

Partnership Fund
Swiss – Czech Cooperation Programme

Guidelines for Applicants

Revision effective from 19th September 2011
(working translation)

LIST OF ABBREVIATIONS

CFCU	Central Finance and Contracts Unit (SO 902 of the MF)
CHF	Swiss franc
CZK	Czech crown
CFA	Centre for Foreign Assistance (unit 585)
CFA 1	Unit of the CFA - Preparation and Coordination (unit 584)
CFA 2	Unit of the CFA – Implementation, monitoring and evaluation (unit 581)
PF	Partnership Fund
MF	Ministry of Finance
NF	National Fund (department 55 MF)
NCU	National Coordination Unit
NCO	MF control (department 17 of the MF)
SDC	Swiss Agency for Development and Cooperation
SECO	State Secretariat for Economic Affairs
IR	Interim Report on the sub-project (PF)
PCR	Project Completion Report on the sub-project (PF)
AR	Annual Report on the Partnership Fund

CONTENTS:

1. BASIC INFORMATION	3
1.1. SUB-PROJECT FOCUSING	3
1.2. SUB-PROJECT ACTIVITIES	3
2. ELIGIBILITY CONDITIONS	4
2.1. ELIGIBLE APPLICANTS.....	4
2.2. ELIGIBLE COSTS	5
3. CONDITIONS FOR SUBMITTED SUB-PROJECT PROPOSALS	5
3.1. CONDITIONS FOR SUB-PROJECT APPLICATION FORM	5
3.2. GRANT AMOUNT AND CO-FINANCING	7
3.3. ADVANCE PAYMENT	8
4. CALL – EVALUATION OF APPLICATIONS – AWARDING OF A GRANT	8
4.1. CALL – TIME SCHEDULE	8
4.2. SUBMISSION AND ACCEPTANCE OF APPLICATIONS	9
4.3. CRITERIA AND EVALUATIONS OF GRANT APPLICATIONS	10
4.4. INFORMATION ABOUT GRAND AWARD DECISION	10
5. LIST OF ANNEXES	11

1. BASIC INFORMATION

The **Partnership Fund (PF)**, co-financed from the Swiss-Czech Cooperation Programme, is implemented as a specific form of grant assistance in accordance with the *Framework Agreement concluded between the Swiss Federal Council and the Government of the Czech Republic (hereinafter referred to as the „Framework Agreement“)*.

The overall PF objective is to reinforce mutual cooperation and partnership between Czech and Swiss bodies and hereby contribute to the reduction of economic and social disparities between the Czech Republic and more advanced countries of the enlarged EU.

Grants will be awarded for sub-projects aimed at reinforcing cooperation, exchange of information, transfer of know-how and best practice between Czech and Swiss bodies.

The awarding of a grant is conditional on the implementation of a sub-project in partnership between bodies in the Czech Republic and in Switzerland.

1.1. SUB-PROJECTS FOCUSING

Sub-projects will be focused on the following areas and shall:

- 1. contribute to the solution of specific problems in the Czech Republic in accordance with the goals defined in the Framework Agreement;**
- 2. strengthen the professional capabilities of authorised applicants by the exchange and transfer of experience and best practice between partner bodies;**
- 3. contribute to the strengthening of the partnership with sub-project activities.**

The total funds allocated to the Partnership Fund for 2009 - 2016 is **CHF 5,941 million**. Of this amount, **85 %** comes from the Swiss-Czech Cooperation Programme (CHF 5.05 million) and **15 %** from the the MF chapter of the state budget of the Czech Republic (CHF 0,891 million).

A call for the submission of grant applications will be announced on an **ongoing** basis, meaning that it will be open for the duration of the PF (July 2009 – June 2016) **or** until the exhaustion of the funds allocated to the PF.

1.2. ACTIVITIES

From the *Partnership Fund* will be supported the following activities:

- **assistance of Swiss experts** during the transfer and exchange of experience between partner bodies in the CR;
- **seminars in the CR** - prepared and implemented in co-operation with Swiss partner institutions;
- **seminars in Switzerland** - duly justified participation of Czech representatives at seminars and workshops in Switzerland organised by a Swiss partner institution (*the theme shall correspond to the applicant's field of activity and shall clearly indicate a benefit its activities*);
- **study visits** – duly justified stay by Czech representatives in Switzerland, which is organised by a Swiss partner institution (*the theme shall correspond to the applicant's field of activity and shall clearly indicate a benefit its activities*);

- **supplementary activities** – the activities necessary in order to achieve the prescribed results of the sub-project's activities and the overall objective (equipment, material, related minor construction work) shall be duly justified and substantiated.

2. ELIGIBILITY CONDITIONS

The Applicant of the grant shall meet the following eligible conditions:

2.1. ELIGIBLE APPLICANTS

The following bodies are eligible to apply for a grant under the PF:

- institutions at all levels of public administration (state, regional and local government authorities)
- universities and schools
- non-governmental non-profit organisations (*NNOs, including church organisations*)
- other bodies acting in the public interest
- professional chambers and unions, branch associations (*e.g. chambers of commerce, branch / sector associations, associations of entrepreneurs, associations of small and medium enterprises, unions of cooperatives, social partners – i.e. nationally recognised and representative trade unions and employers' unions*).

The applicant of the grant shall be a Czech entity registered and performing its activities in the Czech Republic. **A natural person may not apply for this grant.**

The partner organisation shall be a Swiss entity, and the relationship between the applicant and the partner shall be of a non-commercial character. The partnership may not be based on supplier-client relations.

The institution character should be similar as the institution of the applicant. The business company may be a partner organization **acceptable only in exceptional and justified cases and as well in cases, when the expert fees will not be paid to a partner institution.**

An applicant may, during the course of the Implementation of the sub-project, submit an application for a grant for a sub-project, which will continue on from already approved and implemented sub-project.

In assessing such an application, the activities, results attained and the quality of a sub-project already approved and implemented will always be taken into account.

In assessing such an application, the activities, results attained and the quality of a sub-project already approved and implemented will always be taken into account. CZP1 will submit to CFCU and CZP2 a list of sub-projects/beneficiaries requesting a grant in the current call. CZP2 in cooperation with CFCU will concurrently submit to CZP1 a list of beneficiaries who did not comply with the conditions stipulated in the Grant Award Decision during the implementation phase.

Beneficiaries who do not properly submit progress/final monitoring reports, respectively beneficiaries who do not properly end and administratively close a sub-project by the planned deadlines will not be allowed to start a follow-up, complementary or another sub-project.

The eligibility of costs and the issuing of the Grant Award Decision will be postponed until the beneficiary completes the previous sub-project or corrects any problems.

2.2. ELIGIBLE COSTS

Eligible costs of the sub-project are as follows:

- expert fees of foreign expert
- expert fees of Czech experts hired for a specific and clearly defined task only for the duration of the implementation of the sub-project
- business trips for foreign experts in the CR (*accommodation, per diem allowance, travel costs*)
- business trips for a Czech expert in Switzerland (*accommodation, per diem allowance, travel costs*)
- seminars in the CR (*conference room rental, including technical equipment/refreshments/interpreting*)
- registration fees for seminars held in Switzerland
- translation of documents
- external services to the extent necessary to implement the sub-project in the CR and clearly specified in the application
- purchase of equipment and material, to the extent necessary to implement the sub-project in the CR and clearly specified in the application
- small-scale construction work, to the extent necessary to implement the sub-project in the CR and clearly specified in the application
- publicity costs specified in the application
- administrative costs - overhead costs (telephone calls, postage expenses, office supplies) – the specification of these costs will be included in the budget. The applicant must be able to prove that the costs that he would like reimbursed are related to the project.
- applicant's employees - only in justified cases for NNO can the costs of employees who participate in the sub-project implementation be included in the administrative costs
- VAT is an eligible cost only if the applicant cannot request a VAT refund in the Czech Republic

Eligible costs are specified in a greater detail in **document** “Eligible Costs PF”.

The grant beneficiary shall **finance all other expenses connected with the implementation of the sub-project** from its own sources (*salaries of its own employees/experts, administrative expenses of the sub-project exceeding the limits, etc.*).

Costs of the sub-project shall be **eligible from the date of** the Deputy Minister of Finance **decision** on grant award.

The final deadline for the eligibility of the expenses of the sub-project is 2 months after the end of the implementation, but no later than by **31 December 2016**.

The expenses of the sub-project incurred before as well as after the final date are not eligible.

3. CONDITIONS FOR SUBMITTED SUB-PROJECT PROPOSALS

3.1. CONDITIONS FOR SUB-PROJECT APPLICATION FORM

A sub-project proposal must **meet the following conditions:**

1. **the proposal will be submitted in Partnership** with a Swiss entity, where the partner's role in the sub-project's implementation will be clearly established;
2. **a natural person cannot be a partner**
3. **the applicant must have at least one year of history**

4. **the amount of the requested grant is at least CZK 170,000 and at most CZK 4.3 mil.;**
5. **the maximum length** of the sub-project implementation is 18 months;
6. **co-financing** will be arranged by the applicant in the amount of **at least 10 %** of the project's eligible costs and also in accordance with the **conditions for co-financing¹**;
7. if co-financing from a bank loan is arranged, a **loan commitment** will be presented
8. **for NNO, the applicant's ability to co-finance the sub-project will also be presented (e.g., annual report that includes the financial situation, bank account statement)**
9. the proposed activities are always **non-profit and in the public interest**;
10. the sub-project proposal must not meet the **characteristics of state aid** in accordance with the conditions stipulated in Article 87, paragraph 1 of the EC Treaty;
11. the activities cannot be financed from Structural Funds or other programs;
12. CV's will be provided for Czech experts
13. the sub-project proposal may include – as a supplementary activity:
 - purchase of equipment and material that is necessary to implement the project. It must be duly justified and demonstrably in accordance with the goal of the sub-project, i.e., necessary for attaining the sub-project's outcomes;
 - small-scale construction work necessary to implement the sub-project.

These supplementary activities must be duly justified in the application and must be in accordance with the goal of the sub-project, i.e., they must be necessary in order to attain the sub-project's outcomes.

14. the costs for the purchase of equipment / material and small-scale construction work must not exceed 35 % of the total eligible costs.

Of this **35 %**, a **maximum of 50 % (i.e., 17.5 % of the total costs of the sub-project)** may be used for small-scale construction work.

15. A **Partnership Agreement** will be submitted if a grant is awarded. **The Partnership Agreement should contain at least the following**:

- designation of the purpose and subject-matter of the agreement
- description of both partners' roles and degree of involvement in the sub-project
- degree of each partner's responsibility and liability for damage, the stipulation of sanctions if the agreement is breached (especially the risk of not adhering to the purpose of the sub-project if a partner breaches/does not comply with the agreement – e.g., withdrawal during implementation of the sub-project)
- description of the financial flows between the grant beneficiary and partner
 - i. it is necessary to establish the principles of payments between the beneficiary and partner while respecting the basic rules of the Partnership Fund, i.e., the non-commercial nature of the relationship between the beneficiary and partner and the expenditure principle applied between the beneficiary and NKJ (only the beneficiary's or partner's costs may figure in the payment request)
 - ii. In all cases the beneficiary is authorized to only pay expenses that were actually incurred, i.e., for the wages of experts it must first be proven that these experts were paid by the partner.
 - iii. The Partnership Agreement stipulates whether the beneficiary will pay the partner's expenditures immediately after they are incurred and therefore whether only the beneficiary's expenditures will be included in the payment request (can be applied if a sufficiently high advance enables this and/or if the beneficiary's own resources are sufficient) or whether the beneficiary will accumulate documents related to the partner's expenditures and then submit them in the

¹ See the amount of the grant and co-financing

payment request (i.e., both the beneficiary's as well as the partner's expenditures will figure in the payment request) and only based on the release of funds from NKJ will it immediately send funds to the partner.

- iv. It will be specified which experts are employees of the partner institution and which are provided externally.
 - v. If the beneficiary is to pay some expenditures related to the partner's participation directly (e.g., accommodation in the CR, airfare, etc.), sanctions should be stipulated for the partner's cancellation of the given activity.
 - vi. The wages for the work of experts as well as the currency in which the partner institution will be remunerated should be stipulated.
 - vii. Additional provisions related to the eligibility of expenditures between the grant beneficiary and the partner are regulated in NKJ Guideline No. 1, Eligible Costs of projects in the Swiss Program
 - condition of the archiving of all relevant documents (by the partner as well) for a period of at least 10 years after the sub-project implementation is completed
 - contract duration
 - signatures of both parties
16. **The Partnership Agreement** must be presented **together with the Grant Award Conditions Acceptance**.
17. Assets acquired in the sub-project will be **maintained for at least 2 years from the date of the approval of the final sub-project report**.

3.2. GRANT AMOUNT AND CO-FINANCING

Grants for sub-projects will be awarded from the *Partnership Fund* up to a **maximum of 90 % of the total eligible costs of the sub-project, depending on the source of the co-financing.**

The grants awarded will range from a **minimum of CZK 170,000** to a **maximum of CZK 4.3 mil.** The amount of the grant will be assessed individually for each application.

No legal claim arises from the grant application.

The amount of a grant may reach a maximum of:

- **60 %** of the total eligible costs of the sub-project – in case co-financing **from public sources in not provided**, the amount of co-financing is a **minimum of 40 %**;
- **85 %** of the total eligible costs of the sub-project – in case co-financing **from public sources** (state, regional or local government budgets) **is provided**, the amount of co-financing is a **minimum of 15 %**;
- **90 %** of the total eligible costs of the sub-project – in the case of sub-projects submitted by **non-governmental, non-profit organisations** (*including church organisations and social partners – i.e. nationally recognised and representative trade unions and employers unions*); the amount of co-financing is always a **minimum of 10 %**. **Within the Partnership Fund it means institution as follow:**
 - **civic associations** registered pursuant to Act No. 83/1990 Coll., on the Association of Citizens;
 - **public service organizations** established pursuant to Act No. 248/1995 Coll., on Public Service Organizations;

- **church legal entities** established pursuant to Act No. 3/2002 Coll., on the Freedom of Religious Expression and the Status of Churches and Religious Societies
- **foundations and foundation funds** established pursuant to Act No. 227/1997 Coll.
- **associations of legal entities** established pursuant to § 20f and following of Act No. 40/1964 Coll., Civic Code, if these entities are the above mentioned non-governmental non-profit organizations or if the majority of members of the decision-making body are appointed by these entities
- **social partner organizations**, i.e., organizations of employers and trade-union organizations, registered pursuant to § 9 a) of Act No. 83/1990 Coll., on the Association of Citizens

The grant beneficiary is obliged to ensure pre-financing, including co-financing of the sub-project, i.e. to pay the expenses of the sub-project prior to submission the payment request to the NCU.

Amount of co-financing will be stated in the Co-financing statement, which shall be signed by the source of co-financing. In case when more institution will provide the co-financing, the more co-financing statement will be submitted.

Each eligible expenditure shall be pre-financed by the grant beneficiary and will be refunded in ...% (according to the % of grant awarded) subsequently after request of payment submission.

3.3. ADVANCE PAYMENT

If a proposal is submitted for a sub-project with a budget of a **minimum of CZK 850,000 and an implementation period longer than 6 months**, the applicant can ask **for advance payment**. Advance payment shall be at maximum 20 % of the value of the sub-project grant, in cases of NGOs at maximum of 30 % of the value of the sub-project grant.

This requirement for advance payment shall be stated, including justification, **in the sub-project proposal**.

If the total expenses of the sub-project **exceed the indicated sub-project budget over the awarded grant**, the Beneficiary is **obliged to ensure the funds** from its own sources to ensure successful completion of the sub-project so as to achieve indicated results and purpose.

4. CALL – EVALUATION OF APPLICATIONS – AWARDING OF GRANT

4.1. CALL – TIME SCHEDULE

A Call for the submission of grant application shall be announced as **continuous Call**.

It will be possible to submit the applications for a sub-project grant on an ongoing basis, i.e. as of the date of the announcement of the Call for the submission of grant applications under the Partnership Fund.

This means that it will be valid till the end of the duration of the *Partnership Fund* (as of the Call announcement date until June 2016) **or** until the exhaustion of funds allocated to the Partnership Fund.

Grant applications will be submitted and grants awarded to beneficiaries in **CZK**. **The awarded grant in CZK is binding. The grant in CZK cannot be increased due to exchange rate differences for payments to the Swiss partner organization.**

▪ **Timetable of the acceptance and evaluation of applications**

Applications may be submitted on an ongoing basis ; the applications that are delivered to the Ministry of Finance by the stipulated deadline will be evaluated in the given cycle (see the <i>Application Submission and Evaluation Deadlines</i>)	
Day of the application delivery to CZP1	Receipt and registration of the application
Within 5 working days of the final application acceptance deadline in the given cycle	Assessment of formal criteria and eligibility
Within 25 working days of the final application acceptance deadline in the given cycle	Evaluation of quality by two independent evaluators
Within 32 working days of the final application acceptance deadline in the given cycle	Evaluation Committee Meeting – selection of recommended applications
Within 34 working days of the final application acceptance deadline in the given cycle	Handover of NM (section 07) for the final decision on the awarding / not awarding of the grant
Within 39 working days of the final application acceptance deadline in the given cycle	Decision on the awarding / not awarding of the grant
Within 44 working days of the final application acceptance deadline in the given cycle	Notifying the applicant of the approval and disapproval of the grant, or requesting additional information that is a condition for awarding the grant
Within 5 working days of receipt of the Confirmation of the Grant Award Conditions Acceptance, Partnership Agreement and <u>all</u> required information from the applicant/grant beneficiary	CZP1 hands over all materials to CFCU, where preparation of the issuing of the Grant Award Decision will be started
Within 15 working days of receipt of materials from CZP1	Issuing of the Grant Award Decision. Only if CFCU requests additional information from the recipient will the stipulated deadline be extended by the time absolutely necessary to submit these documents.

4.2. SUBMISSION AND RECEIPT OF GRANT APPLICATIONS

- grant applications will be submitted **on an ongoing basis** to the NCU (CFA1) commencing the 1st day of the announcement of the Call;
- the application will be submitted to the CFA1 on the prescribed form (see Annex A1) in a signed printed original and one copy and also electronically (by e-mail) to czp-swiss@mfcz.cz;
- if the signed original / copy and electronic version are not identical, the original of the signed printed version shall **be decisive**;
- each application submitted will be registered by the CFA1 under a separate registration number;
- the process of assessing and evaluating an application will be recorded in a form titled *Registration and Evaluation of Grant Application under the PF..*

The assessment and evaluation of the applications submitted **will proceed on an ongoing basis** as of the date of their registration by submission to the CFA1 in 4-month cycles

4.3. CRITERIA AND QUALITY EVALUATION OF GRANT APPLICATION

The evaluation of the grant application quality will be performed according to the **following criteria:**

Evaluation criteria*		Max. no. of points
1.	Sub-project description * (see 1.6./3.)	40
1.1.	Justification of the sub-project proposal corresponds to PF goals (see 1.6.)	15
1.2.	The sub-project proposal is clearly structured, the activities are interdependent and guarantee attainment of the expected results (see 3.1./3.2./3.4.)	15
1.3.	The timetable of the proposed activities is clear and realistic (see 3.4.)	5
1.4.	The project risks are clearly defined and minimized by the proposed measures (see 3.7.)	5
2.	Sub-project organization and management* (see 2.3/2.4/3.3./4. and Annex 1)	14
2.1.	The applicant and partner have sufficient management capacity and project management experience (see 2.3/2.4/3.3./4. and Annex 1)	7
2.2.	The structure of management and responsibility between partners is clearly established (including the Swiss partner's role in the project) (see 3.3. and Annex 1)	7
3.	Sub-project partnership* (see 3.3. and Annex 1)	16
3.1.	The partnership contributes to the exchange of knowledge between partners and contributes to attainment of the sub-project's expected results and to the strengthening of bilateral relations	8
3.2.	The partner contributes to attainment of the sub-project's expected results	8
4.	Budget and financing* (see 5. and Annex 2)	20
4.1.	The indicative budget proposal corresponds to the proposed activities	10
4.2.	The indicative budget proposal is realistic and reasonable	10
5.	Project sustainability* (see 3.8., possibly also Annex 1)	10
5.1.	The description ensuring sustainability of the sub-project's results is sufficient, the application includes information about who will ensure sustainability of the sub-projects results and how this will be done	10
Total		100

* see the Grant Application

- Applications receiving a **minimum of 70 points** during the quality assessment (average of the point assessment of two assessors) shall be forwarded to the evaluation committee for evaluation.
- Applications which receive **less than 70 points shall not be** recommended to the grant award, nevertheless the position of CZP1 will be discussed on the evaluation committee meeting.
- **List of recommended applications** by the Evaluation committee will be submitted to the Deputy Minister of Finance to the **final decision** on grant award.

4.4. INFORMATION ABOUT GRANT AWARD DECISION

- By the **Deputy Minister decision** will be **awarded grant** to the submitted application.
- The decisive **date for the eligibility expenses** within sub-project is the **date of the Deputy Minister decision** on the grant award.

- Applicants will be **informed in writing** of the final decision within **5 working days** of the date of the decision of the Deputy Minister of Finance.
- Applicants, whose applications were approved, will be asked to submit an Acceptance Letter on the Grant Award conditions and other relevant documents (*Partnership Agreements and the confirmed Financial Identification of the account etc.*)
- Unsuccessful applicants may appeal to the CFA1 within **15 working days** of the date of receiving the notification of the rejection of an application. Such an applicant will be informed of the final decision **within 30 working days** of the appeal being received.
- List of the grants awarded will be published on the website of the NCU at www.swiss-contribution.cz.

5. LIST OF ANNEXES

P1 Grant Application (including annexes)

1.1 Partnership Statement

1.2 Indicative Budget

1.3 Co-financing Statement

1.4 Statement on State Aid and Financing from other Programs

P2 Eligible Sub-project Costs

P3 Indicative Timetable