

Kolarctic CBC – Programme 2014-2020

GUIDELINES

4th Call for Proposals for Micro-
Projects to thematic objectives:

- TO1** Business and SME development;
- TO6** Environmental protection, climate change mitigation and adaptation;

Valid **58 days** during the 4th Call for Proposals

from 03 February to 31 March 2020 inclusively

Simplifications to the application procedure have been done. Please pay attention to the changes made to the required fields to be filled in to PROMAS and the required annexes.

Uploaded [31.1.2020]

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FREQUENTLY USED ABBREVIATIONS

Audit Authority	AA
Branch Offices	BOs
Cross Border Cooperation	CBC
Control Contact Point	CCP
Common Output Indicators	COIs
Specific Output Indicators	SOIs
European Neighborhood Instrument	ENI
European Union	EU
European Commission	EC
Group of Auditors	GoA
Joint Monitoring Committee	JMC
Joint Operational Programme	JOP
Kolarctic Cross Border Cooperation 2014 – 2020 Programme	Kolarctic CBC Programme (or the Programme hereinafter)
Managing Authority	MA
National Authority	NA
Regional Assessment Group	RAG
Result Indicators	RIIs
RACI	Responsible, Accountable, Consulted, Informed
Thematic objective	TO

1 BACKGROUND



Guidelines includes information on *the focus of the programme; financial allocation on the programme and projects levels; rules for the 4th Call for proposals; evaluation and selection of applications.*

The Kolarctic Cross Border Cooperation (CBC) 2014–2020 Programme (the Programme hereinafter) continues and strengthens cross-border cooperation between the countries in the North Calotte (Finland, Sweden, Norway) and northwest Russia. The Programme is mainly built on the experiences gained in long-term cooperation between the participating countries. Cooperation has been based on both bilateral agreements and on multilateral Programmes. The Programme is co-funded by the European Union from the **European Neighbourhood Instrument (ENI), Finland, Norway, Russia and Sweden**, each with their national and regional financing. Funding shall be granted to joint projects operating in line with the strategy and priorities jointly agreed by the Finnish, Swedish, Norwegian and Russian Partners.

The Programme has carried out three Calls for proposals for standards projects, as a result, 26 standard projects were approved. **53,8 M€** of the Programme funds were allocated to ensure co-financing of the standard and large infrastructure projects. According to the Joint Monitoring Committee decision made on 26.11.2019 the rest of the Programme funds **1,947,000 €** agreed to be allocated for micro-projects. The Programme launches the 4th Call for proposals for micro-projects under suspensive clause until the European Commission approves the JMC decision and required changes in the Joint Operational Programme.

The application procedure for micro-projects is simplified. Projects with infrastructure components are not considered. The following requirements applied within the current Call for proposals:

Table 1. Requirements applied for the 4th Call for Proposals

Thematic objectives	TO 1 and TO 6 are applicable
Annex A "Project budget specification"	Updated: section 6.2.6 "Budget and Financing" and Annex A
Annex B "Logical framework"	Not applicable
Annex C "Registration certificate of Partners"	Updated: chapter 10. "Annexes of grant application"
Annex D "State co-financing <u>or</u> Norwegian Kolarctic financing form"	Applicable
Annex E "Partnership statement"	Applicable
Annex F "Result indicators"	Not applicable
Annex G Decision (copy) of the state aid within the de minimis conditions"	Applicable if required
Annex H "Building permit or any other permits needed for implementation of project"	Not applicable
Annex I "Specification of infrastructure investments"	Not applicable
Annex J "Financial capacity figures form"	Not applicable
Application form submission	Updated: section 6.3 "Submission procedure of a grant application"

"Monitoring and Evaluation Plan"	Applicable: section 7.2 "Output indicators" related to Priority axes 1 and 2 /TO1 and TO 6 in the "Monitoring and Evaluation Plan 2019-2020", http://kolarctic.info
"PROMAS manual for micro-projects"	Updated, http://kolarctic.info
"Administrative and eligibility checklist"	Updated, http://kolarctic.info
"Evaluation grid"	Updated, http://kolarctic.info

The published information in the Guidelines is based on the:

- Kolarctic CBC 2014–2020 Joint Operational Programme 18.12.2015 (changes approved by EC 23.10.2018)
- Work Programme 2019-2020;
- Information and Communication Plan 2019-2020;
- Monitoring and Evaluation Plan 2019-2020;
- Logical Framework Matrix (LFM) of the Programme;
- RAGs' Rules of Procedure;
- JMC's Rules of Procedure;
- Administrative check template;
- Evaluation Grid;
- Grant Contract;
- Agreement on financing and implementation of the Cross-Border Cooperation Programme Kolarctic CBC 2014-2020 (signed on 29.12.2016 by the European Commission, the Government of the Russian Federation, The Government of the Republic of Finland and the Government of the Kingdom of Sweden);
- Commission Implementing Regulation (EC) No 897/2014 of 18 August 2014 laying down implementing rules for cross-border cooperation Programmes (CBC IR).

Documents can be found on the Programme web-page at <http://kolarctic.info/>

2 FOCUS OF THE PROGRAMME

2.1 Vision and strategy



The Programme vision describes the expected positive change to be acknowledged in the Programme area after the implementation of the Programme - *the Kolarctic CBC Programme area is a flourishing, environmentally-friendly and diverse area with a viable economy, fluent mobility of people, ideas and technologies, and where people to people cooperation is an essential value.*

The Kolarctic CBC 2014–2020 vision is based on the Programme Logical Framework (LF). The vision was developed combining the overall objectives of each Thematic objective (TO) selected for the Programme (**Figure 1**). The Overall objective of the Programme is **to promote a viable economy and the attractiveness of the region, where inhabitants and visitors are able to enjoy the arctic nature and where the natural resources are used in a sustainable way.**

The Programme Strategy responds to identified regional needs of the Kolarctic CBC Programme area, which shall be addressed by aiming at the strategic objectives of the Programme. The EU Programming document 2014–2020 sets out three ENI CBC strategic objectives for CBC activities:

- A. Promote economic and social development in regions on both sides of common borders;
- B. Address common challenges in environment, public health, safety and security;
- C. Promote better conditions and modalities for facilitating the mobility of persons, goods and capital.

2.2 Priority axes and Thematic objectives (TOs)



The needs of the Programme area are reflected in Priority axes and Thematic objectives (TOs).

The Programme contributes to the above-mentioned strategic objectives by financing actions aimed at addressing the identified needs of the Programme area within two **(2) Priority axes:**

1. Viability of arctic economy, nature and environment;
2. Fluent mobility of people, goods and knowledge.

The aim of the **Priority axis 1** is to enhance a viable economy and a good quality of life by increasing the attractiveness of the region, as well as by maintaining the biodiversity and use of natural resources in a sustainable way.

The aim of the **Priority axis 2** is to facilitate joint activities, which enhance fluent, well-functioning, efficient and safe traffic and logistics, as well as fluent mobility of people, goods and know-how/expertise across the borders within the Programme area.

Furthermore, the Programme shall contribute to the Priority axes by financing activities under the Thematic Objectives. Within the current Call for proposals two TOs are applicable:

- **TO1** Business and SME development;
- **TO6** Environmental protection, climate change mitigation and adaptation.

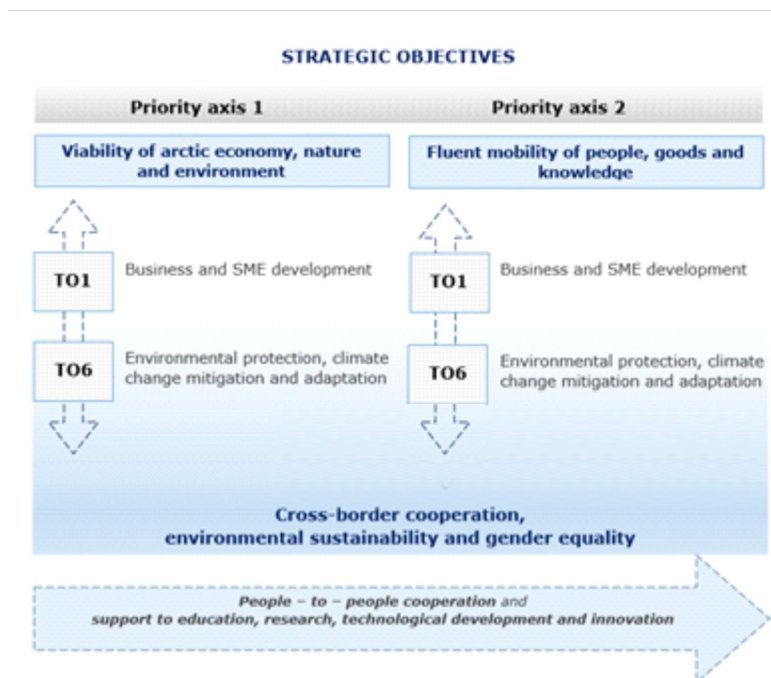


Figure 1. Structure of the Programme Priority axes and TOs applicable within 4th Call for proposals

In addition to projects purely related to **TO1** or to **TO6**, **Priority axis 1** is developed also to support and facilitate joint development activities between the business and the environmental sectors.

Likewise, **Priority axis 2** supports **cross-sectoral projects between TO1 and TO6**.



Examples of activities that can be supported by the means of Programme:

→ **The Joint Operational Programme, chapter 3: "Programme's strategy, section: "Priority axes of the Programme" (<http://kolarctic.info/>)**



The common focus of any action carried out with the support of the Programme is on **cross-border cooperation (CBC)** within the implementation of the Priority axes.

A fundamental requirement for actions to be financed is the added **cross-border cooperation (CBC)** value of the Programme when compared to national strategies and support within the Programme area.

Cross-cutting issues are relevant to all aspects of activities carried out with the support of the Programme:

- **Environmental sustainability** shall be reflected throughout the Programme and financed projects, from the project selection process to the project implementation phase and beyond. Every project must be evaluated based on criteria that ensure environmental sustainability. Environmental sustainability concerns all aspects of cross border cooperation activities: economical, ecological, social and cultural cooperation. The Programme and projects impact on environment, climate and human wellbeing should be positive. Projects with a direct negative environmental impact shall not be financed under the Programme.
- **Gender equality** is a basic human right, and men and women must have the same rights, opportunities and obligations in different fields of society. The Programme aims to contribute to the integration of gender perspective in all stages of the implementation and monitoring of the Programme. Gender equality will be promoted by implementation of projects that strengthen the position of women and increase entrepreneurship among them, and thus facilitate women's inclusion in the local and regional development and economic growth of the Programme area. Considerable emphasis shall also be put on activities concerning cross-border cooperation of young people and women in the Programme area. Projects with a direct positive impact on equality between men and women shall be promoted by the Programme.

Promotion of local **cross-border people to people actions and support to education, research, technological development and innovation** are considered as horizontal modalities (**Figure 1**) that can be applied, where relevant, across any of the selected Thematic Objectives. These horizontal modalities may include actions enhancing cooperation among local and regional authorities, public and private partnerships, NGOs and other civil society groups, universities, research institutions and schools, chambers of commerce, etc.

3 RULES OF THE FOURTH CALL FOR PROPOSALS

These Guidelines set out the rules for submission, eligibility, selection and implementation of actions financed under the 4th Call for proposals.

3.1 Eligibility of Partners



Partners refer to **Lead Partner and Partners**.

In order to be eligible to apply the financing from the Programme, Partners must:

- be legal persons/ legal entities (legally registered);
- comply with the eligibility criteria defined in this Guidelines for the selection procedure.

Partners can be e.g. national, regional or local public authorities or organisations, municipalities, joint municipal boards, public utility companies, chambers of commerce, organisations and associations, universities and higher education institutions, research institutes, private companies and networks that comprise these.



Partners will be excluded from participation in the Call and no grants will be awarded to them if they fall under any of the following exclusion situations:

- a) during the grant awarding process they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- b) they have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata (i.e. against which no appeal is possible);
- c) they have been guilty of grave professional misconduct proven by any means which the Managing Authority can justify;
- d) they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the Managing Authority or those of the country where the contract is to be performed;
- e) they have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Community's financial interests or for serious breach of contract in procedures concerning funds granted from the Community budget;
- f) they have been ascertained to be guilty of a breach of contract concerning a procurement procedure financed out of the Commission budget or other support¹.

As a rule, project activities cannot bring financial profit or create a competitive advantage to the participating organisations of Lead Partners and Partners of the project.

¹ REGULATION (EU, EURATOM) No 966/2012 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002, Article 106(1) and Article 107

By signing an application printed from the PROMAS, the applicant assures that it is not involved in any situations of the abovementioned kind.

3.2 Geographical eligibility of Partners



As a rule, each project shall have at least one Partner from the participating **Member State (Finland or Sweden) and at least one Partner from the Russian Federation. Partners from Norway may participate as equal Partners.**

Partners from the **core regions, the adjoining regions and from the major social, economic and cultural center** can participate in the Programme implementation as equal Partners (**Figure 2**).

Core regions	Adjoining regions	Major social, economic and cultural centre
FI Lapland	FI Oulu Region	RU City of St. Petersburg
SE Norrbotten	SE Västerbotten	
NO Finnmark, Troms, Nordland	RU Republic of Karelia, Republic of Komi	
RU Murmansk Region, Arkhangelsk Region, Nenets Autonomous District		

Figure 2. Kolarctic CBC eligible territory

Bilateral projects between Norway and Russia may be implemented in cases, when there is no possibility to find a relevant Partner from Finland or Sweden and when the project activities concern the oil and gas industry or fisheries. EU financing is not available to bilateral projects between Norway and Russia. These projects will be financed from Norwegian Kolarctic / Russian state co-financing and from other national co-financing.

National level public entities based in Helsinki, Moscow, Oslo and Stockholm can act as project Partners if they do not have their structural units in the Programme area.

When the substance of the project activities concerns implementation of the activities defined for Barents cooperation or support of Euro-Arctic development, partners from outside of the Programme area can participate as equal partners. As a part of the pilot initiative from the European Commission in the Arctic Communication of 27.4.2016 (An integrated European Policy for the Arctic), Programmes which are implemented on the European Arctic regions (e.g. Interreg North, Northern Periphery and the Arctic, Interreg Botnia-Atlantica, Interreg Baltic Sea Region and ENI CBC Karelia) are regarded as support of Euro-Arctic development. Cooperation between these Programmes' projects and Kolarctic projects can be eligible, including clustering between projects from these Programmes.

3.3 Partners obligations



All Partners shall actively cooperate in the development and implementation of the project.

All Partners shall cooperate in the staffing and/or financing of projects. Each Partner shall be legally and financially responsible for the activities that it is implementing. All project Partners must sign a Partnership Agreement² prepared by the Lead Partner.

As a rule, each project shall designate one Lead Partner among Partners for representing the partnership.

The Lead Partner shall carry out the following obligations:

- submit the Grant application to the Managing Authority;
- receive the Programme financing from the Managing Authority for the implementation of project activities;
- act as a link between the Managing Authority and the project partners;
- ensure that the Partners receive the total amount of the Programme financing as quickly as possible and in full accordance with the arrangements referred to in the Partnership Agreement;
- no amount shall be deducted or withheld and no specific charge with equivalent effect shall be collected that would reduce these amounts from the Partners;
- prepare and sign the Partnership Agreement with all project Partners comprising provisions that guarantee the sound financial management³ of the funds allocated to the project including the arrangements for recovery of funds unduly paid;
- conduct the responsibility for ensuring implementation of the entire project;
- ensure that the expenditure presented by the Partners has been incurred for the purpose of implementing the project and corresponds to activities set in the Grant Contract and agreed between all Partners;
- verify that the expenditure presented by the Partners has been examined by an auditor⁴;
- provide all necessary documents and information to the Managing Authority before launching the project as well as throughout its implementation (e.g. project reports);
- ensure that the Partners have applied for national co-financing (where required) before it submits the Grant application to the Managing Authority.

If a Swedish organisation acts as a Lead Partner, it can only receive the EU financing and Finnish national co-financing, but not Russian national co-financing. In that case, the Russian co-financing will be paid directly from the MA to the Russian partner.

² The Partnership Agreement has to be prepared during the contracting phase of the project

³ Budgetary principle according to which budget appropriations must be used according to economy, efficiency and effectiveness (http://ec.europa.eu/budget/explained/glossary/glossary_en.cfm)

⁴ COMMISSION IMPLEMENTING REGULATION (EU) No 897/2014 of 18 August 2014, Article 32(1) Audit and control structures

3.4 Eligible actions and duration



All activities implemented in the project must **contribute to the Programme Priority axes and Thematic objectives** and benefit the **core Programme area**.

The Grant application can focus on the either Programme Priority 1 or 2 and only one of TO 1 and TO 6 can be chosen accordingly.



Examples of activities that can be supported by the means of Programme:

→ **The Joint Operational Programme, chapter 3: "Programme's strategy, section: "Priority axes of the Programme" (<http://kolarctic.info/>)**

Along with the above-mentioned examples, the Programme can support other activities that correspond to the aim of Programme Priority axes and TOs.

The following types of projects are recommended by the Programme:

- integrated projects, where each partner carries out a part of the activities of the joint project on its own territory;
- symmetrical projects, where similar activities are implemented in parallel in Member States (Finland and Sweden), in the Russian Federation and in Norway.

The project duration may not be no longer than 12 months.

A project can start only when the Managing Authority and the project Lead Partner have signed a Grant Contract.

All project activities financed by the Programme shall end on 31 December 2022 at the latest.



The following types of action are ineligible:

- a) actions concerned only, or mainly, with individual sponsorships for participation in workshops, seminars, conferences, congresses;
- b) actions concerned only, or mainly, with individual scholarships for studies or training courses;
- c) actions concerning scientific research without specific direct benefit for the development of the Programme region;
- d) actions, which bring profit or create a competitive advantage to the participating private enterprises.

3.5 Eligibility of costs



Project costs are eligible if they are actually incurred, related to the project and can be verified by supporting documents. Costs must be recorded in organisations bookkeeping records and they can be identified e.g. by using a separate cost unit or a project code.

Project budget is an estimated ceiling for eligible costs and when preparing the budget, only eligible costs shall be included. All costs must be related to the planned activities and based on national level of prices and salaries. The final budget is approved during the Grant Contract negotiations, based on the recommendations from evaluators and the Managing Authority. The approved budget can never be bigger than the estimated one. The grant shall never exceed the eligible costs.

Eligible costs shall meet the following criteria⁵:

- eligible costs are incurred by the Partners during the implementation period of the project;
 - they are indicated in the project estimated overall budget;
 - they are necessary for the project implementation;
 - they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the accounting standards of the country where the partner is established and usual cost accounting practices of the partner;
 - they comply with the requirements of applicable tax and social legislation of the country where the partner is established;
 - they are reasonable, justified, and comply with the requirements of sound financial management, in particular regarding economy and efficiency;
 - they are supported by invoices or documents of equivalent probative value.
- **Eligible direct costs:**
 - The costs of staff assigned to the project under the following cumulative conditions:
 - they relate to the costs of activities which the Partner would not carry out if the project was not undertaken;
 - they relate to actual gross salaries including social security charges and other remuneration-related costs;
 - salaries and social costs must not exceed those normally born by the Partner organisation unless it is justified that this is essential to carry out the project;⁶
 - part-time work must be identified with the reliable follow up of the working hours (manual time-sheets or electronic system);

⁵ Conditions applicable to Grant Contracts financed by the Kolarctic CBC Programme, Article 14(1) Eligible costs (available on the Programme web-page at <http://kolarctic.info/>)

⁶ ibid. Article 14(2) Eligible costs (available on the Programme web-page at <http://kolarctic.info/>)

- travel and subsistence costs of staff and other persons taking part in the project, provided they do not exceed those normally paid by the Partner according to national rules and regulations. Lump sums (per diems) are not eligible;
- costs deriving directly from the requirements of the Grant Contract (dissemination of information, audits) including financial service costs (costs of bank charges);⁷
- any tendering requirements have been respected;
- all purchased are related to the purposes of the project.



The following costs are regarded as non-eligible⁸:

- a) debts and debts service charges (interests);
- b) provisions of losses or liabilities;
- c) costs already financed in another framework (for example by the European Union budget);
- d) exchange-rate losses;
- e) duties, charges and taxes, including VAT, except where non-recoverable under the relevant national tax-legislation;
- f) loans to third parties;
- g) fines, financial penalties and expenses of litigation;
- h) contribution in kind⁹

3.6 Use of Euro

When preparing the project budget **Annex A: Budget specification**, as an exchange rate Lead Partners and Partners shall use the latest rate monthly published in InforEuro: http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en.cfm

During the implementation of the project, the Lead Partner shall do the financial reports of the project in Euro. Costs shall be recorded in the bookkeeping records with the currency used in the country in question and converted in Euro in the Financial report. The Managing Authority will provide the project with a template for financial report. The exchange rate shall be calculated on a monthly level.

3.7 Taxes

Taxes, including Value Added Tax (VAT) can be considered as eligible cost in the cases when the Partner can show that taxes cannot be reclaimed. The Lead Partner must submit to the Managing Authority a certificate from the taxation authority, after the project has been approved to be financed but before the Grant Contract is signed.

⁷ ibid. Article 14(2) Eligible costs (available on the Programme web-page at <http://kolarctic.info/>)

⁸ ibid. Article 14(5) Eligible costs (available on the Programme web-page at <http://kolarctic.info/>)

⁹ COMMISSION IMPLEMENTING REGULATION (EU) No 897/2014 of 18 August 2014, Article 14(1) Eligibility of costs

4 FINANCIAL ALLOCATION ON THE PROGRAMME LEVEL



The total budget of the Programme is 63 436 180 €.

The indicative allocation of European Union funding for the Kolarctic CBC 2014–2020 Programme is 24 718 090 € and The Norwegian equivalent funding is 7 000 000 €. The national co-financing from EU Member States (Sweden and Finland) is in total 14 012 140 € and the national co-financing from Russia is 12 359 045 €. National co-financing from Norway is 7 000 000 €.

The allocation of the Programme financing for the 4th Call for Proposals is presented in the **Table 2**.

Table 2. Allocation of the financing, 4th Call for Proposals

Indicative financial allocation for the 4 th Call for proposals		
Combined Programme financing *)	Norwegian Kolarctic financing	Total
847,000 €	1,100,000 €	1,947,000 €
*) EU-financing, Finnish and Russian state co-financing		

In addition to the Combined Programme financing and Norwegian Kolarctic financing, regional financing from Norway and Sweden has to be applied by the partners according to the instructions of respective financiers (**See section 5.2 of the Guidelines**).

5 FINANCIAL ALLOCATION ON THE PROJECT LEVEL

EU-financing: financing from the EU

Norwegian Kolarctic financing: financing from the state of Norway for Norwegian partners corresponds to EU-financing

State co-financing: co-financing from states of Finland and Russia

Co-financing from other sources: co-financing from public or private organisations. Financing can come from the Lead partners or partners themselves, state/regional/municipal resources; foundations, association; private entities

Own contribution: public or private financing from the own resources of the project partners or from other sources



Project financing consists of the **EU-financing/Norwegian Kolarctic financing, state co-financing, co-financing from other sources and own contribution**. Participating countries have two different co-financing systems. In Finland and Russia the state co-financing is applied from the Managing Authority. In Sweden and Norway the co-financing is applied from other sources.

The EU-financing, Finnish and Russian state co-financing are applied with the Programme Grant application in the PROMAS system and awarded by the JMC and contracted by the Managing Authority with a Grant Contract.

Norwegian Kolarctic financing is applied along with the Programme Grant application in the PROMAS system and also awarded by the JMC but contracted with County Council of Finnmark.

Swedish and Norwegian Lead Partners and Partners can apply for national co-financing of their countries from other sources. These financiers shall grant their financing directly to these applicants in their countries. Public or private financing from Partners¹⁰ or other financiers can be used as own contribution as well as co-financing. The Joint Monitoring Committee will only approve projects whose financing plan is confirmed in its total. Co-financing for the entire project period must be confirmed in writing at least 4 weeks before the application is processed in the JMC.

In all projects at least 10% of the financing must be own contribution (**Table 3, 4**). The Lead Partner's or Partners' own contribution can be considered as co-financing if it exceeds the need of own contribution. Lead Partner and Partners jointly agree upon the structure of the own financing and each Partner's contribution to it. Project partner's own contribution can consist of either/both public or private financing and each Partner's share of the own contribution calculated from the Partner's own costs can be different. In the Grant Contract the own contribution is indicated on the project level.

¹⁰ **NOTE!** Partner in other relevant documents may refer as Beneficiary

5.1 Structure of the project financing

The Joint Monitoring Committee (JMC) set maximum project budget size: 50 000 EUR for projects with Russian and EU Partners and additionally 50 000 EUR for Norwegian Partners.

Table 3. Structure of the project financing

Source of financing	Share % of the budgeted costs	From whom to apply	Who applies
EU financing	Max 50%	Managing Authority	Finnish, Swedish and Russian Lead Partners and Partners
Norwegian Kolarctic financing	Max 50%	Managing Authority	Norwegian Lead Partners and Partners
Finnish and Russian state co-financing	Max 40%	Managing Authority	Finnish and Russian Lead Partners and Partners (applied with the same Grant application as EU financing)
Co-financing from other sources from Finland, Sweden, Russia and Norway (public or private)	Max 40%	Public, Private financiers	Lead Partners and partners can apply for co-financing from other sources of their countries.
Own contribution (public or private)	Min 10%	Lead Partner, Partners or other financiers	Calculated on project level, in practice each partner covers 10% of own costs.

Table 4. Example of the project financing

Financing	Amount, €
Project budget total 100,000 € (Finland 20,000 €, Russia 15 000 €, Sweden 15 000 €, Norway 50 000 €)	100 000 €
EU-financing Finnish, Swedish and Russian partners (50,000*50%)	25 000 €
State co-financing to Finnish and Russian partners (35,000*40%)	14 000 €
Norwegian Kolarctic financing (50,000*50%)	14 000 €
Programme financing from Kolarctic	64 000 €
National co-financing to Swedish partners (15,000*40%)	6 000 €
National co-financing to Norwegian partners (50,000*40%)	20 000 €
Own contribution 10 % (100,000*10%)	10 000 €
FINANCING TOTAL	100 000 €

5.2 How to apply state co-financing and co-financing from other sources

SWEDEN

Due to downsized maximum amount of micro-project's total budget, Swedish Partners are free to decide whether to apply for co-financing from other sources or to cover the co-financing by an own contribution.



If application for co-financing from other sources is needed, the MA recommends that Swedish Lead Partners or Partners apply for that from Swedish public or/and private organisations at an early stage of Grant application preparation, but at the latest at the time of submitting the Kolarctic CBC application. It ensures the availability of the co-financing decision in time; at the phase when projects are selected to be approved or rejected. **NOTE! The regional Council of Norrbotten has the same deadline for submitting the application for the co-financing as Kolarctic CBC Programme application.**

Swedish Lead Partners and Partners may request Swedish co-financing (**Table 3, 4**) from several organisations, either public or/and private. Generally, the Swedish authorities have digital application forms and the applicant for the co-financing **must attach** a copy of the Kolarctic CBC application as well.

Swedish co-financing from other sources is granted by organisations, such as:

- Region Norrbotten, Region Västerbotten;
- Other regional state organisations;
- Municipalities of the Programme region;
- Educational institutions and universities;
- Swedish Institute;
- Ministries;
- State central agencies;
- Foundations and public utility companies.

NORWAY

Due to downsized maximum amount of micro-project's total budget, Norwegian Partners are free to decide whether to apply for co-financing from other sources or to cover the co-financing by an own contribution.

If application for co-financing from other sources is needed, Norwegian Lead Partners and Partners may request Norwegian co-financing from several organisations, either public or/and private. Generally, the Norwegian authorities have digital application forms and the applicant for the co-financing must attach a copy of the Kolarctic CBC application as well.

Norwegian Kolarctic financing (**Table 3, 4**) corresponds to EU-financing and is awarded to Norwegian project Partners. If the Lead Partner is from Norway, it is also responsible for applying and managing the EU-financing even though the Norwegian Partners cannot

use the EU-financing to cover their own costs. In the case of the Lead Partner is from other country than Norway, one of the Norwegian Partners must fill in **Annex D: State co-financing or Norwegian Kolarctic financing form** and apply for Norwegian Kolarctic financing on behalf of all other Partners from Norway.

Norwegian co-financing from other sources supplements the Norwegian Kolarctic financing. Co-financing must come from the Lead Partner or Partner(s) themselves, or public or private financiers.

Norwegian co-financing from other sources can be granted by organisations, such as:

- Nordland, and Troms & Finnmark County Authorities;
- Nordland, and Troms & Finnmark County Governor;
- Innovation Norway;
- The Barents secretariat;
- Ministries;
- Municipalities of the Programme region;
- Educational institutes and universities;
- The Sami Parliament.

The MA recommends that Norwegian Lead Partners or Partners, if applying for co-financing from other sources such as Norwegian public or/and private organisations, make the application at early stage of Kolarctic Grant application preparation.

For Sweden and Norway:

At the latest, an application for external co-financing must be received by the potential funding institution at the time of submitting the Kolarctic CBC application. If such an application has been submitted, a copy of the application should be attached to the Kolarctic CBC application. In the absence of such documentation, the Lead Partner or Partners may confirm temporarily co-financing from own resources in the application.

NOTE!

It is important to check application deadlines for the different organisations where you apply for co-financing, they may have different deadlines. Co-financing for the entire project period must be confirmed in writing at least 4 weeks before the application is processed in the JMC.

FINLAND

Finnish Lead Partners and Partners apply for Finnish state co-financing with Grant application filled out in the PROMAS (**see Chapter 6 of the Guidelines**).

If the Lead Partner is from Finland, no other application is needed. In the case the Lead Partner is from other country than Finland, one of the Finnish Partners must fill in **Annex D: State co-financing or Norwegian Kolarctic financing form** and apply for Finnish state co-financing on behalf of all other Partners from Finland.

In addition, other sources by public and private organisations may grant Finnish co-financing. The applicant should check the requirements and formalities for applying from the organisation in question.

Finnish co-financing from other sources is awarded by organisations such as:

- Municipalities and Joint municipal boards in the Programme region;
- Education institutions;
- Ministries;
- State central agencies;
- Enterprises and public utility companies;
- Foundations and publicly funded organisations.

RUSSIA



Russia Lead Partners and Partners apply for Russian state co-financing with Grant application filled out in the PROMAS (**see Chapter 6 of the Guidelines**).

If the Lead Partner is from Russia, no other application is needed. In the case the Lead Partner is from other country than Russia, one of the Russian Partners must fill in **Annex D: State co-financing or Norwegian Kolarctic financing form** and apply for Russian state co-financing on behalf of all other Partners from Russia.

In addition, other sources of public and private organisations may grant Russian co-financing. The applicant should check the requirements and formalities for applying from the organisation in question.

Russian co-financing from other sources is granted by organisations, such as:

- Regional administrative authorities;
- Cities and districts;
- Municipal companies;
- Educational institutes and universities;
- Research institutes;
- Federal target Programmes.

ALL COUNTRIES (Finland, Russia, Sweden and Norway)

Requirements and formalities of applying for co-financing from other sources may vary between financiers so it is important to check the requirements and formalities. Applying for co-financing from other sources should be done without delay, in order to be able to get the decision from the financiers before a Joint Monitoring Committee meeting.

Binding commitments of the co-financing from other sources (excluding Finnish and Russian state co-financing) have to be delivered to the Managing Authority before a meeting of the Joint Monitoring Committee. **Signed Annex E: Partnership statement is considered as a commitment of the Partner's own contribution.**

6 FOURTH CALL FOR PROPOSALS



The 4th Call for proposals is open 58 days from 03 February 09.00 (Finnish Time) to 31 March 2020 16.00 (Finnish Time) inclusively.

This 4th Call for proposals is an open Call for micro-projects applying the one-step application procedure, i.e. submission of an application and its Annexes. The Call is open to Priority Axes 1 and 2, and to Thematic objectives:

- **TO1** Business and SME development; during the Call, the MA encourages the applicants to submit applications with a strong partner-involvement of SMEs and other target groups;
- **TO 6** Environmental protection, climate change mitigation and adaptation.

All applications shall be submitted and evaluated at the same time, in an equal way throughout the entire decision-making process, regardless of their Priority axis or TO.

All projects shall support the Priority axis that they have selected and at least one of the Thematic objectives (TOs) and guarantee the clear contribution to ENI CBC objectives, bring benefits to the core area of the Programme, have cross-border impact, comply with the Programme objectives as well as EU, national and regional policies.

6.1 Grant application



The Grant application consists of:

- (1) an application in the PROMAS system and
- (2) its Annexes.

The whole application does not need to be filled in, and the detailed instructions can be found from the application instructions found from the Kolarctic website.

The Grant application must be **filled in in English**. The PROMAS manual for micro-projects application process is available on the Programme website <http://kolarctic.info/>.

The Grant application is used when applying for EU-financing, State co-financing of Finland and Russia, and Norwegian Kolarctic financing. Also, Swedish and/ Norwegian co-financing applied from others sources shall be indicated in the Grant application. Note, that other financier organisations may request to use other application form than the Programme application in PROMAS. The Branch Offices in Sweden and Norway (**see Chapter 9 of the Guidelines, Contact information**) shall provide more information by request on the procedure of applying co-financing from other sources.

(1) The application shall contain:

- an analysis of the problems and needs justifying the project, taking into account the Programme strategy;

- Project's expected contribution to address the corresponding priority, as well as regional /national /joint strategies;
- an assessment of its cross-border added value;
- information on the type of the project: integrated/symmetrical (**see section 3.4 Eligible actions and duration**);
- an assessment of the sustainability of the project's expected results after project completion;
- objectively verifiable indicators including Programme Common Output Indicators (COI) and Programme Specific Output indicators (SOI)¹¹;
- information on the geographic coverage and target groups of the project;
- expected project implementation period and detailed work plan;
- an analysis of the effects of the project on the cross-cutting issues, particularly gender equality and environmental sustainability;
- identification of the Lead Partner and Partners, providing information about their administrative and financial management capacity;
- description of the project management and implementation structure;
- arrangements among Partners in line with sub-paragraph 3.3 *Partners obligations*;
- detailed financing plan and budget.¹²

The above-mentioned list of issues is described in details in the following chapters of the present Guidelines.

(2) The following Annexes are part of the Grant application: (see chapter 10 for more instructions on the Annexes)

- Annex A: Budget specification;
- Annex C: Registration certificate of Lead Partner. The Managing Authority will ask a Lead Partner to submit a registration certificate of Partner organisations if a project is approved.
- Annex D: State co-financing or Norwegian Kolarctic financing form;
- Annex E: Partnership Statement;
- Annex G: Decision (copy) of state aid granted within de minimis conditions (if applicable);

Annexes A, D, E can be found on the Programme web-page <http://kolarctic.info/>.

6.2 The content of an application in PROMAS



The technical instructions of filling in an application forms for micro-projects within the 4th Call for proposals is presented in the PROMAS manual that can be found on the Programme web-page at <http://kolarctic.info/>

Programme management system PROMAS <https://promascbc.fi>

Kolarctic CBC Programme in cooperation with Karelia CBC and South-East Finland – Russia CBC Programmes is hosting an electronic programme management system PROMAS which is used during the whole project cycle. Project Partners can use the system

¹¹ Monitoring and Evaluation Plan 2019-2020: section 7.2 "Output indicators" related to Priority axes 1 and 2 /TO1 and TO 6, <http://kolarctic.info/>

¹² COMMISSION IMPLEMENTING REGULATION (EU) No 897/2014 of 18 August 2014, Article 43 Content of projects

when submitting Grant applications, reports, payment requests, amendment requests etc. The Managing Authority uses it for requesting additional information from the applicant, approving reports and making payment orders. In addition to the electronic version, certain documents have to be submitted also as a signed original.

The Lead Partner fills in the application in the PROMAS system. The Lead Partner applies for a username and password to each project separately; the username is application-specific. User rights can be applied from the system when the 4th Call for proposals is opened.

6.2.1 BASIC INFORMATION

Application Form Status:

Do not fill in. The status of the application automatically inserted.

Name of the project:

Each project must have a name. Do not try to say everything about the project in its name. It is reasonable to use a name that you have used or will use in everyday language. Maybe, in everyday use, you will use an acronym. Indicate the name that will be used during the whole project duration. **NOTE!** The indicated name of the project might be used in Programme related information and communication activities/materials/databases including KEEP database¹³. **Note, that after saving the name of the project in PROMAS, it can't be changed.**

Acronym:

Give an acronym of 3-8 digits.

Project ID:

After registration in the PROMAS, the ID will be given automatically. The same ID number will be used during the whole project implementation.

Full legal name of the Lead Partner in English:

Indicate the name of the Lead Partner organisation in English that will be used during the whole project duration. **NOTE!** The indicated name of the Lead Partner organisation might be used in Programme related information and communication activities/materials/databases including KEEP database.

Country of the Lead Partner:

Choose the country of the Lead Partner organisation by using the drop-down menu:

1. Finland
2. Norway
3. Other
4. Russia
5. Sweden

If any of the country listed in the drop-down menu does not match the country of the Lead Partner organisation, choose 'Other'.

¹³ <http://www.keep.eu/keep/>

Region of the Lead Partner:

Choose the region of the Lead Partner organisation by using the drop-down menu, after you have selected the country listed above. If any of the regions listed in the drop-down menu does not match the region of the Lead Partner organisation, choose 'Other'.

Priority:

Choose the relevant Priority axis of the Programme for your project by using the drop-down menu:

1. Viability of arctic economy, nature and environment, or
2. Fluent mobility of people, goods and knowledge.

Thematic objective:

There are two TOs available for the 4th Call for proposals: TO1 and TO6. Choose a Thematic objective, which is relevant to your project after you have selected the Priority axis above:

1. TO1 Business and SME development;
2. TO 6 Environmental protection, climate change mitigation and adaptation.

Duration of the project in months:

The project duration may not be longer than 12 months.

PARTNERS

The geographical eligibility of the Partners is described in **this Guidelines: section 3.2. and in the JOP: sections 2.4. and 2.5.**

ADD NEW PARTNER

Full legal name of the Partner:

Indicate the name of Partner organisation in English that will be used during the whole project duration. **NOTE!** The indicated name of the Partner's organisation might be used in Programme related information and communication activities/materials/databases including KEEP database.

Country of the Partner:

Choose the country of the Partner organisation by using the drop-down menu:

1. Finland
2. Norway
3. Other
4. Russia
5. Sweden

If any of the country listed in the drop-down menu does not match the country of the Partner organisation, choose 'Other'.

Region of the Partner:

Choose the region of the Partner by using the drop-down menu, after you have selected the country listed above. If any of the regions listed in the drop-down menu does not match the region of the Partner, choose 'Other'.

REQUESTED FINANCING

Do not fill in. Automatically inserted from budget.

6.2.2 PARTNER INFORMATION

IDENTITY

Type:

Do not fill in. Automatically inserted.

Full legal name:

Do not fill in. Automatically inserted.

Name of the organisation in original language:

Indicate the name of the Partner organisation in original language (if applicable).

Department/ unit in charge of the activities:

Indicate the name of the department/unit of the Partner organisation that will be in charge of the activities during project implementation (if applicable).

Business ID:

All Partner organisations (those that can be granted financing) are registered in their countries according to national laws. Indicate legal entity's registration number or code applied in your country.

Legal status:

Choose if the Partner organisation is public of private by using the drop-down menu.

Type of organisation:

Choose the type of the Partner organisation by using the drop-down menu:

- Municipality
- State authorities
- Other public organisation
- Higher education institution
- Other education institution

Research institute
Enterprise
Foundation
NGO
Other

Description of the organisation:

Clarify the Partner organisation background, tasks, size of personnel. If the organisation is a public organisation with no turnover, indicate it here.

Official address:

Accurately indicate the valid official address of the Partner organisation. **NOTE!** The indicated official address might be used in Programme related information and communication activities/materials/databases including KEEP database.

Postal address:

Accurately indicate the valid postal address of the Partner organisation. **NOTE!** The indicated postal address of the project might be used in Programme related information and communication activities/materials/databases including KEEP database.

Email of the organisation:

Indicate the valid email of the Partner organisation.

Telephone number:

Indicate the valid phone number of the Partner organisation.

Website of the organisation:

Indicate the valid website of the Partner organisation (if applicable).

CONTACT PERSON

Indicate the person who is able to answer questions about project proposal.

MOTIVATION

Why does the organisation participate in the project (reason and motivation)?

Describe the reason why this Partner(s) organisation has decided to participate in the project. What is the motive?

OPERATIONAL CAPACITY

What are the organisation's thematic competences and experiences relevant for the project?

Clarify the Partner organisation field of expertise and experiences that is relevant for the implementation of the project.

FINANCIAL CAPACITY

Does the organisation have a euro-based bank account or can it be established?

Answer the question *Yes, No, Not Applicable (NA)*

A Partner should have ability to receive funds to their bank account from Managing Authority or Lead Partner in euros. If the Partner has the bank account in Single Euro Payments Area (SEPA) choose NA.

Can the project costs be separately allocated and reported in the organisation's bookkeeping?

Answer the question *Yes, No, Not Applicable (NA)*

NOTE! Each Partner must be able to separate project expenditures in organisation's bookkeeping records either with the separate accounting record or cost unit (followed with project code). External auditor must have an access to project bookkeeping document in order to carry on the expenditure verification.

Can the organisation transfer or receive Programme funding to/from other project Partners?

Answer the question *Yes, No, Not Applicable (NA)*

Does the organisation participate in the financing of the project?

Answer the question *Yes, No, Not Applicable (NA)*

Does the organisation have sufficient financial resources to implement the project taking into account both own contribution and final payment?

Answer the question *Yes, No, Not Applicable (NA)*

NOTE! The final payment to the project costs will be paid after the final report has been approved which might happen even 6 months after the project has ended. Pre-payments are maximum 80% of the financing so the Partner shall have a capacity to take care of the final costs until the final balance payment is paid by the Managing Authority.

OTHER PUBLIC FINANCING

Other public financing in the field of this application within 3 previous years.

Indicate *Financier Name, Name of the project, Amount* of the state aid within de minimis conditions that has been granted during the past 3 (2 previous and 1 ongoing) years to the Partner organisation. Check the national regulation on de minimis conditions.

NOTE! Attach to the application in the PROMAS the decision (copy) of the state aid granted within de minimis conditions and name it as an **Annex G: Decision (copy) of the state aid within the de minimis conditions.**

Has public financing for same or similar activities been applied for?

Answer this question *Yes, No*

The previous financing in the same field does not necessarily prevent your project from being granted by Kolarctic CBC Programme.

6.2.3 SUMMARY

The applicant should fill in this section by providing answers to the given questions in the PROMAS.

The summary is meant simply to summarize the project, not describe everything in it. More detailed information about the project is meant to be given in other parts of the application. Even if the summary is first in the application, it is a good solution to write it last. Writing of the summary is easier for you if you write it only AFTER you have written the other parts of the application.

If the project is approved, its Lead Partner will be requested to provide an executive summary of the project limited up to 800 characters. The project summary might be used in Programme related information and communication activities towards the wide audience.

6.2.4 RELEVANCE

OBJECTIVE

Specific objective of the project:

Defining a specific objective is based on the overall objective. A specific objective states the direct effects of the project and ensures the achievements of an overall objective. This question might help in defining a specific objective: i.e Why the project is needed by target group(s)?

Why is cross-border cooperation needed for reaching the objective of the project?

Describe the cross-border added value here. **Cross-border added value** is a reason why this project is most successful if it is implemented as a cross-border project, instead of implementation in one country. This question might help in describing cross-border added value: i.e You could carry out the project also inside the borders of one country – or could you?

THEMATIC INDICATORS

Check out the Programme Monitoring and Evaluation Plan 2019–2020 (M&E Plan), section 7.2 “Output indicators” related to the Programme Priority axes 1 and 2 and Thematic objective 1 and 6 accordingly, <http://kolarctic.info/> before filling in this section. The M&E Plan provides detailed definitions and comments for the Specific Output Indicators (SOI) and Common Output Indicators (COI).

Choose Programme SOI and COI that are relevant for your project activities. Indicate the target value for chosen indicators that your project aims to achieve. The baseline value is considered as “0”. The target value shall be realistic to achieve by implementing project activities.

PROJECT SPECIFIC INDICATORS

Indicate project output indicators and its target values that are needed to measure the project outputs. The target value shall be realistic to achieve by implementing project activities.

WORK PLAN

The Work Plan - part of the application form is a function that generates a RACI matrix to your project.

In Work plan you must describe maximum 5 main activities to be implemented in the project. While indicating the main activities, it is good to take notice that each activity will be automatically copied to be an activity in a RACI matrix. To activities in the RACI matrix you must later define a responsible Partner, an accountable Partner, a consultant Partner and an informed Partner.

What is a RACI matrix? **A RACI** comes from an abbreviation of **R**esponsible, **A**ccountable, **C**onsulted, **I**nformed. It is a task list that describes what tasks are going to be carried out in the project, which participant (organisation, role, person) is responsible for carrying out a task, and by what deadline.

Without a RACI or a comparable way of defining the tasks, it can easily happen that the project consortium forgets what they have planned to carry out in the project, and especially, whose responsibility it is to carry out a task. In a RACI matrix, each row corresponds a task to be carried out, and the columns indicate a person / project participant. Sometimes, in a RACI matrix, also roles can be indicated.

A RACI consists of the following responsibility roles:

Responsible: Those who carry out the task. Each task or deliverable has at least one responsible person.

Accountable (also Approver or final approving authority): the person, who is ultimately responsible for the accurate and thorough completion of the deliverables or task, and the one who delegates the work to those responsible persons in the section above. In other words, an accountable must sign off (approve) work that responsible persons provide. There must be only one accountable specified for each task or deliverable.

Consulted (sometimes Consultant or Counsel): those whose opinions are sought, typically subject matter experts, and with whom there is two-way communication.

Informed (also Informee): those who are kept up-to-date progress, often only on completion of the task or deliverable; and with whom there is just one-way communication.

Very often the role that is accountable for a task or deliverable may also be responsible for completing it. It is generally recommended that each role in the project or process for each task receive, at most, just one of the participation types. (If you give more than one participation type to one participant / role in a single task, it may imply that you have not clearly resolved the division of tasks).

NOTE! The partners should use and update the RACI matrix during the project implementation and in reporting phases, if needed.

ACTIVITY PLANNER

The activities that you have defined in the Work Plan appear automatically in the Activity Planner chart. It also provides you a visual schedule with the activities on a timeline.

SUSTAINABILITY

How and by whom will the project main outputs be further utilized once the project has been finalized?

Sustainability can be defined as the ability of a project to maintain its outputs (i.e. capital goods and services) and results after the project has been finalized.

6.2.5 IMPLEMENTATION

Does the project have any negative or positive environmental impact? Analyze the environmental impact, if any.

The Programme and projects impact on environment, climate and human wellbeing should be positive. Projects with a direct negative environmental impact shall not be financed under the Programme. Describe the environmental positive/negative impact.

6.2.6 BUDGET AND FINANCING

NOTE! Before filling in **BUDGET AND FINANCING**, it is recommended to fill in the **Annex A: Budget specification**.

Project budget is indicated in the **Annex A: Budget specification** and it's obligatory Annex of the Grant application. Project costs must be specified by countries and total amounts must equal with the amounts in an application in PROMAS, section **BUDGET AND FINANCING**. When implementing the projects, only budgets on country level and the total budget are followed by Managing Authority. The Budget by Partners has an informative role and should be also filled in. Costs are allocated for 12 months period.

In addition to the **Annex A**, it is recommended to prepare a more detailed budget for Partners' own use to ensure that all planned project activities can be covered with the budget presented in the application form.

Annex A: Budget specification includes technical instructions on its sheet “Instructions”.

PROJECT BUDGET

Fill in the budget per each country by using own budget sheets in the **Annex A**. The table “Total budget” is filled in automatically. Allocate costs of the project between following budget lines:

1. Personnel
2. Travel
3. External services, sub-contracting
4. Total eligible costs
5. Project revenues
6. Net eligible costs, total

Budget line 1 Personnel

This budget line consists of salaries paid to the staff employed to the project under employment contracts. They can be employees already working in the organisation in other duties and are now planned to provide certain part of their working hours to the project or they can be hired separately for the project. Specify full-time and part-time employees separately to the budget, name the tasks and estimate their contribution from total working time they will provide to the project in percentages. Please don't use the names of the employees, only indicate the task or the position (Table 5).

The calculation examples for part-time and full-time employees are provided in the sheet “Content and instructions” of Annex A.

Table 5. Budget line 1, personnel

Budget lines	All Countries	Finland			Russia				
		Mon. salary	Project work %	Mon.	Total costs EUR	Mon. salary	Project work %	Mon.	Tot. costs EUR
1. Personnel	Total costs EUR				Total costs EUR				Tot. costs EUR
1.1. Salaries									
Coordinator	8 160	3 000	10 %	12	3 600	1 900	20 %	12	4 560
Researcher	4 725	3 500	10 %	6	2 100	2 500	15 %	7	2 625
1.2. Social security charges	3 481				1 254				2 227
Subtotal Personnel	16 366				6 954				9 412

Social security charges include the costs the employer must pay according to the national legislation. It is not necessary to indicate social costs per employee. The total percentage and the Euro amount are enough.

Salaries must not exceed the normal salary level of the organisation and country in question. Natural benefits (telephone, car etc.) are not eligible costs. Salaries with holiday compensations are based on normal working hours of the organisation in question

(max 8h/day) and following the national legislation. The annual holiday payments, holiday bonuses and holiday compensations are eligible when they are based on national legislation. Other compensations like bonuses may be considered as eligible only if they are based on the national legislation and they are provided with equal conditions to all employees. Salary costs, which can be recovered from other authority (compensation of sick leave or maternity leave salaries, etc.) are not eligible.

Budget line 2 Travel

Travel costs of the project staff and other persons must be clearly related to the project activities and follow the principle of cost effectiveness. In the budget you can use average prices of the tickets (economy class) and accommodation – changes between the subheadings can be done during the implementation. Managing Authority will also organize a common meeting (1) for all financed projects and advises projects to take project travel costs to the common meeting into account when preparing the project budget. Remember also to include the costs of the project's steering/working groups meetings if any.

Travel reimbursements (daily allowances, kilometer allowances etc.) are approved according the criteria and amounts laid down in national legislation. They may not exceed the national tax-exempt level and must be recorded in project's accounting records.

Budget line 3 External services, sub-contracting

The budget line includes outsourced services like consulting, design and publication services, audit, interpretation and translation, services for organizing events and meetings. These types of costs are paid according to invoices based on contracts/written agreements and shall be verified by receipts and bookkeeping documentation. Travel and accommodation costs of the external service providers are included in this budget line. Costs deriving direct from the regulations of the Programme (external audit, bank charges, translation) are included in this budget line when outsourced.

Purchases between the project Partners are eligible only in limited cases and Lead Partner must always ask a permission for that from the Managing Authority beforehand. In the case the service is bought from project Partner, the eligible price may not include any profit, only justified real cost (working hours, materials) can be invoiced.

External services must be acquired through competitive tendering according to the national and Programme procurement rules. Therefore, service providers are not named at this point. Organisation's valid contracts can be used, if the tender procedures fulfill Programme tendering requirements.

Binding commitments of the contracts for the supply may not be done before the Grant Contract is signed. If the Partner organisation has framework contracts, they can be used if the procurement rules has been respected when they have been tendered.

Auditing costs

External auditing is an obligatory requirement of the Programme. An auditor must verify financial report of the project and the audit report is the requirement for the final payment. Report must be submitted once for micro-projects.

Each Partner can have their own auditor or Partners from the same country can use a common auditor. Partners can also use their organization external auditor within the limits of the existing framework contract. Audit costs shall be budgeted to each Partner.

Simplified method for micro projects

In micro-projects, partners from Finland, Sweden and Russia can agree that only one of the partners reports the expenditure to the Managing Authority. Other partners invoice their realized costs from this "reporting partner". They annex the copies of the original receipts to the invoice and fill in the needed financial reporting annexes. Reporting partner checks the receipts and other documents and pays the invoices. The auditor verifies the costs from the accounting records of the reporting partner.

If all partners agree to this method, only the reporting partner adds audit costs to the budget. Norwegian costs are verified by Norwegian auditor and can't be combined.

This simplified method for audit does not make any changes to partners other responsibilities towards the Lead Partner, Managing Authority or other programme bodies, which have a right to conduct checks to the reported and invoiced costs afterwards.

Documents for the expenditure verification are listed below and available in the programme webpages.

- EV1** Expenditure and revenue verification procedure
 - Instructions for the auditor and project Partners
- EV2** Service contract for the expenditure and revenue verification
 - Contract between the Partner and auditor
- EV3** Expenditure and revenue verification report
 - To be filled in by the auditor
- EV4** Checklist for the expenditure verification
 - To be filled in by the auditor
- EV5** List of factual findings
 - To be filled in by the auditor
- EV6** Report on suspected fraud and/or established fraud
 - To be filled in by the auditor

Budget line 4 Total eligible costs

Filled in automatically.

Budget line 5 Project revenues

Project can earn revenues from the sales of produced material, participation fees, entrance tickets etc. The revenues are deducted from the total eligible costs.

The revenues shall be indicated in an application in PROMAS, section **BUDGET AND FINANCING** and in the project Financing Plan of the **Annex A: Budget specification**.

Budget line 6 Net eligible costs, total

Filled in automatically.

FINANCING PLAN

There are separate table for Financing from Finland, Sweden and Russia, and other table for Financing form Norway. Indicate each source of financing separately in appropriate line with the name of financier and the amount of the financing requested/provided to the project Partners from country in question. The example of the financiers listed in this *Guidelines*, **section 5.2 How to apply state co-financing and co-financing from other sources**.

The EU financing + Finnish and Russian National State co-financing in project level may not exceed 90% of the total eligible costs of Finland, Sweden and Russia. As well as Norwegian Kolarctic financing in project level may not exceed 50% of the total eligible costs of Norway.

In the **Annex E: Partnership statement**, the amount and share of the own contribution per each Partner must be indicated. **NOTE** the amount should not be lower than the Partner's financing share in the sheet Financing Plan of Annex A.

Project total cost and total financing must be equal.

From the table of the **Annex A: Budget specification** you collect the amounts to the application in the PROMAS, section **FINANCING PLAN**

6.2.7 ANNEXES

Download all required Annexes of the Grant application in pdf, except **Annex A: Budget specifications** in Excel-file (*see chapter 10. Annexes of Grant application*).

6.2.8 SIGNATURE

NOTE! The application has to be signed by an authorized representative (the person who has the right on behalf of the organisation to sign documents).

By signing the application, the Lead Partner on behalf of all Partners, confirms that:

- the project Partners have the sources of financing, professional competence and qualifications required by implementation of the proposed project;
- In case of approval of the project proposal by the Joint Monitoring Committee, our organisation will take the role of the Lead Partner with all the responsibilities assigned to it;

- our organisation is directly responsible for the preparation, management and implementation of the project and is not acting as an intermediary;
- neither our organisation nor the Partners are in any of the situations excluding them from participating in contracts which are listed in the respective documents and we accept that if we participate in spite of being in any of these situations, we may be excluded from other procedures;
- if recommended to be awarded a grant, our organisation accepts the contractual conditions as laid down in the Grant Contract and in its conditions;
- our organisation is fully aware of the obligation to inform without delay the Managing Authority if the same application for funding made to other financing programmes of the European Union or the participating countries has been approved after the submission of this application.

6.3 Submission procedure of a Grant application



The deadline for the submission of the Grant application to the PROMAS is **31.03.2020 at 16.00** (Finnish time).

An application must be filled in by using the Programme management system PROMAS¹⁴ (<https://promascbc.fi>). Submission procedure of the Grant application comprises three steps:

Step 1. Fill in the application in the PROMAS. The application shall be filled in carefully, as instructed in the previous section 6.2 “The content of the application in the PROMAS” and **the required questions/requests answered accurately**. Upload all required annexes to the application. A completed application with all required uploaded Annexes shall be submitted to the Managing Authority in the PROMAS system prior to the deadline. Once submitted in the PROMAS, the application can no longer be changed.

Step 2. After you have submitted the application in PROMAS, print it out and sign it. (The signature must be that of an authorized representative of the Lead Partner organisation.)

Step 3. Send the printed and signed application to the MA. **Do not attach any annexes in the envelope, except the original signed Annexes D and E**, if they are available to you on the date of the deadline. The original signed annexes D and E must though be sent to the Managing Authority as soon as they are available.

Write the name of the Call, name and address of the Lead Partner and text in Finnish ‘**EI SAA AVATA**’ (‘Do not open’) **on the upper left corner of the sealed envelope**.

¹⁴ The instructions of the PROMAS system is available on the Programme website <http://kolarctic.info/>

OPTION I. BY MAIL

The application must be submitted via PROMAS no later than **31.03.2020 16.00 Finnish time**. The printed and signed application must be sent out to the Managing Authority. A post stamp on its envelope **shall be sealed not later than 03.04.2020**. It is recommended to send the envelope with application as a registered letter. It is the sender's responsibility to ensure that the sending date can be verified. **NOTE!** The post office might stamp and send the letter on the following day(s) after it is been registered for sending. Save the postal sending slip to prove that the application has been sent by the deadline!

The printed and signed application shall be sent to the following MA's postal address:

Lapin liitto/ Kolarctic CBC programme
PL 8056
FI-96101 ROVANIEMI

~~OPTION II. COURIER DELIVERY OR HAND DELIVERY TO MA~~

~~Application can also be submitted to the MA by courier delivery or hand-delivery by the deadline **03.04.2020** in a sealed envelope, in which case the applicant must request a signed and dated certificate of receipt of having delivered the application.~~

~~The printed and signed application shall be sent by courier/hand delivery to the following MA's postal address:~~

~~Lapin liitto/ Kolarctic CBC programme
Hallituskatu 20 B (4th floor)
FI-96100 ROVANIEMI~~

~~The MA's office hours in Finland (Rovaniemi) end at 16 o'clock and thus the applications have to be brought with courier deliveries and hand deliveries before that.~~

~~OPTION III. HAND DELIVERY TO BOs IN MURMANSK/ARKHANGELSK/LULEÅ/VADSØ~~

~~Application can also be submitted to the BOs by hand-delivery by the **deadline** in a sealed envelope, in which case the applicant must request a signed, dated (including time) **receipt hand delivery** of having delivered the application.~~

~~The MA authorises the Branch Office in Murmansk, Branch Office in Arkhangelsk, Branch Office in Luleå, Branch Office in Vadsø to receive the printed and signed applications before the deadline **03.04.2020 at 16.00** (Finnish time), in order to deliver received applications to the Managing Authority (Finland, Regional Council of Lapland, Hallituskatu 20B, 96100 Rovaniemi).~~

It is recommended to save the postal sending slip/~~courier delivery receipt~~/~~hand delivery receipt~~ in order to prove the sending of the application by the deadline. The postmark on the envelope serves as an evidence for the MA of the sending date of the application.



The MA shall reject printed and signed application with Annexes sent by post/courier if it falls under the following cases:

- a) printed and signed application is sent to the MA after deadline.
- b) printed and signed application is delivered to the MA by some other means (e.g. by fax or e-mail);
- c) a handwritten application is delivered to the MA by post/courier.

7 PROGRAMME BODIES

The Programme bodies participate in the implementation of the Programme and decision-making process:

- 1. Managing Authority (MA)** has responsibility for managing the Programme and compliance of the decisions of the JMC with the regulations and provisions in force;
- 2. Branch Offices (BOs)** assist the MA in fulfilling its Programme management tasks on the Norwegian, Russian and Swedish sides;
- 3. Joint Monitoring Committee (JMC)** is the main decision making body of the Programme;
- 4. Regional Assessment Groups (RAGs)** evaluate the quality and relevance of the project applications vis-à-vis the Programme priorities and the strategies of the Programme regions;
- 5. National Authorities (NA)** support the MA in the management of the Programme in accordance with the principle of sound financial management. The countries participating in the Kolarctic CBC Programme 2014–2020 have designated the following bodies as their respective National Authorities:
 - Finland: Ministry of Economic Affairs and Employment, Enterprises and Regional Development department, Structural funds and Cohesion Policy –group;
 - Russia: Ministry of Economic Development, Department for Regional and Cross-Border Cooperation Development, Unit for coordination and legal support of regional and cross border cooperation;
 - Sweden: Ministry of Enterprise and Innovation, Department for Sustainable Growth, Division for Regional Growth and Cohesion Policy;
 - Norway: Ministry of Local Government and Modernisation, Department of Regional Development, International Cooperation team.
- 6. The Audit Authority (AA) And The Members Of The Group Of Auditors (GoA)** draws up an audit opinion on the annual accounts and an annual report providing a

summary of audits carried out, including an analysis of the nature and extent of errors and weaknesses identified both at the system level and for projects, as well as the corrective actions taken or planned. The following institutions will be represented in the Group of Auditors:

- Finland: Ministry of Economic Affairs and Employment, Enterprises and Regional Development department, the Coordination –group;
- Russia: Ministry of Finance, Department for International Financial Affairs;
- Sweden: Swedish National financial management authority, Department for Audit of EU funds under shared management;
- Norway: The Office of the Auditor General.

More detailed information on the Programme bodies and their functions can be found in **the JOP, chapter 4. Structures And Appointment Of The Competent Authorities And Management Bodies, p. 50.**

8 EVALUATION AND SELECTION OF APPLICATIONS

All Grant applications submitted within the set deadline will be assessed according to the eligibility and evaluation criteria valid for the course of the 4th Call for proposals.

8.1 Administrative and eligibility check



The Managing Authority carries out an Administrative and eligibility check, using an **Administrative and eligibility checklist**.

The administrative and eligibility check includes:

- application's accordance with the formal requirements of the 4th Call for Proposals;
- financial aspects of the application:
 - Eligibility of the planned activities, Partners and costs;
 - Cost-effectiveness of the planned activities.

The MA may request applicants to submit clarification by a set deadline. The indicative timetable of the 4th Call for proposals and selection procedure is indicated in the **Table 6**. The result of the administrative and eligibility check will be available for the applicant in the PROMAS system.



During the administrative and eligibility check, the MA shall reject the Grant application that did not fulfil the administrative and eligibility check criteria and/or submit the requested clarification by the set deadline.

8.2 Quality and relevance evaluation



Quality and relevance evaluation is carried out by using an **Evaluation grid**. The Evaluation GRID for the 4th Call for proposals is available on webpage <http://kolarctic.info/applying/> under Guidelines for applicants.

The Managing Authority (MA) will send applications, which have passed administrative and eligibility check to the Regional Assessment Groups (RAGs) in each country for an evaluation of the quality and relevance of the application. Each application will be screened and scored by all RAGs using the criteria defined in the Evaluation grid. The MA will set a deadline for RAGs for reporting back on the quality evaluation.

Evaluation of the application's quality includes assessment of the quality of the project plan, quality of the Partnerships (for example number of Partners from participating countries, added value of the partnership, role of partners in project implementation etc.)

Evaluation of the application's relevance includes assessment of *the cross-border cooperation added value; relevance of the timing of the implementation; relevance of the implementation and likelihood of achievement of the set goals.*

The RAGs send their evaluations back to the MA who will aggregate these results and establish a ranking list based on the average of the total scores of all RAGs. In case a RAG cannot complete the evaluation, external experts will do the assessment. In case of a significant difference in the total scores of RAGs the JMC may reassess the application using the same Evaluation grid as RAGs.

8.3 Decision making and approval

The Joint Monitoring Committee (JMC) makes the final decision on approval or rejection of the project application according to the ranking of projects based on the total average scores given by the RAGs.

The JMC creates the final list of projects to be financed and may also create a reserve list consisting of projects fulfilling the selection criteria but rejected because of the lack of funds.

If the Joint Monitoring Committee does not follow some or all of the Regional Assessment Groups' or external experts' recommendations when deciding on projects and the finance to be granted to them, it must state grounds for its decision in writing.

Each participating country will have one vote, regardless of the number of representatives it has appointed. The meeting and decision-making procedure is stated in the Rules of Procedure of the JMC. The decision-making procedure is based on full equality and partnership between the participating countries, which is reflected in the composition and designation of members and the selection of consensual decision-making. Decisions of the JMC are made unanimously.

The Managing Authority will inform all applicants about the results of the selection process. The MA will also publish a list of awarded contracts on the Programme website. Results of the selection process will be available for the applicant in the PROMAS system in accordance with the timetable indicated in the **Table 6**.

The MA prepares Grant Contracts for the approved projects. The Grant Contract will be signed by the Managing Authority and the Lead Partner. The Grant Contracts can be signed after the JOP Amendment is approved by the European Commission.

Table 6. Indicative timetable for the 4th Call for Proposals and selection procedure

Name	Time
4 th Call for Proposals is open during	03.02.2020 – 31.03.2020
Administrative and eligibility check	01.04.2020 – 27.04.2020
Information to the applicants on the result of the Administrative and eligibility check	available in the PROMAS
Quality and relevance evaluation by RAGs	28.04.2020 – 31.05.2020
Information to the applicants on the result of Quality and relevance evaluation	available in the PROMAS
Decision making and approval by JMC	June/July 2020

Information to the applicants on the result of Decision making and approval

July 2020 - a written executive order issued by Regional Council of Lapland and send by MA via e-mail (available also in the PROMAS after its issued)

The Lead Partner will get an automatic e-mail from PROMAS when the application has been changed from one status to another (e.g. Administrative and eligibility check: approved). The Lead Partner will also get via PROMAS a message about the decision of the JMC. The MA will issue an executive order about approval or rejection of the application.

8.4 Rejection of a Grant application

All Grant applications submitted to the MA shall follow the criteria indicated in the present Guidelines. In case of the rejection of a Grant application, the Managing Authority shall provide an Applicant (Lead Partner) with a justification for the rejection with reference to the criteria that were not met. The MA may give RAGs' total scores of approved/rejected applications to the third party (an Applicant of another application) upon request.

9 CONTACT INFORMATION

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10 ANNEXES OF GRANT APPLICATION



To ensure the submission of all Annexes, the right-side boxes can be used as a checklist for self-check.

NOTE! A List of Annexes for the 4th Call for micro-projects is updated.

Annex A: Budget specifications

Save the form to your own files, fill it in and enclose to the electronic application in the PROMAS. Enclose it as Excel-file, not e.g. as .pdf.

This Annex is submitted only via PROMAS as excel file, not in original.

Specify the total cost and financing estimates of the project and budgets by countries and by Partners involved in the project (tables are in separate sheets in one Excel file). Note that the sub-totals and totals of the different cost types must be consistent with the figures provided in the tables (Total budget for the action and Total financing) of the application form.

The Annex A is available on the Programme website <http://kolarctic.info/> .

Annex C: Registration certificate of Partners (Lead Partner and Partners)

The Lead Partner must submit an official document via PROMAS (company register etc.) that shows the name of the legal entity, the address of the head office and registration number given to the organisation by the national authorities.

This Annex is submitted only via PROMAS, not in original.

NOTE! Partners will be requested to submit the registration certificates if the application is approved by the JMC.

Annex D: State co-financing or Norwegian Kolarctic financing form

This form is used when a Partner applies for Finnish or Russian state co-financing or Norwegian Kolarctic financing from the Managing Authority on behalf of all other Partners from the same country (when the Lead Partner is from other country than the Partner(s)).

This Annex(s) must be submitted to the MA via PROMAS by the Call closure, but also in original(s), when as soon as they are available.

The Annex is available on the Programme website <http://kolarctic.info/>

Annex E: Partnership statement

Signed Partnership Statement is considered as a commitment of the Partner organisation 's participation to the project and own contribution.

This Annex(s) must be submitted to the MA via PROMAS by the Call closure, but also in original(s), as soon as they are available.

The Annex is available on the Programme website <http://kolarctic.info/>

Annex G: Decision (copy) of the state aid within the de minimis conditions (if applicable. NOTE! There is no ready-made template).

This Annex is submitted only via PROMAS, not in original.

