

ACTIVE CITIZENS FUND ROMANIA

Guidelines for Applicants
Call #9 – Diversifying funding sources
Fundraising grants
Single round

Fund operated by:



Fundația pentru
Dezvoltarea
Societății
Civile



fundația pentru
parteneriat



Centrul de
Resurse
pentru
Comunitățile
de Romi



FUNDAȚIA
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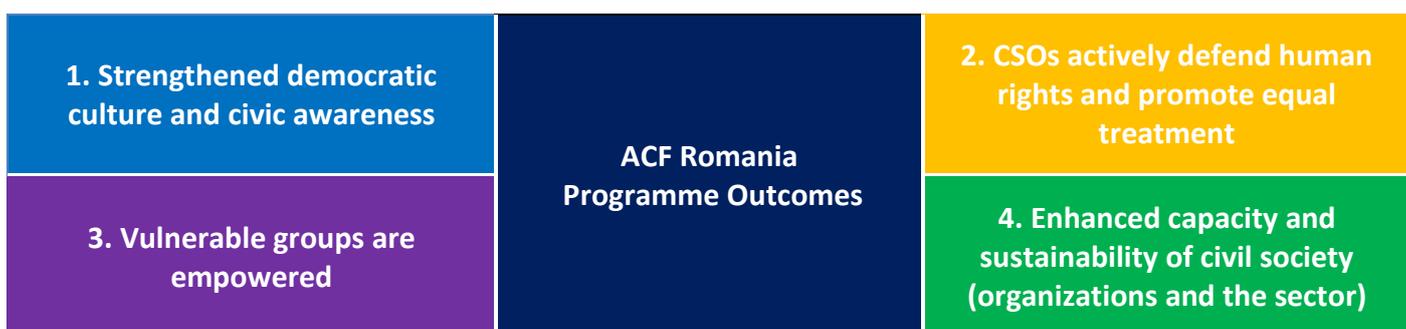
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1. About Active Citizens Fund Romania

The [Active Citizens Fund Romania](#) programme (hereafter named “ACF Romania” or “Programme”) is part of the EEA and Norway Grants 2014-2021. The **objectives** of the **Programme** are **to strengthen civil society and active citizenship and to empower vulnerable groups**. ACF Romania will pursue a long-term development of the civil society sector sustainability and capacity, stepping up its role in promoting democratic participation, active citizenship and human rights, while strengthening bilateral relations with organizations from the Donor States (Iceland, Liechtenstein and Norway). The Programme has a total allocation of **46,000,000 Euro**.

The **overall objective of the EEA and Norway Grants 2014-2021** is to reduce economic and social disparities, and to strengthen bilateral relations between 15 beneficiary countries and the Donor States.

Programme Areas of Support	➤ Democracy, active citizenship, good governance and transparency;
	➤ Human rights and equal treatment through combating any discrimination on the grounds of racial or ethnic origin, religion or belief, gender, disability, age, sexual orientation or gender identity;
	➤ Social justice and inclusion of vulnerable groups;
	➤ Gender equality and gender-based violence (GBV);
	➤ Environment and climate change.



All organisations and activities funded shall be based on the common values and principles :		
Values	General Principles	Principles of sustainable development
<ul style="list-style-type: none"> • respect of human dignity • freedom • democracy • equality • the rule of law • the respect for human rights for all 	<ul style="list-style-type: none"> • good governance • participatory and inclusive • accountable • transparent • responsive • effective and efficient • zero-tolerance towards corruption 	<ul style="list-style-type: none"> • long-term economic growth • social cohesion • environmental protection

ACF Romania is administered by a Consortium composed of [Civil Society Development Foundation](#), [Romanian Environmental Partnership Foundation](#), [Resource Center for Roma Communities](#), [PACT Foundation](#) and [Frivillighet Norge](#), acting as Fund Operator (FO) designated by FMO – Financial Mechanism Office of the EEA and Norway Grants.

2. Outcome 4 Enhanced capacity and sustainability of civil society (organisations and the sector)

Outcome 4 Enhanced capacity and sustainability of civil society (organizations and the sector) covers two areas of concern of the Active Citizens Fund in Romania, respectively “Strengthening the capacity and sustainability of the civil society sector” and “Improve outreach to under-served geographic areas and target groups”.

Aims	To increase the capacity and sustainability of individual NGOs and strengthen the civil society infrastructure
Approach	<p>As part of building the capacity at sector level, there will be supported the projects building the infrastructure that contributes to the development of organisations, raising the awareness on and the visibility of the Romanian civil society sector, highlighting the impact the sector has on communities and society at large Other initiatives to be supported include learning, networking and sharing experiences among NGOs and with other stakeholders (including business, media, academia, public administration), through peer learning, online and offline hubs/platforms, sharing of good practices etc.</p> <p>The capacity of individual organizations shall be developed in the following directions, but not limited to them:</p> <ol style="list-style-type: none">strengthening of internal governance, especially in relation to financial aspects and procedures, efficient management and transparency, and Board developmentusing fundraising tools/capabilities in order to obtain financial sustainability of the NGOs’ specific activities,assessing the impact and developing research to inform activities and policy work,improving NGOs’ communication and visibility, especially tools adapted to the targeted audience and beneficiaries,enhancing the involvement and cooperation of the stakeholders at community level. <p>Strategic partnerships between NGOs with the aim to build the organizational capacity in the directions mentioned above are supported.</p>
Special focus	<p>A special focus of the Outcome 4 is to develop the capacity of NGOs:</p> <ul style="list-style-type: none">active in underserved geographic areas¹ and addressing needs of underserved target groups, as well asin key underserved thematic areas such as human rights (including social and educational fields), youth, civic activity, environment etc.
Financial allocation	The total allocation available for open calls under Outcome 4 is 4,030,000 Euro .

¹ At Outcome level **underserved areas** refer to geographic areas with limited presence of civil society or situations of community deprivation on one or more of the following dimensions: (1) low level of human capital (i.e. education, health and demographic behavior), (2) low employment rate, (3) poor housing conditions (4) insufficiently developed services for certain vulnerable groups.

3. Focus of the Call #9 Diversifying funding sources

3.1. Context

Romanian NGOs are still far from being financially sustainable, which affects their overall sustainability as well as their capacity to have qualified staff. The majority of NGOs continue to be dependent on foreign and public funding (which is unpredictable, limited in duration/coverage, highly inaccessible for small NGOs). A small percent of them have individual donations as a main income source and a similar percentage relies on funding from the business sector².

Fiscal policies affecting NGOs have been modified in 2018 and 2019, after intense debates with decision makers. The legislative changes in 2018 affected the revenues that could be obtained by NGOs from sponsorships, but new measures adopted in 2019 brought positive changes. Currently, companies are eligible for deductions for sponsorships up to 20 % of their owed income tax, or up to 0.75 % of their annual turnover, whichever is lower. Starting with 2019, individual taxpayers could direct 3.5% instead of 2% of their owed income tax towards a CSO or church, or to individual scholarships. The mechanism, although has been recently the target of multiple legislative and procedural changes, has a potential to generate important revenues for NGOs and should be taken advantage of.

These changes in the legal framework affected the revenues that could be obtained by small NGOs from sponsorships as, "particularly local small businesses—already started to be more reluctant to engage in sponsorships, especially in small towns and rural areas, hitting small, local CSOs that already struggle to access resources particularly hard"³. Overall, according to the 2018 CSO Sustainability Index for Romania, financial viability of CSOs deteriorated slightly in 2018.

There are examples of successful fundraising activities using various methods that target individual donors and constituencies: SMS campaigns, crowdfunding, fundraising events, such as galas, open doors days, concerts, donor circles, swim-a-thons or other sport events etc. All these methods and the use of new technologies have a good potential to contribute to the financial sustainability of CSOs.

As concerns the process of organizing fundraising activities, more than half of the NGOs do not record fundraising costs, while the other half understands that fundraising cannot be done without costs. Concerning the existence of strategies for developing / diversifying sources of funding on medium term, less than half of the respondents of a survey⁴ stated that they have such strategies. The NGO representatives admit lack of expertise / knowledge related to fundraising, and therefore need support from dedicated professionals.

The global crisis brought by the COVID-19 pandemic, with all its consequences on economies and societies in general, is putting a tremendous pressure on the CSO sector. Forecasts are difficult in these early stages, but most institutions predict an economic crisis of a larger scale than the Global Financial Crisis of 2008. The uncertainty is the main feature of the economic and social context for the next months and even for the next year.

In this new context the CSO sector is continuously demonstrating its capacity in fundraising by organizing new campaigns or modifying their ongoing programs to raise funds for protecting their communities, proving that donors have trust in the CSOs' ability to find solutions and the companies are seeing the CSOs as partners who can bring changes at local and national level.

Given all these aspects, the present Call for proposals focuses on providing support to NGOs in their efforts to advance with their financial sustainability and increase their efficiency in fundraising, by improving fundraising skills and tactics, and/or supporting the development and the implementation of fundraising strategies and campaigns.

² Fundația pentru Dezvoltarea Societății Civile (2018), România 2017, Sectorul neguvernamental -Profil, tendințe, provocări, retrieved from: <http://www.fdsc.ro/library/files/romania-2017.pdf>

³ US Agency for International Development (USAID), FHI 360, International Center for Not-for-Profit Law (ICNL) Fundația pentru Dezvoltarea Societății Civile (2019) INDEXUL SUSTENABILITĂȚII ORGANIZAȚIILOR SOCIETĂȚII CIVILE 2018 – ROMÂNIA, retrieved from: http://www.fdsc.ro/library/files/index_usaid_2018_romania_ro.pdf

⁴ Ceptureanu S.I., Ceptureanu E.G., Sassu R.V, (2017) Financing of Romanian Non-governmental Organizations; Management and Economic Review, Volume 2, Issue 1, http://www.mer.ase.ro/files/2017_1/6.pdf

3.2. Type of grants and financial allocation

The total allocation for the Call #9 is **1,500,000 Euro**, to be distributed in a **single round** of Call for project proposals.

Under the Call #9 there is available one type of grant	
Type of grant	Fundraising Grants
Financial allocation	1,500,000 Euro
Opening date of the application process (application process exclusively through the online platform https://finantari publice.fdsc.ro/)	6 th August, 2020
Application deadline	15 th October, 2020; 16:00 (Romanian time)
Project duration (minimum and maximum)	6 – 24 months
Grant amount (minimum and maximum)	15,000 – 100,000 Euro

3.3. Objective of the Call #9 and contribution to Programme results

Outcome 4	Enhanced capacity and sustainability of civil society (organisations and the sector).
The objective of the Call #9	To develop NGOs' capacity on fundraising.
Target groups	Priority target groups are NGOs working in underserved thematic areas . Other groups could be targeted in order to achieve the desired results related to organizational development of NGOs and the civil society sector, such as general public, business, authorities, media, academia, other NGOs, etc.
Underserved thematic areas targeted	Human rights (including social and educational fields), youth, civic activity, environment

3.4. Eligible projects

The Call #9 supports projects aiming to enhance NGOs financial sustainability by improving fundraising skills and tactics, and/or supporting the development and the implementation of fundraising strategies and campaigns.

The Call #9 addresses both smaller, less experienced NGOs and well-developed NGOs. **Two main types of interventions** are supported:

- Projects focusing on **development of individual NGOs financial sustainability** implemented by CSOs that want to develop their fundraising and donor care skills and to learn more about financial sustainability and/or to develop and implement fundraising strategies and campaigns in order to diversify their funding sources
- Projects focusing on **assisting cohorts/groups of NGOs to develop their financial sustainability** implemented by well-developed NGOs with significant experience in fundraising and financial sustainability related topics, that are capable to transfer their knowledge to smaller and/or less experienced NGOs and to assist them in their fundraising activities

Any fundraising campaign is required to have very well developed fundraising strategies, and clearly described ideas, properly established aims and cases of support, the targeted amounts planned to be collected, the envisaged sources of funds, the impact that the fundraised amounts will have on the community/society. The fundraising strategy has to take into consideration the current situation caused by the coronavirus pandemic.

Projects that will have as main objective to increase knowledge and capacity of smaller, less experienced NGOs regarding fundraising are required to have very well defined target groups, methodology for selection of participant NGOs, methodology of knowledge transfer, topics that will be covered, etc.

! Attention

The amount raised during the project duration through fundraising activities, must be spent for the cause it was raised and in accordance with ACF principles and values. At the end of the project, the CSO will have to submit a declaration in which will specify the size of the raised amount, the aim for which is going to be spent and the acknowledgement that the funds will be spent according to these aims.

According to the State aid compliance principles of the Active Citizens Fund, the ACF does not provide any economic advantage to undertakings. The supported activities are of non-economic nature.

Under the Call #9 the following types of projects are not eligible

☒	projects that exclusively or essentially target academic research, feasibility studies, conferences and other individual/unique events, infrastructure, individual sponsorships for participation in workshops, seminars, conferences and congresses;
☒	projects that involve obtaining / awarding individual scholarships;
☒	projects that include economic activities;
☒	projects involving only training activities (see Attention note in 3.5.);
☒	projects for emergency support, unless they are an indispensable component of the project;
☒	refinancing activities (e.g. re-granting or loans given to other organizations or individuals/ legal entities);
☒	projects that focus on the purchase of equipment, buildings or offices;
☒	The day to day activities of the Applicant (the project application must be elaborated for a specific project, as a set of well-defined and correlated activities, which will lead to concrete results within a well-defined time frame.)

3.5. Eligible activities

Type of eligible activities (non-exhaustive list):

- ✓ **Organizing trainings (online and/or offline) by experienced NGOs for smaller, less experienced NGOs in order to gain:**
 - fundraising skills;
 - knowledge about fundraising strategies and tools;
 - knowledge about using information and communication technologies in fundraising activities
 - knowledge about donor care;
 - knowledge about transparency and good governance;
- ✓ **Develop fundraising strategies or action plans** to guide NGOs' fundraising activities or to adjust the existing strategies;
- ✓ **Develop and use different fundraising tools, mechanisms and instruments** in order to expand the donor base of the NGOs as well as to retain the existing ones;
- ✓ **Implement diverse fundraising activities (local fundraising through community engagement, crowdfunding, online donations, fundraising events, recurring donations etc.)**
- ✓ **Develop donor care capacity and implementation of donor care activities;**
- ✓ **Training, consultation, coaching, mentoring - of staff and leadership - on fundraising** (to acquire the necessary skills and knowledge about fundraising and to improve the long term financial sustainability of the organization);
- ✓ **Develop transparent and accountable governance procedures**, such as participatory processes for strategic planning, development of internal regulation documents; establishment/development of an independent governing body; systems for prevention of conflict of interest; regulations/ methodologies/ tools for consultation of beneficiaries and other stakeholders; reporting to the public and to the donors;
- ✓ **Develop effective management procedures**, such as financial rules; management system of organization's knowledge and documents which is used systematically; policies and practices for human resources development;
- ✓ **Regularly inform the public on the organization's activities and results** through organizing events, publishing and distributing annual reports and other specific publications, media presence, functional webpage updated.

! Attention

Analytical activities such as studies, reports, data collection (on issues like: donor profiling, philanthropic trends, CSOs financial sustainability etc.) are also eligible as part of more complex projects (i.e. preparatory work for proposed fundraising campaigns, capacity building training for CSOs etc.).

Training activities are also eligible as part of more complex projects that include additional activities (follow-up activities, mentoring, coaching, assisting fundraising activities etc.) in order to produce changes in targeted organizations.

Please note that the activities listed above are **only examples** that can be part of a project which has to be understood as a defined group of activities implemented to develop a response to a specific need, activities to be done in a logical sequence to achieve a set of predefined targets using the given resources.

All projects funded under the Call #9 shall contribute to the achievement of:

Results framework Outcome 4

Expected programme results	Indicators	Requirements for Applicants
Programme Objective Civil society and active citizenship strengthened, and vulnerable groups empowered	Programme-level Indicator Indicator A. Number of people engaged in civil society organization activities.	All projects must report against this indicator.
Outcome 4. Enhanced capacity and sustainability of civil society (organization and the sector)	Indicator 32. Number of CSOs with transparent and accountable governance procedures	All projects must select and report against the Outcome 4 indicator 35. Beside this, all projects must select and report to a second Outcome 4 indicator
	Indicator 33. Number of CSOs with effective management procedures	
	Indicator 34. Number of CSOs that regularly disseminate information on their activities and results to the public	
	Indicator 35. Number of CSOs with at least two funding sources, each comprising at least 20% of their total annual budget	
Output 4.1. Capacity building provided to CSOs	Indicator 36. Number of CSOs participating in learning initiatives funded by the programme	All projects must contribute to Output 4.1, respectively select and report against at least one corresponding Output level indicator.
	Indicator 37. Number of CSOs that implemented fundraising campaigns	

Note

In addition to the results and indicators included in the above list, Applicants may add **up to two** relevant results and corresponding indicators. For more in depth information about the Programme indicators (description, measurement etc.), please consult the *Programme Indicators. Guidance document*, available at www.activecitizensfund.ro.

! Attention

An **Organizational Development Matrix (self-assessment tool)** is available for the Applicants on the [Programme website](#). Applicants are strongly recommended to use this self-assessment tool to evaluate their internal organizational capacity in order to include tailor-made capacity building objective(s) and activities within the Applications.

3.6. Information and communication activities

When developing their project proposals, the Applicants should describe information and communication actions with the aim of creating awareness of the project and its objectives, any bilateral cooperation with entities in Iceland, Liechtenstein and/or Norway, as well as of the implementation, results and the impact of support from the Donors to the project. Applicants should take into account the following **minimal obligatory requirements** that have to be planned, developed, budgeted, implemented and reported to the Fund Operator:

1. **At least two information activities on progress**, achievements and results in the project, such as a seminar or a conference with stakeholders, a press conference or press event including a launch activity and/or a closing activity for the project. For projects whose grant size is less than EUR 50 000, one information activity is sufficient and can be of smaller size.
2. Measures for making **information on the project available on the web, either through a dedicated website or through a dedicated section on the organisation's existing website with linking between the pages**. The information of the project must be regularly updated and shall include information about the project, its progress, achievements and results, the cooperation with entities in Iceland, Liechtenstein and Norway, relevant photos, contact information and a clear reference to the Programme and the EEA and Norway Grants;
3. An indication of **how the information and communication measures are to be evaluated in terms of visibility and awareness** of the project, its objectives and impact, and of the Donors.
4. Organisers of **information events** such as conferences, seminars, fairs and exhibitions in connection with implementation of the project **make explicit and visible the support of the donor countries**.
5. Provide **information on the project to the widest possible audience** at the appropriate national, regional and/or local levels.
6. Ensure that those taking part in the project have been **informed of the Programme's funding**.

7. Put up a **billboard at the site of each operation**, during implementation, and replace it no later than six months after completion of the project with a permanent commemorative plaque that is visible, of significant size, in case of projects fulfilling the following two conditions:
 - a. Projects whose total grant amount to the project exceeds EUR 50,000;
 - b. The operations consist in the financing of a physical object, infrastructure or of construction operations.
8. Ensure that at least 10 photos from project activities will be provided to the Fund Operator, taking into account the following minimal requirements: they are GDPR⁵ compliant and their minimal resolution is 1920*1080p.

! Attention

Please keep in mind that fulfilment of all these minimal requirements have to be described in the Application form (Annex 1) under *A2 Information and Communication* and budgeted accordingly, if the case. The proposed information and communication actions should be in close connection and adapted to the project activities.

All information and communication materials related to the projects that are carried out with ACF support have to be in line with the **Communication and Design Manual** available on the Programme website (www.activecitizensfund.ro).

Please note that, in case the Application is selected for funding, the Applicants will develop a Communication Plan in a format to be provided by the Fund Operator.

4. Administrative and eligibility criteria

4.1. Territorial scope

The Programme aims to support **Romanian NGO projects in Romania**, without prejudice to actions that are carried out in Donor or Beneficiary States or Border States with Romania under partnerships created to implement the selected projects.

In exceptional and well justified cases, there could be allowed initiatives to participate/organize capacity building activities in other EU countries than the one already mentioned above.

4.2. Eligible applicants

4.2.a.

- **Non-governmental and non-profit organizations (NGOs)**, legally established in Romania, which have acquired legal personality and operate under the Government Ordinance 26/2000 and/or the Law 21/1924 on associations and foundations (with subsequent amendments and completions); or
- **County and Bucharest municipality foundations for youth and the National Youth Foundation** established under the Law 146/2002 (with subsequent amendments and completions); or
- **National Red Cross Society in Romania** established under the Law 139/1995 (amended and supplemented by the Law 524/2004) and **its structures with legal personality**;

4.2.b.

In addition to the above mentioned criteria, the applicants shall meet the following requirements:

(a) abide by the principles of human rights for all, democratic values, rule-of-law and	<input checked="" type="checkbox"/>
(b) do not promote intolerant, discriminatory and/or hate speech, and	<input checked="" type="checkbox"/>
(c) act in the public arena and for the public good on concerns and issues related to the well-being of people, groups or society as a whole, and	<input checked="" type="checkbox"/>
(d) have the capacity, according to their statutes, to act in the field addressed by the project, and	<input checked="" type="checkbox"/>
(e) are independent of the local, regional and national government and other public entities ¹ , and	<input checked="" type="checkbox"/>
(f) are independent of political parties, and	<input checked="" type="checkbox"/>
(g) are independent of commercial entities ² (such as companies, self-governing regies, individual enterprises etc.), and	<input checked="" type="checkbox"/>
(h) do not directly or indirectly promote a religious doctrine, mission or proselytism related to the beliefs of a particular faith (beyond basic religious/cultural awareness raising) and	<input checked="" type="checkbox"/>

⁵ GDPR – General Data Protection Regulation ([EU\) 2016/679](http://europa.eu/2016/679)

(i) have transparent structures and elected chair/board, and are accountable to their members and donors, and	<input checked="" type="checkbox"/>
(j) are directly responsible for designing and managing the project and do not act as an intermediary	<input checked="" type="checkbox"/>

¹ To assess if an organisation fulfils this condition, the FO will mainly check the following aspects:

- It does not have more than half of the members local, regional and / or national institutions and / or authorities;
- It does not have more than half of the voting members of the Board of Directors / General Assembly local, regional and / or national public authorities or their representatives (natural persons);
- It does not have the organizational and operational structures established so that decisions are mostly influenced by local, regional and / or national public institutions and/ or authorities.

² To assess if an organisation fulfils this condition, the FO will mainly check the following aspects:

- It does not have more than half of the members profit-making entities;
- It does not have more than half of the voting members of the Board of Directors/ General Assembly, profit-making entities or their representatives (natural persons);
- It does not have the organizational and operational structures established so that decisions are mostly influenced by profit-making entities.

4.3. Exclusion criteria for Applicants

Not eligible Applicants	
• any other legal entities that do not cumulatively respect the requirements mentioned in the section 4.2.b	<input checked="" type="checkbox"/>
• political parties	<input checked="" type="checkbox"/>
• religious institutions (religious cults, religious associations established under the Law 489/2006 on freedom of religion and general regime of cults)	<input checked="" type="checkbox"/>
• professional associations (the associations which makes conditional the exercise of a certain profession with the membership in the association, and the purpose and objectives of the association are to further the specific interests of its members only)	<input checked="" type="checkbox"/>
• social partners (trade unions and employers organizations)	<input checked="" type="checkbox"/>
• profit-distributing cooperatives	<input checked="" type="checkbox"/>

Applicants do not have the right to apply and receive funds under the Programme if they are in any of the situations described below:	
(a) are bankrupt, are in the administration of a judicial authority or are being winding up, have suspended the activity, are subject of proceedings concerning these issues or are in a similar situation following the application of a similar procedure provided for in the national legislation or regulations in force;	<input checked="" type="checkbox"/>
(b) are guilty of serious professional misconduct proven by any means the Fund Operator can justify;	<input checked="" type="checkbox"/>
(c) have not fulfilled obligations related to the payment of social security contributions or taxes to the state budget in accordance with the national legislation;	<input checked="" type="checkbox"/>
(d) have been the subject of a final decision res judicata for fraud, corruption, involvement in a criminal organization or any other illegal activity to the detriment of financial interests, without the evidence that corrective action has been taken in this respect in recent years;	<input checked="" type="checkbox"/>
(e) organisations from which the amount due was not recovered, following a final court decision in connection with the NGO Programme 2009-2014 in Romania.	<input checked="" type="checkbox"/>

Note:

The project proposal will be accompanied by a signed Declaration of eligibility (Annex 3) of the Applicants certifying that they meet all the eligibility conditions mentioned in the section 4.2. Eligible Applicants and that are not in any of the exclusion situations mentioned above, from a) to e) nor are among the not eligible applicants mentioned in the section 4.3. Exclusion criteria for Applicants.

In case of projects selected for funding, the Applicants will be requested to submit an updated **Declaration of eligibility**. The FO reserves the right to request the Applicant any kind of documents in support of Declaration.

4.4. Eligible project partners

Projects may be implemented in partnership with project **Partners**. Project Partners shall share a common economic or social goal with the Applicant, which is to be realised through the implementation of the project. Partners shall be actively involved in and effectively contributing to the implementation of the project.

Partnerships are not mandatory, but highly encouraged, especially with Partners from the Donor States. The following legally established entities are **eligible to be project partners**: any **non-governmental organisations, public entities** (such as local and central public authorities, public institutions / agencies, decentralized governmental public services, territorial administrative units, universities, etc.) as well as **private entities** (commercial or non-commercial), **established as a legal person** either in: **Romania, Donor States** (Norway, Iceland, Liechtenstein), **Beneficiary States** (Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Slovakia and Slovenia) and/or **Countries outside the European Economic Area that has a common border with Romania** (Moldova, Ukraine and Serbia), any **international organisation or body or agency** thereof.

Only the following entities are **eligible to receive funding as project Partners** under the Programme:

- NGOs that meet the eligibility requirements set for the Applicants under section 4.2. and are not in the situations specified under section 4.3. a) – e) nor are among the not eligible applicants mentioned in the section 4.3. Exclusion criteria for Applicants;
- international organisations or agencies or bodies thereof (international intergovernmental organizations or international non-governmental organizations);
- public entities.

Other types of partners may not have access to the grant, but may contribute to the activities and/or to the co-financing of the project.

The **Declaration of eligibility** submitted by the Applicant with the project proposal will also certify the fulfilment by the Partners of the eligibility conditions specified in this section.

In case of projects implemented in partnership with one or several entities, it is mandatory for the Applicants to submit with the Application form a **Partnership Declaration** (Annex 4) signed with the Partner/s. The Partnership Declaration shall be in English in the case of projects implemented in partnerships with entities from other countries than Romania and Moldova.

The Applicant coordinates the implementation of the project and, in case it is selected for funding, will represent the Partners and will sign the grant contract. Eligibility of costs generated by the Partners must respect the same rules that apply to the costs generated by the Applicant.

A project partnership shall not be mistaken for sub-contracting. Project partners always share a common economic or social goal through the implementation of the project, and partners cooperate throughout the entirely project realisation. Sub-contracting is aimed at one (or perhaps several) specific deliverables, e.g. services or equipment in order to realise a specific activity within the project. Sub-contracting shall always be carried out based on appropriate service or purchase contract, according to the applicable public procurement rules as defined below in section 5.1. General principles of the eligibility of costs.

Applicants may collaborate in implementing the project with informal or *ad hoc* local groups, self-help organizations (including grassroots organizations) – that are not registered legal entities in Romania. They are **Collaborators** and must meet the following requirements: are not for personal profit, act for public good, are voluntary and non-discriminatory in nature, are independent of local, regional and national government and other public entities, political parties, religious institutions and commercial entities. **Collaborators** cannot be direct recipients of the project grant and will not be able to conclude expenses in their own name⁶. For collaborators it is not necessary to conclude and submit a Declaration of Partnership.

Partners and Collaborators shall have the capacity to implement relevant activities within the project. The Applicant will present in the project proposal the added value brought by the involvement of Partners and Collaborators in the implementation of the project.

4.5. Grant rate and co-financing

The project grant rate	can be up to 100% of the total eligible costs of the project
	When determining the grant rate, the Applicant will take into account the need to ensure its commitment and ownership, as well as the sustainability of the project.

The **co-financing is not compulsory** and it can be provided in form of cash and/or in-kind contribution, in the form of voluntary work.

⁶ The expenditure related to the involvement of the informal group shall be borne by the project promoter.

In case that co-financing is ensured in cash, it is preferable to be from sources such as donations, sponsorships, membership fees, etc. and not through other projects/grants. The project cannot be co-financed by other programmes of the EEA and Norway grants, European funds or European Union budget nor other type of in-kind contribution.

For the calculation of in-kind contribution in the form of voluntary work, the Applicant and project partner/s will take into account the actual time allocated for the implementation of the project (in hours/month) and the price shall be set in the range of the minimum gross hourly wage in Romania and the average gross hourly wage in Romania (valid at publishing date of the Call-2020), including the employer's social contribution, depending on the character of the delivered work. The Applicant should provide justification for establishing the corresponding price of the voluntary work hour. For project partner/s whose primary location is in one of the Donor States or other Beneficiary States or countries outside EEA with a common border with Romania, the range in the respective country will be applied.

Please note that the in-kind contribution cannot be provided by a staff member who has, at the same time, an individual employment contract concluded with the Applicant or project Partner/s for the same type of responsibility.

In case in-kind contribution in the form of voluntary work is provided, it should be included in the project budget and must comply with the general principles on the eligibility of expenditures.

4.6. Limitations

Eligible Applicants or partners cannot receive more than **550,000 Euro in total** support from the Programme or be involved in more than **4 projects** during the course of the Programme, excluding any grants in rapid response to emerging needs and any support received through the Fund for Bilateral Relations and the Regional Civil Society Initiatives⁷.

An NGO can submit as Applicant **only one project proposal under the Call #9**.

In case an Applicant submits more than one project proposal under the Call #9, the FO will request the Applicant to indicate the application that will enter the administrative and eligibility verification in order to comply with the limitation established. If the Applicant does not respond in 5 days from the receipt of the FO request, all its applications will be rejected and none of them will enter the administrative and eligibility verification.

Under the Call #9 there are no restrictions regarding the number of project proposals in which an organization can participate as partner.

During the contracting phase, the FO will verify, at Programme level, the compliance with the limitations mentioned above (first paragraph under the current section) in order to establish the eligibility of the Applicants or Partners.

5. Eligibility of costs

! Attention

This chapter is completed by the provisions of the Annex 2b - Guidelines for budgeting which is an integral part of this Guideline for Applicants. If there are different provisions between this Guidelines and the Annex 2b - Guidelines for budgeting, the provisions from the latter will prevail.

5.1. General principles on the eligibility of costs

Eligible expenditures of projects are those actually incurred by the project promoter and/or the project partner, which meet the following criteria:	
<input checked="" type="checkbox"/>	they are incurred between the first and final dates of eligibility of a project as specified in the grant contract;
<input checked="" type="checkbox"/>	they are connected with the subject of the grant contract and they are indicated in the detailed budget of the project;
<input checked="" type="checkbox"/>	they are proportionate and necessary for the implementation of the project;
<input checked="" type="checkbox"/>	they are used for the sole purpose of achieving the objective of the project and its expected outcome/s, in a manner consistent with the principles of economy, efficiency and effectiveness;
<input checked="" type="checkbox"/>	they are identifiable and verifiable, in particular through being recorded in the accounting records of the project promoter and determined according to the applicable accounting standards and generally accepted accounting principles;
<input checked="" type="checkbox"/>	they comply with the requirements of applicable tax and social legislation.

Expenditures are considered to have been incurred when the cost has been invoiced, paid and the subject matter delivered (in case of goods) or performed (in case of services and works). Exceptionally, costs in respect of which an invoice has been issued in the final month of eligibility are also deemed to be incurred within the dates of eligibility if the costs are paid within 30 days of the final date of eligibility. Overheads and depreciation of equipment are considered to have been incurred when they are recorded on the accounts of the project promoter and/or project partner.

⁷ For more information on the Fund for Bilateral Relations and the Regional Civil Society Initiatives, please consult www.activecitizensfund.ro

The internal accounting and auditing procedures of the project promoter and partner/s must permit direct reconciliation of the expenditures and revenue recorded in the analytical/ cost center accounting of the project with the amounts reported in the financial statements on the project and supporting documents.

5.2. Direct costs

The eligible direct expenditures for a project are those expenditures which are identified by the project promoter and/or the project partner, in accordance with their accounting principles and usual internal rules, as specific expenditures directly linked to the implementation of the project and which can therefore be booked to it directly.

The following direct expenditures are eligible provided that they satisfy the eligibility criteria previously mentioned (section 5.1 General principles on the eligibility of costs):

➤	costs of personnel assigned to the project, comprising actual remuneration including social security charges and other statutory costs as applicable, provided that this corresponds to the project promoter's and project partner's usual policy on remuneration;
➤	travel and subsistence allowances for personnel and volunteers taking part in the project, provided that they are in line with the project promoter's and project partner's usual practices on travel costs;
➤	costs of new or second hand equipment provided that it is depreciated in accordance with generally accepted accounting principles applicable to the project promoter and generally accepted for items of the same kind. Only the portion of the depreciation corresponding to the duration of the project and the rate of actual use for the purposes of the project may be taken into account by the Fund Operator. In case the Fund Operator decides that the equipment is an integral and necessary component for achieving the outcomes of the project, the entire purchase price of that equipment may be eligible;
➤	costs of consumables and supplies, provided that they are identifiable and assigned to the project;
➤	costs entailed by other contracts awarded by a project promoter for the purposes of carrying out the project, provided that the awarding complies with the applicable rules on public procurement;
➤	costs arising directly from requirements imposed by the project contract.

Costs related to construction, reconstruction, renovation, or refurbishment of a real estate **shall not exceed 50%** of the eligible direct cost of the project.

Where the entire purchase price of equipment is eligible the applicant must ensure that:	
<input checked="" type="checkbox"/>	keeps the equipment in its ownership for a period of at least five years following the completion of the project and continues to use the equipment for the benefit of the overall objectives of the project for the same period;
<input checked="" type="checkbox"/>	keeps the equipment properly insured against losses such as fire, theft or other normally insurable incidents both during project implementation and for at least five years following the completion of the project; and
<input checked="" type="checkbox"/>	sets aside appropriate resources for the maintenance of the equipment for at least five years following the completion of the project.
The specific means for the implementation of this obligation will be specified in the grant contract.	

! Attention

It is mandatory for all applicants to include in the Project budget (Annex 2a), under Activity 1 Project management, costs related to participation to trainings and meetings provided by the Fund Operator during the implementation of the project (accommodation, transport, per diem). A minimum of 4 trainings with duration of 2 days each for 2 persons should be taken into consideration.

As a general rule, for purchases and contracts awarding within the grant contracts, national and European Union legislation on public procurement shall be complied with.

For purchases with a value of **5,000 Euro or higher**, the project promoter/partner shall invite at least three suppliers/service providers to submit offers. The contract should be awarded to the bid offering the best value for money or the lowest price (as appropriate). The entire selection procedure should be documented.

5.3. Indirect costs

Indirect costs are all eligible costs that cannot be identified by the applicant and/or the project partner as being directly attributed to the project but which can be identified and justified by its accounting system as being incurred in direct relationship with the eligible direct costs attributed to the project. Indirect costs of the project shall represent a fair apportionment of the overall overheads of the project promoter or the project partner. They may not include any eligible direct costs. Project promoters and project partners may apply a **flat rate of up to 15% of direct eligible personnel costs of the project** to cover indirect costs, commensurate with the real indirect costs need.

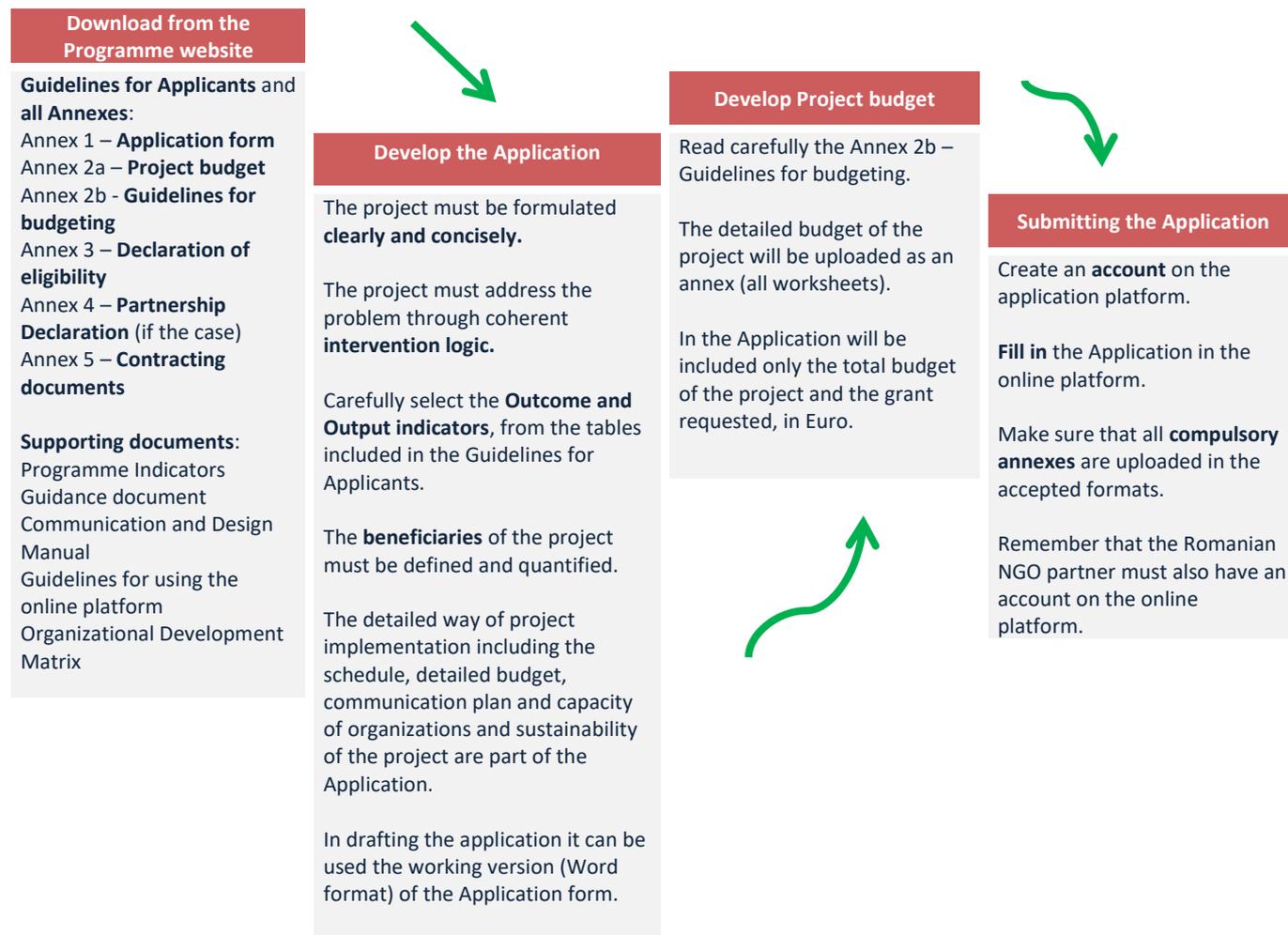
In case of applicants or project partners that are international organisations, or bodies or agencies thereof, indirect costs may be identified in accordance with the relevant rules established by such organisations.

5.4. Excluded costs

The following costs shall not be considered eligible:	
<input checked="" type="checkbox"/>	interest on debt, debt service charges and late payment charges (e.g. costs for loans taken in connection with the project, penalties / taxes related to late payment of invoices, penalties and interest for late payment of contributions and taxes to the state budget, etc.);
<input checked="" type="checkbox"/>	charges for financial transactions and other purely financial costs, except costs related to the special accounts of the project requested by the Fund Operator, provided they are mentioned in the grant contract and the costs of the financial services imposed by the grant contract;
<input checked="" type="checkbox"/>	costs related to purchase of land or real estate: ONLY the costs related to the construction, reconstruction, renovation or modernization of a building can be considered eligible, but will not exceed 50% of the directly eligible cost of the project;
<input checked="" type="checkbox"/>	provisions for losses or potential future liabilities;
<input checked="" type="checkbox"/>	exchange losses;
<input checked="" type="checkbox"/>	recoverable VAT, according to the legal regulations in force;
<input checked="" type="checkbox"/>	costs that are covered by other sources; double financing must be avoided (e.g. if the full value of a previously purchased equipment was financed from another grant, the depreciation of this equipment cannot be the eligible expenditure within the project);
<input checked="" type="checkbox"/>	finances, penalties (ex. fines imposed by public bodies due to the lack of security measures on the site of a building, parking fines, fines for late payment) and costs of litigation, except where litigation is an integral and necessary component for achieving the outcomes of the project;
<input checked="" type="checkbox"/>	excessive or reckless expenditure (these must be taken in relation to the principle of eligibility of expenses according to which they must be "proportionate and necessary for the implementation of the project" - (e.g. business travel class, purchasing state of the art equipment where cheaper options would cover the same need);

6. Preparation, submission and registration of project applications

Only applications submitted before the deadline in the prescribed format with all the annexes and in an electronic version via platform <https://finantari publice.fdsc.ro/> will be evaluated. In order to submit an application it is necessary to follow the next steps:



! Attention

Only the information included in the Application and in the compulsory annexes will be considered for evaluation.

A list of applications received will be published on the Programme website www.activecitizensfund.ro. A detailed procedure for online application is described in the *Guidelines for using the online platform* available on the Programme website www.activecitizensfund.ro

The Application will be filled in Romanian (the only exceptions are the sections indicating otherwise and the Partnership Declaration in case of a foreign partner). The Application is complete only when it contains all following documents:

Document	Check	Submission through https://finantari publice.fdsc.ro/
Application form	<input checked="" type="checkbox"/>	Filled in the platform
Project budget (Annex 2a)	<input checked="" type="checkbox"/>	Uploaded as annex in EXCEL format
Declaration of eligibility (Annex 3)	<input checked="" type="checkbox"/>	Uploaded as PDF or JPEG format
Partnership Declaration (if the case) (Annex 4)	<input checked="" type="checkbox"/>	Uploaded as PDF or JPEG format

7. Application deadline

Fundraising grants	
Single round	
Publication date of the Call:	6 th August 2020
Opening date of the application process: (application process exclusively through the online platform https://finantaripublice.fdsc.ro/)	6 th August 2020
Application deadline:	15 th October 2020; 16:00 (Romanian time)

! The final form of the project proposal is considered the one uploaded on the online platform <https://finantaripublice.fdsc.ro/> and validated until the deadline.

The deadline for completing and validating the online Application form and attaching the required documents is **15th October 2020; 16:00 (Romanian time)**. After this date, it will no longer be possible to fill in a new project Application and modify / fill in the project Application already submitted for the Call #9 – Diversifying funding sources. Access will be automatically limited by the online platform server.

We strongly recommend submitting the Application earlier than on the deadline set in the Guidelines. Postponing the Application submission for the last day may cause problems due to the system overloading that would not enable to complete and validate the Application on time.

8. Additional information and contact details

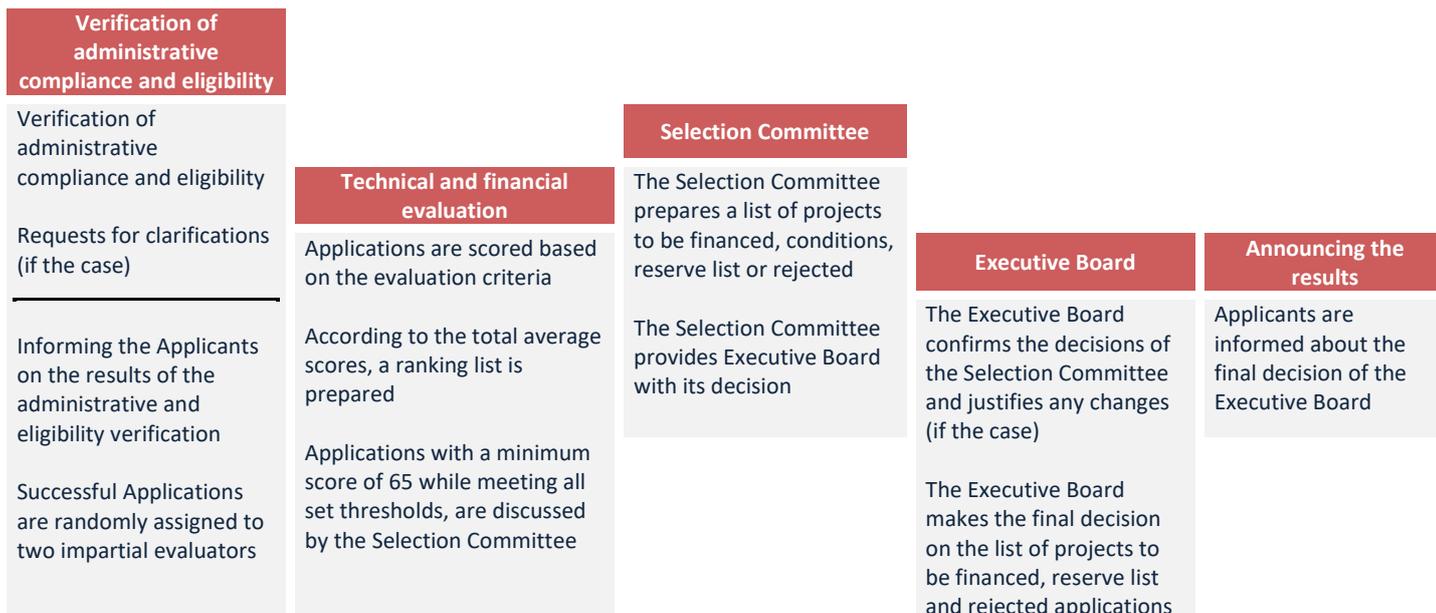
Questions related to this Call for proposals may be addressed by potential Applicants by e-mail and/ or phone by at least 7 days prior to the deadline to:

For the Call #9
Fundația pentru Parteneriat/ Romanian Environmental Partnership Foundation
Tel: 0040 748 072 282
E-mail: apel9@repf.ro
Contact person: Katalin Kovács, Grants Officer

- ✓ The FO will submit the answers in 5 working days from the reception of the questions and with at least two days before the deadline.
- ✓ The questions that may be relevant to other applicants, together with the answers, will be published regularly on the Programme website www.activecitizensfund.ro.
- ✓ Please check regularly the Programme website for updated information on this Call for proposals or for upcoming calls and events.

9. Evaluation and project selection

All applications received under this Call for project proposals will enter into the evaluation and selection procedure as follows:



9.1. Verification of administrative compliance and eligibility

All applications submitted within the deadline mentioned in the present Guidelines for Applicants will be assessed according to the administrative and eligibility criteria, based on a Yes/No grid. The assessment of eligibility will be conducted only for the applications that are compliant with the administrative criteria.

Requests for clarifications will only be sent when the information provided is not clear enough and sufficient to allow an objective assessment of the administrative compliance and eligibility of the application. Please note that documents mentioned under the section 6. Preparation, submission and registration of project applications cannot be requested in case they are already missing from the online application package.

Below is the grid for administrative compliance and eligibility:

I. ADMINISTRATIVE COMPLIANCE	YES	NO
The project application includes all the annexes required for the current Call for proposals:		
a. The online Application Form (Annex 1) is filled in Romanian, including the summary in English and is complete (all compulsory fields are filled in)		
b. The project Budget is filled in, respects the format from Annex 2a, is provided in Euro and is uploaded (in Excel format)		
c. The Applicant's Declaration of Eligibility (Annex 3) is filled in, signed and uploaded (scanned format)		
d. Partnership Declaration/s (Annex 4) is filled in, signed by the Applicant and Partner/s and uploaded (scanned format) if the case		
The assessment of eligibility will be conducted only for the applications that are compliant with the administrative criteria.		
II. ELIGIBILITY	YES	NO
1. The Applicant is eligible		
2. Partner/s is/are eligible		
3. The project falls into the type of grant (amount, duration) that can be awarded within the current Call for proposals		

Note:

In case of inconsistencies between the amounts mentioned in the Application form and those included in the Project budget (Annex 2a), those from the Project budget (Sources of funding) will be taken into consideration.

The Application is automatically excluded from further evaluation if one or more administrative and eligibility criteria were not met.

The Applicants will be notified via e-mail regarding the result of the administrative and eligibility verification.

After receiving the notification, applicants may **appeal the decision over compliance with administrative and eligibility criteria** within **10 calendar days** from the notification date of the results, to apel9@repf.ro. The appeal will be formulated in writing and will include the reason for which such a request is well justified. The contestant cannot submit new documents in support of the case and cannot modify the content of the initial submitted application. The FO will take into consideration only the appeals submitted by the legal representative of the applicant or by the person empowered on his behalf. The FO's decision after appeal is final and will be communicated to the Applicant within 15 working days from the receipt of the appeal. No further appeal on the same application could be formulated afterwards.

A list of applications that entered in the technical and financial evaluation phase will be published on the Programme's website www.activecitizensfund.ro.

9.2. Technical and financial evaluation

Each application that meets the eligibility and administrative criteria will be scored on a scale from 0 to 100, by two impartial evaluators (at least one of them independent from FO). The evaluation process is based on the evaluation criteria with scores. Also, there are set five threshold scores, which are determinant in different stages of the evaluation (four thresholds for dimensions and criteria and one for the total score):

- Criteria "*The project contributes to the Programme objective and to the achievement of the selected outcome, output/s and indicators as defined by the Programme and the proposed results are feasible*" - **6 points**
- Dimension "*1. The project relevance and coherence*" - **23 points**
- Dimension "*2. Methodology and feasibility of the project*" - **15 points**
- Dimension "*4. The budget of the project*" - **5 points**
- Total score - **65 points**

The score 65 out of 100 points is the minimum score for each application in order to be proposed for financing. The final total score is an arithmetic average of points given by both evaluators.

The evaluation is performed in two stages, as follows:

- **the first stage** is focused on evaluating the dimension "*1. Project relevance and coherence*".

In case the score given by an evaluator is above both minimum threshold scores set, for the dimension "*1. Project relevance and coherence*" respectively for its first criteria, the project enters the second evaluation stage and the Application is further evaluated.

In case the score given by an evaluator is below any of the two minimum thresholds scores set for the dimension "*1. Project relevance and coherence*" or its first criteria, the evaluation stops (the evaluator does not further evaluate the project).

If both scores given by the two evaluators are below any of the two thresholds set for the dimension "*1. Project relevance and coherence*" or its first criteria, the project is considered rejected and does not enter the second evaluation stage (the application is no further evaluated). The average score for the dimension "*1. Project relevance and coherence*" shall be used for the ranking of the projects.

In case one evaluator scores below one of the minimum thresholds set for the dimension "*1. Project relevance and coherence*" or its first criteria and stops the evaluation, and the other evaluator scores above the two thresholds and continues the evaluation, the Application will be scored by a third impartial and independent evaluator. The average total score of the two closest scores shall be used for the ranking of the projects.

- **the second stage** consists in evaluating the rest of the dimensions.

If an Application has a total average score of 65 points or above, but any of the average scores for the dimensions "*2. Methodology and feasibility of the project*" or "*4. The budget of the project*" does not meet the respective threshold, it will not be recommended for financing. In case the difference between the scores given by the two experts is more than 30% of the higher score, the Application will be scored by a third impartial and independent evaluator. The average total score of the two closest scores shall be used for the ranking of the projects.

If the score given by a third expert would not in any way result in recommending the application for financing, a third expert will not be appointed.

The grid for technical and financial evaluation:

Technical and financial evaluation		
Dimensions and criteria of evaluation	Maximum score	Minimum threshold score
FIRST STAGE		
1. The project relevance and coherence	35	23
The project contributes to the Programme objective and to the achievement of the selected outcome, output/s and indicators as defined by the Programme and the proposed results are feasible	15	6
The problem approached by the project is justified (identification of the problem, documenting the problem, challenges, the target group involved)	5	-
The project addresses the problem through a clear and coherent intervention logic between objectives, activities and expected results	10	-
The beneficiaries are clearly defined and their needs are properly addressed	5	-
SECOND STAGE		
2. Methodology and feasibility of the project	30	15
The project objectives are specific, measurable and realistic	5	-
The activities are sufficiently described, feasible and the proposed schedule is realistic	10	-
The chosen indicators are realistic and correspond to the objectives and activities of the project	5	-
The risks of the project implementation are identified and relevant; the proposed mitigation measures are appropriate	5	-
The communication activities are described, measurable, relevant and respond to the programme rules	5	-
3. Sustainability	10	-
There are properly identified the conditions to ensure sustainability of the project and to achieve a multiplication effect	5	-
The proposed activities are directed towards the sustainability of the project outcome/s	5	-
4. The budget of the project	10	5
The foreseen costs are economic, justified and correlated with the proposed activities	5	-
The budget is correctly filled in and foreseen costs are eligible	5	-
5. Applicant and partners	15	-
The role of the partner/s within the proposed intervention, the necessity and the added value of the partnership	3	-
Through the proposed partnership, the project contributes to the consolidation of Bilateral Relations (projects with partners from Donor States)	2	-
Applicant and Partners (if the case) and the proposed project team have the experience*, expertise, motivation and capacity for implementing the project <i>*For new established organizations or without experience it will be taken into consideration the motivation and the experience of the proposed project team</i>	5	-
The project team is adequate for the implementation of the project (number of people involved, role and responsibilities, management)	5	-
Total	100	65

9.3. Selection Committee

Following the technical and financial evaluation, a ranking list will be produced based on the average scores awarded by the experts and an evaluation report will be drafted. It will comprise the list of all the Applications that have entered the technical and financial evaluation stage, the average score obtained by each of them and the recommendations of the evaluators.

The evaluation report, including the ranking list, will be submitted by the FO to a **Selection Committee** consisting of independent experts and representatives of the FO Consortium with relevant expertise and experience. At this stage, representatives of FMO, the Royal Norwegian Embassy and the National Focal Point in Romania are observers. Also, representatives from relevant institutions (ministries, governmental agencies etc.) may be invited as observers.

The **Selection Committee** will review the ranking lists and the recommendations made by the evaluators and will recommend to the FO the applications to receive grants, within the amount available for the Call for project proposals. The conclusions of the **Selection Committee** may include conditions, clarifications and a reserve list with the project applications that are recommended to receive grants, but cannot be supported at the time of the decision due to lack of funding.

The **Selection Committee** may amend and modify the ranking of the project applications in justified cases.

9.4. Executive Board

An **Executive Board** of the Programme is responsible for taking the final decision concerning the selection of applications. The Executive Board may modify the decision of the Selection Committee in justified cases. If such a modification results in the rejection of a project that otherwise would have been approved, the affected Applicant will be informed in writing about the justification for the modification.

The decision of the Executive Board is definitive and is not object of appeal.

9.5. Announcing the results

Once the final decision is taken, the result of the selection process for both successful and unsuccessful Applicants will be accessible online, in the organisation's account (the average score obtained for each evaluation criterion and also the total average score of their application). Applicants will be informed via e-mail on the fact that the selection results are available in the organisation's account.

Upon request, unsuccessful Applicants will be provided with more detailed feedback on the reasons for not approving their project for funding.

Applicants who have projects proposed for funding will be informed on the conditions they have to fulfil in order to sign grant contracts.

The final list of selected projects will be uploaded on the Programme's website www.activecitizensfund.ro.

9.6. Complaints Committee

A **Complaints Committee** is established at the level of the Programme and is composed of three members. The objective of the Complaints Committee is to provide an accessible, transparent and consistent mechanism for complainants to express concerns regarding a supposed occurrence of mismanagement at the level of the Programme.

The decisions related to the administrative compliance and eligibility verification as well as the decisions related to the selection process are not subject to verification by the Complaints Committee.

10. Project contracting

Award letter

All Applicants whose project proposals are recommended and approved for financing will receive an **award letter** comprising the general and special conditions to be fulfilled and the compulsory documents to be submitted in order to sign grant contracts.

The documents included in Annex 5 may be requested by the FO.

Direct mentoring and assistance

After selection, the FO will provide further direct mentoring and assistance to prepare the implementation, in defining the final form of the project, especially related to aspects concerning the indicators/targets, development of the risk management plan, communication plan, etc.

The FO may invite the Applicants for meetings (face to face, Skype, phone), training(s), will provide guidance and consultancy to clarify possible unclear elements, to settle the final budget and to agree on the final version of the project to be contracted. This approach will facilitate a learning process for smaller CSOs and allow more effective use of funds in line with local needs.

Grant contract

The grant contract sets out the terms and conditions of grant assistance as well as the roles and responsibilities of the parties.

If the Applicant fulfils all the requirements included in the award letter, the grant contract will be signed and, after its entry into force, it becomes a Project Promoter.

The indicative timeframe for the contracting phase is between one and three months since the reception by the Applicants of the award letter.

11. Reporting, payments and audit

11.1. Procedures for reporting from project promoters

Each project promoter has to submit to the FO the following types of reports:

INTERIM Technical and Financial reports within 30 calendar days after spending at least 70% from the advance/ instalments.	FINAL Technical and Financial reports within 45 calendar days from the end of the project implementation period	
Statistical progress reports four times per year, with following deadlines: 20 January, 20 March, 20 August and 20 October		
The number and frequency of the interim reports are determined by the project duration as follows:		
6 – 12 months (including 12 months)  ONE INTERIM REPORT	12-20 months (including 20 months)  UP TO 2 INTERIM REPORTS	20 – 24 months (including 24 months)  UP TO 3 INTERIM REPORTS

Technical reports will contain information on the achieved results and implemented activities, progress towards achieving indicators, sustainability, etc.

Financial reports will contain information on the expenses made by PPs and partners during the reported period of time in order to implement the project.

Interim payments are conditioned by the submission and approval of interim technical and financial reports. Together with the final technical and financial reports, they will serve as the basis on which the final project balance will be calculated.

In case of projects with the implementation period from **6 up to 12 months** (including), the interim reports (technical and financial) have to be submitted to FO no later than 30 calendar days after the middle of the project implementation period.

! Attention

In case the middle term interim report does not include expenditures of at least 70% of the advance payment, the PP cannot ask for the entire interim payment. However the PP has the possibility to submit an additional interim report, proving that the 70% threshold was reached, in order to receive the difference of the interim payment.

In case of projects with the implementation period from **12 up to 24 months**, the interim reports (technical and financial) have to be submitted to FO as follows:

- first interim report (technical and financial) - within 30 calendar days from spending at least 70% of the advance payment;
- next interim reports (technical and financial) - within 30 calendar days from spending at least 70% of the difference between the funds actually received and the eligible expenditure validated by the FO

$$=70\% \times (\text{advance payment} + \text{interim payment(s)} - \text{eligible expenditures from the previous reported period/s})$$

! Attention

The last interim technical and financial report will be submitted to the FO no later than three months before the end date of the project implementation.

The FO reserves the right to request other intermediate technical and/or financial reports, if considered necessary for the monitoring of the implementation of the projects.

The PPs are requested to submit to FO, during **contracting phase** or **within the first month** of contract implementation, an **estimated schedule** of the submission of the interim reports (and of the amounts to be requested per report, if the case) and to inform FO in case there are changes to this schedule (changes in amount or changes in due dates of the interim payments).

Statistical Progress Reports (SPR) which consist in brief information regarding the progress registered as regards both the indicators and expenses will be requested from all PPs. SPRs do not have to be accompanied by supporting documents.

11.2. Payments procedures

The payment system ensures a **positive financial flow** for the projects, while minimising as much as possible the risks related to difficulties/impossibility to recover the unspent amounts from the PPs. Payments to project promoters will be made in Euro (to project dedicated Euro bank accounts indicated by themselves and mentioned in the grant contract) and reporting will be made at the InforEuro rate⁸ corresponding to the month when the expense was committed/invoiced (e.g. date of the invoice not the date of the actual payment).

Every project promoter has the obligation to open two dedicated bank accounts for the grant contract it signs with the FO, as follows: an Euro account in which it will receive the grant contract related payments in Euro from the FO and a national currency (RON) account in which they will transfer the equivalent in national currency of the funds received in the Euro account. Both accounts will be indicated in the grant contract.

In case of projects implemented in partnership, each Romanian project partner that manages any amount of the grant has the obligation to open a dedicated Euro account where they will receive the grant from the project promoter and also a dedicated national currency account (RON) for the project.

The PPs and the Romanian project partners have to use the RON dedicated bank account for all payments related to the project implementation. As an exception, the payment of salaries related to the personnel that is not 100% allocated to the project and the payment of the indirect costs can be made from the general account of the organization, with the obligation to reconcile the transfers between accounts by the end of the month following the one in which the payments were made.

In case of projects implemented in partnership with entities whose primary location is outside Romania, it is recommended for those Partners to have two dedicated accounts for project: one in Euro and the other in the national currency (if different from Euro). The partners may decide not to open dedicated accounts. In both cases the Partnership Agreement should specify the Partner account/s used for the project.

Payments of the project grant to project promoters may take the form of advance payments, interim payments and payments of the final balance. The maximum amount of the advance payment as well as the number and value of the interim payments will be differentiated according to the duration of the project and will be clearly stated in the grant contract.

The table below summarises the main payment methods applicable within ACF Romania, based on project duration:

⁸ InforEuro rate is published on http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en.cfm

Project duration	Maximum advance payment percentage	No. of interim payments	Interim payment percentage	Maximum percentage of the balance
from 6 months to 12 months (including)	40%	1 (one)*	50%	10%
from 12 months to 20 months (including)	30%	2 (two)	30%	10%
from 20 months to 24 months (including)	30%	3 (three)	20%	10%

* Except when the PP submits two interim reports and the interim payment is split in two payments based on these two reports

In cases of projects that have been assessed as posing a high risk for the programme⁹, the FO may make a justified decision to change the payments scheme (reducing pre-financing or exceptionally, applying a scheme without pre-financing under which the FO reimburses project promoters only the amount of grant expenses verified by the FO).

The payment method shall not change in case of extension of project grant contracts based on addendum, unless otherwise specified in the respective addendum. As a general rule:

Payments general rule		
Advance payment	Interim payments	Final payment / Reimbursement by the PP
To be paid up to 10 working days after the date of the grant contract signature, unless a later date has been set in the project contract.	To be paid up to 10 working days after date of FO approval of interim reports and payment claims.	To be paid by the FO up to 10 working days after the date of FO approval of the final report and payment claim. The reimbursement is to be paid by the PP (in case of negative balance) up to 10 working days after the date of receiving from the FO the notification regarding the amount to be reimbursed.

11.3. Audit

For Applicants and Romanian partners an audit report will not be accepted by FO as sufficient evidence of the expenses involved.

An audit report will be accepted by the Fund Operator (FO) as sufficient evidence of the expenses involved, without the need to send copies of documents **only for project partners** whose primary location is one of the Donor States (Norway, Iceland, Liechtenstein), Beneficiary States (Bulgaria, Cyprus, Croatia, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Slovakia and Slovenia) and from countries outside the European Economic Area limits with a common border with Romania (Moldova, Ukraine and Serbia) or the project partners that are international organizations, bodies or agencies thereof. The proof of the expenses included in every financial report will take the form of a report prepared by an independent auditor, qualified in order to execute the legal audit of the documents accounting, certifying that the reported costs are incurred in accordance with the Programme rules, relevant law and national accounting practices.

Other audits of the projects

The financed projects might be audited in the context of a compliance audit commissioned by the FO.

The FMO could also organise audits and on-the-spot verification for Programme and projects and EFTA Board of Auditors/Office of Auditor General of Norway may conduct audits of the Programme and projects.

Annexes

Annex 1 – Application form / Annex 2a – Project budget / Annex 2b - Guidelines for budgeting / Annex 3 – Declaration of eligibility / Annex 4 – Partnership Declaration / Annex 5 – Contracting documents

⁹ This shall be based on a risk assessment prepared and documented by the FO, taking into account, inter alia, the project promoter's previous experience and/or its administrative and financial capacity.

Guidelines for Applicants

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