



European Commission

Development Cooperation Instrument (DCI): Investing in People - Good health for all

Capacity building for non-state actors in relation to HIV-AIDS prevention, treatment and care for the European Neighbourhood and Partnership countries

Restricted Call for Proposals

Reference: EuropeAid/130355/C/ACT/Multi

Budget line 21.05.01.01

Guidelines for grant applicants

**Deadline for submission of Concept Notes:
Thursday 16 September 2010**

NOTICE

Evaluation grids and application forms have been modified under this call for proposals so as to give more weight to relevance in the Concept Note evaluation. Relevance will therefore constitute the major criterion in preselection. Relevance will not be evaluated again when assessing the Full Application (see section 2.3.(4) below). **It is therefore of utmost importance that applicants use the correct application form for this call.**

Prior registration by applicants in EuropeAid's on-line database, PADOR, **available at http://ec.europa.eu/europeaid/work/onlineservices/pador/index_en.htm**, is obligatory under the present call for proposals (see section 2.2 below for details). Applicants must be registered before submitting the concept note, while partners must be registered prior to submission of the full application

Only submission by email is permitted under this call for proposal.

This is a restricted Call for Proposals. In the first instance, only Concept Notes must be submitted for evaluation. Thereafter, applicants whose Concept Notes have been pre-selected will be invited to submit a Full Application Form. Further to the evaluation of the Full Applications, an eligibility check will be performed for those which are provisionally selected. This check will be undertaken on the basis of the supporting documents requested by the European Commission, the signed "Declaration by the Applicant" sent together with the Concept Note and the second Declaration and the signed partnership statements sent together with the Full Application.

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1. INVESTING IN PEOPLE – GOOD HEALTH FOR ALL

1.1. BACKGROUND

The EU has taken important steps to address health in general and HIV specifically in EU Member States and in neighbouring countries. The "Dublin Declaration on Partnership to Fight HIV/AIDS in Europe and Central Asia of 2004"¹, and subsequent declarations, helped to put HIV/AIDS higher on the European agenda. The Lisbon migration and health conference of 2007 and other meetings and reports (e.g. the 2009 ECDC report on HIV/AIDS and migration in Europe) drew attention to issues of migration, health and HIV/AIDS. Both have influenced EU political commitment, which is reflected in policy and legal instruments, intended to promote that citizens and migrants have access to healthcare, including HIV/AIDS prevention, treatment and care services.

The EU is committed to support efforts to reduce the incidence, mortality rates and to mitigate the impact of HIV/AIDS, malaria and tuberculosis which remain a major challenge for many of the EU partner countries in their efforts to achieve health-related MDGs by 2015. The Commission Communication on "Combating HIV/AIDS in the European Union and neighbouring countries, 2009-2013"² makes a clear reference to these goals in the EU and the neighbourhood.

In its 2008 epidemiology reports, WHO and UNAIDS underline that by the end of 2007 an estimated 730 000 people were living with HIV in Western and Central Europe up from 610 000 in 2001, 1.5 million in Eastern Europe and Central Asia, up from 650 000 in 2001, and 380 000 in North Africa and Middle East, up from 280 000 in 2001.

Today, the spread of HIV in the Eastern Europe is alarming and as a consequence secondary and opportunistic infections such as tuberculosis or hepatitis are also on the increase. HIV/AIDS is not a contained problem of a single Member State or a particular neighbouring country; the epidemic is established in all European countries and each country has to assess and address the specifics of its epidemic. However, there is a great need to share information and best practices. The epidemic has important cross border and international dimensions thus benefiting of collective EU actions.

There is a need to support actions in the East neighbouring countries covered under the ENPI (Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine and the Russian Federation), due to alarming speed of the epidemic and the slow progress made in some of these countries in achieving MDG6: combat HIV/AIDS, malaria and other diseases³.

Key players in the response to the epidemics in Europe are medical services and other stakeholders involved in health systems such as the national and regional authorities, policy makers, the education sector, civil society organisations, agencies and international organisations (UNAIDS and its cosponsoring agencies, Global Fund to Fight Aids Tuberculosis and malaria (GFATM), International Organisation for Migration (IOM) etc), European Institutions (European Commission, European Parliament, European Disease Control Centre ECDC, European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) and a large number of private/public foundations and partnerships (Gates, Clinton, Open Society Institute (OSI), Ford // The European & Developing Countries Clinical Trials Partnership (EDCTP), International AIDS Vaccine Initiative (IAVI)) as well as economic operators (Pharmaceutical companies, biotech companies). However,

¹ Declaration adopted in 2004 by the governments of the WHO Europe region

(see <http://www.euro.who.int/en/what-we-do/health-topics/diseases-and-conditions/hivaids/policy/dublin-declaration-on-partnership-to-fight-hivaids-in-europe-and-central-asia>)

² COM (2009) 569

³ See <http://www.euro.who.int/en/what-we-publish/abstracts/millennium-development-goals-in-the-who-european-region>

the role of non-state actors (NSAs)⁴, in particular those representing people living with HIV and key populations at most risk, in such context is critical in advocating for equal access to services and promoting rights of people living with HIV and vulnerable groups in the field of HIV/AIDS prevention, treatment care and support. They are major providers of HIV/AIDS services and assistance including care and support for people living with HIV, organising information and training sessions at various levels and as such their involvement in all aspects of the fight against HIV/AIDS is to be increased. NSAs helped set trends that have now been institutionalised within HIV/AIDS prevention such as: greater involvement of persons living with HIV, human rights based approaches, targeting educational materials to specific groups, improved access to services for HIV prevention, treatment, care and support.

There are signs of a decline in action on HIV/AIDS in the European Union and the neighborhood at the moment, particularly as regards prevention, surveillance and measures to combat discrimination. This trend runs counter to the targets which have been set, regarding for example the elimination of mother-to-child transmission and universal access to treatment. Thus, there is a need to keep HIV/AIDS as priority on the political agenda with the goal of reaching internationally agreed targets in fighting HIV/AIDS.

1.2. OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES FOR 2009-2010

The thematic programme 'Investing in People' pursues a broad approach to development and poverty reduction, with the general aim of improving human and social development levels in partner countries in accordance with the *United Nations Millennium Declaration* and the Millennium Development Goals. It is based on Article 12 of the Development Cooperation Instrument (DCI)⁵, and is further defined in the Strategy Paper for the Thematic Programme 2007-2013⁶. Under the theme 'Good Health for all', it addresses four key health areas. Among them, there is the need to strengthen Europe's role in addressing the main poverty-related diseases, such as HIV/AIDS, malaria and tuberculosis that severely undermine the overall human and social development efforts. 'Good health for all' also aims to keep a balanced approach between prevention, treatment and care, with prevention as a key priority, acknowledging that its effectiveness is increased when linked with treatment and care. The EC will allocate a significant proportion of thematic funds to programmes and initiatives improving access to prevention, treatment, care and support to the fight against poverty related diseases around the world. This major contribution will be further strengthened by the EC's pivotal leadership, fund-mobilisation and monitoring role in the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM).

The thematic programme focuses on the human resources crisis in health systems also, which significantly limits the ability of many of the EC's partner countries to provide sufficient, effective and equitable health-care services. Other priorities under the health pillar of Investing in People include a focus on improving access to public goods and addressing neglected or emerging diseases.

The aforesaid Regulation is implemented through multi annual programming documents adopted by the European Commission (EC) which set out in detail the thematic and geographic priorities. The programming

⁴ Article 24.2 of DCI Regulation (reference: see footnote 5): "the non-State, non-profit-making partners eligible under the call operating on an independent and accountable basis include: non-governmental organisations, organisations representing indigenous peoples, organisations representing national and/or ethnic minorities, citizens' groups, cooperatives, organisations representing social interests, organisations promoting good governance, civil rights organisations and organisations combating discrimination, local organisations (including networks) involved in decentralised regional cooperation and integration, consumer organisations, women's and youth organisations, research and scientific organisations, universities, churches and religious associations and communities, the media and any non-governmental associations and independent foundations, including independent political foundations, likely to contribute to implementation of the objectives of this call".

⁵ Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation (OJ L 378, 27.12.2006, p. 41). Regulation amended by Commission Regulation (EC) No 960/2009 (OJ L 270, 15.10.2009, p. 8).

⁶ http://ec.europa.eu/development/policies/9interventionareas/humandev_en.cfm.

document for 2007-2013 and the present call for proposals are published in the context of the implementation of the 2010 Annual Action Plan Part 2⁷.

1.2.1. Objectives and priorities of this Call for Proposals

Overall objective

The overall objective of the call is to support capacity building among Non State Actors (NSAs) for an improved access to HIV/AIDS prevention, treatment and care in the ENPI-East region.

Actions must focus on **minimum two** of the following themes:

- 1) Strengthening the advocacy skills of NSA to lobby effectively for improved access to HIV/AIDS prevention, treatment, care and support, especially for people living with HIV, adolescents and vulnerable groups such as women, prisoners, migrant workers, men having sex with men (MSM), sex workers and injecting drug users;
- 2) Actions enhancing the quality of services provided by NSA and public sector and the integration of prevention, treatment and care services;
- 3) Actions strengthening partnerships and coordination among NSA and, if relevant, with public bodies in a country or on a regional level, actions supporting development of regional ownership strategies and the exchange of lessons learned and good practice in HIV/AIDS prevention, treatments and care;
- 4) HIV prevention with a special emphasis on adolescent and key populations at most risk such as injecting drug users, migrant workers, men having sex with men (MSM), sex workers, women, prisoners and actions providing support, treatment and care to people living with HIV/AIDS (PLWHA).

The activities can take the form of consolidating or establishing networks, regional support centres, information channels, learning tools and other support mechanisms to disseminate best practices, advocacy towards policy makers, share information and lessons learnt, develop and sustain NSA capacity to act on HIV/AIDS advocacy and support, promote rights, reduce stigma and discrimination, voluntary counseling and testing (VCT), care and support to PLWHA, harm reduction, treatment of opportunistic infections, information campaigns and other prevention methods etc.

Depending on the local setting and needs and the availability of existing networks or regional support centres, consolidation of existing networks and partnerships is encouraged instead of creating parallel systems.

The call for proposals is expected to help NSAs to form a stronger coalition and to become better equipped to actively engage in dialogue with their governments and the authorities on HIV/AIDS policies, improve exchange of best practices and access to and quality of HIV prevention, treatments and care services.

Priorities

Partnerships and regional cooperation are strongly encouraged. Applicants are expected to act with at least two other organisations, one of which must be a partner and one may be an associate. For all actions submitted by applicants having a nationality other than that of the country of action or by International (intergovernmental) Organisations⁸, partnership with local partner(s) from the country where the proposed

⁷ http://ec.europa.eu/europeaid/work/ap/aap/2010_en.htm

⁸ International public-sector organisations set up by intergovernmental agreements, and specialised agencies set up by such organisations. The International Committee of the Red Cross, the International Federation of National Red Cross and Red Crescent Societies are also recognised as international organisations
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CONSLEG:2002R2342:20080101:EN:PDF>

action is to take place is considered indispensable. Any such local partner must have the nationality⁹ of the respective country where the action is to take place¹⁰. The EC will attach particular importance to the quality and the composition of the partnership. In this context, the applicant should demonstrate expected benefits and added value of the proposed partnership (see section 2.3 below – Concept Note evaluation grid, and Full Application evaluation grid).

Particular attention will also be paid to informing policy making and to potential replication and later scaling up of activities. Dialogue, consultation and association with administrative authorities and agencies at national, regional and/or local levels; is therefore strongly encouraged. To this end proposals must include a clear communication and advocacy strategy as well as take into consideration aspects of later scaling up.(see section 2.3 below - Concept Note evaluation grid, and Full Application evaluation grid).

1.3. FINANCIAL ALLOCATION PROVIDED BY THE EUROPEAN COMMISSION

The indicative financial envelope foreseen for this call for proposals is EUR 9 000 000 from the 2010 budget.

The European Commission reserves the right not to award all available funds. Equally, this amount could be increased should more funds become available.

Indicative allocation of funds:

Size of grants

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

- **For projects of regional type** (implemented in more than one ENPI East country: Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine and the Russian Federation):
 - Minimum amount: EUR 300 000
 - Maximum amount: EUR 1 000 000
- **For projects of national type** (implemented in one single ENPI East country: Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine and the Russian Federation):
 - Minimum amount: EUR 150 000
 - Maximum amount: EUR 500 000

A grant may not exceed 80% of the total eligible costs of the action (see also section 2.1.4). The balance must be financed from the applicant's or partners' own resources, or from sources other than the European Union budget or the European Development Fund.

Furthermore, a grant may not exceed 50% of the total eligible costs of the action when the applicant is an international (intergovernmental) organisation¹¹, as defined by Article 43 of the Implementing Rules of the Financial Regulation.

A grant may exceptionally cover the entire eligible costs of the action if this is deemed **essential to carry it out**. The Applicant **must justify** any full financing request in Part B Section II.2 of the Grant Application Form and the validity of the justification provided will be examined during the evaluation procedure. Financing in full is subject to the conditions laid down in Article 169 of the Financial Regulation and 253 of the Implementing Rules of the Financial Regulation¹².

⁹ See section 2.1.1, in particular footnote 18

¹⁰ In the exceptional cases where the involvement of organisations having the nationality of the targeted country is not possible due to the particular situation in the said country, the applicant must provide explanations, which will be examined in the context of the evaluation.

¹¹ See footnote 8

¹² http://ec.europa.eu/budget/documents/financial_regulation_en.htm

2. RULES FOR 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 to contract procedures for EU external actions.

The majority of terms used in the present guidelines are explained in the Glossary to the Practical Guide to contract procedures for EU external actions.

The afore-mentioned Practical Guide and the Glossary can be consulted at the following Internet address: http://ec.europa.eu/europeaid/work/procedures/implementation/practical_guide/index_en.htm

In addition, the following definitions apply:

Partnership	the grouping of organisations i.e. the main applicant and its partners for the purpose of implementing the proposed action
Applicant	the organisation responsible for submitting the application
Partner	member organisation of the partnership other than the applicant
Associate	organisation that plays an active role in the action but which cannot benefit from funding under the grant
Subcontractor	organisation contracted by the beneficiary in accordance with the appropriate procedures in order to execute specific tasks in implementing the action
Re-granting	financial support that may be given to third parties by the beneficiary of the EU grant where the implementation of the action so requires, subject to the conditions laid down in Articles 120 of the Financial Regulation and 184a of the Implementing Rules of the Financial Regulation ¹³

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 non-profit making **and**
- belong to one of the following categories:
 - i) for actions taking place in one country only, non governmental organisations¹⁴ and other non-State actors¹⁵, **or**

¹³ http://ec.europa.eu/budget/documents/financial_regulation_en.htm

¹⁴ i.e. Not a state, national or international public organisation or a body effectively controlled by such an organisation. Whether a potential applicant is likely to be considered as effectively controlled by such an organisation will depend on the extent to which such an applicant can demonstrate that it is independent of the state as regards decision-making, budgetary control and the appointment of staff (including members of its controlling body)

¹⁵ Article 24.2 of DCI Regulation – see footnotes 4 and 5 above.

- ii) for regional actions¹⁶, non governmental organisations and other non-State actors or international and regional intergovernmental organisations as defined by Article 43 of the Implementing Rules to the EC Financial Regulation¹⁷; **and**
- be nationals¹⁸ of an eligible country under the Development Cooperation Instrument as listed in the Annex K **and**:
 - i) for actions taking place in one country only, be national¹⁹ of that country (Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine, Russian Federation), **or**
 - ii) for regional actions, be national of one of the country where the action is to take place (Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine, Russian Federation). Organisations from the above-mentioned categories having the nationality of a Member State of the European Union, of the European Economic Area (EEA)²⁰ or of an Official Candidate Country²¹ may also apply;
- be directly responsible for the preparation and management of the actions, not acting as an intermediary.

(2) Potential applicants may not participate in Calls for Proposals or be awarded grants if they are in any of the situations which are listed in Section 2.3.3 of the Practical Guide to contract procedures for EC external actions (available from the Internet address indicated at the beginning of the section 2).

In part A, section III and, if applicable, in part B, section VI of the Grant Application Form (“Declaration by the applicant”), applicants must declare that they do not fall into any of these situations.

2.1.2. Partnerships and eligibility of partners

The Contracting Authority's expectations with regard to partnerships are indicated under section 1.2.1 above. In the case of both one-country actions and regional actions the following categories of organisation can be partners:

- Non-governmental organisations²² and other non-State actors²³ as well as private companies²⁴ having the nationality of: i) the country or one of the countries where the action will take place (Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine, Russian Federation), or ii) a Member State of the European Union, of the European Economic Area (EEA)²⁵ and an Official Candidate Country²⁶. In addition, International organisations²⁷ may also be eligible as partners.

¹⁶ See definition of "regional action" under section 1.3 above

¹⁷ Commission Regulation 2342/2002 as amended by Commission Regulation 1261/2005: international public-sector organisations set up by intergovernmental agreements, and specialised agencies set up by such organisations; the International Committee of the Red Cross, the International Federation of National Red Cross and Red Crescent Societies are also recognised as international organisations (http://ec.europa.eu/budget/documents/financial_regulation_en.htm).

¹⁸ Such nationality being determined on the basis of the organisation's statutes which should demonstrate that it has been established by an instrument governed by the internal law of the country concerned. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if they are registered locally or have signed a “Memorandum of Understanding”. The nationality rule does not apply to International Organisations.

¹⁹ Such nationality being determined on the basis of the organisation's statutes which should demonstrate that it has been established by an instrument governed by the internal law of the country concerned. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if they are registered locally or have signed a “Memorandum of Understanding”. The nationality rule does not apply to International Organisations.

²⁰ The 27 EU Member States plus Iceland, Liechtenstein and Norway.

²¹ Croatia, Former Yugoslavian Republic of Macedonia (FYROM) and Turkey.

²² See footnote 14

²³ See footnotes 4 and 5

²⁴ Especially if they can offer particular access and means and **on condition that no-profit is derived from their involvement in the action**

²⁵ See footnote 20

²⁶ See footnote 21

²⁷ See footnote 8

When evaluating the relevance of each proposal and the methodology used, the EC will attach particular importance to the choice of the partners involved as well as the quality of the partnership. The applicant should demonstrate all expected benefits and added value of the proposed partnerships. (See section 1.2.1 above).

Applicants' partners participate in designing and implementing the action, 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.

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 B section IV - “Associates of the applicant participating in the action” of the Grant Application Form.

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 (see Annex F indicated in Section 3 of the present Guidelines).

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

An action (i.e. project) is composed of a set of activities.

Duration

The planned total duration of an action **may not be lower than 12 months nor exceed 36 months**.

Sectors or themes and types of action

Actions must be in line with the objectives, priorities and criteria indicated in section 1.2.1 above. Applications must address minimum two of the specific themes of the call as specified under section 1.2.1.

Location

Actions **must** take place in **one or more** of the following countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine and the Russian Federation.

Visibility

Applications should include a communication and visibility strategic plan both in the Full Application and the budget in line with the Communication and Visibility Manual for EU External Actions available at http://ec.europa.eu/europeaid/work/visibility/index_en.htm

Monitoring and Evaluation

Actions should foresee planning, human resources, budget and any other appropriate measures for the monitoring and evaluation of the proposed action.

Re-granting²⁸

Where the implementation of the proposed action requires financial support to be given to third parties, the applicant may propose awarding sub-grants.

Any such re-granting must be duly justified. The applicant must indicate in the proposal (Full Application

²⁸ Subject to the conditions laid down in Articles 120 of the Financial Regulation and 184a of the Implementing Rules of the Financial Regulation (see footnote 13)

Form) the total amount to be awarded in the form of sub-grants and specify the minimum and maximum amounts that may be allocated to third parties. In addition, the applicant must specify the criteria to be used to select the beneficiaries of these sub-grants. A list of the different types of activity which may be eligible for sub-grants must be included in the proposal.

The maximum amount for a sub-grant per third party is limited to EUR 10,000 while the total amount which can be awarded in the form of sub-grants to third parties is limited to EUR 100,000.

In no circumstances may re-granting be the principal activity of the proposed action.

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;
- one-off conferences: conferences can only be funded if they form part of a wider range of activities to be implemented in the life-time of the action. For these purposes, preparatory activities for a conference and the publication of the proceedings of the conference do not, in themselves, constitute such "wider activities";
- actions supporting political parties;
- actions including proselytism.

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.

An applicant may at the same time be partner in another application. Partners may take part in more than one application.

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. The categories of costs considered as eligible and non-eligible are indicated below. The budget is both a cost estimate and a ceiling for "eligible costs". The eligible costs must be based on real costs based on supporting documents (except for subsistence costs and indirect costs where flat-rate funding applies).

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 (for instance arithmetical errors, inaccuracies or unrealistic costs and other ineligible costs). The checks may give rise to requests for clarification and may lead the European Commission to impose modifications or reductions to address such mistakes or inaccuracies. The amount of the grant and the percentage of co-financing as a result of these corrections may not be increased.

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 comply with the provisions of Article 14 of the General Conditions to the Standard Grant Contract (see Annex F to the present guidelines).

Contingency reserve

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

Eligible indirect costs (overheads)

The indirect costs incurred in carrying out the action may be eligible for flat-rate funding fixed at not more than 7% of the total direct eligible costs.

If the applicant is in receipt of an operating grant financed from the European Union budget no indirect costs may be claimed within the proposed budget for the action.

Contributions in kind

Contributions in kind are not considered as expenditure and are not eligible costs. Contributions in kind 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 of the action when paid by the beneficiary or partners.

Notwithstanding the above, if the description of the action as proposed by the beneficiary foresees contributions in kind, such contributions must be provided during implementation.

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;
- 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.
NB: The Regulation (EC) No 1905/2006 of the European Parliament and of the Council establishing a financing instrument for development cooperation (OJ L 378, 27.12.2006), does not allow Community assistance to be used for paying taxes, duties or charges in beneficiary countries.
- credits to third parties.

2.2. HOW TO APPLY AND THE PROCEDURES TO FOLLOW

This is a restricted Call for Proposals. **In the first instance, only Concept Notes must be submitted for evaluation.** Thereafter, applicants whose Concept Notes have been pre-selected will be invited to submit a Full Application Form.

Registration in the PADOR system (Potential Applicant Data On-Line Registration), available at http://ec.europa.eu/europeaid/work/onlineservices/pador/index_en.htm is **obligatory** both for applicants and partners:

PADOR is an on-line database in which organisations register themselves and update regularly their data. Data provided by organisations in PADOR is used by the European Commission for verifying that the partnership composition requirements are met (See Section 1.2.1), for evaluating the operational and financial capacity criteria as well as for checking the eligibility of the organisations that participate in calls for proposals. This data concerns the organisation itself, it is not linked to a particular project proposal.

Applicants must be registered before submitting the concept note, while partners must be registered prior to submission of the full application. Applicants must complete all the sections presented in PADOR with the exception of the section "Strategy and Methodology". The partners must complete all PADOR sections with the exception of the sections "Board of Directors" and "Strategy and Methodology". All the required supporting documents required from applicants (see Section 2.4 below) must be uploaded into PADOR. The EuropeAid ID number (assigned upon registration in PADOR) of the applicant organisation must be indicated in the Concept Note.

Before starting the registration of your organisation in PADOR, the following should be consulted:

- the quick guide (that explains, on one page, the process of registration in PADOR);
- the Frequently Asked Questions;
- the PADOR user's guide.

These 3 documents are available on the website indicated above.

Notwithstanding the above, where PADOR registration is objectively impossible, the applicant can submit a request for derogation concerning its registration in PADOR and/or that of any partner(s). **In this case, it is compulsory for the applicant and/or the partner(s) concerned to complete the PADOR Derogation**

