

# **Interreg V-B ADRIATIC-IONIAN COOPERATION PROGRAMME 2014-2020**

## **ADRION**

### **Programme Manual Second call for proposals**

### **Priority Axis 2**

### **Version 2 - April 2018**

## List of acronyms

<b>ADRION</b>	INTERREG V-B Adriatic-Ionian Transnational Cooperation Programme 2014 - 2020
<b>AF</b>	application form
<b>CP</b>	cooperation Programme
<b>eMS</b>	Electronic monitoring system
<b>ENI</b>	European Neighbourhood Instrument
<b>ESI FUNDS</b>	European Investment and Structural Funds
<b>ERDF</b>	European Regional Development Fund
<b>ETC</b>	European Territorial Cooperation
<b>EUSAIR</b>	European Union Strategy for Adriatic and Ionian Region
<b>ERDF Partner States</b>	Croatia, Greece, Italy, Slovenia
<b>ICT</b>	information and communication technologies
<b>IP</b>	investment priority
<b>IPA</b>	Instrument for Pre-Accession Assistance
<b>IPA Partner States</b>	Albania, Bosnia and Herzegovina, Montenegro, Serbia
<b>JS</b>	joint secretariat
<b>MA</b>	managing authority
<b>MC</b>	monitoring committee
<b>NCP</b>	national contact point
<b>PA</b>	priority axis
<b>Partner States</b>	Croatia, Greece, Italy, Slovenia, Albania, Bosnia and Herzegovina, Montenegro, Serbia
<b>PRAG</b>	Procurement and Grants for European External Actions
<b>SME</b>	Small and Medium size Enterprises
<b>S.O.</b>	specific objective
<b>T.O.</b>	thematic objective
	<i>Lead Partner (LP), Lead beneficiary and Lead applicant have been used as synonyms</i>
	<i>Project Partner (PP), project beneficiary and applicant have been used as synonyms</i>
	<i>Operation and project have been used as synonyms</i>

### Disclaimer:

**The present manual intends to provide useful information for applicants. It does not replace or overrule the official EU Regulations and Adriatic Ionian Cooperation Programme.**

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**GENERAL INFORMATION ON THE ADRIATIC IONIAN PROGRAMME**

## 1 Introduction

This Second Call Manual is based on the legal framework establishing the ESI Funds, the Adriatic-Ionian (ADRION) Cooperation Programme and the decisions adopted by the ADRION Monitoring Committee (MC).

It intends to give guidance to potential beneficiaries interested in submitting project applications in the framework of the second call for proposals, which will be open exclusively to the Priority Axis 2.

The present document does not replace the legal framework upon which the Programme has been drafted: applicants are warmly advised to carefully read the Cooperation Programme (CP) and the other legal documents mentioned in the following pages.

Further guidelines and information on the submission of the project applications (e.g.: fact sheets, frequently asked questions) will be available on the ADRION web site [www.interregadrion.eu](http://www.interregadrion.eu).

## 2 Legal and strategic framework

The legal framework supporting the ADRION Programme is the following:

### Programme documents

- The Interreg V B Adriatic Ionian Cooperation Programme document adopted by the European Commission on 20 October 2015, Decision C(2015)7147;
- The Interreg ADRION Programme Strategic Environmental Assessment;
- The Call announcement of the call for proposals.

### European Structural and Investment Funds 2014-2020: Key regulations

- Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 on common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and on general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006;
- Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006;
- Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal;
- Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002;
- Commission implementing decision of 16 June 2014 setting up the list of regions and areas eligible for funding from the European Regional Development Fund under the cross-border and transnational components of the European territorial cooperation goal for the period 2014 to 2020;
- Regulation (EU) No 1302/2013 of the European Parliament and of the Council of 17 December 2013 amending Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and functioning of such groupings;
- Regulation (EU) No 1407/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid;
- Commission Delegated Regulation (EU) No 481/2014 of 4 March 2014 supplementing Regulation No 1299/2013 of the European Parliament and of the Council with regard to specific rules on eligibility of expenditure for cooperation Programmes;
- Directives and rules on public procurement.

### External action and IPA II regulations

- Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014, Common Implementing Regulation for External Actions;
- Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II);

- Regulation (EU) 447/2014 of the European Parliament and of the Council of 2 May 2014 on the specific rules for implementing Regulation (EU) No 231/2014 of the European Parliament and of the Council establishing an Instrument for Pre-accession assistance (IPA II).

### **Strategic framework**

- EUROPE 2020: A strategy for smart, sustainable and inclusive growth, Communication from the Commission, COM(2010)2020 final;
- Territorial Agenda of the European Union 2020: Towards an Inclusive, Smart and Sustainable Europe of Diverse Regions, Gödöllő, May 2011;
- Seventh Report on Economic, Social and Territorial Cohesion: Investment for jobs and growth. Promoting development and good governance in EU regions and cities, European Commission, October 2017.

### **European Union Strategy for the Adriatic and Ionian Region (EUSAIR)**

- Endorsement of the European Union Strategy for the Adriatic and Ionian Region (EUSAIR), European Council, Brussels, 23-24 October 2014;
- Council conclusions on the European Union Strategy for the Adriatic and Ionian Region (EUSAIR) - General Affairs Council meeting - Brussels, 29 September 2014;
- Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions concerning the European Union Strategy for the Adriatic and Ionian Region COM(2014) 357 final;
- Commission staff working document - Action Plan - Accompanying the document - Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions concerning the European Union Strategy for the Adriatic and Ionian Region concerning the European Union Strategy for the Adriatic and Ionian Region SWD(2014) 190 final;
- Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions concerning the governance of macro-regional strategies - 20.05.2014 - COM(2014) 284 final.

Kindly note that the above list is not exhaustive and it only includes the most relevant legislation.

### **Additional documents**

- The present Manual;
- Other publications (e.g.: manuals and fact sheets) published on the Programme web site.

For reference and further documentation please consult the following websites:

[http://ec.europa.eu/regional\\_policy/en/information/legislation/regulations/](http://ec.europa.eu/regional_policy/en/information/legislation/regulations/)

[http://ec.europa.eu/regional\\_policy/en/information/legislation/delegated-acts/](http://ec.europa.eu/regional_policy/en/information/legislation/delegated-acts/)

[http://ec.europa.eu/regional\\_policy/en/information/legislation/implementing-acts/](http://ec.europa.eu/regional_policy/en/information/legislation/implementing-acts/)

[http://ec.europa.eu/enlargement/instruments/overview/index\\_en.htm](http://ec.europa.eu/enlargement/instruments/overview/index_en.htm)



### 3 The ADRION Programme in a nutshell

The ADRION overall objective is to act as a policy driver and governance innovator fostering European integration among Partner States (Albania, Bosnia and Herzegovina, Croatia, Greece, Italy, Montenegro, Serbia, Slovenia), taking advantage from the rich natural, cultural and human resources surrounding the Adriatic and Ionian seas and enhancing economic, social and territorial cohesion in the Programme area.

ADRION intends to contribute to *“the harmonious development of the Union’s territory (...) and to strengthen cooperation by means of actions conducive to integrated territorial development linked to the Union’s cohesion policy priorities”*<sup>1</sup> through the funding of project proposals aimed at positively contributing to the needs and challenges of the living conditions in the ADRION area (economic activities, quality of the environment, safety, etc.), rather than highlighting on the needs of a limited number of partners.

#### **The Programme eligible area**

The ADRION Programme includes a wide transnational area with more than 70 million inhabitants, and has distinct physical, environmental, socio-economic and cultural characteristics. Hence, it addresses all three dimensions of sustainability, including social, economic and environmental aspects but also institutional elements.

The Programme eligible area involves 8 Partner States, primarily surrounding the Adriatic and Ionian Sea basin and covering an important terrestrial surface as well. Four countries are EU Member States, whereas the other four are candidate or potential candidate countries.

#### **EU Partner States:**

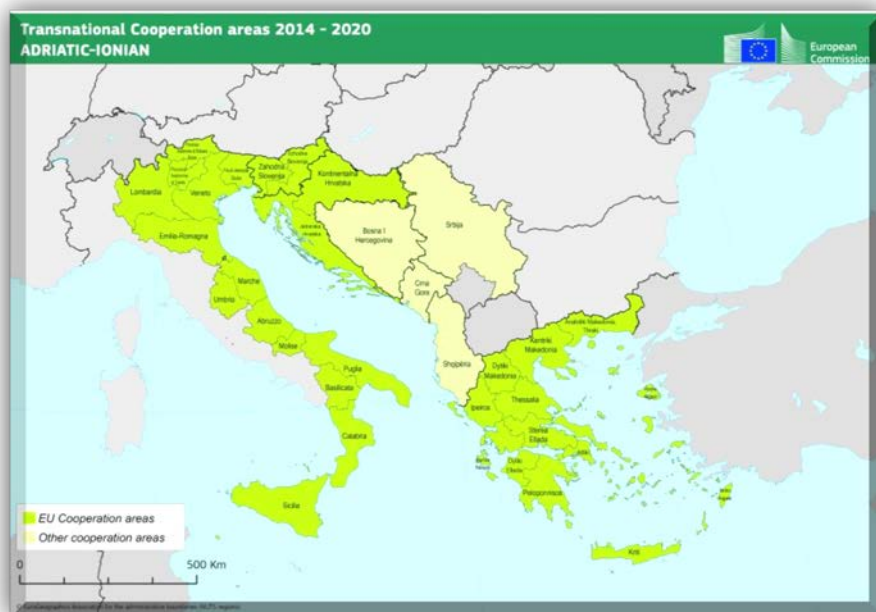
- Croatia (NUTS regions: Jadranska Hrvatska; Kontinentalna Hrvatska);
- Greece (NUTS regions: Anatoliki Makedonia, Thraki; Kentriki Makedonia; Dytiki Makedonia; Thessalia; Ipeiros; Ionia Nisia; Dytiki Ellada; Sterea Ellada; Peloponnisos; Attiki; Voreio Aigaio; Notio Aigaio; Kriti);
- Italy (NUTS regions: Abruzzo, Basilicata, Calabria, Emilia-Romagna, Friuli-Venezia Giulia, Lombardia, Marche, Molise, Provincia Autonoma di Bolzano, Provincia Autonoma di Trento, Puglia, Sicilia, Umbria, Veneto);
- Slovenia: (NUTS regions: Vzhodna Slovenija; Zahodna Slovenija).

#### **Non-EU Partner States:**

- Albania;
- Bosnia and Herzegovina;
- Montenegro;
- Serbia.

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<sup>1</sup>Recitals No 4 and 6 of Regulation (EU) No 1299/2013.



The EU Member States benefit from European Regional Development Fund (ERDF) (hereinafter: ERDF Partner States), whereas the non-EU countries benefit from Instrument for Pre-Accession Assistance (IPA) contribution (hereinafter: IPA Partner States).

### ***The ADRION Programme budget***

The overall Programme budget amounts to EUR 117.918.198, out of which EUR 99.156.616 of EU public resources (EUR 83.467.729 ERDF and EUR 15.688.887 IPA funds).

Funds devoted to operations to be allocated through calls for proposals refer to the three priority axes:

- a) Priority Axis No 1 - Innovative and smart Region;
- b) Priority Axis No 2 - Sustainable Region;
- c) Priority Axis No 3 – Connected Region.

	ERDF	IPA	National counterpart	Total funding
<b>Priority Axis 1</b>	16.693.547	2.998.111	3.475.815	23.167.473
<b>Priority Axis 2</b>	38.395.155	7.077.221	8.024.538	53.496.914
<b>Priority Axis 3</b>	15.024.191	2.684.333	3.125.034	20.833.558
<b>TOTAL</b>	<b>70.112.893</b>	<b>12.759.665</b>	<b>14.625.387</b>	<b>97.497.945</b>

### ***The ADRION Cooperation Programme structure***

As all the Cooperation Programmes approved in the 2014-2020 programming period, ADRION is based on a result oriented approach too, and follows a Programme intervention logic aimed at defining its structure and goals in accordance with the Regulation (EU) No 1299/2013.

The result oriented approach is based on:

- a) Result orientation of the Programme;
- b) Programme monitoring through indicators;
- c) Definition of a performance framework whose targets must be reached in 2018;
- d) Evaluation and reporting.

The Programme intervention logic is the theoretical framework that structures and visualises the entire logical and sequential process adopted by the Programme to define its thematic and specific objectives aimed at contributing in reaching the expected change within the Programme area.

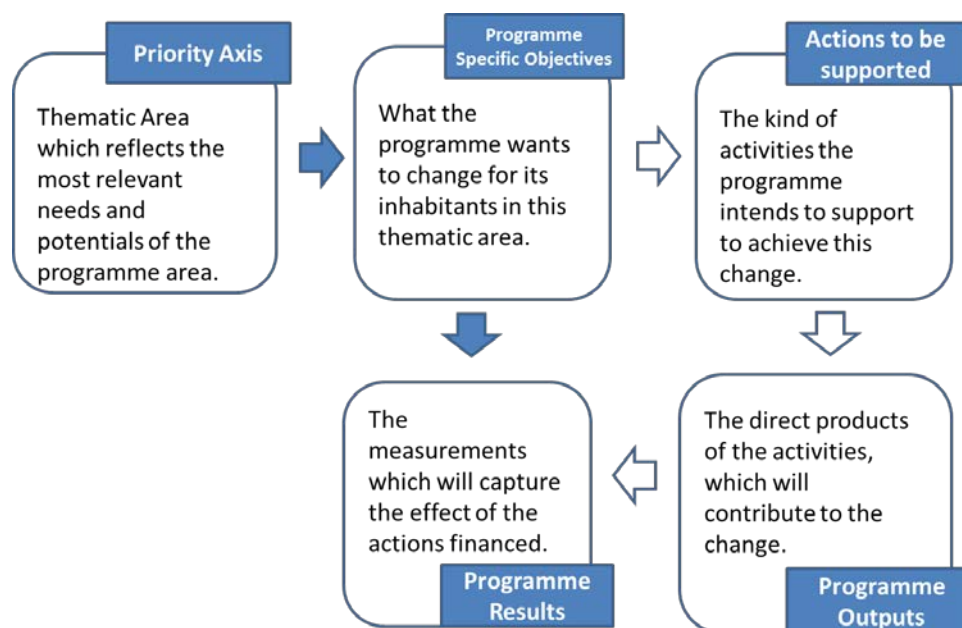
The Programme structure is characterised by Priority Axes, Programme Specific Objectives, actions to be supported, outputs and results each other closely interlinked.

In accordance with what above:

- A priority axis corresponds to a thematic objective as described in art. 9 of the Regulation (EU) No 1303/2013 and to art. 5 of Regulation (EU) No 1301/2013;
- Each priority axis includes specific objectives and expected results for the specific objectives;
- Each Priority Axis contains a description of the type and examples of actions to be supported under each priority axis and their expected contribution to the specific objectives;
- Output indicators include their quantified target value, which are expected to contribute to the results (e.g.: number of firms supported, number of action plans elaborated, etc.);
- Result indicators relate to the specific objectives of the Priority Axis. They refer to the effects on direct beneficiaries brought about by the Programme. They provide information on changes to, for example, the behaviour, or the capacity or performance of beneficiaries. Such indicators can be physical (e.g.: reduction of energy consumption, increase of a competence etc.) or financial (e.g.: additional financial resource mobilised, decrease of an expense etc.)<sup>2</sup>.

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<sup>2</sup>ADRION Cooperation Programme, page 129.



ADRION has defined the topics and sub-topics of the present call for proposals for Priority Axis 2 having regard to the ADRION Cooperation Programme indicative actions not dealt by the operations funded in the framework of the first call for proposals and topics relevant for the EU Strategy for the Adriatic and Ionian region – EUSAIR. The alignment between ADRION and EUSAIR has been – therefore – already ensured.

**The present call for proposals is only open to Priority Axis 2 topics and sub-defined topics as defined in paragraph 9.**

#### 4 Outputs - What the Programme funds

As reported in the previous paragraph, outputs are used to identify the direct products (outputs) of supported projects, which in turn contribute to result. Outputs indicators are used to measure them.

Identified outputs are aimed at supporting the achievement of the desired change.

With reference to the second call for proposals, ADRION shall support the delivery of the following outputs for Priority Axis 2:

- Networking structures;
- Joint management systems and cooperation agreements;
- Strategies and Action Plans;
- Methodologies and Tools;
- Pilot Actions (Number of small scale investments and demonstration projects);

where:

**Networking structure:** to be understood as the systematic establishment and management of internal and external links (communication, interaction, and co-ordination) between people, teams or organizations with a **long-term perspective in order to improve performance** (*examples of networking structures are: transnational networks of marine protected areas; transnational networks for the monitoring protecting species, biodiversity and water quality; transnational networks on sustainable tourism etc.*).

The Programme does not support purely academic networks.

**Joint management system and cooperation agreement:** to be understood as a system based on a shared joint management of topics of mutual concern among the partners e.g.: the marine sites of community interest or the implementation of joint solutions to solve shared problems. The joint management system is characterized by joint governing tools, like a joint governing board, a joint secretariat or joint key figures for the implementation. It must be conceived having regard to the contribution to the Programme indicators (*i.e.: agreements/memorandum of understanding to establish networking structures*).

**Strategy:** to be understood as an integrated framework endorsed by all the Project Partners to address common challenges faced by a defined geographical area which thereby benefit from strengthened cooperation contributing to the identified achievements. Strategies shall aim at policy integration in the area in the selected fields and act as policy drivers above the national level. The strategy must reflect the territorial needs and ensure its sustainability.

**Action Plan:** to be understood as a strategic document that precisely defines how the good practices will be implemented in the strategy/policy papers of each participating region/country.

Strategies /action plans can relate either to the development of new or further improvement, revision and/or update of existing strategies/policies/ action plans as well as their subsequent implementation. In the cases of further improvement or upgrades, the project must clearly demonstrate its added value for the area (*examples of strategy/action plan are: transnational strategies and action plans for the management of habitats and ecosystems; transnational strategies and action plans related to conflict resolution in the context of environmental protection or tourism; transnational strategies for monitoring of the ecosystem services of forests and protection of wetlands and karst fields etc.*).

**Methodology:** to be understood as the document defining how the partnership intends to rule the process of achieving a pre-defined goal. It is constituted by general principles, rules and approaches. Only methodologies that contribute to achieve Programme output indicators shall be taken into consideration. The development/implementation of methodologies can be realized through the implementation of pilot actions (*examples of methodologies are: development/testing of innovative methodologies for the evaluation and/or mitigation of environmental and social pressure for and by tourism*).

**Tool:** to be understood as a specific instrument jointly implemented by the partnership to reach their predefined goal. It can be a physical tool (e.g.: a monitoring system) or a soft tool (e.g.: methods or services). They comprise amongst others analytical tools, management tools, technical tools, software tools, monitoring tools, decision support tools etc. To be effective, a tool must be tailored to end users' needs and the respective framework conditions and has to be comprehensive and durable. Only tools captured by Programme output indicators shall be taken into consideration. The development of tools can be realized through the implementation of pilot actions (*examples of tools are: innovative platforms, ICT tools that support networking or innovative services for the modernization of the natural and cultural sector management etc.*).

**Pilot action:** to be understood as testing, evaluating and/or demonstrating the feasibility, effectiveness and replicability in a transnational perspective. It must have an experimental or demonstration character. It can cover either the testing of innovative solutions or the demonstration of the application of existing solutions

to a certain territory/sector. Additionally, it shall be limited in its scope (area, duration, scale etc.) being unprecedented in a comparable environment. A pilot action includes a clear transnational effect being jointly strived for and evaluated by the partnership, showing a clear potential to be transferred to other institutions and/or territories beyond the project (*examples of pilot actions are: pilot implementation of sustainable tourism innovative models; pilot application/testing of new technologies for the management of natural and cultural heritage, etc.*).

For each Programme Specific Objective, a set of Programme output indicators is defined, building on the pre-defined Programme outputs as indicated above.

The project outputs must be in line with Programme outputs. **Projects outputs not aligned with the Programme output indicators shall not be positively evaluated.**

**Finally**, project outputs must be embedded into a **transnational context**. Projects cannot be considered transnational, if they consist only in a series of local actions thematically linked with each other but not supported by an effective joint cooperation.

**Outputs must be developed, adopted and implemented within the project lifetime.**

**The realization of these outputs shall have to be attested by adequate supporting documentation.**

## 5 Programme key principles

The ADRION Programme does not start from scratch: it has its roots in the projects mainly funded by the transnational Programme South East Europe and by the IPA cross-border Adriatic Programme in the area.

A wide variety of actors have been involved on both Adriatic and Ionian coastlines as well as on its bordering terrestrial surface and a wealth of knowledge, experiences, innovative practices, valuable outputs and results have been generated and must not be dispersed: indeed, they shall be taken into account and capitalised to progress in cooperation and achievements.

In this respect the ADRION Programme intends to consolidate the capital built by Interreg projects and Programmes with the objectives of:

- Making the knowledge and results generated by projects more accessible, thus improving transfer of knowledge;
- Obtaining additional results through benchmarking and detailed content analysis, building on existing knowledge and experience;
- Promoting the re-use and / or transfer of this knowledge and these results, in order to boost performance and delivery.
- Raising awareness and improving communication of results in specific fields of regional policy<sup>3</sup>.

This approach shall support the leading principles guiding ADRION implementation which can be summarised as follows:

- Effective **contribution of funded operations to Programme results** through the realization of **Programme outputs**;

<sup>3</sup> Sources of inspirations can be found in the INTERACT database KEEP which collects information on project and partners of Territorial Cooperation [www.keep.eu](http://www.keep.eu), Programmes projects portfolios and INTERACT thematic studies.

- **Positive contribution to the needs and challenges in a transnational perspective** of the living conditions **in the ADRION area** (economic activities, quality of the environment, safety, etc.), **rather than highlighting on the needs of a limited number of partners;**
- **Support the exchange and transfer experiences** between regions, transnational interventions and capacity building, and **ensure that results are disseminated and used beyond project partners;**
- (Relevance of) **cohesion policy and capacity building as multiplier of prosperity and growth;**
- **Leverage for future initiatives and investments.**

## 6 Horizontal principles

### *Equality between men and women and non-discrimination*

In addition to the thematic orientation, the ADRION Programme incorporates horizontal aspects highlighted in EU regulations, namely:

- **Equal opportunities and non-discrimination:**

Projects have to ensure that the activities implemented do not generate discrimination of any kind (sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation) and to explain how the equal opportunity principle is rooted in the project design and implementation. All projects, regardless the priority axis under which they are submitted are encouraged to foresee measures or actions to promote equal opportunities and preventing any discrimination.

- **Equality between men and women:**

Projects have to ensure that the activities implemented are in line with the principle of equality between men and women and to demonstrate how this principle is rooted in the project design and implementation. This aspect applies to all projects, regardless the priority axis under which they are submitted.

Furthermore, specific cross-cutting issues will be addressed in all the Priority Axes contributing to the overall objectives of the Programme:

- Wide-spread take-up and use of Information and Communication Technologies (ICT);
- Social cohesion and social innovation;
- Promotion of data availability and knowledge management according to the “open data” principle;
- Integrated territorial and eco-systemic approach<sup>4</sup>, i.e.: a way of making decisions in order to manage activities sustainably. It recognises that humans are part of the ecosystem and that their activities both affect the ecosystem and depend on it. The ecosystem approach requires:
  - An integrated approach that considers all ecosystem components (e.g. human activities, habitats and species, and physical processes).
  - Consideration of ecosystem functions and resulting ecosystem services.
  - Strong participation of stakeholders.

<sup>4</sup> The Convention on Biological Diversity (CBD) defines the ecosystem approach as “*a strategy for the integrated management of land, water and living resources that promotes conservation and sustainable use in an equitable way*”. In the marine environment, ICES defines it as “*the comprehensive integrated management of human activities based on best available scientific knowledge about the ecosystem and its dynamics, in order to identify and take action on influences which are critical to the health of the marine ecosystems, thereby achieving sustainable use of ecosystem goods and services and maintenance of ecosystem integrity*”.



The operations to be supported shall practically demonstrate their contribution not only to the expected results, specific objectives, investment priorities, but should also be conceived, designed and implemented so that those horizontal principles are actually promoted and practically implemented (see Section 1 and Section 8 of the CP).

## 6.2 Sustainable development

The ADRION Programme invites to promote eco-innovation, i.e.: aiming to make a more sustainable use of natural resources. More precisely, beneficiaries are requested to describe in their project proposals the efforts they will undertake to reduce the project's "carbon footprint".

In line with the principle of sustainable development:

- Projects which have a positive effect on the environment or which conserve, enhance or rehabilitate existing endowments will be preferred to those that are neutral from this perspective;
- Projects that have a potentially harmful effect on the environment will be excluded;
- Actions designed to raise environmental awareness and compliance both within the economic and administrative sectors, and among the general public, including acknowledgement that a high level of environmental performance can provide a long term competitive advantage will be encouraged.

Additionally, ADRION invites to implement actions/adopt specific measures to reduce the environmental impact. Indicatively, they can include:

- Use of video conferencing to reduce travelling;
- Publications on FSC certified paper;
- Use of "green public procurement" procedures and innovative public procurement where appropriate;
- Use of short supply chains in the implementation of projects activities;
- Raising awareness of partners, beneficiaries and target groups on sustainability issues;
- Promotion of activities with limited use of energy and natural resources.

## 7 State aid compliance

Any public support granted by public funds must comply with State Aid rules applicable at the point of time when the public support is granted.

According to Article 107 (ex. Article 87) of the Treaty on the Functioning of the European Union, State Aid is defined as any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods.

In relation to the above, the presence of State Aid can be confirmed only if all the following 5 points (cumulative criteria) are fulfilled:

- 1) The measure must confer a benefit or advantage on the recipient which it would not otherwise have received (which is always the case for any Interreg Programme);
- 2) It must be granted by a EU Member State or through State resources (which is always the case for any Interreg Programme);
- 3) It must selectively favour certain undertakings or the production of certain goods;
- 4) It must distort or threaten to distort competition;



- 5) It must affect trade between EU Member States.

State Aid discipline applies to undertaking, i.e.: an entity engaged in an economic nature and which offers goods and services in competition (actual or potential) with other operators active in the market, carrying out activities of an economic nature, devoted to the production and marketing of goods and services in the market. The concept of undertaking is very wide and also includes all private and public firms and the entirety of what they produce. Activities carried out within the framework of statutory tasks normally performed by public authorities do not fall within the concept of an undertaking, in view of their non-business purposes and procedures.

In the evaluation of the existence of a potential State Aid issue, the nature of the beneficiary is therefore not relevant since, as said, even a not-profit organisation can be engaged in economic activities. The main element to take into account is the nature of the activities that the partner institution and the project intend to implement through the public funding<sup>5</sup>.

**Due to the specificities of the ADRION Programme and to ensure equal treatment among all beneficiaries, the *de minimis* shall apply both to ERDF and IPA Project Partners.**

Applicants are invited to check the ADRION Programme web site for further information and may also consult the relevant national authorities to obtain more specific information on rules and limitations concerning State Aid.

### ***How to deal with State Aid***

The ADRION Programme shall treat State Aid relevant activities in accordance with the *de minimis* Regulation<sup>6</sup> which foresees:

- The ceiling for the aid covered by the *de minimis* rule is EUR 200.000 (cash grant equivalent) over any three tax year period;
- The ceiling applies per EU Member State; in the case of ADRION Programme the aid will be considered as granted by Italy (location of the MA) and will cumulate with State Aid under *de minimis* regime granted by Italy;
- The ceiling will apply to the total of all public assistance considered to be *de minimis* aid. The ceiling applies to aid of all kinds, irrespective of the form it takes or the objective pursued.

The regulation only applies to “transparent” forms of aid, which means aid for which it is possible to determine in advance the gross grant equivalent without needing to undertake a risk assessment.

In case the grant would distort or threaten competition by favouring some Project Partners, the Programme shall identify possible measures and conditions the project will have to apply in order to minimize or annulling the State Aid relevance of the identified project activities/outputs. If this is not possible, the Programme shall adopt measures to ensure the respect of the *de minimis* rule.

<sup>5</sup>Further information on State Aid can be found on the European Commission’s DG Competition website: ([http://ec.europa.eu/competition/state\\_aid/overview/index\\_en.html](http://ec.europa.eu/competition/state_aid/overview/index_en.html)) where also comprehensive guidelines on the notion of State aid are available.

The INTERACT Programme has also summarised a list of questions and answers on this topic:  
<http://www.interact-eu.net/library/qa-state-aid/pageflip>

<sup>6</sup>Regulation (EU) No 1407/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid.

## 8 The Programme language

The official language of the ADRION Programme is English. All deliveries, documents, tools and communication activities of the Programme management bodies will be in English; this language will also be used in all communication with the applicants and beneficiaries and among the project beneficiaries themselves.

Potential beneficiaries can receive information in their national language by the corresponding National Contact Points (NCPs), who, if they deem it relevant, can also translate the Programme documentation in their own language.

English version of documentation and correspondence is however the only binding one.

**SECOND CALL FOR PROPOSALS PRIORITY AXIS 2: KEY ELEMENTS**

## 9 Thematic Focus of the call

Projects to be funded in the framework of the call must address to one of the Specific Objectives of the Priority Axis 2 and one of the targeted topics foreseen within the selected Specific Objective (highlighted in light blue for the Specific Objective 1 and in green for the Specific Objective 2). Identified topics and sub-topics are to be considered binding.

A project proposal can address 2 targeted topics within the selected Specific Objective on condition that it contains due justifications that shall be thoroughly analysed during the assessment process.

The following table provides an overview of the thematic focus of the second call on Priority Axis 2.



### PRIORITY AXIS 2 SUSTAINABLE REGION

<b>Specific Objective 2.1</b> Promote the sustainable valorization and preservation of natural and cultural heritage as growth assets in the ADRION area	<b>Specific Objective 2.2</b> Enhance the capacity in transnationally tackling environmental vulnerability, fragmentation and the safeguarding of ecosystem services in the ADRION area
<b>Topic 1 - Preserve, capitalize and innovate cultural and natural heritage</b>	<b>Topic 1 - Implement research and evaluation activities to protect and manage terrestrial and maritime landscapes and habitats including awareness raising and environmental education</b>
<b>Topic 2 - Monitor, evaluate and mitigate environmental and social pressure for and by tourism</b>	<b>Topic 2 - Manage and prevent pollution diffusion</b>
<b>Topic 3 - Develop sustainable tourism by reducing pollutant agents</b>	<b>Topic 3 - Manage and prevent natural and manmade hazards</b>

**Each project must indicate one targeted topic within the selected Specific Objective of the Priority Axis 2. Only in duly justified cases, the project can refer to 2 targeted topics (eligibility criterion).**

### 9.1. Thematic Focus of the Specific Objective 2.1

The ADRION area combines the heritage of some of the brightest civilisations of history and boasts a diverse setting of landscapes and natural elements (Adriatic, Ionian and Aegean Seas, Alps, islands, Danube

plain etc.). The combination of the rich cultural and natural diversity makes the area unique and a globally attractive place.

The right balance between conservation/protection and advancement is one of the main challenges. Nature and cultural heritage is a major component of the area's tourism assets. The UN World Tourism Organisation demonstrated that interest in the environment, culture and heritage is a primary motivation for more than 50% of travels. Therefore, mobilising the cultural landscape and the richness of nature is key for creating a distinct Programme area "brand name".

The proper concept to this end is sustainable valorisation, in other words, integration of apparent or hidden resources (natural stocks, cultural habits, implicit knowledge, and existing qualifications) in the added value chain without jeopardizing or destroying the given natural, social and cultural capital.

A pivotal element in this respect is tourism, since it is using the cultural and natural heritage as an output, it is one of the main, fast-growing economic activities and GDP contributor. However, its potential in the area is not fully exploited. Few tourism actors in the area adhere to a sustainable tourism model based on innovative, high-quality tourism products and services with light ecological footprint.

Cultural and natural heritage in the area is at risk due to:

- Increased human use especially of the coastal and marine space for recreation, housing, transport and fishing/ aquacultures;
- Unsustainable dominating tourism paradigms;
- Increased consumption of resources and energy by residents and visitors leading to emissions, waste, discharges etc. in a far greater load than the area can absorb;
- Increasing urban sprawl land; and, last but not least,
- Climate change impacts.

**ADRION through its projects aims at enhancing the level of capacity of the stakeholders in the fields of natural and cultural heritage protection and tourism to sustainably valorize natural and cultural heritage as a growth asset.**

**The 2nd Call on Specific Objective 2.1 is targeted to the following sub-topics:**

<b>Specific Objective 2.1</b>	
<b>Promote the sustainable valorization and preservation of natural and cultural heritage as growth assets in the ADRION area</b>	
<b>Investment Priority 6c (as from art. 5 of EU Reg 1301/2013)</b>	
<b>Conserving, protecting, promoting and developing natural and cultural heritage</b>	
<b>Topic 1. Preserve, capitalize and innovate cultural and natural heritage</b>	<ul style="list-style-type: none"> <li>- Increase competitiveness through the exchange of practices for improving the collaboration between tourism and other related sectors;</li> <li>- Promote policies in mountainous areas for rural development that integrate both the conservation requirements as well as the sustained welfare of inhabitants;</li> <li>- Develop more participative interpretation and governance models through greater involvement of the private sector and civil</li> </ul>

	<p>society.</p> <ul style="list-style-type: none"> <li>- Develop actions for raising competencies/skills also related to creative industries to support cultural heritage preservation and sustainable tourism;</li> <li>- Support the modernization of the natural and cultural heritage sector, raising awareness and engaging new audiences also through the digitalization and the realization of open networks foreseeing the involvement of young people;</li> <li>- Support the preservation of cultural and natural landscapes.</li> </ul>
<b>Topic 2: Monitor, evaluate and mitigate environmental and social pressure for and by tourism</b>	<ul style="list-style-type: none"> <li>- Set up, test and implement negotiation, mediation, participation and conflict resolution models in the context of tourism, culture preservation, local needs and economic growth in the context of cultural and natural heritage;</li> <li>- Encourage the assessment of the transnational effects of fast growing segments such as cruise tourism, examining the interlinkages between port facilities, marinas, and other maritime industries and of issues concerning competition between land and maritime users in coastal environment.</li> </ul>
<b>Topic 3: Develop sustainable tourism by reducing pollutant agents</b>	<ul style="list-style-type: none"> <li>- Develop sustainable tourism models focusing on low carbon, air quality improvement and decreasing PM and NO2 emissions, low ecological footprint, “slow food”, involvement of young people and volunteers and other alternative offerings in line with the natural and cultural heritage.</li> </ul>

**The framed topics and sub-topics must be considered binding.**

### **Expected results**

- Common understanding among ADRION Partner States on the potential fields of transnational cooperation in tourism and consensus-building on the content of sustainable valorisation and tourism under an ADRION brand;
- Enhancement of the competencies/skills of relevant stakeholders parties in the fields of sustainable valorisation and tourism;
- Enhancement of the “body of knowledge” through transnational research, pilots, tools and experimentation;

- Development of a well-defined transnational identity and raising awareness on common heritage in the Adriatic-Ionian area as an orientation framework for individual actions;
- Improved involvement of tourism stakeholders, visitors and the society for the development of jointly agreed utilisation approaches;
- Preserved natural and cultural heritage and valorised within the Programme area brand name;
- Diversification of tourism products along topic, season, target group and environmental and social impact.

**Target groups:**

- General public;
- Public authorities;
- International Organisations;
- Agencies;
- Research institutions;
- Higher education institutions;
- Schools, education/training centres;
- Tourism and/or cultural public or private organisations (incl. SMEs);
- Business support organisations;
- Interest groups including NGOs and cultural/citizen associations;
- Enterprises, including SMEs.

**Output indicators:**

Output Indicator	Measurement unit	Target value (2023)	Source of data
Number of supported transnational cooperation networks	Number	20	Monitoring/Project progress reports
Number of strategies and action plans developed in the field of natural and cultural heritage and tourism	Number	30	Monitoring/Project progress reports
Number of small scale investments and demonstration projects	Number	10	Monitoring/Project progress reports
Increase in expected number of visits to supported sites of cultural and natural heritage and attractions	Visits/year	20.000	Monitoring Project progress reports

**Please note that:**

- **Projects observatories are eligible on the condition that they are framed in the defined Programme outputs** (please refer to paragraph 4 – Outputs – what the programme funds). Observatories must be aimed at supporting and promoting evidence based policies in the thematic focus of the call, through a comprehensive and rigorous analysis of the dynamics of area. New observatories must ensure the widest possible territorial coverage and guarantee the involvement of the right players of the area. The new observatories must avoid overlapping with already funded projects in the framework of the 1<sup>st</sup> call of ADRION Programme or by other Programmes/other sources of financing;
- **Tourist routes** are eligible only if conceived in a wide sense, covering the widest possible partnership and ADRION area and possibly linking inland with coastal areas;
- **Networks** are eligible on condition that the second planned output to be reached by the project proposal will be chosen among the other type of outputs (strategies/action plan, small scale investments/demonstration projects, increased number of visits);
- **Mere follow up of already funded projects will not be funded.** Only project proposal aiming at upgrading an already funded operation could be eligible on condition that the need for the planned upgrade and the related added value for the area are clearly demonstrated;
- **Locally-oriented initiatives** (suitable under CBC Programmes), unless considered as pilot demonstrating actions supporting the implementation of agreements or networking at higher level, **shall not be supported.**

**9.2. Thematic Focus of the Specific Objective 2.2**

ADRION area is rich in biodiversity and has a dense network of protected areas, albeit with different potential and conservation. ADRION's key feature is the semi-enclosed sea in its core. Thus, it is vulnerable to pollution, since the waters are not exchanged frequently.

Recognized environmental risks related to climate change mainly include droughts and floods. There is a manifold need to tackle and manage preservation and fragmentation challenges, risks and climate change adaptation, as well as integrating Ecosystem Services, Blue and Green Growth principles in regional development planning.

Hence topography and geography contribute to high environmental vulnerability, which is already strongly affected by two mutually reinforcing threats: human pressure and global climate change.

Vulnerability combined with low climate change adaptation capacities, low interoperability of civil protection organisations and practices, such as in the waste sector and construction, increase the level of risk.

ADRION Programme seeks to conciliate the demand and pressure of different uses, promote low input/low emissions activities, reduce the impact of human activities on natural resources, and improve the protection of maritime and terrestrial biodiversity and habitats.

**ADRION through its projects aims at enhancing the level of capacity of involved institutions to operate transnationally, to provide services and management regarding environmental vulnerability, fragmentation and the safeguarding of the ecosystem services.**

**The 2<sup>nd</sup> Call on Specific Objective 2.2 is targeted to the following sub – topics:**



**Specific Objective 2.2**

**Enhance the capacity in transnationally tackling environmental vulnerability, fragmentation and the safeguarding of ecosystem services in the ADRIAN area**

**Investment Priority 6d (as from art. 5 of EU Reg 1301/2013)**

**Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure**

**Topic 1. Implement research and evaluation activities to protect and manage terrestrial and maritime landscapes and habitats including awareness raising and environmental education**

- Promote and exchange experience for the adoption of coherent National Strategies for ICM (ICZM Protocol) and transnational maritime spatial plans (MSP Directive);
- Monitor protecting species (e.g.: sea turtles, cetaceans) as indicators of the Good Environmental Status (GES) of the Adriatic and Ionian seas addressing the threats to biodiversity and water quality (e.g.: impacts of micro-litter, micro-pollutants and bio toxins);
- Increase and promote marine knowledge with a focus on the network of marine protected areas;
- Develop joint management plans for transboundary habitats and ecosystems and for managing population level of large carnivores;
- Strengthen transboundary linkages between sites included in the Natura2000 network via ecological networks and green infrastructures, developing joint monitoring of the ecosystem services of forests (especially their capacity to act as carbon sinks and to store water resources), and protecting and restoration wetlands and karst fields relevant for the Adriatic Flyway;
- Set up, test and implement negotiation, mediation, participation and conflict resolution models in the context of environmental protection, increasing pressure of human activities and environmental changes (in particular with regard to climate change).

**Topic 2: Manage and prevent pollution diffusion**

- Develop and integrate early warning systems for the identification, managing and preventing localized and diffused pollution from various sources (e.g.: oil spills from maritime transport and marine litter in general, industrial pollution and discharges, accidents, nitrates from agriculture, organic load from aquaculture, noise, light- and wastewater-pollution from tourism hotspots, landfills, soil contamination etc.);
- Develop models aimed at supporting waste

<p><b>Topic 3: Manage and prevent natural and manmade hazards</b></p>	<p>management/recycling.</p> <ul style="list-style-type: none"> <li>- Develop and integrate existing of transnational systems, procedures and early warning systems for forecasting, managing and preventing natural and manmade hazards (forest fires, sea and river floods, industrial accidents, droughts, storms, algal blooms, earthquakes erosion and etc.) especially in coordination with the EU Civil Protection Mechanism and related IPA initiatives on civil protection, floods management, risk management etc.</li> </ul>
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**The framed topics and sub-topics must be considered binding.**

### Expected results

- Common understanding among ADRION Partner States for the *status quo*, the international and EU framework and the remaining needs of transnational cooperation in the fields of environmental protection, biodiversity management, ecosystem services and climate change adaptation;
- Enhancement of the competencies/skills of the stakeholders and involved parties;
- Increased availability of data and information for delivering evidence-based responses through interoperability and systematic monitoring;
- Increased transnational cooperation, exchange and communication among authorities and civil society organisations;
- Harmonised infrastructures, management structures and hazard/risk response mechanisms;
- Increased number of “*state of the art*” management and planning tools.

### Target groups

- General public;
- Public authorities;
- Agencies;
- Natural Heritage & Green Infrastructure management organisations;
- Higher education institutions;
- Schools, education/training centres;
- Business support organisations;
- Interest groups including NGOs and environmental/citizen associations;
- Enterprises, including SME.

### Output indicators

Output Indicator	Measurement unit	Target value (2023)	Source of data
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Number of supported transnational cooperation networks	Number	20	Monitoring/Project progress reports
Number of strategies and action plans developed in the field of environmental protection	Number	15	Monitoring/Project progress reports

**Please note that:**

- **Networks** must be conceived as **innovative transnational networks**. The aim of the networks is to enhance interaction among the stakeholders of the area, exchange of knowledge and know how in the topics target of the call;
- Projects must be aware that the Programme **does not support pure academic networks and pure research activities**;
- The development of the **strategies and action plans must be focused on the protection and management of terrestrial and maritime landscapes and habitats, management and prevention of pollution diffusion**, as well as **natural and manmade hazards**;
- **Projects observatories are eligible on condition that they are framed in the defined Programme outputs** (please refer to paragraph 4 – Outputs – what the programme funds). Observatories must be aimed at supporting and promoting evidence based policies in the thematic focus of the call, through a comprehensive and rigorous analysis of the dynamics of area. Observatories must be addressed to the targeted topics of the call. The establishment of new observatories must ensure the widest possible territorial coverage and guarantee the involvement of the right players of the area, avoiding overlapping with already funded projects in the framework of the 1st call of ADRION Programme or from other sources of financing.
- **Mere follow up of already funded projects will not be funded**. Only project proposal aiming at upgrading an already funded operation could be eligible on condition that the need for the planned upgrade and the related added value for the area are clearly demonstrated;
- **Locally-oriented initiatives** (suitable under CBC Programmes) unless considered as pilot demonstrating actions supporting the implementation of agreements or networking at higher level, **shall not be supported**.
- All proposals and initiatives related to civil protection and disaster management must not overlap with the existing European institutions such as the Union Civil Protection Mechanism which is the European framework for cooperation and coordination in the field of disaster prevention, preparedness and response. Activities foreseen in the framework of the proposals should be complementing and supporting the countries' participation in the Union Civil Protection Mechanism and similar capacity building activities which are being provided to the region through the Mechanism and the Instrument for Pre-accession Assistance (e.g.: regional IPA Programmes on civil protection cooperation, floods management and risk assessment and mapping).

## 10 Second call for proposals funds allocation

The funds allocated to the second call for proposals amount to EUR 34.354.026,50 EU contribution as shown in the following table :

	ERDF	IPA	Total EU contribution	National contribution	Total funding (EU contribution + national contribution)
<b>Priority Axis 2</b>	29.197.521,05	5.156.505,45	34.354.026,50	6.062.475,26	40.416.501,76

EU Project Partners from Croatia, Greece, Italy and Slovenia shall benefit from ERDF funds, Project Partners from Albania, Bosnia and Herzegovina, Montenegro and Serbia shall benefit from IPA funds.

It is warmly recommended that the project budget follows the ratio between ERDF and IPA funds 85:15 as available in this Priority Axis of the Programme.

In case IPA funds reveal not enough, art. 20.2 of Regulation (EU) No 1299/2013 shall apply only for the benefit of partners located in IPA Partner States.

Should the project spend more than what approved by the MC, the EU contribution shall not be increased accordingly.

### **Project financial size**

Projects submitted within the framework of the ADRION Programme second call for proposals shall have an EU contribution of maximum 2,5 MEUR.

The EU co-financing rate shall be up to 85% of eligible expenditure both for the ERDF and IPA partners.

The proposed project budget must be built on the principle of sound financial management, i.e. it must truly reflect the activities foreseen in the project.

**Each partner's EU budget shall not exceed 20% of EU co-financing of the overall project budget (eligibility criterion).**

## **11 Project partnership**

The project proposal must involve partners located in the Programme geographical area (see paragraph 3).

The minimum eligible partnership comprises 6 financing partners directly contributing to the project implementation from 6 Partner States, out of them:

- At least 4 partners from 4 different ERDF Partner States;
- At least 2 partners from 2 different IPA Partner States.

**The partnership can include a maximum of 2 partners from the same Partner State.**

The eligible partnership can consist of a maximum of 16 partners.

Please note that each partnership shall always consider that it is not the number of institutions listed in the proposal that makes the Project Partnership ideal, but rather their expertise to carry out the planned activities and deliver effective outputs and results, reaching out to their target groups.

The topics addressed by the project (e.g. common environmental problems) determine the profile of the organisations that could be involved in the project activities.

Project Partners should be involved already in the project drafting phase in order to incorporate ideas and contributions from all applicants and to ensure a high level of commitment to the project.

**Potential beneficiaries** – regardless whether they apply for the role of Lead or Project Partners – **may be involved in ADRION proposals in no more than 6 project proposals**. More specifically the same institution:

- cannot be Lead Partner in more than 1 project proposal per Specific Objective;
- cannot be Project Partner in more than 2 project proposals if also applying as Lead Partner in a project proposal in the same Specific Objective;
- for those beneficiaries which do not apply as Lead Partner, they can be Project Partner in no more than 3 project proposals per Specific Objective;
- A private institution can participate only in one project proposal per Specific Objective and cannot act as Lead Partner.

In case an infringement of the requirements above is detected, the eligibility of the partner – if compliant with all the other requirements - shall be determined by the time of arrival (i.e.: submission to the online application system e-MS system) of the project proposal.

**In case, for whatever reason, two or more partners are declared ineligible, the entire project proposal will be declared ineligible.**

### **Eligible partners**

All bodies/institutions interested in being part of a project proposal must fulfil all the following criteria (with some exceptions reported in the following paragraphs).

- **Established under the national law of one of the Partner States participating in the Programme.** Nationality will be determined on the basis of the organisation's statute/articles of incorporation which shall demonstrate that it has been established by an instrument governed by the internal law of a Partner State participating to the Programme. In this respect, any legal entity whose statute has been established under the national law of a country not participating to the Programme cannot be considered as an eligible partner, even if it has established branches/offices legally registered under the national law of a Partner State participating to the Programme;
- **Have their legal seat and their seat of operations in a Partner State/part a Partner State included in the Programme area** (with the exceptions reported under the sub-paragraph “*Assimilated partners*”);
- Be endowed with **legal personality**.

In addition to what above, eligible partners shall be, according to their legal status:

- **National, regional and local public bodies** (including **EGTCs** in the meaning of Article 2(16) of Regulation (EU) No 1303/2013, (see the sub-paragraph “*European Grouping of Territorial Cooperation*”) and associations formed by one or several of such public bodies;
- **Bodies governed by public law**, and associations constituted by one or several bodies governed by public law, as defined in Article 2(4) of Directive 2014/24/EU on public procurement, i.e. bodies that have all of the following characteristics:
  - (a) They are established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character;

- (b) They have legal personality; and
- (c) They are financed, for the most part, by the State, regional or local authorities, or by other bodies governed by public law; or are subject to management supervision by those authorities or bodies; or have 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;
- **Private bodies**, including private companies, having legal personality and being operational from at least 2 fiscal years at the time of submission of the candidature;
- **International organisations** acting from at least 2 fiscal years at the time of the submission of the project proposal under the national law of one of the Partner States participating to the Programme.

#### *European Grouping of Territorial Cooperation - EGTC*

According to art. 2(16) of Regulation (EU) No 1303/2013 the category bodies governed by public law also frame “any European grouping of territorial cooperation (EGTC) established in accordance with Regulation (EC) No 1082/2006 of the European Parliament and of the Council, regardless of whether the EGTC is considered to be a public law body or a private law body under the relevant national implementing provisions”.

EGTC can be a Project Partner on condition that it is governed by the law of the country where the EGTC has its registered office, which is located in one of the EU Partner States/part of a Partner States participating to the Programme. The minimum number of members of an EGTC is the one reported in art. 3 a) of Regulation (EU) No 1302/2013 modifying Regulation 1082/2006<sup>7</sup>.

#### *Private bodies*

Private bodies are understood as bodies established under private law, having legal personality, irrespective of their size and scope.

Private bodies must be operational from at least 2 fiscal years at the time of submission of the candidature.

#### *International organizations*

Only international organizations acting under the national law of a Partner State participating to the Programme are considered eligible (international organizations acting under international law are not eligible).

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<sup>7</sup>“In accordance with Article 4(3a), an EGTC may be made up of members located on the territory of at least two Member States and of one or more third countries neighbouring at least one of those Member States, including its outermost regions, where those Member States and third countries jointly carry out territorial cooperation actions or implement Programmes supported by the Union. For the purposes of this Regulation, a third country or an OCT shall be considered to be neighbouring a Member State, including its outermost region, where the third country or the OCT and that Member State share a common land border or where both the third country and the Member State are eligible under a joint maritime cross-border or transnational Programme under the European territorial cooperation goal, or are eligible under another cross-border, sea-crossing or sea-basin cooperation Programme, including where they are separated by international waters”.

2. An EGTC may be made up of members located on the territory of only one Member State and of one or more third countries neighbouring that Member State, including its outermost regions, where the Member State concerned considers that EGTC to be consistent with the scope of its territorial cooperation in the context of cross-border or transnational cooperation or bilateral relations with the third countries concerned.

3. For the purpose of paragraphs 1 and 2, third countries neighbouring a Member State, including its outermost regions, include maritime borders between the countries concerned”.

International organizations must be operational from at least 2 fiscal years at the time of the submission of the project proposal under the national law of one of the Partner States participating to the Programme.

#### *Assimilated partners*

In order to overcome to the Programme geographical constraints applying to Italy, those Italian public authorities or bodies governed by public law which are competent in their scope of action for certain parts of the eligible area but which are located outside of it (e.g.: Ministries) are considered as Assimilated Partners, with equal rights and obligations to applicants located within the Programme area.

The attribution of the characteristic of Assimilated Partner to an Italian institution located outside the Programme area shall be duly justified in the project application and further assessed with the support of the NCP.

#### *Other indications regarding the eligibility of partners*

All partners, irrespective their legal status must ensure that:

- They have adequate human and technical resources to ensure a sound project implementation and management;
- Their administrative involvement in the project does not undermine their daily activities;
- Their financial commitment within the project is adequate to their size and capacity;
- They have the capacity of advancing payments for the implementation of project activities and eventual delays in reimbursement of EU contributions will not undermine their capacity of implementing the foreseen activities within the project.

Only legal entities eligible for funding and listed in the Application Form (AF) may report their costs. In order to ensure a proper audit trail the MA needs to know which organisations receive Programme funding and whether they are eligible according to the Programme rules. Therefore, an **“umbrella” type of partnership structure, where one partner acts on behalf of, collects funding and represents other partners without naming them, is not possible.**

As a general principle, as far as the **role covered by the partners within the project is concerned, public and private entities whose ordinary main scope of activities and whose role in the project consists mainly in project coordination, management, communication or knowledge management, cannot be considered as eligible partner/beneficiary.** The involvement of such bodies in the project should be, instead, as external service providers to be contracted following the applicable public procurement procedures.

Finally, applicants are strongly advised to **carefully check the indicative list of potential beneficiaries included in the description of the Programme Priority Axis, 2 namely section 2 of the ADRION CP:** such lists are referred to the typologies of beneficiaries that can best contribute to the Programme specific objectives.

#### *Other forms of participation within the projects*

The ADRION Programme does not allow bodies located outside the Programme area, either from other EU countries or from Third Countries to directly benefit from its ERDF/IPA funds. In case their participation is relevant and strategic to the project, other forms of participations are possible.

*Associated partners*

The ADRION Programme foresees the involvement of *Associated Partners*, i.e.: those bodies willing to be involved in a project with an observer or associated status without financially contributing to the project. The associated institutions do not account for the partnership minimum requirements; all expenditure incurred by these bodies shall be finally borne by any of the institutions acting as financing partners in order to be considered as eligible. The associated institutions must not act as service providers in order not to enter in conflict with public procurement rules.

The partnership must demonstrate the benefits that the involved Associated Partner shall bring to the project and its follow up. Expenditure incurred by these bodies shall be limited to reimbursement of travel and accommodation costs related to their participation in project meetings.

Associated Partners can also be located outside the Programme area.

*Participation of Non-EU Partners located outside the Programme area*

The Programme allows the participation of financing partners from non-EU countries outside the Programme area. Participation is open to public institutions located in Third Countries not included in the Programme area: their financial participation cannot be, however, supported with Programme funds. Interested organizations from Third Countries shall search for other sources of funding (e.g.: ENI, IPA II, United Nations) or use their own funds. Third Countries participation shall not count for the fulfilment of the minimum eligible partnership size requirement.

The following table summarizes how bodies can be involved in the ADRION Programme without prejudice of the requirements explained in the paragraphs above.

	Lead applicant	Project Partner	Associated Partner	Partner from a non-EU country outside the Programme area
ERDF public body	YES	YES	YES	
ERDF body governed by public law	YES	YES	YES	
ERDF private body		YES	YES	
International organization acting under national law located in a ERDF partner country	YES	YES	YES	
IPA public body		YES	YES	
IPA body governed by public law		YES	YES	



IPA private body		YES	YES	
International organization acting under national law located in a IPA partner country		YES	YES	
Assimilated partner public or governed by public law body <i>(only for Italian Partners)</i>	YES	YES	YES	
Public body located in non-EU countries outside the Programme area.			YES	YES
Body (regardless its status) located inside or outside the EU Programme area			YES	

### **Lead partner**

According to art. 13 of the Regulation (EU) No 1299/2013 “where there are (two or) more beneficiaries of an operation in a cooperation Programme, one of them shall be designed by all the beneficiaries as lead beneficiary” (Lead Partner principle).

The following bodies located in the ERDF Partner States shall be considered as eligible Lead partners:

- Public bodies (national, regional or local level), including associations formed by one or several regional or local authorities governed by public law;
- Bodies governed by public law, including associations formed by one or several bodies governed by public law;
- EGTC;
- Assimilated partners;
- International organizations acting under national law.

All eligible bodies located in IPA Partner States can participate to projects only as partners.

## 12 Partners' obligations

Obligations of the Lead Partners and Project Partners are laid down in the subsidy contract and in the partnership agreement respectively.

The Subsidy Contract determines the rights and responsibilities of the Lead Partner – according to the Lead Partner principle - the conditions for the project implementation, requirements for reporting, financial controls, litigation etc.

The Partnership Agreement transfers rights and responsibilities from the Lead Partner to the Project Partners.

Detailed information on these two legal documents shall be provided on the ADRION web site.

Eligible partners shall be directly responsible for preparation and implementation of their share of project's activities within the partnership, not acting as an intermediary.

### *Lead Partner responsibility*

The partner designated by all beneficiaries to act as lead beneficiary (art. 13 of Regulation (EU) No 1299/2014) assumes the following main responsibilities:

- a) Is responsible for the coordination of the drafting of the project application and of its submission on behalf of the entire partnership. In case clarifications are necessary during the assessment phase, the Joint Secretariat (JS) will address to it;
- b) Signs a subsidy contract on behalf of the entire partnership with the MA;
- c) Ensures arrangements with the other partners comprising provisions able to guarantee the sound financial management of the funds allocated to the project and arrangements for recovering the amounts unduly paid (a template of the subsidy contract and partnership agreement are elaborated by the Programme and downloadable from the Programme web site);
- d) Assumes the responsibility for ensuring the implementation of the entire operation; in this respect it sets the coordination structure through the appointment of key figures (e.g.: a project coordinator, a financial coordinator and a communication manager) operating for the entire partnership;
- e) Ensures that expenditure presented by all partners has been incurred in implementing the operation and corresponds to the activities agreed between all the beneficiaries, and is in accordance with the subsidy contract;
- f) Ensures that the expenditure presented by all partners has been verified by the controllers appointed by the country where the partner is located according to the specificities of the national system;
- g) Ensures that the promised outputs as in the approved application are delivered in accordance with the set timeline;
- h) Receives the reimbursed amount from the Programme on behalf of the entire partnership and transfers the due amounts to its partners as soon as possible without deducting any amount or specific charge;
- i) Guarantees the reimbursement of amounts unduly paid to the MA upon receiving a recovery order following the detection of an irregularity on behalf of the affected partner(s) (itself or Project Partner);
- j) Ensures that all project documentation (e.g.: progress report etc.) shall be kept available for a period of two years from 31 December following the submission of the payment request of the MA to the European Commission including the final expenditure of the completed projects or otherwise required

by the specific legislation (e.g.: State Aid). The time period referred to shall be interrupted either in the case of legal proceedings or by a duly justified request of the Commission;

- k) Coordinates the communication flow towards the MA/JS with regard to the timely submission of the progress reports and requests for reimbursement;
- l) Is responsible of the communication flow between the partnership and the Programme (mainly with the JS and the MA), it is in charge of spreading communication and information received by the Programme to its Project Partners, including the announcements to participate to seminars organized by the Programme;
- m) Ensures prompt solutions of management problems (e.g.: change of partners, requests for revision of activities etc.).

### ***Project Partner responsibility***

Each Project Partner carries out activities planned in the approved AF within the deadline agreed at Programme and partnership level. Each Project Partner shall assume the following main responsibilities:

In relation to what above, the Project Partner:

- a) Signs the Partnership Agreement;
- b) Respects and implement project arrangements to ensure a sound project implementation and ensure that its expenditure has been verified by the/a controller appointed by its country;
- c) Assumes responsibility towards the LP of repaying the received undue amount in case of irregularities in the declared expenditure;
- d) Ensures quality implementation of all the activities under its responsibility within the set timeline;
- e) Keeps regular contacts with the LP and communicate its eventual difficulties emerging during the project implementation;
- f) Provides the LP with the relevant information, data and material to be included in the progress reports;
- g) Provides the LP all financial data necessary for drafting the request for reimbursement to be sent to the JS;
- h) Ensures that all project documentation (e.g.: progress report etc.) shall be kept available for a period of two years from 31 December following the submission of the payment request of the MA to the European Commission including the final expenditure of the completed projects or otherwise required by the specific legislation (e.g.: State Aid). The time period referred to shall be interrupted either in the case of legal proceedings or by a duly justified request of the Commission.

## **13 Exclusion criteria**

### ***Exclusion from participation***

According to art 106 of Regulation (EU) No 966/2012, potential beneficiaries might be excluded if any of the following conditions apply:

- 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;
- 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 Partner State which has the force of res judicata;
- They have been guilty of grave professional misconduct proven by any means which the contracting authority can justify, including by decisions of the European Investment Bank and international organisations;
- 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;
- 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;
- They are subject to an administrative penalty imposed by any contracting authority for behaviours mentioned above.

#### ***Exclusion from subsidy***

According to art. 107 of Regulation (EU) No 966/2012 applicants will not be granted financial assistance if, in the course of the grant award procedure, they:

- Are subject to a conflict of interests;
- Are guilty of misrepresentation in supplying the information required by the Programme as a condition of participation in the grant award procedure or fail to supply this information;
- Find themselves in one of the situations of exclusion, referred to in the previous paragraph.

#### **14 Ways of cooperation within a project proposal**

The cooperation among partners shall be compulsorily characterised by the following elements (art 12.4 ETC Regulation):

- Development of the operation;
- Implementation of the operation.

Additionally, ADRION requires that also financing of operation is to be considered as compulsory.

The partners can also cooperate in staffing the operation (optional).

**Cooperation in the development of the operation**

All partners shall contribute to the project idea generation and mirror their ideas and actions. They will also define how they intend to work together and the tasks distribution, having regard to their knowledge and experience. The development of activities should not consider the realization of "mirror" activities, i.e.: the same activities to be implemented by all partners, but a real distribution of tasks according to their skills and abilities, which shall be available for the benefit of the entire partnership. The Lead Partner plays a coordination role of the process.

**Cooperation in the implementation of the operation**

Under the overall coordination of the Lead Partner, the partnership starts the implementation of the approved operation. The implementation refers both to the realization of activities described in the approved application form and to the internal management activities. This means that activities must be carried out and coordinated on different sides of the MS. It is not enough that activities run in parallel: There must be clear content based links between what is happening on different sides of the border and regular contact between them. The Lead Partner is responsible for ensuring that activities are properly coordinated, that schedules are kept and that the right quality levels are achieved

**Cooperation in the financing of the operation**

The project is characterized by one budget which is the sum of each partner allocation. According to the lead partner principle characterizing the ETC projects, the financial responsibility of the project budget vis-à-vis the Programme lies within the lead partner, whereas a partnership agreement is signed between the lead and the project partners mirroring the subsidy contract duties and obligations. The partner budget mirrors the partners' responsibilities within the project.

**Cooperation in the staffing of the operation**

The project defines its internal organization attributing roles and the necessary staff to fulfil them. Duplication of functions are to be avoided: the project shall have only 1 joint project coordinator, 1 joint financial manager etc., who will keep regular contacts with the partners for the fulfilment of their tasks.

In order to be eligible the proposal must select and describe in the appropriate section the first three compulsory cooperation dimension.

The presence/absence of the first three dimensions of cooperation **is considered as a condition of eligibility of project proposals.**

Ways of cooperation and their actual shaping in the project proposal shall also be mirrored in the Work Packages and qualitatively assessed.

## 15 Location of the operation and related activities

In accordance with the requirements for the geographical location of partners (art. 20 of Regulation (EU) No 1299/2013), the ADRION Programme supports activities that are implemented in the Programme area and for its benefit.

The same goes for the assimilated Italian partners, whose project management activities can, however, be implemented outside the geographical Programme area.

### *Location of operation*

The *location of the operation* is the area where the operation is implemented/taking place: the wording 'location', 'located', 'implemented' and 'taking place' shall be used as synonyms.

Given that the location of the operation is influenced by the definition and scope of the operation, please consider what follows.

The location of an operation is relatively straightforward where the operation consists of investments in infrastructure (pilot actions) and equipment. For these, it is the location of the physical investment which is the determining factor.

For operations which consist of providing training, the location of the operation is the place where the training takes place irrespective of who the participants in the training are and whether they are working or residing in the category of region where the training takes place. In case the operation consists of granting a scholarship to students, the location of the operation is the place where the scholarship is provided to the students.

As a general rule, ERDF contribution must support actions implemented in the Union part of the Programme area.

In relation to the above, and in accordance with art. 20 of Regulation (EU) No 1299/2013, the ADRION Programme accepts the implementation of activities by ERDF PPs outside the Union part of the Programme area but within the Programme area (i.e.: IPA Partner States) on condition they are reported in the AF as eligible costs activities or prior accepted by MA/JS on a case by case basis. Implemented activities must be for the benefit of the Programme area.

Costs of activities implemented by ERDF PPs outside the Union part of the Programme area but within the Programme area cannot exceed 20% of the ERDF support to the total project budget.

*Example:*

*Eligible expenses related to the activities outside the EU Programme area:*

*YES: Expenses for the implementation of the activities realized by ERDF Partners in IPA area (e.g.: in case of a training implemented by an ERDF partner in an IPA country, costs correctly referable to this category could be: local experts, catering, venue);*

*NO: Travel and accommodation booked and bought in ERDF area - even if paid locally (for example: in case a hotel outside the EU part of the Programme area is booked within the Union part of the Programme area, the expenditure will be generated and thus incurred within the Union part of the Programme area even if the hotel bill is paid outside the Union part of the Programme area).*

## **16 Project duration**

As far as the second call for proposals is concerned, the project implementation shall not be longer than 30 months. Applicants shall indicate the start and end date in the AF, taking into account the necessary time for the evaluation process and contracting procedures. Approved operations will be offered the possibility of modifying this starting date and project duration as reported in the AF before the signature of the subsidy contract.



The *preparatory phase* for the elaboration of the project proposal and the time needed for project administrative and financial closure shall be separately considered, i.e. added to the implementation period.

The preparatory phase can start as from 1<sup>st</sup> January 2014 and ends the day before the submission of the project proposal; it can be financially supported by the Programme only in case of project approval. Any preparation costs incurred by the partnership shall be indicated in the AF, under the specific budget line(s) concerned and included under the budget of the concerned partners.

The preparation costs shall have the form of a lump sum reimbursement: this means that in case of project approval, preparation costs shall be reimbursed with no need to present invoices or other administrative justification for the incurred costs.

Details on the preparation costs are provided in the paragraph 21.4.4.

The *implementation phase* starts with the date of signature of the subsidy contract or with an earlier date if the project so decides: in this latter case the partnership decides, at its own risk, to start the project implementation irrespective the decision for funding of the MC.

Operations shall not be selected where they have been physically completed or fully implemented before the application for funding is submitted to the MA, irrespective of whether all related payments have been made by the beneficiaries.

Planned activities shall be implemented within the indicated project start and end date.

The *project closure phase* refers to the finalization of all the legal and administrative obligations related to the granted activities and to incurred expenditure. It includes the preparation of the last progress report, the final report and the reconciliation with the initial granted amount, if necessary. These activities take place after the project official finalization of activities reported in the AF and can last not more than 3 months.

Details on how to structure the project activities are provided in paragraph 21.4 “*Project work packages*”.

## 17 Funding method

ADRION contribution is limited to a co-financing rate up to 85% of eligible costs for all partners (i.e.: both benefitting from ERDF and IPA contribution).

The share of expenditure (at least 15%) not covered by ERDF or IPA funds shall be ensured by national co-financing sources, i.e.:

- a) **Public funding:** public co-financing provided by central, regional or local public bodies, obtained either through specific-co-financing schemes established at Partner State level or on an *ad hoc* basis; public

co-financing can also be the contribution directly provided by public or bodies governed by public law involved in the projects<sup>8</sup>;

- b) **Own resources of International Organizations:** they may be considered as public co-financing, depending on the decision by the National Authorities of the Partner States where such organisation is located;
- c) **Private funding:** refers to the amount of own funds provided by private institutions through their involvement, or to the provision of funds from private sources external to the partnerships.

Each financing partner involved in a project proposal, regardless its status, shall declare the nature of its co-financing while submitting the AF in the form of a declaration.

A general overview on the national co-financing systems of the ADRION Partner States is available on the Programme website.

## 18 Project budget

The system of financing is a budget-based grant (eligible costs). The grants are financed through reimbursement of eligible costs and will be calculated on the basis of a detailed estimated budget, indicating clearly the costs that are eligible for ERDF/IPA funding. Eligible partners shall ensure stable and sufficient sources of finance to ensure both project implementation and the continuity of the organisation activities throughout the lifespan of the project.

The EU grant may not have the purpose or effect of producing a profit for the beneficiaries (profit is defined as a surplus of receipts over eligible costs incurred by the beneficiaries).

The budget of the project must be drafted following the real cost principle<sup>9</sup>, fully accomplishing the principles of adequacy of costs and sound financial management. As provided under chapter 7 of the Regulation (EU, Euratom) No 966/2012 the principle of sound financial management builds on the following three principles:

- The **principle of economy:** it requires that the resources used by the beneficiary in the pursuit of its activities shall be made available in due time, in appropriate quantity and quality and at the best price;
- The **principle of efficiency:** it concerns the best relationship between resources employed and results achieved;
- The **principle of effectiveness:** it concerns the attainment of the specific objectives set and the achievement of the intended results.

### *Use of Euro*

The budget must be drawn up in Euro. Applicants not based in the Euro zone are advised to draft their budget share using the exchange rate published on the Official Journal of the EU.

The exchange rate used for accounting expenditure might be different from the one used for the purpose of drafting the budget. Costs related to fluctuation of foreign exchange rate are not eligible.

<sup>8</sup> In the Lead Applicant and Project Partners' declaration public funding is disentangled in *Automatic public contribution* and *Other public contribution*.

<sup>9</sup> Except for preparation costs and when simplified cost options (flat rate) are used for calculating costs under staff and office and administration budget lines.



### ***Hierarchy of rules on eligibility of expenditure***

Three levels of rules apply to the eligibility of expenditure in the framework of all Interreg Programmes, including ADRION. The following list expressly refers to the hierarchy of rules to be respected as far as the financial rules are concerned.

#### EU Regulations:

- Regulation (EU, Euratom) No 966/2012 (Financial regulation) on the financial rules applicable to the general budget of the Union;
- Regulation (EU) No 1303/2013 laying down common provisions;
- Regulation (EU) No 1301/2013 on the European Regional Development Fund (its art 3 refers to the scope of support from the ERDF);
- Regulation (EU) No 1299/2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal (reference to articles No 18, 19, 20, 27 and 28);
- Commission Delegated Regulation (EU) No 481/2014 of 4 March 2014 supplementing Regulation No 1299/2013 of the European Parliament and of the Council with regard to specific rules on eligibility of expenditure for cooperation Programmes;
- Regulation (EU) No 236/2014 (Common implementing regulation) laying down common rules and procedures for the implementation of the Union's instruments for financing external action as far as the application of public procurement is concerned.

#### Programme rules

- ADRION Cooperation Programme;
- Programme Manual second call for proposals and other Programme guidance documents to projects issued by the MA/MC/JS.

**Only in case there are no EU level and/or Programme level provisions or they do not offer detailed provisions, national, regional or local legislation and institutional rules apply.**

#### National rules

- National legislation;
- Local and/or regional legislation;
- Institutional rules and regulations.

**National rules cannot prejudice or restrict the rules established at a higher level (EU and Programme rules). Stricter Programme and national rules may apply only in areas that are not precisely regulated at the EU level or where EU Regulations provide the Partner States with a discretionary power to set such rules.**

**Whenever different sets of rules apply to ERDF and IPA beneficiaries, these are expressly indicated in the paragraphs and sub-paragraphs below.**



### ***General eligibility requirements***

In the following paragraphs a set of financial rules are presented: **they are applicable both to ERDF and IPA partners.**

As a general rule, expenditure is eligible for funding if it fulfils all the following general eligibility requirements:

- It has occurred in the eligible period defined by the Programme and within the eligible period related to the duration of the project (with the exception of preparation costs and project closure costs);
- It refers to costs occurred for the implementation of the project and in accordance with the proposal approved by the MC or its subsequent revisions approved by the Programme implementing bodies, if any;
- It is incurred within the ADRION Programme area (with the exceptions described in paragraph 15);
- It is essential for the implementation of the project and it would not be incurred if the project is not carried out;
- It relates to a product or service foreseen in the approved project proposal and that has been delivered and complies with publicity and information requirements;
- It is borne directly by the beneficiary and supported by accounting documents justifying incurred expenses/payments (invoices, pay rolls...) except for costs calculated as flat rates and lump sums;
- It relates to an activity which has not benefitted from financial support by another public source (double funding);
- It complies with the principle of sound financial management referred to above (efficiency, effectiveness and economy);
- It complies, if required, to the public procurement rules applicable in that Partner State;
- It is registered in the beneficiary's accounts through a separate accounting system or an adequate accounting code set in place specifically for the project;
- It is not in contradiction with specific Programme rules;
- It has been validated by an authorised national controller.

In accordance with the scope of support of the Regulation (EU) No 1301/2014 the following activities **shall not be supported**:

- a) The decommissioning or the construction of nuclear power stations;
- b) Investment to achieve the reduction of greenhouse gas emissions from activities listed in Annex I to Directive 2003/87/EC;
- c) The manufacturing, processing and marketing of tobacco and tobacco products;
- d) Undertakings in difficulty, as defined under Union State aid rules<sup>10</sup>;
- e) Investment in airport infrastructure unless related to environmental protection or accompanied by investment necessary to mitigate or reduce its negative environmental impact.

Without prejudice of the specific Programme rules defined in the specific paragraph, the following expenditure is considered **as not eligible** (reference to art. 69 of Regulation (EU) No 1303/2014 and art. 2 of Delegated Regulation (EU) No 481/2014):

- In kind contributions (in the form of provision of works, goods, services, land and real estate for which no cash payment supported by invoices, or documents of equivalent probative value, has been made);
- Interest on debt;
- Purchase of land;
- Recoverable value added tax (VAT), except where it is not recoverable under national VAT legislation;
- Fines, financial penalties and expenditure on legal disputes and litigation;
- Costs for gifts, except those not exceeding EUR 50 per gift where related to promotion, communication, publicity or information; ADRION has defined that the maximum eligible sum for gifts at project level shall not exceed EUR 500 at project budget level;
- Costs related to fluctuation of foreign exchange rate;
- Charges for national financial transactions.

The Programme also considers as not eligible the following expenditure:

- Under travel and accommodation budget line, the cost of taxi shall not be reimbursed, except when (i) it can be demonstrated that no public transport was available at the time and place needed or (ii) local transportation is covered with a daily allowance provided for by the internal rules of the concerned partner;
- Costs for alcoholic beverages;
- Costs for the creation of a project web site, as ADRION will offer in its web site space for all funded projects in order to guarantee a coordinated visibility, unless duly justified;
- Heavy investments, infrastructures and works, as described by the Directive 2014/24/EU (annex II);
- Basic courses (e.g. language, accounting, use of MS Office);
- Orchestras and shows unless clearly described in the AF and further approved.

Additionally, revenues, i.e.: cash in-flows *directly paid by users* for the goods and/or services provided by the project, such as charges borne directly by users for the use of infrastructure, sale or rent of land or buildings, or payments for services shall reduce the eligible expenditure and consequently the granted amount, with the exception of those operation whose total eligible budget does not exceed EUR 1.000.000.

<sup>10</sup>Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty (OJ C 249, 31.07.2014).

Finally, the practice of shared costs shall not be allowed, i.e.: the costs incurred for activities carried out by one partner - or under its responsibility by a sub-contractor – and covered by more than one Project Partner (the practice of splitting cost items paid by one partner among Project Partners), even in cases where such activity is for the benefit of the whole project partnership. The budget allocated to a Project Partner shall fully reflect the activities actually implemented by that Partner.

### ***Project Budget lines***

Project budgets submitted to ADRION must be structured according to the following budget lines: (as provided for by the Delegated Regulation (EU) No 481/2014:

- a) Staff costs;
- b) Office and administrative expenditure;
- c) Travel and accommodation costs;
- d) External expertise and services costs;
- e) Equipment expenditure.

Please note that these budget lines do not apply to all work packages as described in paragraph 21.4.

In the case of small scale investments implemented in pilot activities, the related expenditure must be included in the budget line e) “equipment expenditure”.

**Please note that each expenditure must be detailed indicating the number of unit and unit cost. Lack of this information shall impact the quality assessment of the project proposal.**

The information provided herewith is intended to help applicants to properly allocate costs to each budget line during the application phase.

### ***Staff costs***

They refer to the gross employment costs of staff employed by the beneficiary institution (Lead Partner or Project Partner) for implementing the project. Staff can either be already employed by the beneficiary or contracted specifically for the project.

Staff costs shall be budgeted and reimbursed according to one of two options:

1. real costs;
2. flat rate of 20% of direct costs other than staff costs<sup>11</sup>.

The choice is made at partner level and cannot be changed during the project implementation.

### ***Staff costs reimbursed based on real costs***

Eligible expenditure under this budget line is limited to:

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<sup>11</sup>Direct costs other than staff costs are: travel and accommodation costs; external expertise and services costs; equipment expenditure.

**Salary payments** related to the activities which the entity would not carry out if the operation concerned was not undertaken, fixed in an employment document (employment contract or appointment decision) or by law, relating to responsibilities specified in the job description of the staff member concerned.

Payments to natural persons working for the beneficiary under a contract other than an employment/work contract may be assimilated to salary payments and such costs are eligible under staff costs only when the following conditions are met:

- The person works under the beneficiary's instructions and, unless otherwise agreed with the beneficiary, on the beneficiary's premises;
- The result of the work carried out belongs to the beneficiary;
- The costs are not significantly different from those for personnel performing similar tasks under an employment contract with the beneficiary.

If those conditions are not met, this expenditure must be allocated under budget line External expertise and services costs.

**Any other costs directly linked to salary payments** incurred and paid by the employer (such as employment taxes and social security including pensions) as covered by Regulation (EC) N 883/2004 provided that they are:

- Fixed in an employment document or by law;
- In accordance with the legislation referred to in the employment document and with standard practices in the country and/or institution where the individual staff member is working;
- Not recoverable by the employer.

Methods for calculating the eligible staff cost vary according to the type of assignment to any individual staff member, as specified below:

1. **full time:** an employee dedicated 100% of his/her working time to the project. The full-time assignment to the project must be included in the employment/work contract or in a specific statement/order issued by the partner structure. No registration of the working time (e.g. time sheets) is required. In such cases the total of the gross employment cost is eligible.
2. **part-time with a fixed percentage of time worked per month:** an employee dedicated to the project by a fixed percentage of his/her working time. This percentage is set out in a document issued by the partner at the beginning of the project, and/or in the same employment/work contract. No registration of the working time (e.g. time sheets) is required. In such cases the **fixed percentage of the gross employment cost is eligible.**
3. **part-time with a flexible number of hours worked per month:** an employee dedicated to the project by a flexible percentage of his/her working time. In such case the hourly rate shall be calculated according to the following:

*hourly rate = latest documented annual gross employment cost/1720 (standard annual working time fixed by Regulation (EU) No 481/2014)*

Eligible staff cost shall result by multiplying the hourly rate by the number of hours actually worked on the project by each concerned staff, as resulting from the working time registration system (e.g. time sheets) covering 100% of the actual working time of the individual concerned.

4. **contracted on an hourly basis:** an employee is contracted on an hourly basis and dedicates a certain number of hours to work on the project. The staff costs are calculated on the basis of the hourly rate fixed in the employment/work contract. Data from the working time registration system (e.g. time sheets) providing information on the number of hours spent per month on the project are required. Eligible staff cost shall result by multiplying the hourly rate by the number of hours actually worked on the project by each concerned individual.

**Staff costs cannot exceed 50% of the project budget (eligibility criterion).**

*Staff costs reimbursed according to the flat rate option*

Staff costs of any beneficiary choosing this option will be reimbursed for an amount equal to 20% of the sum of costs under all other budget lines, except “staff costs” and “office and administrative expenditure”, without the need of submitting any employment/work contract, any invoice or document having equivalent value nor any proof of payment.

The following table intends to support the choice between staff costs based on real costs and flat rate.

<b>Staff costs reimbursed based on real costs</b>	<b>Staff costs reimbursed base on flat rate (20% of the direct costs other than staff costs)</b>
<b>Project elaboration</b>	
Partnership can decide, in principle, the extent of involvement of their staff;	Ceiling for staff costs;
Project appraisal shall be aimed at verifying whether the staff costs are proportioned with the proposed activities and in accordance with average personnel costs expenditure within the Programme area;	Project appraisal shall be aimed at verifying whether the staff costs are in accordance with the proposed activities;
<b>Project implementation</b>	
Adequate audit trail of the necessary documentation shall be kept in accordance with the rules set above to get the reimbursement of staff costs;	No accountancy is foreseen (i.e.: no provision of supporting documentation shall be provided to first level controllers);  When reporting staff costs, the distribution of costs between work packages shall reflect the distribution between work packages of the respective direct costs (e.g. costs for external experts and equipment amount to 40% of work package 1 and 60% of work package 2; thus 40% of staff costs shall be allocated to work package 1 and 60% to work package 2);
Staff costs expenditure shall be prior validated by the national controller to be reimbursed;	Staff costs shall not be subject to the validation of national controllers to get reimbursed;
Staff costs can be revised (increased or decreased) during the project implementation.	Flat rate option must be kept along the entire project implementation.

*Office and administrative expenditure*

They cover operating and administrative expenses incurred by the beneficiary organisation that support delivery of project activities. Cost items comprised in the budget line are the following (exhaustive list):

- Office rent;

- Insurance and taxes related to the buildings where the staff is located and to the equipment of the office (e.g. fire, theft insurances);
- Utilities (e.g. electricity, heating, water);
- Office supplies;
- General accounting provided inside the beneficiary organisation;
- Archives;
- Maintenance, cleaning and repairs;
- Security;
- IT systems;
- Communication (e.g. telephone, fax, internet, postal services, business cards);
- Bank charges for opening and administering the account or accounts where the implementation of an operation requires a separate account to be opened;
- Charges for transnational financial transactions.

Office and administrative expenditure shall be reimbursed by the Programme according to a flat rate of 10% of eligible staff costs. No detailed budget needs to be planned for this budget line since the expenditure shall be automatically calculated by the on line system for the applications submission (e-MS), both in the application phase and when submitting financial progress reports. This expenditure will be reimbursed without the need of submitting any invoice or document having equivalent value or any proof of payment.

#### *Travel and accommodation costs*

Expenditure under this budget line refers to the costs incurred by the beneficiary organisation for travels and accommodation of its own staff necessary for the delivery of the project.

The following items are eligible under this budget line:

- Travel costs (e.g. tickets, travel and car insurance, fuel, car mileage, toll, and parking fees);
- Meals costs;
- Accommodation costs;
- Visa costs;
- Daily allowances.

The following principles apply:

1. Travel and accommodation costs must clearly link to any project's activities and be essential for their effective delivery;
2. Costs must be definitely borne by the beneficiary organisation (direct payment by a staff member of the partner organisation must be supported by a proof of reimbursement from the employer);
3. The principle of sound financial management should guide to the choice of transport and accommodation. In line with the result-oriented policy approach, effectiveness should be the leading principle. In the second instance, cost-efficiency should be ensured, taking into account the entire cost of the mission (travel cost, staff costs related to the travel, etc.). In particular:
  - Beneficiaries must always choose the most economical modes of transport. Exceptions from this principle must be duly justified in each case;

- Accommodation costs can be accepted if they are in the middle price range, while higher price ranges must be duly justified in each case;
  - Beneficiaries must respect either their ordinary internal rules for travel and accommodation costs (if any), or respect any maximum ceiling for travel and hotel costs established at national level, whichever is stricter;
  - In the absence of internal and/or national rules, maximum ceilings for travel and accommodation established by the Commission and applicable throughout the Programme area shall apply. They shall be considered as maximum ceilings<sup>12</sup>. The amounts exceeding such values shall be in any case considered not eligible.
4. Any expenditure item defined as travel costs, accommodation costs, costs of meals or visa costs that is already covered by a daily allowance, cannot be accounted for and reimbursed in addition to the daily allowance, i.e. no double funding is allowed (ref: art. 65.11 of Regulation (EU) No 1303/2013). Beneficiaries shall choose the accounting method (daily allowance or direct costs) which is closer to their ordinary practice and/or internal rules.

Travel and accommodation outside the EU Programme area must be clearly indicated in the AF.

Travel and accommodation costs of:

- a) External experts and service providers including speakers, chairpersons, teachers, etc. shall be reimbursed under the external expertise and services budget line; the same applies to travel and accommodation costs;
- b) Associated partners can only be claimed under the external expertise and services budget line;
- c) PPs from non EU Countries (outside the Programme area): all travels and accommodation shall be paid by their own funds.

**In case of approval of project proposals, costs for travel and accommodation for attending Programme or national authorities' meetings and events shall be considered as eligible: it is advisable that some additional budget is allocated to attend these events.**

#### *External expertise and services costs*

This budget line covers costs paid by beneficiaries to external experts and service providers on the basis of contracts or written agreements and against invoices or requests for reimbursement.

Sub-contracting between beneficiaries inside the same project partnership is not allowed.

Beneficiaries can sub-contract to external experts and service providers only tasks or activities which are essential for the implementation of the project.

When awarding external expertise and service contracts all Project Partners irrespective their legal status must ensure that EU and national rules on public procurement are respected, in accordance with the amount of the contract. All contracts must comply with the basic principles of transparency, non-

<sup>12</sup>[http://ec.europa.eu/research/participants/data/ref/fp7/89566/flat-rates-subsistence\\_en.pdf](http://ec.europa.eu/research/participants/data/ref/fp7/89566/flat-rates-subsistence_en.pdf).



discrimination and equal treatment as defined in the EC Treaty and the Commission Interpretative Communication on the Community law applicable to contract awards below the EU thresholds<sup>13</sup>.

In particular:

**EU beneficiaries** shall respect EU Directives and their respective national legislation on public procurement, depending on the amount concerned.

Furthermore, whenever public bodies or bodies governed by public law have defined internal rules for the purchase of goods and service below the minimum thresholds set by national laws, such internal rules must be respected.

**IPA beneficiaries** shall refer to Article 45 – *Procurement* – of the Regulation (EU) No 447/2014 on the specific rules for implementing Regulation (EU) No 231/2014 establishing an Instrument for Pre-accession assistance (IPA II) says that “*For the award of service, supply and work contracts, by beneficiaries the procurement procedures shall follow the provisions of Chapter 3 of Title IV of Part Two of Regulation (EU, Euratom) No 966/2012 and of Chapter 3 of Title II of Part Two of Delegated Regulation (EU) No 1268/2012 which apply in the whole Programme area, both on the Member State and on the IPA II beneficiary/ies' territory*”. The EU External Action procurement rules are to be used - Procurement and Grants for European External Actions (PRAG) with regard to services, supplies and works contracts awarded through transnational grant<sup>14</sup> in line with the Financing Agreement concluded between the relevant Partner State, the European Commission and the Managing Authority (MA).

Expenditure of external expertise and service costs shall be limited to the following:

- a) Studies or surveys (e.g. evaluations, strategies, concept notes, design plans, handbooks);
- b) Training (e.g. venue and trainers);
- c) Translations;
- d) IT systems, modifications and updates (e.g. setting-up and/or update of a project IT system);
- e) Promotion, communication, publicity or information;
- f) Financial management;
- g) Services related to the organisation and implementation of events or meetings (including rent, catering or interpretation);
- h) Participation in events (e.g. registration fees);
- i) Legal consultancy and notarial services, technical and financial expertise, other consultancy and accountancy services;
- j) Intellectual property rights;
- k) Verification and validation of expenditure carried out by authorized national controllers;
- l) Travel and accommodation for external experts, speakers, chairpersons of meetings and service providers;
- m) Other specific expertise and services needed for the project.

<sup>13</sup>(<http://ec.europa.eu/growth/single-market/public-procurement/>)

<sup>14</sup>Information on the Procurement and Grants for European External Actions (PRAG) can be found in: [http://ec.europa.eu/europeaid/prag/?header\\_description=DEVCO+Prag+to+financial+and+contractual+procedures+applicable+to+external+actions+financed+from+the+general+budget+of+the+EU+and+from+the+11th+EDF&header\\_keywords=ePrag%2C+europa](http://ec.europa.eu/europeaid/prag/?header_description=DEVCO+Prag+to+financial+and+contractual+procedures+applicable+to+external+actions+financed+from+the+general+budget+of+the+EU+and+from+the+11th+EDF&header_keywords=ePrag%2C+europa)

Eventual costs for promotional material (e.g.: leaflets, brochures, gadgets etc.) must be allocated under this budget line and will be considered as eligible only if it is demonstrated its efficacy in reaching one or more target groups. It is recommended that its expenditure will not be higher than 1% of the total eligible budget unless duly justified.

External expertise and services have to be duly specified in the full AF by describing at least the nature and quantity of the expertise/service, the link to the relevant deliverable or output as listed in the work plan and the related budget of the concerned Project Partner.

Costs referring to project-related tasks sub-contracted by the beneficiary to in-house bodies are eligible under external expertise and service budget line on condition that the following is met:

- Costs incurred by the in-house body are charged on a real costs basis without any profit margin;
- The sub-contracting to the in-house body of project related tasks complies with national and institutional public procurement provisions in force.

**It is recommended that the budget line External expertise and services costs does not exceed 50% of the total project budget.**

#### *Equipment expenditure*

This budget line covers costs related to equipment purchased, rented or leased by a beneficiary which is essential for the implementation of the project and for carrying out project activities.

Cost of equipment is only eligible if foreseen in the approved AF. During project implementation, purchase of any equipment not explicitly mentioned in the AF will have to be subject to prior approval by the MA/JS.

Eligible cost items under this budget line are:

- Office equipment;
- IT hardware and software;
- Furniture and fittings;
- Laboratory equipment;
- Machines and instruments,
- Tools or devices;
- Vehicles;
- Other specific equipment needed for the project.

Equipment necessary for the project implementation: i.e.: a tool or device used to carry out project activities and necessary for the delivery of the project outputs and, therefore, used for that scope can be classified within the following two categories:

- i **Equipment for general office use** as computers, office furniture, printers, cameras, etc. upon condition that it is for the exclusive use for the project and it can be demonstrated. When the exclusive use for project purposes and activities cannot be demonstrated, such costs are deemed to be covered under the office and administration budget line.

Costs of office equipment already in possession of the beneficiary organisation and used to carry out project activities are not eligible under this budget line, as such costs are already covered under the budget line office and administration.

Equipment for general office use shall be reimbursed by the Programme, based on the depreciation rates in compliance with the national rules and calculated only for the time period between the purchase of the equipment and the end of the project.

The full cost of equipment is only eligible when the following conditions are satisfied:

- Equipment item is exclusively used for the project implementation;  
and
- The depreciation period is shorter than the time lap between the purchase of the equipment and the end of the project;  
or
- Equipment item is not depreciable (e.g. low value asset) according to the national legislation of the concerned partner.

- ii **Equipment** considered as **thematic and functional** to the implementation of pilot actions (small scale investments and demonstration projects). It can be a tool or a device that remains in use by the partnership after the completion of the project. Thematic and functional equipment are reimbursed in full.

Cost items accounted under the equipment budget line cannot be reimbursed under any other budget line.

All the equipment items must be clearly indicated in the AF. Projects are required to describe the nature, quantity and cost of each equipment item foreseen to be purchased, as well as indicate the link with the deliverables and outputs foreseen in the work plan. In case of depreciation, it should be also illustrated how the costs for the project were calculated.

The selection of the suppliers for the purchasing, rental and/or leasing of any equipment item shall comply with the relevant EU and national public procurement law in force, and in case of the IPA partners, with the PRAG rules.

Irrespective if under category (i) or (ii), the equipment cannot be sold (i.e.: change of owner) for at least 5 years after the project end date.

**PROCEDURE FOR SUBMISSION AND SELECTION OF OPERATIONS**

## 19 Publication

The announcement of the call for proposals and the related Application Package will be published on the web site of the ADRION Programme [www.interregadrion.eu](http://www.interregadrion.eu).

The Application Package contains:

- The present manual;
- The ADRION Cooperation Programme;
- The off-line Application Form;
- Electronic monitoring system (eMS) guidance;
- The compulsory templates to be filled in and attached to the AF:
  - Lead Applicant declaration;
  - Project Partners declarations;
  - Self-assessment financial viability (for private partners only);
  - Declaration of interest by each Associated Partners (if any).

Declarations and self-assessment financial viability must be:

- a) Provided on headed paper of the Project Partner;
- b) Be signed by the legal representative (or his/her authorized delegated person);
- c) Be dated;
- d) Be stamped.

Declarations must be scanned and uploaded together with the AF.

In case one of the four listed (letters a)-d)) elements is missing, the MA/JS reserves the right to ask for integrations.

**The absence of more than one of the above listed elements in the partner's declaration will cause the ineligibility of the partner.**

## 20 Submission of grant applications

Applications must be submitted through the online system (e-MS) accessible via ADRION web site [www.interregadrion.eu](http://www.interregadrion.eu).

Lead partners need to register on the e-MS system and provide a set of credentials (username and password) to create and submit AFs on behalf of the entire partnership.

Interested applicants are invited to access the online application system <http://www.adrioninterreg.eu/index.php/projects/support-to-applicants/> for the purpose of creating credentials (ID and Password) as early as possible. **Credentials must refer to the legal representative/delegated/ person: no general email address (e.g: info@xxxx. Xxx) shall be accepted.**

In case an institution already applied in the first call for proposals, the following instructions must be followed:

Role of potential beneficiary	The institution intends to be in the 2nd call for proposals:	Steps to be taken for registration:
<b>Institution acting as a Lead Partner in operations approved in the 1st call for proposals</b>	Lead Partner	None Same credentials are used
	Project Partner	New credentials are necessary New registration on eMS using a different email from the one used in the 1st call
<b>Institution acting as a Project Partner in operations approved in the 1st call for proposals</b>	Lead Partner	New credentials are necessary New registration on eMS using an email linked to the legal representative but different from the one used in the 1st call
	Project Partner	None Same credentials are used

Grant applications must be drawn up in English, using the online form specifically designed for this purpose.

Applications must be submitted by the deadline (date and CET time) mentioned in the announcement of the call for proposals.

No other method of submission of an application will be accepted. Applications submitted in any other way will be automatically rejected. No exceptions will be made.

Lead Applicants shall ensure to have officially submitted their electronic AFs and to have received an e-mail acknowledging receipt of their submission. The Lead Applicant shall regularly inform the other Project Partners on the communications received by eMS.

Interested potential applicants are requested to submit their project proposal through a one-step application procedure, i.e.: the submission of the project proposal in its entirety.

Project acronym must be written in capital letters and numbers only.

The submission process is paperless.

## 21 Structure of the Application Form

The Application Form is structured according to the following:

1. *Project summary;*
2. *Project partners;*
3. *Project description;*
4. *Work plan, structured according to work packages;*
5. *Activities outside the Union part of the Programme area*
6. *Partner budget;*
7. *Project budget overview;*
8. *Attachments.*

For most of the sections, a maximum number of characters is fixed by e-MS.

### 21.1 Project summary

The project summary provides an overview of the project. Projects are required to provide a clear description of the common challenge of the Programme area that the project intends to tackle; the overall objective, the targeted topic(s) of the call; the main outputs that will be produced, the expected change foreseen to be realized in respect to the current situation, the chosen approach and the transnational dimension. In the project summary reference to the selected Specific Objective and topic(s) must be provided.

### 21.2 Partnership

Partnership is the cornerstone in which lies the success of the project proposal. The quality of a project depends at a high extent from the composition of the project partnership.

Projects shall apply a result oriented approach even in the involvement of the right actors in the partnership, based on the project outputs and results the project intends to achieve.

The partnership needs to be tailored to challenges, objectives and results defined by the project. Two possible approaches (among others) which have proven to be effective for building a partnership are:

**Triple and quadruple helix approach**, which requires the horizontal integration of competences from various sectors (research, public and business sectors and civil society). This approach is most fitting when for example new solutions, strategies and services are developed by the private sector, supported by public authorities with expertise coming from research.

**Vertical, horizontal or multilevel governance cooperation**, which brings together different governance levels in a Partner State or a region while, at the same time, involving similar types of institutions located in different countries (e.g.: a) ministries of different Partner States decide to set in place and implement a strategy on marine pollution in their national seas – horizontal cooperation; b) a group of local authorities decide to implement guidance previously defined at EU/national level – horizontal cooperation; c) national institutions define a strategy and other institutions at regional/local level implement pilot activities to test its implementation – multilevel governance cooperation.

### 21.3 Project description

This part of the AF is divided in different sections: C.1 Project relevance, C.2 Project focus, C.3 Project context, C.4 Horizontal principles.

#### C.1 Project relevance

Projects are required to describe the territorial challenge addressed by the project and the relevance for the Programme area. Specific information on the challenges addressed in the area involved in the project should be provided. The current “state of art” and how the project will improve must be explained.

Projects are required also to describe the new solutions that will be developed during the project lifetime or the existing solutions that will be adopted during the project lifetime. Projects must highlight how the approach adopted goes beyond existing practices in the selected sector/Programme area/ participating countries.

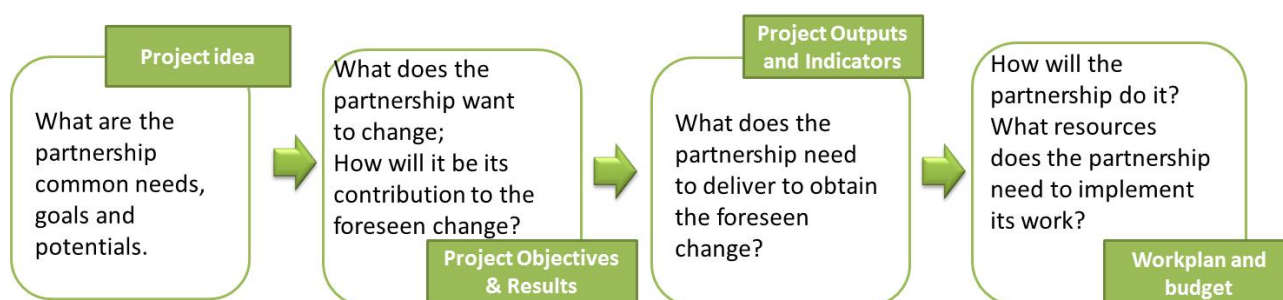
Transnational cooperation is one of the main aspects on which the project should focus on. Projects must explain why transnational cooperation is essential to achieve the project objectives and results, as well as

why project goals cannot be efficiently reached acting only on a national/regional/local/bilateral level. The benefit of the transnational territorial cooperation should be clearly demonstrated for the partners/target groups/Programme area.

The project must explain the way and the level of cooperation among partners in the framework of a project proposal according to the following compulsorily cooperation criteria: joint development, joint implementation, joint financing. The other cooperation criterion joint staffing is not obligatory.

### C.2 Project focus

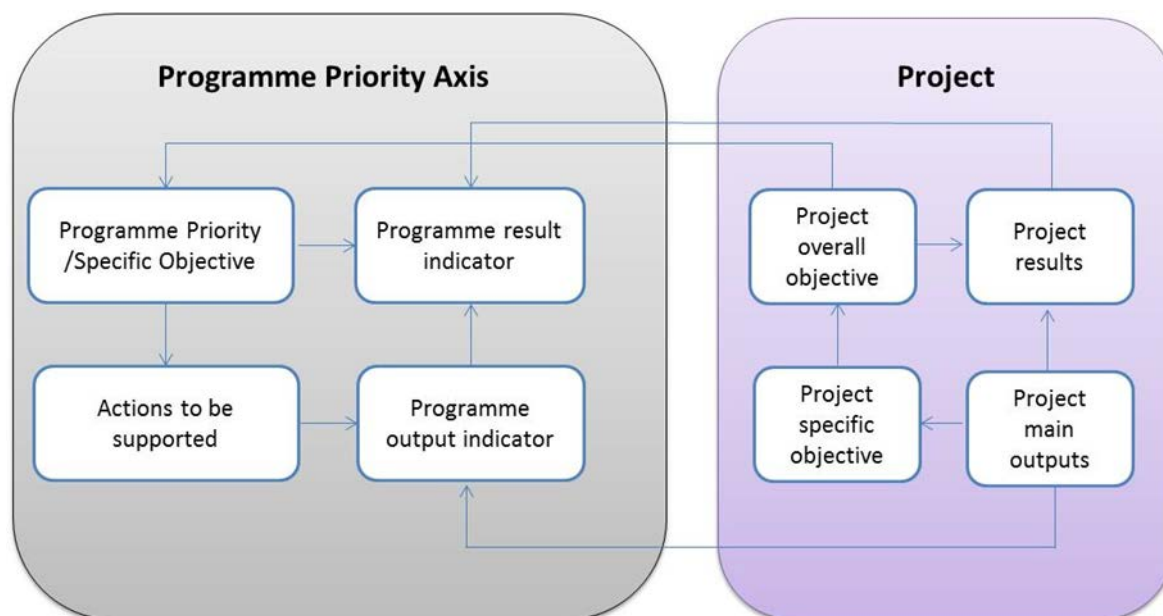
Project proposals must clearly define their intervention logic from the beginning, setting their objectives and expected results and indicating clearly the change that they would like to bring in respect of the initial situation. The project intervention logic can be visualized as follows:



The project intervention logic must be coherent and show its contribution to the Priority Axis 2 intervention logic and its achievements:

- The **project overall objective** contributes to Programme priority specific objective; it describes the general, **strategic and long term change** the project intends to support for the benefit of the identified target group(s);
- The **project specific objective** describes the **specific and immediate objectives** of the project that can be realistically **achieved within the project life-time**, through the deployment of the project outputs;
- The **project result** describes the **change** compared to the initial situation. It contributes to Programme result, even if project results will not be directly aggregated on Programme level, as Programme result indicator measures the change in the whole Programme area;
- The **project outputs** contribute to the achievement of Programme outputs, ideally directly, so they can be aggregated on Programme level.





**Projects not showing a clear link to a Programme specific objective and the respective targeted topic(s), and/or not contributing to the respective expected Programme result will not be supported by the ADRION Programme.**

**Projects must show that they contribute to at least 2 Programme outputs.**

The outputs being part of the project intervention logic are defined within the respective implementing work packages (please refer to paragraph 21.4 Project work packages).

Project must ensure that the outputs and results achieved are durable even after the project closure. Therefore, projects are required to foresee follow up activities, policy level uptake, ownership, financing through other initiative or funds sources, in order to ensure the **sustainability of the project outputs and results**.

### C.3 Project context

Project proposals are required to describe how they intend to contribute to the wider existing strategies and policies (at EU/national/regional level) relevant for the thematic tackled by the project. Project must refer to EU policy framework Europe 2020, EU sectoral policies etc.

Furthermore, coordination or synergies with other national or European projects /initiatives (past, ongoing or planned) must be clearly described. Project should highlight if and how they build on past efforts and results, as well as describe the relevant knowledge gained and how it will be used. Reference to existing studies, innovative technologies/practices or the experience of Project Partners in other similar initiatives must be described. Where it is the case, projects must explain also how the project avoids duplication/overlapping with similar initiatives.

### C.4 Horizontal principles

Projects are required to indicate how they will contribute to the horizontal principles defined by the Programme. In the AF, a self-assessment of the respect of horizontal principles has to be performed. Projects are required to indicate **only** those horizontal principles relevant for its intervention. Failing in

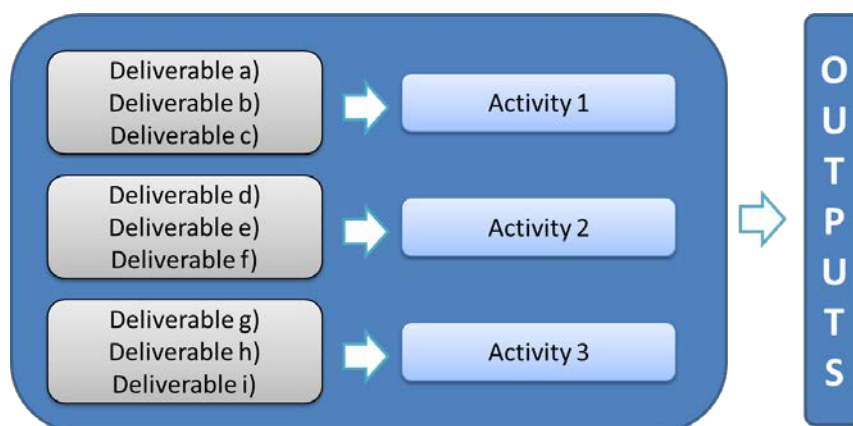
indicating the relevant horizontal principles (e.g.: marking as positive the contribution to ALL principles without providing adequate justifications) could lead to a negative evaluation. In case of a possible negative contribution to a horizontal principle, an adequate justification or adequate mitigation measures have to be provided, otherwise it may lead to a negative evaluation.

#### 21.4 Project work packages

Project activities within the frame of the ADRION Programme shall be organised around work packages, i.e.: a group of related project activities necessary to produce project deliverables and outputs. The organisation of the activities in work packages ensures a shared knowledge about the project's structure and objectives among all partners; additionally, it increases the capacities of the ADRION Programme MA/JS to follow up the implementation of the expected activities and facilitates the procedures for reporting and accounting of expenditure.

Each work package (WP), structured in activities, shall provide information on the partners involved, the description of the related deliverables and expected outputs, and the related budget.

The following figure illustrates the relationship between project activities, deliverables and outputs within a WP.



More specifically, each WP is composed of defined activities and related deliverables and expected outputs:

- An **activity** is a specific task performed for which resources are used; the proposed activities shall have a logical sequence and for the direct benefit of the area /partners involved in the project. Each WP (with the exception of WPO – preparatory activities) is composed from 4-6 activities. For each activity it must be indicated the starting and ending date, as well as the related cost. The sum of the indicative budgets of single activities foreseen within the WP must be equal to the WP budget. **The activities of the Implementing WPs (please refer to the following paragraph) must lead to the deployment of one or more project outputs;**
- A **deliverable** is a tangible or intangible object produced as a side-product of the project that contributes to the achievement of a project output. Each activity can include one or more deliverables (e.g. feasibility study; swot analysis; sectoral analysis etc.). Project deliverables like minutes of the meetings with the stakeholders, working groups etc. cannot be listed as separate deliverables but must be aggregated into one deliverable (e.g. report on the involvement of the stakeholders). More than one deliverable can be necessary to produce one output and they must explicitly refer to the output to be produced in the work plan;
- An **output** is what has actually been produced as a result of the funding awarded to the project (i.e.: strategy/action plan, networks, tools and methodologies, pilot action and joint management systems and cooperation agreements). **It shall be captured by a Programme output indicator and contribute**

**to the achievement of project result(s). Each implementing WP can foresee at least one project output. The outputs must be developed and implemented within the project lifetime.**

**Detailed information and examples on outputs can be found in paragraph 4 – Outputs - what the programme funds.**

The partnership can structure its project proposal according to a maximum number of WPs; some of them are, however, compulsory:

- a) Project management and coordination of activities;
- b) Communication;
- c) Project implementation – which can be disentangled in further 3 work packages.

#### *21.4.1 Project management and coordination of activities*

In this work package the activities aim at ensuring a sound management and coordination of the project: both the overall project management and all aspects linked to the financial management must be described. It shall also provide proof on how the work between the partners involved by building a strong collaborative relationship is organized and distributed. The coordination and management activities shall result in the successful implementation of the project as well as in the production and submission of the administrative documents for accounting of expenditure and reporting on the activities implemented.

The partnership must set in place adequate project coordination structure(s) (e.g.: steering committee, steering group, coordination board etc.) ensuring that all partners are equally represented, including the Associated Partners. The partnership may decide to involve in the coordination structure also representatives of institutions not directly involved in the project which can contribute to its implementation or spreading its outcomes.

Structure, responsibilities, and procedures for the day-to-day management and coordination (including whether it is foreseen the externalization of the management), internal communication, the reporting and evaluation procedures, if foreseen, risk and quality management (up to three risks potentially jeopardizing the project must be listed) shall be included in this work package.

The work package shall also include the activities related to the project closure that have to be finalized within 3 months after the official end date of the project: they include the submission of the required final administrative documents - the final progress report – the final payment claim and the eventual reconciliation with the initial granted amount.

#### *21.4.2 Communication activities*

The communication work package shall include the strategic planning of activities and clear indication of the target group(s) to address. Communication objectives must be specific and measurable (i.e.: proposing of “raising awareness” or to “spread results” without providing to whom and how is not enough).

The following elements shall be considered:

- Identification and definition of the objective, message, approach/tactics chosen and target groups the project intends to achieve;
- Integration with the overall project strategy and project specific objectives;

- Quantification of the communication products (target values), detailed planning of their realization and estimated budget;
- Measurement of the efficiency of the planned communication activities;
- Provisions for feedback mechanisms and evaluation measures for the communication activities;
- Insurance of adequate capitalization of the project achievements (capturing knowledge produced by the project and drawing lessons on an ongoing basis).

Project shall provide activities to capitalize on the achieved results and outputs in order to mainstream them - beyond project geographical context and timeframe - into wider policies and strategies, action plans, thus guaranteeing a further development of what achieved within the project also in terms of eventual future larger investment or leverage of funds.

Capitalization activities should take into account the spreading of the achieved results to wider target groups /audience beyond the partnership and the target groups already achieved during project implementation and /or the increase of awareness of relevant for the chosen topic stakeholders.

The proposed capitalization shall be in line and concretely implemented with what proposed in the Durability and Transferability of Main Outputs sections of the submitted AF.

Beyond project-based capitalization activities, each project shall provide participation to Capitalization events organized at Programme level.

In order to ensure a shared and consistent brand identity of the ADRION Programme a common brand identity has been developed. Each approved operation shall be required to use an integrated project logo (template to be provided by the ADRION Programme).

Additionally, in order to ensure accessibility, durability and consistency of the information, each ADRION project will have its own dedicated page on the Programme website, showcasing the project to a wide audience. The project page(s) will include a pre-filled information field completed by the Programme, and dynamic information to be filled-in by projects.

#### *21.4.3 Project implementation*

The project implementation is the heart of the project and describes what the partnership intends to implement to reach the foreseen goals.

One up to three implementing WPs can be devoted to describe the project implementation; the WP refers to a group of related project activities necessary for the realization of the described project outputs and goals.

The realization of pilot actions (demonstration activities or small scale investments) shall be included in one of these work packages.

**Each project proposal shall contribute to the realization of at least 2 Programme outputs; project outputs must feed Programme output indicators.**

#### *21.4.4 Non-compulsory work packages*

*Preparation costs*

The approved projects which have signed the Subsidy Contract and the Partnership Agreement with the MA are entitled to receive reimbursement of their preparation costs in the form of a lump-sum of max EUR 11.800 of total eligible expenditure per project of the foreseen AF. That means that they will be reimbursed with no need to present invoices or other supporting documents for the incurred costs.

The reimbursement of preparation costs will follow the principles specified hereunder:

- Any preparatory costs incurred by the partnership must be indicated in the AF, under the specific budget line(s) concerned and included under the budget of the concerned partners;
- The formal request for reimbursement of the preparatory costs can be submitted by the Lead Partner only after the signature of the Subsidy Contract and Partnership Agreement;
- The amount of actual reimbursement will result from applying the co-financing rate applicable (up to 85%) to the respective preparatory cost budget of the concerned partners (e.g. to which the lump sum is allocated), as indicated in the AF;
- The lump sum will be reimbursed to the Lead Partner; it will be its duty to transfer to its partners their respective shares, according to the approved preparatory costs;
- Any costs incurred by the projects between the date of submission of the AF and the date of signature of the subsidy contracts (between the end of the preparation period and the start of the implementation period) for negotiating/satisfying specific conditions for approval cannot be claimed;
- In case a project is not implemented or even started, the MA will recover the amounts of EU funds already reimbursed based on this lump-sum.

Under the Work Package Preparation costs all budget lines but equipment can be budgeted.

#### *21.4.5 Activities outside the Union part of the Programme area*

Please refer to paragraph 15 of the Manual.

#### *21.4.6 Partner budget*

Project financial table is partly pre-filled by the system with data on Project Partners.

The starting point for drafting the project budget is section “Partner budget”. The budget of each partner is broken down per budget line, work package and reporting period.

**Please note that modifications of project start and end dates and periods after the insertion of budget data might have an impact on “Partner budget”. Financial data are inserted per period and are lost when deleting a period.**

**When entering data, please remember to regularly save entered data.**

Steps to be undertaken when defining the budget are the following:

- a. Enter the budget of the selected partner;
- b. Select whether the concerned partner organisation will charge staff costs to the project according to real costs or a flat rate option. Please note that, after the submission of the AF, the partner will not have the possibility to change this choice anymore;

- c. Three tables will be displayed on the screen: the first table displaying budget lines and work packages; the second table displaying budget lines and reporting periods; the third table displaying reporting periods and work packages.

Applicant enters the partner budget in the first table “Budget lines and work packages”. The other two tables will be automatically updated once budget data are entered.

For budget line 1 “Staff costs”: unitary costs and number of units must be included for work package and reporting period. The applicant has to specify the type of staff (e.g.: “Part time with a flexible number of hours”). In the column Comments a short description must be added (e.g.: “Finance officer, Senior staff, in charge for finance report, and the related amount).

Partner institutions choosing the flat rate option for the reimbursement of staff costs cannot enter any information, since the budget is automatically calculated.

For budget line 2 “Office and administrative expenditure”: data cannot be entered since the budget is automatically calculated.

For budget line 3 “Travel and accommodation costs”: unitary costs and number of units must be included for the entire work package and reporting period, including a short description explaining the purpose of the travel and, where possible, the destination.

For budget line 4 “External expertise and services costs” and budget line 5 “Equipment expenditure”: a breakdown of the budget line at the level of each item included under this budget line is to be created. The applicant has to specify each concerned item to be purchased (please ensure consistency with the same data reported in other sections of the AF): costs, nature and quantity. In the case of equipment items, information is to be included also on the equipment type (i.e. “equipment for general office use” or “thematic equipment”). In case of depreciation, information must be added on the rate and calculation of the depreciation period. The budget allocated to the single cost item has then to be entered at the corresponding work package and reporting period.

In case the project proposal is expected to generate revenues, they must be included in the relevant category available in the budget table. One aggregated amount is to be included for the entire work package and reporting period.

Once the partner budget is inserted, information on national co-financing type and source is to be included under “Partner budget”. Two tables are available: the former presents the overall Programme co-financing and the partner contribution according to the applicable co-financing rate (automatically filled-in by the system), the latter refers to the partner co-financing sources and is to be filled in by the applicant. In the table on partner co-financing sources, the system by default includes the partner’s own resources as first co-financing source, in line with information on legal status. To add other co-financing sources the applicant has to provide information on the source of co-financing, the legal status (i.e. private, public, automatic public) and the amount. Please check carefully the consistency of the total amount of co-financing manually entered in the second table with the amount automatically calculated in the first table.

Automatic public co-financing refers to specific co-financing schemes set up by some Partner States.

#### *21.4.7 Project budget overview*

The overall project budget coming from data entered at partner level can be seen in sections Project breakdown budget and in “Project budget” of the AF. Each budget table can also be exported as an Excel file.

#### 21.4.8 Attachments

In this section it is possible to upload all the necessary files requested (e.g.: LP and PP declarations, etc.). Please remember to properly name each uploaded file to easily identify them.

## 22 Assessment of the applications

The assessment of the application is coordinated by the MA and performed by the JS, with the support of the NCPs and eventually of external experts selected through dedicated Call for Experts.

In order to ensure equal, fair and transparent approach, the project proposals are assessed according to a set of criteria and sub-criteria previously elaborated by the Programme, approved by the MC and specified in Annexes 1 and 2. The results of the assessment are reported in a project assessment grid to be prepared for the supporting the MC decision.

The MC is in charge of the final decision on the selection of the operations for funding.

**Only the information provided in the AF shall be subject to the assessment.**

### *Admissibility and eligibility check*

The admissibility and eligibility checks are aimed at ensuring the minimum project requirements.

Only those applications which successfully pass these checks will progress in the evaluation process. The list of admissibility and eligibility checks to be fulfilled is provided in Annex 1.

The verification of the presence of all the requirements is performed by the JS with the support of the NCPs which will be mainly in charge of verifying the correctness of the applicants' legal status. Applicants can be contacted by their NCPs for the submission of further documentation aimed at confirming their declarations or other formal statements included in the AF.

Results of the admissibility/eligibility check shall be communicated to the MC for approval.

All Lead Applicants shall be informed about the results of the admissibility and eligibility checks.

### *Quality assessment*

Only those applications which have passed the admissibility and eligibility checks shall be assessed from a quality point of view.

The goal of the quality assessment is to provide the MC an overall picture containing the relevant information in order to allow project approval or rejection.

The quality assessment shall be performed by the JS in cooperation with the eventual support of a team of experts.

As mentioned above, the assessment is performed according to a list of criteria and sub-criteria and their fulfilment by the project proposal.

The quality assessment criteria are divided into two Groups:



1. **Strategic assessment criteria** - whose main aim is to determine the extent of the project's contribution to the achievement of Programme objectives (contribution to Programme results), by addressing joint or common target group needs.
2. **Operational assessment criteria** - whose main aim is to assess the viability and the feasibility of the proposed project, as well as its value for money in terms of resources used vs. results delivered.

<b>Strategic assessment Group 1</b>	<i>Criteria</i>
	<i>Project's context (relevance and strategy)</i>
	<i>Cooperation character</i>
	<i>Partnership relevance</i>
	<i>Project's contribution to Programme's objectives</i>
<b>Operational assessment Group 2</b>	<i>Criteria</i>
	<i>Management</i>
	<i>Communication</i>
	<i>Work plan</i>
	<i>Budget</i>

Moreover, each sub-criterion will be attributed a score ranging from 1 to 5 according to the following grid:

<b>5</b>	<b>Excellent</b> – the section of the application analysed in accordance with the requirement of the criterion is of excellent quality and provides clear and coherent information
<b>4</b>	<b>Good</b> – the section of the application analysed in accordance with the requirement of the criterion is clear and contain minor shortcomings
<b>3</b>	<b>Adequate</b> -the section of the application analysed in accordance with the requirement of the criterion is sufficiently clear and requires further clarification from the applicant
<b>2</b>	<b>Sufficient</b> - the section of the application analysed in accordance with the requirement of the criterion is of low quality
<b>1</b>	<b>Poor</b> - the section of the application analysed in accordance with the requirement of the criterion does not meet the requirement/the information is not present

The total score of each criterion is the sum of the scores attributed to each sub-criterion.

The score attributed to each Group of criteria is the sum of the scores attributed to each criterion.

The overall project score will result from summing up of each Group of criteria category/criterion score.

The quality assessment will be organised in two steps: first, projects will undergo a strategic assessment according to the criteria of Group 1.

### *Strategic assessment*



Only those project proposals having reached an overall score of at least 48/80 (60% of the overall score related to strategic elements) and of at least 12/20 for each criterion (60% of the score at criterion level) of the Strategic Assessment will progress to the Operational assessment and be appraised according to the criteria of Group 2.

#### *Operational assessment*

As far as the Operational Assessment is concerned, the proposal must reach at least 48/80 (60% of the overall score related to operational elements) and at least 12/20 for each criterion (60% of the score at criterion level).

Only those proposals having passed the quality assessment (Strategic and Operational) with an overall score of at least 96/160 (i.e.: 60% of the overall maximum score) and of at least 12/20 (60% of the score at criterion level) for each criterion shall be appraised according to the further following steps described below.

The list of the quality assessment criteria and related sub-criteria (strategic and operational) are provided in Annex 2.

#### *Financial capacity check of private partners*

In order to minimize the risk of difficulties in further project implementation from the side of the private partners, verification on their financial capacity takes place.

The self-assessment financial viability is aimed at verifying if the private partner:

- a. Has the ability in managing the project budget;
- b. Has the capacity in incurring expenditure in advance;
- c. Has the ability in managing the project along the project duration.

Each private partner shall fill-in a self-assessment financial viability whose template is part of the application package per each of the last two fiscal years.

In case of private commercial partner, 3 out of 4 of the following criteria shall be met. Liquidity and debt rate are compulsory. The third criterion to be respected can be either Subvention rate or Operating profit rate.

Liquidity rate:	the ratio "current assets" / "current liabilities" is higher than 1
Debt rate:	the ratio "total debts" / "total assets" is lower than 0.8
Subvention rate	the ratio "total grant requested divided by the number of project years" / "shareholders' equity" is lower than 1
Operating profit rate	there is a positive operational profit

In case of private non-commercial partner (e.g.: NGOs) 2 out of 3 of the following criteria shall be respected:

Liquidity rate:	the ratio "current assets" / "current liabilities" is higher than 1
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Debt rate:	the ratio "total debts" / "total assets" is lower than 0.8
Subvention rate	the ratio "total grant requested divided by the number of project years" / "subsidies" is lower than 1

During the eligibility check the JS verifies the correctness of the calculations reported in the declarations on the financial capacity of the private partners and consequences of failure).

In case the application passes the assessment steps described in the previous paragraphs, the private partners shall be asked to deliver the documentation (i.e.: balance sheets or signed declarations by the board of statutory auditors) which has used to fill-in the self-assessment financial viability to provide evidence of their declaration.

The correspondence between the aforementioned declarations and the last two years' balance sheets or signed declarations by the board of statutory auditors shall be verified.

In case the affected Project Partner(s) does not submit the required documentation within the set deadline or the verifications highlight mismatching, it will be excluded from the partnership. Its exclusion – depending on the number of partners involved in the project proposal may also determine the ineligibility of the project proposal.

**Please note that in case the project proposal suffers from the overall exclusion of two Project Partners, the project proposal shall be rejected.**

This verification shall be supported by the NCPs.

### **State Aid compliance check**

The State Aid check will be performed during the project assessment and will be based on the examination of the AF. The check is performed by external experts; in case of clarifications, the Lead Applicant may be contacted by the JS on behalf of the expert.

The State Aid check shall take place only on those applications which successfully passed all the previous checks described in the appraisal process.

The analysis shall bring to one of the following outcomes:

- a) The project activities are not State Aid relevant;
- b) Some project activities are State Aid relevant (list shall be provided) but the application of the State Aid discipline (*de minimis*) can be avoided if specific countermeasures apply (list shall be provided);
- c) The application of the State Aid discipline for some activities cannot be avoided, bringing to the respect of the *de minimis* threshold to those specific activities and partners (list shall be provided).

In case letter b), or c) or both apply, references shall be included in the conditions for improvement and then in the Subsidy Contract in order to ensure their respect; additionally, they will be regularly checked by the MA/JS during the project implementation.

### ***Anti-fraud check***

The anti-fraud check shall consist on the verification of previous fraudulent behaviours or other fraudulent practices by the partners involved in the project proposal.

The anti-fraud check shall take place only on those applications which successfully passed all the previous checks described in the appraisal process.

The check will be done by MA/ relevant national authorities with the support of the NCPs and with the use of tools and practices currently in use (e.g.: cross checks with the national authorities administering other funds, knowledge of previous fraudulent applications and other fraudulent practice; use of EU databases).

In case the fraudulent behaviour/practice affects:

- a) the lead applicant: the AF shall be rejected;
- b) a Project Partner, it will be excluded from the project proposal; in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements this will cause the rejection of the project proposal.

**Please note that in case the project proposal suffers from the overall exclusion of two Project Partners, the project proposal shall be rejected.**

### ***Finalization of the project assessment grid***

The results of the assessment shall be reported in a project assessment grid to be submitted to the MC in charge of the funding decision. The assessed projects shall also be included in a ranking list according to the received overall final score.

## **23 Decision making and Communication to the Lead Applicants**

The decision for funding is adopted by the MC by consensus.

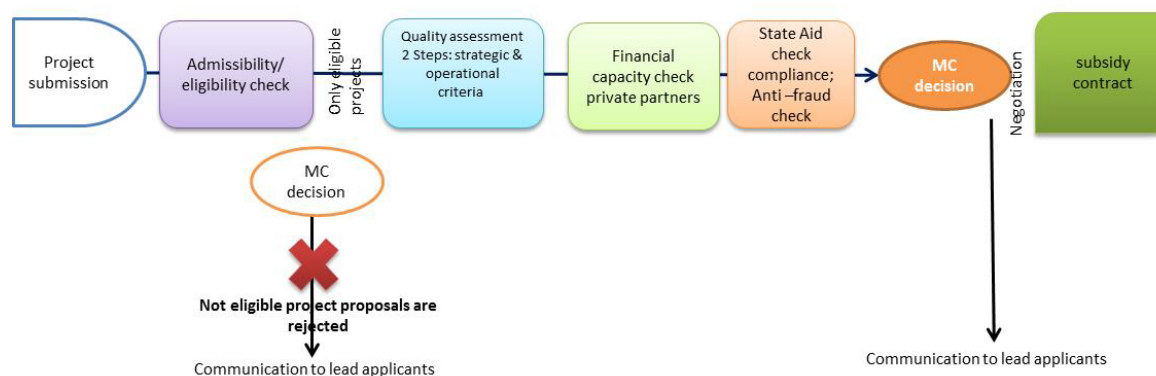
A project proposal can be:

- a) **Approved:** the proposal is considered ready to start, fulfilling the requested quality level and responding to the selection criteria;
- b) **Approved under conditions:** the proposal is considered approved provided that the Lead Partner and/or the Project Partners satisfy specific conditions within a given deadline;
- c) **Rejected:** the proposal is considered not matching a certain readiness and quality level and responding to the selection criteria.

If a project proposal is funded under conditions, the latter are approved by the MC too; conditions may also foresee a lower budget than the amount requested by the partnership.

All Lead partners of the assessed projects shall be notified by MA/JS in written form about the MC decision. The Lead Applicant shall immediately inform all the partners accordingly.

The picture below summarizes the assessment process:



Additionally:

- Under no circumstances the amount awarded may exceed the amount requested;
- The grant awarding does not establish an entitlement for subsequent years.

## 24 Contractual provisions

### *De minimis declaration*

As reported in paragraph 7, the *de minimis* ceiling applies both to IPA and ERDF Project Partners: in case the activities proposed in the approved operations by one or more ERDF or IPA Project Partners are State Aid relevant, and the *de minimis* regime has to be applied, the concerned partners shall provide, before the signature of the Subsidy Contract takes place, a declaration including the total amount of *de minimis* aid granted by Italy, where the MA is located, if any, other than the grant to be received by the ADRION Programme.

### *Principle of non-cumulative award (double funding)*

Applicants must declare to inform the MA/JS on any EU or other public funding source, be international, national, regional or local, received after the signature of the declaration signed at the time of the submission of the project proposal have changed.

If during project implementation evidence emerges that an activity/item of expenditure which is being co-financed by ERDF/IPA funds of the ADRION Programme, is at the same time being co-financed by any other public fund, the MA may:

- Impose the modification of the concerned activities and/or exclude from the eligible expenditure the item which would be double-financed;
- Withdraw from the subsidy contract and demand the repayment of amounts already disbursed.

### *Project legal framework*

In the event a subsidy is awarded, MA/JS shall proceed with the verification of the existence of the signatory person and its power of signature.

A Subsidy Contract, drawn up in Euro and detailing the conditions and percentage of funding, will be sent to the Lead Partner on behalf of the entire partnership.

The Subsidy Contract will be signed by the MA and by the Lead Partner.

Two copies of the original Subsidy Contract shall be signed by the Lead Partner on behalf of all Project Partners and must be returned to the MA immediately. The MA will sign them last.

As far as the Partnership Agreement is concerned, the Lead Partner shall inform the MA about its signature by all partners.

False declarations detected after the approval of the project will imply the exclusion of the concerned Project Partner from the partnership; if false declarations are provided by the Lead Partner, the subsidy contract will not be signed or withdrawn.

#### *Payment procedure*

The requests for reimbursement shall be submitted by the Lead Partner on behalf of the entire partnership for the periods covered by the related submitted reports.

### **25 Advance payment**

The signature of the Partnership Agreement is a condition for the disbursement of a pre-financing addressed only to the IPA partners up to 10% of IPA contribution; pre-financing will be allocated according to the availability of funds by the Programme.

The advance payment shall be compensated - in equal shares - with the first two payments due to the concerned partners, according to actually incurred and validated expenditure included in the related Progress Reports.

In case the concerned partners do not manage to submit enough validated expenditure for compensating the advance payment received the MA/JS will further enquire in order to adopt the necessary steps.

### **26 Publicity by the Programme**

The MA, the National Authorities and/or the European Commission may publish the list of operations, including:

- beneficiary name (only of legal entities; no natural persons shall be named);
- operation name;
- operation summary;
- operation start date;
- operation end date (expected date for physical completion or full implementation of the operation);
- total eligible expenditure allocated to the operation;
- Union co-financing rate, as per priority axis;
- operation postcode; or other appropriate location indicator;
- country;
- name of category of intervention for the operation.

## 27 Complaints procedure

Any complaint related to the assessment and selection of the project proposals shall be addressed by the Lead Applicant, on behalf of the entire partnership, to the MA. The MA, with the support of the JS and/or experts, shall examine it and provide its position regarding the merit of the complaint.

Complaints received by Project Partners individually shall not be taken into consideration.

Receivable complaints must be clearly identifiable by the wording “formal complaint” in the subject of the request and submitted according to the rules and deadline defined by the MA. The lead applicant shall be in charge of specifying what failures or mistakes have been assumed to happen and shall include clear reference to programme documents. Requests from information or clarifications shall not be considered as complaints.

The MA shall be in charge of verifying the admissibility of the request from the formal point of view. If the complaint is considered as admissible, it will be submitted to the Complaint Committee.

The Complaint Committee is composed of two Monitoring Committee Partner State representatives - current and future Monitoring Committee Chair - and the MA. The JS is involved with an advisory function.

The complaint can only make reference to:

- a) Outcomes of the admissibility and eligibility checks;
- b) The respect of the assessment process/procedure;
- c) The outcome of the financial capacity check of the private partners.

The outcome of the Complaint Committee decision shall be communicated by the MA, in written form, to the lead applicant.

The Complaint Committee decision will be final, binding to all parties and not subject to any further complaint proceedings within the Programme if the complaint is based on the same grounds.

## 28 Data Protection

All personal data (such as names, addresses, CVs, etc.) will be processed in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the European Community institutions and bodies and on the free movement of such data<sup>15</sup>.

The applicant's replies to the questions in the AF are necessary to evaluate and further process the grant application in accordance with the specifications of the call for proposals. Personal data will be processed solely for that purpose by the MA and JS. Personal data may be transferred on a need to know basis to third parties involved in the evaluation of applications or in the grant management procedure, without prejudice of transfer to the bodies in charge of monitoring and inspection tasks in accordance with EU law. In particular, for the purposes of safeguarding the financial interests of the Union, personal data may be transferred to internal audit services, to the European Court of Auditors, or to the European Anti-Fraud Office.

The applicant has the right of access to, and to rectify, the data concerning him or her. For any question relating to these data, please contact the MA/JS.

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<sup>15</sup>Official Journal L 8, 12.1.2001.

## 29 Contacts

For any further information please contact:

- the NCP of your Partner State: coordinates are reported on the ADRION web site;
- The ADRION Programme: [info@interregadrion.eu](mailto:info@interregadrion.eu)

It is warmly recommended that the Lead Applicants address to the JS and the Project Partners applicants to the NCPs.

## Annex 1– Admissibility and Eligibility Criteria

	Reference to the Application Form section or other document	Admissibility criteria	Admissibility questions	Consequence on failure
1				
1.1	Application Form	Use of on-line system	Has the Application Form been submitted via the e-MS?	Rejection of the project proposal
1.2	Application Form	Completeness of the submitted Application form	Have all the sections of the Application Form been filled in? Has the Application Form been filled in English?	Rejection of the project proposal
1.3	Lead applicant, Project Partners, Associated Partners declarations; financial viability self-assessment (for private partners only)	Completeness and correctness of the partners' declarations	Are the Annexes been submitted using the e-MS?	Rejection of the project proposal if the Lead Applicant declaration is missing. Exclusion of the Project Partner if the declaration missing. Rejection of the project proposal in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements OR in case two or more Project Partners are cumulatively excluded also due to other admissibility/eligibility criteria.
			Has the Lead Applicant Declaration been submitted?	Rejection of the project proposal Partner exclusion. Rejection of the project proposal in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements OR in case two or more Project Partners are cumulatively excluded also due to other admissibility/eligibility criteria.
			Have all the Project Partners' Declarations been submitted?	Partner exclusion. Rejection of the project proposal in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements OR in case two or more Project Partners are cumulatively excluded also due to other admissibility/eligibility criteria.



1	Reference to the Application Form section or other document	Admissibility criteria	Admissibility questions	Consequence on failure
			<p>In case of involvement of Private Partner(s), have the self-assessment financial viability declarations (one per each of the last 2 fiscal years) been submitted?</p> <p>Has private commercial partner(s) used the correct Financial Viability Declaration template?</p> <p>Has private non-commercial partner(s) used the correct Financial Viability Declaration template?</p> <p>In case of involvement of Associated Partner(s), has (have) the Declaration(s) of interest been submitted?</p> <p>Have the annexes been filled in using the original Programme template (i.e.: not altered)?</p> <p>Have the annexes been completely filled-in and in English?</p>	<p>Partner exclusion. Rejection of the project proposal in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements OR in case two or more Project Partners are cumulatively excluded also due to other admissibility/eligibility criteria.</p> <p>Associated partner excluded</p> <p>Rejection of the project proposal if the declaration of the Lead Applicant has not correctly been filled in Partner exclusion. Rejection of the project proposal in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements OR in case two or more Project P Partners are cumulatively excluded also due to other admissibility/eligibility criteria.</p>

1	Reference to the Application Form section or other document	Admissibility criteria	Admissibility questions	Consequence on failure
			<p>Are per each annex (Lead Applicant, Project and Associated Partners declarations and self-assessment financial viability declaration) above the 4 following requirements present?</p> <ol style="list-style-type: none"> <li>1. It has been printed on headed paper</li> <li>2. It has been stamped</li> <li>3. It has been signed by the legal representative or his/her authorised delegated person</li> <li>4. It has been dated</li> </ol>	<p>Exclusion of the partner if the declaration doesn't comply with 3 out of 4 requirements (headed paper, stamped, signed, dated)            Integration of the missing requirement is allowed in case 1            requirement has not been fulfilled.            Rejection of the project proposal in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements            OR in case two or more Project Partners are cumulatively excluded also due to other admissibility/eligibility criteria.</p>

### Eligibility criteria

2	Reference to the Application Form section or other document	Eligibility criteria	Eligibility questions	Consequence on failure
2.1	Application Form	<p>The project fulfils the minimum requirements for transnational partnerships</p>	<p>Does the project proposal have a minimum of six financing partners (ERDF/IPA) located within the ADRION eligible area from at least six Partner States?            Are there at least 4 partners from 4 different ERDF Partner States and at least 2 partners from 2 different IPA Partner State?            Is the partnership constituted by maximum 16 partners?</p>	Rejection of the project proposal

2	Reference to the Application Form section or other document	Eligibility criteria	Eligibility questions	Consequence on failure
		The project respects the limits applied to transnational partnerships	<p>Is each Partner State represented by a maximum of 2 partners?</p> <p>Is the Lead Applicant institution involved in maximum 1 project proposal per Specific Objective?</p> <p>Is the same institution cumulatively involved in max 2 project proposals as lead applicant?</p> <p>Is (are) a Project Partner(s) involved in maximum 2 project proposals if also applying as Lead Partner in project proposal in the same Specific Objective?</p> <p>Is (are) a Project Partner(s) involved in maximum 3 project proposals for Specific Objective if not applying as Lead Applicant in the same Specific Objective?</p> <p>Is (are) a private institution(s) involved in maximum one project proposal per Specific Objective?</p>	<p>Rejection of the additional received project proposal(s) according to their time of arrival.</p> <p>Exclusion of the Project Partner(s) determined by the time of arrival of the project proposal. Rejection of the project proposal in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements OR in case two or more Project Partners are cumulatively excluded also due to other admissibility/eligibility criteria.</p>
2.2	Application Form, section B.1 (please remember that the check on the legal status is performed by the national contact points)	The Lead Applicant is eligible	Is the Lead Applicant located (legal seat and seat of operations) in one of the NUTS 2 region of an ERDF Partner State of the Programme (exception: Italian Assimilated Partners?)	Rejection of the project proposal

2	Reference to the Application Form section or other document	Eligibility criteria	Eligibility questions	Consequence on failure
			<p>Does the Lead Applicant belong to one of the following categories as reported in the Programme Manual?</p> <ol style="list-style-type: none"> <li>1. Public body (national, regional or local level), including associations formed by one or several regional or local authorities governed by public law;</li> <li>2. Body governed by public law, including associations formed by one or several bodies governed by public law;</li> <li>3. EGTC in accordance with art. 2(16) of Regulation (EU) No 1303/2013;</li> <li>4. Public body or body governed by public law competent in their scope of action for certain parts of the eligible area but which are located outside of it (Assimilated Partner - for Italian partners only);</li> <li>5. International organization operational from at least 2 fiscal years at the time of submission of the project proposal under the national law of one of the Partner States participating to the programme.</li> </ol>	

2	Reference to the Application Form section or other document	Eligibility criteria	Eligibility questions	Consequence on failure
2.3	Application Form, section B.2 (please remember that the check on the legal status is performed by the national contact points)	Project financing partners are eligible	<p>Does the Project Partner belong to one of the following categories as reported in the Programme Manual?</p> <ol style="list-style-type: none"> <li>1. Public body (national, regional or local level), including associations formed by one or several regional or local authorities governed by public law;</li> <li>2. Body governed by public law, including associations formed by one or several bodies governed by public law;</li> <li>3. EGTC in accordance with art. 2(16) of Regulation (EU) No 1303/2013;</li> <li>4. Public body or body governed by public law competent in their scope of action for certain parts of the eligible area but which are located outside of it (Assimilated Partner - for Italian partners only);</li> <li>6. International organization operational from at least 2 fiscal years at the time of submission of the project proposal under the national law of one of the Partner States participating to the programme.</li> <li>7. Private body, including private companies, having both legal personality and operational seat in one of the Partner State of the programme and operational from at least 2 fiscal years at the time of submission of the project proposal</li> </ol>	<p>Exclusion of the Project Partner if it declares being a public body and it reveals being a private body.</p> <p>Rejection of the project proposal in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements OR in case two or more Project Partners are cumulatively excluded also due to other admissibility/eligibility criteria.</p>
2.4	Application form, section A1 first table; lead applicant and Project Partner declarations	Secured national co-financing	<p>Is the amount of the national co-financing indicated in the Lead Applicant declaration equal or higher the amount of the national contribution indicated in the Application Form?</p>	Rejection of the project proposal

2	Reference to the Application Form section or other document	Eligibility criteria	Eligibility questions	Consequence on failure
			<p>Is the amount of the national co-financing indicated in the Project Partners' declaration equal or higher the amount of the national contribution indicated in the Application Form?</p>	<p>Exclusion of partner(s). In case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements, this will cause the rejection of the project proposal.  Rejection of the project proposal in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements  OR in case two or more Project Partners are cumulatively excluded also due to other admissibility/eligibility criteria.</p>
2.5	<p>Application form, section A1, table <i>Project budget - overview ERDF and IPAII co-financing per budget line</i></p>	<p>Requested EU co-financing within the fixed threshold</p>	<p>Is the requested EU co-financing within the maximum threshold (EUR 2.500.000)?</p> <p>Has each applicant (Lead Applicant and Project Partner) requested maximum 20% of EU co-financing of the overall project budget?</p>	<p>Rejection of the project proposal.</p> <p>If Lead applicant rejection of the project proposal;  If Project Partner, exclusion of the partner  Rejection of the project proposal in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements  OR in case two or more Project Partners are cumulatively excluded also due to other admissibility/eligibility criteria.</p>
2.6	<p>Application form, section C.1.4</p>	<p>Project Partners jointly cooperate</p>	<p>Is budget line staff cost not higher than 50% of the total project budget?</p> <p>Do partners cooperate in all the following ways: joint development, joint implementation and joint financing?</p>	<p>Rejection of the project proposal.</p> <p>Rejection of the project proposal</p>

2	Reference to the Application Form section or other document	Eligibility criteria	Eligibility questions	Consequence on failure
2.7	Application form, part A - <i>Project identification</i>	Project proposal complies with the specifications included the <i>Call for Proposals announcement</i>	Does the project proposal address to one Specific Objective? In case the project proposal addresses to 2 topics within one Specific Objective, has proper justification been provided?	Rejection of the project proposal
2.8	Self-financial assessment documents	Financial capacity of the private Project Partner	Are data reported in the financial capacity declarations provided by the private partner(s) in accordance with the requirements set forth in the Programme Manual?	Exclusion of the Project Partner. Rejection of the project proposal in case the exclusion of such partner(s) leads to non-fulfilment of the minimum partnership requirements OR in case two or more Project Partners are cumulatively excluded also due to other
2.9			In case private partner is a private commercial one, have debt and liquidity rate parameters been fulfilled?	admissibility/eligibility criteria.

## Annex 2 – Quality Criteria

## Strategic criteria

Criterion and sub-criterion numbering	Sub-criterion	MAX 20 points
<b>3.1</b>	<b>Project context</b>	<b>MAX 20 points</b>
3.1.a	How relevant is the project proposal in terms of common challenges and/or joint assets addressed for the Programme area?	Max 5 points
3.1.b	How well does the project make use of available knowledge and builds on existing results and practices in the thematic domain addressed? Whenever applicable, reference shall be made to previous project experiences under ETC or any other financing instruments.	Max 5 points
3.1.c	How well do project expected results contribute to EU/national/regional policies and/or strategies other than EUSAIR in the thematic domain(s) addressed by the project?	Max 5 points
3.1.d	How well does the project contribute to the Programme horizontal principles: equal opportunities and non-discrimination, equality between men and women, sustainable development, environmental issues? How does the project position itself with regard to the pre-defined environmental topics?	Max 5 points
<b>3.2</b>	<b>Cooperation character</b>	<b>MAX 20 points</b>
3.2.a	How well is the need of a transnational approach addressed to the topic? Can the results (or only to some extent) be achieved without transnational cooperation and/or does the transnational cooperation have a significant added value for the partners and territories involved, going beyond the scope of both cross-border cooperation and local initiatives?	Max 5 points
3.2.b	Are project resources and activities balanced with respect to the Programme area? Is the project balanced with respect to levels, sectors and territories?	Max 5 points
3.2.c	Are the compulsory and optional ways of cooperation clearly described and consistent with the distribution of tasks and budget between partners? Have they been clearly mirrored in the Work Packages?	Max 5 points



3.2.d	Is there a clear benefit from cooperating for the Project Partners / target groups / project area / Programme area / Partner States? Are types of territories/regions/countries represented by the partners relevant in respect to the project topic?	Max 5 points
<b>3.3</b>	<b>Project's contribution to Programme's objectives, expected results and outputs</b>	<b>MAX 20 points</b>
3.3.a	Do project's results and main outputs clearly link to Programme priority and its indicators? - The project overall objective clearly links to a Programme specific objective; - The project results clearly link to a Programme result indicator; - The project specific objectives clearly link to the project overall objective; - The project main outputs clearly link to the project specific objectives; - The project main outputs clearly link to Programme output indicators. - Does the project proposal intend to contribute to the realization of at least 2 outputs as described in the Cooperation Programme?	Max 5 points
3.3.b	How well the project demonstrates new solutions that go beyond the existing practice in the sector/Programme area/participating countries or adapts and implements already developed solutions?	Max 5 points
3.3.c	Are results and main outputs clearly described, specific and realistic?	Max 5 points
3.3.d	Are project main outputs durable (i.e.: the proposal is expected to provide a significant and durable contribution to solving the challenges targeted)? Is financial, institutional and political sustainability ensured? If not, is there a proper justification? To which extent are project main outputs replicable by other organisations/regions/countries outside of the current partnership (transferability)? If not, is there a proper justification?	Max 5 points
<b>3.4</b>	<b>Partnership relevance</b>	<b>MAX 20 points</b>
3.4.a	Does the project involve the relevant actors as Project Partners to address the territorial challenge/joint asset and the objectives specified? Are further key actors involved in a meaningful way even if not involved as financing partners (reference to Associated Partners)?	Max 5 points
3.4.b	With respect to the project's objectives the project partnership: - Is consistent in size and composition with the activities to implement and outputs to achieve? - Does it consist of partners that complement each other?	Max 5 points

3.4.c	Does the partnership as a whole and does each partner have proven experience and competence in the thematic field concerned to achieve the envisaged outputs and expected results? Do they have the necessary capacity to implement the project (financial, human resources, etc.; i.e.: none of the partners has managing tasks only)?	Max 5 points
3.4.d	Do all involved partners play a defined role in the partnership and get a real benefit from it?	Max 5 points
		<b>MAX 80 points</b>

### Operational criteria

Criterion and sub-criterion numbering	Sub-criterion	
<b>5.1</b>	<b>Management</b>	<b>MAX 20 points</b>
5.1.a	Is the Lead Partner experienced in complex project management and capable of coordinating the transnational partnership? Can it ensure an efficient management support?	Max 5 points
5.1.b	How well the foreseen management structures (e.g.: project steering committee, project coordination unit) are proportionate to the partnership and project size and needs and allow partners' involvement in decision-making?	Max 5 points
5.1.c	How well project management risks have been identified and mitigation measures foreseen?	Max 5 points
5.1.d	How well have the management procedures (such as reporting and evaluation procedures in the area of finance, project content, communication) been defined in a clear, transparent, efficient and effective way? Does project management include regular contacts between Project Partners and ensures transfer of expertise across the partnership (internal communication within the partnership)?	Max 5 points
<b>5.2</b>	<b>Communication</b>	<b>MAX 20 points</b>
5.2.a	Are the communication objectives clearly linked to the project specific objectives? How well the communication activities are coherently integrated in the overall project strategy?	Max 5 points
5.2.b	Are the approach/tactics chosen appropriate to reach communication objectives?	Max 5 points

5.2.c	To which extent are the proposed information and dissemination activities able to achieve visibility among relevant target groups and stakeholders (e.g. the relevant target groups are clearly defined and cover the entire project area? The general approach towards each group is described through relevant channels, tailored activities, etc.)?	Max 5 points
5.2.d	How well does the project make provisions for feedback mechanisms and evaluation measures for the communication activities?	Max 5 points
<b>5.3</b>	<b>Work plan</b>	<b>MAX 20 points</b>
5.3.a	Is the planned approach suitable to obtain the intended outputs and results?	Max 5 points
5.3.b	Are the work plan and timing of activities, deliverables and outputs realistic, consistent and transparent? Is the overall project duration realistic to achieve the foreseen outputs? Do activities outside (the Union part of) the Programme area clearly benefit the Programme area?	Max 5 points
5.3.c	Are tasks and roles of each partner clearly described? How well is the distribution of tasks among partners appropriate to their respective expertise (e.g. sharing of tasks is clear, logical, in line with partners' role in the project, etc.)?	Max 5 points
5.3.d	How well are activities, deliverables and outputs in a logical time-sequence? Is the time plan realistic and have any potential difficulties (contingencies) been correctly assessed?	Max 5 points
<b>5.4</b>	<b>Budget</b>	<b>MAX 20 points</b>
5.4.a	Are planned resources reasonable to ensure project implementation? Does the project clearly describe how resources will be used and does it ensure a logic correlation between planned resources and planned activities/deliverables?	Max 5 points
5.4.b	Is the project budget proportionate to the proposed work plan, main outputs and results aimed for? Are different budget lines in line with the recommendations of the Programme?	Max 5 points
5.4.c	Are planned resources coherently distributed among Project Partners? Are the partners' budgets in line with their respective role in project activities for each Work Package?	Max 5 points

5.4.d	<p>Is the budget clear and realistic?                  To which extent are in line:</p> <ul style="list-style-type: none"> <li>▪ The financial allocation per budget line is with the work plan?</li> <li>▪ The distribution of the budget per period with the work plan?</li> <li>▪ The distribution of the budget per Work Package with the work plan?</li> </ul> <p>To which extent is justified the foreseen expenditure per budget line?</p>	Max 5 points
		<b>MAX 80 points</b>



