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IPA Croatia – Serbia

INTERREG VI-A IPA CROATIA-SERBIA

1st Call for Proposals Guidelines for Applicants

Deadline for the submission of applications: 4 September 2023

www.interreg-croatia-serbia.eu

Table of Contents

Legal Basis	4
1. INTRODUCTION	6
2. PROGRAMME OVERVIEW	6
2.1 Programme mission and objective	6
2.2 Programme priorities and specific objectives.....	7
2.3 Programme area	8
2.4 Programme intervention logic	9
2.5 Programme indicators.....	11
2.5.1. Distinction between indicators and programme target values	11
2.5.2. Definition of selected programme indicators:.....	11
2.5.3. Selected indicators per each Priority axis and Specific objective:	15
2.5.3.1. Priority axis 1 - Cooperating for smarter programme area	15
2.5.3.1.1 <i>Specific objective: 1.1. - Developing and enhancing research and innovation capacities and the uptake of advanced technologies</i>	15
2.5.3.2. Priority Axis 2 - Cooperating for greener and climate change resilient programme area.....	16
2.5.3.2.1. <i>Specific objective 2.2. – Promoting renewable energy in accordance with Renewable Energy Directive (EU) 2018/2001, including the sustainability criteria set out therein</i>	16
2.5.3.2.2. <i>Specific objective 2.4. - Promoting climate change adaptation and disaster risk prevention, resilience, taking into account ecosystem-based approaches</i>	17
2.5.3.3. Priority Axis 3 - Cooperating for healthier and more inclusive programme area.....	18
2.5.3.3.1. <i>Specific objective 4.5. - Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family-based and community-based care</i>	18
2.5.3.4. Priority Axis 4 - Cooperating for more sustainable and socially innovative tourism and culture	20
2.5.3.4.1. <i>Specific objective 4.6. - Enhancing the role of culture and sustainable tourism in economic development, social inclusion, and social innovation</i>	20
3. OBJECTIVES OF THE CALL	21
3.1 CALL REQUIREMENTS.....	22
4. RULES OF THE CALL	24
4.1 Cross border relevance	24

4.2. Horizontal principles	25
4.3 Eligibility criteria.....	27
4.3.1. Eligibility of applicants/partners	27
4.3.2. Eligibility of activities	33
4.3.3. Eligibility of expenditures.....	39
4.3.3.1. Eligible cost categories.....	41
4.3.3.2. Use of Simplified Cost Options.....	42
4.3.3.3. Preparatory and contracting costs.....	43
4.3.3.4. Closure costs	43
4.3.3.5. In house contracting	44
4.3.3.6. State aid and De minimis	44
4.3.3.6.1. State Aid	44
4.3.3.6.2. De Minimis	45
5. HOW TO APPLY	45
5.1. The content of Application package	45
5.2. How to send the applications	46
5.3. Deadline for the submission of applications.....	47
5.4. Further information and support.....	47
6. ASSESSMENT AND SELECTION OF APPLICATIONS	48
6.1. Assessment and selection	48
6.2. Pre-contracting and contracting	58
6.2.1. Pre-contracting (negotiation) phase.....	58
6.2.2. Contracting phase	60
6.3. Indicative timetable	60
6.4. Resolution of Complaints	61
6.5. Data protection	62
7. ANNEXES TO GfA.....	63

Legal Basis

The Guidelines for Applicants of the 1 st Call for Proposals are prepared taking into account the following legal basis:	
CPR	Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (Common Provisions Regulation – CPR)
ERDF Regulation	Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund and Corrigendum to Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund (Official Journal of the European Union L 231 of 30 June 2021) (ERDF Regulation)
Interreg Regulation	Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments (Interreg Regulation)
IPA III Regulation	Regulation (EU) 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing the Instrument for Pre-Accession assistance (IPA III)
IPA III Implementing Regulation (IPA III IR)	Commission Implementing Regulation (EU) 2021/2236 of 15 December 2021 on the specific rules for implementing Regulation (EU) 2021/1529 of the European Parliament and of the Council establishing an Instrument for Pre-accession Assistance (IPA III)
Financial Regulation	Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012
Interreg VI-A IPA Programme	Interreg VI-A IPA Programme Croatia–Serbia approved by the European Commission Implementing Decision C(2022) 8026 from 3 November 2022

Programme Manual on Eligibility (PME)	<p>This document defines rules on eligibility and provides guidance for the beneficiaries requesting IPA III¹ co-funding as well as for Programme management bodies including First Level Controllers as regards the funding conditions and certification of expenditures in the Interreg VI-A IPA Programme Croatia–Serbia.</p> <p>PME is applicable for all beneficiaries from the participating countries and for all operations² financed by the Programme. PME is available on Programme website: www.interreg-croatia-serbia.eu.</p>
Operations contracted within the 1st Call for Proposals will be implemented considering the following:	
Project Implementation Manual (PIM)	<p>The purpose of the PIM is to provide detailed guidance for Lead Partners and Project Partners which implement the project within the 1st Call for Proposals of Interreg VI-A IPA Programme Croatia-Serbia, covering all steps of project implementation, from contracting to project closure, including reporting obligations and other Programme-related requirements set in the Subsidy Contract – DEVELOPMENT IN PROGRESS</p>
Relevant national rules	<p>Relevant national rules applicable to the Lead Partner and Project Partners.</p>

LIST OF ABBREVIATIONS

Interreg VI-A IPA Croatia – Serbia	Programme
Call for Proposals	CfP/Call
Guidelines for Applicants	GfA
Joint electronic monitoring system	Jems
Priority Axis	PA
Specific Objective	SO
Managing Authority	MA
Joint Secretariat	JS
National Authority	NA
First Level Control	FLC
Audit Authority	AA
European Commission	EC
Monitoring Committee	MC
Steering Committee	SC
Lead Applicant/Partner	LP
Project Partner	PP
Simplified Cost Options	SCO

¹ The Programme is co-financed from ERDF (Croatia) and IPA III (Serbia) Funds, as defined in the Programme.

² Application = Operation = Project.

1. INTRODUCTION

The **INTERREG VI-A IPA Croatia-Serbia 2021-2027**, a Cross-Border Cooperation Programme (hereinafter Programme) in the framework of the European Territorial Cooperation, is launching the **1st Call for proposals** (hereinafter CfP) for two typologies of projects, Standard and Small-scale projects, and it invites all interested eligible applicants to submit their project proposals.

The **Guidelines for Applicants** (hereinafter GfA) for the 1st CfP within the Programme aims to provide practical information to the applicants for the successful submission of the applications.

GfA is part of the “**Application package**” available for applicants of Standard and Small-scale projects.

Further information and documents on the application process can be found in sections 5 and 6 of this document. The present CfP is implemented through the Joint electronic monitoring system (**Jems**).

The CfP is governed by EU Regulations, the Programme and the present document.

Important

The Application package is available on the Programme web site: www.interreg-croatia-serbia.eu.

2. PROGRAMME OVERVIEW

2.1 Programme mission and objective

The Programme is designed as an instrument that will foster cooperation between Croatia and Serbia, tackle joint challenges and indicate the possibility and need for an even better cooperation in certain areas in the future. It will continue to be an instrument helping public authorities gain insight into best practices and develop their own in a cooperative manner. It will also be open to other key stakeholders, strengthen their capacities and use their knowledge and skills to develop new solutions benefiting the region.

The **Programme mission**, beside strengthening the social, economic and territorial development of the cross-border area, is to encourage and support cross-border cooperation to make the area more resilient to common challenges. These challenges include, among others, economic transition processes, climate change, and the long-term socioeconomic consequences of the COVID-19 pandemic.

The Programme will help to address main regional imbalances and contribute to reducing disparities in the development of the involved regions. Also, the Programme will increase the capacity of the programme area to recover from the economic crisis.

The Strategic **Programme objective** is sustainable development the of Programme area through smart, green and socially innovative projects.

2.2 Programme priorities and specific objectives

The Programme envisaged four (4) key priorities that can also be seen as a sort of continuation of the previous programme implemented in 2014-2020 period with certain new elements and characteristics desired in the new financial framework. The Programme is therefore focusing on a limited set of objectives and policy areas, i.e., concentrate on those thematic key areas where joint actions have the potential for the biggest impact.

The selected Priority Axes (hereinafter PA) reflect the needs and challenges of the Programme area. Each PA consists of at least one specific objective (hereinafter SO), which represents a positive change that the Programme aims to achieve in the cross-border area.

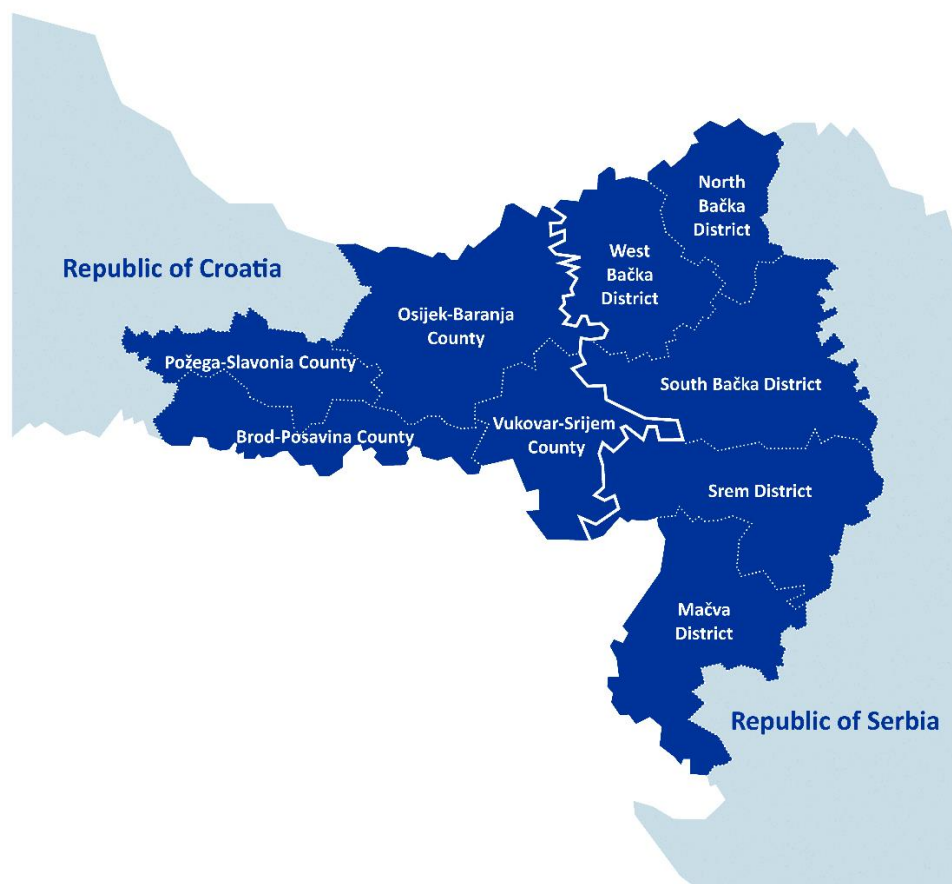
Priority axis (PA)	Specific objective (SO)
1. Cooperating for smarter programme area	1.1. Developing and enhancing research and innovation capacities and the uptake of advanced technologies
2. Cooperating for greener and climate change resilient programme area	2.2. Promoting renewable energy in accordance with Renewable Energy Directive (EU) 2018/2001, including the sustainability criteria set out therein
	2.4. Promoting climate change adaptation and disaster risk prevention, resilience, taking into account ecosystem-based approaches
3. Cooperating for healthier and more inclusive programme area	4.5. Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family-based and community-based care
4. Cooperating for more sustainable and socially innovative tourism and culture	4.6 Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation

2.3 Programme area

The Programme area covers the cross-border territory between Croatia and Serbia:

PROGRAMME AREA	
CROATIA	SERBIA
1. Osijek-Baranja County	1. North Bačka District
2. Vukovar-Srijem County	2. West Bačka District
3. Brod-Posavina County	3. South Bačka District
4. Požega-Slavonia County	4. Srem District
-	5. Mačva District

Map 1: Geographical structure of the Programme area³



³ Geographical structure of the Programme area is Appendix 1 to the Programme. Graphical representation of the territory covered by the Programme is without prejudice to the settlement of the dispute regarding the extension of the state border between the Republic of Serbia and the Republic of Croatia.

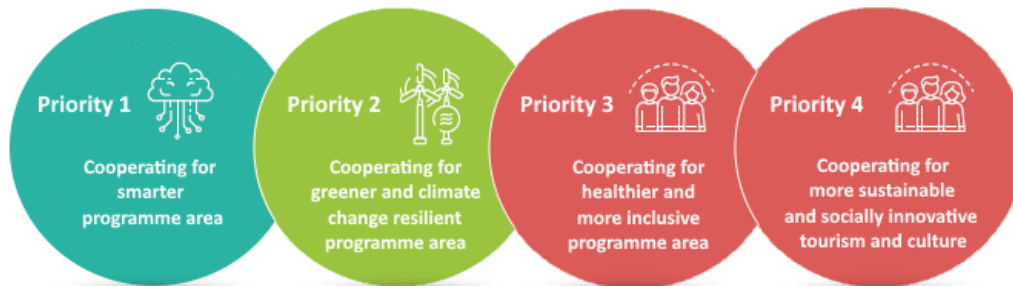
2.4 Programme intervention logic

The intervention logic of the Programme addresses the identified common challenges in line with the policy requirements for coordinated action at all geographical and management levels. The mission of the Programme is to unite regions and cities across borders to find appropriate solutions for their citizens in a fair and equal way. It encourages and supports cross-border cooperation to make regions more resilient to common challenges that know no borders and cannot be solved on their own.

Projects are required to establish a clear result-oriented approach contributing to the achievement of specific objectives thus result indicators of the Programme. The project intervention logic should logically reflect the path of the project and the necessary steps that will lead to a change the project seeks to achieve. It should be clear, simple and easy to monitor and implement. The coherence of the project intervention logic (project's main and specific objectives, activities, outputs and results) should follow logically the Programme intervention logic (specific objectives, actions, outputs and result indicators).



Sustainable development of programme area through smart, green and socially inovative projects



SO 1.1 Developing and enhancing research and innovation capacities and the uptake of advanced technologies

SO 2.2 Promoting renewable energy in accordance with Renewable Energy Directive (EU) 2018/2001, including the sustainability criteria set out therein

SO 2.4 Promoting climate change adaptation and disaster risk prevention, resilience, taking into account ecosystem-based approaches

SO 4.5 Ensuring equal access to health care and fostering resilience of health systems, including primary care and promoting the transition from institutional to family-based and community-based care

SO 4.6 Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation

Important	<ol style="list-style-type: none"> 1. Project overall (main) objective must clearly target one Programme priority specific objective within the chosen Priority axis. 2. Project specific objective needs to show direct contribution to the project overall objective. 3. Each project (and respective results) must contribute to the achievement of a Programme result indicator and this contribution has to be clearly described, demonstrated and verifiable (measurable in numbers). 4. Project activities and related deliverables need to contribute to the project outputs (project outputs represent outcomes obtained following the implementation of project activities). 5. Project outputs need to be captured by the Programme output indicators. Project outputs and Programme output indicators need to have the same measurement unit.
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In order to apply for funding under this CFP, an application **must refer to only one** of the PA and **one Programme SO**, even in case of an application where some activities might also fall under more than one PA.

2.5 Programme indicators

2.5.1. Distinction between indicators and programme target values

The indicator system for the Programme has been set up in direct correlation with the Programme’s strategic framework and its intervention logic. It is based on a thorough analysis of the territorial challenges and needs and has been formulated following a strong involvement of the Programme stakeholders.

A set of indicators has been defined for each PA and SO:

- **Output indicators** – measuring the specific deliverables of the interventions
- **Result indicators** – measuring the effects of the interventions supported, with particular reference to the direct addressees, population targeted or users of the infrastructure.

The focus is on performance indicators that measure outputs, collecting data that proves changes for direct beneficiaries. Furthermore, result indicators are closely linked to the output or impact of activities and outputs. Subsequently, result indicators were selected to measure the results of the projects selected for support. Output indicators are directly related to supported actions and can provide more direct evidence that can be directly attributed to supported actions.

Final Programme targets to be achieved by the end of the year 2029 are set for output and result indicators of all SOs.

In accordance with article 2 of the CPR, the following definition applies:

→ **'programme target'** means a pre-agreed value to be achieved at the programme level at the end of the programming period in relation to an indicator included under a specific objective.

2.5.2. Definition of selected programme indicators:

Output Indicator	Definition
<p>RCO 87 - Organisations cooperating across borders</p>	<p>The indicator counts the organisations cooperating formally in supported projects. The organisations counted in this indicator are the legal entities including project partners and associated organizations, as mentioned in Subsidy Contract/application.</p>

<p>RCO 84 - Pilot actions developed jointly and implemented in projects</p>	<p>The indicator counts the pilot actions developed jointly and implemented by supported projects. The scope of a jointly developed pilot action could be to test procedures, new instruments, tools, experimentation or the transfer of practices. To be counted by this indicator, the pilot action needs not only to be developed, but also implemented within the project and the implementation of the pilot action should be finalised by the end of the project. This indicator implies the involvement of organizations from at least two participating countries in the pilot action development and implementation.</p>
<p>RCO 116 - Jointly developed solutions</p>	<p>The indicator counts the number of jointly developed solutions from joint pilot actions implemented by supported projects. In order to be counted in the indicator, an identified solution should include indications of the actions needed for it to be taken up or to be upscaled. A jointly developed solution implies the involvement of organizations from at least two participating countries in the drafting and design process of the solution.</p> <p>Solutions considered for this indicator should not have as their main focus administrative or legal frameworks.</p> <p>The uptake of such solution(s) should be reflected in the result indicator RCR 104.</p>
<p>RCO 83 - Strategies and action plans jointly developed</p>	<p>The indicator counts the number of joint strategies or action plans developed by supported projects. A jointly developed strategy aims at establishing a targeted way to achieve a goal-oriented process in a specific domain. An action plan translates an existing jointly developed strategy into actions. Jointly developed strategy or action plan implies the involvement of organizations from at least two participating countries in the drafting process of the strategy.</p> <p>The possible uptake of strategies or action plans should be reflected in the result indicator RCR 79.</p>
<p>RCO 85 - Participations in joint training schemes</p>	<p>The indicator counts the number of participants in joint training schemes. Participations in joint training schemes are intended to be counted as registered participants who started the training.</p> <p>A joint training scheme implies the involvement of organizations from at least two participating countries in the organisation of the training.</p> <p>A joint training scheme requires building knowledge in a certain topic and involves the training of participants over</p>

<p>RCO 77 - Number of cultural and tourism sites supported</p>	<p>several sessions. A one-off meeting/event/internal session where information is disseminated should not be considered as a training scheme. Joint trainings for which the training organisers do not intend to record the confirmed completions / do not intend to issue certificates of completion should not be counted under this indicator.</p>
	<p>Number of cultural and tourism sites supported by the Programme. The Programme will take into account only those projects that have in some ways invested in the cultural/tourism sites, directly through investments (small-scale infrastructure and/or equipment). Only sites for which the number of visitors can be quantified are to be taken into consideration.</p>
<p>Result Indicator</p>	<p>Definition</p>
<p>RCR 84 - Organisations cooperating across borders after project completion</p>	<p>The indicator counts the organisations cooperating across borders after the completion of the supported projects. The organisations are legal entities involved in project implementation, counted within RCO 87. The cooperation concept should be interpreted as having a statement that the entities have a formal agreement to continue cooperation, after the end of the supported project. The cooperation agreements may be established during the implementation of the project or within one year after the project completion. The sustained cooperation does not have to cover the same topic as addressed by the completed project.</p>
<p>RCR 104 - Solutions taken up or up-scaled by organizations</p>	<p>The indicator counts the number of solutions, other than legal or administrative solutions, that were jointly developed by supported projects and derived from pilot actions and are taken up or up-scaled during the implementation of the project or within one year after project completion. Uptake is defined as the action of taking up or making use of solution that is available and develop within the project, while up-scale is defined as increasing the size or improving the quality of the solution developed within the project. The organisation adopting the solutions developed by the project may or may not be a participant in the project. The uptake/up-scaling should be documented by the adopting organisations in, for instance, strategies, action plans etc.</p>

<p>RCR 79 - Joint strategies and action plans took up by organizations</p>	<p>The indicator counts the number of joint strategies and action plans (not individual actions) adopted and implemented by organisations during or after the project completion. At the time of reporting this indicator, the implementation of the joint strategy or action plan need not be completed but effectively started. The organisations involved in take-up may or may not be direct participants in the supported project. It is not necessary that all actions identified are taken-up for a strategy/action plan to be counted in this context.</p>
<p>RCR 81 - Completions of joint training schemes</p>	<p>The indicator counts the number of participants completing the joint trainings schemes organised by supported projects. Completion should be documented by the training organisers either through a record of the confirmed completions or by issuing certificates of completion of the training. The certificates of completion do not necessarily require a previous national certification process of the issuing organisation.</p>
<p>RCR 77 - Visitors of cultural and tourism sites supported</p>	<p>Estimated number of annual visitors of cultural and tourism sites supported. The estimation of the number of visitors should be carried out ex post, one year after the completion of the project. The baseline of the indicator refers to the estimated annual number of visitors of the supported sites the year before the project starts, and it is zero for new cultural and tourism sites. The indicator does not cover natural sites for which an accurate estimation of the number of visitors is not feasible.</p>

2.5.3. Selected indicators per each Priority axis and Specific objective:



2.5.3.1. Priority axis 1 - Cooperating for smarter programme area

2.5.3.1.1 Specific objective: 1.1. - Developing and enhancing research and innovation capacities and the uptake of advanced technologies

To achieve the change proposed in the Programme, developing and enhancing research and innovation capacities and the uptake of advanced technologies, this SO is set with the following selected indicators in order to measure the level of impact and success:

Output indicators	
Indicator code	RCO87
Indicator name	Organisations cooperating across borders
Obligation of projects	Mandatory for all projects supported (standard and small-scale). With RCO 87 it is necessary to choose RCO 84 or RCO 116.
Measurement unit	Organisations
Programme target 2029	34
Indicator code	RCO84
Indicator name	Pilot actions developed jointly and implemented in projects
Obligation of projects	Optional
Measurement unit	Pilot action
Programme target 2029	12
Indicator code	RCO116
Indicator name	Jointly developed solutions
Obligation of projects	Optional
Measurement unit	Solutions
Programme target 2029	8

Result indicators	
Indicator code	RCR84
Indicator name	Organisations cooperating across borders after project completion
Obligation of projects	Mandatory for all projects supported (standard and small-scale)
Measurement unit	Organisations
Programme target 2029	17
Indicator code	RCR104
Indicator name	Solutions taken up or up-scaled by organizations
Obligation of projects	Mandatory for all projects supported (standard and small-scale)
Measurement unit	Solutions
Programme target 2029	4



2.5.3.2. Priority Axis 2 - Cooperating for greener and climate change resilient programme area

2.5.3.2.1. Specific objective 2.2. – Promoting renewable energy in accordance with Renewable Energy Directive (EU) 2018/2001, including the sustainability criteria set out therein

This SO is set with the following selected indicators in order to measure the level of impact and success:

Output indicators	
Indicator code	RCO84
Indicator name	Pilot actions developed jointly and implemented in projects
Obligation of projects	Mandatory for all projects supported
Measurement unit	Pilot action
Programme target 2029	6
Indicator code	RCO116
Indicator name	Jointly developed solutions

Obligation of projects	Mandatory for all projects supported
Measurement unit	Solutions
Programme target 2029	6

Result indicator	
Indicator code	RCR104
Indicator name	Solutions taken up or up-scaled by organizations
Obligation of projects	Mandatory for all projects supported
Measurement unit	Solutions
Programme target 2029	3

2.5.3.2.2. Specific objective 2.4. - Promoting climate change adaptation and disaster risk prevention, resilience, taking into account ecosystem-based approaches

In order to achieve the change proposed in the Programme, this SO is set with the following selected indicators to measure the level of impact and success:

Output indicators	
Indicator code	RCO83
Indicator name	Strategies and action plans jointly developed
Obligation of projects	Optional
Measurement unit	Strategy/action plan
Programme target 2029	3
Indicator code	RCO84
Indicator name	Pilot actions developed jointly and implemented in projects
Obligation of projects	Mandatory for all projects supported
Measurement unit	Pilot action
Programme target 2029	8
Indicator code	RCO116

Indicator name	Jointly developed solutions
Obligation of projects	Mandatory for all projects supported
Measurement unit	Solutions
Programme target 2029	8

Result indicators	
Indicator code	RCR79
Indicator name	Joint strategies and action plans taken up by organizations
Obligation of projects	Optional
Measurement unit	Joint strategy/action plan
Programme target 2029	1
Indicator code	RCR104
Indicator name	Solutions taken up or up-scaled by organization
Obligation of projects	Mandatory for all projects supported
Measurement unit	Solutions
Programme target 2029	4

2.5.3.3. Priority Axis 3 - Cooperating for healthier and more inclusive programme area

2.5.3.3.1. Specific objective 4.5. - Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family-based and community-based care

In order to achieve the change proposed in the Programme, this SO is set with the following selected indicators to measure the level of impact and success:

Output indicators	
Indicator code	RCO84
Indicator name	Pilot actions developed jointly and implemented in projects
Obligation of projects	Mandatory for all projects supported
Measurement unit	Pilot action
Programme target 2029	9
Indicator code	RCO116
Indicator name	Jointly developed solutions
Obligation of projects	Optional
Measurement unit	Solutions
Programme target 2029	6
Indicator code	RCO85
Indicator name	Participations in joint training schemes
Obligation of projects	Optional
Measurement unit	Persons (Participants)
Programme target 2029	105
Indicator code	RCO87
Indicator name	Organisations cooperating across borders
Obligation of projects	Mandatory for all projects supported
Measurement unit	Organisations
Programme target 2029	29

Result indicators	
Indicator code	RCR104
Indicator name	Solutions taken up or up-scaled by organization
Obligation of projects	Mandatory for all projects supported

Measurement unit	Solutions
Programme target 2029	3
Indicator code	RCR81
Indicator name	Completion of joint training schemes
Obligation of projects	Optional
Measurement unit	Participants
Programme target 2029	84
Indicator code	RCR84
Indicator name	Organisations cooperating across borders after project
Obligation of projects	Mandatory for all projects supported
Measurement unit	Organisations
Programme target 2029	9



2.5.3.4. Priority Axis 4 - Cooperating for more sustainable and socially innovative tourism and culture

2.5.3.4.1. Specific objective 4.6. - Enhancing the role of culture and sustainable tourism in economic development, social inclusion, and social innovation

In order to achieve the change proposed in the Programme, this SO is set with the following selected indicators to measure the level of impact and success:

Output indicators	
Indicator code	RCO77
Indicator name	Number of cultural and tourism sites supported
Obligation of projects	Mandatory for all projects supported
Measurement unit	Cultural and tourism sites
Programme target 2029	14

Indicator code	RCO87
Indicator name	Organisations cooperating across borders
Obligation of projects	Mandatory for all projects supported
Measurement unit	Organisations
Programme target 2029	22

Result indicators	
Indicator code	RCR77
Indicator name	Visitors of cultural and tourism sites supported
Obligation of projects	Mandatory for all projects supported
Measurement unit	Visitors/ year
Programme target 2029	14,000
Indicator code	RCR84
Indicator name	Organisations cooperating across borders after project
Obligation of projects	Mandatory for all projects supported
Measurement unit	Organisations
Programme target 2029	11

3. OBJECTIVES OF THE CALL

The Programme intends to select **high-quality cross-border projects** in which organisations of different types, scope and sizes can cooperate to address specific thematic issues and very concrete needs in the area.

The **cross-border approach** of the project is of extreme importance, and it is therefore highly considered in the project assessment. Since the Programme is addressing common challenges of the cross-border area, all project proposals should be jointly developed and implemented by the partners.

To receive funding from this Programme, projects must have a clear cross-border character and involve partners from both Participating countries. Cross-border cooperation should always bring added value to reach the project objectives.

The Programme aims at solving common problems together or working on joint opportunities. All projects should demonstrate this intention and contribute to the achievement of the Programme objectives.

Through the 1st CfP, the Programme will support two types of projects, small-scale projects and standard (regular) projects. Small-scale projects will be supported only under SO 1.1.

Within the 1st CfP, standard projects and small-scale projects can address the Programme’s SOs according to the following table:

PA	SO	Standard projects	Small-scale projects
1	1.1.		√
2	2.2.	√	
	2.4.	√	
3	4.5.	√	
4	4.6.	√	

3.1 CALL REQUIREMENTS

The overall budget of the Programme is EUR 45,037,241.00 out of which the EU funding (Programme amount in the percentage of 85%) is EUR 38,281,653.00 and EUR 6,755,588.00 represents national co-financing (15%). The total EU funding available for projects is EUR 34,801,503.00.

The programme will allocate EUR 17,400,751.50 of EU funds to the 1st CfP.

The EU funding allocated for the 1stCfP is broken down per SO as follows:

SO	Available EU budget for Standard projects (EUR)	Available EU budget for Small-scale projects (EUR)
1.1		3,306,142.50
2.2	3,132,135.40	
2.4	4,698,203.10	
4.5	3,480,150.50	
4.6	2,784,120.00	
TOTAL	14,094,609.00	3,306,142.50
	17,400,751.50	

The **EU (Programme) co-financing rate** is maximum **85%** of the total eligible expenditures of the project. The partners of the two participating countries shall provide min. 15% co-financing. Each partner is a financing partner and must ensure at least 15% of co-financing of its part of the project budget.

Each partner shall have a budget of at least 10% of the total project budget⁴.

Each eligible expenditure under all expenditure categories (including preparatory and contracting and closure costs) will be reimbursed by applying the Programme co-financing rate (max. 85%).

Any grant requested under this CfP **must fall between the following minimum and maximum percentages (%)** of total eligible expenditures of the project: minimum 20% of the total eligible expenditures of the project and maximum 85% of the total eligible expenditures of the project.

Budget size of the projects

The financial size of the grant requested⁵ per project in the framework of the 1st CfP shall be in line with the minimum and maximum amounts specified in the following table:

SO	Standard projects		Small-scale projects	
	Minimum grant (EUR)	Maximum grant (EUR)	Minimum grant (EUR)	Maximum grant (EUR)
1.1.			200,000	400,000
2.2.	400,000	2 mil.		
2.4.	400,000	2 mil.		
4.5.	400,000	1,5 mil.		
4.6.	400,000	1,5 mil.		

Minimum and maximum grant size (EU budget) set for each SO must be respected. Otherwise, the application will be rejected.

⁴ E.g. if a total operation budget is 1,000,000.00 EUR, one Project Partner's budget must be at least EUR 100,000.00. Please note that this % may be changed during negotiation phase (budget optimization) and/or implementation phase.

⁵ Grant refers to EU contribution only (excluding national contribution) and applies to entire operation's budget and not to individual partner's budget.

Duration

The duration of the projects must fall within the following ranges depending on the project type:

Type of project	Duration of project
Standard	From 18 to 30 months
Small-scale	From 12 to 18 months

The duration of the project must be respected. Otherwise, the application will be rejected.

Advance payment

Based on the Subsidy Contract concluded between the LP and the MA, the **LP** is entitled to receive an **advance payment, on behalf of the partnership, in an amount of maximum 25%** from the total cost of the project.

4. RULES OF THE CALL

The funding under the Programme shall be made available to applicants through a CfP open to all four (4) PA and all five (5) SOs. The MA launches the 1st CfP through one-step application procedure.⁶

4.1 Cross border relevance

The Programme shall support projects, which deliver direct cross-border impact and benefits for the Project Partners / target groups / project area / Programme area. The project should clearly demonstrate the importance of the cross-border approach to the topic addressed and demonstrate that the project’s overall objective and result could not have been achieved without the involvement of cross-border element.

The direct cross-border impact is understood in terms of respecting the following **cooperation criteria** as they are defined below: **joint development, joint implementation, joint staffing and joint financing.**

- **Joint development** means that the application must be designed in close cooperation of the partners from both sides of the border. The application must clearly show joint ideas and priorities

⁶ MA reserves the right not to take responsibility if the problems with Jems encounter (e.g. due to submission of the large number of applications few days before the deadline) and to prolong the deadline for submission of the applications.

reflected in development of joint activities. The Lead Applicant⁷ is the coordinator of this process, but all partners should be included in/contribute to the development of project idea from the beginning.

- **Joint implementation** means that the implementation of project activities must be coordinated/implemented jointly by all project partners resulting in contribution to project overall objective and project result. Moreover, a number of separately implemented activities on different sides of the border must contribute to one joint project objective/result in order to consider this criterion met. Please note that the Lead Partner bears the responsibility for the overall project implementation and each Project Partner takes responsibility for implementing its part of the project activities.
- **Joint staffing** means that the proposed project staff will be jointly involved in the implementation of the project activities (among partners on both sides of the border). Staff members should coordinate their activities with others involved in the project activities and exchange information regularly. However, unnecessary overlapping of similar functions within the Project team should be avoided.
- **Joint financing** means that there will be only one Subsidy Contract per Operation. The Project has a joint budget with funding allocated to partners according to the activities they are carrying out.

Important

Each project must fulfil all four (4) of the described cross-border cooperation criteria.

4.2. Horizontal principles

Projects shall respect the horizontal principles of **non-discrimination, gender equality** and **environmental sustainability** during project design and implementation together with other elements of the **EU Charter of Fundamental Rights**. These are seen as necessary elements of all funded projects that will have to be demonstrated in the application form and thus explaining how they intend to contribute to these themes.

Regarding environmental sustainability, beside the fact that the large portion of funding is streamed into environment related projects, the programme area is rich in natural and cultural resources and has a vast potential to improve the cross border environmental and nature protection, therefore contributing to this horizontal principle. However, all other planned activities within projects will also have to be in line and compliant with EU legislation, and consistent with related national laws and recommendations.

Other sustainability principles, related to **UN Agenda for Sustainable Development** and **SDGs** (sustainable development goals) shall also be taken into account.

⁷ Lead Partner is synonym for Lead Applicant. In case of selection by the MC, Lead Applicant automatically becomes Lead Beneficiary.

The programme promotes the **strategic use of public procurement** to support policy objectives (including professionalization efforts to address capacity gaps). Projects are encouraged to use more quality-related and lifecycle cost criteria. When feasible, environmental (e.g., **green public procurement criteria**) and social considerations as well as innovation incentives should be incorporated into public procurement procedures. In addition, the Programme strongly supports the digital use of all publication within the projects, reducing the printing of physical publications whenever possible.

Regarding the “**Do no significant harm principle - DNSH**” the Programme objectives and all actions within each SO have been developed in consideration of the Taxonomy Regulation and in compliance with “do no significant harm” principle, i.e., it will support activities that respect the climate and environmental standards and that would do no significant harm to environmental objectives. This will be achieved by insisting on compliance with all national and EU legislations concerning environmental protection, especially in relation to possible infrastructure investment. In addition, partners are expected to consider, where relevant, how the project submitted for funding, complies with the ‘do no significant harm’ principle - activities envisaged should be designed in a manner which does not significantly harm any of the six environmental objectives of the EU Taxonomy Regulation. DNSH report can be found on the Programme website www.interreg-croatia-serbia.eu.

Important

The LP and PPs within signed Statements (LP Statement and PP Statement) will declare that all actions/activities comply with the “Do no significant harm principle - DNSH”. Furthermore, during negotiation phase, actions/activities which do not comply with the stated principle may be excluded from the application.

All projects should therefore strive for a performance with low carbon footprint, with equal opportunities for men and women and inclusion of underrepresented groups from the programme area. Contribution to the horizontal principles is foreseen as an assessment criterion and the information provided by the projects in the applications for funding will be assessed. Projects with a negative impact on sustainable development, equal opportunities, anti-discrimination, and gender equality will not be funded. Furthermore, respecting all horizontal principles will be monitored during project implementation phase through reporting and monitoring visits.

Also, the Programme strongly supports measures which will ensure accessibility for persons with disabilities (investments in small-scale infrastructure adapted to specific needs of persons with disabilities, purchase of specialized equipment adapted for the use of persons with disabilities, publications adapted for the use of persons with disabilities, tailored made programmes and schemes, e.g. in tourism and culture, etc.).

4.3 Eligibility criteria

The submission of applications is open to all applicants that meet the eligibility criteria set below.

In order to be eligible for funding under the Programme, the applications should meet three (3) following sets of eligibility criteria:

1. Eligibility of applicants/partners;
2. Eligibility of activities;
3. Eligibility of expenditures.

4.3.1. Eligibility of applicants/partners

In order to be eligible for a grant, the **applicant must meet all of the following criteria:**

1. be a **non-profit-making** legal person/entity established by a public or a private law for the purposes of public interest or specific purpose of meeting the needs of general interest;
2. be **established**⁸ under the national law in the respecting participating country (Croatia and/or Serbia);
3. **applicants** have to be **registered at least 12 months** prior to the deadline for the submission of applications;
4. private partner⁹ (either lead partner or project partner) must have an annual income¹⁰ for the two last closed financial years (cumulatively) in amount at least equal to amount of grant requested (grant size of specific partner, not total project).¹¹

Partners shall submit registration acts and/or decision on establishment in accordance with the relevant national law to prove legal personality.

If the partner is **established by a public law** (e.g. region, county, district, municipality, city/town, ministry, etc.), **only a direct reference of the said law must be provided.**

⁸ To be determined based on the organization's registration act and/or decision on establishment, 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 Croatia and/or Serbia. In this respect, any legal entity whose head office has been established in another country cannot be considered an eligible applicant, even if the legal person/entity is registered in Croatia or Serbia or a 'Memorandum of Understanding' has been concluded.

⁹ Established by private law, e.g. limited liability companies, shareholding companies 100% owned by the state, regional/local government units, or non-government organizations-NGOs.

¹⁰ Revenue / grant / donations – financial capacity of private partners will be checked through the balance sheet and profit and loss account (or corresponding documents obligatory according to national laws for non-profit private partners).

¹¹ If a private partner does not possess evidence for the last two closed financial years (e.g. if a private partner has been established in the period of at least 12 months prior to the deadline for the submission of applications, but less than period that includes the last two closed financial years), such private partner must have a proportionate annual income. If a private project partner is included in several project proposals proposed for financing, such a private project partner should have an annual income for the two last closed financial years (cumulatively) in an amount at least equal to the amount of grant requested in all project applications proposed for funding cumulatively.

If the partner is **established by a private law** (e.g. limited liability companies, shareholding companies), but 100 % owned by the state, regional/local government units , it may be eligible for funding and **only registration act must be provided**.

Non-profit status may be proven by registration act and/or decision on establishment and/or statute and/or law. **Non-profit organizations** which non-profit status is **determined by the law, should not deliver a statute but only a registration act and/or decision on establishment** (e.g. NGO).

Other non-profit organizations¹² governed by private law established for the specific purpose of meeting needs of general interest, not having an industrial or commercial character must prove their non-profit status by submitting **both the statute and registration act and/or decision on establishment**.

Profit-making companies (**small, medium and large enterprises**) are **not eligible**, neither as a Lead Partner nor as a Project Partner unless established and 100% owned by state, regional/local government units.

Political parties/organizations are not eligible, neither as a Lead Partner nor as a Project Partner.

List of potential applicants under each PA and SO is given below:

PA	List of applicants (Lead Partner and Project Partners)
<p>1. Cooperating for smarter programme area</p>	<p>SO 1.1. Legal personalities that can contribute to developing and enhancing research and innovation capacities and the uptake of advanced technologies in the Programme area including, but not limited:</p> <ul style="list-style-type: none"> • public authorities (national/regional/local level) and bodies governed by public law; • research institutions and higher education organisations (universities, faculties, institutes); • business support institutions, e.g. regional and local development agencies, chambers of commerce, innovation agencies and hubs, business incubators, competence centres, technology and industrial parks, start-up centres; • business clusters, associations or non-governmental organisations aimed at promotion of technology transfer and innovation.
<p>2. Cooperating for greener and climate change resilient programme area</p>	<p>SO 2.2. Legal personalities that can contribute to encouraging beneficial models and practices in use of renewable energy sources through supporting the public sector institutions that can educate end users and service providers, as well as initiate, plan and promote renewable energy including, but not limited:</p>

¹² Registered as profit making organization, but if a non-profit status can be determined from registration act / statute (if according to statute profit is reinvested and not distributed to owners).

	<ul style="list-style-type: none"> • public authorities (national/regional/local level) and bodies governed by public law; • public energy actors (agencies, operators and facilities); • public providers of communal services; • regional and local development agencies; • education and research institutions and organisations and; • NGOs and Cooperatives active in the energy efficiency field. <p>SO 2.4. Legal personalities that can contribute to planning and implementing climate change adaptation and risk prevention and responses including, but not limited:</p> <ul style="list-style-type: none"> • public authorities (national/regional/local level) and bodies governed by public law; • public energy actors (agencies, operators and facilities); • sectoral agencies and environmental institutions active in or responsible for environment protection and risk prevention and mitigation (including Basin management institutions); • first responders, including rescue organisations and different civil protection organisations; • public providers of communal services; • research and innovation institutions; • education organisations (universities, faculties, schools); • regional and local development agencies; • NGOs and associations active in the field of environment protection.
<p>3. Cooperating for healthier and more inclusive programme area</p>	<p>SO 4.5. Legal personalities that can contribute to improving the access to health/social care for all including, but not limited:</p> <ul style="list-style-type: none"> • public institutions dealing with health care, long-term care and social care (e.g. hospitals, clinics, health care centres/facilities, social care centres, homes and centres for elderly); • education and research institutions; • national/regional/local public authorities and bodies governed by public law; • regional and local development agencies; • civil society organisations active in promoting health care and/or social care or assisting patients in accessing it, especially patients from vulnerable groups; • organisations providing family-based and community-based care.
<p>4. Cooperating for more sustainable and socially innovative tourism and culture</p>	<p>SO 4.6. Legal personalities that can contribute to creating and provisioning the tourist services in tourism and culture including, but not limited:</p> <ul style="list-style-type: none"> • public authorities (national/regional/local level) and bodies governed by public law; • regional and local development agencies; • associations and NGOs operating in the field of tourism, culture, nature, training and education, rural development;

	<ul style="list-style-type: none"> • sectoral agencies active in the field of tourism, culture and nature protection, rural development; • education and research organisations; • tourism organisations and institutions; • culture organisations and institutions; • chambers of commerce, chambers of trades and crafts and; • clusters of producers.
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Partnership requirements and Lead partner principle

All organizations, participating under 1st CfP, are called **partners**. All partners must have human, legal, financial and operational capacity to participate in the Programme. For each application a **“Lead Partner”** (LP) must be **appointed among the Project Partners** prior to the submission of the application. The LP will be responsible for the development and submission of the application and in case of positive decision for financing will sign the Subsidy Contract with the MA. The LP takes over the role of the “engine” of the partnership, coordinating the work of the partners and being also the link between the Project and the Programme (MA and JS).

Partnership must consist of at least two (2) partners from different participating countries (Croatia and Serbia). The maximum number of partners in application is **five (5) for standard projects** and **four (4) for small-scale projects** including the Lead Partner. **Otherwise, the application will be rejected.**

SO	Standard projects		Small-scale projects	
	Minimum no. of partners	Maximum no. of partners	Minimum no. of partners	Maximum no. of partners
1.1.			2	4
2.2.	2	5		
2.4.	2	5		
4.5.	2	5		
4.6.	2	5		

One institution / organization can be **selected for funding** in a maximum of **five (5) operations**, out of which a **maximum of three (3) operations** as a PP and a **maximum of two (2) operations** as a LP.¹³

¹³ If an institution/organization is selected for funding in more than three (3) operations as Project Partner, only three (3) best-ranked applications respecting the scores obtained may be funded. If an institution/organization is selected for funding in more than two (2) operations as a Lead Partner, only two (2) best-ranked applications respecting the scores obtained may be funded. In case when operations obtained same total score, operation with higher score obtained for strategic criteria will be proposed for funding. If the same score is obtained for strategic criteria, operation with higher score obtained for operational criteria will be proposed for funding.

In case when faculties within university are not a separate legal entity this limitation is applied to each faculty and not to university.

In case of state/regional/local government institutions (e.g. ministries, counties, municipalities, cities) this limitation is applied to different organizational departments (units) within institutions.

Partnership may not be accepted when established between actors responding to the same name and belonging to the same mother organisation (e.g. two branches or “sister” organisation), irrespective of the fact that they are established in one or in each of the participating countries.¹⁴

Important

All partners must sign a Partnership Pre-Agreement in preparation phase and Partnership Agreement in implementation phase, which stipulate their rights and duties within an operation.

Applicants are not eligible to participate in 1st CfP if:

- a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation, arising from a similar procedure provided for in the national legislation or EU regulations;
- b) they have been convicted of an offence concerning professional conduct by a judgment which has the force of res judicata (i.e., against which no appeal is possible);
- c) they are guilty of serious professional misconduct proven by any means;
- d) they have not fulfilled obligations relating to the payment of debts to the consolidated state budget¹⁵;
- e) they have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities or national financial interests;
- f) they have been declared to be in serious breach of Contract for failure to comply with their contractual obligations in connection with a procurement procedure or other grant award procedure financed by the Community or national budget.

Applicants are also excluded from participation in 1st CfP or the award of financial support if, at the time of the 1st CfP, they:

- g) are subject to a conflict of interests; the conflict of interests represents any circumstances that may affect the assessment or implementation process, in an objective and impartial manner. Such circumstances may result from economic interests, political or national preferences or family connections;

¹⁴ This limitation is not applied in case when faculties within university are not a separate legal entity.

¹⁵ Applicants are eligible if an agreement has been reached on the rescheduling / postponement of debt payment.

- h) are guilty of misrepresentation in supplying the information required by the MA/JS as a condition of participation in the Call for Proposals or fail to supply this information;
- i) have attempted to obtain confidential information or influence the assessment bodies during the evaluation process of current or previous Calls for Proposals.

In the cases referred to in points (a), (c), (d), (f), (h) and (i) above, the exclusion applies for a period of two years from the time when the infringement is established. In the cases referred to in points (b) and (e), the exclusion applies for a period of four years from the date of notification of the judgment.

Important

The LP and PPs within signed Statements (LP Statement and PP Statement) will declare that they do not fall into any of the above categories.

In case of potential conflict of interest with the Programme structure (MA, NA, AA, MC and JS), the applicant must immediately inform the MA.

In case any of the Programme bodies suspect of any of the criteria above, the clarification may be requested from the applicant(s).

Please note that unprofessional conduct of the Partners that were involved in the implementation of the projects (operations) financed from Interreg IPA CBC Programme Croatia-Serbia 2014-2020 such as fraud, unjustified withdrawal, breaching the stipulations of the Subsidy Contract, etc. may be taken into account during assessment process by Steering and/or Monitoring Committee.

Important

Person appointed by the LP as a Project Manager / Coordinator who will be responsible for overall coordination of project management must have at least 2 years of the professional work experience. Knowledge and experience in managing EU projects should be an asset. During budget optimization phase, before signing the Contract, MA/JS may request CV of appointed person. In case of newly employed Project Manager / Coordinator, above-mentioned requirements shall be taken into account by Lead Partner institution.

4.3.2. Eligibility of activities

The actions enlisted under bullet points represent the themes of the projects to be developed. In accordance with the Programme’s intervention logic, the implementation of the enlisted actions should lead to the achievement of Programme indicators and the attainment of corresponding specific objectives and result indicators.

Important	Each project MUST be developed around at least one action listed under selected PA/SO.
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PA	SO	Eligible actions/activities (non-exhaustive list):
1. Cooperating for smarter Programme area	1.1. Developing and enhancing research and innovation capacities and the uptake of advanced technologies	<p>The Programme is focused on supporting actions that support and accelerate innovation and technology transfer, primarily (but not exclusively) in the area of green economy.</p> <ol style="list-style-type: none"> 1. Supporting cross-border innovation and technology based on smart specialization approach and improving cooperation between research institutions, SMEs, public sector, and business support organisations 2. Supporting pilot lines, early product validation, certification, advanced manufacturing capabilities including via science – business collaboration 3. Strengthening and modernising business support services (including small-scale infrastructure preferring nature-based solutions) that could help with: trainings, marketing, developing and or implementing new services/products, using ICT and new technologies, implementing innovative solutions in business organisation and processes (blockchain, big data, cloud computing, Internet of Things, advanced manufacturing, robotics, artificial intelligence, cybersecurity, etc.) 4. Accelerating innovation and technology transfer (e.g., bio, green and circular economy, agriculture, food production, smart manufacturing (the value chain should include efficiency of resources used, as well as responsible sourcing), climate change, biodiversity, skills development for smart specialization, etc.) in order to support the roll out of innovative solutions 5. Pilot actions aimed at transferring good practices on green economy trends and standards 6. Enhancing support services for SMEs and entrepreneurs to improve their access to research and technological innovations

		<ol style="list-style-type: none"> 7. Enhancing transfer and upscaling of proven green solutions to reduce the environmental footprint of production processes and open up green business opportunities 8. Improving capacities, developing technical solutions and new work methods, and integration of innovative solutions using ICT for public sector needs 9. Supporting the establishment of Living Labs, test-beds and ecosystems to promote the development and actual use of innovative solutions 10. Supporting cooperation of public authorities in development, implementation and monitoring of smart specialisation strategies and other policy tools for development of innovative economy 11. Establishing connections and long-term cooperation between research institution especially in joint capacity building for innovation and technology transfer to businesses.
<p>2. Cooperating for greener and climate change resilient Programme area</p>	<p>2.2. Promoting renewable energy in accordance with Renewable Energy Directive (EU) 2018/2001, including the sustainability criteria set out therein</p>	<p>The actions which are related to the promotion of renewable energy production will consider their contribution to climate neutrality policies and potential environmental impacts e.g., on biodiversity and Natura 2000 species and habitats, hydro-morphology, water-use, noise, vibrations and electromagnetic impacts as well as cultural (and touristic) landscape protection. The Programme will not support production of biomass deriving from deforestation or forest degradation or waste incineration or any activity leading to significant increase in incineration. The proposed actions include investments in measures and actions that increase energy efficiency and improve the integration of sustainable renewable energy sources. Use of RES such as solar and bioenergy plants should be considered when developing new infrastructure.</p> <ol style="list-style-type: none"> 1. Development of joint solutions to increase the production of additional capacity for renewable energy (e.g., solar, geothermal, biomass, etc.) including small-scale infrastructure preferring nature-based solutions 2. Development and implementation of joint pilot actions that improve the integration of sustainable renewable energy sources in different sectors (e.g., building and construction sector, industry, agriculture, forestry etc.) 3. Joint solutions, research and pilot actions on RES (e.g., circular solutions, use and reuse of sustainable materials, demo centres/plants) 4. Implementing pilot actions to test innovative and climate-neutral solutions through, e.g., taking up and

	<p>and</p> <p>2.4. Promoting climate change adaptation and disaster risk prevention, resilience, taking into account ecosystem-based approaches</p>	<p>exploiting R&D results for the energy efficient renovation and heating and cooling of buildings (including cultural heritage buildings)</p> <ol style="list-style-type: none"> 5. Improving energy demand management and fostering behavioural changes of consumers for reducing energy consumption and a resource-efficient and sustainable use of energy, supporting schemes linking various aspects of energy savings and energy efficiency, including include awareness raising activities and information regarding cooperation mechanisms and financing schemes 6. Promoting the production and use of advanced biofuels (produced from non-food/energy crops, such as cellulosic biofuels, and biomass supplied from sustainable sources), prioritising the use of brownfield locations. The programme shall support alternative methods of water collection for irrigation of energy crops 7. Strengthening the cross-border cooperation and transfer of knowledge in the region through exchange of experience, information (awareness raising) and capacity building through online and in-situ trainings to improve skills in the field of use of renewable energy sources. <p>The Programme gives priority to joint nature-based solutions and developing sustainable systems that will help all the relevant stakeholders to jointly promote disaster prevention and resilience, as well as the climate change adaptation. The aim is to improve the capacities and preparedness to combat with climate change impacts and disasters and to manage the related risks.</p> <ol style="list-style-type: none"> 1. Development and introduction of joint climate change adaptation, disaster prevention and first response plans, SECAP, as well as solutions and systems for monitoring, prevention and management of potential risks (e.g., floods, wildfires, landslides, droughts, earthquakes, invasive alien species, etc.) 2. Encouraging intersectoral/interstate cooperation in risk prevention and rapid response management through development and implementation of joint protocols, procedures, approaches, measures, and sectoral risk and vulnerability assessments, such as establishment of joint emergency centres, small-scale infrastructure preferring nature-based solutions, response vehicles, equipment, shelters, etc.
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		<ol style="list-style-type: none">3. Strengthening of institutional and expert capacities and raising awareness to address environmental issues, climate change and disaster risks reduction (e.g., workshops, methodologies, protocols, educational materials, joint training for civil protection units)4. Development of cross-border risk assessment and disaster risk strategies for cross-border hazards such as droughts, floods, landslides, fires, invasive alien species directly threatening biodiversity and eco-systems5. Exchanging knowledge and good practices on eco-system based climate change adaptation measures and implementing pilot actions for protection and restoration towards resilient eco-systems, e.g. rivers and wetlands, forests, cross-border connectivity of habitats, agro-forestry, biodiversity, landscapes, climate proofing, modelling and forecasting6. Testing integrated climate-adaptation solutions in pilot actions (e.g., green infrastructure), which combine technological, ecological, social, cultural, governance and financial aspects taking into account good practices available at local, regional, national or European level (in order to decrease the trend of landscape fragmentation and taking into account visual values of urban and rural areas).7. Increasing climate resilience of critical infrastructure and cultural/natural heritage sites through improved risk preparedness and risk management plans8. Integrating climate change aspects and nature-based solutions into water management on local, regional and interregional level (considering e.g., water quality, flooding, rainwater management and water retention, water scarcity, drinking water supply including smart water pricing, ground water, forecasting, waste-water collection and treatment) and preservation of wetlands, reforestation and preservation of natural floodplains9. Sharing knowledge and developing solutions for climate proofing the agricultural and forestry sectors (e.g., finding trees with increased carbon sinks, improving groundwater management and soil quality, preparation and updating of forestry management plans) to increase their resilience towards e.g., droughts, floods, outbreaks of pests, invasion of invasive alien species. The programme shall support alternative methods of water collection for irrigation in agricultural and forestry sectors.10. Developing solutions for strengthening eco-system
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		<p>services for human health and wellbeing to support social resilience and counteracting socio-economic impacts of climate change (e.g., introducing green infrastructure and green building principles in urban and rural areas).</p>
<p>3. Cooperating for healthier and more inclusive Programme area</p>	<p>4.5. Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family-based and community-based care</p>	<p>The Programme promotes the transition from institutional and hospital-centred model to family-based and community-based care and support primary and integrated health care models. Support to residential care facilities could be considered if investments are compliant with the certain conditions such as: they contribute to the EU’s relevant policy objectives as expressed in the European Pillar of Social Rights, and is fully in line with the requirements of the UNCRPD (including the principles of equality, freedom of choice, the right to independent living, accessibility and prohibiting all forms of segregation), they do not undermine de-institutionalisation process, they upgrade the standards and quality of existing institutions, they respect the highest standards of human rights and fundamental freedoms and are fully in line with the national strategies/plans.</p> <ol style="list-style-type: none"> 1. Development and implementation of ICT solutions and (pilot) actions to support digitalization in health and social care 2. Improving access to health and social care services for vulnerable and marginalised groups such as children (e.g. children deprived of parental care), elderly, persons with disabilities through investments in individual social housing, equipment, transport means, etc. 3. Improving the accessibility and effectiveness of cross-border public health care services by investing in telemedicine, diagnostics, mobile clinics/infirmaries and mobile assets, including small-scale infrastructure preferring nature-based solutions 4. Transfer of knowledge through exchange of experience, awareness raising, lifelong learning, education and training programmes, and capacity building through online and in-situ trainings to improve skills in the field of health care and social care and enhance the delivery of primary care and family-based and community-based care services 5. Developing and implementing joint activities/solutions to promote healthy lifestyles, active and healthy aging, disease prevention.

<p>4. Cooperating for more sustainable and socially innovative tourism and culture</p>	<p>4.6. Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation</p>	<p>The Programme aims to support the specific, innovative, sustainable, green, digital and smart forms of tourism and culture (including new and existing sustainable tourism/cultural sites) that develops the advantage for the local communities and economies. Tourism and culture shall develop sustainably (including financial self-sustainability) and that it has an added value that it brings both to the consumers and to the local communities that will act as hosts.</p> <ol style="list-style-type: none"> 1. Developing and implementing joint (pilot) actions (including place-based solutions) to support diversification and sustainability of the tourism by investing in lesser-known destinations and diverse forms of tourism (cultural, rural, agro, active, etc.) including small-scale infrastructure preferring nature-based solutions 2. Developing and implementing innovative solutions and creating smart destinations (e.g., through digitalisation and creative industries), and new services and products for specific targeted market segments such as seniors, young people or people with disabilities including small-scale infrastructure preferring nature-based solutions 3. Development and implementation of measures to protect, develop and promote sustainable cultural heritage and cultural services, landscape heritage, public tourism assets and tourism services including investments in physical regeneration and security of public spaces (including small-scale infrastructure preferring nature-based solutions), in the scope of their inclusion in the touristic and/or cultural circuit 4. Support of social innovation and inclusion in tourism and culture - development of existing and/or new tourism and culture businesses to support job creation including up-skilling and re-skilling of vulnerable groups (e.g. upgrading digital skills) 5. Protection, development and promotion of natural heritage and eco-tourism including Natura 2000 sites (including campaigns to eliminate invasive species in the programme area and integration of green infrastructure as means of stopping the loss of biodiversity and supporting multiple ecosystem services) 6. Integration of existing tourist products into cross-border thematic routes, products or destinations and their further advancement 7. Capacity building for innovation in tourism and cultural heritage, focusing on recovery and resilience, and
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		<p>sustainable development of new or upgrading of existing cross-border tourism products, product diversification to adapt to new trends and needs, including sustainable mobility measures such as use of public transportation, alternative mobility modes, low-emission transport</p> <p>8. Adoption of green concepts and standards in cross-border tourist products and services and sustainable use of culture and tourist potentials of the border regions (including support to existing mainstream tourism destinations to make them more environmentally sustainable).</p>
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4.3.3. Eligibility of expenditures

Three different levels concerning the eligibility of expenditure applicable to Interreg projects are as follows:

- the European level: EU regulations
- the Programme level: Programme documents - specific rules decided for the Programme
- the national level: national legislation - national rules applicable in each Participating country

In order to be considered eligible, the expenditures have to meet all of the following general eligibility criteria:

- a. they are incurred by the LP/PPs of a grant and paid solely by LP/PPs, with the exception of costs calculated as flat rates or lump sums;
- b. they incurred during the implementation period of the operation, with the exception of preparatory and contracting costs and closure costs;
- c. they are indicated in the estimated overall budget of the operation¹⁶;
- d. they are necessary for the implementation of the operation which is the subject of the grant;
- e. they are identifiable, verifiable and documented (e.g. contract, invoice, order form¹⁷), in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is located and according to the usual cost accounting practices of the beneficiary;
- f. they comply with the requirements of applicable tax and social security legislation;
- g. they are reasonable, justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency;
- h. they are incurred in accordance with the relevant EU legislation, Programme rules, and when applicable national legislation;

¹⁶ i.e., they are connected with activities as identified in the latest version of the application

¹⁷ Order form = narudžbenica

- i. they are not listed as an ineligible expenditure;
- j. they are not double funded (i.e. they are not financed from other sources under the Union Funds or other (national) Funds);
- k. one expenditure item (e.g., one cost) cannot be declared twice;
- l. in case when one expenditure/invoice/procurement contains more items, they can be reported under different cost categories/budget lines, depending on the type of item;
- m. amounts declared in Partner Progress Report do not exceed amounts in the latest approved application (in line with the provisions of the Subsidy Contract/Addendum/accepted modifications);
- n. co-financing rate (as stipulated in the Subsidy Contract/application) is applied to each eligible expenditure under all cost categories (including preparatory and contracting and closure costs).

Important

Please note that operations have to be located in the Programme area. However, in exceptional cases, MA may accept that all or part of an operation is implemented outside the Programme area when all of the required conditions are met:

- a) the operation contributes to the Programme objectives.
- b) justification is provided within the application.

The following expenditures **shall not be eligible** for funding under the Programme:

- In line with Article 64 of CPR:
 - interest on debt;
 - value added tax (VAT) except when the total cost of operation is below EUR 5,000,000.00¹⁸;
 - the purchase of land¹⁹ exceeding 10% of the total eligible expenditure for the operation concerned. For derelict sites and for sites formerly in industrial use which comprise buildings, this limit shall be increased to 15%.
- In line with Article 38(3) of Interreg Regulation:
 - Fines, financial penalties and expenditure on legal disputes and litigation;
 - Costs of gifts²⁰;
 - Costs related to fluctuation of foreign exchange rate.
- Other ineligible expenditures as defined by the Programme:
 - consultant fees between partners for services and work carried out within the operation;
 - contracting of employees (staff) of the beneficiary and partner organisations as external experts (e.g. as freelancers, translators, IT experts, etc.);
 - unjustified ad-hoc salary bonuses that are not directly linked to operation activities;

¹⁸ Since the total cost of each operation submitted under this CFP cannot be above 5,000,000.00 EUR, VAT is eligible and should be planned in project budget.

¹⁹ This shall not apply to operations concerning environmental conservation.

²⁰ Promotional materials are not considered as gifts.

- alcohol, except in duly justified cases, when related to the operation theme/subject²¹;
- the manufacturing, processing and marketing of tobacco and tobacco products;
- purchases of equipment not indicated in the application or specifically approved during operation implementation by the JS/MA;
- equipment purchased from another Project Partner;
- cost for infrastructure and works outside the Programme area;
- shared costs²²;
- charges for national financial transactions;
- sub-granting (e.g. small grant initiatives under grant operation);
- contributions in kind;
- discounts not considered when claiming the costs (only the discounted amount is to be regarded as eligible);
- tips;
- costs of audits and evaluations at operation level.

This list is not exhaustive. Costs not listed are therefore not automatically to be considered as eligible.

Additional ineligible costs may be defined in other relevant Programme documents (e.g. Programme Manual on Eligibility).

Important	<p>Any ineligible costs which are detected will be deducted from the total project costs during budget optimization process, reducing therefore the requested EU contribution accordingly. However, final eligible costs will be calculated based on reported eligible expenditures after adequate controls by the relevant Programme bodies (FLC, JS and MA) have been performed.</p> <p>Please note that, costs which are not eligible according to the applicable eligibility rules cannot be claimed even if they are included in the approved project budget.</p>
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4.3.3.1. Eligible cost categories

Interreg regulation defines the list of cost categories that are eligible:

1. **Staff costs,**
2. **Office and administrative costs,**
3. **Travel and accommodation costs,**
4. **External expertise and services costs,**
5. **Equipment costs,**
6. **Costs for infrastructure and works.**

Specific provisions for each cost category are stated in the **Programme Manual on Eligibility**.

²¹ Please note that wine is considered a food product, in line with EU and national legislations.

²² Cost sharing is defined as a pro rata allocation of certain project expenditure incurred by one project partner and allocated to various other project partners.

Important	<p>Please note that each partner shall include staff costs as a cost category in its respective partner budget, meaning that each partner must plan at least one person working on project.</p> <p>Each partner shall ensure that at least one person is working on a project during the entire implementation of a project (internal project staff), regardless which budgeting option is applied for Staff costs category (real cost or flat rate).</p>
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4.3.3.2. Use of Simplified Cost Options

Use of Simplified Cost Options (hereinafter: SCOs) is **mandatory** by the Programme. **Two options**, which include different possibilities of using real and flat rate costs, are equally available to both standard and small-scale projects.

The information on options and the use of SCOs is described in the **Programme Manual on Eligibility** and summarised here.

The table below provides an overview of the two possible combinations of SCOs that can be selected by each partner:

Option 1		Option 2	
Cost category	Form of reimbursement	Cost category	Form of reimbursement
Staff costs	up to 20 % flat rate of direct costs (real costs)	Staff costs	Real costs
Office and administrative costs	up to 15 % flat rate of staff costs	Other costs	up to 40 % flat rate of staff costs for all other costs
Travel and accommodation costs	up to 15% flat rate of staff costs		
External expertise and services costs	Real costs		
Equipment costs	Real costs		
Costs of infrastructure and works	Real costs		

Options stated above apply for each partner depending on their needs (each partner within one operation may choose between these two options). However, option chosen shall be applied for the whole project implementation.

In addition to the options, the 1st CfP also foresees the reimbursement, as lump sums, of preparatory and contracting costs and closure costs for both standard and small-scale projects. These lump sums shall be planned in the LP budget under cost category “External expertise and services costs”.

4.3.3.3. Preparatory and contracting costs

The lump sum shall cover the costs incurred by the partnership for preparing and submitting their application as well as for revising/adapting their application to conditions set forth by the MC and during optimization phase. In other words, the lump sum shall compensate the following output: application in the final version as annex to the Subsidy contract.

The lump for the preparatory and contracting cost amounts to **EUR 5,500.00**, the total cost for the preparation and contracting. The actual lump sum paid to the LP will depend on EU co-financing rate applicable to the specific LP claiming the lump sum²³.

Certain conditions must be fulfilled in order for the Programme to pay a lump sum for preparatory and contracting costs:

- The project proposal is selected for funding by the MC;
- The LP signs the Subsidy contract with the MA.

4.3.3.4. Closure costs

The lump sum shall cover the costs incurred by the partnership for preparing and submitting the final project progress report and other project closure requirements. In other words, the lump sum shall compensate the following output: final project progress report submitted and approved, and project successfully closed.

The lump sum for the closure costs amounts to **EUR 2,500.00**. The actual lump sum paid to the LP will depend on EU co-financing rate applicable to the specific LP claiming the lump sum²⁴.

Certain conditions must be fulfilled in order for the Programme to pay a lump sum for closure costs:

- The LP has submitted the final project progress report.
- The final project progress report has been approved by the MA.

²³ E.g., if requested percentage of EU co-financing rate is 85%, lump sum preparatory and contracting cost costs will be paid in the amount of EUR 4,675.00.

²⁴ E.g., if requested percentage of EU co-financing rate is 85%, lump sum closure cost costs will be paid in the amount of EUR 2,152.00.

In order to properly plan the project budget, applicants are strongly recommended to consult Programme Manual on Eligibility available on www.interreg-croatia-serbia.eu.

4.3.3.5. In house contracting

In house contracting is considered as contracting of the bodies governed by public law (in house provider), which are controlled by the contracting authority (beneficiary) for the purchase of goods, services and works.

Important

Please note that the intention of in-house contracting **must** be indicated in the Application.

This kind of contracting represents an exemption from the public procurement procedure if the conditions for in-house contracting given by the EU regulations are fulfilled²⁵.

Expenditure referring to tasks contracted with the in-house provider by the beneficiary (including staff and travel and accommodation costs) shall be planned under external expertise and services expenditure category if the following conditions are met:

- costs incurred by the in-house provider are charged on a real costs basis without any profit margin;
- the contracting of the in-house provider complies **with national** public procurement rules.

When preparing the project proposals, the applicants are strongly recommended to assess carefully whether the contractual relationships they plan to enter actually fulfil the abovementioned conditions.

4.3.3.6. State aid and De minimis

4.3.3.6.1. State Aid

State Aid is usually understood to be the aid given to an economic undertaking that is seen as distorting or threatening to distort competition in the internal market.

State Aid is present when all of the following criteria are met:

- Existence of state resources: the aid is granted from the state or state resources (including national, regional or local authorities, a private or public intermediate body appointed by the state, etc.);
- Selectivity: the aid facilitates only the development of certain entrepreneurships or of certain

²⁵ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC

products;

- Economic advantage: the aid constitutes an economic advantage that the undertaking would not have received in the normal courses of business. An indirect advantage may also be granted (indirect State Aid) if the funds received by entities which are direct beneficiaries of the programmes are channelled to only certain undertakings/groups of undertakings;
- Effect on competition and trade: the aid distorts, or has the potential to distort, competition and trade within the European Union.

Please note that the **first two criteria are always present** in the context of the EU funded operations.

Important

All applicants are obliged to declare the State aid relevance in LP Statement and PP Statement/s in order to assess whether the operation activities represent State Aid.

4.3.3.6.2. De Minimis

The De Minimis Regulation defines a ceiling under which the aid has a negligible impact on trade and competition. The maximum amount of aid granted to a single recipient (undertaking) should not exceed EUR 200,000.00²⁶ over a period of three fiscal years. This ceiling takes into account all public assistance given as de minimis funding for the current and previous two fiscal years, which can take various forms (grants, loans, subsidised contracts, etc.).

The application of de minimis rule includes the obligation to ensure that the de minimis threshold is not exceeded at the moment of awarding the grant.

De minimis aid cannot be cumulated with any other aid grant.

Important

The applicants must report any de-minimis support granted over the past three fiscal years within the LP Statement and PP Statement/s.

5. HOW TO APPLY

5.1. The content of Application package

The **Application package** for the 1st CFP can be downloaded from the Programme website: www.interreg-croatia-serbia.eu. It consists of the following documents:

²⁶ According to the Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid. Please note that this Regulation will cease to be valid on 31 December 2023 and will be replaced with the new Regulation on de minimis aid which is currently under preparation. According to the new proposal, the limit will be increased to EUR 275,000.00.

Guidelines for Applicants (GfA) and the following annexes:

1. Template of the Lead Partner Statement;
2. Template of the Project Partner Statement;
3. Template of the Partnership Pre-Agreement;
4. Model of the Subsidy Contract²⁷.

Important

Applications MUST be filled in and submitted only through the online submission system – **Jems**. Applications shall be filled in accordance with **Application Manual: instructions how to fill in the application** (including budget) and submitted in accordance with the GfA. Furthermore, an **offline Application form template** is provided as a useful tool for a preparation of Application. Both documents may be found in folder Useful tools within 1st Call documents.

The **official language** of the Programme is **English**. Therefore, application and all communication between applicants and the Programme bodies is carried out in **English language**. Information in the Jems as well as official correspondence must be treated accordingly.

5.2. How to send the applications

The application **must be submitted by the LP** solely through the online Jems system. The submitted application **must contain all the required data** and the required accompanying documents, which are considered as **annexes to the application** and have to be uploaded **as scanned documents** (signed by the legal representative of the Lead or Project Partners' organisation) in the Jems.

Original versions of the documents uploaded in the Jems must be provided to the MA/JS upon request and prior to the contracting.

Please note that only the application and published annexes / listed supporting documents (and additional documents for private lead applicants) that have to be filled in and uploaded in Jems will be assessed:

1. **Application (including budget)**
2. **Annexes for administrative compliance check:**
 1. Lead Partner Statement;
 2. Project Partner Statement;
 3. Partnership Pre-Agreement.
3. **Supporting documents for eligibility check:**

²⁷ MA reserves the right to implement modifications to the Model of the Subsidy Contract before contracting phase.

- a) **The registration acts and/ or decision on establishment and/or statute** (in accordance with relevant national law) of each partner
- b) **Additional documents for private partners for check of financial capacity:**
 - Balance sheet and profit and loss account²⁸ for last two closed financial years²⁹. If a private partner does not have these documents because at the moment of submission of application financial year is not closed yet, then it must be submitted prior to contracting, if private partner participates in selected operation.
 - Reference letter from the bank where the private applicant holds an account (the letter should state that the institution is a customer, the duration of the banking relationship and confirm that the customer, up to date, has met its commitments and made bank transactions regularly thus concluding that the customer is favourably known because it has adequate solvency requirements).

Important

For **eligibility check of all partners**, supporting documents should be annexed to application (scanned as PDF and uploaded via Jems). It is therefore of utmost importance that these documents contain **ALL** the relevant information concerning the operation.

Where supporting documents are not in English or in the language of the participating countries (Croatia and Serbia), a translation into English must be attached and will prevail for the purpose of eligibility check.

Applications sent by any other means (e.g. by fax or by e-mail) or delivered to the address **will be rejected**. **Hand-written** applications will not be accepted. Incomplete applications **may be rejected**.

5.3. Deadline for the submission of applications

The deadline for the submission of applications is 4 September 2023 (15:00 h CET) as evidenced by the date and time of submission of application within Jems.

Submission of the **applications after the deadline will not be possible within Jems**.

5.4. Further information and support

Information days related to 1st CfP will be held in Croatia and in Serbia.

²⁸ For non-profit organizations a corresponding document obligatory according to national laws should be provided.

²⁹ Proof of submission of reports is required if the reports have not been formally processed / published publicly.

The exact dates and locations of Information days are published on the following web sites:

- Programme website: www.interreg-croatia-serbia.eu
- National Authorities websites:
 - Ministry of Regional Development and EU Funds of the Republic of Croatia: www.razvoj.gov.hr
 - Ministry of European Integration, Government of the Republic of Serbia: <http://www.mei.gov.rs>

Questions related to 1st CFP may be sent in writing in English via e-mail address js-hr-rs@mrrfeu.hr no later than **10 days** before the deadline for the submission of applications, indicating clearly the reference of the CFP. Answers to questions received after this date will not be provided.

To ensure equal treatment of all applicants, questions and answers will be published and **updated regularly** on the Programme website: www.interreg-croatia-serbia.eu. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

6. ASSESSMENT AND SELECTION OF APPLICATIONS

6.1. Assessment and selection

In accordance with Article 22 of Interreg Regulation, the selection of operations under the Programme is responsibility of the Monitoring Committee (MC) following a standardized assessment procedure and in accordance with the Programme’s strategy and objectives.

For 1st CFP, the MC will set up Steering Committee (SC) acting under its responsibility for the selection of operations. The selection of operations is based on the assessment of the received applications following a standardized procedure, which safeguards the principles of transparency and equal treatment.

The assessment process will be conducted in two steps:

- 1. Admissibility and eligibility check;**
- 2. Quality assessment.**

Step 1: Admissibility and eligibility check

Admissibility and eligibility check will be performed by JS under the responsibility of SC respecting checklist. Admissibility and eligibility check is based on questions which can be answered with “Yes”, “No” or “Not applicable” for particular application.

Admissibility and eligibility criteria - checklist

	Criteria	Yes	No	N/A
A	ADMISSIBILITY CRITERIA			
A.1	The application is submitted by the set deadline. <i>Automatically checked by Jems</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A.2	Obligatory annexes are submitted (uploaded as PDF or another applicable format): <ul style="list-style-type: none"> - <i>Lead Partner Statement;</i> - <i>Project Partner Statement;</i> - <i>Partnership Pre-Agreement.</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A.3	<i>Supporting documents required for eligibility check of applicants/partners are uploaded in the Jems (as PDF or another applicable format):</i> <ul style="list-style-type: none"> - The registration acts and/ or decision on establishment and/or statute (in accordance with relevant national law) of each partner; - Additional documents for private partners for check of financial capacity. 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B	ELIGIBILITY CRITERIA			
B.1	<i>Minimum and maximum grant size (EU budget) set for each Specific objective is respected.</i> <i>EU co-financing of maximum 85% is respected.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B.2	<i>Project duration is in line with the time limit set for each Specific objective.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B.3	<i>Minimum and maximum number of partners is respected.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B.4	<i>All Partners (including Lead Partner) are eligible organisation. The Partners:</i> <i>1. are non-profit-making legal persons/entities established by the public or private law for the purposes of public interest or specific purpose of meeting the needs of general interest;</i> <i>2. are established in the respecting Participating Country (Croatia and/or Serbia);</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	<p>3. are registered at least 12 months prior to the deadline for the submission of applications;</p> <p>4. have an annual income for the last two closed financial years in the amount at least equal to amount of specific partners grant requested (only for private partners).</p>			
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<p>Important</p>	<p>Clarifications regarding Application will be requested from the Lead Applicant only when the information provided within the Application is unclear or missing and thus prevents JS/SC from conducting an objective assessment. 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.</p>
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Communication between the JS and the Lead Applicant is done electronically (by e-mail).

<p>Important</p>	<p>Only proposals that satisfy all the admissibility and eligibility criteria will be subject to quality assessment. Project proposals that do not satisfy the admissibility and eligibility criteria will be notified by official letter signed by the MA. Lead Applicant may request clarification from the MA or issue a formal complaint after the receipt of the notification on MC decision on fulfilment of admissibility and eligibility criteria (following the complaint procedure described in this document in part 6.4. Resolution of Complaints).</p>
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Step 2: Quality assessment

Quality assessment will be performed by the assessment teams under the responsibility of the SC and with the support of MA. Each assessment team consists of two assessors; therefore every application is assessed by at least two assessors. Number and composition of assessment teams which will be included in assessment process for this CfP depends on assessment strategy and number of received applications.

The quality assessment check consists of assessing the relevance and feasibility of the project according to the following two criteria:

1. **Strategic criteria** assess the **relevance** of applications in relation to:
 - the specific territorial challenges and needs addressed, as well as innovativeness³⁰
 - the programme objectives and clarity of the intervention logic

³⁰ E.g., demonstrates new solutions that go beyond the existing practice in the sector/Programme area/participating countries. An innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations.

- relevance and competence of partnerships
- added value of the proposed cross-border cooperation approach
- the contribution to relevant policies including horizontal principles.

2. Operational criteria assess the planned project **implementation**:

- the feasibility and viability of the project approach
- methodology and work plan
- the communication approach
- project budget, including value for money (i.e. the best relationship between the amount of support, the planned activities, outputs and the set objectives).

Threshold for relevance (relevance filter) will be established. Project proposals which do not meet the relevance threshold will not be further assessed. Furthermore, a minimum threshold for quality will be established. After the assessment, five (5) ranking lists will be established, one per each SO.

Administrative compliance check will be done only for selected project proposals.

The quality assessment grid is structured according to the concerned assessment criteria, which are appraised using the following scale:

The quality assessment scale

SCALE		0-1-2-3-4-5
excellent	5	<i>The proposal successfully addresses all aspects of the criterion. The provided information is clear and coherent. There are no shortcomings or shortcomings are minor.</i>
very good	4	<i>The proposal addresses all relevant aspects of the criterion very well, but a small number of shortcomings is present. Only minor improvement needed.</i>
sufficient	3	<i>The proposal addresses the criterion to a sufficient level, but some aspects have not been met fully or are not explained in full clarity or detail. Some improvement needed.</i>
poor	2	<i>The proposal broadly addresses the criterion, but there are serious shortcomings and/or the provided information is of low quality.</i>
very poor	1	<i>The criterion is inadequately and very poorly addressed by the proposal.</i>

missing information	0	The required information is missing.
SCALE	Score	0-1-2-3-4-5-6-7-8-9-10
perfect	10	The proposal perfectly addresses all aspects of the criterion. The provided information is clear and coherent. There are no shortcomings.
excellent	9	The proposal successfully addresses all aspects of the criterion. The provided information is clear and coherent. There is only one minor shortcoming.
very good	8	The proposal addresses all relevant aspects of the criterion very well . The provided information is clear and coherent. There are few minor shortcomings.
good +	7	The proposal addresses majority of the criterion very well , but a small number of shortcomings is present . Some small improvement needed.
good	6	The proposal addresses the criterion well , but some relevant shortcomings are present . There is a need for improvement.
sufficient	5	The proposal addresses the criterion only to a sufficient level and some aspects have not been met fully or are not explained in full clarity or detail . There is a need for improvement.
insufficient	4	The proposal addresses the criterion insufficiently , since there are serious shortcomings , most of aspects have not been met fully or are not explained in full clarity or detail .
low	3	The proposal addresses the criterion on low level there are serious shortcomings , majority of aspects have not been met fully or are not explained in full clarity or detail and the provided information is of low quality .
poor	2	The proposal addresses the criterion poorly , there are serious shortcomings , all of aspects have not been met fully or are not explained in full clarity or detail and the provided information is of poor quality .

very poor	1	The criterion is completely inadequately addressed by the proposal. Provided information is irrelevant and of very poor quality .
missing information	0	The required information is missing .

The quality of the applications, including the proposed budget and capacity of the partners, will be assessed using Quality assessment grid.

The main objectives of this grid are:

- to assess the relevance and the feasibility of the project,
- to use the result of the assessment as a basis for decision-making,
- to establish common understanding, which is common ground for decision-making,
- to ensure transparency.

Quality assessment criteria are divided into two categories:

- **Strategic assessment criteria** - The main aim is to determine the extent of the project's contribution to the achievement of Programme objectives (including contribution to Programme indicators), by addressing joint or common needs of the target group.
- **Operational assessment criteria** - The 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 versus results delivered.

Both categories have several assessment questions with sub-questions (guiding principles).

Quality assessment grid

Assessment criteria (Main questions)	Guiding principles for assessment (Sub-questions)	Score	Section in AF
STRATEGIC ASSESSMENT CRITERIA			
Project relevance	<p>To what extent is the need for the project justified?</p> <ul style="list-style-type: none"> • The project addresses common territorial challenges of the programme area or a joint asset of the programme area - there is a real need for the project (well justified, reasonable, well explained). • There is a clear benefit for selected target group/s. • The project clearly contributes to a wider strategy on one or more policy levels (EU / national / regional). 	0-1-2-3-4-5-6-7-8-9-10	C.2.1 and C.2.5

	<p>To what extent does the project build on existing practices?</p> <ul style="list-style-type: none"> • The project makes use of available knowledge and builds on existing results and practices. • 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. • The project makes use of synergies with past or current EU and other projects or initiatives. • The project avoids overlaps and replications; there is evolution of ideas. 	0-1-2-3-4-5	C.2.2, C.2.6 and C.2.7
	<p>To what extent will the project contribute to the achievement of programme’s objectives and indicators?</p> <ul style="list-style-type: none"> • The project overall objective clearly contributes to the achievement of the programme priority specific objective. • The project outputs clearly link to programme output indicators and their contribution to programme targets is sufficient. • Project’s contribution to programme result indicators is realistic. 	0-1-2-3-4-5-6-7-8-9-10	C.1, C.4 and C.5
	<p>Does the project contribute to all programme horizontal principles: non-discrimination, gender equality and environmental sustainability?</p> <p>Does the project comply with the principles related to UN Agenda for Sustainable Development and goals?</p>	0-1-2-3-4-5	C.7.6
<p>Project intervention logic</p>	<p>To what extent is project intervention logic plausible?</p> <ul style="list-style-type: none"> • Project specific objectives are specific, realistic and achievable. • Proposed project outputs are needed to achieve project specific objectives. • Project outputs and results that contribute to programme indicators are realistic (it is possible to achieve them with given resources – i.e., time, partners, budget - and they are realistic based on the quantification provided). 	0-1-2-3-4-5-6-7-8-9-10	C.4, C.5, C.6 and D
	<p>To what extent will project outputs have an impact beyond project lifetime?</p> <ul style="list-style-type: none"> • Financial and institutional support for outputs is ensured. 	0-1-2-3-4-5	C.8.

	<ul style="list-style-type: none"> Project outputs are durable (the proposal is expected to provide a significant and durable contribution to solving the challenges targeted) Project outputs are applicable and replicable by other organisations/regions/countries outside of the current partnership (transferability). 		
Cooperation character and partnership relevance	<p>What added-value does the cooperation bring?</p> <ul style="list-style-type: none"> The importance of cooperation beyond borders for the topic addressed is clearly demonstrated. The results cannot/only to some extent be achieved without cooperation. There is a clear benefit and impact from cooperating for the project partners / target groups / project area / programme area. 	0-1-2-3-4-5	C.2.3 and C.2.4
	<p>To what extent is the partnership composition relevant for the proposed project?</p> <ul style="list-style-type: none"> The project involves the relevant partners needed to address the territorial challenge/joint asset and the project objectives specified. With respect to the project’s objectives, the project partnership: <ul style="list-style-type: none"> is balanced with respect to the levels, sectors, territory, consists of partners that complement each other. 	0-1-2-3-4-5	C.3
	<p>Have partner organisations proven experience and competence in the thematic field concerned, as well as the necessary operational capacities to implement the project (technical capacities, human resources, etc.)</p>	0-1-2-3-4-5	B.1.6
	<p>Are all cooperation criteria fulfilled (joint development, joint implementation, joint financing and joint staffing)?</p> <p>How well is described how partners will fulfil them?</p>	0-1-2-3-4-5	C.7.5
TOTAL SCORE FOR STRATEGIC ASSESSMENT CRITERIA:		65	
OPERATIONAL ASSESSMENT CRITERIA			

Work plan	<p>Is the work plan consistent and coherent in general?</p> <ul style="list-style-type: none"> Proposed activities and deliverables are relevant and lead to planned outputs and results. The time plan is realistic and feasible (activities, deliverables and outputs are in a logical time sequence and can be achieved in given timeframe). 	0-1-2-3-4-5-6-7-8-9-10	C.4, C.5 and C.6
	<p>Is distribution of tasks among partners appropriate (e.g. sharing of tasks is clear, logical, in line with partners' role in the project, etc.)?</p> <ul style="list-style-type: none"> Partners' involvement in activities is clearly described. 	0-1-2-3-4-5	C.4
	<p>Can the project management approach ensure that the project work runs smoothly?</p> <ul style="list-style-type: none"> Coordination and internal communication are ensured. Measures are proposed to ensure quality in project. Financial management of the project is clearly defined (responsibilities and deadlines). 	0-1-2-3-4-5-6-7-8-9-10	C.7 (C.7.1, C.7.2, C.7.4)
Communication	<p>To what extent are communication activities appropriate to reach the relevant target groups and stakeholders?</p> <ul style="list-style-type: none"> General approach to communication about project is well described. The communication objectives are relevant, measurable, achievable and are expected to contribute to project specific objectives. Communication activities (and deliverables) are appropriate to reach the relevant target groups and stakeholders. 	0-1-2-3-4-5-6-7-8-9-10	C.4 and C.7.3
Budget	<p>To what extent the project budget demonstrates value for money?</p> <ul style="list-style-type: none"> The project budget appears proportionate to the proposed work plan. The project budget will lead to achievement of project outputs and project's contribution to programme indicators aimed for. The project budget is balanced per partner³¹ and reflects partners' involvement compared to planned activities. 	0-1-2-3-4-5-6-7-8-9-10	D.2, D.3 and E.1

³¹ Each partner has a budget of at least 10% of total project budget. Each partner budget reflects its significant role in the project.

	<ul style="list-style-type: none"> The distribution of the budget per period is in line with the work plan. 		
	<p>To what extent is the budget justified, transparent and clear?</p> <ul style="list-style-type: none"> Planned cost are clear, justified and properly quantified (there are no overestimations). Planned cost are eligible according to programme rules. The application of flat rates and lump sums is appropriate and in line with the programme rules. 	0-1-2-3-4-5	D.2 and E.1
TOTAL SCORE FOR OPERATIONAL ASSESSMENT CRITERIA:		50	

Maximum scores in quality assessment:

ASSESSMENT CRITERIA	MAXIMUM SCORE
STRATEGIC CRITERIA	65
OPERATIONAL CRITERIA	50
TOTAL	115

In order to be considered for funding, both conditions must be fulfilled:

- at least 45 points for Strategic assessment criteria and;
- at least 75 points in total.

Important	Applications with the assessment score of less than 45 points for Strategic assessment criteria will not be further assessed. Applications with less than 75 points in total will be rejected.
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After the quality assessment, **five (5) ranking lists** will be established, one per each SO, listing the provisionally selected applications that meet the funding thresholds (minimum of 45 points for Strategic assessment criteria and minimum of 75 points in total) ranked in descending order and **within the available financial envelope**.

The ranking lists will also contain a reserve list of proposals to be considered for funding if additional funds become available after reviewing all proposed budgets for the selected projects from the ranking lists. The reserve list will include proposals that also meet the funding threshold and are **not covered by the available financial envelope**.

The Steering Committee (SC) will present these lists to the Monitoring Committee (MC) for final decision.

MC may decide to over contract available CFP allocation per SO to finance high-quality applications from the reserve list.

Therefore, the MC reserves the right:

- not to use all available funds allocated under this CFP due to low quality of project proposals;
- to contract more funds than available under this CFP (over contracting) to finance additional high-quality project proposals;
- to approve a certain project/s under conditions (e.g. to include and/or exclude certain activity/ies, to exclude certain partner/s, to change LP);
- to replace any selected application that fails to sign the Subsidy Contract.

Following the MC decision on selection, any selected application that fails to sign the Subsidy Contract may be replaced by another application from the reserve list per each SO.

MC decision on the approval/placement on the reserve lists/rejection of application together with assessment results will be communicated to each Lead Applicant through official letter signed by the MA. Upon receipt of the notification on MC decision, Lead Applicant may request clarification from the MA or issue a formal complaint towards the decision of the MC, following the complaint procedure described in this document.

Important

The Call results are information of public nature and will be published on the Programme's website: www.interreg-croatia-serbia.eu

6.2. Pre-contracting and contracting

Before the contracting all Lead Applicants of the selected operations will be contacted by the JS and provided with additional information and requests. Only after successful finalisation of this process a Subsidy Contract prepared on the standard template can be signed. Model of Subsidy Contract is available only for information, as part of application package and may be modified by MA if needed.

6.2.1. Pre-contracting (negotiation) phase

At the beginning of this phase an administrative compliance check will be done only for selected project proposals checking the following documents:

1. Lead Partner Statement;
2. Project Partner Statement;
3. Partnership Pre-Agreement.

In case the information provided within above-mentioned documents is unclear or missing, the Lead Applicant may be requested for clarifications and/or corrections.

Please note that MC has a right to issue a conditional approval of project proposal (e.g. it may suggest modification of certain activities, deliverables, outputs, budget, partnership, infrastructural investments etc.).

Furthermore, in this process, the MA/JS has also a right to ask for modification of the following elements of the application:

- Project budget;
- Project outputs, activities and deliverables;
- Contribution to Programme indicators;
- Implementation periods;
- Target groups;
- Partnership.

Therefore, negotiations with the Lead Applicants will be performed in order to finalise the Contract.

Please note, for projects involving **infrastructure**, the following documents, where relevant, will be required in addition, prior to Subsidy Contract signature:

- legal documents specifying any legal right under the real-estate law concerning the land and/or buildings where the works will be carried out (proof of ownership or long-term lease (10 years) of the land /assets (*if applicable*));
- where applicable, necessary permissions for the execution of the works, issued by the national/regional/local relevant authorities, such as:
 - project design (preliminary works design OR detailed works design including indicative bill of quantities),
 - legal permits and all necessary legal authorizations (e.g. location and construction permits, etc.),
 - environmental impact assessments (if applicable),
 - etc.

Therefore, it is of utmost importance that all above-mentioned documents are ready at the time of request. Otherwise, there is a risk that a part of the project or entire project is ineligible.

Important

The additional documents requested shall be uploaded via Jems in the form of scanned originals (PDF format) showing legible stamps, signatures and dates of the said originals.

It is strongly recommended that after the Lead Applicant has received the notification about their operation being placed on the list of selected operations, it starts preparing procurement documentation related to the costs and activities foreseen in the application. Thus, the public procurement procedures may be launched as soon as the project implementation starts and the risk of delays of project activities is reduced.

6.2.2. Contracting phase

After the pre-contracting phase is successfully finished the Subsidy Contract may be signed between the LP and MA.

After signing the Subsidy Contract, the LP is responsible for implementation of project on behalf of all Project Partners.

LP will be provided with additional instructions on project implementation by designated JS project manager. Nevertheless, all partners must carefully read the Project Implementation Manual (PIM) which will provide guidance on all steps of project implementation. Furthermore, implementation workshops will be organized in order to provide partners with detailed information on how to successfully implement the project.

6.3. Indicative timetable

INDICATIVE TIMETABLE FOR 1st CALL FOR PROPOSALS		
Open Call for Proposals	DATE	TIME ³²
Information sessions: <ul style="list-style-type: none"> ▪ Croatia ▪ Serbia 	Published at: www.interreg-croatia-serbia.eu	
Deadline for requesting any clarifications (questions) related to 1st CfP	25 August 2023	
Deadline for publication of Q&A document on Programme web site	Regularly until closure of the CfP	
Deadline for submission of application via Jems	4 September 2023	15:00 h
Information to Lead Applicants (only to unsuccessful) on the fulfilment of admissibility and eligibility criteria	October 2023	

³² Provisional date and time. All times are in the time zone of the country of the Managing Authority.

Information to Lead Applicants on the results of assessment process/MC decision	1 st Q 2024
Pre-contracting and contracting phase	2024

6.4. Resolution of Complaints

The Lead Applicant, on behalf the partnership, has the right to file a complaint in case a failure affecting the MC funding decision is suspected during the selection process. Failure means that the project proposal assessment or part of project proposal assessment did not comply with the selection criteria and/or with the procedures laid down in the Programme and/or in the Call-specific documents (Application package).

Project proposals that do not satisfy the admissibility and eligibility criteria will be notified by official letter signed by the MA. Lead Applicant may request clarification from the MA or issue a formal complaint after the receipt of the notification on MC decision on fulfilment of admissibility and eligibility criteria.

Complaints against the project proposal selection process have to be submitted to the MA within 14 calendar days after the notification on the MC decision regarding the Call for Proposals. In the complaint letter, the Lead Applicant should clearly specify what failures or mistakes have happened during the assessment of the Project proposal and support its claim with clear references to the relevant Programme documents (Cooperation Programme, Application package or other call-specific documents) and Project proposal in question.

Prior to filing a formal complaint, the Lead Applicant may request additional clarification or technical or legal information from the MA within the timeframe available for submitting a complaint (14 calendar days). Request for clarification/information interrupts the deadline for submitting a complaint until the day of the reply by the MA to the Lead Applicant.

In case the Lead Applicant is not satisfied with the received additional information from the MA, it may decide to submit a formal complaint to the MA. In that case, the MA sends a confirmation of receipt of the written complaint.

The complaint has to comply with the following minimum requirements:

- the name and address of the Lead Applicant are indicated,
- the reference number of the application in question is stated,
- reasons for the complaint are clearly described,
- the complaint is signed by the legal representative of the Lead Applicant.

If a complaint does not comply with the above stated requirements or includes an incomplete description of a case that does not allow MA or any involved body to perform a thorough assessment of a complaint, the MA may request further information from the Lead Applicant. If the information requested is not provided within the period of time as specified by the MA, the MA shall close the case without further investigation.

The MA shall inform in writing the Lead Applicant on the results of the examination of complaint.

Complaint must be submitted in writing in English with a clear indication of the following subject: **Complaint on the Monitoring Committee decision**, by e-mail to the following address: ma-interreg-ipa@mrrfeu.hr or by regular post to the following address:

Ministarstvo regionalnoga razvoja i fondova Europske unije Republike Hrvatske
Uprava za europsku teritorijalnu suradnju
Sektor za upravljanje Interreg programima suradnje
Upravljačko tijelo Interreg VI-A IPA Programa Hrvatska - Srbija
Miramarska cesta 22, 10 000 Zagreb, Hrvatska

6.5. Data protection

This information is given in accordance with Article 13 of the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (GDPR - General Data Protection Regulation). According to that Regulation, the processing shall be based on the rule of fairness, legality and transparency for the safeguard of privacy and rights.

The processing of the data submitted in order to participate in this CfP shall be strictly carried out for the purpose of the Call and for institutional functions of the Programme.

Data provision through the Jems is necessary and failure to provide them precludes the benefits deriving from the Call.

The applicant's information provided in the application is necessary for assessment and selection process in accordance with the specifications of the CfP. Personal data will be processed solely for that purpose by the MA, JS, SC and MC. Personal data may be transferred to third parties involved in the assessment and selection process and/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.

7. ANNEXES TO GfA

1. Template of the Lead Partner Statement
2. Template of the Project Partner Statement
3. Template of the Partnership Pre-Agreement
4. Model of the Subsidy Contract