



**Government of Romania**

**Ministry of Labour Social Solidarity and Family**

Economic and Social Cohesion  
Human Resources Development

**Promoting Human Capital**

Guidelines  
for grant applicants  
responding to the call for proposals  
for 2004  
**Open Call for Proposal**

Budget line numbers Phare/2004/016-772.04.02

Reference: 01

Deadline for receipt of applications: *13.09.2006*

## **NOTICE**

Please note that the procedure has changed. The evaluation of your application will only be performed if your concept note is provisionally selected. Your application will then undergo the evaluation. The eligibility conformity check will only be performed for the proposals that have been provisionally selected according to the score obtained after the final evaluation, on the basis of the supporting documents which will be requested by the Contracting Authority and the Declaration by the applicant signed and sent together with the application.

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# 1. PROMOTING HUMAN CAPITAL

## 1.1 BACKGROUND

Based on the overall objective of the **Phare Programme** - namely to support the candidate countries to prepare for EU accession, Phare Economic and Social Cohesion Programming Document 2004-2006 implements a multi-annual regional development policy, through horizontal - regional and sectoral - priorities and measures, taken out of the National Development Plan 2004-2006, in order to support Romania to progressively attain the average development level of the EU Member States.

To achieve the proposed objectives under Phare ESC component, and provide complementary support for the implementation of NDP strategy, the assistance is articulated through **five priorities**:

- A. Improving regional infrastructure to support economic development
- B. Human Resources Development (HDR)
- C. Developing the productive sector through support to SMEs
- D. Environmental protection at regional level
- E. Regional development policy design and implementation

The rationale for Human Resources Development priority is to invest in the human resources as a way to both increase adaptability and fight social exclusion. This priority is expected to act in synergy with the actions envisaged in the other priorities to achieve the NDP global aims. In particular, this priority is to specifically address:

- 1) the need to tackle structural unemployment in order to fight the consequences of economic restructuring on the labour market and match the private sector demand for skills
- 2) the need to improve long term labour market adaptability, to invest in the knowledge economy and address the increasing demand for computer skills,
- 3) the need to fight social exclusion of the vulnerable groups from the labour market, including Roma population,
- 4) to improve access to education and region specific technical and vocational education and training system.

Human resources will support a strategic approach to workforce development, skills gaps and help those groups that are confronted by particular disadvantage in the labour market.

Promoting human resources is a way to both increase adaptability and fight social exclusion. In the same time a high level of knowledge and skills can effectively contribute to the transformation of the labour force requested by the future challenges.

According to **JAP evaluation**, the following conclusions were underlined:

- The relatively high employment rate and low unemployment rates are mainly accounted for by the existence of an important rural labour market and the considerable agricultural sector. The necessary restructuring of the economy will create major employment challenges in the next future and it is crucial that Romania be prepared for them.
- Restructuring its agriculture and its industry and enabling the economy to create jobs in the private sector, in the expanding branches of manufacturing and in particular in services are crucial challenges for Romania. Increasing and adapting education and training levels, developing the training of the employed and of the unemployed should ensure that human resources could respond to the transformation of the economy and the labour market.

In this context of changes, many companies are confronted with a deficit of skills: whether it is the lack of personnel qualified to perform certain work tasks, or the absence of certain types of skills (especially the strictly professional, as well as other abilities required on the job). Moreover, the level of participation of adults in continuing vocational training is unsatisfactory. Therefore, there is a need of an increased focus on

the qualification and the re-qualification of the labour force, in order to make it more respondent to the evolving needs of the labour market.

Highlighting the importance of developing a life long learning policy and culture - crucial issues and of immediate concern to the Romanian Government, NAPE identifies this priority: Mitigating the gap between supply and demand in the labour market, mainly by adapting the initial and continuous education to the medium and long-term trends in the occupational world, in a knowledge-based society, which makes use of new information technologies.

**Key problems to be addressed are:**

- reduced entrepreneurial spirit of employers and job seekers;
- reduced mobility and adaptability of labour force;
- enterprise restructuring effects.

Solving these problems **by raising the rate of employment through training and retraining of the labour force**, will increase labour mobility, flexibility and adaptability and to guarantee equal opportunities.

The main strategic objective highlighted by the Human Resources Development Strategy is to improve the quality of human resources based on substantial investments in human capital development, improvement of qualification level and employment supporting the development of the Romanian knowledge based society.

The National Development Plan 2004-2006 indicates the need for public support to the development of Human Resources that includes investments in technical and vocational education system and public employment services. The implementation of the National Development Plan is also meant to contribute to the achievement of the Lisbon strategic objective to set up a knowledge-based economy, through more and better jobs and an increased access and participation of adults in education and training.

The objectives and activities of this programme are in line with the EU Employment Strategy guidelines and with the European Social Fund priorities and will ensure implementation of the Romanian NAPE<sup>1</sup> 2004-2005, guideline 4 „Promotion of the human capital and of the lifelong learning”. Also the objectives and activities of this grant schemes are in line with the National Employment Strategy 2004 – 2010<sup>2</sup> objectives and strategic objectives and performance directions for continuous vocational training 2005–2010<sup>3</sup>

This scheme is addressing the employees in enterprises at all levels with the view to increase their productivity at their workplace, as well as to increase their competitiveness in the labour market. This grant scheme is expected to increase knowledge and acquire better and new skills of the work force according to labour market needs and improve the human resources management.

The activities provided by the grant schemes will continue the measures regarding HRD from the following programmes:

- Phare 2000, Investment in Economic and Social Cohesion, Grant Schemes in HRD, priority “Qualification and re-qualification of workforce”;
- Phare 2002, Investment in Economic and Social Cohesion, Grant Schemes in HRD, priority “Qualification and re-qualification of workforce”;
- Phare 2003, Investment in Economic and Social Cohesion, Grant Schemes in HRD priority “Promotion of Human Capital”.

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<sup>1</sup> National Action Plan for Employment approved by Government Decision no. 588/2004, published in the Official Journal No 422/2004

<sup>2</sup> National Employment Strategy 2004 – 2010<sup>2</sup>, was approved by the Government Decision no. 1386/2004, published in the Official Journal No. 834/2004

<sup>3</sup> Short and medium term strategy for continuous vocational training 2005–2010 approved by Government Decision no. 875/2005, published in the Official Journal No 747/2005

## 1.2 OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES FOR YEAR 2006

In the view of implementing the National Development Plan priorities and preparation for Structural Funds, the 2004 – 2006 Phare assistance in the field of Economic and social cohesion will be focused on the achievement of the following objectives:

- To develop and implement multi-annual policies and programmes for economic and social cohesion, through investment projects in priority sectors, in line with the provisions of the National Development Plan (NDP), to support the overall national and regional economic growth, in order to increase the overall potential of the country **and of each of the eight development regions**, as well as to diminish the economic and social disparities between them.
- To strengthen the institutional capacity of central ministries, the 8 Regional Development Agencies and relevant local authorities to prepare for the implementation of investment support to be provided, in line with provisions regarding the Extended Decentralised Implementation Systems (EDIS) in candidate countries.
- To build the institutional, administrative, programming and implementation structures necessary to effectively manage EU Structural Funds after accession, in order to make significant progress in the achievement of commitments made on Chapter 21 of the General Acquis communautaire “Regional Policy and the Coordination of Structural Instruments”.

Priorities issues for year 2006

- to enhance the indigenous economic and social potential of each Development Region, according to the provisions of the National Development Plan (NDP) and in close correlation with national social cohesion policies and in line with the EU policies and practices.
- to promote the increasing of the productivity of the employees in enterprises at their workplace, in order to sustain better quality of the jobs as well as to increase the competitiveness and adaptability of the work force.

## 1.3 FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this call for proposals is EUR 9.000.000 The Contracting Authority reserves the right not to award all available funds.

### Indicative allocation of funds by geographical distribution:

Region	Counties	Indicative amount EUR
North East	Bacau, Botosani, Iasi, Neamt, Suceava, Vaslui	1.941.000
South East	Braila, Buzau, Galati, Vrancea, Tulcea, Constanta	1.253.000
South Muntenia	Arges, Calarasi, Dimbovita, Giurgiu, Ialomita, Prahova, Teleorman	1.447.000
South West Oltenia	Dolj, Gorj, Mehedinti, Olt, Valcea	1.079.000
West	Arad, Caras-Severin, Hunedoara, Timis	796.000
North West	Bihor, Bistrita-Nasaud, Cluj, Satu-Mare, Maramures	1.041.000
Centre	Alba, Brasov, Covasna, Harghita, Mures, Sibiu	992.000
Bucharest Ilfov	Bucharest, Ilfov	451.000
Total		9.000.000

**In the case where the indicative amount foreseen for a specific region cannot be used due to insufficient quality or number of proposals received, the Contracting Authority reserves the right to reallocate the remaining funds to another region.**

## Size of grants

Any grant awarded under this programme must fall between the following minimum and maximum amounts:

- minimum amount: EUR 15,000
- maximum amount: EUR 75,000

In addition, no grant may exceed 80% of the total eligible costs of the action (see also section 2.1.4). The balance (minimum 20% of the total eligible costs) must be financed from the applicant's or partners' own resources, or from sources other than the European Community budget.

## **2. RULES OF THIS CALL FOR PROPOSALS**

These guidelines set out the rules for the submission, selection and implementation of actions financed under this call, in conformity with the provisions of the Practical Guide (available on the Internet at this address: [http://europa.eu.int/comm/europeaid/tender/gestion/index\\_en.htm](http://europa.eu.int/comm/europeaid/tender/gestion/index_en.htm)) and in accordance with the Romanian public procurement procedures in force (Governmental Emergency Ordinance no. 34/2006 regarding the awarding of public procurement contracts, public works granting contracts, services granting contracts) for secondary procurement

### **2.1 ELIGIBILITY CRITERIA**

There are three sets of eligibility criteria, relating to:

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

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

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

- be legal persons **and**
- be a national of a Member State of the European Union or SAP or Phare countries as per Council Regulation 769/04/2004 <sup>4</sup>
- be directly responsible for the preparation and management of the action with their partners, not acting as an intermediary **and**
- other eligibility criteria
  - be a non-profit<sup>5</sup> or profit-making, public or non-public organisation, submitting a grant application either **as an individual applicant or in a partnership**, and such applicants may be:
    - professional organizations,

<sup>4</sup> **EU countries:** Austria, Belgium, Check Republic, Cyprus, Denmark, Estonia, France, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxemburg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, United Kingdom; **Phare** beneficiary countries: Bulgaria, Romania; **SAP** beneficiary countries: Albania, FYR of Macedonia, Bosnia-Herzegovina, Croatia and Serbia- Montenegro, Turkey

<sup>5</sup> A grant can only be made for an operation whose immediate objective is non-commercial. Under no circumstances may the grant give rise to profits (i.e., it must be restricted to the amount required to balance income and expenditure for the action, (See Practical Guide to contract procedures for EC external actions point 6.2.7) . Grant beneficiaries are generally non-profit-making.

- foundations and associations, ,
- education, continuing adult training providers
- associations of training providers;
- universities,
- private or state companies, including both SMEs and large companies, for their employees;
- employers' associations (targeting the employees of their members);
- trade unions (targeting their members)<sup>6</sup>
- other relevant organizations

❖ When the private or state owned companies, including both SMEs and large companies, are not legal providers of vocational training programmes but are willing to organize vocational training measures for their own employees, under this grant scheme, than they:

a) **must act in partnership**, with one or more such services providers, authorized to perform these activities, according to the provisions of Romanian legislation in the field<sup>7</sup>, only if they organize vocational training programmes providing with recognized qualification/graduation certificate at national level.

b) are allowed to organize vocational training programme, finalized with **graduation/attendance certificate which are recognized only at company level**.

- the applicant or partner should have an office located in the region where the application is submitted<sup>8</sup>

(2) Potential applicants may not participate in calls for proposals or be awarded grants if:

- (a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (b) they have been convicted of an offence concerning professional conduct by a judgement which has the force of *res judicata* (i.e., against which no appeal is possible);
- (c) they are guilty of grave professional misconduct proven by any means which the Contracting Authority can justify;

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<sup>6</sup> The Labour Code stipulates the obligation of the employer to guarantee the periodic access of the employees to the vocational training. The employers are obliged to issue, with the consultation of the trade unions or their representatives, annual vocational training plans. The program of the vocational training is part of the collective labor agreement.

<sup>7</sup> See the Government Ordinance no. 129/2000 on adult vocational training, re-published, with subsequent amendments and adjustments, and the normative documents of application; Based upon G.D. no.522/2003, the minister of labour, social solidarity and family and the minister of education, research and youth, approved a Common Order no.353MoLSSF/5202MoERY/2003 concerning the adoption of the vocational training providers authorization methodology. The Common Order relates in detail the tasks concerning the vocational training providers' accreditation and the monitoring activities of each type of vocational training programme, based on nationally recognized occupational standards. The authorizing commissions for the vocational training providers at the county and Bucharest levels, set up by the decision of NATB, are tripartite structures as well.

<sup>8</sup> The applicant **or at least one of its partners** must have the activities of the project in their statutory documents (registered at least 6 months prior to the deadline for submission). For Romanian commercial companies or other Romanian organizations performing commercial activities, the following CAEN codes are necessary in terms of the type of action: 8042 (Other Education Forms), 7414 (Consulting Activities for Business and Management) and 7450 (Labour Force Selection and Placement). The CAEN code shall correspond to the type of action of the project proposal; For Romanian non-profit organizations, the provisions from statutory documents shall also correspond to the above CAEN code

- (d) they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the Contracting Authority or those of the country where the action is to take place;
- (e) they have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- (f) they have been declared to be in serious breach of contract for failure to comply with their contractual obligations in connection with a procurement procedure or other grant award procedure financed by the Community budget.

Applicants are also excluded from participation in calls for proposals or the award of grants if, at the time of the call for proposals, they:

- (g) are subject to a conflict of interests;
- (h) are guilty of misrepresentation in supplying the information required by the Contracting Authority as a condition of participation in the call for proposals or fail to supply this information;
- (i) have attempted to obtain confidential information or influence the evaluation committee or the Contracting Authority during the evaluation process of current or previous calls for proposals.

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

In part VI of the grant application form (“Declaration by the applicant”), applicants must declare that they do not fall into any of the above categories (a) to (g).

### 2.1.2 Partnerships and eligibility of partners

Applicants may act individually or in partnerships with any other eligible applicant (see 2.1.1(1) above), according to the project objectives and activities.

In case the applicants are not **authorised legal providers of vocational training programmes** according to section 2.1.1(1) above, they must act in partnership with one or more such service providers, according to the project objectives and activities.

The maximum number of partners in a partnership must not exceed 5 (lead applicant included).

Applicants’ partners participate in implementing the action (except for the management of the project which is the applicant’s responsibility as per 2.1.1.), and the costs they incur are eligible in the same way as those incurred by the grant Beneficiary. They must therefore satisfy the same eligibility criteria as applicants.

Partnerships are encouraged in order to ensure the sustainability of the project results. It is expected that such partnerships (particularly between service providers and beneficiaries) **are better equipped to identify and address the local and regional labour market needs**. In the future, they may be extended into wider networks of companies and training providers, which could facilitate the exchange of good practice.

When applying in a partnership, the applicants and their partners **have to sign the “partnership statement”**. They will conclude a **“Partnership Agreement”** (as additional documents only in the pre-contractual check stage) with their partners whereby the partners’ roles will be clearly defined (please see Annex K for recommended format)

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

### Associates

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

### Subcontractors

The grant beneficiaries have the possibility to award contracts to subcontractors. Subcontractors are neither partners nor associates, and are subject to the procurement rules set out in Annex IV to the standard grant contract and in accordance with the Romanian public procurement procedures in force (Governmental Emergency Ordinance no. 34/2006 regarding the awarding of public procurement contracts, public works granting contracts, services granting contracts) for secondary procurement (On sub-contracting see also relevant paragraph under section 2.1.3).

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

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

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

#### Duration

The initial planned duration of an action may not be lower than 9 months nor exceed 12 months.

#### Sectors or themes

The actions proposed under this call for proposals have to relate to the sector of human resources development and must address the specific objective of this Call for Proposals “Promoting human capital” with focus on those actions targeted at qualification and re-qualification of the work force in order to make it more respondent to the evolving needs of the labour market.

Please see eligible actions below.

#### Location

Actions must take place in Romania. All localities of the 8 Romanian’s regions are eligible under this scheme.

The target groups/final beneficiaries and the activities of the project must be located in the region where the project will be submitted.

#### Target groups:

All management levels in enterprises (top, middle, line managers), as well as regular staff within state or private owned enterprises.

#### Types of action

The actions eligible for support under this grant scheme are addressing the employees in enterprises at all levels with the view to increase their productivity at their workplace, as well as to increase

their competitiveness and make them more respondent to the evolving needs of the labour market, with the following eligible actions:

- Development and delivery of training to staff<sup>9</sup> in all types of enterprises (including in SMEs) for:
  - using new production technologies and practices and developing new products;
  - using new Information and Communication Technologies;
  - new services and high added value industries
- Development and delivery of vocational training programmes addressing skill shortage in various economic fields
- Development and delivery of training in management skills including environmental, innovation, quality control and human resources management, such as in-company training of key workers (manager/company training adviser/personnel staff/trade union officer)

Development and delivery of training programmes on health and safety at work and environment norms

The continuing adult training providers may organize vocational training programme, finalized with nationally recognized qualification/graduation certificate only if they are authorized accordingly to Romanian legislation

- Assistance and consultancy to companies interested in developing their human resources, through a number of activities such as:
  - human resources development strategies,
  - training needs assessment,
  - training plans,
  - exchange of HRD good practice, including the establishment of networks, mentor schemes
- Development of occupational standards<sup>10</sup>
- Assessment and certification of the skills obtained in a non-formal and informal way<sup>11</sup>

These activities will not only consider the supply of skills and qualifications, but also the demand side.

Forms of adult training activities eligible under this programme may be:

- a) courses organised by training providers, both outside the working place and/or on the job, according to the needs and type of training. Such courses may be:
- induction courses: aimed to provide minimum knowledge and skills;
  - qualification: aimed to provide knowledge and skills essential to get a recognized qualification;

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<sup>9</sup> Vocational training providers may organize vocational training programmes and provide officially recognized certificates at national level only if they are authorized in terms of the present legal framework concerning vocational training of adults completing with the general provisions from the Labour Code (Law No. 53 of 24 January 2003 published in the Official Journal of Romania No. 72 of 5 February 2003, with subsequent amendments and adjustments),

<sup>10</sup> See more information concerning the elaboration and approval of the occupational standard at site address: [www.cnfpa.ro](http://www.cnfpa.ro).

<sup>11</sup> Based upon G.D. no.522/2003, the minister of labour, social solidarity and family and the minister of education, research and youth approved a Common Order no. 4543/468 on 2004 concerning the assessment and certification procedure of the vocational skills, acquired on other ways than the formal ones, which regulates the assessment and certification of the skills obtained in a non-formal and informal way. The Common Order was published in: the Official Journal of Romania No. 903 of 5 October 2004

- re - qualification aimed to provide knowledge and skills to persons wanting to change their initial qualification;
  - skill upgrading within the same qualification;
  - further training aimed to acquire knowledge and skills within a specific field in the same qualification.
- b) courses organised by employers within their own organisations;
- c) probation periods of practice and further training in local organisations
- d) other relevant forms of training.

The training activities shall be organized distinctively by levels of training, skills, professions, occupations, vocations or specialities, taking into consideration the needs of employers, the core competencies of staff, the requirements of their positions, their promotion or employment opportunities, as well as the requirements of the labour market.

All actions proposed shall take into consideration:

- the development of practices to facilitate access to training for people most at a disadvantage in the labour market, including disabled people;
- equal opportunities for women and men, with a view to combating discrimination in training provision.

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

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, congresses;
- actions concerned only or mainly with individual scholarships for studies or training courses;
- education and training activities for pupils and students enrolled in the formal education system;
- subcontracting all of human resources development activities (see section 2.1.4 – Subcontracting expenditure - Subcontracting of human resources development services is allowed only in very well justified cases and may not exceed 2000 Euro);
- commercial or any other directly income-generating activities;
- grant making activities (i.e. use of the projects funds to make grants or loans to other organizations);
- international study visits or any other activity involving international travel costs, except for the International experts' participation in projects activities in Romania;
- projects promoting political or ideological activities;
- actions targeting employees in the following **sectors** <sup>12</sup>
  - agriculture, hunting, forestry
  - fishing and fishing industry
  - financial intermediation (including banking and insurance)
  - education
  - health and social assistance
  - public administration and defend
  - other activities of collective, social and personal services,
  - research-development
  - entertaining, cultural and sporting activities (including media and publicity)

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<sup>12</sup> Sectors defined according to CAEN code

## Number of proposals and grants per applicant

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

An applicant **may not** be awarded more than one grant under this call for proposals.

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

Only “eligible costs” can be taken into account for a grant. These are detailed below. The budget is therefore both a cost estimate and a ceiling for “eligible costs”. Note that the eligible costs must be based on real costs, not lump sums (except for subsistence costs and indirect costs).

Recommendations to award a grant are always subject to the condition that the checking process which precedes the signing of the contract does not reveal problems requiring changes to the budget. The checks may give rise to requests for clarification and may lead the Contracting Authority to impose reductions<sup>13</sup>.

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

#### Eligible direct costs

To be eligible under the call for proposals, costs must:

- be necessary for carrying out the action, be provided for in the contract annexed to these Guidelines and comply with the principles of sound financial management, in particular value for money and cost-effectiveness;
- have actually been incurred by the beneficiaries or their partners during the implementing period for the action as defined in Article 2 of the Specific Conditions, whatever the time of actual disbursement by the Beneficiary or a partner; this does not affect the eligibility of costs for preparing the final report and as the case may be, of the final expenditure verification and final evaluation. The costs incurred by the beneficiaries’ associates are not eligible (with the exception of subsistence and/or travel costs)

Are considered to have been incurred during the implementation period of the Action the costs of goods/services/works used/provided/delivered during the implementation period of the Action. The relevant contracts may have been awarded by the Beneficiary or his partners before the implementation period of the Action started, provided the provisions of Annex IV to the contract were respected. Such costs must be paid for before the final report is finalised.

- be recorded in the Beneficiary's or the Beneficiary's partners' accounts or tax documents, be identifiable and verifiable, and be backed up by originals of supporting documents.

Subject to those conditions and where relevant to the contract-award procedures being respected, eligible direct costs borne by the Beneficiary and his partners include:

- the cost of staff assigned to the action, corresponding to actual salaries plus social security charges and other remuneration-related costs; salaries and costs must not exceed those normally borne by the Beneficiary or his partners, as the case may be, unless it is justified by showing that it is essential to carry out the action; See line 1 “Human Resources” - line 1.1 and 1.2. in Annex B Budget for the action
- travel (line 2 in the budget “Travel”) and subsistence costs (line 1.3. in the budget “Per diems for mission travel”) for staff and other persons taking part in the action, provided they do not exceed those normally borne by the Beneficiary or his partners, as the case may be; any flat-rate reimbursement of the subsistence costs must not exceed the rates published by the European Commission at the time of signing the contract (available at following Internet address:  
[http://europa.eu.int/comm/europeaid/perdiem/index\\_en.htm](http://europa.eu.int/comm/europeaid/perdiem/index_en.htm));

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<sup>13</sup> Please note that possible modifications of the budget may not lead to an increase of the amount of the grant requested from the European Commission nor of the percentage of the co-financing.

- purchase or rental costs for equipment and supplies (new or used) specifically for the purposes of the Action, and costs of services, provided they correspond to market rates; **The eligible amount cannot exceed 20 % of budget line 7 - Subtotal direct project costs;**
- the cost of consumables; line 4.3 in the budget - Local office/project costs;
- subcontracting expenditure (**Subcontracting of human resources development services is allowed only in very well justified cases and may not exceed 2000 Euro;**)
- costs arising directly from the requirements of the contract (dissemination of information, evaluation specific to the action, audit, translation, printing, insurance, etc.) including financial service costs (in particular the cost of transfers and financial guarantees). *line 5 in the budget- “Other costs, services”*. **The action audit eligible costs may not exceed 1% of budget line 7 – “Subtotal direct project costs”**.
- costs related to legal authorizations and other costs directly related to project activities<sup>14</sup> (e.g. legal framework regarding vocational training of adults and assessment and certification of the skills obtained in a non-formal and informal way) - line 6.3

#### Contingency reserve

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

#### Eligible indirect costs (overheads)

A lump sum not exceeding 7% of the total amount of eligible costs of the Action may be claimed as indirect costs to cover the administrative overheads incurred by the Beneficiary for the Action.

Indirect costs are ineligible if the Beneficiary receives in other respects an operating grant from the European Commission.

#### Contributions in kind

Any contributions in kind made by the Beneficiary or the Beneficiary’s partners or any other source, which must be listed in Section I.4 of the application form, do not represent actual expenditure and are not eligible costs. They may not be treated as co financing by the Beneficiary. The cost of staff assigned to the Action is not a contribution in kind and may be considered as co-financing in the Budget for the Action when paid by the Beneficiary or his partners.

However, the Beneficiary must undertake to make such contributions as stated on the application form if the grant is awarded.

#### Ineligible costs

The following costs are not eligible:

- debts and provisions for losses or debts;
- interest owed;
- items already financed in another framework;
- purchases of land or buildings, except where necessary for the direct implementation of the action, in which case ownership must be transferred to the final beneficiaries and/or local partners, at the latest by the end of the action;

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<sup>14</sup> See Government Decision No. 522/2004 published in: the Official Journal of Romania No. 335 of 16 April 2004, with subsequent amendments and adjustments; Also see <http://www.cnfpa.ro/index.php?lang=ro&l=taxa>  
**2006**

- currency exchange losses;
- taxes, including VAT, unless the Beneficiary (or the Beneficiary's partners) cannot reclaim them and the applicable regulations do not forbid coverage of taxes;
- credits to third parties

## 2.2 HOW TO APPLY, AND THE PROCEDURES TO FOLLOW

### 2.2.1 Application form

Applications must be submitted using the application form annexed to these Guidelines (Annex A). The application form is also available in English and Romanian on the MMSSF web site at <http://www.mmssf.ro/website/ro/autoritate.jsp>. This form includes a concept note, which must also be completed. Applicants should keep strictly to the format of the application and fill in the paragraphs and the pages in order.

Applicants must apply (application form and all annexes) in Romanian or English language, providing a Budget in Romanian and English language (Annex B), Logical Framework Matrix in Romanian and English (Annex C), CV's of the project team and key experts as well in Romanian or English language (Annex I).

Please complete the application form carefully and as clearly as possible so that it can be assessed properly. The applicant should be precise and provide enough detail to ensure the application is clear, particularly as to how the aims of the action will be achieved, the benefits that will flow from it and the way in which it is relevant to the programme's objectives.

Any error related to the points listed in the Checklist (section V of the grant application) or any major inconsistency in the application form (e.g. the amounts mentioned in the budget are inconsistent with those mentioned in the application form) will lead to the immediate rejection of the proposal.

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

Hand-written applications will not be accepted.

**Please note that only the application form and the published annexes which have to be filled in (budget, logical framework) will be transmitted to the evaluators and assessors. It is therefore of utmost importance that these documents contain ALL relevant information concerning the action. No supplementary annexes should be sent.**

### 2.2.2 Where and how to send the applications

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

The applications must be delivered to the Programme Implementation Units (PIUs) of the regions where the projects will be located.

#### Postal address and Address for hand delivery or by private courier service

Region	Regional PIU	Adress	Tel.	Fax
North - East	Regional PIU	No M3, Mihail Kogalniceanu square, Piatra	0233.231.950	0233.231.950
	North - East	Neamt, Neamt county, postal code 610018		
South - East	Regional PIU	No. 603-605, Dorobantilor Street, Braila,	0239/610749	0239/610749
	South - East	Braila county, postal code 810067		

South Muntenia	Regional PIU South Muntenia	No. 12, 13 December Street, Calarasi, Calarasi county, postal code 910014	0242/314048	0242/314048
South - West Oltenia	Regional PIU South - West Oltenia	No. 13A, Eugeniu Carada street Craiova, Dolj county, postal code 200390	0351.404.096	0351.404.096
West	Regional PIU West	No. 21, Republic Boulevard, Timișoara, Timiș county, postal code 300159	0256.293.680	0256.293.680
North – West	Regional PIU North – West	no. 2, George Coșbuc street, Cluj Napoca, Cluj county mailing code 400375	0264.430.208	0264.430.208
Center	Regional PIU Center	No. 10B, Nicolae Titulescu street, Columna Building, Alba Iulia, Alba county, postal code 510096	0358.401.244	0358.401.244
Bucharest - Ilfov	Regional PIU Bucharest - Ilfov	No. 12, Spataru Preda Street, 5 <sup>th</sup> District, Bucharest, postal code 050188	316.29.03 / 222	316.29.03 / 222

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

Applications (concept note, full application form, budget, logical framework) must be submitted in one original and 3 copies. The complete application form, budget and logical framework must also be supplied in electronic format (floppy disc or CD-Rom). The electronic format must contain **exactly the same** proposal as the paper version enclosed. Each component of the application (concept note, application form, budget and logical framework) must be submitted in a separate and unique electronic file ( for ex. the application form must not be split into several different files).

The Checklist (Section V of the grant application form) and the Declaration by the applicant (Section VI of the grant application form) must be stapled separately and enclosed in the envelope

So as to facilitate the processing of applications, please present the original dossier and the 3 copies in A4 size, each bound.

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

Each of 3 projects copies must have the same content and form as original of the project.

The outer envelope must bear **the reference number and the title of the call for proposals**, together with the title, the full name and address of the applicant, and the words "Not to be opened before the opening session" and "A nu se deschide inainte de sesiunea de evaluare".

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

### **2.2.3** *Deadline for receipt of applications*

The deadline for the receipt of applications is **13.09.2006** at 16:30. Any application received after the deadline will automatically be rejected even if the postmark indicates a date preceding the deadline or if the delay is due to the private courier service.

Any application received after the **last** deadline will automatically be rejected even if the postmark indicates a date preceding the deadline or if the delay is due to the private courier service.

### **2.2.4** *Further information*

All information session on this call for proposals will be announced on the internet at website <http://www.mmssf.ro/website/ro/autoritate.jsp> . Alternatively, information may be obtained through the PIUs.

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

E-mail address: [phare2004capitaluman@amposdru.mmssf.ro](mailto:phare2004capitaluman@amposdru.mmssf.ro)

Fax: 0040 021 315 02 06.

Any questions may be sent by e-mail using the electronic questionnaire found on web site: <http://www.mmssf.ro/website/ro/autoritate.jsp>

Replies will be given no later than 11 days before the deadline for the receipt of proposals.

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

Questions that may be relevant to other applicants, together with the answers, will be published on the internet at website <http://www.mmssf.ro/website/ro/autoritate.jsp>

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

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

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

The following will be assessed:

- The deadline has been respected. If the deadline has not been respected the proposal will automatically be rejected (see section 2.2.3).
- The application form satisfies all the criteria mentioned in the Checklist (**Section V. of the grant application form**). If any of the requested information is missing or is incorrect, the proposal will be rejected on that **sole** basis and the proposal will not be evaluated further.

**Following the opening session and the administrative check, the Evaluation Committees will send a letter to all applicants, indicating whether their application was received prior to the deadline, informing them of the reference number they have been allocated, whether their application has satisfied all the criteria mentioned in the checklist and whether their concept note has been recommended for evaluation.** <sup>15</sup>

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

The concept notes having respected the deadline and satisfied the criteria mentioned in the checklist will undergo an evaluation of the relevance of the action, its methodology and sustainability, as well as of the operational capacity and expertise of the applicant

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<sup>15</sup> Please note that the length of period between the opening session and the sending of this letter will depend on the number of proposals received

The concept note will be given an overall score out of 50 as shown in the Evaluation grid below. This first evaluation will lead to a provisional selection. Only those which will have passed this first selection will see their full application assessed.

Please note that the scores awarded to this concept note are completely separate from those given in the second phase

<b>1. Summary of the action</b>		<b><u>NO</u></b>
		<b>SCORE</b>
<b>2. Relevance</b>		<b>25</b>
2.1	<i>How relevant to the needs and constraints of the target country(ies) or region is the proposal? (5)</i>	
2.2	<i>How appropriately are the problems and the needs identified? (5)</i>	
2.3	<i>How clearly defined and strategically chosen are those involved (final beneficiaries, target groups) ?(5)</i>	
2.4	<i>How relevant is the proposal to the objectives and guiding principles of the call for proposals? (5)</i>	
2.5	<i>Does the proposed action have an added value by reference to other interventions? (5)</i>	
<b>3. Methodology and Sustainability</b>		<b>15</b>
3.1	<i>Are the activities proposed appropriate, practical, and consistent with the objectives and expected results? (5)</i>	
3.2	<i>Is the partners' level of involvement and participation in the action satisfactory? (5)</i>	
3.3	<i>Are the expected results of the action likely to have a sustainable impact on the target groups? Will it have multiplier effects? (5)</i>	
<b>4. Operational capacity and expertise.</b>		<b>10</b>
4.1	<i>Does the applicant have sufficient <b>experience in project management</b>? (5)</i>	
4.2	<i>Do the applicant and partners have sufficient <b>technical expertise (notably a knowledge of the questions to be addressed)</b>? (5)</i>	
<b>TOTAL SCORE</b>		<b>50</b>

Please note:

*Scoring:*

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

Only the applicants who have been given a total average score of minimum 30 points and have submitted the best concept notes amounting to triple the available amount established for each region (see Indicative allocation of funds by geographical distribution - section 1.3) will have their full application forms evaluated.

Following the evaluation of the concept note, the Evaluation Committees will send a letter to the applicants whose concept note has been evaluated, indicating the scores obtained for this first part of the evaluation whether their full application form will be evaluated.<sup>16</sup>

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

An evaluation of the quality of the proposals, including the proposed budget, and of the capacity of the applicant and his partners, will be carried out in accordance with the evaluation criteria set out in the Evaluation Grid included below. There are two types of evaluation criteria: selection and award criteria.

**The selection criteria** are intended to help evaluate the applicants' financial and operational capacity to ensure that they:

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

**The award criteria** allow the quality of the proposals submitted to be evaluated in relation to the objectives and priorities set, and grant to be awarded to actions which maximise the overall effectiveness of the call for proposals. They enable the selection of proposals which the Contracting Authority can be confident will comply with its objectives and priorities and guarantee the visibility of the Community financing. They cover such aspects as the relevance of the action, its consistency with the objectives of the call for proposals, quality, expected impact, sustainability and cost-effectiveness.

Please note:

*Scoring:*

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

*Note on Section 1. Financial and operational capacity*

If the total average score is less than 12 points for section 1, the Evaluation Committee will reject the proposal.

*Note on Section 2. Relevance*

If the total average score is less than 16 points for section 2, the Evaluation Committee will reject the proposal.

*Provisional selection*

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

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

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<sup>16</sup> Please note that the length of period between the opening session and the sending of this letter will depend on the number of proposals received

## Evaluation Grid

Section	Maximum Score	Application form
<b>1. Financial and operational capacity</b>	<b>20</b>	
1.1 Do the applicant and partners have sufficient <b>experience of project management</b> ? <ul style="list-style-type: none"> <li>The main applicant and/or partner were actively involved in management of previous projects of a similar complexity - (3)</li> <li>The previous projects of the applicant and/or his partner(s) were properly implemented – (2)</li> </ul>	5	II.4.1 and III.1
1.2 Do the applicant and partners have sufficient <b>technical expertise</b> ? (notably knowledge of the issues to be addressed.) <ul style="list-style-type: none"> <li>The applicant and/or partner has previous experience in human resources development activities /active employment measures – (2)</li> <li>The applicant and/or partner has the qualified experts for the activities in the project - (3)</li> </ul>	5	II.4.1 and III.1
1.3 Do the applicant and partners have sufficient <b>management capacity</b> ? ( including staff, equipment and ability to handle the budget for the action)? <ul style="list-style-type: none"> <li>The applicant and/or partner have the necessary staff for project management, including for managing budget – (2)</li> <li>The applicant and/or partner have the necessary offices and equipment for the appropriate management of the project and access to other relevant resources – (3)</li> </ul>	5	II.4.2 and III.1
1.4 Does the applicant have stable and sufficient sources of <b>finance</b> ?	5	II.4.2
<b>2. Relevance</b>	<b>25</b>	
2.1 How relevant is the proposal to the <b>objectives</b> of the call for proposals? <ul style="list-style-type: none"> <li>The project objectives are clearly presented and relevant to the objective of the programme – (3)</li> <li>The project objectives are consistent with the logical framework – (2)</li> </ul> <p>Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses at least <b>one priority</b>.</p> <p>Note: A score of 5 (very good) will only be allocated if the proposal contains specific added-value elements, such as promotion of gender equality and equal opportunities...</p>	5 x 2	I.1.6.1
2.2 How relevant to the particular <b>needs and constraints</b> of the target country/countries or region(s) is the proposal? (including avoidance of duplication and synergy with other EC initiatives.) <ul style="list-style-type: none"> <li>The project identifies relevant labour force development needs in the target region/ enterprise where the project is located.- (2)</li> <li>The project addresses identified labour force development needs – (3)</li> </ul>	5	I.1.6.2
2.3 How clearly defined and strategically chosen are those involved (final beneficiaries, <b>target groups</b> )? Have their <b>needs</b> been clearly defined and does the proposal address them appropriately? <ul style="list-style-type: none"> <li>The target groups, intermediaries, final beneficiaries are clearly defined (geographically, number, structure, common needs, etc.) – (2)</li> <li>The target groups were selected in relation to the labour force development needs and consistent with the target groups of the programme – ( 3 )</li> </ul>	5 x 2	I.1.6.3 and I.1.6.4
<b>3. Methodology</b>	<b>25</b>	

<p>3.1 Are the <b>activities</b> proposed appropriate, practical, and consistent with the objectives and expected results?</p> <ul style="list-style-type: none"> <li>• Clear structure and description of project activities, consistent with the objectives – (2)</li> <li>• Activities are realistic, can be accomplished with the project resources and can lead to estimated results – (3)</li> </ul>	5	I.1.7 and I.1.8.5
<p>3.2 How coherent is the overall design of the action? (in particular, does it reflect the analysis of the problems involved, take into account external factors and anticipate an <b>evaluation</b>?)</p>	5	I.1.8
<p>3.3 Is the <b>partners' level of involvement and participation in the action</b> satisfactory?</p> <ul style="list-style-type: none"> <li>• Partnership exists and is properly justified; each partner has well defined role(s) and benefits from the project (3)</li> <li>• Partners integration (partners are involved in implementation, monitoring and quality assurance of the project ) (2)</li> </ul> <p><b>Note: If there are no partners the score will be 1.</b></p>	5	I.1.7 and I.1.8.5
<p>3.4 Is the <b>action plan</b> clear and feasible?</p> <ul style="list-style-type: none"> <li>• The action plan is clear and contains all the necessary activities of the project. Allocation of responsibilities is correct and feasible – (3)</li> <li>• Duration and sequences of actions are correctly estimated – (2)</li> </ul>	5	I.1.9
<p>3.5 Does the proposal contain <b>objectively verifiable indicators</b> for the outcome of the action?</p> <ul style="list-style-type: none"> <li>• Project contains objectively verifiable indicators, measurable and quantifiable; the proposed indicators are coherent with project activities and results – (3)</li> <li>• Sources and means of verification for indicators are relevant and accessible – (1)</li> <li>• Risks and assumptions are correctly identified and relevant for the project –(1)</li> </ul>	5	Logframe
<b>4. Sustainability</b>	<b>15</b>	
<p>4.1 Is the action likely to have a tangible <b>impact</b> on its target groups?</p> <ul style="list-style-type: none"> <li>• Improvement is clearly presented and in direct relation with the identified needs of the target groups – (1)</li> <li>• Project satisfies longer term needs of the target groups. Maximum of 3 points will be given to projects promoting life-long learning –(3)</li> <li>• Project leads to the development of technical and/or management capacity of the target group and partners –(1)</li> </ul>	5	I.2.1
<p>4.2 Is the proposal likely to have <b>multiplier effects</b>? ( including scope for replication and extension of the outcome of the action and dissemination of information.)</p> <ul style="list-style-type: none"> <li>• The project clearly presents and explains the elements can be replicated or extended after the end of the project, in relation to the needs and demands of the labour market in the selected target area – (3)</li> <li>• Project includes activities of project information dissemination – (2)</li> </ul>	5	I.2.2 and I.2.3
<p>4.3 Are the expected results of the proposed action <b>sustainable</b>: - financially (<i>how will the activities be financed after the funding ends?</i>) - institutionally (<i>will structures allowing the activities to continue be in place at the end of the action? Will there be local “ownership” of the results of the action?</i>)</p>	5	I.2.4

<p>- at policy level (where applicable) (<i>what will be the structural impact of the action — e.g. will it lead to improved legislation, codes of conduct, methods, etc?</i>)?</p> <ul style="list-style-type: none"> <li>• The funding sources for the activities after the EC funding are well described and realistic – (2)</li> <li>• The project structures will continue to be in place after the EC funding and there will be local “ownership” of project results – (2)</li> <li>• The project can have a structural impact (it can lead to improved legislation, codes of conduct, methods, etc.) –(1)</li> </ul>		
<b>5. Budget and cost-effectiveness</b>	<b>15</b>	
<p>5.1 is the ratio between the estimated costs and the expected results satisfactory?</p> <ul style="list-style-type: none"> <li>• The ratio between estimated costs and the number of direct beneficiaries (e.g: number of people trained, advised, guided, employed, etc; according to project objectives ) is realistic.- (3)</li> <li>• The cost/ person reflects the length (e.g. number of training days) and complexity of the services (more than one service/person) provided – (2)</li> </ul>	5	I.3
<p>5.2 Is the proposed expenditure <b>necessary</b> for the implementation of the action?</p> <ul style="list-style-type: none"> <li>• The budget contains only eligible costs, is correct and properly correlated with the estimated sources – (5)</li> <li>• The budget costs reflects the project activities and the level of costs is realistic – (5)</li> </ul>	5 x 2	I.3
<b>Maximum total score</b>	<b>100</b>	

#### (4) STEP 4: Eligibility of the applicant and partners.

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

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

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

#### 2.4 SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED PROPOSALS

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

1. The statutes or articles of association of the applicant organisation<sup>17</sup> and of each partner organisation (where appropriate) - notary certified copies
2. Copy of the applicant's latest accounts (the profit and loss account and the balance sheet for the previous financial year for which the accounts have been closed - at 31.12.2005)<sup>18</sup>.
3. Legal entity sheet (see annex D) duly completed and signed by the applicant, accompanied by the justifying documents which are requested therein.
4. A financial identification form conforming to the model attached at Annex E, certified by the bank to which the payments will be made. This bank must be located in the country where the applicant is registered.

Other supporting documents required:

5. **Sworn statement** that the applicant and partners ( if it is the case) do not benefit of funds from the Unemployment Insurance Budget (according to the present legal framework<sup>19</sup>) for the activities proposed in the grant application (according to format in Annex H) – in original, only for Romanian organisations
6. **CV-s of project manager and of the key experts**<sup>20</sup>, indication the position/role in the project, including experts' signature (according to format in Annex I) – in original;
7. For those projects proposing training activities: **curricula of the training courses** proposed and their justification. In case the training curricula is going to be developed within the project, then the proposal should include a training needs analysis – in chapter 1.7 “Detailed description of activities” of the Application form.

All the supporting documents will have to be numbered as above.

The supporting documents requested must be supplied in the form of originals or photocopies of the said originals.

Where such documents are in a language other than Romanian or English, a faithful certified translation into English or/and Romanian must be attached and will prevail for the purpose of analyzing the proposal.

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

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<sup>17</sup> Where the applicant and/or (a) partner(s) is a public body created by a law, a copy of the said law must be provided. Copy of full set of **statutory documents** (legal registration) of the applicant organization and of each partner organization (where appropriate) For profit making organisations the set must contain the copy of Registration Certificate issued by the Trade Register. For NGOs the set must contain the copy of the Court Decision.

In case of amendments to the original documents, the set shall also contain the addendums to the original documents. Please note that any addendum to the original **statutory documents** will be taken into consideration only if it is accompanied by the registration with the Trade Register for the commercial companies and by the Court Decision for NGOs, before the submission date of the grant application

<sup>18</sup> This obligation does not apply to the organization set up after 1.01.2006., which will present the last balance sheet

<sup>19</sup> Law no. 76/2002 on the unemployment insurances system and employment stimulation, published in the Romanian Official Gazette, no 103 of 6 February 2002, with subsequent amendments and adjustments, and the normative documents of application

<sup>20</sup> Key experts are considered those experts responsible with implementing the core technical activities (training, consulting, guidance, etc) of the project.

**If these documents are not provided before the set deadline (10 working days from the receipt of the letter sent by the Contracting Authority), the application will be rejected.**

**The following additional documents** will be requested and will have to be presented by the **selected applicants** and the partner organisations during the **pre-contractual check stage**:

1. Statement(s) issued by the territorial tax administration agency that the Beneficiary and partners (if it is the case) has no fiscal debts, debts in payment of contributions to social security fund, unemployment fund and to health insurance fund for the month previous to the contracting date, in original; if the partners have their registered office outside Romania, in one of the EU, SAP, Phare countries or Turkey a recent certificate issued by the competent authority of these countries must be provided, certifying the same issues – in original;
2. Certificate issued by the relevant authorities, for Romanian commercial companies or other Romanian organisations performing commercial activities, ROLEG Register of the Chamber of Commerce, certifying that the Beneficiary and partners (if it is the case) is not bankrupt or being wound up, is having its affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations – in original; if the partners have their registered office outside Romania, in one of the EU, SAP, Phare countries or Turkey a recent extract from the juridical record or a recent equivalent document issued by a juridical or administrative authority of these countries must be provide, certifying the same issues – in original;
3. Statement issued by the County Agency for Employment that the Beneficiary and partners (if it is the case) do not benefit of funds from the state budget for the activities proposed in the grant application (according to the present legal framework<sup>21</sup>) (see recommended format in Annex J) – in original, only for Romanian organisations.
4. Partnership agreement for projects proposed by partnership, signed by all partners (see recommended format in Annex K) – in original.

The supporting documents requested during the **pre-contractual check stage** must be also supplied in the form of originals or photocopies of the said originals.

## **2.5 NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION**

### *2.5.1 Content of the decision*

Applicants will be informed in writing of the Contracting Authority's decision concerning their application.

A decision to reject an application or not to award a grant will be based on the following grounds:

- the application was received after the closing date;
- the application was incomplete or otherwise non-compliant with the stated administrative conditions;
- the applicant or one or more of its partners was not eligible;
- the action was ineligible (e.g. the action proposed is not covered by the programme, the proposal exceeds the maximum duration allowed, the requested contribution is higher than the maximum allowed, etc);
- the proposal was not relevant enough and/or the applicant's financial and operational capacity was not sufficient;

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<sup>21</sup> Law no. 76/2002 on the unemployment insurances system and employment stimulation, published in the Romanian Official Gazette, no 103 of 6 February 2002, with subsequent amendments and adjustments, and the normative documents of application

- the proposal was considered technically and financially inferior to the proposals selected;
- although the proposal fulfils the quality criteria required for a favourable opinion, another proposal of a similar nature was awarded a higher score;
- several proposals were submitted by the same applicant and selected for financing, but an applicant **may not** be awarded more than one grant under this call for proposals - see section 2.1.3
- one or more of the requested supporting documents were not provided before the set deadline;

The Contracting Authority's decision to reject an application or not to award a grant is final.

### 2.5.2 Indicative time table<sup>22</sup>

The date on which the contracting authority plans to inform the applicants about the outcome of the opening session and the administrative check is 15.09.2006 - this date is indicative only.

The date on which the contracting authority plans to inform the applicants about the outcome of the evaluation of the concept note is 19.10.2006 - this date is indicative only.

The date on which the contracting authority plans to inform the applicants about the outcome of the evaluation of the full application form is 10.11.2006 - this date is indicative only.

The date on which the contracting authority plans to announce the award decision after having verified the eligibility of applicant and partners is 20.11.2006 - this date is indicative only.

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

Following the decision to award a grant, the Beneficiary will be offered a contract based on the Contracting Authority's standard contract (see Annex F).

If the successful applicant is an international organisation, the model Contribution Agreement with an international organisation or any other contract template agreed between the international organisation concerned and the Contracting Authority will be used instead of the standard grant contract.

The date planned for the start of actions, following the signing of the contract by the parties, will be decided upon signature of the grant contract based on the options available in annex II **Special conditions, Article 2 - Implementation period of the Action.**

The actions should all be finished before 30 November 2007.

The contract will, in particular, establish the following rights and obligations:

### Audit firm

The name and address of the audit firm which will carry out the expenditure verification(s) referred to in article 15.6 of annex II to the standard grant contract, if such verifications are required, will have to be included in Article 5.2 of the contract.

<sup>22</sup> Deadlines should be provided, explaining the length according to the numbers of proposals received.

### Final amount of the grant

The maximum amount of the grant will be stipulated in the contract. As explained in point 2.1.4, this amount is based on the budget, which is itself only an estimate. As a result, it will be final only once the action has ended and the final accounts have been presented (see Articles 17.1 and 17.2 of the General Conditions).

### Failure to meet the objectives

If the Beneficiary fails to implement the action as undertaken and agreed in the contract, the contracting authority reserves the right to suspend payments, and/or to terminate the contract (see Article 11 of the General Conditions). The Contracting Authority's contribution may be reduced, and/or the contracting authority may demand full or partial repayment of the sums already paid, if the Beneficiary does not fulfil the terms of the contract (see Articles 12.2 and 17.4 of the General Conditions).

### Amendments to the contract and variations within the budget

Any amendment to the contract must be set out in a written addendum to the original contract (Article 9.1 of the General Conditions). However, some amendments (addresses, bank account, etc.) may simply be notified to the Contracting Authority (see Article 9.2 of the General Conditions).

The description of the Action (Annex 1 to the contract) and budget items may vary from the original figures provided that the following conditions are met:

- (1) they do not affect the basic purpose of the action; and
- (2) the financial impact is limited to a transfer between items within a single main budget heading or to a transfer between the main budget headings involving a variation of less than 15% of the original amount (as the case may be modified by addendum) of each relevant main budget heading.

In such instances, the Beneficiary may make alterations to the budget, and inform the Contracting Authority.

This method may not be used to amend the heading for overhead costs and contingency reserve (see Article 9.2 of the General Conditions).

In all other cases, a written request must be made in advance to the Contracting Authority and an addendum is required

### Reports

Reports must be drafted in the language provided for in the contract. Narrative and financial reports conforming to the models attached to the contract are to be supplied on quarterly basis and together with payment requests (other than the first instalment of pre-financing).

### Additional information

In accordance with Article 2.2 of the General Conditions, the Contracting Authority may request additional information.

### Payments

The Beneficiary will receive pre-financing.

In each case, the final balance will be paid upon submission by the Beneficiary and approval by the Contracting Authority of the final report (see Article 15.1 of the General Conditions).

Payments will be made to an Action-specific bank account or sub-account which identifies the funds paid by the Contracting Authority and allows calculating the interests produced by these funds.

### Accounts of the action

The Beneficiary must keep accurate and regular records and dedicated, transparent accounts of the implementation of the action (see Article 16.1 of the General Conditions). It must keep these records for seven years after payment of the balance.

### **Publicity**

Appropriate visibility and credit must be given to the grant made by the European Union, for example, in reports and publications stemming from the action or during public events associated with the action, etc. (see Article 6 of the General Conditions).

### Implementation contracts

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

“Please be aware that an unofficial translation into Romania of **Guidelines for grant applicants and all its annexes** are available on the website at the following website address:

<http://www.mmssf.ro/website/ro/autoritate.jsp>

In case of divergence between the Romanian unofficial translation and English version, the later prevails.

### 3. LIST OF ANNEXES

STANDARD BY PRACTICAL GUIDE:

#### **DOCUMENTS TO FILL IN**

ANNEX A: GRANT APPLICATION FORM (WORD FORMAT)

ANNEX B: BUDGET (EXCEL FORMAT)

ANNEX C: LOGICAL FRAMEWORK (EXCEL FORMAT)<sup>23</sup>

ANNEX D: LEGAL ENTITY SHEET (EXCEL FORMAT)<sup>24</sup>

[http://www.europa.eu.int/comm/budget/execution/legal\\_entities\\_en.htm](http://www.europa.eu.int/comm/budget/execution/legal_entities_en.htm)

ANNEX E: FINANCIAL IDENTIFICATION FORM

#### **DOCUMENTS FOR INFORMATION**

ANNEX F: STANDARD CONTRACT (WORD FORMAT), available at the following address:

[http://europa.eu.int/comm/europeaid/tender/gestion/cont\\_typ/st/index\\_en.htm](http://europa.eu.int/comm/europeaid/tender/gestion/cont_typ/st/index_en.htm)

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

[http://europa.eu.int/comm/europeaid/perdiem/index\\_en.htm](http://europa.eu.int/comm/europeaid/perdiem/index_en.htm)

ADDITIONAL:

#### **FORMATS TO BE FILLED IN:**

ANNEX H: SWORN STATEMENT (WORD FORMAT)

ANNEX I: EU CV FORMAT (WORD FORMAT);

ANNEX J: STATEMENT ISSUED BY THE COUNTY AGENCY FOR EMPLOYMENT (WORD FORMAT);

#### **FOR YOUR INFORMATION:**

ANNEX K: PARTNERSHIP AGREEMENT (WORD FORMAT) – RECOMMENDED FORMAT;

ANNEX L: GLOSSARY OF TERMS (WORD FORMAT);

ANNEX M: REGIONAL PRIORITIES FOR HUMAN RESOURCES DEVELOPMENT (Word format)

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<sup>23</sup> Optional where the total amount of the grants to be awarded under the call for proposals is EUR 100 000 or less.

<sup>24</sup> Only applicable where the European Commission is the Contracting Authority or will make the payments under the contracts to be signed.