



Interreg



EUROPEAN UNION

Danube Transnational Programme



Applicants Manual

ENI CALL FOR PROPOSALS



A stream of cooperation

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A stream of cooperation

Table of content

| | |
|---|-----------|
| Notice | 5 |
| Abbreviations | 6 |
| Glossary..... | 8 |
| PART I: DANUBE TRANSNATIONAL PROGRAMME..... | 12 |
| 1. Programme overview | 12 |
| 2. Programme priorities and Specific Objectives | 12 |
| 3. Programme area | 13 |
| 4. Legal framework..... | 14 |
| 5. Management structure | 17 |
| 6. Programme link with the EUSDR..... | 19 |
| PART II. PROJECT REQUIREMENTS | 22 |
| II.1 Key Principles of the programme | 22 |
| 1. Result orientation..... | 22 |
| 2. Transnational focus | 23 |
| 3. Horizontal principles..... | 23 |
| 4. Durability and transferability of the project results | 25 |
| 5. Integrated territorial approach | 25 |
| 6. Environmental sustainability | 26 |
| II.2 Partnership requirements | 28 |
| 1. Lead Partner principle..... | 28 |
| 2. Composition of the partnership | 29 |
| 3. General eligibility rules..... | 31 |
| 4. Geographic eligibility rules..... | 36 |
| 5. Financial capacity of project partners and national co-financing | 38 |
| 6. Framework of the ENI Call..... | 38 |
| A. Intervention logic..... | 38 |
| Specific objectives of the Call for Proposals..... | 39 |
| B. Activities, work plan and work packages | 40 |
| 7. Duration of project..... | 42 |
| 8. Project budget..... | 43 |
| PART III: ELIGIBILITY OF EXPENDITURE | 43 |

| | |
|---|-----------|
| PART IV: APPLICATION AND ASSESSMENT | 44 |
| 1. Overview | 44 |
| 2. Assessment and selection | 44 |
| Complaint procedure | 49 |

Notice

This manual outlines the framework for the implementation of the financial support offered by the Danube Transnational Programme to projects developed under Specific Objective 4.1 Improve institutional capacities to tackle major societal challenges that benefit the ENI Partner States of republic of Moldova and Ukraine.

Abbreviations

| | |
|-------|---|
| AA | Audit Authority |
| AF | Application Form |
| AfR | Application for Reimbursement |
| AM | Applicants Manual |
| ASP | Associated Strategic Partner |
| CfP | Call for Proposals |
| CA | Certifying Authority |
| CLP | Content Lead Partner |
| CP | Cooperation Programme |
| DTP | Danube Transnational Programme |
| EC | European Commission |
| eMS | Electronic Monitoring System |
| ENI | European Neighbourhood Instrument |
| ERDF | European Regional Development Fund |
| ESIF | European Structural and Investment Funds |
| ETC | European Territorial Cooperation |
| EGTC | European grouping for territorial cooperation |
| EU | European Union |
| EUSDR | EU Strategy for Danube Region |
| FLC | First Level Control |
| FLP | Financial Lead partner |
| GoA | Group of Auditors |
| IPA | Instrument for Pre-accession |
| MA/JS | Managing Authority and Joint Secretariat |

| | |
|------|--|
| LP | Lead Partner |
| MD | Republic of Moldova |
| MC | Monitoring Committee |
| NCP | National Contact Point |
| NGO | Non-governmental organisation |
| NUTS | Nomenclature of Territorial Units for Statistics |
| PP | Project Partner |
| PR | Project Progress Report |
| PRaG | Practical Guide to contract procedures for EU External actions |
| SG | Steering Group |
| SO | Specific Objective |
| SC | Subsidy Contract |
| UA | Ukraine |
| WP | Work Package |

Glossary

Programme Manual

The Programme Manual is part of the Application Pack intended to provide applicants detailed and specific information about the programme, project requirements, eligibility rules, application and assessment processes, project implementation principles and to guide them through the drafting of the project proposals.

Beneficiary

A beneficiary is an entity receiving EU funds for the implementation of a project.

Co-financing

In general terms, it refers to the situation when there are two financing sources for the same project or activity. In the EU programmes environment, usually there are two or more sources of financing. In case of ENI framework of Danube Transnational Programme, financing is provided from EU funds (ERDF and ENI) and national co-financing: state contribution and/or own sources (can be public or private) of the project participant and/or other contribution (e.g. regional/local/other sources).

Cohesion Policy

Cohesion policy was enshrined in the Treaties with the adoption of the Single European Act (1986). It is built on the assumption that redistribution between richer and poorer regions in Europe is needed in order to balance out the effects of further economic, social and territorial integration.

Control system (centralised/ decentralised)

The Control system is set up by each Partner State in order to carry out verifications at national level with regard to the use of ERDF/ENI funds against established procedures in terms of delivery of products and services according to the approved Application Form, verification of the reality of claimed expenditure, ensuring compliance with the terms of the Commission decision on the programme, compliance with the national and EU rules on eligibility of expenditure, public procurement, state aid, protection of the environment and equal opportunities. The control system may be centralised, i.e. a central body is appointed by the respective country to carry out the control activities, or decentralised, i.e. the controlled project partner appoints its controller (however, in this case, limitations on the selection of the controller may be imposed by the Partner State).

Controller / First Level Controller (FLC)

The Controller is the private or public body or individual designated by the Partner States to carry out control activities with regard to the use of ERDF/ENI funds. FLC is used as a synonym for Controller.

Coordination

Coordination is the synchronisation and integration of activities, responsibilities, and command and control structures to ensure that resources are used most efficiently in pursuit of the specified objectives.

Durability

Durability of projects outputs and results refers to the long-lasting effect of the project achievements beyond project implementation timeframe.

Electronic Monitoring System (eMS)

The eMS is the electronic data exchange system used by the Danube Transnational Programme, developed by Interact, for the management and monitoring of programme and project level implementation (including the first level control tasks).

Eligible costs

Eligible costs are the project-related costs reported by the beneficiaries which are in line with the applicable programme eligibility rules and which are reimbursed from ERDF and ENI funds.

European Neighbourhood Instrument (ENI)

Effective from 2014 to 2020, the ENI is one of the instruments providing direct support for the European Union's external policies. It will support the European Neighbourhood Policy (ENP) and turn decisions taken on a political level into actions on the ground.

ERDF and ENI co-financing rate

ERDF and ENI co-financing rate is the 85% applied to the eligible expenditure of each individual partner resulting in the amount of co-financing to be reimbursed.

European Regional Development Fund (ERDF)

The ERDF is one of the five Structural Funds and it is intended to help to reduce imbalances between regions of the EU. The Fund grants financial assistance for development projects in the EU regions. In terms of financial resources, the ERDF is by far the largest of the EU's Structural Funds.

Flat rate

Flat rate is a level of payment that is the same in all cases, calculated as percentage of a certain amount.

Intervention Logic

The intervention logic is the backbone of the project and the programme, demonstrating the link in terms of existing challenge/need, objectives, expected results and outputs. The project intervention logic will have to show how the intended change will be achieved through planned activities.

Instrument for Pre-Accession (IPA)

The Instrument for Pre-accession Assistance II (IPA II) is the means by which the EU supports reforms in the 'enlargement countries' with financial and technical help. Prepared in partnership with the beneficiaries, IPA II sets a new framework for providing pre-accession assistance for the period 2014-2020. For the purpose of this Manual, the acronym IPA is used.

Financial Lead partner (FLP)

The Financial Lead Partner is the project partner having full financial responsibility for the entire project and being responsible for transferring the EU funds to the project partners.

Content Lead Partner (CLP)

The Content Lead Partner is the project partner being responsible for the overall coordination of the project, including proper reporting to the MA/JS.

Macro-regional strategy

A macro-regional strategy means an integrated framework endorsed by the European Council, which may be supported by the ESI Funds among others, to address common challenges faced by a defined geographical area relating to Member States and third countries located in the same geographical area which thereby benefit from strengthened cooperation contributing to achievement of economic, social and territorial cohesion (according to Article 2(31) of the CPR).

Partner States

Partner States are the 14 countries included in the DTP and in the EUSDR.

Project Partner

Project beneficiary, as referred to in Article 13 of Regulation (EU) No. 1299/2013, of EU funds (ERDF and/or ENI).

Programme Priorities

The Programme Priorities are the thematic areas around which the programme is structured.

Project Progress Report

The Project Progress Report is the report to be submitted by the LP to the MA/JS at the end of each reporting period outlining performed activities within the period as well as associated eligible expenditure. It documents the progress of the project and serves as a basis for the reimbursement request.

Real costs

Real costs represent the expenditure actually incurred and paid (as opposed to lump sums or sums resulting from applying flat rates) and supported by invoices and other documents of equivalent probative value.

Reporting period

A reporting period generally covers a six-month period at the end of which the Lead Partner will have to submit a detailed Project Progress Report.

State contribution

The state contribution is the national public contribution representing a certain percentage of the eligible expenditure to be secured by the Partner States in accordance with national regulations.

Subsidy Contract

The Subsidy Contract is the contract signed between the MA/JS and the Lead Partner stipulating the provisions to be observed by both parties during the implementation of the project.

Target group

The target group consists of those individuals and/or organisations towards which the project aims are directed and which will therefore be directly or indirectly affected by the project activities and results. Even if target groups may not necessarily receive funds and be directly involved in the project implementation, they may exploit project outcomes for their own benefit.

PART I: DANUBE TRANSNATIONAL PROGRAMME

1. Programme overview

The Danube Transnational Programme (DTP) is a financing instrument with a specific scope and an independent decision making body. The DTP supports the policy **integration in the Danube area** in selected fields under the CPR/ERDF Regulations. The strategic vision is “policy integration” in specific fields of action below the EU-level (not duplicating efforts in policy integration at the EU-level e.g. TEN-T) and above the national level. Transnational projects should influence national, regional and local policies (policy driver).

In order to achieve a higher degree of territorial integration of the very heterogeneous Danube region, the transnational cooperation programme will act as a **policy driver** aiming to tackle the common challenges and needs deriving from specific policy fields. Therefore, transnational cooperation is expected to deliver tangible results through the **development and practical implementation of policy frameworks, tools and services**. To this end, the programme seeks to promote concrete pilot investments.

Current needs are related to the issues on how to improve institutional frameworks for cooperation, how to improve the quality of policies and their delivery and how to deliver solutions through smart pilot action. The success of the programme implementation will depend on targeted selection of the most relevant interventions and a further increase in the efficiency of administrative procedures and a reduction of the administrative burden for the beneficiaries.

2. Programme priorities and Specific Objectives¹

The programme builds on four priorities of particular relevance to the Danube Region. These are further broken down to Specific Objectives and respond to the programme area’s challenges and needs or build on opportunities identified in the analysis included in the Danube Transnational Programme document.

Projects to be funded in the framework of the programme will have to address one of the specific objectives formulated under each priority of the Programme.

PRIORITY 1 INNOVATIVE AND SOCIALLY RESPONSIBLE DANUBE REGION



Specific Objective 1.1: Improve framework conditions for innovation

Specific Objective 1.2: Increase competences for business and social innovation

¹ Programme intervention logic is detailed in Annex - Guidance for successful projects

PRIORITY 2 ENVIRONMENT AND CULTURE RESPONSIBLE DANUBE REGION



Specific Objective 2.1: Strengthen transnational water management and flood risk prevention

Specific Objective 2.2: Foster sustainable use of natural and cultural resources

Specific Objective 2.3: Foster the restoration and management of ecological corridors

Specific Objective 2.4: Improve preparedness for environmental risk management

PRIORITY 3 BETTER CONNECTED AND ENERGY RESPONSIBLE DANUBE REGION



Specific Objective 3.1: Support environmentally friendly and safe transport systems and balanced accessibility of urban and rural areas

Specific Objective 3.2: Improve energy security and energy efficiency

PRIORITY 4 WELL GOVERNED DANUBE REGION



Specific Objective 4.1: Improve institutional capacities to tackle major societal challenges

Specific Objective 4.2: Support to the governance and implementation of the EUSDR

3. Programme area

The programme area covers **nine Member States** (Austria, Bulgaria, Croatia, Czech Republic, Hungary, Germany with two lands Baden-Württemberg and Bayern, Romania, Slovakia and Slovenia) and **five non-EU Member States** (Bosnia and Herzegovina, Republic of Moldova, Montenegro, Republic of Serbia and Ukraine with four provinces: Chernivetska Oblast, Ivano-Frankiviska Oblast, Zakarpatska Oblast, Odessa Oblast), being composed of 69 NUTS2 regions.

Geographically, the DTP area overlaps with the territory addressed by the EU Strategy for the Danube Region (EUSDR), comprising also the Danube river basin and the mountainous areas

(such as the Carpathians, the Balkans and part of the Alps). It is the most international river basin in the world. The area makes up one fifth of the EU's territory and it is inhabited by approximately 114 million people. The variety of natural environment, the socio-economic differences and cultural diversity of the various parts of the area may be perceived as major challenges, but actually represent important opportunities and unexploited potential.

Figure 1: Programme area



4. Legal framework

I. The Danube Transnational Programme was developed taking into consideration the broad policy framework channelling the development efforts on macro-regional, national and regional levels.

Please note: The relevant documents listed below are provided on the DTP website. The list is not exhaustive.

- *Danube Transnational Cooperation Programme document adopted by the European Commission*
- *Structural Funds Regulations:*
 - Regulation (EU) No. 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006
 - Regulation (EU) No. 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006
 - Regulation (EU) No. 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal.
- *IPA Regulation:*
 - Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II)
 - Regulation (EU) 447/2014 of the European Parliament and of the Council of 2 May 2014 on the specific rules for implementing Regulation (EU) No 231/2014 of the European Parliament and of the Council establishing an Instrument for Pre-accession assistance (IPA II)
 - REGULATION (EU) No 236/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2014, Common Implementing Regulation for External Actions
- *ENI Regulation:*
 - REGULATION (EU) No 232/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2014 establishing a European Neighbourhood Instrument (ENI)
- *EGTC Regulation:*
 - Regulation (EU) No 1302/2013 of the European Parliament and of the Council of 17 December 2013 amending Regulation (EC) No 1082/2006 on a European grouping of

territorial cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and functioning of such groupings

➤ *Strategic framework:*

- The **Europe 2020 Strategy** is focusing on the three pillars of the concept of growth: smart, sustainable and inclusive. The EU 2020 Strategy is an instrument meant to coordinate the national and EU level policies in order to generate and maintain development at EU level and help the EU become the most competitive economy in the world by 2020. The mechanism needed for achieving the above-mentioned goals includes the National Reform Programmes which are containing the objectives set up at national level in pursuing the EU 2020 objectives.
- The **Territorial Agenda of the European Union 2020** - Towards an Inclusive, Smart and Sustainable Europe of Diverse Regions (TA2020) is set to provide strategic orientations for territorial development, fostering integration of territorial dimension within different policies at all governance levels and to ensure implementation of the Europe 2020 Strategy according to territorial cohesion principles.
- The **South-East Europe 2020 Strategy (SEE 2020)** was launched by the participating countries in 2011, as recognition of the fact that close cooperation can accelerate the attainment of key goals in specific field of action. Inspired by Europe 2020 Strategy, the SEE 2020 is pursuing similar objectives taking into account the regional specificities. The document provides important strategic guidance for the non- Member States from Western Balkans, in achieving a higher degree of convergence with the goals of EU2020.
- The **European Union Strategy for the Danube Region** Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - COM(2010) 715 final

Other programme documents and relevant information

Additionally, thematic policy frameworks were reflected in order to best address the needs in given sectors. Consequently, the design of the programme took into consideration the goals identified in specific thematic fields as follows (the list is not exhaustive):

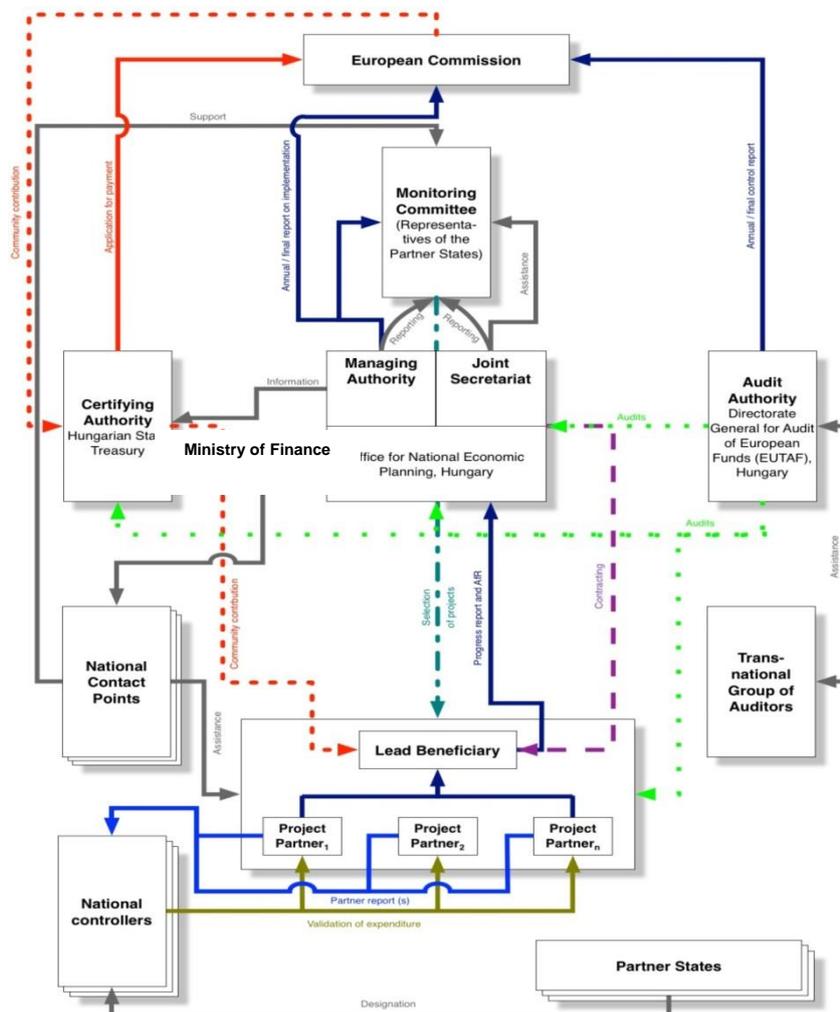
- EU Water Framework Directive (2000)
- TEN-T Connecting Europe
- EU Biodiversity strategy (2011)
- Prioritised Action Frameworks for NATURA2000
- EU 7th Environmental Action Programme
- EU Climate and energy package

- Energy efficiency plans / SET plans
- SME Small Business Act
- EU Smart Specialisation Platform
- The Danube Innovation Partnership
- European Research Area, Strategic Research Agendas developed under the Joint Programming Initiatives

Western Balkan R&D Strategy for Innovation – WISE (drafted with World Bank / RCC to monitor progress).

5. Management structure

The Danube Transnational Programme will use a shared management system to manage, coordinate and supervise its implementation, meaning that the Partner States and the Commission will be responsible for the management and control of the programme.



The **Monitoring Committee (MC)**, consisting of the representatives of each participating country, supervises the implementation of the DTP and selects the projects to be financed. Its overall task is to ensure the quality and effectiveness of the overall programme implementation process. To fulfil this task the MC is going to be assisted by the Joint Secretariat (JS).

The **Managing Authority (MA)**, assisted by the **Joint Secretariat** hosted by the Ministry for National Economy of Hungary, is responsible for the overall programme implementation by carrying out the functions laid down in Article 125 of the CPR as well as Article 23 of the ETC Regulation. The JS will be the central contact point for potential project applicants and Lead Partners of selected/running operations.

The **Certifying Authority (CA)** is responsible for drawing up and submitting certified statements of expenditure and applications for payment to the European Commission and receiving payments from the EC. The CA shall use the payments received from the EC to reimburse the Lead Partners in accordance with Article 132 of the CPR.

The **Audit Authority (AA)** is responsible for ensuring that audits are done in the framework of the management and control systems and are based on an appropriate sample of operations and on the annual accounts. The AA will be assisted by a Group of Auditors (GoA) comprising the representatives of responsible bodies of each Partner State.

National Contact Points (NCPs) will be set up by each participating country to complement transnational activities of the MA and the JS and by involving stakeholders from the national level as well as to contribute to the national and transnational programme management and provide guidance and advice to potential applicants and project partners.

The **Lead Partners (LPs)**, located in one of the DTP EU Member States, will be designated by all the partners participating in a project to carry out the tasks laid down in Article 13 of the ETC Regulation. In particular, the LP shall assume responsibility for ensuring the implementation of the entire operation, including the arrangements for recovering amounts unduly paid. In the given ENI Call for Proposals the partnership can opt to choose **Financial Lead Partner (FLP) or Content Lead Partner (CLP)**. The Financial Lead Partner is the ERDF project partner having full financial responsibility for the entire project and being responsible for transferring the EU funds to the project partners and signs the Subsidy Contract. The Content Lead Partner can be chosen among ENI PPs being responsible for the overall coordination of the project, including proper reporting to the MA/JS.

Controllers will be designated by each Partner State to ensure the compliance of expenditure incurred by the project partners with the Community and national rules, by carrying out verifications within the meaning of Article 23(4) of the ETC Regulation as well as Article 125(5) of the CPR, covering administrative, financial, technical and physical aspects of operations. Controllers shall be nominated in line with the national provisions of each Partner State. Each country participating in the DTP will be responsible for verifications carried out on its territory.

6. Programme link with the EUSDR

Macro-regional strategies and Transnational Cooperation Programmes

Within the EU regional policy, macro-regional strategies significantly gained importance over the last years. Several macro-regions were identified throughout the European territory, covering large areas across national borders. The EU Strategy for the Baltic Sea Region (EUSBSR) was adopted in October 2009; the EU Strategy for the Danube Region (EUSDR) started its implementation in June 2011; the EU Strategy for the Adriatic-Ionian Region (EUSAIR) was endorsed by the European Commission in 2012; and the EU Strategy for Alpine Space Region (EUSALP) was endorsed by European Council in November 2015. Discussion about possible other future European macro-regional strategies are on-going.

Given their identical geographical scope, the difference of macro-regional strategies and respective transnational cooperation programmes might not seem obvious at first glance. However, it should be highlighted that:

- Macro regional strategies are not funding instruments. A macro-regional strategy is an integrated framework (endorsed by the European Council), which may be supported by the European Structural and Investment Funds among others, to address common challenges faced by a defined geographical area relating to Member States and third countries located in the same geographical area which thereby benefit from strengthened cooperation contributing to achievement of economic, social and territorial cohesion. They rather seek to create synergies and coordination between existing policies, funding instruments and initiatives taking place across a given macro region
- Transnational cooperation programmes like the DTP are funding instruments contributing to the realisation of different EU policies and strategies, including macro-regional strategies. Yet, for either policy or (macro-regional) strategy they are only one instrument among further funding opportunities
- Transnational cooperation programmes and macro regional strategies are based on different policy and/or legal frameworks, defining – amongst other - different sets of rules, thematic priorities, internal governance structures and administrative procedures

How the EUSDR works

The Danube Region Strategy addresses a wide range of issues; these are divided among **4 pillars** and **12 priority areas** (see image below). The EUSDR Action Plan presents operational objectives, projects and actions for each priority area. In addition, concrete targets are defined for each priority area. Each priority area is managed by Priority Area Coordinators (PACs). Steering groups advise and assist the work of the PACs. Further to that, some priority areas created working groups around sub-themes and tasks. The National Coordinators (NCs) coordinate the participation of their country in the implementation of the EUSDR. The role of the NC is to promote the Strategy and inform relevant stakeholders on the national level of key developments. The Danube Strategy Point (DSP) is supporting exchange among Priority Area Coordinators and National Coordinators in their tasks and promotes the Strategy predominantly at the European level. The EUSDR website (www.danube-region.eu) provides general information about the EUSDR, its governance, priority areas and PACs, targets per priority area, funding opportunities and key documents.

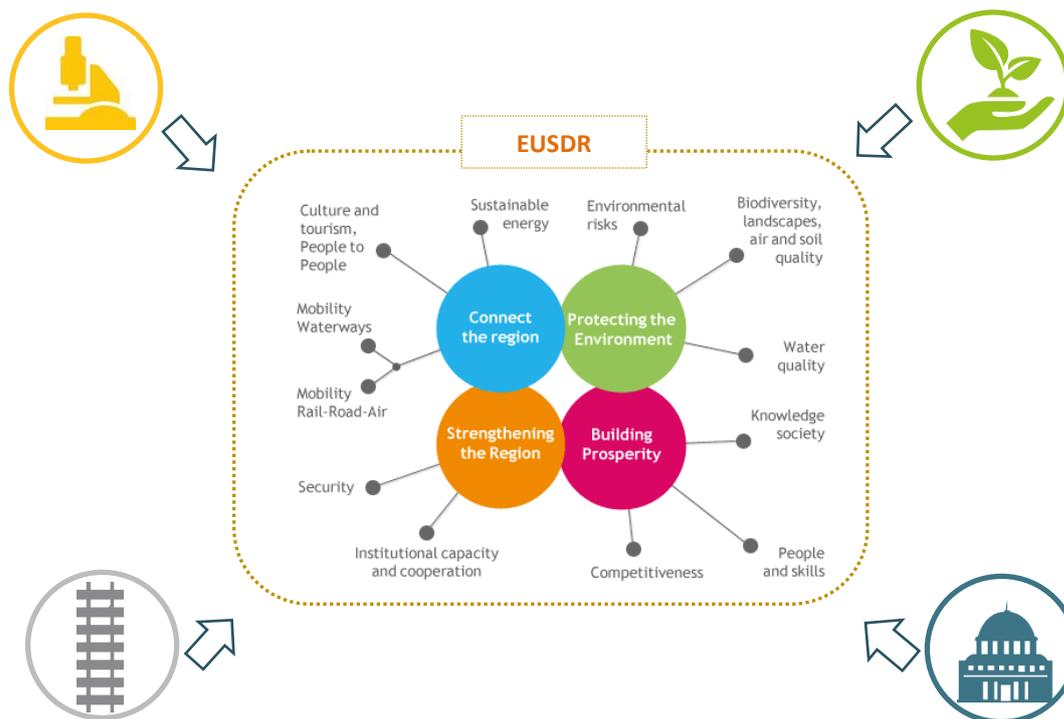
Contributions of DTP projects to the EUSDR

The set-up of the DTP thoroughly considered the EUSDR. As one result of the close alignment of DTP and EUSDR, all DTP Priority Axis and related Specific Objectives show direct linkages to the pillars of one or more EUSDR Priority Areas (see also the DTP Cooperation Programme chapter 4.4.1). However, not all twelve EUSDR Priority Areas are equally reflected by the DTP

due to the thematic concentration² applied to all territorial cooperation programmes in the EU programming period 2014 – 2020.

Thematic linkages between DTP and EUSDR

EUSDR Pillars and Priority Areas



Please note: Expected contributions of DTP projects to the EUSDR

Applicants are expected to describe the link to the relevant EUSDR Priority Area(s) and the concrete contribution to the implementation of the Priority Area(s), as well as the contribution toward achievement of the EUSDR current targets and/or corresponding actions, as described in the official list of targets and actions (<http://www.danube-region.eu/component/edocman/action-plan-eusdr-pdf>). Besides the description of the contribution, Applicants have to demonstrate throughout their proposal that the Strategy is embedded in the actual implementation of the project (e.g. by involving the PAC or by proposing activities that are involving the EUSDR bodies). Applicant is also advised to check the websites of the specific Priority Areas in order to better understand how the proposal can contribute to the EUSDR (<http://www.danube-region.eu/about/priorities>).

² According to Art.4 of the Reg.1301/ 2013

Linking DTP projects to the EUSDR will require a sound knowledge about the EUSDR. Therefore, applicants should use all available sources of information, be it through the above mentioned web-links, direct contact with EUSDR representatives (PACs, Priority Area Steering Group members, National Coordinators or other) or by attending EUSDR events. Finally, applicants being in contact with their respective DTP National Contact Point during the preparation phase of their project might also use this opportunity for getting fruitful advice and guidance.

PART II. PROJECT REQUIREMENTS

II.1 Key Principles of the programme

1. Result orientation

The European Union requires programmes of the 2014-2020 period to follow a **result-oriented approach** through an intervention logic. Programmes have to demonstrate their **clear contribution to the objectives of the Europe 2020 Strategy and to the achievement of economic, social and territorial cohesion**. Therefore, since it is mandatory for the proposed projects to fit into the broader framework of the Programme, partners should ask themselves whether the aims of their projects are building upon those of the DTP.

Please note: In order to achieve its goals, the Programme shall support projects with real **transnational character** and strong **result-oriented approach**, reflected in the:

- Transnational relevance of the topic/theme
- Delivery of concrete and measurable outputs and results, in response to well identified transnational challenges affecting the programme area
- Delivery of durable outputs and results, such as implementing/ mainstreaming investments prepared in transnational context
- Quality of the partnership of the project
- Efficiency in terms of mobilised resources
- Integrated territorial approach
- Contribution to sustainable development

Projects require a clear **result-oriented approach** contributing to the achievement of a specific objective of Danube Transnational Programme:

- **Project objectives have to clearly target programme Specific Objective 4.1.**
- The **contribution of the project to the respective programme result** (and the related indicator) has to be clearly demonstrated.

- Project **activities and outputs have to be logically linked to the targeted Specific Objective**

ATTENTION: Coherence of the project intervention logic with the programme intervention logic is a pre-requirement for selection of a project. Furthermore, the project has to demonstrate that it contributes to at least the mandatory programme output indicator *documented learning interactions*.

2. Transnational focus

Transnational programmes are defined by the added value of cooperation between regions in different countries. **Projects that could be implemented just as effectively without transnational cooperation will not be supported by the DTP.** Cooperation will be promoted *vertically*, among different levels of government, *horizontally*, among different policy sectors and policy actors and *geographically*, across administrative boundaries.

Transnational focus should result in concrete joint **institutional capacity building** and **improved policy instruments** for enabling multilevel and transnational governance application through joint design, testing, up-scaling, comparison and evaluation of tools, processes, actors, organisations and interfaces in the field of public institutions. Additionally, transnational action shall deliver conclusions on the relevance, effectiveness and sustainability of the above through monitoring and evaluation initiatives.

Transnational and territorial relevance is one of the key quality requirements for a project to be funded. Each project has to clearly contribute to the programme Specific Objective 4.1., addressing development needs and territorial challenges specific to the programme area that are shared across the regions participating in the project.

3. Horizontal principles

Sustainable Development

Sustainable Development is the main pillar of the horizontal principles governing the Danube Transnational Programme.

Sustainable development stands for meeting the needs of present generations without endangering the capacity of future generations to meet their own needs. When applying for funding under the DTP, applicants should account for the impact of their project on economic, ecological and social aspects within the region targeted.

Applicants have to specify any possible environmental impact of their project on the following aspects: water, soil, air and climate, population and human health, fauna, flora and biodiversity, natural heritage and landscape.

Projects submitted under any priority axis are strongly encouraged to incorporate activities for tackling environmental concerns and **reducing their environmental and carbon footprint**, for example by:

- Contributing to energy efficiency, renewable energy use and reduction of greenhouse gas (GHG) emissions
- Contributing to efficient water supply, waste-water treatment and water reuse
- Contributing of green public procurement in a systematic manner
- Contributing to efficient waste management, re-use and recycling
- Contributing to the development of green infrastructures including Natura 2000 sites
- Contributing to reduced transport and mobility-related air pollution
- Contributing to sustainable integrated urban development
- Contributing to enhanced awareness of adaptation to climate change and risk prevention
- Contributing to more employment opportunities, education, training and support services in the context of environment protection and sustainable development

Equal opportunities and non-discrimination

Projects must promote equal opportunities for everyone and prevent any discrimination based on gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation, design and implementation of the transnational cooperation projects. Additionally, projects must account for the particular needs of the various target groups prone to such discrimination and the requirements of ensuring accessibility for persons with disabilities.

Furthermore, when selecting service providers, suppliers or contractors, projects have to ensure equal opportunities for all interested parties and avoid limiting and discriminating with requirements or selection criteria. During project selection, each project will be subject to the verification of compliance with equal opportunities and non-discrimination principles defined in EU and national legislation.

Equality between men and women

The Danube Transnational Programme aims at promoting gender equality in line with the EU policies in this field. In the framework of their activities, projects have to ensure equal participation of men and women and gender mainstreaming and avoid generating discrimination of any kind.

4. Durability and transferability of the project results

Durability of project outputs and results is crucial for ensuring territorial impact and long-term benefits which continue after the project end, in order to reach the project's overall objectives. Therefore, projects have to ensure that outputs obtained and results achieved are durable and suitable to be continued after project closure. This may include follow-up activities, handover to the policy level, ownership, financing through other initiatives or funds, leverage of investments, etc. In order to achieve durability, projects need to adopt from the beginning a long-term, strategic perspective that leads to desired results for the target groups over an extended time frame. In order to achieve such long-term benefits, it is essential to consider needs of key stakeholders as well as the institutional context already when designing the project. In particular, key stakeholders should be actively involved from the early stages of the project development. Therefore, projects should be devoted to the achievements of the objectives set up by the EU 2020 Strategy and the Danube Strategy and make sure that the outputs obtained and the results achieved are durable and suitable to be continued after the project closure. The ownership of the investment in the project is to be retained within the project partner. The durability of the investment is to be ensured for 5 years following the final payment to the beneficiary.

Please note: A pre-condition for durability of project outputs and results is sustainability. The following 3 dimensions of sustainability should be considered by every project already from the preparation phase:

- Financial sustainability: financing of follow-up activities and investments, leverage of funds, resources for covering future operating and maintenance costs, etc.
- Institutional sustainability: identification of structures that will take over the follow up of the action after the end of the project and enhancing the capacity for spill over effect.
- Political sustainability: impact of the project on the political choices that will lead to improved legislation, code of conduct, methods.

5. Integrated territorial approach

European Territorial Cooperation programmes are intended to complement other European programme strands such as “rural development” or “investment for growth and jobs”, programmes which aim to invest in infrastructures, enterprises and people. Transnational cooperation programmes are primarily designed for further territorial integration through enhanced cooperation in specific policy fields. Given its overall budget size, the transnational cooperation programmes cannot target large-scale investment interventions and consequently major economic impact.

The DTP will not use specific instruments for integrated territorial development offered by the EU regulations such as Community Led Local Development (CLLD) and Integrated Territorial Investment (ITI). However, the DTP supports an integrated territorial approach which is mainly understood as a comprehensive and coordinated approach to planning and governance and territorial coordination of policies in specific territories.

The DTP recognises that the territorial dimension and the coordination of EU and national sectorial policies are important principles in fostering territorial cohesion. Most policies at each territorial level can be made significantly more efficient and can achieve synergies with other policies if they take the territorial dimension and territorial impacts into account.

- Therefore, the DTP supports territorial approaches such as territorial integration in transnational functional regions.

Improving territorial connectivity for individuals, communities and enterprises

6. Environmental sustainability

The total sets of greenhouse gas emissions caused by an organisation, event, product or person define their carbon footprint.

Changes in our lifestyles, attitudes and behaviours towards more environmentally sound choices will provide a contribution to reverse this situation.

The Danube Transnational Programme, covering a wide area of 14 countries and over 114 million of inhabitants that agreed to interact and work together for the next years, has a considerable potential carbon footprint. However, in line with Art 8 of Regulation (EU) No 1303/2013³, the DTP would like to attempt to reduce any potential increase of carbon dioxide derived from the implementation of the DTP.

Experience of transnational programme implementation showed that two main factors, among others, directly contribute to increasing the carbon footprint of a programme: 1. excessive use of printed documents either for formal or informal use; and 2. extensive travels of the involved actors.

The actions planned to decrease the carbon footprint of the DTP are twofold. On the one hand, a reduction of the printed paper needed for the implementation of the DTP and, on the other hand offsetting the CO₂ emitted during the travels of all actors involved in the DTP implementation.

Reduce – reuse – recycle principle

³ “The objectives of the ESI Funds shall be pursued in line with the principle of sustainable development and with the Union’s promotion of the aim of preserving, protecting and improving the quality of the environment, as set out in Article 11 and Article 191(1) TFEU, taking into account the polluter pays principle.[...]”

The first step towards a greener direction should be taken during the procuring process: whenever procuring for activities which will produce documents and publications in general, a clear request of using only recycled paper should be indicated in the related ToRs.

Considering the significant number of events planned and expected to be organised throughout the project duration, it is strongly recommended to avoid distributing paper copy of materials used during the events (e.g. agenda, printout of PPTs, discussion documents in general) and make appropriate use of the electronic support.

The DTP ensures a considerable reduction of request of paper documents from the projects in all steps of implementation.

- Application phase: application forms and all supporting documents will be requested in electronic format only. The signed paper version will be requested only for the signature of the subsidy contracts of approved proposals.
- Reporting phase: project progress reports and certifications will be requested in electronic format only. Also the signed Applications for reimbursement will need to be sent only in electronic format. Copies of deliverables will be requested in electronic format only.

We encourage using best practice procedures that stress the reduction of the used paper, its reuse and the recycling through appropriate recycling bins.

Reduce:

- The circulation of printed documents should be reduced by using email wherever possible
- It is advised to always use both sides of paper. Printers and photocopiers should be set to copy double-sided as default

Reuse:

- Waste paper should be used and assembled into notepads
- It is advised to use designated containers to collect part-used waste paper. This can then be fed back through faxes/printers or used for rough working

Recycle:

- Confidential documents should be shred and sent for recycling
- All other used paper should be sent for recycling where possible

Carbon offset

According to a rough estimation that considered the experience of the past programming period, a minimum of 9,400 travels are expected during the Danube Transnational Programme and project implementation. Therefore, it can be expected that travelling for programme/project purposes will substantially increase the carbon footprint.

The DTP strongly suggests the project partners to previously assess the need for travel and to explore the alternative options, such as conference calls, online meetings, etc.

As often travels cannot be avoided, the DTP proposes to first trying to reduce the impact of the travel by combining events together (e.g. steering group meetings with working group meeting and stakeholders' event) and/or by selecting the venue taking into consideration its accessibility (e.g. location easily reachable by train).

Another option that the DTP offers is the offsetting of the carbon emissions produced by the programme actors (programme bodies and project partners) when flying.

Carbon offsets are achieved through financial support of projects carried out by organisations that act as service providers of CO₂ compensation that reduce the emission of greenhouse gases in the short- or long-term.

Costs for compensating the CO₂ emissions are eligible for co-financing at programme level. Project actors are advised to read carefully the chapter on the eligibility of expenditure to make sure that programme rules are followed when purchasing carbon offsetting.

II.2 Partnership requirements

1. Lead Partner principle

According to the EU Regulation 1299/2013, art 13, the “Lead Partner principle” applies to Danube Transnational Programme.

This means that the Lead Partner (LP) should be nominated by the partners from amongst themselves.

ATTENTION: The LP can only be chosen from among the ERDF partners.

The partnership can opt to choose that the ERDF LP is only a Financial LP (henceforth called LP). The LP bears the overall financial responsibility and is responsible for receiving and transferring the EU contribution to the PPs. Out of the ENI PPs the partnership may nominate a Content LP. The Content LP is responsible for the management of the content of the project and ensuring a coordinated implementation of the activities. Nevertheless the partnership can also choose the **traditional ERDF LP** who is responsible for the overall project implementation (both financial and content).

The Lead Partner organisation should follow the legal requirements set out in section 3. Lead Partner organisations can be public bodies, bodies governed by public law, private non-profit institutions or international organisations, etc.

The Lead Partner (and Content LP if applicable), together with the project partners, is responsible for drafting the Application Form and submitting it to the MA/JS. After approval of the project, a Subsidy Contract will be concluded between the MA/JS and the Lead Partner, being formally the final beneficiary of the ERDF and ENI funding and the only direct link between the project partnership and the Programme.

According to Art.13 of the EU Reg. 1299/2013 the Lead Partner shall:

- Lay down the arrangements with other Beneficiaries in a Partnership Agreement comprising provisions that, inter alia, guarantee the sound financial management of the funds allocated to the operation, including the arrangements for recovering amounts unduly paid;
- Assume responsibility for ensuring implementation of the entire operation;
- Ensure that expenditure presented by all beneficiaries has been incurred in implementing the operation and corresponds to the activities agreed between all the beneficiaries, and is in accordance with the document provided by the Managing Authority pursuant to Article 12(5).

Ensure that the expenditure presented by other Beneficiaries has been verified by the responsible Controller where this verification is not carried out by the Managing Authority pursuant to Article 23(3).

2. Composition of the partnership

Each project should involve **at least 2 project partners (PPs)**, out of which one, **the LP**, should be from an EU Member State of the DTP programme area and one from Moldova or Ukraine, depending which country is addressed by the project. Additionally the partnership can involve up to 2 ERDF PPs and up to 4 ENI PPs coming from the UA or MD depending to which country the project is addressed to (in conclusion in **total maximum: 3 ERDF and 5 ENI PPs** can be involved).

Please note: It is not the number of institutions listed in the proposal that makes the project partnership ideal, but rather their expertise necessary to carry out the planned activities, their commitment and willingness to cooperate. The number and type of partners, as well as project duration and budget depend on the specific focus of the project and proposed activities.

The topics addressed by the project determine the profile of the organisations that could be involved in the project activities.

The ideal partnership should include:

- Optimal transnational representation (linked to the problems and challenges identified the partnership should include institutions from the respective countries),
- Complementary sectorial expertise (horizontal composition of the partnership),
- Necessary expertise at relevant administrative levels (vertical composition of the partnership),
- Sufficient financial, technical and human resources to implement project activities.

The responsibilities of the project partners are listed below:

- Carrying out activities planned in the approved Application Form (AF) and agreed in the Partnership Agreement
- Submitting reports of project activities to payment claims
- Assuming responsibility of any irregularity in the expenditure which it has declared, repaying the Lead Partner any amounts unduly paid in accordance with the Partnership Agreement signed between the Lead Partner and the respective project partner
- Carrying out information and communication measures for the public about the project activities

The type partners can be:

- a. national, regional and local organisations implementing policies in the relevant thematic fields;
- b. semi-public institutions such as regional development associations and promoters, innovation and development agencies, research institutes and universities;
- c. regional and local associations of enterprises (e.g. chambers of commerce, unions); professional organisations;
- d. regional, local and county self-governments and their organisations acting as legal entities, regional councils;
- e. non-state actors such as:
 - non-governmental organisation;
 - organisation representing national and/or ethnic minorities;

- local organisations (including networks) involved in the decentralised regional cooperation and integration;
- consumer organisations, women's and youth organisations, teaching, cultural research and scientific organisations.

f. International organisations;

g. EGTCs - the applicants must have their seats or a regional/local branch registered in the eligible programme area.

Besides the project partners, the partnership can involve Associated Strategic Partners (ASPs). Associated Strategic Partners costs for travel and accommodation can be financed by an ERDF LP/PP or by an ENI Content LP/PP. ENI Content LP/PP can sponsor both an ASP coming from an ENI country and/or an ASP coming from an IPA country, but cannot sponsor an ASP coming from an ERDF country. ERDF LP/PP can sponsor ASPs coming from an ERDF, ENI and/or IPA country. The ASPs should represent institutions relevant for the topic. e.g. national/local/regional authorities, ministries, etc. that cannot participate in the project as PPs due to internal complex procedures, but have decision making power. Additionally relevant stakeholders from the IPA countries can be involved as ASPs.

3. General eligibility rules

The following types of partners, according to their legal status, are eligible for funding within the Danube Transnational Programme: local regional, national public bodies/bodies governed by public law (including EGTCs in the meaning of Article 2(16) of Regulation (EU) No 1303/2013, registered in one country the programme area), international organisations, private bodies non-profit having legal personality.

A. Local, regional, national public bodies⁴/ bodies governed by public law (including EGTCs in the meaning of Article 2(16) of Regulation (EU) No 1303/2013)

Bodies governed by public law

Bodies governed by public law' as defined in Article 2(9) of 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 (OJ L 94, 28.3.2014).

The definition of a body governed by public law is the following according to Article 2(1) of DIRECTIVE 2014/24:

'bodies governed by public law' means bodies that have all of the following characteristics:

⁴ E.g. ministries, municipalities, regional state administrations, etc.

- *They are established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character (being not relevant the industrial and commercial character)*
- *They have legal personality, and*
- *They are financed, for the most part, by the state, regional or local authorities, or by other bodies governed by public law; or are subject to management supervision by those authorities or bodies; or have an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law*

How to assess whether a legal entity is a “body governed by public law”?

In individual cases it might be difficult to ascertain whether a legal entity fulfils the criteria defining a “body governed by public law”. In this respect it can be helpful to first consult Annex I of the Directive 2014/24/EU. For all EU Member states participating in the DTP, it sets out non-exhaustive lists of bodies and categories of bodies governed by public law which fulfil the criteria in question. Moreover, lawyers specialised in public procurement law, certified public accountants and national procurement authorities and national programme’s representatives could give advice. They will also be familiar with the national jurisdiction on the term “body governed by public law”.....

Considering the case-law of the European Court of Justice the following can be noted to interpret the three criteria of the term “body governed by public law” correctly on European level. In general, the European Court of Justice held that the term must be interpreted in functional terms and broadly.

a.1 Established under public or private law for the specific purpose of meeting needs in the general interest

The term “needs in the general interest” is an autonomous concept of Community law. In case of doubt, its legal and factual situation must be determined in each individual case in order to assess whether or not it meets a need in the general interest.

Needs in the general interest are generally needs which are satisfied otherwise than by the availability of goods and services in the marketplace and which, for reasons associated with the general interest, the State chooses to provide itself or over which it wishes to retain a decisive influence. Account must be taken of relevant legal and factual circumstances, such as those prevailing when the body concerned was formed and the conditions in which it carries on its activity. However, the existence or absence of needs in the general interest not having an industrial or commercial character must be appraised objectively, the legal form of the provisions in which those needs are mentioned being immaterial in that respect.

A body which was not established to satisfy specific needs in the general interest not having an industrial or commercial character, but which has subsequently taken responsibility for such needs, which it has since satisfied, fulfils that condition

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| | <p><i>provided that the assumption of responsibility for the satisfaction of those needs can be established objectively. Activities of the body in question linked to public policy can indicate that it meets needs in the general interest.</i></p> <p><i>The condition that the body must have been established for the “specific” purpose of meeting needs in the general interest, not having an industrial or commercial character, does not mean that it should be entrusted only with meeting such needs. It is immaterial that such an entity is free to carry out other activities provided that it continues to attend to the needs which it is specifically required to meet.</i></p> |
| <p><i>a.2 (and) Not having an industrial or commercial character</i></p> | <p><i>This criterion is intended to clarify the meaning of the term “needs in the general interest”. That means that within the category of needs in the general interest there is a sub-category of needs which are not of an industrial or commercial character.</i></p> <p><i>If a body operates in normal market conditions, aims to make a profit, and bears the losses associated with the exercise of its activity, it is unlikely that the needs it aims to meet are not of an industrial or commercial nature.</i></p> <p><i>The status of a body governed by public law is not dependent on the relative importance, within that body's activity, of the meeting of needs in the general interest not having an industrial or commercial character.</i></p> |
| <p><i>b. Having legal personality</i></p> | <p><i>The question whether or not a body has legal personality is to be answered by national law. An entity's private law status does not constitute a criterion for precluding it from being classified as “body governed by public law” within the meaning of Directive 2014/24/EU.</i></p> |
| <p><i>c.1 Financed, for the most part, by the State, regional or local authorities, or other bodies governed by public law</i></p> | <p><i>Each of the alternative conditions set out in the “c” criterion (c1, c2, c3) reflects the close dependency of a body on the State, regional or local authorities or other bodies governed by public law. Whilst the way in which a particular body is financed may reveal whether it is closely dependent on another public authority, that criterion is not an absolute one. Not all payments made by a public authority have the effect of creating or reinforcing a specific relationship of subordination or dependency.</i></p> <p><i>Only payments which go to finance or support the activities of the body concerned without any specific consideration therefore may be described as public financing.</i></p> <p><i>The term “for the most part” means more than half. That necessarily implies that a body may also be financed in part in</i></p> |

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| | <p><i>some other way without thereby losing its character as a body governed by public law. In order to determine correctly the percentage of public financing of a particular body account must be taken of all of its income, including that which results from a commercial activity.</i></p> <p><i>To decide whether a body is a “body governed by public law” the way in which it is financed must be calculated on the basis of the figures available at the beginning of the budgetary year, even if they are only provisional.</i></p> |
| <p><i>c.2 Or subject to management supervision of those bodies</i></p> | <p><i>The criterion “management supervision” must give rise to the dependence on the public authorities’ equivalent to the dependence which exists where one of the other alternative criteria (c1 or c3) is fulfilled. A mere review does not satisfy the criterion of management supervision. That criterion is, however, satisfied where the public authorities supervise not only the annual accounts of the body concerned but also its conduct from the point of view of proper accounting, regularity, economy, efficiency and expediency and where those public authorities are authorised to inspect the business premises and facilities of that body and to report the results of those inspections to other public authorities.</i></p> |
| <p><i>c.3 Or having an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law.</i></p> | |

B. International organisations

International organisations acting under the national law of any DTP Partner State or under international law, provided that, for the purpose of the project, they fulfil the EU, programme and national requirements in terms of control, validation of costs and audits, can be considered as eligible for funding. In particular, these organisations should express in written form (through a form of Declaration) that:

- They agree to comply with applicable community policies, including the respect of principles on public procurement;
- They accept the national control requirements set in the framework of the Danube Transnational Programme;

- They agree to accept the controls and audits by all bodies entitled to carry out such controls in the framework of the Programme, including the Managing Authority and Joint Secretariat, the Audit Authority and the European Court of Auditors as well as the relevant national authorities of the Member State in which the international organisation acting as project partner is located. Storage of all documents required for these controls must allow performing them in the geographical area covered by the Danube Transnational Programme;
- They assume the final financial liability for all sums wrongly paid out.

C. Private bodies

In the context of this programme, the concept of “private bodies” means all organisations which are founded by private law such as (but depending on the country) chambers of commerce, trade unions, non-governmental organisations. They may receive funding if they fulfil the following criteria:

- They have legal personality
- They make available the results of the project to the general public
- They apply the principles of public procurement

ATTENTION: Private enterprises are not eligible to apply for funding in the ENI call neither as LPs nor as PPs.

Nevertheless, private non-profit bodies acting as Lead Partner have to demonstrate that:

- They have no debts to the state budget
- No liquidation or bankruptcy procedure has been initiated against them
- They are financially autonomous
- They are solvent (meaning that they can cover their medium and long term commitments)

Private non-profit LPs will demonstrate the fulfilment of the criteria above through the Declaration of co-financing and pre-financing statement.

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

4. Geographic eligibility rules

The Programme covers 14 countries, 9 of them EU Member States (Austria, Bulgaria, Croatia, Czech Republic, Hungary, Germany-Baden Württemberg and Bayern, Romania, Slovakia and Slovenia) and 5 non-member states (Bosnia and Herzegovina, Republic of Moldova, Montenegro, Serbia and Ukraine with four provinces: Chernivetska Oblast, Ivano-Frankiviska Oblast, Zakarpatska Oblast, Odessa Oblast). As a general rule, EU financing is only provided to project partners located in the Programme Area.

Please note: Exceptions

Legal entities located in Germany and Ukraine (in the sense of legal registration) but outside the Programme area can receive EU financing, if:

- a. Are competent in their scope of action for certain parts of the eligible area, e.g. federal ministries, federal agencies, national research bodies which are registered outside the Programme area, etc.,
- b. Fulfil the basic requirements specified in point II.3 and
- c. Carry out activities which are for the benefit of the regions in the Programme area.

Based on the geographical location the following two **types of partners** are identified:

- **Directly financed partners:** receiving directly financial contribution from the Programme (by ERDF and ENI) and bearing full responsibility for their budget.
- **Indirectly financed partners (ASPs):** being **not** directly financed by the Programme but – eventually – “sponsored” by an ERDF or ENI Partner that is bearing the responsibility for their participation in the project. Associated Strategic Partner (ASP) in the DTP is an organisation whose participation is considered crucial for the added value given to the partnership. As an example, ASP can potentially be a Ministry, which does not want to apply and contribute financially because of administrative burdens and financial reasons but it is interested to participate in a project for ensuring the *political sustainability* of delivered outputs and results.

ASPs (Associated Strategic Partners) are actors not contributing financially to the project and are located either in an:

- **EU country (inside or outside the Programme area) or in**
- **Non-EU country of the programme area (in case the given partner is not financed by ENI funds within the same project)**
- **Bosnia and Herzegovina, Montenegro or Serbia**

Expenditure is limited to reimbursement from the programme of *travel and accommodation* costs related mainly to their participation in project meetings, which shall be finally borne by any of the institution acting as ERDF/ENI “sponsoring” partner in order to be considered as eligible.

ATTENTION:
ERDF PP can sponsor ASP(s) from ERDF, ENI and/or IPA countries
ENI PP can sponsor ASP(s) from ENI and/or IPA countries

Summary of the proposed type of partners

| Type of Partner | | Location | Budget | Budget lines ⁵ |
|-------------------|-------------------------------|------------------------------------|----------|---------------------------|
| financed partners | financial LEAD PARTNER | Only EU part of the Programme area | Separate | All |

⁵ The eligible expenditure of the DTP include the following budget lines: staff costs, office and administrative expenditure, travel and accommodation costs, external expertise and service costs, equipment expenditure.

| | | | | |
|------------------------------------|---|---|--|-------------------------|
| Indirectly financed partners | ERDF PARTNER | Only EU part of the Programme area | Separate | All |
| | ENI PARTNER (can be content LP) | Moldova and Ukraine | Separate | All |
| | Associated Strategic Partners (ASPs) | <ul style="list-style-type: none"> ➤ EU countries Non-EU countries of the Programme Area | Part of a "sponsoring" ERDF/ENI PARTNER budget | TRAVEL and ACCOMODATION |

5. Financial capacity of project partners and national co-financing

The Programme works based on reimbursement principle, which means that project partners have to pre-finance their activities and the amounts paid are reimbursed after the submission and evaluation of the project progress reports. As a general rule, progress reports are submitted twice a year and cover six month period each. Since the timeframe between the payment and the reimbursement is approximately up to 10 months, project partners have to be ready to financially support the project implementation.

Under the current ENI Call of Danube Transnational Programme, projects are co-financed by ERDF and ENI. The co-financing rate per partner is up to 85% for ERDF and ENI partners. The remaining budget (15%) can be covered by state contribution (where applicable) and/or own sources (can be public or private) of the project participant and/or other contribution (e.g. regional/local/other sources).

Please note: State contribution has to be indicated in the AF only in case the Partner State provides national public contribution at state level for the projects selected by the Monitoring Committee, and therefore the amount is covered in total or partially by the state.

Each Partner State applies a different system in providing state public contribution. An overview on the national co-financing system of the Danube Partner States is available on the Programme website. However, as more detailed information might be available at national level, Partner States, through the DTP NCP, should be contacted in order to clarify the position.

6. Framework of the ENI Call

A. Intervention logic

The main elements of the intervention logic of the ENI Call are pre-set at programme level, according to the following definitions.

Main objective: ENI Call aims to build the capacity of Danube Region territories to work in a more integrated and participatory way through established partnership and networks, through exchange and learning as well as through the action planning, implementation and transfer processes.

Specific objectives of the Call for Proposals

- Support the enhanced cooperation of public administrations at national, regional and local levels;
- Increase the institutional capacity of the ENI countries stakeholders to develop and implement transnational projects in the Danube Region in the thematic fields of the Danube Region Programme 2021-2027.

Result: should be defined by the applicants.

Projects should also define their **project outputs**⁶ in order to contribute to the Programme specific output indicators that capture their work and effort.

Outputs tell what has actually been produced for the money given to the project. They should correspond to a Programme output indicator and directly contribute to the achievement of the project result.

Projects are expected to contribute to the output indicators listed below, but avoid selecting more than one indicator for the same output.

| No. | Programme indicator | Output | Types of outputs to be recorded: |
|-----------------|--|--------|--|
| P07 (mandatory) | Number of documented learning interactions in finalised operations | | The term “documented learning interactions” is defined as the process of acquiring/enhancing the PA’s knowledge and capacity for transnational cooperation through, capacity building, training, exchange of experience or any other type of learning processes. |

⁶ Projects outputs (non-exhaustive)

- Awareness raising campaign(s); Studies;
- Action plans \ Road maps (to enhance human resource management and development, policy framework (e.g., policies, laws and regulations): (1) organizational management (e.g., structure, staffing, financing, work process, facilities and equipment); (2) task networks (e.g., communication with other departments, stakeholders outside government);
- Capacity building actions (in the focus areas such as: (1) financial management; (2) economic planning; and (3) statistics, (4) organizational management etc.) (e.g. training programmes, conferences, workshops study visits etc.).

Each project is expected to develop at least one learning interaction.

Besides the specific output indicator listed above, the projects under the Specific Objective 4.1. can contribute, if applicable, also to the Programme output indicators indicated below.

| | |
|-----|---|
| P26 | Number of strategies for strengthening institutional capacities and transnational multilevel governance developed and/or implemented. |
| P27 | Number of tools for strengthening institutional capacities and supporting transnational multilevel governance developed and/or implemented. |
| P28 | Number of pilot actions for strengthening institutional capacities and supporting transnational multilevel governance developed and/or implemented. |

B. Activities, work plan and work packages

It is expected that **one project** addresses **one single work package** (and the activities included therein) among the ones listed below meaning that there will be maximum **3 projects** financed **for Ukraine** and **3 for Moldova** (maximum 6 projects in total). In case projects addressing a specific work package do not reach the quality criteria of the Programme, then, the respective work package will not be addressed in the Call.

Besides the activities listed in the WP below, the Lead Applicants can add complementary activities provided that it is feasible to be implemented within the project timeframe and that contribute to the objectives of the selected WP. Besides the thematic work packages listed below, each project will have a mandatory management work package. In the WP management, the Lead Applicant shall provide a management plan that ensures the feasibility of full implementation of the proposed activities.

One project consists therefore in total of two work packages – the WP management (this WP must include also the mandatory communication requirements in line with Annex XII, section 2.2 of EC Regulation 1303/2013⁷) and one thematic work package selected from the list below:

WP1 - Awareness raising and communication - Raising awareness on transnational cooperation and its benefits in the ENI countries.

⁷ Further details are also in the document *How to develop a successful project*

- Organisation of thematic conferences on topics relevant for transnational cooperation as defined in the new Danube Region Programme 2021-2027⁸. The projects should not be focused on a single thematic field but should address the topics above in an integrated manner;
- Create videos showcasing the success stories with territorial focus, illustrating the ENI countries' benefits when participating in Danube Region transnational cooperation projects. The videos in local languages with English subtitles will be used to raise awareness of existence of transnational cooperation funds as well as the added value for the relevant stakeholders;
- Develop and implement communication/PR campaigns (incl. social media campaigns, e.g. LinkedIn, etc.);
- Create sectoral networks of key stakeholders that can act as multipliers.

The partnership should ensure that the relevant stakeholders representing also the regional/local level are reached and should not focus merely on the national level.

WP2 – Set up policy dialogue in thematic fields which represent a major challenge for the region as defined in the Danube Region Programme 2021-2027. The projects should not be focused on a single thematic field but should address the topics above in an integrated manner.

Activities (non-exhaustive list):

- Scoping study on enabling policy environment; policy briefs as discussion basis for policy dialogues. Local/regional/national dialogues events on EU policies with intensified involvement of civic and local stakeholders, forums of ideas and solutions for the development of the capacity of the target Danube Regions to apply EU policies in major topics of the region. The project should serve not only for initiating policy dialogue but also to setting up its whole process and ensuring its durability. For example, each dialogue should have results in the form of jointly elaborated recommendations which are then further used in the policy process (concrete plan/ideas to be developed and ideally already implemented by the project) etc.

The partnership should ensure that the relevant stakeholders representing also the regional/local level are reached and should not focus merely on the national level.

WP3 – Capacity building for the Ukrainian and Moldovan national/ regional/ local public authorities. The scope is to increase the institutional capacity of the Ukrainian/ Moldovan stakeholders to develop and implement transnational projects dealing with major Danube Region challenges. The project activities must have a strong territorial focus.

- Capacity building survey of training needs in the regions;

⁸ *innovation capacities and the uptake of advanced technologies, developing skills for smart specialisation, industrial transition and entrepreneurship, renewable energy, climate change adaptation capacities in the Danube Region and disaster management on transnational level in relation to environmental risks, taking into account ecosystem-based approaches, water management in the DRB; transnational ecological corridors, transboundary ecological regions, water habitats, wetlands along major transnational rivers; policy, planning and institutional capacity towards more accessible, inclusive and effective labour markets in the Danube Region and services in education, training and lifelong learning; culture and sustainable tourism in economic development, social inclusion and social innovation, governance*

- Design and delivery of training programmes/workshops for strengthening the participation of ENI stakeholders in transnational projects relevant for the Danube Region;
- Action plans\Institutional Capacity building road maps;
- Implementation of Action plans and road maps and/or on-site trainings;
- Twinning activities which bring together public sector expertise from EU Member States and ENI countries with the aim of achieving concrete mandatory operational results through peer to peer activities (e.g. experience exchange between FLC, auditors).

Project intervention logic glossary

| Term | Definition |
|--|---|
| Project objective main | Describes the strategic and long term change that the project seeks to achieve for the benefit of the target groups. |
| Project objective specific | Describes the specific and immediate effects of the project and it can be realistically achieved within the implementation period. |
| Project result | Constitutes the immediate advantage of carrying out the project, telling us about the benefit of using the project main outputs. It should indicate the change the project is aiming for. |
| Project output | It tells us what has actually been produced for the money given to the project. It can be captured by a programme output indicator, and directly contributes to the achievement of the project results. |
| Project package work | Represents a group of related project activities required to produce project main outputs. |
| Project activity | Describes specific task performed for which resources are used. It is a work package component which may or may not result in a deliverable or an output. |
| Project deliverable | Is a side-product or service of the project that contributes to the development of a project's main output(s). |

Programme intervention logic terminology is explained in the relevant EC regulations and guidance papers.

7. Duration of project

All projects for increasing the institutional capacity of ENI countries should be finished until **30 June, 2023** (latest project end date) without possibility of prolongation.

Costs reported in the last reporting period and control costs related to the Final Progress Report have to be paid within 60 calendar days from the project end date at the latest.

8. Project budget

The **maximum ERDF budget is roughly € 1.4 mil.** For each project a **maximum of €230.000 ERDF funds can be claimed.**

ENI budget is maximum: € 2.33 mil for Moldova and € 2.48 mil for Ukraine. No maximum budget per project partner is set for the ENI PPs, but the budget has to be justified by the proposed activities within the project.

PART III: ELIGIBILITY OF EXPENDITURE

Detailed rules on the eligibility of expenditure are laid down in the Annex (Eligibility of project expenditure).

PART IV: APPLICATION AND ASSESSMENT

1. Overview

The AF is to be submitted electronically through the eMS system. The deadline for submission will be set in the Call announcement. Please, consider that all Applicants must submit the Partnership Agreement, the Declaration of alignment, the Co-financing and State Aid Declarations while International Organisation Declaration and ASP Declarations are to be submitted only if applicable. All the templates for the declarations, including the Call announcement will be available on the Programme website before opening of the ENI Call.

Once the deadline for submission has expired, the assessment is carried out by the MA/JS. The assessment results are then presented to the MC, which selects the projects to be financed by the Programme. Following the assessment, applicants might be requested to fulfil some conditions and/or consider some recommendations with regard to their proposals. Applicants are informed about the result of the assessment through electronic communication.

2. Assessment and selection

During the assessment process, two different sets of criteria are applied to come to the decision of approving an application: eligibility and quality criteria.

The eligibility criteria aim at confirming that the proposal has arrived within the set deadline and that the Application Form is complete and conform to the requirements. As the eligibility criteria are of “knock-out nature”, they should be answered with a YES or NO as they are not subject to interpretation. This phase will be carried out by the MA/JS and assisted by the NCPs. Failing to meet the eligibility requirements leads to the rejection of the proposal or to the rejection of the partner whom the eligibility problem is related to. The following table lists all eligibility criteria at project level.

Failure to meet any of the criteria below results in rejecting the whole proposal:

| No | Eligibility criteria | Description |
|----|--|--|
| 1 | The AF has been submitted within the set deadline (date and time) | The AF has been submitted within the date and time set in the Call announcement. |
| 2 | The AF including signed LP confirmation has been submitted through the eMS | The AF has been submitted through the eMS monitoring system of the programme. |
| 3 | The AF is compiled in English | The AF is compiled in English, as the official language of the DTP. |

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| 4 | Partnership is composed by minimum two financing partners from at least two DTP participating countries of which the financial LP is located in a EU Member State | Partnership complies with the minimum requirement for a transnational DTP ENI scheme partnership: at least two financing partners (receiving ERDF and ENI co-financing) from at least two DTP participating countries, where the financial LP is located in an EU Member State. |
| 5 | The maximum number of ENI and ERDF PPs is in line with the call rules | Additional to the minimum requirements the partnership involves maximum 3 ERDF and 5 ENI PPs. |
| 6 | The proposal contributes to the mandatory output indicator of the programme | The proposal contributes to the mandatory output indicator documented learning interactions. |
| 7 | Lead Applicant is an eligible beneficiary | The Lead Applicant fulfils the requirement set in the Applicants Manual. |
| 8 | At least 3 joint cooperation levels are indicated | According to Art 12(4) of EU reg. 1299/2013, among the four levels of cooperation (joint development, joint implementation, joint staffing and joint financing) beneficiaries shall cooperate in the development and implementation of projects and in either the staffing or the financing of projects, or in both. |
| 9 | Completeness of Partnership Agreement | The Partnership Agreement is signed by all directly financed partners. |

The following table lists the eligibility criteria applicable to individual partners. Failure to meet any of the criteria below by one partner results in rejecting the single partner affected:

| | | |
|----|--|---|
| 10 | Financing partner(s) (ERDF/ENI) are eligible | The ERDF/ENI financial partner(s) fulfil(s) the requirements set in Part II, point II.2 section 3 (General eligibility rules for project partners) |
| 11 | Completeness of submitted ERDF/ENI partner documents, including ASP(s) | The documents (Declaration of co-financing, State Aid declaration, Declaration for International organisations and ASP Declaration) are filled in and signed by each partner. |

In case of missing documents, parts of documents and/or signatures, the LA will be awarded 5 working days from the MA/JS notification for the completion of the documents.

The purpose of the **quality criteria** is to assess the quality of the eligible project proposals. Quality criteria are closely linked to the specific objectives and results of the DTP SO 4.1. Each quality criterion is assessed on the basis of sub-criteria, with each being scored from 0 (not present / missing) to 5 (very good). The score of the main question is an average of the scores of the related guiding questions.

| Score | Description |
|------------------------------|---|
| 0 None | The information requested is missing (either not filled it in or not provided in the text). The information is provided but reflects the inexistence of a requirement. |
| 1 Very poor | The information provided is considered as not relevant or inadequate |
| 2 Poor | The information provided lacks relevant quality and contains strong weaknesses |
| 3 Fair | The overall information provided is adequate, however some aspects are not clearly or sufficiently detailed |
| 4 Good | The information provided is adequate with sufficiently outlined details |
| 5 Very Good | The information provided is outstanding in its details, clearness and coherence |

The sub-criteria are defined using a set of questions to be answered by the assessor. Due to the complex requirements of transnational projects, these questions cannot be answered with yes or no. The assessor must assess to what extent and to which level of quality the proposal answers the questions and then, the assessor gives an appropriate score.

| Assessment questions | main | Guiding questions | Score |
|---|------|--|-------|
| <i>To what extent is the proposal in line with the focus of the programme and ENI Call?</i> | | To what extent are the main features of the territories involved and their needs and challenges identified and described? Are they connected to the scope of the ENI Call for Proposals? | |

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| | <p>To what extent is the proposal addressing the identified challenges?</p> | <p>Up to 5 points</p> |
| | <p>To what extent the proposal contributes to EU policies/strategies, especially EUSDR?</p> | |
| <p><i>Is the intervention logic coherent with the Programme SO 4.1 and internally well-structured?</i></p> | <p>To what extent is the project intervention logic coherent and well defined in terms of:</p> <ul style="list-style-type: none"> ➤ description of the specific objectives, expected result and outputs ➤ link between the specific objectives, expected result and outputs ➤ link between the needs and challenges identified and the proposed outputs and result | <p>Up to 5 points</p> |
| | <p>To what extent the proposed activities and outputs are realistic to be achieved within the project lifetime?</p> | |
| | <p><i>To what extent is the work plan realistic, consistent and coherent?</i></p> <ul style="list-style-type: none"> ➤ To what extent is the duration of the project and of the activities realistic? ➤ To what extend are the activities described in detail in terms of how they will be | |

| | | |
|---|--|-----------------------|
| | implemented, where, when and by whom | |
| <i>Is the target group defined and has ownership of the project results?</i> | To what extent is the target group clearly identified and involved throughout the project implementation? | Up to 5 points |
| | To what extent does the proposal clearly explain how the target group will integrate/use the project outputs? | |
| | To what extent are the durability and transferability of the outputs clearly ensured? | |
| | To what extent does the project prove to make a positive contribution to the programme's horizontal principles? | |
| <i>Is the partnership composition relevant, justified and balanced for the proposed project?</i> | To what extent is the partnership representing the right mix of competences according to the project topic, its geographic focus if relevant, and the proposed outputs and result? | Up to 5 points |
| | To what extent is the role of the partners balanced and relevant for achieving the main objective? | |
| <i>Is the project budget coherent and realistic?</i> | To what extent is the budget allocated to each content related activity justified and correctly quantified? | Up to 5 points |

| | | |
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| | To what extent is the budget of each BL coherent with the planned activities and involved partners? | |
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The selection will be done per work packages, meaning that the projects addressing a certain WP will be ranked in line with the assessment outcomes and the one which scores the highest will be proposed for selection, provided that its score is minimum 60%.

The decision of the Monitoring Committee is threefold:

a. Approval: the proposal is considered ready to start, fulfilling the requested quality level and responding to the selection criteria;

b. Approval under condition: the proposal is considered approved provided that the Lead Applicant and/or the project partners satisfy specific conditions within a given deadline.

c. Rejection: the proposal is considered not matching a certain readiness and quality level and responding to the selection criteria.

Complaint procedure

Assessment and selection procedures set in this manual offer a fair and transparent consideration of all received proposals.

The rules set in this section are aimed at providing a transparent complaint procedure against decisions taken by Programme authorities during the project assessment and selection process. Lead Partner is defined Lead Applicant for the purpose of the complaint procedure.

1. The Lead Applicant is the only one entitled to file a complaint.
2. The right to complain against a decision regarding the project selection applies to the Lead Applicant whose project application was not selected for the Programme co-financing during the project assessment and selection process.
3. The complaint is to be lodged against the communication issued by the Managing Authority/Joint Secretariat based on the decision by the Monitoring Committee as the MA/JS' communication is the only legally binding act towards the Lead Applicant during the project assessment and selection process.
4. The complaint can be lodged only against the outcomes of the eligibility assessment performed by the MA/ JS, supported by the NCP and approved by the MC.

5. The complaint should be lodged in writing by e-mail to the Managing Authority of the Programme within 5 calendar days after the Lead Applicant had been officially notified by the MA/JS about the results of the project selection process. The complaint should include:
 - a. Name and address of the Lead Applicant;
 - b. Reference number and acronym of the application which is a subject of the complaint;
 - c. Clearly indicated reasons for the complaint, including listing of all elements of the assessment which are being complained and/or failures in adherence with procedures limited to those criteria mentioned in point 4;
 - d. Signature of the legal representative of the Lead Applicant (scanned signatures are accepted);
 - e. Any supporting documents;
6. The relevant documentation shall be provided for the sole purpose of supporting the complaint and may not alter the quality or content of the assessed application. No other grounds for the complaint than indicated in point 4 will be taken into account during the complaint procedure.
7. A complaint will be rejected without further examination if submitted after the set deadline or if the formal requirements set in point 5 are not observed.
8. In case the complaint is rejected under provisions set in point 7, the MA/JS conveys this information within 10 working days to the Lead Applicant and informs the Monitoring Committee.
9. Within 5 working days after the receipt of the complaint the MA/JS confirms to the Lead Applicant in writing having received the complaint and notifies the Monitoring Committee.
10. The Managing Authority, assisted by the Joint Secretariat examines the complaint and prepares its technical examination regarding the merit of the complaint.
11. The complaint will then be examined on the basis of the information brought forward by the Lead Applicant in the complaint and the technical examination prepared by the MA/JS by the Complaint Panel.
12. The Complaint Panel is the only body entitled to review a complaint against a decision regarding assessment and selection of projects co-financed by the Programme.
13. The Complaint Panel comprises of 3 members of whom one is the Chair of the Monitoring Committee, one is member of the Monitoring Committee and the third one is member of the Managing Authority or Joint Secretariat (not involved in the assessment).
14. The members of the Complaint Panel are appointed by the Monitoring Committee.

15. Impartiality of members of the Complaint Panel towards the case under review has to be ensured. If this cannot be provided, the distinct member shall refrain from the distinct case's review and be replaced by another impartial member.
16. The MA/Joint Secretariat acts as the secretariat for the Complaint Panel and provides any assistance necessary for the review of the complaint.
17. The Managing Authority shall provide the Members of the Complaint Panel no later than 10 working days after the receipt of the complaint with a copy of:
 - a. The complaint with the technical examination by the Managing Authority and Joint Secretariat
 - b. The original application and all supporting documents that were taken into consideration by the relevant bodies during the project assessment and selection process;
 - c. All documents relating to the assessment of the application in question including checklists and the record of the Monitoring Committee's decision;
 - d. Any other document requested by the Members of the Complaint Panel relevant to the complaint.
18. The Complaint Panel will have 5 working days to provide a binding decision through written procedure.
19. The decision if the complaint is justified or to be rejected is taken by the Complaint Panel by consensus. In case it is justified, the case will be sent back to the Monitoring Committee to review the project application and its assessment. The Complaint Panel has to provide the Monitoring Committee with a written justification with explicit reference to the criteria established in the Complaint Procedure
20. The decision of the Complaint Panel is communicated by the MA/JS in writing to the Lead Applicant and the Monitoring Committee within 5 working days from the receipt of the Complaint Panel decision.
21. The complaint procedure, from the receipt of the complaint to the communication of the Complaint Panel's decision to the Lead Applicant, should be resolved within maximum 30 calendar days.

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