



Organization of Eastern Caribbean States/Export Development Unit

9th EDF CRTPSDP Competitiveness Grant Fund

Guidelines
for grant applicants
responding to the Call for Proposals
for 2006/2007

Open Call for Proposals

9th European Development Fund

Reference: Call for Proposals number **Two**

Deadline for receipt of applications: **March 16th 2007 at 16:30hrs**

NOTICE

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

Table of Contents

1. THE 9TH EDF CTPSDP COMPETITIVENESS GRANT FUND PROGRAMME	
1.1 Background.....	
1.2 Objectives of the programme and priority issues for 2006/2007.....	
1.3 Financial Allocation provided by the OECS/EDU.....	
2. RULES OF THIS CALL FOR PROPOSALS.....	6
2.1 Eligibility criteria.....	6
2.1.1 Eligibility of applicants: who may apply.....	6
2.1.2 Partnerships and eligibility of partners.....	7
2.1.3 Eligible actions: actions for which an application may be made.....	8
2.1.4 Eligibility of costs: costs which may be taken into consideration for the grant.....	9
2.2 How to apply, and the procedures to follow.....	12
2.2.1 Application form.....	12
2.2.2 Where and how to send the applications.....	12
2.2.3 Deadline for receipt of applications.....	13
2.2.4 Further information.....	14
2.3 Evaluation and selection of applications.....	15
2.4 Submission of supporting documents for provisionally selected proposals..	20
2.5 Notification of the OECS/EDU's decision.....	20
2.5.1 Content of the decision.....	20
2.5.2 Indicative time table.....	21
2.6 Conditions applicable to implementation of the action following the OECS/EDU's decision to award a grant.....	21
3. LIST OF ANNEXES.....	25

1. THE 9TH EDF CTPSDP COMPETITIVENESS GRANT FUND PROGRAMME

1.1 BACKGROUND

International experience from the Caribbean and other regions has clearly shown that the only sustainable way to build the economies of the OECS and to enhance a sustainable economic growth is by continuously supporting private sector development and Small and Medium Sized Companies (SMEs) in particular. Strong and competitive SMEs that have access to export markets are expected to lead to a sustained private sector-led growth, an increase in start-up companies, reduced unemployment and higher income earnings. This in turn is expected to convey positive macroeconomic effects such as increased hard currency earnings and increased tax revenue (leading to lower debt level), which will result in a positive sustainable long-term development of these economies.

The OECS Export Sector is characterised by a large percentage of small and medium sized family owned and managed enterprises that generally are constrained by limited management and production capacity. The private sector is generally underdeveloped compared to the rest of the Region. The sector faces a number of problems, which include the following:

- High cost of production and marketing – raw materials and utility costs
- Inadequate levels of investments in technology and equipment
- Unavailability of specialised credit facilities
- High cost of working capital
- Inadequate quality control systems
- Limited market intelligence and knowledge of multilateral trading requirements
- Inadequate business support services

The 9th EDF Caribbean Trade and Private Sector Development Programme is financed by the European Union and implemented by OECS/EDU on behalf of the OECS countries. The main objective of this programme is to contribute to the gradual integration of OECS countries into the world economy and in turn to enhance regional economic growth and thus help to alleviate poverty. The programme will specifically seek to provide support for *“improvement of the regional business environment and competitive climate, the reinforcement of the capacity of private sector organisations and service providers, and the promotion of new forms of business collaboration, clustering and trade facilitation with a focus on SMEs”*. The programme has several areas of intervention including the identification of new sub-sector for the services sector, collaboration with Business Support Organizations (BSOs), Trade Policy and Trade Information Services, Market Access interventions as well as Grant Schemes for the direct support to individual firms and group of enterprises. Through the grant support to groups and individual firms the aim is to assist the region’s firm in the process of

working together to enhance their competitiveness and promote regional integration.

1.2 OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES FOR 2006/2007

- Increase competitiveness of firms in the OECS region
- Take advantage of the CSME or any other bilateral arrangements signed by the region such as vertical or horizontal alliances across the region
- Foster intra regional cooperation to enhance productivity and take advantage of economy of scale
- Promote programmes of impact into underdeveloped areas or disadvantage sectors within the region (rural areas, women, etc)

With an overall purpose to increase the competitiveness of OECS firms and the repositioning of key export sectors in OECS Member States, activities will address trade and private sector development policy formulation through trade information dissemination, consultations and training workshops. New export sectors are to be identified and promoted as direct support is provided to selected companies through the implementation of a Matching Grant facility as well as technical services delivered through EDU's professional team of Business Development officers. Those actions will be supported by national Business Services Organisations (BSO) who will receive special attention in capacity building for increased collaboration with EDU.

1.3 FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this call for proposals is **EC\$ 261,202.00 or EUR 79,422.00**. The contracting authority reserves the right not to award all available funds.

Size of grants

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

- Minimum amount: EC\$ 16,444 (EUR 5000)
- Maximum amount: EC\$ 115,105 (EUR 35,000)

In addition, no grant may exceed 65% of the total eligible costs of the action (see also section 2.1.4). The balance must be financed from the applicant's or partners' own resources, or from sources other than the European Community budget or the European Development Fund.

2. RULES OF THIS CALL FOR PROPOSALS

These guidelines set out the rules for the submission, selection and implementation of actions financed under this call, in conformity with the provisions of the Practical Guide (available on the Internet at this address: http://europa.eu.int/comm/europeaid/tender/gestion/index_en.htm).

2.1 ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

- organisations which may request a grant ,
- actions for which a grant may be awarded,
- types of cost which may be taken into account in setting the amount of the grant.

2.1.1 Eligibility of applicants: who may apply

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

- Be legal persons and
- Be nationals of a member state of the EU and ACP and
- Selected individual firms, groups of firms must be non-governmental organisations, public sector operators, local authorities, international (inter-governmental) organisations, a group of firms (cluster, consortia, associates) represented by a trade association or private firms with prior agreement of strategic alliances of partnership with at least two other firms;
- Have their headquarters in any of the applicable EU and ACP states
- Be directly responsible for the preparation and management of the action, not acting as an intermediary;

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

- (a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national

legislation or regulations;

- (b) they have been convicted of an offence concerning professional conduct by a judgement which has the force of *res judicata* (i.e., against which no appeal is possible);
- (c) they are guilty of grave professional misconduct proven by any means which the OECS/EDU 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 those of the country where the action is to take place;
- (e) they have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- (f) they have been declared to be in serious breach of contract for failure to comply with their contractual obligations in connection with a procurement procedure or other grant award procedure financed by the Community budget.

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

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

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

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

2.1.2 Partnerships and eligibility of partners

Applicants may act individually or with partner organizations.

Partners

Partnership must have been established prior to the request of the funds with a minimum of two (2) firms with common established objectives and plan of action.

Applicants' partners participate in implementing the action, and the costs they incur are eligible in the same way as those incurred by the grant Beneficiary. They must therefore satisfy the same eligibility criteria as applicants.

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

Associates

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

Subcontractors

The grant beneficiaries have the possibility to award contracts to subcontractors. Subcontractors are neither partners nor associates, and are subject to the procurement rules set out in Annex IV to the standard grant contract.

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

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

Duration

The initial planned duration of an action may not exceed **three** months.

Sectors or themes

A demand driven approach will be used, with focussed attention being given to companies with production capacity and export potential in the following target sectors:

- Food & Beverage
- Crafts
- Wooden Furniture
- Garments

- General & Light Manufacturing
- Agri-business
- Services
- Entertainment
- ICT

Location

Actions must take place in one or more of the following countries:

Antigua and Barbuda, Commonwealth of Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and Grenadines.

Type of actions

The activities covered by the grant should **not generate direct profit**.

- Advisory services
- Strategic, Business, Marketing and other plans
- Financial Management Procedures and Management Systems
- Product and service development
- Sourcing of raw material and equipment
- Marketing services and activities (trade fairs participation, trade mission, in-market activities, joint promotion and group marketing etc)
- Quality and environmental systems
- Plant Engineering
- Promotional material (brochures, catalogues, cds, videos, etc)
- Management Enhancement Training programmes
- Implementation of IT solutions (website, e-commerce, multimedia, etc)
- Market Research
- Packaging
- Intellectual Property activities (brand registration, patents, etc)

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

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, congresses;
- actions concerned only or mainly with individual scholarships for studies or training courses;
- actions where a substantial part of the cost relates to the purchase of equipment.

Number of proposals and grants per applicant

An applicant may submit more than one (1) proposal under this call for proposals.

An applicant may not be awarded more than two (2) grants under this Call for Proposals.

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

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

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

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

Eligible direct costs

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

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

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

- be recorded in the Beneficiary's or the Beneficiary's partners' accounts or tax

documents, be identifiable and verifiable, and be backed up by originals of supporting documents.

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

- the cost of staff assigned to the action, corresponding to actual salaries plus social security charges and other remuneration-related costs; salaries and costs must not exceed those normally borne by the Beneficiary or his partners, as the case may be, unless it is justified by showing that it is essential to carry out the action;
- travel and subsistence costs for staff and other persons taking part in the action, provided they do not exceed those normally borne by the Beneficiary or his partners, as the case may be; any flat-rate reimbursement of the subsistence costs must not exceed the rates published by the European Commission at the time of signing the contract (available at following Internet address: http://europa.eu.int/comm/europeaid/perdiem/index_en.htm);
- purchase or rental costs for equipment and supplies (new or used) specifically for the purposes of the Action, and costs of services, provided they correspond to market rates;
- the cost of consumables;
- subcontracting expenditure;
- costs arising directly from the requirements of the contract (dissemination of information, evaluation specific to the action, audit, translation, printing, insurance, etc.) including financial service costs (in particular the cost of transfers and financial guarantees).

Contingency reserve

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

Eligible indirect costs (overheads)

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

Indirect costs are ineligible if the Beneficiary receives in other respects an

operating grant from the European Commission.

This does not apply in the case of an operating grant.

Contributions in kind

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

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

Ineligible costs

The following costs are not eligible:

- debts and provisions for losses or debts;
- interest owed;
- items already financed in another framework;
- purchases of land or buildings, except where necessary for the direct implementation of the action, in which case ownership must be transferred to the final beneficiaries and/or local partners, at the latest by the end of the action;
- currency exchange losses;
- taxes, including VAT, unless the Beneficiary (or the Beneficiary's partners) cannot reclaim them and the applicable regulations do not forbid coverage of taxes;
- credits to third parties

2.2 HOW TO APPLY, AND THE PROCEDURES TO FOLLOW

2.2.1 Application form

Applications must be submitted using the application form annexed to these Guidelines (Annex A). This form includes a **concept note**, which must also be completed. Applicants should keep strictly to the format of the application and fill in the paragraphs and the pages in order. The application form is available

online on the **OECS/EDU** website at www.oecs.org/edu.

Applicants must apply in **English**.

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

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

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

Hand-written applications will not be accepted.

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

2.2.2 Where and how to send the applications

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

Postal address

The Executive Director
OECS/Export Development Unit
P.O. Box 769
4th Floor Financial Centre
Roseau
Commonwealth of Dominica

Address for hand delivery or by private courier service

The Executive Director
OECS/Export Development Unit

th
4 Floor Financial Centre
Roseau
Commonwealth of Dominica

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

Applications (concept note, full application form, budget, logical framework) must be submitted in **one original and three (3) copies, bound and on A4 size paper**. *The complete application form, budget and logical framework must also be supplied in electronic format (floppy disc or CD-Rom). The electronic format must contain **exactly the same** proposal as the paper version enclosed. Each component of the application (**concept note, application form, budget and logical framework**) must be submitted in a separate and unique electronic file (for ex. the application form must not be split into several different files).*

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

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

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

The outer envelope must bear the reference number **and the title of the call for proposals**, the full name and address of the applicant, and the words "Not to be opened before the opening session".

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

2.2.3 Deadline for receipt of applications

The deadline for the receipt of applications is March 16th 2007 at 4:30 pm. Any application received after the deadline will automatically be rejected even if the postmark indicates a date preceding the deadline or if the delay is due to the private courier service.

This is the last Call for Proposals for Programme Estimate 2006/2007.

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

to the private courier service.

2.2.4 Further information

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

E-mail address: grant@oecs-edu.org

Fax: (767) 448-5554

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

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

Questions that may be relevant to other applicants, together with the answers, will be published on the internet at website www.oecs.org/edu.

2.3 EVALUATION AND SELECTION OF APPLICATIONS

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

(1) STEP 1: OPENING SESSION AND ADMINISTRATIVE CHECK

The following will be assessed:

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

Following the opening session and the administrative check, the OECS/EDU will send a letter to all applicants, indicating whether their application was received prior to the deadline, informing them of the reference number they have been allocated , whether their application has

satisfied all the criteria mentioned in the checklist and whether their concept note has been recommended for evaluation.

(2) STEP 2: EVALUATION OF THE CONCEPT NOTE

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

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

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

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

Please note:

Scoring:

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

Only the applicants who have been given a total average score of minimum **30** points and have submitted the best concept notes amounting to twice (or more-to be specified) the available amount for this call for proposals will have their full application forms evaluated.

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

(3) STEP 3: EVALUATION OF THE APPLICATION FORM

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

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

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

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

Please note:

Scoring:

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

Note on Section 1. Financial and operational capacity

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

Note on Section 2. Relevance

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

Provisional selection

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

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

Evaluation Grid

Section	Maximum Score	Application form
1. Financial and operational capacity	20	
1.1 Do the applicant and partners have sufficient experience of project management ?	5	II.4.1 and III.1
1.2 Do the applicant and partners have sufficient technical expertise ? (notably knowledge of the issues to be addressed.)	5	II.4.1 and III.1
1.3 Do the applicant and partners have sufficient management capacity ? (including staff, equipment and ability to handle the budget for the action)?	5	II.4.2 and III.1
1.4 Does the applicant have stable and sufficient sources of finance ?	5	II.4.2
2. Relevance	25	
2.1 How relevant is the proposal to the objectives and one or more of the priorities of the call for proposals?	5 x 2	I.1.6.1

Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses at least one priority . Note: A score of 5 (very good) will only be allocated if the proposal contains specific added-value elements, such as promotion of gender equality and equal opportunities...		
2.2 How relevant to the particular needs and constraints of the target country/countries or region(s) is the proposal? (including avoidance of duplication and synergy with other EC initiatives.)	5	I.1.6.2
2.3 How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs been clearly defined and does the proposal address them appropriately?	5 x 2	I.1.6.3 and I.1.6.4
3. Methodology	25	
3.1 Are the activities proposed appropriate, practical, and consistent with the objectives and expected results?	5	I.1.7 and I.1.8.5
3.2 How coherent is the overall design of the action? (in particular, does it reflect the analysis of the problems involved, take into account external factors and anticipate an evaluation ?)	5	I.1.8
3.3 Is the partners' level of involvement and participation in the action satisfactory? Note: If there are no partners the score will be 1.	5	I.1.7 and I.1.8.5
3.4 Is the action plan clear and feasible?	5	I.1.9
3.5 Does the proposal contain objectively verifiable indicators for the outcome of the action?	5	Log frame
4. Sustainability	15	
4.1 Is the action likely to have a tangible impact on its target groups?	5	I.2.1
4.2 Is the proposal likely to have multiplier effects ? (including scope for replication and extension of the outcome of the action and dissemination of information.)	5	I.2.2 and I.2.3
4.3 Are the expected results of the proposed action sustainable : - financially (<i>how will the activities be financed after the funding ends?</i>) - institutionally (<i>will structures allowing the activities to continue be in place at the end of the action? Will there be local "ownership" of the results of the action?</i>) - at policy level (where applicable) (<i>what will be the structural impact of the action — e.g. will it lead to improved legislation, codes of conduct, methods, etc?</i>)?	5	I.2.4
5. Budget and cost-effectiveness	15	
5.1 is the ratio between the estimated costs and the expected results satisfactory?	5	I.3
5.2 Is the proposed expenditure necessary for the implementation of the action?	5 x 2	I.3
Maximum total score	100	

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

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

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

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

2.4 Submission of supporting documents for provisionally selected proposals

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

1. The statutes or articles of association of the applicant organisation and of each partner organisation. Where the Contracting Authority has recognized the applicant's eligibility for another call for proposals under the same budget line within 2 years before the deadline for receipt of applications, the applicant may submit, instead of its statutes, copy of the document proving the eligibility of the applicant in a former Call (e.g.: copy of the special conditions of a grant contract received during the reference period), unless a change in its legal status has occurred in the meantime.

2. Where the grant requested exceeds EC\$987,0000 (EUR 75 000 for an operating grant), an external audit report produced by an approved auditor, certifying the accounts for the last financial year available and giving an assessment of the viability of the applicant. The auditor does not have to analyse the applicant's future financial viability, but to find out any worrying elements concerning its financial health, which is a normal part of the annual audit of the applicant's accounts

3. Copy of the applicant's latest accounts (the profit and loss account and the balance sheet for the previous financial year for which the accounts have been closed).

4. Legal entity sheet (see annex D) duly completed and signed by the applicant, accompanied by the justifying documents which are requested therein. If the applicant has already signed a contract with the European Commission, instead of the legal entity sheet and its supporting documents the legal entity number (Section II.1 of the grant application form) may be provided, unless a change in its legal status occurred in the meantime.

5. A financial identification form conforming to the model attached at Annex E, certified by the bank to which the payments will be made. This bank must be located in the country where the applicant is registered. If the applicant has already signed a contract with the European Commission, a copy of the previous financial identification form may be provided instead, unless a change in its bank account occurred in the meantime.

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

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

2.5 Notification of the OECS/EDU's decision

2.5.1 Content of the decision

Applicants will be informed in writing of the OECS/EDU's decision concerning their application.

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

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

- the proposal was not relevant enough and/or the applicant's financial and operational capacity was not sufficient;
- the proposal was considered technically and financially inferior to the proposals selected;
- although the proposal fulfils the quality criteria required for a favourable opinion, another proposal of a similar nature was awarded a higher score;
- several proposals were submitted by the same applicant and selected for financing, but the applicant does not have the financial and operational capacity required to implement the actions all together;
- one or more of the requested supporting documents were not provided before the set deadline;
- any other criterion included in these guidelines has not been respected.

The OECS/EDU's decision to reject an application or not to award a grant is final.

<p><i>2.5.2 Indicative time table</i></p>

The date on which the OECS/EDU plans to inform the applicants about the outcome of the opening session and the administrative check is **no later than March 20, 2007 this date is indicative only.**

The date on which the OECS/EDU plans to inform the applicants about the outcome of the evaluation of the concept note is **no later than March 23, 2007 this date is indicative only.**

The date on which the OECS/EDU plans to inform the applicants about the outcome of the evaluation of the full application form is **no later than March 23, 2007 this date is indicative only.**

The date on which the OECS/EDU plans to announce the award decision after having verified the eligibility of applicant and partners is **no later than March 30, 2007 this date is indicative only.**

2.6 Conditions applicable to implementation of the action following the OECS/EDU's decision to award a grant

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

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

The date planned for the start of actions, following the signing of the contract by the parties, is within 5 days — this date is indicative only. The actions should all be finished before the time specified in the contract.

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

Audit firm

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

Final amount of the grant

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

Failure to meet the objectives

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

Amendments to the contract and variations within the budget

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

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

- (1) they do not affect the basic purpose of the action; and
- (2) the financial impact is limited to a transfer between items within a single main budget heading or to a transfer between the main budget headings involving a

variation of less than 15% of the original amount (as the case may be modified by addendum) of each relevant main budget heading.

In such instances, the Beneficiary may make alterations to the budget, and inform the OECS/EDU.

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

In all other cases, a written request must be made in advance to the OECS/EDU and an addendum is required.

Reports

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

Additional information

In accordance with Article 2.2 of the General Conditions, the OECS/EDU may request additional information.

Payments

The Beneficiary will receive pre-financing. If the overall duration of the action does not exceed 6 months or if the grant does not exceed EC\$ 115,105, the pre-financing will be 50% of the grant (see Article 15.1 option 1 of the General Conditions). In that case, subsequent pre-financing payments may be made upon submission by the Beneficiary and approval by the Contracting Authority, of an interim report.

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

Payments will be made to a bank account or sub-account which identifies the funds paid by the OECS/EDU and allows calculating the interests produced by these funds.

Accounts of the action

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

Expenditure verification

A report on the verification of the Action's expenditures, produced by an approved auditor who is a member of an internationally recognised supervisory body for statutory auditing, must be attached to:

- any request for a further pre-financing payment if the sum total of the earlier and the new pre-financing payments exceeds EC\$ 2,466,600 (EUR 750 000);
- any request for payment of the balance in the case of a grant of more than EC\$ 329,000 (EUR 100 000)
- any request for payment of over EC\$ 329,000 (EUR 100 000) for the financial year, in the case of an operating grant

In an expenditure verification report conforming to the model attached at Annex VII to the contract, the auditor will certify that the costs declared by the Beneficiary are real, exact and eligible in accordance with the Contract (see Article 15.6 of the General Conditions).

The contract will permit the Commission, the European Anti-Fraud Office, the European Court of Auditors and the external auditor to carry out both record-based and on-the spot inspections of the action (see Article 16.2 of the General Conditions).

Publicity

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

Implementation contracts

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

3. LIST OF ANNEXES

DOCUMENTS TO FILL IN

ANNEX A: GRANT APPLICATION FORM (WORD FORMAT)

http://ec.europa.eu/europeaid/tender/practical_guide_august2006/documents/annexes_grants/en/e3a_1applicformoc_en.doc

ANNEX B: BUDGET (EXCEL FORMAT)

http://ec.europa.eu/europeaid/tender/practical_guide_august2006/documents/annexes_grants/en/e3cbudget_en.xls

ANNEX C: LOGICAL FRAMEWORK (EXCEL FORMAT)

http://ec.europa.eu/europeaid/tender/practical_guide_august2006/documents/annexes_grants/en/e3dlogfram_en.xls

ANNEX D: LEGAL ENTITY SHEET (EXCEL FORMAT)

http://europa.eu.int/comm/budget/execution/legal_entities_en.htm

ANNEX E: FINANCIAL IDENTIFICATION FORM

http://ec.europa.eu/europeaid/tender/practical_guide_august2006/documents/annexes_grants/en/e3ffif_en.xls

DOCUMENTS FOR INFORMATION

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

http://europa.eu.int/comm/europeaid/tender/gestion/cont_typ/st/index_en.htm

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

http://europa.eu.int/comm/europeaid/perdiem/index_en.htm