency (CFCA)  
(Središnja agencija za financiranje i ugovaranje programa i projekata EU – SAFU)  
Ulica grada Vukovara 284, block C, 5th Floor  
10 000 Zagreb  
Croatia

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

Central Finance and Contracting Agency (CFCA)  
(Središnja agencija za financiranje i ugovaranje programa i projekata EU – SAFU)  
Ulica grada Vukovara 284, block C, 5th Floor  
10 000 Zagreb  
Croatia

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

<sup>8</sup> As there is no obligatory template for the CBA and the FS the "Guide to cost-benefit analysis of investment projects" can be used. The guide is available on the following address:  
[http://ec.europa.eu/regional\\_policy/sources/docgener/guides/cost/guide2008\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docgener/guides/cost/guide2008_en.pdf)

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

### **2.2.3** *Deadline for submission of Applications*

There will be 3 deadlines in years 2009 and 2010 (one deadline in 2009 and two deadlines in 2010) for the submission of applications:

1<sup>st</sup> Deadline: 08 September 2009

2<sup>nd</sup> Deadline: 05 March 2010

3<sup>rd</sup> Deadline: 02 July 2010

as evidenced by the date of dispatch, the postmark or the date of the deposit slip.

In the case of hand-deliveries, the deadlines for receipt is as follows:

1<sup>st</sup> Deadline: 08 September 2009, at 16.00 CET

2<sup>nd</sup> Deadline: 05 March 2010, at 16.00 CET

3<sup>rd</sup> Deadline: 02 July 2010, at 16.00 CET,

as evidenced by the signed and dated receipt.

**Financial allocation provided by the contracting authority is EUR 5.000.000,00. This amount is allocated to the first deadline.**

**Funds that are not used in the first deadline will automatically be allocated to the second deadline.**

**Funds that are not used in the second deadline will automatically be allocated to the third deadline.**

Any application submitted after the first deadline will automatically be included in the next batch of applications.

Any application submitted after the **last** deadline will automatically be rejected.

### **2.2.4** *Further information for Applications*

A date and place of the information session on this call for proposals will be published on CFCA web-page [www.safu.hr](http://www.safu.hr) (in section: natjecaji/IPA komponenta IIIc), within 7 days of the launch of this call for proposals.

Questions may in addition be sent by e-mail or by fax no later than 21 days before the each deadline for the submission of applications to the below address, indicating clearly the reference of the call for proposals:

E-mail address: [grants@safu.hr](mailto:grants@safu.hr)

Fax: +385 1 4591 075

Contracting Authority has no obligation to provide further clarifications after these dates.

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

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

Questions that may be relevant to other applicants, together with the answers, will be published on the internet at the EuropeAid website: <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome> and [www.safu.hr](http://www.safu.hr). It is therefore highly recommended to regularly consult the abovementioned websites in order to be informed of the questions and answers published.

## **2.3 EVALUATION AND SELECTION OF APPLICATIONS**

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

If the examination of the application reveals that the proposed action does not meet the eligibility criteria stated in paragraph 2.1.3, the application shall be rejected on this sole basis.

### **(1) STEP 1: OPENING SESSION AND ADMINISTRATIVE CHECK**

The following will be assessed:

- The submission deadline has been respected. If the deadline has not been respected the application will automatically be included in the next batch of applications (or rejected after third deadline has expired).
- The Application Form satisfies all the criteria specified in points 1-5 of the Checklist (section V of part B of the grant application form). If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

Following the opening session and the administrative check, the Contracting Authority will send a letter to all applicants, indicating whether their application was submitted prior to the deadline, informing them of the reference number they have been allocated and whether they have been recommended for further evaluation.

### **(2) STEP 2: EVALUATION OF THE CONCEPT NOTE**

The evaluation of the Concept Notes that have passed the first administrative check will cover the relevance of the action, its merits and effectiveness, its viability and sustainability. The Contracting Authority reserves the right not to undertake the evaluation of the Concept Notes whenever considered justified (for example when a less than expected number of applications are received) and to go straight to the evaluation of the corresponding full applications.

Please note that the scores awarded to the Concept Note are completely separate from those given to the Full Application.

The Concept Note will be given an overall score out of 50 points in accordance with the breakdown provided in the Evaluation Grid below. The evaluation shall also verify the compliance with instructions provided in the guidance for Concept Note, part A of the grant application form.

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.

<b>1. Relevance of the action</b>	Sub-score	<b>15</b>
1.1 Relevance of the project to needs and constraints of the country/region to be addressed in general and to those of the target groups in particular	5	
1.2 Relevance to the priorities and objectives mentioned in the Guidelines	5(x2)*	
<b>2. Effectiveness and Feasibility of the action</b>	Sub-score	<b>25</b>
2.1 Assessment of the problem identification and analysis	5	
2.2 Assessment of the proposed activities (practicality and consistency in relation to the objectives, purpose and expected results).	5(x2)*	
2.3 Assessment of the role and involvement of all stakeholders and, if applicable, proposed partners.	5(x2)*	
<b>3. Sustainability of the action</b>	Sub-score	<b>10</b>
3.1 Assessment of the identification of the main assumptions and risks, before the start up and throughout the implementation period.	5	
3.2 Assessment of the identification of long-term sustainable impact on the target groups and final beneficiaries.	5	
<b>TOTAL SCORE</b>		<b>50</b>

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

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

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

Secondly, the list of Concept Notes will be reduced, in accordance to the ranking, to those whose sum of requested contributions amounts to 2 times the available budget for this Call for proposals taking into account the indicative financial envelopes foreseen. The Evaluation Committee will subsequently proceed with the applicants whose proposals have been pre-selected

### **(3) STEP 3: EVALUATION OF THE FULL APPLICATION**

An evaluation of the quality 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** are intended to help evaluate the applicants' financial and operational capacity to ensure that they:

- have stable and sufficient sources of finance to maintain their activity throughout the period during which the action is being carried out and, where appropriate, to participate in its funding;
- have the management capacity, professional competencies and qualifications required to successfully complete the proposed action. This also applies to any partners of the applicant.

**The award criteria** allow the quality of the applications submitted to be evaluated in relation to the set objectives and priorities, and grants to be awarded to actions which maximise the overall effectiveness of the call for proposals. They enable the selection of applications which the Contracting Authority can be confident will comply with its objectives and priorities and guarantee the visibility of the Community financing (see [http://ec.europa.eu/europeaid/work/visibility/index\\_en.htm](http://ec.europa.eu/europeaid/work/visibility/index_en.htm)). They cover such aspects as the

relevance of the action, its consistency with the objectives of the call for proposals, quality, expected impact, sustainability and cost-effectiveness.

*Scoring:*

The evaluation criteria are divided into sections and subsections. Each subsection will be given a score between 1 and 5 in accordance with the following guidelines: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

**Evaluation Grid**

<b>Section</b>	<b>Maximum Score</b>
<b>1. Financial and operational capacity</b>	<b>20</b>
1.1 Do the applicant and partners have sufficient <b>experience of project management</b> ?	5
1.2 Do the applicant and partners have sufficient <b>technical expertise</b> ? (notably knowledge of the issues to be addressed.)	5
1.3 Do the applicant and partners have sufficient <b>management capacity</b> ? (including staff, equipment and ability to handle the budget for the action)?	5
1.4 Does the applicant have stable and sufficient sources of <b>finance</b> ?	5
<b>2. Relevance</b>	<b>25</b>
2.1 How relevant is the proposal to the <b>objectives</b> and one or more of the <b>priorities</b> of the call for proposals? Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses at least <b>one priority</b> . Note: A score of 5 (very good) will only be allocated if the proposal contains specific added-value elements, such as promotion of gender equality and equal opportunities, etc.	5 x 2
2.2 How relevant to the particular <b>needs and constraints</b> of the target country/countries or region(s) is the proposal? (including synergy with other EC initiatives and avoidance of duplication.)	5
2.3 How clearly defined and strategically chosen are those involved (final beneficiaries, <b>target groups</b> )? Have their <b>needs</b> been clearly defined and does the proposal address them appropriately?	5 x 2
<b>3. Methodology</b>	<b>25</b>
3.1 Are the <b>activities</b> proposed appropriate, practical, and consistent with the objectives and expected results?	5
3.2 How coherent is the overall design of the action? (in particular, does it reflect the analysis of the problems involved, take into account external factors and anticipate an <b>evaluation</b> ?)	5
3.3 Is the partners' and/or other stakeholders' level of involvement and participation in the action satisfactory?	5
3.4 Is the <b>action plan</b> clear and feasible?	5
3.5 Does the proposal contain <b>objectively verifiable indicators</b> for the outcome of the action?	5
<b>4. Sustainability</b>	<b>15</b>
4.1 Is the action likely to have a tangible <b>impact</b> on its target groups?	5
4.2 Is the proposal likely to have <b>multiplier effects</b> ? (including scope for replication and extension of the outcome of the action and dissemination of information.)	5
4.3 Are the expected results of the proposed action <b>sustainable</b> : - financially ( <i>how will the activities be financed after the funding ends?</i> ) - institutionally ( <i>will structures allowing the activities to continue be in place at the end of the action? Will there be local "ownership" of the results of</i>	5

<i>the action?)</i> - at policy level (where applicable) ( <i>what will be the structural impact of the action — e.g. will it lead to improved legislation, codes of conduct, methods, etc?)</i> ?	
<b>5. Budget and cost-effectiveness</b>	<b>15</b>
5.1 is the ratio between the estimated costs and the expected results satisfactory?	5
5.2 Is the proposed expenditure <b>necessary</b> for the implementation of the action?	5 x 2
<b>Maximum total score</b>	<b>100</b>

*Note on Section 1. Financial and operational capacity*

If the total average score is less than 12 points for section 1, the application will be rejected.

*Note on Section 2. Relevance*

If the total average score is less than 20 points for section 2, the application will be rejected.

The evaluation committee will utilise the following evaluation sub grids to complete the main grid:

### 1. Financial and operational capability - no sub-grid

<b>2. Relevance</b>	<b>25</b>
2.1 How relevant is the proposal to the <b>objectives</b> and one or more of the <b>priorities</b> of the call for proposals? Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses at least <b>one priority</b> . Note: A score of 5 (very good) will only be allocated if the proposal contains specific added-value elements, such as promotion of gender equality and equal opportunities, etc. 2.1.1 Will the project contribute to development of essential structure in HEI or PRO? 2.1.2 Will the project contribute to enhancement of the science-industry/business collaboration in order to enable them to effectively interact and thus to better serve the needs of industry? 2.1.3 Will the project contribute to improvement of HEI's, PRO's and industry/business overall capacities related to R&D sector and establishment of effective networking between them?	5 x 2
2.2 How relevant to the particular <b>needs and constraints</b> of the target country/countries or region(s) is the proposal? (including synergy with other EC initiatives and avoidance of duplication.)	5
2.3 How clearly defined and strategically chosen are those involved (final beneficiaries, <b>target groups</b> )? Have their <b>needs</b> been clearly defined and does the proposal address them appropriately? 2.3.1. Is there a clear link between identified target groups and objectives of the proposal? 2.3.2. Have their needs been logically derived from the analysis of the problems involved and does the proposal ensure satisfaction of the target groups needs?	5 x 2
<b>3. Methodology</b>	<b>25</b>
3.1 Are the <b>activities</b> proposed appropriate, practical, and consistent with the objectives and expected results?	5
3.2 How coherent is the overall design of the action? (in particular, does it reflect the analysis of the problems involved, take into account external factors and anticipate an <b>evaluation</b> ?)	5
3.3 Is the partners' and/or other stakeholders' level of involvement and participation in the action satisfactory?	5

3.3.1 Are there any partners? Is the role of partners clearly defined? 3.3.2 Is the partner(s)' role in the implementation of activities reasonable and realistic? 3.3.3. Are there any associates? Is the role of associates clearly defined? 3.3.4. Will the involvement of the associates contribute to the specific objective of this Call for Proposals?	
3.4 Is the <b>action plan</b> clear and feasible? 3.4.1 Is the timetable realistic? 3.4.2 Are the required actions clearly described?	5
3.5 Does the proposal contain <b>objectively verifiable indicators</b> for the outcome of the action? 3.5.1 Are the indicators measurable? 3.5.2 Are the indicators achievable – at an anticipated cost? 3.5.3 Are the indicators relevant with regards to the objective level concerned and do they cover the objectives of this Call for proposals? 3.5.4 Are the indicators time-based (i.e. do they specify by when the result is to be achieved)?	5

#### 4. Sustainability – no sub grid

#### 5. Budget and cost-effectiveness – no sub grid

##### *Provisional selection*

Following the evaluation, a table listing the applications ranked according to their score and within the available financial envelope will be established as well as a reserve list following the same criteria.

Note: The scores awarded in this phase are completely separate from those given to the concept note of the same application.

#### **The Lagging Behind Regions**

It is envisaged that separate ranking list for actions to be performed in the 10 Croatian Counties designated as *Lagging Behind Regions*<sup>9</sup> will be made. For actions to be performed in mentioned areas the sum of EUR 1.500.000,00 (or 30% of the allocation for this Grant Scheme) will be reserved.

**Funds designated to the Lagging Behind Regions are allocated to the first deadline.**

**Funds that are that are not used in the first deadline will automatically be allocated to the second deadline.**

**Funds that are that are not used in the second deadline will automatically be allocated to the third deadline**

If separate ranking list for actions from the Lagging Behind Regions **during the third deadline** evaluation shows that this allocation is not used for any reason (smaller number of applications or no applications are received in which action is to be performed in the *The Lagging Behind Regions*, no project of adequate quality or relevance is received to be performed in any of those areas, etc.), unallocated remaining funds from the reserved EUR 1.500.000,00 will be disbursed as a part of general fund **within the third deadline**.

#### **(4) STEP 4: VERIFICATION OF ELIGIBILITY OF THE APPLICANT AND PARTNERS**

<sup>9</sup> 10 Croatian Counties that are designated as “Lagging Behind Regions” are: Ličko-senjska, Vukovarsko-srijemska, Zadarska, Šibensko-kninska, Sisačko-moslavačka, Požeško-slavonska, Karlovačka, Virovitičko-podravska, Brodsko-posavska, Osječko-baranjska

The eligibility verification, based on the supporting documents requested by the Contracting Authority (see section 2.4) will only be performed for the applications that have been provisionally selected according to their score and within the available financial envelope.

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

Following the above analysis and if necessary, any rejected application will be replaced by the next best placed application in the reserve list that falls within the available financial envelope, which will then be examined for the eligibility of its applicant and the partners.

## **2.4 SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS**

Applicants who have been provisionally selected or listed under the reserve list will be informed in writing by the Contracting Authority. They will be requested to supply the following documents in order to allow the Contracting Authority to verify the eligibility of the applicants and their partners:

1. The statutes or articles of association of the applicant organisation<sup>10</sup> and of each partner organisation.
2. Legal entity sheet (see annex D of these Guidelines) duly completed and signed by the applicant, accompanied by the justifying documents which are requested therein. If the applicant has already signed a contract with the Contracting Authority, instead of the legal entity sheet and its supporting documents the legal entity number may be provided, unless a change in its legal status occurred in the meantime.
3. A financial identification form conforming to the model attached at Annex E of these Guidelines, certified by the bank to which the payments will be made. This bank must be located in the country where the applicant is registered. If the applicant has already signed a contract with the European Commission or where the European Commission has been in charge of the payments of a contract, a copy of the previous financial identification form may be provided instead, unless a change in its bank account occurred in the meantime.

Where the requested supporting documents are not uploaded in PADOR they must be supplied in the form of originals, photocopies or scanned versions (i.e. showing legible stamps, signatures and dates) of the said originals. However, the Legal entity sheet and the financial identification form must always be submitted in original.

Where such documents are not in one of the official languages of the European Union or in Croatian, a translation into the language of this call for proposals of the relevant parts of these documents, proving the applicant's eligibility, must be attached and will prevail for the purpose of analysing the application.

Where these documents are in an official language of the European Union other than English, it is **strongly** recommended, in order to facilitate the evaluation, to provide a translation of the relevant parts of the documents, proving the applicant's eligibility, into English.

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

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<sup>10</sup> Where the applicant and/or (a) partner(s) is a public body created by a law, a copy of the said law must be provided

Based on the verification of the supporting documents by the Evaluation Committee it will make a final recommendation to the Contracting Authority which will decide on the award of grants.

## 2.5 NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

### 2.5.1 Content of the decision

Applicants will be informed in writing of the Contracting Authority'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. See further section 2.4.15 of the Practical Guide.

### 2.5.2 Indicative time table

	DATE	TIME*
<b>Information meeting (if any)</b>	To be announced <sup>11</sup>	
<b>Deadline for request for any clarifications from the Contracting Authority</b>		-
- 1 <sup>st</sup> Deadline	18 August 2009	
- 2 <sup>nd</sup> Deadline	12 February 2010	
- 3 <sup>rd</sup> Deadline	11 June 2010	
<b>Last date on which clarifications are issued by the Contracting Authority</b>		-
- 1 <sup>st</sup> Deadline	28 August 2009	
- 2 <sup>nd</sup> Deadline	22 February 2010	
- 3 <sup>rd</sup> Deadline	21 June 2010	
<b>Deadline for submission of: Application Form</b>		
- 1 <sup>st</sup> Deadline	08 September 2009	16.00 CET''
- 2 <sup>nd</sup> Deadline	05 March 2010	16.00 CET''
- 3 <sup>rd</sup> Deadline	02 July 2010	16.00 CET''

<sup>11</sup> Date and place of the information session on this call for proposals will be published on CFCA web-page [www.safu.hr](http://www.safu.hr) (in section: natjecaji/IPA komponenta IIIc), within 7 days of the launch of this call for proposals.

'' In case of postal deliveries, delivery is evidenced by the date of dispatch, the postmark or the date of the deposit slip. Deadline is set only to the date (not time).

In case of hand deliveries, delivery is evidenced by the signed and dated receipt. Deadline is set to date and time.

<b>Information to applicants on the opening &amp; administrative check (step 1)</b> - 1 <sup>st</sup> Deadline - 2 <sup>nd</sup> Deadline - 3 <sup>rd</sup> Deadline	30 October 2009* 16 April 2010* 02 September 2010*	-
<b>Information to applicants on the evaluation of the Concept Notes (step 2)</b> - 1 <sup>st</sup> Deadline - 2 <sup>nd</sup> Deadline - 3 <sup>rd</sup> Deadline	21 December 2009* 11 June 2010* 24 October 2010*	-
<b>Information to applicants on the evaluation of the Full Application Form (step 3)</b> - 1 <sup>st</sup> Deadline - 2 <sup>nd</sup> Deadline - 3 <sup>rd</sup> Deadline	20 February 2010* 06 August 2010* 17 December 2010*	-
<b>Notification of award (after the eligibility check) (step 4)</b> - 1 <sup>st</sup> Deadline - 2 <sup>nd</sup> Deadline - 3 <sup>rd</sup> Deadline	09 April 2010* 15 October 2010* 17 February 2011*	-
<b>Contract signature</b> - 1 <sup>st</sup> Deadline - 2 <sup>nd</sup> Deadline - 3 <sup>rd</sup> Deadline	21 May 2010* 11 November 2010* 17 March 2011*	-

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

## 2.6 CONDITIONS APPLICABLE TO IMPLEMENTATION OF THE ACTION FOLLOWING THE CONTRACTING AUTHORITY'S DECISION TO AWARD A GRANT

Following the decision to award a grant, the Beneficiary will be offered a contract based on the Contracting Authority's standard contract (see Annex F of these Guidelines). By signing the Application form (Annex A of these Guidelines), the applicant declares accepting, in case where it is awarded a grant, the Contractual conditions as laid down in the Standard Contract.

### Implementation contracts

Where implementation of the action requires the Beneficiary to award procurement contracts, it must award the contract to the tenderer offering the best value for money, that is to say, the best price-quality ratio, in compliance with the principles of transparency and equal treatment for potential contractors, care being taken to avoid any conflict of interests. To this end, the Beneficiary must follow the procedures set out in Annex IV to the Contract.

### **3. LIST OF ANNEXES**

#### **DOCUMENTS TO BE COMPLETED**

ANNEX A: GRANT APPLICATION FORM (WORD FORMAT)

ANNEX B: BUDGET (EXCEL FORMAT)

ANNEX C: LOGICAL FRAMEWORK (EXCEL FORMAT)

ANNEX D: LEGAL ENTITY SHEET (EXCEL FORMAT  
[http://ec.europa.eu/europeaid/work/procedures/index\\_en.htm](http://ec.europa.eu/europeaid/work/procedures/index_en.htm))

ANNEX E: FINANCIAL IDENTIFICATION FORM

#### **DOCUMENTS FOR INFORMATION**

ANNEX F: STANDARD CONTRACT

- ANNEX II: GENERAL CONDITIONS APPLICABLE TO EUROPEAN COMMUNITY-FINANCED GRANT CONTRACTS FOR EXTERNAL ACTIONS
- ANNEX IV: CONTRACT AWARD PROCEDURES
- ANNEX V: STANDARD REQUEST FOR PAYMENT
- ANNEX VI: MODEL NARRATIVE AND FINANCIAL REPORT
- ANNEX VII: MODEL REPORT OF FACTUAL FINDINGS AND TERMS OF REFERENCE FOR AN EXPENDITURE VERIFICATION OF AN EC FINANCED GRANT CONTRACT FOR EXTERNAL ACTIONS

ANNEX G: DAILY ALLOWANCE RATES (PER DIEM), available at the following address:

[http://ec.europa.eu/europeaid/work/procedures/implementation/index\\_en.htm](http://ec.europa.eu/europeaid/work/procedures/implementation/index_en.htm)

PROJECT CYCLE MANAGEMENT GUIDELINES

[http://ec.europa.eu/europeaid/multimedia/publications/publications/manuals-tools/t101\\_en.htm](http://ec.europa.eu/europeaid/multimedia/publications/publications/manuals-tools/t101_en.htm)