



Union pour la Méditerranée
Union for the Mediterranean
الإتحاد من أجل المتوسط

Contracting authority: Secretariat of the Union for the Mediterranean

UfM Grant Scheme for employment promotion

Regional response to the COVID-19 pandemic

Open Call for proposals:
Union for the Mediterranean

Guidelines
for grant applicants

Reference: <UfM/2020 Grants- 001>

Deadline for submission of concept note and full application:
29th October 2020 (Barcelona date and time)

With the financial support of GIZ, on behalf of the Federal Ministry for Economic Cooperation and Development of Germany (BMZ)

July 2019

20200730 Guidelines for applicants

NOTICE

This is an open call for proposals, where all documents are submitted together (concept note and full application). In the first instance, only the concept notes will be evaluated. Thereafter, for the lead applicants who have been pre-selected, the full applications will be evaluated. After the evaluation of the full applications, an eligibility check will be performed for those which have been provisionally selected. Eligibility will be checked on the basis of the supporting documents requested by the contracting authority and the signed 'declaration by the lead applicant' sent together with the full application.



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1. UfM GRANT SCHEME FOR EMPLOYMENT PROMOTION: REGIONAL RESPONSE TO THE COVID-19 PANDEMIC

1.1. Background

The COVID-19 pandemic is a worldwide public health emergency severely affecting citizens, societies and economies in the Mediterranean Region. The socio-economic shocks are negatively affecting people's incomes, physical and mental wellbeing, and the social integrity of communities as a whole. The COVID-19 outbreak is adding pressure on the social service delivery systems, and exacerbating the vulnerabilities of affected populations, including the elderly, women and girls, youth, people with disabilities, migrants, people belonging to minority communities, victims of increased domestic violence, prisoners, the homeless, and other marginalized demographics.

The UfM Grant Scheme for Employment Promotion: Regional response to the COVID-19 pandemic aims to enable citizens in the region, particularly the Southern and Eastern Mediterranean countries, to mitigate the labour market challenges following COVID-19 outbreak. It reflects the Union for the Mediterranean's determination to respond to the economic crisis, on regional, national, and local levels, by improving the citizens' employment situation as well as the business environment for entrepreneurs and MSMEs.

1.2. Objectives of the UfM Grant Scheme for Employment Promotion Call and priority issues

The **global objective** of this UfM Grant Scheme for Employment Promotion is to address the current and expected socio-economic impact that the ongoing COVID-19 pandemic has on the UfM region. This includes the economic damage caused by the crisis, the weakening of the coherence of communities, and increasing tensions in the fabric of societies. The UfM Employment Promotion Call is especially targeted to benefit vulnerable groups, which are disproportionately affected by the pandemic. This UfM Grant Scheme for Employment Promotion does not replace state-driven responses to the economic consequences of the pandemic. However, it intends to innovatively respond to the challenges Mediterranean citizens face considering the severely affected regional employment situation and business climate. It intends to tackle regional challenges through local solutions that can be adapted and continued beyond its duration. In addition, with this UfM Grant Scheme for Employment Promotion, the UfM pursues its mandate to foster entrepreneurship-friendly environments in its Member States. The UfM thereby supports a timely and creative response to the regional economic crisis, benefitting the citizens of its Member States.

This Call for Proposals is addressed to non-profit organizations from the UfM Member States, which are invited to submit proposals for projects falling under one or several of the priorities outlined below. It is important to note that **enterprises cannot apply directly for funding under the UfM Grant Scheme for Employment Promotion, neither can funds be forwarded to for-profit entities.** Implementation of the proposed projects and their respective activities should be possible to begin immediately after the acceptance of the proposal. Ongoing projects that meet the priorities and objectives of this call for proposals, are thereby especially encouraged to apply.

The geographical scope of each action must encompass at least one MENA country of the UfM region (Algeria, Egypt, Jordan, Lebanon, Mauritania, Morocco, Palestine and Tunisia). Priority will be given to regional actions (i.e. involving at least 3 of the UfM Member States).

The **specific objectives and priorities** of this call for proposals are:

<u>Specific Objectives</u>	<u>Priorities</u>
Strengthening the socio-economic resilience of citizens in the Southern Mediterranean during the COVID-19 pandemic and its aftermath by improving their employment situation and enhancing their economic opportunities	Priority 1- Improving the economic resilience of citizens, especially vulnerable demographic groups, through employment-related capacity development
	Priority 2- Promoting new channels of training and skills attainment in order to foster employability and economic activity
Improving the business environment of the Southern Mediterranean by strengthening the capacities of MSMEs and supporting entrepreneurial activity to better mitigate the economic consequences of the COVID-19 pandemic	Priority 3- Supporting entrepreneurial activity and building the capacities of MSMEs to enable income generation and job creation

Each priority is outlined below in terms of:

- Specific challenge
- Scope
- Expected results and impacts
- Expected duration

Priority 1- Improving the economic resilience of citizens, especially vulnerable demographic groups, through employment-related capacity development

Specific Challenge:

The economic consequences of the COVID-19 pandemic are enormous and lead to unprecedented economic shocks that are directly felt by households worldwide. According to the ILO, about 94 % of the worldwide labour force lives and works in countries that are affected by company closures. The economic crisis will account for a loss of working hours equivalent to 305 million full-time employees. For the Southern and Eastern Mediterranean, the economic consequences of the COVID-19 pandemic threaten to undo years of economic development. Preexisting regional employment challenges are expected to be amplified, putting nearly all citizens of the region at a higher risk of losing their employment, income, and livelihoods. However, just as before the recent crisis, not all sectors and employment categories are equally affected:

- Informal employment is prevalent in the region – the World Bank estimates that on average, formal private employment accounts for less than one fifth of all positions in the MENA region. Informal employees are often exposed to bad workplace conditions, low salaries, and insufficient or non-existent social security. During the economic crisis following the COVID-19 pandemic, all these factors are amplified. In addition, informal workers often work in low-productivity sectors requiring physical presence, leaving them without the possibility to work remotely.
- While being under smaller risk to fall gravely ill from COVID-19, youth in the Southern and Eastern Mediterranean is significantly affected by the economic consequences of the pandemic. Worldwide, almost every 6th young person has lost his/her job during the pandemic already; of those still employed, 43 % are affected by a decrease in income. Already before the pandemic, youth

unemployment was a significant challenge in the Southern and Eastern Mediterranean region. Young graduates in the region, especially in North Africa, experience the highest level of unemployment among higher education graduates in the world. With companies experiencing the economic fallout of the COVID-19 pandemic, entering the job market will become even harder for young people, while young employees will be at a higher risk of losing their jobs and livelihood than their more experienced coworkers.

- Female labour force participation in the MENA region has been at about 20 %, making it the lowest in the world. Women in the region often work in sectors that are especially affected by the pandemic's economic consequences, such as manufacturing and services. As they are more often employed part-time, they are regularly the first in line to lose employment. (Re-)entering the labour market will become even harder, as men often have preferred access to jobs compared to women in times of employment scarcity. The big share of female healthcare workers has been at the forefront of the pandemic response, putting its health at a constant risk. At the same time, as domestic care-takers, women are also highly impacted by school-closings and having to manage decreased household income.

Scope:

This priority is targeted at projects that aim to improve the employment situation of citizens in the UfM Member States, with a special focus on the aforementioned vulnerable target groups. Employment-related projects can greatly vary in their scope and implementation: They can, for example, relate to the capacity needs of specific target groups, increase matching between potential workforce and employers, or aim at increasing work conditions of formal and informal workers.

Importantly, the promoted projects should:

- Relate to the challenges in the economic crisis, induced by the COVID-19 pandemic. As outlined above, this crisis amplifies existing employment challenges in the region and directly affects millions of households. Proposals should clearly outline how their proposed activities are improving the economic opportunities of affected households through measures that can be applied immediately. Ideally, the project also identifies and considers opportunities the crisis creates, for example by making use of the new focus on remote-work, increased awareness of sanitary and healthy work environments, or the newly-won appreciation of care workers.
- Clearly outline on what level the project is planning to impact the respective target groups. While larger-scale programs can reach more people, for example on a national level, the UfM would like to also encourage smaller, locally rooted organizations to apply and take advantage of the knowledge and connection to local target groups.

Expected Results and Impacts:

Improved employment situation of citizens in the Southern and Eastern Mediterranean affected by the COVID-19 Pandemic

Enhanced ability of citizens to continue their economic activity and explore new ways of economic activity

Increased socio-economic resilience of citizens in the UfM region to deal with the economic crisis, especially vulnerable groups particularly affected by the crisis

Improved working conditions, especially in light of the sanitary risks during the pandemic

Expected duration: up to 11 months.

Priority 2- Promoting new channels of training and skills attainment in order to foster employability and economic activity

Specific Challenge:

The COVID-19 pandemic and its economic consequences lead to enormous changes in the world of work and training. For many formally employed workers, the mobility restrictions and social-distancing measures following the response to the pandemic have led to remote work. Informal workers often work in low-productivity sectors requiring physical presence, without the possibility to work remotely. The same applies to many jobs deemed essential, such as care and service sector jobs, which are often executed by women.

Already before the COVID-19 pandemic, employability has been a key issue for the region while tackling low employment rates, especially those of youth and women. The economic crisis puts skills attainment and employability even more in focus. Due to mobility restrictions caused by the COVID-19 pandemic, digital channels of training and work will become even more important. The demand for related learning opportunities will rise accordingly: People who lost their jobs will need to acquire new skills, while reduced working hours leave potentially more time for training. Not only the form of training and capacity building, also the content of skills improvement measures needs to adapt to the new realities. Computer literacy, for example, has the potential to play an even bigger part in securing employment.

Scope:

This priority targets projects that support citizens to build their capacity and acquire employment-related skills during and in the aftermath of the COVID-19 pandemic. The projects should offer solutions adapted to the circumstances in the aftermath of the pandemic, both when it comes to distribution channels as well as the content of trainings.

Capacity building and training projects under this priority can relate to multiple, employment-related skills and qualifications, including but not limited to

- vocational skills
- computer literacy
- language skills
- life skills
- entrepreneurial knowledge and finance literacy

The projects need to account for the specific needs of their target groups, be it in a local, national, or regional context. They should foresee a special focus on the needs that people looking for employment and career development face in the aftermath of the COVID-19 pandemic. This relates to format as well as to content of skills development measures, which should take into account those skills and qualifications especially relevant during and after the pandemic-induced economic crisis.

Expected Results and impact:

Improved range of employment-related training and capacity building programs in the UfM region

Improved conditions for the uptake of new technologies in training and capacity building

Increased opportunities for citizens, especially those affected by the economic crisis and vulnerable groups, to acquire employment-relevant skills and qualification

Expected duration: up to 11 months.

Priority 3- Supporting entrepreneurial activity and building the capacities of MSMEs to enable income generation and job creation

Specific challenge

In most Southern and Eastern Mediterranean countries, micro, small and medium-sized enterprises account for the majority of businesses and a high level of employment, especially in the informal sector. While many people still seek employment in the traditionally attractive public sector, many countries in the region, with their highly educated and young population, see a growing interest in entrepreneurship. Accordingly, national economic development agendas often include and encourage entrepreneurship. Still, there are many impediments to starting and maintaining a business, such as complicated and expensive legal and administrative requirements, the lack of access to finance, insufficient knowledge when it comes to managing a company, or limited target markets both inside and outside the region.

These challenges are expected to increase due to the COVID-19 induced economic crisis. The suddenly decreased demand will have severe impact on revenue for start-ups and MSMEs, which are also more vulnerable to social distancing measures than larger companies. At the same time, negative spill-over effects to the financial markets are expected to leave potential entrepreneurs and MSME's with an even more limited access to finance.

Especially for vulnerable groups, self-employment is an alternative to salaried employment. These groups include women and youth, which are amongst the most affected by the economic crisis following the COVID-19 pandemic in the Southern and Eastern Mediterranean. Yet, the barriers to start and develop a business are higher for them, especially during times of economic crisis.

Scope

This priority targets **projects that support entrepreneurship and the business environment for MSMEs**. It is important to note that **enterprises cannot apply directly for funding under the UfM Grant Scheme for Employment Promotion, neither can funds be forwarded to for-profit entities**. While there will not be any direct financial support to enterprises, the UfM Grant Scheme for Employment Promotion aims to foster the entrepreneurial spirit and business environment in the Southern and Eastern Mediterranean and with it the potential for employment creation. Examples for such projects could include

- Building the capacities of local businesses to cooperate and to adapt to the circumstances and to become more resilient by improving business practices
- Raising the profile of local business communities during the pandemic
- Promote ways of sustainable business activity, including social entrepreneurship, contributing to progress and innovation in employment-intensive sectors
- Create knowledge resources for entrepreneurs and MSMEs
- Support MSMEs to adopt inclusive business practices, for the benefit of demographic groups that are especially vulnerable during the health and economic crisis
- Develop resources that support entrepreneurs and MSMEs to adjust to the new work and changing business conditions in response to the economic and health crisis.
- Raising the profile and increasing opportunities for women entrepreneurship

This list is not exhaustive, and applicants are encouraged to use new, innovative and creative ways of achieving the objectives taking into account the constraints and opportunities revealed by the COVID-19 pandemic.

Expected Results and Impacts

Improved access of entrepreneurs and MSMEs to relevant knowledge resources

Improved support to regional, national, and local business communities and environments

Improved conditions for the development of innovative approaches to tackle the COVID-19-related changes in workplaces and business communities

Improved business environment and support for entrepreneurial activity, taking into account the unique challenges of the COVID-19 crisis

Expected duration up to 11 months.

1.3. Financial allocation provided by the contracting authority

The overall indicative amount made available under this call for proposals is EUR 1.130.000. The contracting authority reserves the right not to award all available funds.

The current amount available is EUR 1.130.000 for this Call. It is however possible that in the future supplementary resources, indicatively estimated at EUR 500.000, will be added to the current allocation. In this case, applicants whose proposals have been placed in the reserve list, if any, will be contacted, following the order of the reserve list, in view of possible funding. For these cases the implementation period might be extended to 2022.

Size of grants

Any grant requested under this call for proposals must fall between the following minimum and maximum amounts:

- Minimum amount: EUR 100.000
- Maximum amount: EUR 300.000

Any grant requested under this call for proposals for an amount between EUR 100.000 and EUR 149.999 must fall between the following maximum percentages of total eligible costs of the action:

- Minimum percentage: 50 % of the total eligible costs of the action.
- Maximum percentage 90 % of the total eligible costs of the action (see also Section 2.1.5)

Any grant requested under this call for proposals for an amount between EUR 150.000 and EUR 300.000 must fall between the following maximum percentages of total eligible costs of the action:

- Minimum percentage: 50 % of the total eligible costs of the action.
- Maximum percentage 80 % of the total eligible costs of the action (see also Section 2.1.5).

The balance (i.e. the difference between the total cost of the action and the amount requested from the contracting authority) must be financed from sources other than the Union for the Mediterranean.

2. RULES FOR THIS CALL FOR PROPOSALS

These guidelines set out the rules for the submission, selection and implementation of the actions financed under this call, in conformity with the practical guide, which is applicable to the present call (available on the internet at this address <http://ec.europa.eu/europeaid/prag/document.do?locale=en>).¹

2.1. Eligibility criteria

There are three sets of eligibility criteria, relating to:

(1) the actors:

- The **'lead applicant'**, i.e. the entity submitting the application form (2.1.1),
- if any, its **co-applicant(s)** (where it is not specified otherwise the lead applicant and its co-applicant(s) are hereinafter jointly referred as 'applicant(s)') (2.1.1),
- and, if any, **affiliated entity(ies)** to the lead applicant and/or to a co-applicant(s). (2.1.2);

(2) the actions:

Actions for which a grant may be awarded (2.1.4);

(3) the costs:

- types of cost that may be taken into account in setting the amount of the grant (2.1.5).

2.1.1. Eligibility of applicants (i.e. lead applicant and co-applicant(s))

Lead applicant

(1) In order to be eligible for a grant, the lead applicant must:

- be a legal person (non-governmental organisation, public sector operator, local authority) **and**
- be non-profit-making **and**
- be established in² UfM Region
- be directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity(ies), not acting as an intermediary **and**

(2) Potential applicants may not participate in calls for proposals or be awarded grants if they are in any of the situations listed in Section 2.6.10.1 of the practical guide;

Lead applicants, co-applicants, affiliated entities and, in case of legal entities, persons who have powers of representation, decision-making or control over the lead applicant, the co-applicants and the affiliated entities are informed that, should they be in one of the situations of early detection or exclusion according

² To be determined on the basis of the organisation's statutes, which should demonstrate that it has been established by an instrument governed by the national law of the country concerned and that its head office is located in an eligible country. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a 'Memorandum of Understanding' has been concluded.

to Section 2.6.10.1 of the practical guide, personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the early detection and exclusion system, and communicated to the persons and entities concerned in relation to the award or the execution of a grant contract. In this respect, lead applicants, co-applicants and affiliated entities are obliged to declare that they are not in one of the exclusion situations through a signed declaration on honour (PRAG Annex A14).

The lead applicant may act individually or with co-applicant(s)

If awarded the grant contract, the lead applicant will become the beneficiary identified as the coordinator in Annex G (special conditions). The coordinator is the main interlocutor of the contracting authority. It represents and acts on behalf of any other co-beneficiary (if any) and coordinate the design and implementation of the action.

Co-applicant(s)

Co-applicants participate in designing and implementing the action, and the costs they incur are eligible in the same way as those incurred by the lead applicant.

Co-applicants must satisfy the eligibility criteria as applicable to the lead applicant himself.

Co-applicants must sign the mandate in Part B Section 4 of the grant application form.

If awarded the grant contract, the co-applicant(s) (if any) will become beneficiary(ies) in the action (together with the coordinator).

- (3) Applicants included in the lists of EU restrictive measures (see Section 2.4. of the PRAG) at the moment of the award decision cannot be awarded the contract³.

2.1.2. Affiliated entities

Affiliated entity(ies)

The lead applicant and its co-applicant(s) may act with affiliated entity(ies).

Only the following entities may be considered as affiliated entities to the lead applicant and/or to co-applicant(s):

Only entities having a structural link with the applicants (i.e. the lead applicant or a co-applicant), in particular a legal or capital link.

This structural link encompasses mainly two notions:

- (i) Control, as defined in Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings:

Entities affiliated to an applicant may hence be:

³ The updated lists of sanctions are available at www.sanctionsmap.eu.

Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

- Entities directly or indirectly controlled by the applicant (daughter companies or first-tier subsidiaries). They may also be entities controlled by an entity controlled by the applicant (granddaughter companies or second-tier subsidiaries) and the same applies to further tiers of control;
 - Entities directly or indirectly controlling the applicant (parent companies). Likewise, they may be entities controlling an entity controlling the applicant;
 - Entities under the same direct or indirect control as the applicant (sister companies).
- (ii) Membership, i.e. the applicant is legally defined as a e.g. network, federation, association in which the proposed affiliated entities also participate or the applicant participates in the same entity (e.g. network, federation, association,...) as the proposed affiliated entities.

The structural link shall as a general rule be neither limited to the action nor established for the sole purpose of its implementation. This means that the link would exist independently of the award of the grant; it should exist before the call for proposals and remain valid after the end of the action.

By way of exception, an entity may be considered as affiliated to an applicant even if it has a structural link specifically established for the sole purpose of the implementation of the action in the case of so-called 'sole applicants' or 'sole beneficiaries'. A sole applicant or a sole beneficiary is a legal entity formed by several entities (a group of entities) which together comply with the criteria for being awarded the grant. For example, an association is formed by its members.

What is not an affiliated entity?

The following are not considered entities affiliated to an applicant:

- Entities that have entered into a (procurement) contract or subcontract with an applicant, act as concessionaires or delegates for public services for an applicant,
- Entities that receive financial support from the applicant,
- Entities that cooperate on a regular basis with an applicant on the basis of a memorandum of understanding or share some assets,
- Entities that have signed a consortium agreement under the grant contract (unless this consortium agreement leads to the creation of a 'sole applicant' as described above).

How to verify the existence of the required link with an applicant?

The affiliation resulting from control may in particular be proved on the basis of the consolidated accounts of the group of entities the applicant and its proposed affiliates belong to.

The affiliation resulting from membership may in particular be proved on the basis of the statutes or equivalent act establishing the entity (network, federation, association) which the applicant constitutes or in which the applicant participates.

If the applicants are awarded a grant contract, their affiliated entity(ies) will not become beneficiary(ies) of the action and signatory(ies) of the grant contract. However, they will participate in the design and in the implementation of the action and the costs they incur (including those incurred for implementation contracts and financial support to third parties) may be accepted as eligible costs, provided they comply with all the relevant rules already applicable to the beneficiary(ies) under the grant contract.

Affiliated entity(ies) must satisfy the same eligibility criteria as the lead applicant and the co-applicant(s). They must sign the affiliated entity(ies) statement in Part B Section 5 of the grant application form.]

2.1.3. *Associates and contractors*

The following entities are not applicants nor affiliated entities and do not have to sign the 'mandate for co-applicant(s)' or 'affiliated entities' statement':

- Associates

Other organisations or individuals may be involved in the action. Such associates play a real role in the action but may not receive funding from the grant, with the exception of per diem or travel costs. Associates do not have to meet the eligibility criteria referred to in Section 2.1.1. Associates must be mentioned in Part B Section 6 — 'Associates participating in the action' — of the grant application form.

- Contractors

The beneficiaries and their affiliated entities are permitted to award contracts. Associates or affiliated entity(ies) cannot be also contractors in the project. Contractors are subject to the procurement rules set out in Annex IV to the standard grant contract.

2.1.4. *Eligible actions: actions for which an application may be made*

Definition:

An action is composed of a set of activities.

Duration

The initial planned duration of an action may not be lower than 6 months nor exceed 11 months.

Sectors or themes

Please refer to article 1.2 "OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES"

Location

The geographical scope of each action must encompass at least one MENA country of the UfM region (Algeria, Egypt, Jordan, Lebanon, Mauritania, Morocco, Palestine and Tunisia). Priority will be given to regional actions (i.e. involving at least 3 of the UfM Member States). The active UfM Member States are: Albania, Algeria, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Israel, Italy, Jordan, Latvia, Lebanon, Lithuania, Luxemburg, Malta, Mauritania, Monaco, Montenegro, Morocco, The Netherlands, Palestine, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Tunisia, Turkey, United Kingdom.

Types of action

The following types of action are ineligible:

- Actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences and congresses;
- Actions concerned only or mainly with individual scholarships for studies or training courses;
- Actions that involve the direct forwarding of funds.

Types of activity

The list is indicative and non-exhaustive.

- Holding (digital) trainings, aimed at increasing the employability and entrepreneurial skills of the target groups
- Job matching activities, (digitally) bringing together employers and job-seeking target groups
- Creating platforms providing knowledge resources on entrepreneurship, employability, skills attainment, etc.
- Promote ways of sustainable business activity, including social entrepreneurship, contributing to progress and innovation in employment-intensive sectors
- Produce knowledge resources and material serving the target group to better understand and familiarize itself with the job market.
- Develop resources that support entrepreneurs and MSMEs to adjust to the new work and changing business conditions in response to the economic and health crisis.

The **cross-cutting issues** to be integrated in the proposals include:

Gender Equality:

Gender equality is a fundamental human rights principle and a central, standalone goal in the 2030 Agenda. The design of the action should give particular attention to gender mainstreaming so as to ensure a reinforced role of women's as actors of change. Women are especially at risk of losing their livelihoods during the pandemic-induced economic crisis; projects are encouraged to include a special focus on them and other vulnerable focus groups.

Environment and Climate change:

Mainstreaming environment and climate change is essential to achieving the Sustainable Development Goals. Applicants are encouraged to ensure that environment and climate change considerations are mainstreamed throughout the proposal and/or to include specific results on environment and climate change.

Elements of **added value** under this call for proposals are:

- **Innovation:** proposals consider state of the art methods, techniques, international best practices and lead to innovative solutions and results for the concerned territories. This applies especially to follow-up projects, which are based on the results of previous experiences;
- **Complementarity:** proposals take into account international, national and/or regional policies and other projects, as well as other programmes in the cooperation area in order to exploit potential synergies and complementarities;
- **Impact:** foreseen impact of proposals in a medium- and long-term perspective (beyond project duration) is based on quantifiable result indicators. Benefits should potentially extend beyond the territories covered by the project proposal;
- **Sustainability:** The sustainability of project outputs and results (at least financial or/and institutional) will ensure territorial impact and long-term benefits. Sustainability has to be considered at the point of project design and be integrated into the action plan;
- **Response to Crisis:** The project needs to be related to the economic consequences of the COVID-19 pandemic. It should include a clear explanation of how the pandemic has affected the target group and how the project has the potential to contribute to an alleviation of its situation.

- **Experience:** The applicant should have a proven track record of working in the proposed field of action, either through individual expertise and experience, previous projects, or partnerships with experienced stakeholders.
- **Target Group:** Projects with a special focus on vulnerable target groups are preferred. This includes demographics of the (southern) Mediterranean that are already disadvantaged in their economic opportunities and are thereby even more at risk by the economic consequences of the pandemic, such as women, people living in rural areas, young people struggling to enter the labour market and people with disabilities.
- **Local Context:** The initiative should clearly account for the local conditions it is to be implemented in. For example, it can be a community-driven initiative supported by local stakeholders working closely with the target groups. Alternatively, the applicant can show previous experience in implementing context-sensitive initiatives in chosen target area.
- **Regional added value:** Proposals demonstrate an actual need for UfM Euro- Mediterranean cooperation and address common regional needs by providing tangible benefits for the identified target groups; expected results are achievable and sustainable through joint actions only.

Financial support to third parties⁴

Applicants may not propose financial support to third parties.

Visibility

The applicants must take all necessary steps to publicise the fact that the Union for the Mediterranean has financed or co-financed the action. As far as possible under this Call for Proposals must incorporate information and communication activities that are designed to raise the awareness of specific or general audiences with regard to the reasons for the action and the UfM support for the action in the country or region concerned, as well as the results and the impact of this support.

Applicants must comply with the objectives and priorities and guarantee the visibility of the UfM (see Visibility Manual).

Number of applications and grants per applicants / affiliated entities

The lead applicant may not submit more than one application(s) under this call for proposals.

The lead applicant may not be awarded more than one grant(s) under this call for proposals.

The lead applicant may be a co-applicant or an affiliated entity in another application at the same time.

A co-applicant/affiliated entity may be the co-applicant or affiliated entity in more than one application(s) under this call for proposals.

A co-applicant/affiliated entity [may be awarded more than one grant(s) under this call for proposals.

2.1.5. Eligibility of costs: costs that can be included

Only 'eligible costs' can be covered by a grant. The categories of costs that are eligible and non-eligible are indicated below. The budget is both a cost estimate and an overall ceiling for 'eligible costs'.

⁴ These third parties are neither affiliated entity(ies) nor associates nor contractors.

The reimbursement of eligible costs may be based on the following form:

- actual costs incurred by the beneficiary(ies) and affiliated entity(ies);

Additional specific requirement as per financing agreement with GIZ are added as appropriate for this call for proposals or its annexes. Recommendations to award a grant are always subject to the condition that the checks preceding the signing of the grant contract do not reveal problems requiring changes to the budget (such as arithmetical errors, inaccuracies, unrealistic costs and ineligible costs). The checks may give rise to requests for clarification and may lead the contracting authority to impose modifications or reductions to address such mistakes or inaccuracies. It is not possible to increase the grant or the percentage of co-financing as a result of these corrections.

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

Eligible direct costs

To be eligible under this call for proposals, costs must comply with the provisions of Article 14 of the general conditions to the standard grant contract (see Annex G of the guidelines).

Salary costs of the personnel of national administrations may be eligible to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the action were not undertaken.

Contingency reserve

The budget may include a contingency reserve not exceeding 5 % of the estimated direct eligible costs. It can only be used with the **prior written authorisation** of the contracting authority.

Eligible indirect costs

The indirect costs incurred in carrying out the action may be eligible for flat-rate funding, but the total must not exceed 7 % of the estimated total eligible direct costs. Indirect costs are eligible provided that they do not include costs assigned to another budget heading in the standard grant contract. The lead applicant may be asked to justify the percentage requested before the grant contract is signed. However, once the flat rate has been fixed in the special conditions of the grant contract, no supporting documents need to be provided.

If any of the applicants or affiliated entity(ies) is in receipt of an operating grant financed by the EU, it may not claim indirect costs on its incurred costs within the proposed budget for the action.

Contributions in kind

Contributions in kind mean the provision of goods or services to beneficiaries or affiliated entities free of charge by a third party. As contributions in kind do not involve any expenditure for beneficiaries or affiliated entities, they are normally not eligible costs.

As an exception, contributions in kind may include personnel costs for the work carried out by volunteers under an action or work programme (which are eligible costs).

Volunteers' work may comprise up to 50 % of the co-financing. For the purposes of calculating this percentage, contributions in kind in the form of volunteers' work must be based on the unit cost provided by the contracting authority. This type of costs must be presented separately from other eligible costs in the estimated budget. The value of the volunteer's work must always be excluded from the calculation of indirect costs.

When the estimated costs include volunteers' work, the grant shall not exceed the estimated eligible costs other than the costs for volunteers' work.

Other co-financing shall be based on estimates provided by the applicant.

The contracting authority may accept co-financing in kind, if considered necessary or appropriate. In such cases, the value of such contributions must not exceed:

- a) either the costs actually borne and duly supported by accounting documents;
- b) or the costs generally accepted on the concerned market of reference,
- c) or, for volunteers' work, the unit cost per volunteer per day, defined and authorised by the contracting authority for a maximum of 50% of the co-financing.

Contributions involving real estate must be excluded from the calculation of the amount of co-financing. In kind contributions must comply with national tax and social security rules.

If co-financing in kind is proposed, it must be included in Annex B (Worksheet 3) to the guidelines for applicants on the expected sources of funding for the action. The same amount must be indicated in the budget (worksheet 1).]

Ineligible costs

The following costs are not eligible:

- debts and debt service charges (interest);
- provisions for losses or potential future liabilities;
- costs declared by the beneficiary(ies) and financed by another action or work programme receiving a UfM grant;
- purchases of land or buildings, except where necessary for the direct implementation of the action, in which case ownership must be transferred in accordance with Article 7.5 of the general conditions of the standard grant contract, at the latest at the end of the action;
- currency exchange losses;
- credit to third parties
- salary costs of the personnel of national administrations

Ethics clauses and Code of Conduct

a) Absence of conflict of interest

The applicant must not be affected by any conflict of interest and must have no equivalent relation in that respect with other applicants or parties involved in the actions. Any attempt by an applicant to obtain confidential information, enter into unlawful agreements with competitors or influence the evaluation committee or the contracting authority during the process of examining, clarifying, evaluating and comparing applications will lead to the rejection of its application and may result in administrative penalties according to the EU Financial Regulation and UfM code of conduct, antifraud and anticorruption policy in force.

b) Respect for human rights as well as environmental legislation and core labour standards

The applicant and its staff must comply with human rights. In particular and in accordance with the applicable act, applicants who have been awarded contracts must comply with the environmental legislation including multilateral environmental agreements, and with the core labour standards as applicable and as defined in the relevant International Labour Organisation conventions (such as the

conventions on freedom of association and collective bargaining; elimination of forced and compulsory labour; abolition of child labour).

Zero tolerance for sexual exploitation and sexual abuse:

The UfM applies a policy of 'zero tolerance' in relation to all wrongful conduct which has an impact on the professional credibility of the applicant.

Physical abuse or punishment, or threats of physical abuse, sexual abuse or exploitation, harassment and verbal abuse, as well as other forms of intimidation shall be prohibited.

c) Anti-corruption and anti-bribery

The applicant shall comply with all applicable laws and regulations and codes relating to anti-bribery and anti-corruption, notably UfM code of conduct, antifraud and anticorruption policy in force. The UfM reserves the right to suspend or cancel project financing if corrupt practices of any kind are discovered at any stage of the award process or during the execution of a contract and if the contracting authority fails to take all appropriate measures to remedy the situation. For the purposes of this provision, 'corrupt practices' are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or execution of a contract already concluded with the contracting authority.

d) Unusual commercial expenses

Applications will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a payee who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

Grant beneficiaries found to have paid unusual commercial expenses on projects funded by the European Union are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from receiving UfM funds.

e) Breach of obligations, irregularities or fraud

The contracting authority reserves the right to suspend or cancel the procedure, where the award procedure proves to have been subject to breach of obligations, irregularities or fraud. If breach of obligations, irregularities or fraud are discovered after the award of the contract, the contracting authority may refrain from concluding the contract.

2.2. How to apply and the procedures to follow

2.2.1. Application forms

Applications must be submitted in accordance with the instructions on the concept note and the full applications in the grant application form annexed to these guidelines (Annex A).

Applicants must apply in English

Any error or major discrepancy related to the points listed in the instructions on the concept note or any major inconsistency in the application e.g. if the amounts in the budget worksheets are inconsistent) may lead to the rejection of the application.

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

Hand-written applications will not be accepted.

Please note that only the grant application form and the published annexes which have to be filled in (budget, logical framework) will be evaluated. It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action.

With the application the lead applicant also has to submit completed registration form (Annex F) for the lead applicant, each (if any) co-applicants and each (if any) affiliated entities.

No additional annexes should be sent.

2.2.2. *Where and how to send applications*

Applications must be submitted in one original and one copy in A4 size, each bound.

The checklist (Section 7 of Part B of the grant application form) and the declaration by the lead applicant (Section 8 of Part B of the grant application form) must be stapled separately and enclosed in the envelope.

Where a lead applicant sends several different applications (if allowed to do so by the guidelines of the call), each one has to be sent separately.

The outer envelope must bear the reference number and the title of the call for proposals, together with the full name and address of the lead applicant, and the words 'Not to be opened before the opening session'.

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

Postal address and address for hand delivery

The Secretariat of the Union for the Mediterranean
Finance and Contract
Palacio de Pedralbes - C/ Pere Duran Farell, 11
08034 Barcelona (Spain)

The complete application form (Part A: concept note and Part B: full application form), budget and logical framework must also be supplied in **electronic format** by:

Email called "Complete Application" including:

- the reference number and the title of the call for proposals, together with
- the full name and address of the lead applicant,
- the words in core text of the Email 'Not to be opened before the opening session' and
- separate and single file/attachment (i.e. the application must not be split into several different files)

to be sent to the following address:

E-mail address: grants@ufmsecretariat.org

Files shall be included in protected folders or at least in compressed folder(s) or through protected IT hyperlinks to file hosting service. Where passwords, encryptions or any other IT means used to protect the confidentiality of the submitted offers, decryption key or equivalent shall be sent by the applicant.

In addition, a separate e-mail with the passwords of the folders sent in e-mails called "Complete Application" is required.

The electronic file must contain **exactly the same** application as the paper version enclosed.

Lead applicants must verify that their application is complete using the checklist (Section 7 of Part B of the grant application form). Incomplete applications may be rejected.

2.2.3. Deadline for submission of applications

The applicants' attention is drawn to the fact that there are two different systems for sending applications/full proposals: one is by post or private courier service, the other is by hand delivery.

In the first case, the application/full proposal must be sent before the date for submission, as evidenced by the postmark or deposit slip, but in the second case it is the acknowledgment of receipt given at the time of the delivery of the application/full proposal which will serve as proof.

The deadline for the submission of applications is 29th October 2020 as evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at 29th October 2020, before 15:00 hours local time, as evidenced by the signed and dated receipt. Any application submitted after the deadline will automatically be rejected.

The contracting authority may, for reasons of administrative efficiency, reject any application submitted on time to the postal service but received, for any reason beyond the contracting authority's control, after the effective date of approval of the first evaluation step (i.e. concept note), if accepting applications that were submitted on time but arrived late would considerably delay the award procedure or jeopardise decisions already taken and notified. (see indicative calendar under Section 2.5.2).

2.2.4. Further information about applications

Questions may be sent by e-mail no later than 21 days before the deadline for the submission of applications to the below address(es), indicating clearly the reference of the call for proposals:

E-mail address: grants@ufmsecretariat.org

The contracting authority has no obligation to provide clarifications to questions received after this date.

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

To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities.

Questions that may be relevant to other applicants, together with the answers, will be published on the website of Union for the Mediterranean Secretariat: <https://ufmsecretariat.org/grant-scheme-2020/>, as the need arises. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

2.3. Evaluation and selection of applications

Applications will be examined and evaluated by the contracting authority with the possible assistance of external assessors. All applications will be assessed according to the following steps and criteria.

If the examination of the application reveals that the proposed action does not meet the eligibility criteria stated in Section 2.1, the application will be rejected on this sole basis.

(1) STEP 1: OPENING & ADMINISTRATIVE CHECKS AND CONCEPT NOTE EVALUATION

During the opening and administrative check the following will be assessed:

- If the deadline has been met. Otherwise, the application will be automatically rejected.
- If the application] satisfies all the criteria specified in the checklist in: Section 7 of Part B] of the grant application form. This includes also an assessment of the eligibility of the action. If any of the requested information is missing or is incorrect, the application may be rejected on that sole basis and the application will not be evaluated further.

The concept notes that pass this check will be evaluated on the relevance and design of the proposed action.

The concept notes will receive an overall score out of 50 using the breakdown in the evaluation grid below. The evaluation will also check on compliance with the instructions on how to complete the concept note, which can be found in Part A of the grant application form.

The evaluation criteria are divided into headings and subheadings. Each subheading will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

Scores*

1. Relevance of the action		Sub-score	20
1.1 How relevant is the proposal to the objectives and priorities of the call for proposals and to the specific themes/sectors/areas or any other specific requirement stated in the guidelines for applicants? Are the expected results of the action aligned with the priorities defined in the guidelines for applicants (section 1.2)? Are proposals demonstrate regional added value and an actual need for UfM Euro- Mediterranean cooperation and address common regional needs by providing tangible benefits for the identified target groups; expected results are achievable and sustainable through joint actions only?		5	
1.2 How relevant is the proposal to the particular needs and constraints of the target country(ies), region(s) and/or relevant sectors (including synergy with other development initiatives and avoidance of duplication)?		5	
1.3 How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs (as rights holders and/or duty bearers) and constraints been clearly defined and does the proposal address them appropriately?		5	
1.4 Does the proposal contain particular added-value elements (e.g. innovation, best practices)) as well as the regional dimension of the proposal? <i>and the other additional elements indicated under 1.2. of the guidelines for applicants.</i> The geographical scope of each action must encompass at least one MENA country of the UfM region (Algeria, Egypt, Jordan, Lebanon, Mauritania, Morocco, Palestine and Tunisia). Priority will be given to regional actions (i.e. involving at least 3 of the UfM Member States)		5	
2. Design of the action		Sub-score	30
2.1 How coherent is the overall design of the action?		5x2**	

Does the proposal indicate the expected results to be achieved by the action? Does the intervention logic explain the rationale to achieve the expected results?		
2.2 Does the design reflect a robust analysis of the problems involved, and the capacities of the relevant stakeholders?	5	
2.3 Does the design take into account external factors (risks and assumptions)?	5	
2.4 Are the activities feasible and consistent in relation to the expected results (including timeframe)? Are results (output, outcome and impact) realistic?	5	
2.5 To which extent does the proposal integrate relevant cross-cutting elements such as environmental/climate change issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and rights of indigenous peoples, youth, combating HIV/AIDS (if there is a strong prevalence in the target country/region)?	5	
TOTAL SCORE		50

* Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses more than the required minimum number of priorities as indicated in Section 1.2 (objectives of the programme) of these guidelines.

**this score is multiplied by 2 because of its importance

Once all concept notes have been assessed, a list will be drawn up with the proposed actions ranked according to their total score.

Firstly, only the concept notes with a score of at least 30 will be considered for pre-selection.

Secondly, the number of concept notes will be reduced, taking account of the ranking, to the number of concept notes whose total aggregate amount of requested contributions is equal to 200% of the available budget for this call for proposals. The amount of requested contributions of each concept note will be based on the indicative financial envelopes for each lot, where relevant.

After the evaluation of concept notes, the contracting authority will send letters to all lead applicants, indicating whether their application was submitted by the deadline, informing them of the reference number they have been allocated, whether the concept note was evaluated and the results of that evaluation. The evaluation committee will then proceed with the lead applicants whose proposals have been pre-selected.

(2) STEP 2: EVALUATION OF THE FULL APPLICATION

Firstly, the following will be assessed:

- If the full application satisfies all the criteria specified in the checklist (Section 7 of Part B of the grant application form). This includes also an assessment of the eligibility of the action. If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The full applications that pass this check will be further evaluated on their quality, including the proposed budget and capacity of the applicants and affiliated entity(ies). They will be evaluated using the evaluation criteria in the evaluation grid below. There are two types of evaluation criteria: selection and award criteria.

The selection criteria help to evaluate the applicant(s)'s and affiliated entity(ies)'s operational capacity and the lead applicant's financial capacity and are used to verify that they:

- have stable and sufficient sources of finance to maintain their activity throughout the proposed action and, where appropriate, to participate in its funding (this only applies to lead applicants);
- have the management capacity, professional competencies and qualifications required to successfully complete the proposed action. This applies to applicants and any affiliated entity(ies).

The award criteria help to evaluate the quality of the applications in relation to the objectives and priorities set forth in the guidelines, and to award grants to projects which maximise the overall effectiveness of the call for proposals. They help to select applications which the contracting authority can be confident will comply with its objectives and priorities. They cover the relevance of the action, its consistency with the objectives of the call for proposals, quality, expected impact, sustainability and cost-effectiveness.

Scoring:

The evaluation grid is divided into Sections and subsections. Each subsection will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

Evaluation grid

Section	Maximum Score
1. Financial and operational capacity	20
1.1 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in-house experience of project management?	5
1.2 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in-house technical expertise? (especially knowledge of the issues to be addressed)	5
1.3 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in-house management capacity? (Including staff, equipment and ability to handle the budget for the action)?	5
1.4 Does the lead applicant have stable and sufficient sources of finance?	5
2. Relevance	20
<i>Score transferred from the Concept Note evaluation</i>	
3. Design of the action	15
3.1 How coherent is the design of the action? Does the proposal indicate the expected results to be achieved by the action? Does the intervention logic explain the rationale to achieve the expected results? Are the activities proposed appropriate, practical, and consistent with the envisaged outputs and outcome(s)?	5
3.2 Does the proposal/Logical Framework include credible baseline, targets and sources of verification? If not, is a baseline study foreseen (and is the study budgeted appropriately in the proposal)?	5
3.3 Does the design reflect a robust analysis of the problems involved, and the capacities of the relevant stakeholders?	5
4. Implementation approach	15
4.1 Is the action plan for implementing the action clear and feasible? Is the timeline realistic?	5
4.2 Does the proposal include an effective and efficient monitoring system? Is there an evaluation planned (previous, during or/and at the end of the implementation)?	5
4.3 Is the co-applicant(s)'s and affiliated entity(ies)'s level of involvement and participation in the action satisfactory?	5
5. Sustainability of the action	15

5.1 Is the action likely to have a tangible impact on its target groups?	5
5.2 Is the action likely to have multiplier effects, including scope for replication, extension, capitalisation on experience and knowledge sharing?	5
5.3 Are the expected results of the proposed action sustainable?: - Financially (<i>e.g. financing of follow-up activities, sources of revenue for covering all future operating and maintenance costs</i>) - Institutionally (<i>will structures allow the results of the action to be sustained at the end of the action? Will there be local 'ownership' of the results of the action?</i>) - At policy level (where applicable) (<i>what will be the structural impact of the action — e.g. improved legislation, codes of conduct, methods</i>) - Environmentally (if applicable) (<i>will the action have a negative/positive environmental impact?</i>)	5
6. Budget and cost-effectiveness of the action	15
6.1 Are the activities appropriately reflected in the budget?	/ 5
6.2 Is the ratio between the estimated costs and the results satisfactory?	/ 10
Maximum total score	100

If the total score for Section 1 (financial and operational capacity) is less than 12 points, the application will be rejected. If the score for at least one of the subsections under Section 1 is 1, the application will also be rejected.

If the lead applicant applies without co-applicants or affiliated entities the score for point 4.3 shall be 5 unless the involvement of co-applicants or affiliated entities is mandatory according to these guidelines for applicants.

Provisional selection

After the evaluation, a table will be drawn up listing the applications ranked according to their score. The highest scoring applications will be provisionally selected until the available budget for this call for proposals is reached. In addition, a reserve list will be drawn up following the same criteria. This list will be used if more funds become available during the validity period of the reserve list.

(3) STEP 3: VERIFICATION OF ELIGIBILITY OF THE APPLICANTS AND AFFILIATED ENTITY(IES)

The eligibility verification will be performed on the basis of the supporting documents requested by the contracting authority (see Section 2.4). It will by default only be performed for the applications that have been provisionally selected according to their score and within the available budget for this call for proposals.

- The declaration by the lead applicant (Section 8 of Part B of the grant application form) will be cross-checked with the supporting documents provided by the lead applicant. Any missing supporting document or any incoherence between the declaration by the lead applicant and the supporting documents may lead to the rejection of the application on that sole basis.
- The eligibility of applicants and the affiliated entity(ies) will be verified according to the criteria set out in Sections 2.1.1, 2.1.2 and 2.1.3.

Any rejected application will be replaced by the next best placed application on the reserve list that falls within the available budget for this call for proposals.

2.4. Submission of supporting documents for provisionally selected applications

A lead applicant whose application has been provisionally selected or placed on the reserve list will be informed in writing by the contracting authority. It will be requested to supply the following documents in order to allow the contracting authority to verify the eligibility of the lead applicant, (if any) of the co-applicant(s) and (if any) of their affiliated entity(ies) :

1. The statutes or articles of association of the lead applicant, (if any) of each co-applicant and (if any) of each affiliated entity⁵. Where the contracting authority has recognised the lead applicant's, or the co-applicant(s)'s, or their affiliated entity(ies)'s eligibility for another call for proposals under the same budget line within 2 years before the deadline for receipt of applications, it should be submitted, instead of the statutes or articles of association, a copy of the document proving their eligibility in a former call (e.g. a copy of the special conditions of a grant contract received during the reference period), unless a change in legal status has occurred in the meantime⁶. This obligation does not apply to international organisations which have signed a framework agreement with the European Commission.
2. For action grants exceeding EUR 750 000 and for operating grants above EUR 100 000, the lead applicant must provide an audit report produced by an approved external auditor where it is available, and always in cases where a statutory audit is required by EU or national law. That report shall certify the accounts for up to the last 3 financial years available. In all other cases, the applicant shall provide a self-declaration signed by its authorised representative certifying the validity of its accounts for up to the last 3 financial years available.

This requirement shall apply only to the first application made by a beneficiary to an authorising officer responsible in any one financial year.

3. The external audit report is not required from (if any) the co-applicant(s)) or affiliated entities.

This obligation does not apply to public bodies and international organisations provided that the international organisation in question offers the guarantees provided for in the applicable Financial Regulation, as described in Chapter 6 of the practical guide.

4. A copy of the lead applicant's latest accounts (the profit and loss account and the balance sheet for the last financial year for which the accounts have been closed)⁷. A copy of the latest account is neither required from (if any) the co-applicant(s) nor from (if any) affiliated entity(ies)).
5. Legal entity sheet (see Annex D of these guidelines) duly completed and signed by each of the applicants (i.e. by the lead applicant and (if any) by each co-applicant), accompanied by the justifying documents requested there. If the applicants have already signed a contract with the contracting authority, instead of the legal entity sheet and supporting documents, the legal entity number may be provided, unless a change in legal status occurred in the meantime.
6. A financial identification form of the lead applicant (not from co-applicant(s)) conforming to the model attached as Annex E of these guidelines, certified by the bank to which the payments will be made. This bank should be located in the country where the lead applicant is established. If the lead applicant has already submitted a financial identification form in the past for a contract where the UfM was in charge of the payments and intends to use the same bank account, a copy of the previous financial identification form may be provided instead.

⁵ Where the lead applicant and/or a co-applicant(s) and or an affiliated entity(ies) is a public body created by a law, a copy of the said law must be provided.

⁶ To be inserted only where the eligibility conditions have not changed from one call for proposals to the other.

⁷ This obligation does not apply to natural persons who have received a scholarship or that are in most need in receipt of direct support, nor to public bodies and to international organisations. It does not apply either when the accounts are in practice the same documents as the external audit report already provided pursuant to Section 2.4.2.

7. The lead applicant as well as all co-applicants and affiliated entities shall fill in and sign the declaration on honour certifying that they are not in one of the exclusion situations (see Section 2.6.10.1 of the PRAG).

Documents must be supplied in the form of originals, photocopies or scanned versions (i.e. showing legible stamps, signatures and dates) of the said originals.

Where such documents are not in English, a translation into English of the relevant parts of these documents proving the lead applicant's and, where applicable, co-applicants' and affiliated entity(ies)' eligibility, must be attached for the purpose of analysing the application.

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

After verifying the supporting documents, the evaluation committee will make a final recommendation to the contracting authority, which will decide on the award of grants.

NB: In the eventuality that the contracting authority is not satisfied with the strength, solidity, and guarantee offered by the structural link between one of the applicants and its affiliated entity, it can require the submission of the missing documents allowing for its conversion into co-applicant. If all the missing documents for co-applicants are submitted, and provided all necessary eligibility criteria are fulfilled, the above-mentioned entity becomes a co-applicant for all purposes. The lead applicant has to submit the application form revised accordingly.

2.5. Notification of the Contracting Authority's decision

2.5.1. Content of the decision

The lead applicants will be informed in writing of the contracting authority's decision concerning their application and, if rejected, the reasons for the negative decision.

An applicant believing that it has been harmed by an error or irregularity during the award process may lodge a complaint. See further Section 2.12 of the practical guide.

Applicants and, if they are legal entities, persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations of early detection or exclusion, their personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the early detection and exclusion system, and communicated to the persons and entities concerned in relation to the award or the execution of a grant contract.

For more information, you may consult the privacy statement available on http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm

2.5.2. Indicative timetable

	DATE	TIME
1. Information meeting (if any)	Not applicable	Not applicable

	DATE	TIME
2. Deadline for requesting any clarifications from the contracting authority	08/10/2020	
3. Last date on which clarifications are issued by the contracting authority	16/10/2020	11:00
4. Deadline for submission of applications	29/10/2020	15:00
5. Information to lead applicants on opening, administrative checks and concept note evaluation (Step 1)	12/11/2020	-
7. Information to lead applicants on the evaluation of the full applications (Step 2)	26/11/2020	-
8. Notification of award (after the eligibility check) (Step 3)	10/12/2020	-
9. Contract signature	18/12/2020	-

All times are in the time zone of the country of the contracting authority (**Barcelona date and time**).

This indicative timetable refers to provisional dates (except for dates 2, 3, and 4) and may be updated by the contracting authority during the procedure. In such cases, the updated timetable will be published on the web site of UfM <https://ufmsecretariat.org/grant-scheme-2020/>

2.6. Conditions for implementation after the contracting authority's decision to award a grant

Following the decision to award a grant, the beneficiary(ies) will be offered a contract based on the standard grant contract (see Annex G of these guidelines). By signing the application form (Annex A of these guidelines), the applicants agree, if awarded a grant, to accept the contractual conditions of the standard grant contract. Where the coordinator is an organisation whose pillars have been positively assessed, it will sign a contribution agreement based on the contribution agreement template. In this case references to provisions of the standard grant contract and its annexes shall not apply. References in these guidelines to the grant contract shall be understood as references to the relevant provisions of the contribution agreement.

Implementation contracts

Where implementation of the action requires the beneficiary(ies) and its affiliated entity(ies) (if any) to award procurement contracts, those contracts must be awarded in accordance with Annex IV to the standard grant contract.

In this context, a distinction should be made between awarding implementation contracts and subcontracting parts of the action described in the proposal, i.e. the description of the action annexed to the grant contract, such subcontracting being subject to additional restrictions (see the general terms and conditions in the model grant contract).

Awarding implementation contracts: implementation contracts relate to the acquisition by beneficiaries of routine services and/or necessary goods and equipment as part of their project management; they do not cover any outsourcing of tasks forming part of the action that are described in the proposal, i.e. in the description of the action annexed to the grant contract.

Subcontracting: Subcontracting is the implementation, by a third party with which one or more beneficiaries have concluded a procurement contract, of specific tasks forming part of the action as described in annex to the grant contract (see also the general terms and conditions in the model grant contract).

3. LIST OF ANNEXES

NOTE THAT ALL ANNEXES MUST BE ADAPTED AS FORESEEN TO THE CALL AND PUBLISHED TOGETHER WITH THE GUIDELINES

DOCUMENTS TO BE COMPLETED

- Annex A: Grant application form (Word format)
- Annex B: Budget (Excel format)
- Annex C: Logical framework (Excel format)
- Annex D: Legal entity sheet
- Annex E: Financial identification form
- Annex F: registration form

DOCUMENTS FOR INFORMATION⁸

- Annex G: Standard grant contract
 - Annex II: General conditions
 - Annex IV: Contract award rules
 - Annex V: Standard request for payment
 - Annex VI: Model narrative and financial report
 - Annex VII: Model report of factual findings and terms of reference for an expenditure verification of an EU financed grant contract for external action
 - Annex VIII: Model financial guarantee
 - Annex IX: Standard template for transfer of ownership of assets
 - Annex X: Public procurement rules
- Annex H: Declaration on Honour
- Annex I: Daily allowance rates (per diem), available at the following address:
http://ec.europa.eu/europeaid/funding/about-procurement-contracts/procedures-and-practical-guide-prag/diems_en (as all necessary information is available via the link the publication of the annex is optional)
- Annex J: Information on the tax regime applicable to grant contracts signed under the call.

Useful links:

Project Cycle Management Guidelines

http://ec.europa.eu/europeaid/aid-delivery-methods-project-cycle-management-guidelines-vol-1_en

The implementation of grant contracts

A Users' Guide

<http://ec.europa.eu/europeaid/companion/document.do?nodeNumber=19&locale=en>

Financial Toolkit

http://ec.europa.eu/europeaid/funding/procedures-beneficiary-countries-and-partners/financial-management-toolkit_en

Please note: The toolkit is not part of the grant contract and has no legal value. It merely provides general guidance and may in some details differ from the signed grant contract. In order to ensure compliance with their contractual obligations beneficiaries should not exclusively rely on the toolkit but always consult their individual contract documents.

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⁸ These documents should also be published by the contracting authority.