POLAND – RUSSIA
CROSS-BORDER
COOPERATION PROGRAMME
2014-2020

PROGRAMME
IS CO-FINANCED
BY THE EUROPEAN UNION

PROGRAMME MANUAL PART I – APPLICANT

1st CALL FOR PROPOSALS

Version 3.

Approved by the JMC of the Poland-Russia CBC Programme 2014-2020 on November 13th, 2019

TABLE CONTENTS

1.1 Background 7

1.2 Programme Bodies 10

1.3 Thematic objectives and priorities 13

1.3.1 Thematic objective HERITAGE 14

1.3.2 Thematic objective ENVIRONMENT 17

1.3.3 Thematic objective ACCESSIBILITY 20

1.3.4 Thematic objective BORDERS 21

1.4 Financial allocation 23

2. Formal expectations toward projects 24

2.1 Eligibility of partnership 24

2.2 Eligibility of lead beneficiaries and beneficiaries 32

2.3 Eligibility of projects 37

2.3.1 Basic information 37

2.3.2 Character of projects 44

2.3.3 Accessibility of projects and projects results 48

2.3.4 Ineligible projects and actions 51

2.3.5 Number of applications and grants per lead beneficiary . 54

3. Application Process 56

3.1 Basic information 56

3.2 Required annexes to the Application Form 58

4. Assessment and selection procedures 68

4.1 Project assessment system 70

4.2 Stage 1 – Administrative and eligibility check 70
4.3 Stage 2 – Quality assessment 73
4.4 Grant award decision 76
4.5 Appeals 77
5. After the grant award decision 78
5.1 Grant contract signature 78
5.2 Payments for the project 79
6. Cost eligibility criteria 83
6.1 Settlement of costs incurred by beneficiaries 83
6.2 Eligible costs 84
6.2.1 General rules regarding the cost eligibility 84
6.2.2 Eligibility of preparatory costs 87
6.2.3 Eligibility of direct costs 88
6.2.4 Eligibility of indirect (administrative) costs 89
6.3 Non-eligible costs 90
6.3.1 List of non-eligible costs 90
6.3.2 Contribution in kind 91
6.4 Competition and public procurement 92
6.4.1 Beneficiaries registered in Poland 92
6.4.2 International organisations 93
6.4.3 Beneficiaries established in Russia 93
6.4.4 Contracts awarded under projects 109
6.4.5 The conflict of interests 134

6.4.6 The rules of nationality and origin 136
6.4.7 The financial corrections 137
6.5 Project budget and description of the budget headings 138
6.5.1 Staff costs 138
6.5.2 Travel and subsistence costs 145
6.5.3 Equipment and supplies 149
6.5.4 Services 152
6.5.5 Infrastructure component (works, services, other activities related to planned works) 156
6.5.6 Administrative costs 159
7. Practical recommendations on information and promotion of project activities 160
7.1 General remarks on the information coverage 160
7.1.1 Principles of information 162
7.1.2 Target audience of information activities 164
7.1.3 Plans and means of information activities 165
7.2 General recommendations on the content of information activities and tools 168
7.2.1 Presentations and publications 168
7.2.2 Photo, video and audio materials 170
7.2.3 Public events (conferences, press-conferences, journalists' group visits) 170
7.2.4 Websites of project participants 171

7.2.5 Press releases 171

7.2.6 Social networks 172

7.2.7 Papers, studies, reports 173

7.2.8 Publications in media 173

7.2.9 Information boards and plates, banners 173

7.2.10 Languages 175

7.3 Additional Practical recommendations on information and promotion coverage of project activities applicable to the Russian Federation territory 175

8. Programme's support for applicants 180

LIST OF ACRONYMS

BO Branch Office

CBC Cross-border Cooperation

EC European Commission

ENI European Neighbourhood Instrument

ENPI European Neighbourhood and Partnership Instrument

EU European Union

AF Application Form

IR Commission Implementing Regulation (EU) No 897/2014 of 18 August 2014 laying down specific provisions for the implementation of cross-border cooperation programmes financed under Regulation (EU) No 232/2014 of the European Parliament and the Council establishing a European Neighbourhood Instrument

JMC Joint Monitoring Committee

JOP Joint Operational Programme

JTS	Joint Technical Secretariat
MA	Managing Authority
NA	National Authority
NUTS	Nomenclature of Territorial Units for Statistics
PPL	Public Procurement Law
TO	Thematic Objective

LIST OF ANNEXES

Annex no. 1. Application Form

Annex no. 2. Project Budget (Annex to the AF)

Annex no. 3. Methodology of administrative costs calculation

Annex no. 4. Other annexes to the AF

Annex no. 5. Application Form assessment checklists

Annex no. 6. Full list of indicators

Annex no. 7. Metrics of the Programme output and result indicators

Annex no. 8. Financing Agreement

Annex no. 9. Procurement note

Annex no. 10. Declaration of impartiality and confidentiality

Please note that the English version of the documents has been approved by the Joint Monitoring Committee and takes precedence over other language versions (Polish and Russian)

1. The Programme

1.1 Background

The Cross-border Cooperation Programme Poland-Russia 2014-2020 (the Programme) is co-financed by the European Union and by the budget of the Russian Federation on the territory of the Russian Federation under the framework of the European Neighbourhood Instrument (ENI) and under the framework of the Agreement on financing and implementation of Cross Border Cooperation Programme "Poland – Russia" 2014 – 2020 (financing agreement). The joint work on the border areas have been started by the predecessors of the Programme: the INTERREG IIIA / Neighbourhood Programme for Lithuania, Poland and Kaliningrad Region (2004-2006), and later the Lithuania-Poland-Russia ENPI CBC Programme 2007-2013. In the 2014-2020 EU financial perspective, the Lithuania-Poland-Russia Programme was split into two: the Poland-Russia CBC Programme and the Lithuania-Russia CBC Programme. The current Poland-Russia 2014-2020 Programme continues and expands the co-operation in the border areas of the two involved countries supporting social, environmental, economic and institutional spheres.

The overall aim of the Programme is to support cross-border cooperation in the social, environmental, economic and institutional spheres at the borderland of Poland and Russia. As both its predecessors, the Programme is directed at Polish and Russian border regions and for all non-profit oriented institutions from these regions.

The Programme Strategy responds to the national and regional strategies of socio-economic development which shall be implemented by the strategic objectives of the Programme.

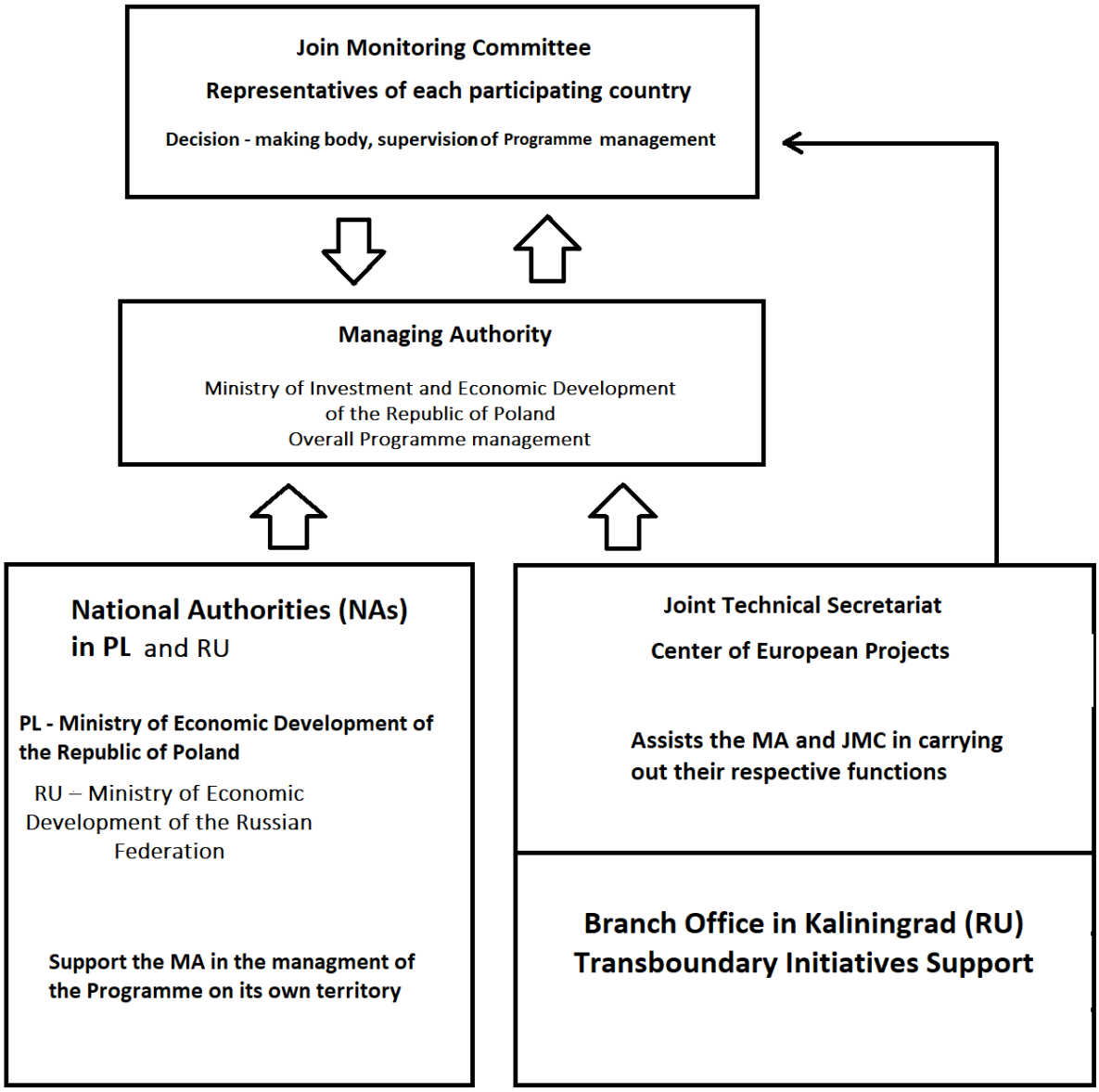
The legal framework of the Programme constitute the following documents:

- 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;
- Regulation (EC) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument (ENI Regulation);
- Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action;
- Commission Implementing Regulation (EU) No 897/2014 of 18 August 2014 laying down specific provisions for the implementation of cross-border cooperation programmes financed under Regulation (EU) No 232/2014 of the European Parliament and the Council establishing a European Neighbourhood Instrument (IR);
- Tax Code of the Russian Federation;
- Applicable decrees of the President of the Russian Federation and the Russian Government.

- Concept for the Foreign Policy of the Russian Federation adopted by the President of the Russian Federation on 12 February 2013;
- Strategy for the social and economic development of the Russian Federation till 2020;
- The Strategy of the Social and Economic Development of the North-West Region of the Russian Federation till 2020 approved with the Government Executive Order of the Russian Federation № 2074-p of 18 November 2011; Federal law on procurement № 44-ФЗ of 5 April 2013;
- Programme of the Government of the Russian Federation «Social and economic development of the Kaliningrad region till 2020»;
- Programming document for EU support to ENI Cross-Border Cooperation (2014-2020);
- Agreement on financing and implementation of the Poland-Russia 2014-2020 Cross Border Cooperation Programme (Financing Agreement);
- The Poland-Russia Cross-Border Cooperation Programme 2014-2020 (Joint Operational Programme – JOP).

1.2 Programme Bodies

The following institutional structure of the Programme bodies was established in order to ensure the proper implementation of the Programme:



The Joint Monitoring Committee (JMC) is composed of representatives of each eligible region, central authorities and other representatives appointed by each participating country. The JMC is responsible for the overall quality and efficiency of the Programme implementation. The JMC is also responsible for

selection of projects. The body in question takes decisions by consensus.

The Managing Authority (MA) is responsible for managing the Programme in accordance with the principle of sound financial management and for ensuring that the decisions of the JMC comply with the biding regulations and provisions in force. This role is fulfilled by the Ministry of Investment and Economic Development of Poland.

The National Authorities (NA) are responsible for the coordination of programming and Programme implementation process on their territories in the areas of management, control, audit, irregularities and recoveries issues. The roles of the NAs were entrusted to the Ministry of Economic Development of the Russian Federation and the Ministry of Investment and Economic Development of Poland.

The Joint Technical Secretariat (JTS) has been established by the MA in order to carry out the current implementation of the Programme. The JTS employs Polish and Russian citizens who support the applicants during the calls for proposals. The JTS supports also the beneficiaries during the implementation of the contracted projects.

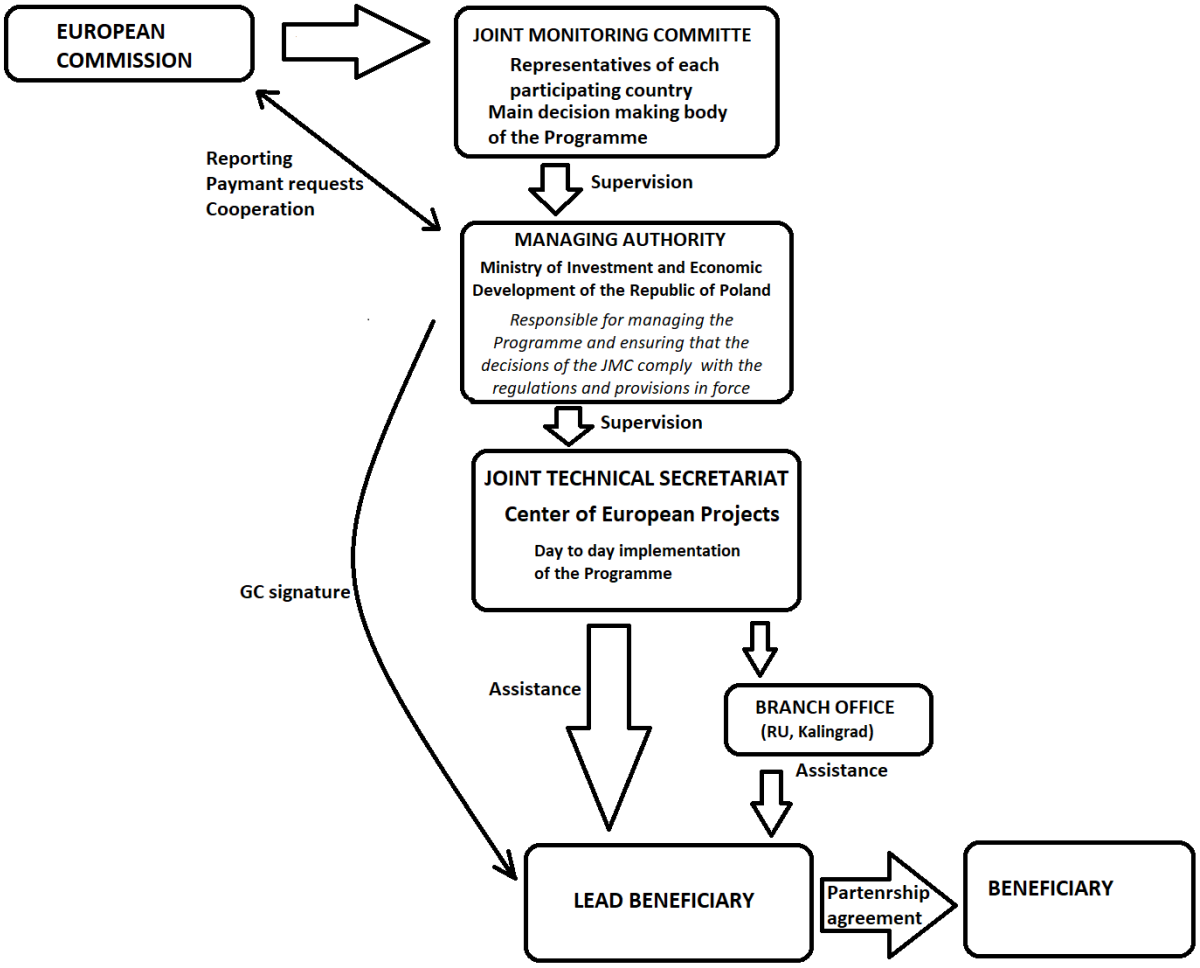
The Branch Office (BO) of the JTS in Kaliningrad has been established in order to carry out the tasks under the supervision of

the JTS. Inter alias BO provides appropriate information to potential applicants and beneficiaries in both countries.

The Control Contact Points (CCPs) have been established in order to support the MA in verification of expenditures declared by beneficiaries. The following institutions play the role of the CCPs: Center of European Projects in Poland, Ministry of Economic Development of the Russian Federation (Department for regional and cross-border cooperation development).

The Audit Authority (AA) was established in order to ensure that audits are carried out on the Programme Management and Control System, on a sample of projects and on the annual accounts of the Programme. The role of the AA is performed by the General Inspector of Treasury Control at the Ministry of Finance of Poland (audit of EU funds is carried out by the Department for Audit of Public Funds in the Ministry of Finance).

The Group of Auditors shall assist the AA in assessment of the national part of the management and control system and during the performance of sample checks of project expenditure. It also assists the AA in the elaboration of the audit strategy for the Programme.



1.3 Thematic objectives and priorities[1]

This Call for proposals is opened for all thematic objectives (TO) of the Programme. They have been selected beforehand by participating countries from a list proposed by the European Commission:

Thematic objective **HERITAGE**: Promotion of local culture and preservation of historical heritage:

[1] According to the subchapter 2.1 of the JOB.

- Priority 1. Cooperating on historical, natural and cultural heritage for their preservation and cross-border development.

Thematic objective **ENVIRONMENT**: Environmental protection, climate change mitigation and adaptation:

- Priority 2. Cooperation for the clean natural environment in the cross-border area.

Thematic objective **ACCESSIBILITY**: Improvement of accessibility to the regions, development of sustainable and climate-proof transport and communication networks and systems:

- Priority 3. Accessible regions and sustainable cross-border transport and communication

Thematic objective **BORDERS**: Promotion of border management and border security, mobility and migration management:

- Priority 4. Joint actions for border efficiency and security.

1.3.1 Thematic objective HERITAGE

Thematic Objective HERITAGE aims at preserving and promoting the cultural and historical heritage of the cross border regions, strengthening of cultural links and cooperation, improving the region's image and attractiveness, and increasing the vitality of local communities. Presence of well-maintained cultural and natural heritage objects is closely linked to the development of cross border tourism. Therefore, tourism has been defined as a sector with the highest potential to become one of the main income generating sectors and a growing source of employment

and investment, especially in coastal and rural areas. To better use the regional heritage and increase the number of incoming and local tourists various cultural and natural sites need improvement and the tourism infrastructure shall be further developed. Support under the Priority of Thematic Objective HERITAGE will therefore focus on development of cross border cultural, historical and natural potentials, as well as at development of cross border tourism. The Priority will concentrate on improving the physical state of culture and heritage “objects” as well as on tackling “softer” issues, for example: conferences, seminars, meetings etc. The development of physical infrastructure shall be supported by strengthening contacts and networks among the stakeholders in culture and tourism sectors.

In addition, tourism attractiveness and sectoral growth are strongly influenced by the diversity and quality of tourism services, the region’s image and a proper seasonal spread of tourism activities. Therefore activities aiming at promotion and diversification of tourism products will also be covered by this TO.

For the Polish side, the activities to be funded under Thematic Objective HERITAGE should be complementary to those of the 2014-2020 Rural Development Programme for Poland, particularly those undertaken under measure 7.6 ("Restoration and upgrading of the cultural and natural heritage of villages") and any double funding should be avoided. The obligation to avoid double funding also applies to the beneficiaries from Russia that will receive EU funding.

Indicative actions proposed in **Thematic Objective HERITAGE – Priority 1. Cooperating on historical, natural and cultural heritage for their preservation and cross-border development:**

- Joint initiatives and events regarding promotion and preservation of local culture, history and natural heritage;
- Joint projects to support, promote and preserve the traditional crafts and skills;
- Joint projects concerning preparation and realization of investments in tourist infrastructure and services increasing the sustainable use of cultural and natural heritage in the tourism including complementary tourist infrastructure to facilitate the use of cultural, historical and natural heritage (e.g. cycle routes, water tourism trails, nature trails, educational paths, signage, infrastructure for people with special needs, etc.), development of recreational areas;
- Joint creation of tourist products respecting the need to protect cultural, historical and natural heritage; joint projects stimulating cooperation between institutions in the field of historical, cultural and natural heritage e.g. management of natural heritage, development of joint tourism products and services, marketing of the heritage resources (exchange of best practices and other related capacities);
- Conservation, preservation and adaptation or development of cultural, historical or natural heritage for tourism purposes and social, cultural, educational and other community purposes;

- Joint training of staff and exchange of staff aiming at increase of capacities in the field of cultural or natural heritage management, development of joint tourism products and services, marketing of the heritage resources of the Programme area and other related capacities;
- Preservation, restoration and reconstruction of properties of cultural and historical heritage, monuments and their surroundings;
- Preparation and development of analyses, research studies, strategies and programmes for the conservations of cultural heritage;
- Creation of systems of cultural information;
- Conservation of natural heritage of common ecological and cultural value, e.g.: reserves, national parks, etc.

1.3.2 Thematic objective ENVIRONMENT

A clean natural environment is a necessary prerequisite for ensuring a suitable quality of life for the region's residents. Environmental problems are specifically cross-border in nature, as pollutants easily cross the administrative borders. The environmental dimension is well visible and significant at the border between Poland and the Kaliningrad Oblast, being an area which encompasses sensitive and important ecosystems such as the Vistula Lagoon, the Vistula Spit, the Bay of Gdańsk or Masurian Lake District. Here, the protection of surface and ground waters is of cardinal importance, also because its impact reaches far beyond the eligible area, i.e. it can seriously influence the condition of the

Baltic Sea ecosystem. The actions under Thematic Objective ENVIRONMENT shall cover a large list of environmental activities in cross border water and waste management, air monitoring, mitigation of climate change, biodiversity preservation, etc.

Indicative actions proposed in **Thematic Objective ENVIRONMENT – Priority 2. Cooperation for the clean natural environment in the cross-border area:**

- Joint projects regarding preservation and sustainable use of natural assets such as parks, water supplies etc.;
- Cross-border cooperation to protect valuable ecosystems and endangered species;
- Development of the infrastructure for water treatment, waste management, preventing and reducing pollution (including air pollution) in the cross-border area, e.g. construction/modernization of equipment for water supply and wastewater treatment, creation/modernization of systems for collection of waste and recycling, ecological waste keeping, etc.;
- Joint projects on water resources management in connection with climate changes (floods, droughts, water shortages);
- Joint projects on sustainable management, protection and use of freshwater resources;
- Joint monitoring of the environmental conditions (air, water) for better environmental protection;
- Revitalization of polluted areas and areas posing threat for environment, including degraded areas;

- Joint projects supporting energy saving and increase of use of renewable sources of energy (solar, water, wind, biomass) at local/regional level;
- Joint trainings, meetings and exchange of knowledge projects of public services addressing common climate challenges (forest fires, floods, droughts, heavy snowfalls, strong winds);
- Joint actions for protection of coastal areas, including efficient management of the Baltic Sea and its resources;
- Joint development of strategies, skills and cooperation between local and regional authorities in the field of natural assets (such as parks, water supplies etc.) management;
- Joint trainings, meetings and exchange of best practices between local and regional authorities in the field of environmental protection;
- Joint actions aimed at preventing and mitigation of the effects of climate changes in agriculture, fisheries and forestry sectors;
- Support of joint actions taken in response to threats to human health caused by climate changes and pollution (emergency situations, climate-related diseases or health hazards);
- Developing spatial development plans, common strategies, crisis management systems, monitoring and warning systems for the cross-border area in connection with climate challenges and adaptation to climate change;
- Preparation of analyses, researches, environmental studies, strategies which help to deal with cross border challenges regarding water condition improvement as well as projects

concerning the development of infrastructure related with environment protection.

1.3.3 Thematic objective ACCESSIBILITY

The region is characterized by the comparatively weak connectivity as well as insufficient communication networks and systems which hamper the cross-border contacts and impede transit traffic, and in consequence cripple the region's attractiveness for investors. Some support was provided to alleviate these deficiencies by the predecessor Lithuania-Poland-Russia ENPI Programme 2007-2013, nevertheless the needs in this respect remain noticeable. Therefore, Thematic Objective ACCESSIBILITY will further support the actions related to improvement of transport accessibility, development of environmental-friendly transport, construction and modernization of communication networks and systems. The focus should be on development of local roads offering important cross-border effects and influence. Equally important is to integrate various transport modes and transport operators to make the passenger and cargo transit through the Programme area faster and more customer-oriented. All initiatives and efforts improving transport accessibility shall be based on environmentally friendly solutions.

Proposed indicative actions in **Thematic Objective ACCESSIBILITY – Priority 3. Accessible regions and sustainable cross-border transport and communication:**

- Joint investments in the quality and accessibility of the social and economic infrastructure;
- Common development of multi-modal transport systems;
- Joint developing and improving the quality and safety of existing communication links;
- Joint preparation of feasibility studies, environmental impact assessments and technical documentation for transport systems;
- Joint initiatives on promotion of the sustainable passenger and freight transport;
- Common projects on improvement of the mobility of persons and goods;
- Developing and improving environmentally friendly low-carbon transport systems (including reducing noise level);
- Joint initiatives on development and improvement of the quality of existing ICT infrastructure;
- Joint projects on preparation of feasibility studies, environmental impact assessments and technical documentation related to creation of broadband networks;
- Common creation of broadband networks.

1.3.4 Thematic objective BORDERS

The implementation of the Thematic Objective BORDERS shall lead to increase of the effectiveness of both infrastructure and border procedures as well as to enhancement of border safety. Increased capacity of border-crossing points and the security thereof shall also contribute to other objectives of the Programme. Removal of

administrative, institutional and infrastructural barriers in a good flow of goods, services and persons is desired in order to make full use and increase the potential of the Programme area. To this end, the Programme should support activities increasing the transparency and efficiency of border and customs procedures. Accelerating border checks procedures will be the aim of these actions and the expected outcome is to be a possibility of border crossing in a faster and more secure way.
Thematic Objective BORDERS includes possibility to co-finance projects regarding modernization of the infrastructure of border crossing points. It can also encompass the co-financing of the action with a purpose of increasing border security, including prevention and fight against illegal migrations and contraband, fight against organized crime, prevention of spreading of human, animal or plant diseases across the border and prevention and elimination of trade of rare or endangered species.

Proposed indicative actions in **Thematic Objective BORDERS – Priority 4. Joint actions for border efficiency and security:**

- Joint initiatives on improving border-crossing infrastructure;
- Joint initiatives on adaptation and extension of the existing border crossings for the needs of pedestrian and bicycle traffic;
- Joint creation of a coherent system of signs and visual identification of border crossings;

- Joint projects regarding equipment of existing border crossings allowing streamlining of their operation;
- Joint development and modernization of border crossings' supporting infrastructure;
- Common initiatives for the facilitation of border crossing procedures and trainings for the personnel of customs and border services;
- Common initiatives for the support of border management in the field of prevention and fight against illegal migration, trade and fight against organized crime and serious incidents of criminal nature.

Due to the fact that during the call for proposals no project applications were submitted under the TO Borders, there will not be any projects implemented under this TO.

1.4 Financial allocation

Indicative financial allocation provided by the European Union for this call for proposal is up to **25 021 578,60 EUR**.

The JMC reserves the right not to award all available funds.

Indicative financial contribution of the Russian Federation is around **16 395 310,04 EUR.** Funds of the Russian Federation will be used for implementation of the project activities on the territory of the Russian Federation.

Important!

The final allocation for each Thematic Objective will be decided upon by the Joint Monitoring Committee, taking into account the final decisions on support of Large Infrastructure Projects.

2. Formal expectations toward projects

2.1 Eligibility of partnership

Each project shall involve beneficiaries from Poland and the Russian Federation. Each project shall designate one lead beneficiary to represent the partnership. One of the institutions in every project shall play the role of the lead beneficiary. Other organizations implementing the project are beneficiaries. Lead beneficiary and beneficiaries shall actively cooperate in the development and implementation of projects. In addition, they shall cooperate in the staffing and/or financing of projects. Lead beneficiary and beneficiaries are legally and financially responsible for the activities that they implement and for the share of the grant they receive.

The lead beneficiaries and beneficiaries have the possibility to award contracts. Contractors are not regarded as beneficiaries and are subject to the tendering rules.

MAIN RESPONSIBILITIES OF LEAD BENEFICIARIES

The lead beneficiary represents the partnership and shall:

- submit the Application Form to the JTS;
- fulfil the conditions to the approved projects set by the JMC/JTS;

- sign a grant contract with the MA;
- lay down partnership arrangements with the beneficiaries in the partnership agreement;
- create with other beneficiaries a well working partnership ensuring the proper and sound implementation of the project;
- receive the grant from the MA for the implementation of the project;
- ensure that beneficiaries receive their parts of the grant as quickly as possible and in full in accordance with the Grand Contract and arrangements of the partnership agreement. Lead beneficiary shall not deduct or withheld any amount and shall not levy any specific charges with equivalent effect that would reduce parts of the grant allocated to the beneficiaries;
- assume responsibility for ensuring implementation of the entire project;
- ensure the total sum of the co-financing for the entire project, which must correspond to the minimum 10% of the total eligible project costs;
- ensure that the expenditure presented by the beneficiaries has been incurred for the purpose of implementing the project and corresponds to activities set in the contract and agreed between all beneficiaries;
- verify that the expenditure presented by the beneficiaries has been examined[2]

[2] Pursuant to art. 32(1) of IR.

- repay the Managing Authority any amounts unduly paid in accordance with the Grant Contract together with any interest on late payments.
- carrying out information and communication measures for the public about the project activities according to the visibility rules laid down by the Programme and the relevant regulations;
- keeping available all documents related to the project for five years from the date of payment of the balance for the Programme. In particular they shall keep reports, supporting documents, as well as accounts, accounting documents and any other document relating to the financing of the project;
- facilitation of the audit trail by all relevant European Community authorities, the MA, the Audit Authority, national authorities and control contact points.

The lead beneficiary shall assure direct contact between the project's activities and beneficiaries and the management bodies of the Programme.
The possibility to initiate projects and to act as the lead beneficiary is open to all eligible organisations.

MAIN RESPONSIBILITIES OF BENEFICIARIES

Beneficiaries participate in designing and implementing of the project. The costs which beneficiaries incur are eligible in the same way as those incurred by the lead beneficiary. They must therefore

satisfy the same eligibility criteria as applicable to the lead beneficiary themselves, listed in section 2.2.

Each project beneficiary has the following obligations and tasks to fulfil:

- signing a partnership agreement;
- ensuring the implementation of the part of the project under its responsibility, according to the project plan and to the partnership agreement signed with the lead beneficiary;
- cooperation with the lead beneficiary during the contracting process, the implementation of the project, its reporting and monitoring;
- delivering project outputs planned in the project application and agreed in the partnership agreement; ensuring durability of main outputs;
- assuming responsibility of any irregularity in the expenditure which it has declared;
- repaying the lead beneficiary any amounts unduly paid in accordance with the partnership agreement signed between the lead beneficiary and the respective project beneficiary, including any interest on late payments;
- carrying out information and communication measures for the public about the project activities according to the visibility rules laid down by the Programme and the relevant regulations;
- keeping available all documents related to the project for five years from the date of payment of the balance for the

Programme. In particular they shall keep reports, supporting documents, as well as accounts, accounting documents and any other document relating to the financing of the project[3];

- facilitation of the audit trail by all relevant European Community authorities, the MA, the Audit Authority, national authorities and control contact points.

DECLARATION BY THE LEAD BENEFICIARY AND THE PARTNERSHIP STATEMENT

The lead beneficiary shall acknowledge to the principles of good partnership practice and obligations imposed by signing the Declaration by the lead beneficiary, which is Annex A1(A) to the Application Form. Declaration should be printed, signed by an authorized person, stamped and dated. After that it should be scanned and placed to e-application.

In order to ensure that the cooperation between beneficiaries during the application stage and the project implementation runs smoothly, all project beneficiaries (except for the lead beneficiary) have to acknowledge their responsibilities within the project by signing the Partnership Statement, which is Annex A1(B) to the Application Form. Partnership statement should be printed, signed by an authorized person, stamped and dated. After that it should be scanned and placed to e-application.

[3] According to article 70 (1) of IR.

Any Application Form not containing the relevant Declaration by the Lead Beneficiary/Partnership statement(s) or not supplemented by the relevant Declaration by the Lead Beneficiary/Partnership statement(s) upon additional JTS request, will be rejected.

PARTNERSHIP AGREEMENT

The lead beneficiary and beneficiaries shall draft and sign the partnership agreement. This document shall stipulate the rights and duties of every beneficiary (define the functions and tasks in the project implementation, mutual obligations and responsibilities) and shall be drafted in line with **The partnership agreement template** (to be available on the Programme website).

The partnership agreement shall comprise provisions that, inter alia, guarantee the sound financial management of the funds allocated to the project including the arrangements for recovery of funds unduly paid.

The partnership agreement is to be signed after the project is approved by the JMC but before signing of the grant contract. The MA may sign the contract with the lead beneficiary only if the partnership agreement has already been signed by all beneficiaries and submitted to the JTS.

COMPOSITION OF THE PARTNERSHIP

The lead beneficiary must be either from Poland or Russia. The partnership within the project must be composed with at least one Polish and at least one Russian beneficiary. There may be more than one beneficiary in the project from any of the two countries.

For each project at least three of the following four **cooperation criteria** must be met:

- **Joint project preparation** (obligatory)
  - All beneficiaries contribute to the creation of a project application;
  - Beneficiaries determine how the project will be managed, e.g. through the establishment of common objectives and outcomes, a financial plan, an implementation schedule and the division of responsibilities for project activities in order to achieve the project objectives;
  - Each partner defines what knowledge and experience may be involved and what are partner's expectations of project realization.
- **Joint project implementation** (obligatory)
  - The lead beneficiary is responsible for the implementation of the entire project. Beneficiaries assume responsibility for their parts of the project implementation;

- Each beneficiary responsible for its part of the project shall ensure
  the coordination and implementation of planned activities, reaching the objectives and solvency of unexpected problems;
- Some beneficiaries may contribute to the implementation of separate part of the project only.

- **Joint project staff (optional)**
  - All project beneficiaries take over their roles in the project and engage staff for this purpose;
  - Employees of beneficiaries coordinate their tasks among themselves and exchange information on regularly basis;
  - Unnecessary duplication of functions among beneficiaries' institutions shall be avoided.

- **Joint project financing (optional)**
  - The project has a joint financial plan with funds allocated for each beneficiary according to their participation in the project;
  - At least one Polish and at least one Russian beneficiary contribute to the financial plan through their own contributions;
  - The joint financial plan shall include the responsibilities of each of the beneficiaries.

2.2 Eligibility of lead beneficiaries and beneficiaries[4]

a) In order to be eligible for a grant, lead beneficiaries and beneficiaries **must**:

I. be institutions of national, regional, local governments or association of such institutions or;

II. be bodies governed by public law or by private law:

1. established for the specific purpose of meeting needs in the general interest, not having industrial or commercial character, and

2. having legal personality and

3. falling under at least one of the below conditions:

a. financed for the most part by the state, regional or local authorities or other bodies governed by public law or

b. that are subject to management supervision by those bodies or

[4] Points (1) to (4) shall not apply in the case of the purchase of supplies on particularly advantageous terms from a supplier which is definitively winding up its business activities or from the receivers or liquidators of a bankruptcy, through an arrangement with creditors, or through a similar procedure under national law. Points (2) and (5) shall not apply where the candidates or tenderers can demonstrate that adequate measures have been adopted against the persons having powers of representation, decision making or control over them, who are subject to a judgement as referred to in points (2) or (5).

c. having an administrative, managerial or supervisory board with more than half of whose members are appointed by the state, regional or local authorities or other bodies governed by public law, or

III. non-governmental organization with legal personality.

b) In case of Polish institutions falling within the category a) eligible are entities:

I. having legal personality under the applicable national law;

II. entities without legal personality:

- if their superior unit (having legal personality) grants them power of attorney and also assumes financial responsibility for the project implemented;
- on behalf of which the superior unit will apply for financing (with indication which entity will implement the project).

c) In addition to requirements mentioned above the lead beneficiary/beneficiary must:

I. not fall under any of the exclusion situations i.e.:

1. 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;

2. they or persons having powers of representation, decision making or control over them have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State which has the force of res judicata;
3. they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify including by decisions of the EIB and international organisations;
4. they are not in compliance with their 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 contracting authority or those of the country where the contract is to be performed;
5. they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such illegal activity is detrimental to the financial interests of EU, Poland and Russia;
6. they are subject to an administrative penalty;
7. are subject to a conflict of interests;
8. are guilty of misrepresenting the information required by the contracting authority as a condition of participation in

the procurement procedure or fail to supply that information;

9. find themselves in one of the situations of exclusion indicated above, for the procurement procedure.

and

II. be nationals[5] of Poland or Russia, or legal persons who are effectively established in the Programme area or international organisations[6].

[5] Such nationality being determined on the basis of the organisation's statutes which should demonstrate that it has been established by an instrument governed by the national law of the country concerned. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a "Memorandum of Understanding" has been concluded.

[6] International organisations are international public-sector organisations set up by intergovernmental agreements as well as specialised agencies set up by them; the International Committee of the Red Cross (ICRC) and the International Federation of National Red Cross and Red Crescent Societies, European Investment Bank (EIB) and European Investment Fund (EIF) are also recognized as international organisations.

EXCEPTION!

Beneficiaries that do not meet the establishment requirement shall fulfill all following conditions:

- they are established in Poland or Russia;
- their participation is required by the nature and by the objectives of the project and is necessary for its effective implementation;

the total amount allocated under the project to these beneficiaries does not exceed 20% of the total eligible costs.

Examples of potential lead beneficiaries/beneficiaries:

a) regional and local authorities, bodies providing public services commissioned by these authorities, other legal entities with the participation of these authorities or acting on their behalf;

b) central bodies, on behalf of regional and local representations responsible for carrying out public tasks at the regional/local level;

c) regional and local representations of central government, responsible for carrying out public tasks at the regional/local level;

d) state organisations/institutions;

e) public institutions responsible for environment protection management of nature protection areas, nature parks and local forestry directorates;

f) public educational institutions (public schools, public universities, etc.);

g) non-governmental organisations and non-profit organisations, such as Euroregions, business support organisations, chambers of commerce, organisations promoting tourism, research institutions, associations, foundations, parishes, etc.

Please note that the above-mentioned list is not exhaustive.

2.3 Eligibility of projects

2.3.1 Basic information

PROJECT (action)

is a series of activities defined and managed in relation to the objectives, outputs, results and impacts which it aims at achieving within a defined time-period and budget. The objectives, outputs, results and impacts shall contribute to the Priorities identified in the Programme (point 1.3 of this Manual).

Using the application documents annexed to this Manual, the beneficiaries shall jointly develop and submit a project to the JTS. Projects may receive financial contribution from the Programme provided they meet all the following conditions:

a) they deliver a clear cross-border cooperation impact and benefits as described in the Programme document (JOP) and demonstrate added value to the strategies and programmes of the EU, Poland and Russia;

b) they are implemented in the Programme area. In special cases, projects may be partially implemented outside the Programme area, for details see point **Location** below.

c) they fall within one of the following categories:

1. **integrated projects** where each beneficiary implements a part of the activities of the project on its own territory; Example**:** two universities (one from Poland and one from Russia) elaborate in partnership a common methodology regarding a specific research by a common team of scientists and implement developed methodology in both universities using purchased equipment, finally elaborating common report from the results of the implementation of the methodology;
2. **symmetrical projects** where similar activities are implemented in parallel in the participating countries; Example**:** two beneficiaries construct two sections of roads contributing to the cross-border transport system, one in Poland and one in Russia;
3. **single-country projects** where projects are implemented mainly or entirely in one country but for the benefit of both participating countries and where cross-border impacts and benefits are identified. Example**:** Russian beneficiary is implementing waste management system on its territory based on the experience of the Polish beneficiary who acts as the expert sharing its know-how (who does not implement any activities in Poland). The implementing waste management system set up by the

Russian beneficiary shall have positive impact on the Polish side of the Programme area.

d) They contribute to at least one of the output and result indicators defined in the list of indicators for each priority (Annex 6 to this Manual).

DURATION

The planned duration of the project may not exceed **24 months**[7]. All project activities financed by the Programme shall end on 31 December 2022 at the latest.

RANGE OF GRANTS

No grant paid by the Programme to a project may exceed 90% of the total eligible costs of the project.

The lead beneficiary and beneficiaries should provide minimum 10 % co-financing to the project budget. The co-financing should come

[7] 36 months for Large Infrastructure Projects.

from the lead beneficiary and beneficiaries own resources, or from sources other than the European Union budget.

The revenue to be potentially generated within the project implementation may constitute the lead beneficiary's and the beneficiaries' co-financing not exceeding 10% of the project budget. Revenues are cash inflows directly paid by users for the goods or services provided by a project, such as charges borne directly by users for the use of infrastructure or as a result of the use of products or services during fairs, exhibitions, etc., or payments for services (ex. participation in the project events).

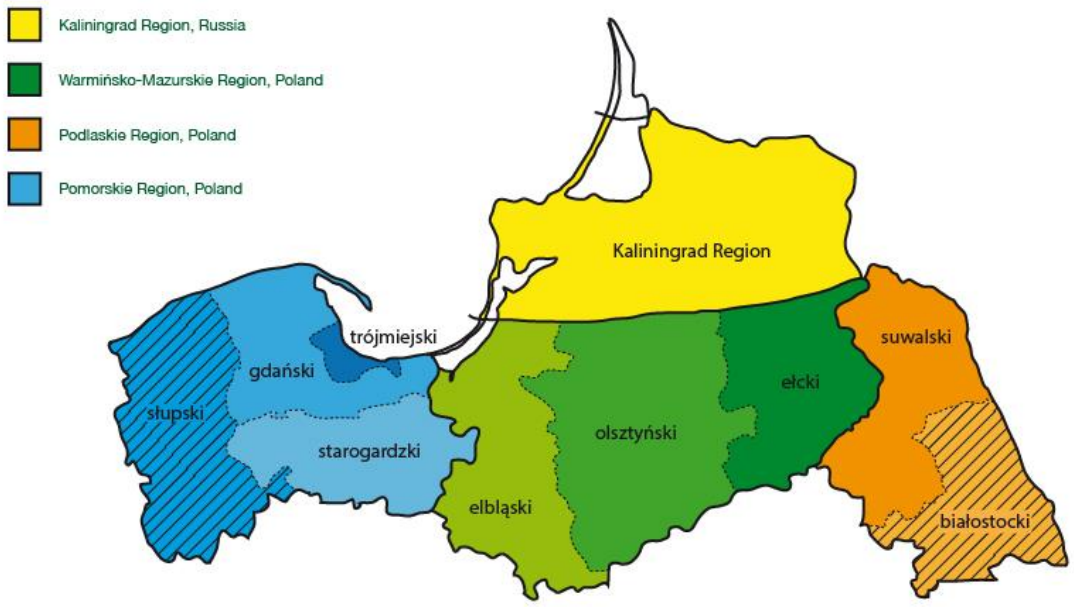
IMPORTANT!

No profit principle

Grants shall not have the purpose or effect of producing a profit for any beneficiary!

Profit is defined as a surplus of receipts (i.e. EU contribution, revenues, interest from pre-financing, other contributions) over the eligible costs approved by the Managing Authority when the request for payment of the balance is made.

PROGRAMME AREA



Area of the Cross-border Cooperation Programme Poland - Russia 2014-2020

Programme area consists of core regions, adjoining regions and major social, economic and cultural centres. When applying for the Programme funding, institutions from all regions will be treated equally.

CORE REGIONS

The Programme area includes the following units as core regions:

- In Poland – NUTS III units:
  - Gdański subregion (Pomorskie region);
  - Trójmiejski subregion (Pomorskie region);
  - Starogardzki subregion (Pomorskie region);
  - Elbląski subregion (Warmińsko-Mazurskie region);

  - Olsztyński subregion (Warmińsko-Mazurskie region);
  - Ełcki subregion (Warmińsko-Mazurskie region);
  - Suwalski subregion (Podlaskie region);

- In the Russian Federation:
  - Kaliningrad Oblast.

ADJOINING REGIONS

The Programme area includes also the following NUTS III units in Poland as adjoining regions:

- Słupski subregion (Pomorskie region);
- Białostocki subregion (Podlaskie region).

Projects in the adjoining regions can be implemented within the Programme under the condition that Programme funds allocated to projects from these subregions will not exceed 10% of the EU allocation to the Programme.

MAJOR SOCIAL, ECONOMIC AND CULTURAL CENTRES

Moscow

Some organisations located in Moscow enjoy de jure or de facto monopoly and have the technical competence, high degree of specialisation or administrative power required to implement projects under the THEMATIC OBJECTIVE BORDERS. Moscow's participation will therefore strongly contribute to achieving the Programme's objectives and will bring substantial added value for the core/adjoining regions. Participation in the Programme of

institutions registered in Moscow shall be limited to activities under the THEMATIC OBJECTIVE BORDERS.

Warsaw

Some organisations located in Warsaw enjoy de jure or de facto monopoly and have the technical competence, high degree of specialisation or administrative power required to implement projects under the THEMATIC OBJECTIVE ACCESSIBILITY. Warsaw's participation will therefore strongly contribute to achieving the Programme's objectives and will bring substantial added value for the core/adjoining regions. Its participation in the Programme shall be limited to activities under the THEMATIC OBJECTIVE ACCESSIBILITY.

RULES ON LOCATION OF PROJECTS

- All projects need to be implemented in the Programme area.
- In special cases, projects may be partially implemented outside the Programme area[8], provided that all the following conditions are met:
  - the projects are necessary for achieving the Programme's objectives and they benefit the Programme area;
  - the total amount allocated under the Programme to activities outside the Programme area does not exceed 10% of the Union contribution at the Programme level;

[8] Activities may take place in other regions from the outside Programme area, but on the territory of Poland or Russia.

- activities outside the Programme area cannot be of investment and/or infrastructure character;

- The involvement of beneficiaries <u>located in major social, economic and cultural centres</u> has to be specified and justified at project level, it has to be essential for achieving the specific project objectives in the core/adjoining regions of the Programme and it must be the key to ensure the durability of the actions in the core/adjoining regions of the Programme.
- <u>Projects in the adjoining regions</u> can be implemented within the Programme under the condition that Programme funds allocated to projects from these subregions will not exceed 10% of the EU allocation to the Programme. Organisations from the adjoining regions can apply for Programme funds under the same conditions as those in the core regions.

<u>2.3.2 Character of projects</u>

The following three types of projects may be submitted within the Programme:

- **<u>Infrastructure projects</u>**
  - project which requires building permission or its equivalent (e.g. formal notification of works component, declaration on the beginning of construction works etc.) according to the national legislation in force for the country where works take place or

- project including an infrastructural component[9] with a total value over 50 000 EUR and less than 2 500 000 EUR.

The **Infrastructure component** shall include the total costs of:

- **works and services** related to (re)construction, renovation, installation of infrastructure and its supervision;
- **other activities** related to planned works like e.g.: costs of preparation of the technical documentation, costs of supplies including purchase of fixed assets.

The budget of the infrastructure component shall be counted in relation to each separate infrastructure within the project (one beneficiary may implement few infrastructure components

[9] The total costs of works and services related to (re)construction, renovation, installation of infrastructure and its supervision but also other activities like e.g.: costs of preparation of the technical documentation, costs of supplies including purchase of fixed assets. In order to support beneficiaries in financing the **preparation of studies and documentation related to infrastructure component**, a grant may be awarded retroactively to cover such costs only if they were incurred after the adoption of the JOP, i.e. after December 8th, 2016. **Other costs** under the grant awarded retroactively could be considered as eligible if the applicant can demonstrate the need to start the project before the contract is signed. Such costs, however, shall not have been incurred prior to the date of the submission of the Application Form to the JTS. Only applicants with whom a grant contract is signed, could claim the reimbursement of these costs. In both cases, no costs incurred by the lead beneficiary/beneficiary registered in Russia before the Financing Agreement is signed could be considered as eligible.

within one project, for example a road and a building, not related one to another)

- **Investment projects**
  - project with supplies of fixed assets within the budget line for equipment (e.g. equipment like: computers, machines, tools etc.) of more than 50 000 EUR.

If a project can be defined at the same time as infrastructure and investment, its categorisation should be decided based on the costs proportion in the budget (i.e. if more costs are related to works or to purchase of equipment). Nevertheless each project which meets the definition of an infrastructure project **is obliged to submit all relevant annexes** to the Application Form (please see section 3.2).

- **Soft projects**
  - other projects not defined as “infrastructure” or “investment” are regarded as soft.

DURABILITY

Durability of project outputs and results is crucial for ensuring territorial impact and long-term benefits, which continue after the project end. Therefore, all investment and infrastructure projects have to ensure that outputs obtained and results achieved are durable and suitable for continuation after the project closure. This may include follow-up activities, long-term partnerships, improved legislation, plans, further financing through other initiatives or funds, etc.

In order to achieve durability, from the beginning of elaboration, all projects should adopt a longer-term, strategic perspective which should lead to desired results for the target groups over an extended period of time. Thus, it is essential to consider the needs of key stakeholders, as well as the institutional context, when designing a project. Key stakeholders should be actively involved, from the early stages of the project development.

IMPORTANT!

Any investment project or project including an infrastructure component[10] – regardless of its value -shall repay the Union contribution if, within five years of the project closure, it is subject to a substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives.

Sums unduly paid in respect of such project shall be recovered by the MA proportionally to the period for which the durability requirement has not been fulfilled.

It has to be emphasized that the beneficiaries may be subject for the durability check after the project finalization (understood as the end of the implementation period of a project as defined in Grant Contract, par. 4) Such checks may be conducted during the period of five years from the payment of the final balance to the project Beneficiaries. If selected for the check, the project

10 The value of investment and infrastructure component is not relevant for the provisions of durability.

Beneficiaries are obliged to be subject to the verification and answer all queries and deliver documents/products, as requested by any institution entitled to conduct such verifications. The ownership and durability requirements have been described in more detail in the Grant Contract (paragraph 14).

2.3.3 Accessibility of projects and projects results

Activities and purchases financed from the Programme funds should be accessible to all citizens, including persons with disabilities. Persons with disabilities should participate in and implement projects equally to other persons.

The guarantee of accessibility to people with disabilities in projects is the mechanism of rational improvements. It enables a flexible response to the needs of participants and provides them with the „tailor-made" improvements.

Projects shall ensure **accessibility to information about the projects for persons with disabilities**, how to implement it or use, what the project is about and to whom it is addressed, where and when it is implemented.

Websites of projects must be accessible to people with various disabilities. Their authors must follow the WCAG (Web Content Accessibility Guidelines) 2.0 standard[11], which contains the rules

[11] More information on: https://www.w3.org/TR/WCAG20/

for creating accessible websites. An example of such accessibility is a possibility to enlarge the font size, proper selection of colours and their contrast, content which is easy to understand. Similarly, multimedia (animations, presentations, videos, sound recordings and other) should comply with the principles of accessibility and, e.g. include text transcripts, audio description or translation into sign language.

Projects shall ensure **accessibility for persons with disabilities to participate** in information meetings, conferences, training courses, workshops and other events. It can be achieved in particular by means of:

- adaptation of buildings e.g. installation of temporary ramps, platforms, lifts;
- marking the building with boards with the information in Braille;
- acoustic adaptation e.g. installation of an induction loop or FM systems, adaptation of computers e.g. renting or purchase of magnifying or speaking programmes, printers of materials in Braille;
- providing specialised support e.g. assistant to a person with disability, sign language interpreter, guide for a person with sight issues;
- slower speed/longer time due to e.g. a need to interpret into sign language;
- transport e.g. special transport to the place of implementing a project;

- adaptation of project/training materials e.g. installation of magnifying or speaking programmes, printers of materials in Braille.

When planning the outputs of the projects it should be analysed, if there is a possibility to ensure that outputs obtained and results achieved are accessible to persons with disabilities. It should be taken into consideration that everyone has the right to use the effects of the Programme support, i.e. everything which has been built, modernised, purchased, created, produced, invented or designed using the Programme support.

Universal design, or design for all is the way of designing products, environments, programmes and services to serve the greatest possible number of people, including seniors, mothers and fathers with prams and all those who have various functional needs, resulting, e.g. from obesity, ski injury, pregnancy or impressive height.

Examples of universally designed solutions:

- automatic door;
- lighting ramps guaranteeing safety and a sense of confidence;
- anti-slippery surface of pavements;
- accessible public transport;
- wheelchair ramps;
- easy to understand diagram of public transport routes.

2.3.4 Ineligible projects and actions

Within all the Programme Thematic Objectives, the following types of projects are ineligible:

- actions that have already been approved for financing from other sources, including other EU programmes. If the action or its separate activities have been proposed for financing from other sources, the MA should be informed about this fact by the lead beneficiary;
- actions that have the purpose or effect of producing a profit for the lead beneficiary or beneficiaries;
- actions concentrated only or mainly on charitable events;
- actions in which the lead beneficiary and beneficiaries re-grant the funding;
- actions in which beneficiaries act as intermediaries i.e. are not directly responsible for the implementation of the action but hire a third party responsible for the implementation of project activities on their behalf;

  Examples:

  – the project is fully managed by contracted consulting company;
  – the project consists of set of trainings which are fully contracted within one tender to one company.

- regular events. Please note that as a rule, regular events can be supported only during their start-up phase. Regular editions of events are eligible only if innovative elements are

included in the project schedule. Such activities must be duly described in the Application Form;

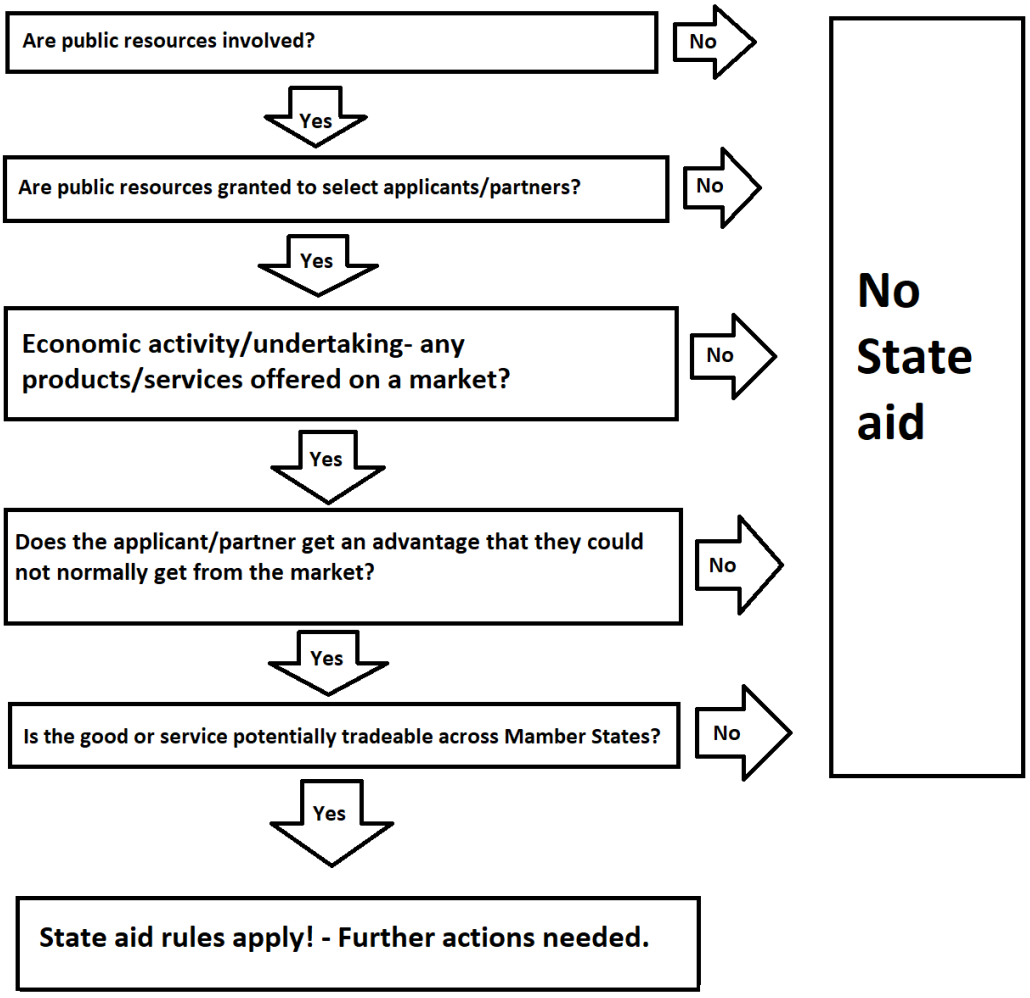
- actions with negative impact on environment or not respecting other EU horizontal policy rules or national strategies of Poland and Russia.
- actions constituting state aid.

2.3.4.1 State aid

State aid is defined as “any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods”, therefore affecting trade between Member States. State aid rules are not applicable for the beneficiaries from the Russian Federation.

The definition of the state aid includes several criteria. These criteria are cumulative, meaning that all five elements must be met for the measure to be considered the state aid:

- the existence of an undertaking;
- financing of the measure through State resources;
- the granting of an advantage;
- the selectivity of the measure, and
- its potential effect on competition and trade within the Union.



Each applicant[12] while preparing a project concept should answer the above-mentioned questions to assess whether project activities constitute a state aid.

Actions constituting state aid need to be removed from the Application Form or changed to activities that do not constitute state aid.

[12] Except from applicants from the Russian Federation for which EU state aid requirements are not applicable, as it is not required by the Financing Agreement signed with the Russian Federation.

State aid is not granted by the Programme and cannot be granted by the Beneficiaries. All Project Beneficiaries[13] are expected to be familiar with the relevant State aid rules to ensure that their activities do not constitute State aid.

The most important step is to establish whether a lead beneficiary/beneficiary acts as an undertaking in the context of the project. From the remaining criteria the decisive one most often will be whether an advantage is granted to the lead beneficiary/beneficiary.

A key step of the Programme approach towards State aid is made already at the project application stage, i.e. when project's proposals are submitted in response to calls for proposals. In particular submitted Application Forms go through an assessment aims at exclusion of projects which may constitute a State aid component.

2.3.5 Number of applications and grants per lead beneficiary

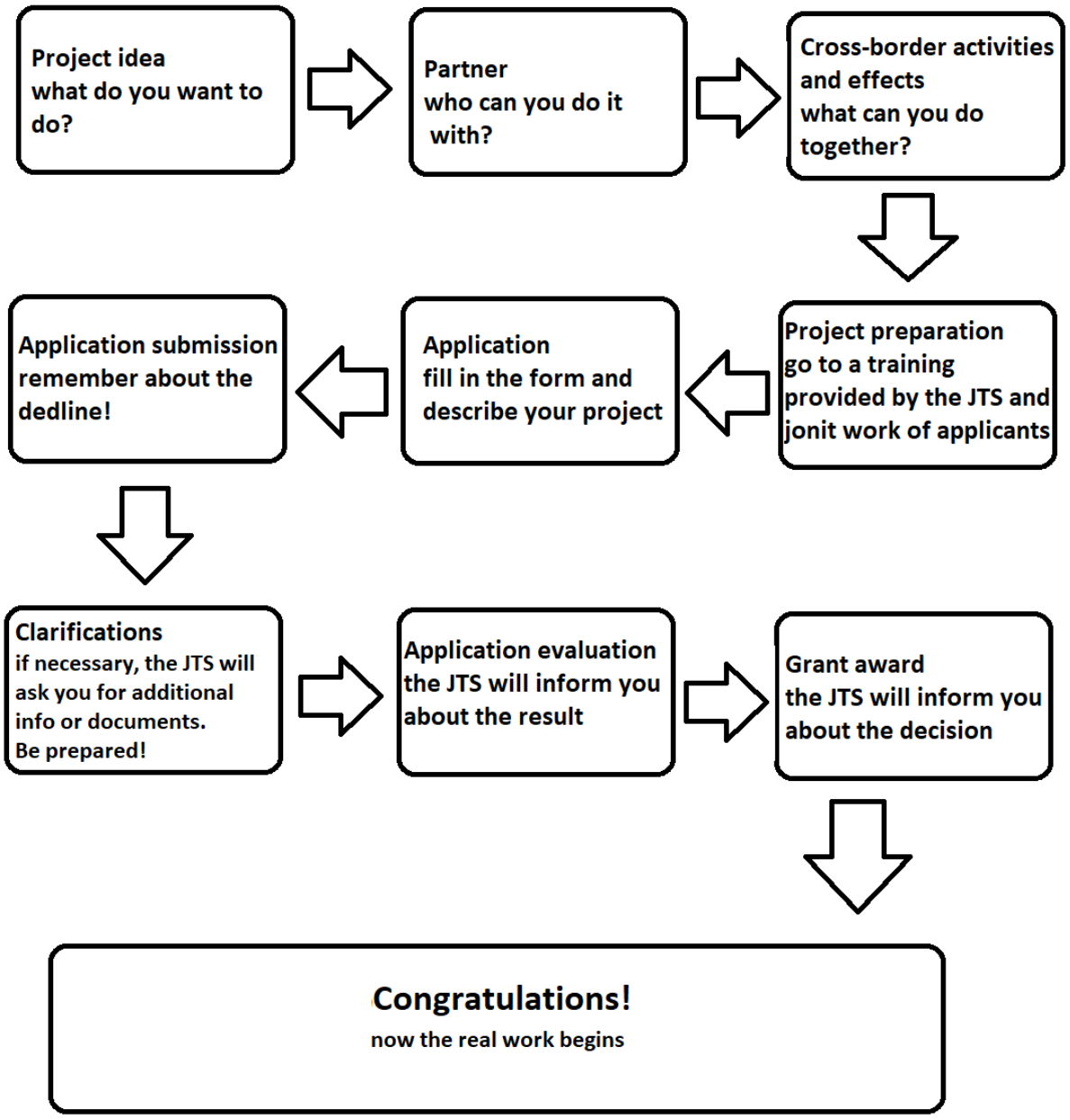
The lead beneficiary may submit more than one Application form. The lead beneficiary may at the same time be a beneficiary in another project proposal. Where several proposals submitted by the same lead beneficiary are selected for financing, but the lead beneficiary does not prove to have the necessary capacity required to implement all selected proposals for which grants may be

[13] Except from beneficiaries from the Russian Federation for which EU state aid requirements are not applicable, as it is not required by the Financing Agreement signed with the Russian Federation.

awarded, the proposal(s) which has (have) been awarded a lower score shall be rejected, and the proposal(s) that the lead beneficiary has the capacity to implement shall be select. Beneficiaries may take part in more than one application. A decision may be taken by the JMC to limit the number of grants awarded to one lead beneficiary.

3. Application Process

3.1 Basic information



How to apply?

Submission requirements of the Application Form:

1. The applicants shall fill in their Application Form (Annex 1) using the **e-application provided on the Programme website**

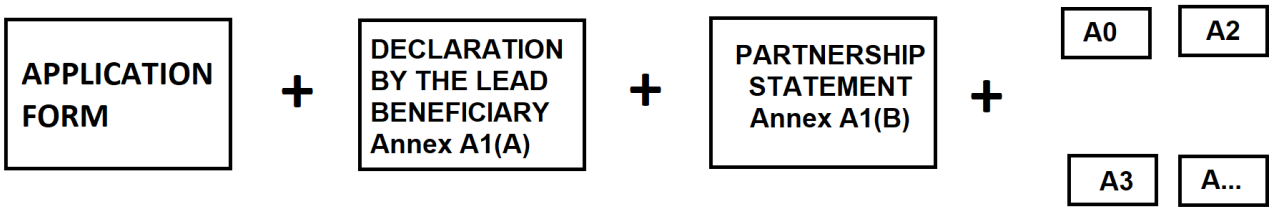
www.plru.eu and submit it to the JTS **on-line** with the use of the e-application.

2. The Application Form shall be filled in only in English[14].

Application Form submitted in language(s) other than English will be rejected.

3. The Application Form must be computer-typed using the on-line system available on the Programme website. A properly generated, validated and submitted Application Form will get a unique identification number by the e-application.

4. The whole package contains the following documents:



IMPORTANT!

Deadline for the submission of the Application Form

The deadline for the submission of the Application Form (including all Annexes) will be set in the announcement note of the Call for proposals.

The on-line system will not allow submitting of the documents after the set deadline

[14] Does not apply to field where proper names in national languages are requested.

3.2 Required annexes to the Application Form

Each Application Form shall be provided with the Budget for the project (Annex 2 to this Manual) and, depending on the nature of the project (soft, investment or infrastructure), the following supporting documents/ Annexes shall be provided:

Annex A0 Information on contact details for the project purposes – lead beneficiary/beneficiary.

Annex A1 (A) Declaration by the lead beneficiary to the Application Form[15].

Annex A1 (B) Partnership statements of beneficiaries to the Application Form[16].

Annex A2 Statutes or other relevant documents concerning the legal status e.g. internal regulations of the lead beneficiary and all beneficiaries included in the project – not applicable for national, regional, local governments or associations of such institutions from Poland and Russia. If necessary for conducting a reliable evaluation - the JTS may ask for additional clarifications/documents regarding the legal status of each lead beneficiary/beneficiary.

Annex A3 Copies of the profit and loss account and the balance sheets or other relevant fiscal documents for the last 3

---

15 The relevant document authorizing the undersigned to represent the organisation shall be annexed to the Declaration by the Lead beneficiary.

16 The relevant document authorizing the undersigned to represent the organisation shall be annexed to the partnership statement.

years (if available) preceding submission of the Application Form for the lead beneficiary and all beneficiaries having the expenditure planned within the project budget[17], showing their financial standing (not applicable for national, regional, local governments or associations of such institutions from Poland and Russia).

Annex A4 Lead beneficiary's Declaration on ensuring the funds necessary to the project implementation. The lead beneficiary ensures the total sum of co-financing to be provided by the lead beneficiary and beneficiary(ies), which must correspond to minimum 10% of the total eligible costs.

Annex A5 If applicable, authorisation from the lead beneficiary that the person has the right to sign the application (if the application shall be signed not by the Head of the organisation).

In case of Polish entities without legal personality a written statement on having the capacity to undertake legal obligations (including signing the grant contract) issued by supervisory institution shall be provided.

Annex A6 Register document applicable for the lead beneficiary/beneficiaries (not applicable for national,

[17] Provided that Lead Beneficiary/Beneficiary brings financial contribution to the project.

regional, local governments or associations of such institutions from Poland and Russia):

FOR POLISH LEAD BENEFICIARIES/BENEFICIARIES: effective extract from the National Court Register – Krajowy Rejestr Sądowy, issued not earlier than on the day of launching the call for proposals.

FOR RUSSIAN LEAD BENEFICIARIES/BENEFICIARIES: a certificate of state registration of legal entity.

Annex A7 For POLISH LEAD BENEFICIARIES/BENEFICIARIES only: Declaration on the entitlement to the recovery of VAT.

Annex A8 For projects including an **infrastructure component of at least 1 million EUR (this threshold applies to an individual infrastructure component not to the sum of components)**, described in budget line 6 – **A full feasibility study or equivalent** shall be prepared in line with Guidelines for drafting Feasibility Study, which will be available on the Programme website. The document shall be submitted in the original language (i.e. Polish or Russian) together with the summary in English as an electronic file (doc or pdf format).

Note: Projects including an infrastructure component amounting from 50 000 EUR up to 1 million EUR have to fill in the point 3.5 **Brief Feasibility Study** of the Application Form.

Annex A9 Declaration of the lead beneficiary/beneficiary on the readiness of the building permission or its equivalent necessary for project implementation. This Annex (with building permission or its equivalent if available) should be

submitted for every infrastructure component of any value:

FOR POLISH LEAD BENEFICIARIES/BENEFICIARIES:

A self-declaration that either the building permission or its equivalent (e.g. notification of works component – zgłoszenie robót budowlanych) will be submitted in case of project award within a deadline indicated in the award notification letter, not later than 3 months after the date of the letter. If the project implementation does not require a building permission or its equivalent a self-declaration with the reference to the relevant national regulation should be annexed that the works activities are not the subject of a building permission or its equivalent;

FOR RUSSIAN LEAD BENEFICIARIES/BENEFICIARIES:

A self-declaration that either the building permission or its equivalent (depending on the construction object complexity) will be submitted in case of project award within a deadline indicated in the award notification letter, not later than 3 months after the date of the letter.

If the project implementation does not require a building permission or its equivalent a self-declaration with the reference to the relevant national regulation should be annexed that the works activities are not the subject of a building permission or its equivalent.

Annex A10 For **investment and infrastructural projects** as mentioned in point 2.3.2 of this Manual – **Declaration of the lead beneficiary/beneficiary on the right for the**

land/real estate disposal for the construction/supplies purposes.

Annex A11 For **infrastructural project** as mentioned in point 2.3.2 of this Manual – maps, project location sketches (simply presenting the location of the project).

Annex A12 For **infrastructural project** as mentioned in point 2.3.2 of this Manual – documentation concerning environment protection issues:

FOR POLISH LEAD BENEFICIARIES/BENEFICIARIES: Decyzja o środowiskowych uwarunkowaniach zgody na realizację przedsięwzięcia. If not applicable – written statement issued by the relevant institution must be provided.

FOR RUSSIAN LEAD BENEFICIARIES/BENEFICIARIES: Environmental Impact Assessment and positive conclusion of state expertise if applicable. If not applicable - written statement with the reference to the relevant national legislation.

Annex A13 for all **infrastructural and investment projects** as mentioned in point 2.3.2 of this Manual **- Declaration of the lead beneficiary/beneficiaries on maintaining the projects results and objectives for at least five years after project completion**.

Annex A14 for projects including an infrastructure component of at least 1 million EUR, described in budget as works – line 6 - **Detailed description of the capacity building component.**

Annex A15 For **infrastructural project** as mentioned in point 2.3.2 – the following documentation is required:

POLISH LEAD BENEFICIARIES/BENEFICIARIES:

1. Extract from the valid technical documentation (containing copy of the title page and technical description).

2. Cost estimate documentation (kosztorys).

FOR RUSSIAN LEAD BENEFICIARIES/BENEFICIARIES:

1.Explanatory note to the valid technical documentation (раздел «Пояснительная записка»), if applicable according legislation of Russian Federation

2. Acceptance of the technical documentation by relevant institutions (e.g. a conclusion of state expertise of technical documentation, permits from cultural/natural heritage protection boards, etc, if applicable according legislation of Russian Federation)

3. Cost estimate documentation approved by relevant institutions (e.g. a conclusion of state expertise of cost estimate, etc), if applicable according legislation of Russian Federation

Please keep in mind that on each stage of the project assessment, the JTS is allowed to request the whole or part of the technical documentation related to the infrastructure activities foreseen in the project. In such a case the lead beneficiary is obliged to provide all the requested documents within the required deadline.

All Annexes must be supplied in appropriate e-version submitted via the e-application. In case of photocopies or scanned versions

they must be certified as a true copy by the authorised person in lead beneficiary/beneficiary organisation.

IMPORTANT!

Please note that **annexes: A0, A1A, A1B, A4, A7, A9, A10, A11, A13, A14 will be generated by the on-line system.** They need to be filled in, printed, signed, scanned and uploaded into the e-application before validating the application form and sending it to the JTS.

Below you will find information on the annexes:

ANNEX		**LEAD BENEFICIARY**	**BENEFICIARY**	**National, regional, local governments or their associations**	**Bodies governed by public or private law; NGOs)**
FOR ALL PROJECTS					
A0	Information on contact details	☐	☐	☐	☐
A1 (A)	Declaration by the lead beneficiary	☐	☐	☐	☐
A1 (B)	Partnership statements of beneficiaries	☐	☐	☐	

A2	Statutes or other relevant documents concerning the legal status				
A3	Copies of the profit and loss account and balance sheets or other relevant fiscal documents for the last 3 years (if available)[18]				
A4	Lead beneficiary's Declaration on ensuring the funds necessary to the project implementation				

[18] Provided that Lead Beneficiary/Beneficiary brings financial contribution to the project.

A5	If applicable, authorisation from the lead beneficiary that the person has the right to sign the application				
A6	Register document				
A7	Declaration on the entitlement to the recovery of VAT (**PL only**)				
FOR INFRASTRUCTURAL AND/OR INVESTMENT PROJECTS					
A8	Full feasibility study or equivalent (**infrastructure component of at least 1 MEUR**)				
A9	Building permission or, in exceptional and duly justified cases, appropriate annex				

A10	Declaration on the right for the land/real estate disposal for the construction/supplies purposes				
A11	Maps, project location sketches				
A12	Documentation concerning environment protection issues				
A13	Declaration of the lead beneficiary/beneficiaries on maintaining the projects results and objectives for at least five years after project completion				

A14	Detailed description of the capacity building component (**infrastructure component of at least 1 M EUR**)				
A15	Technical documentation				

Please note that the Application Form must be submitted in English, except for the following documents which, if applicable, should be provided in the original language (i.e. Polish or Russian): Annexes A2, A3, A5, A6, A8, A9, A12 and A15.

4. Assessment and selection procedures

The project assessment and selection is the overall responsibility of the JMC. The assessment process starts immediately after the closing of the call for proposals and ends with the JMC approval of a ranking list of submitted proposals. Project selection procedures shall ensure that the principles of transparency, equal treatment, non-discrimination, objectivity and fair competition are followed. With a view to respect these principles:

- the projects shall be selected and awarded on the basis of pre-announced **assessment criteria defined in the assessment grid**. The selection criteria serve to assess the applicant's ability to complete the proposed action or work programme.

The criteria shall be used to assess the quality of the project's proposal against the set objectives and priorities;

- the grants shall be subject to ex ante and ex post publicity rules;
- the applicants shall be informed in writing about the assessment results. If the grant requested is not awarded, the MA shall provide the reasons for the rejection of the application with reference to the selection criteria that are not met by the application;
- any conflict of interest shall be avoided;
- the same rules and conditions shall be applied to all applicants.

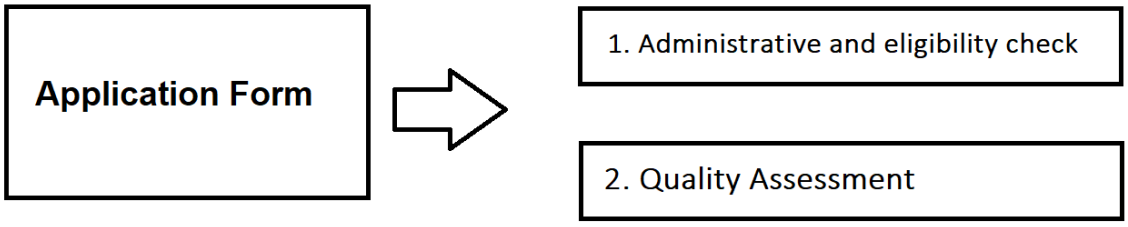
The project selection criteria approved by the JMC will constitute the basis for the assessment of proposals by the JTS assisted by BO in Kaliningrad and external experts, in accordance with the project selection procedures. The MA ensures that the assessment process will be conducted in accordance with the Programme requirements, call for proposals requirements and approved project selection criteria.

Conflict of interests

It is required from all persons involved in the project selection process – members of the JMC, internal assessors and external experts – to maintain independent relation towards all applicants participating in the Call. Before being involved in the process, all these persons shall sign the Declaration of Impartiality and Confidentiality in which they confirm their status in this regard. If person appears to have a conflict of interest she/he cannot participate in the process.

4.1 Project assessment system

Application Form submitted to the JTS are subject to a two-step evaluation procedure:



Applications which do not meet the criteria of the Administrative and eligibility check will not be subject to the Quality assessment.

4.2 Stage 1 – Administrative and eligibility check

The Administrative and eligibility check of the applications is performed by the JTS and/or BO experts.

Main steps of Administrative and eligibility check:

1. All Application Forms submitted to the JTS within the deadline will be given a number and will be the subject to the Administrative and eligibility check.

2. The JTS along with BO assessors verifies the completeness and correctness of the submitted documents.

   The Administrative and eligibility check is carried out in accordance with the assessment criteria by two JTS/BO assessors who prepare one joint evaluation grid. If necessary, the JTS/BO employees might be supported by the external experts in terms of assessment of the technical documentation, state aid rules and financial capacity of the beneficiaries. In such cases the external experts would verify whether the submitted technical documentation is complete, legally valid and prepared in accordance with national Polish and/or Russian requirements as well as whether the project does not constitute state aid. Eventual recommendations/conditions issued by the external experts will have to be fulfilled by the applicants and will be included into assessment grid to be prepared by JTS/BO assessors. The external experts will be responsible for verification of their recommendations/conditions fulfilment.
3. If some of the criteria described in this Manual are not fulfilled, the lead beneficiary will be asked to submit clarifications and/or supplement missing annexes to its Application Form.

IMPORTANT!

Please make sure that the Application Form include all the necessary information and annexes. If the submitted documents are not complete or the provided information and documents are not clear or annexes are missing, the JTS will ask the applicant to

provide clarifications and/or supplement missing annexes within the deadline set by the JTS but not later than within 14 calendar days since the request was sent via e-mail or fax.

The project application will be rejected, i.a.:

- in case the applicant fails to submit the clarification or supplement missing annexes or the submitted clarification or supplemented annexes are not adequate,
- if any potential lead beneficiary/beneficiary proves to be ineligible.

The rejected project application will not be further evaluated. Therefore, please make sure that all beneficiaries in the project, including the lead beneficiary are eligible and that your Application Form is clear correct and complete.

4. **The administrative and eligibility check report** is prepared by the JTS and sent to the JMC for information purposes.
5. Following the Administrative and eligibility check, the JTS will inform all lead beneficiaries via e-mail or fax, whether their Application Forms met all the administrative and eligibility criteria and whether their application will be the subject of the Quality assessment. If the decision is negative, the reasons shall be given in the e-mail.
6. The lead beneficiaries shall be entitled to file a complaint in case they don't agree with the outcome of the Administrative and eligibility check. For rules regarding complaints please see section APPEALS (4.5).

4.3 Stage 2 – Quality assessment

The Quality assessment is carried out in accordance with the assessment criteria set out in the assessment checklist. Following aspects of the project will be evaluated:

Strategic assessment criteria

1**. Project's context (relevance and strategy)**

How well is a need for the project justified?

2. **Cooperation character and cross-border impact**

What added value does the cooperation bring on both sides of the border?

3. **Project's contribution to the Programme's expected results and outputs**

To what extent will the project contribute to the achievement of Programme's objectives?

4. **Partnership relevance**

To what extent is the partnership composition relevant for the proposed project?

Operational assessment criteria

1. **Management**

To what extent are management structures and procedures in line with the project size, duration and needs?

2. **Communication**

To what extent are communication activities appropriate and forceful to reach the relevant target groups and stakeholders?

3. **Work plan**

To what extent is the work plan realistic, consistent and coherent?

4. **Budget**

To what extent does the project budget demonstrate value for money? To what extent is the budget coherent and proportionate?

5. **Durability**

Will the project produce the outputs/services and/or results that will be used by the relevant target groups after finalization of the project?

Main steps of the Quality assessment:

1. Each Application Form is assessed by two internal assessors, i.e. JTS/BO employees, in order to ensure "four-eyes" principle. As a result of the quality assessment – one joint grid shall be prepared for each application and signed by both assessors.

2. Once the quality check of all the applications is finalised, the JTS prepares the draft **Report on the Assessment of the Application Forms** along with the draft ranking list of applications, which is set out on the basis of the scores given by the assessors and within the available allocations set in the Call for each of the Thematic objectives. Both drafts – the Report and the ranking list as well as application forms and assessment grids of the projects are presented to the JMC members at least 15 working days before its meeting approving the results of the assessment.

3. During the JMC meeting concerning the results of the assessment, the JMC confirms that the assessment was carried out in accordance with all criteria. When taking decisions on granting funds to projects, the JMC shall endorse the results of the whole

assessment process.

The projects may be approved, not approved or approved under conditions set by the JMC. No project failing to pass the quality assessment threshold may be approved. If the JMC decides not to follow all or part of the results of the assessment, it shall explain its decision in writing. In exceptional and duly justified cases, the JMC may decide to reassess a project out of the pool of projects assessed positively by the JTS/BO and draw up its own assessment checklist of the concerned Application Form.

The draft ranking list takes into account the new assessment(s). All such JMC decisions must be recorded and explained in the Report, with justification of all changes in the assessment.

Once the JMC voting members have agreed on the outcome of the assessment they approve the **Report on the assessment of the Application Forms.**

4. After JMC meeting, the MA sends the list of approved projects to the EC to consult different DGs and EU Delegations in order to avoid any double funding of projects and to identify possible synergies. These consultations shall last 15 working days and take place before award decision. Following these consultations the JMC may decide to reject proposals previously approved.

5. Following the JMC decision on the grant award, the JTS shall inform in writing all applicants whether their project proposals were approved for financing. If the decision is negative, the reasons shall be given in the letter. Appeal procedures are described in details in section 4.5 below. Applicants will have a possibility to appeal from the results of the Quality assessment to

the MA. The reply to the appeal shall represent the final decision regarding the application.

6. The list of projects selected by the JMC is published on the Programme's website.

Further details regarding the procedures for the evaluation process will be laid down in the Assessment Manual.

4.4 Grant award decision

A ranking list of projects reflecting the scores given by the internal assessors (including recommendations issued by the external experts, if applicable) and with the division on Thematic objectives is to be annexed to the **Report on the Assessment of the Application Form.** Projects selected for financing are those that following the Quality assessment received the highest number of scores and are covered by the budget foreseen for each Thematic Objective within the Call.

Following the JMC decision on the grant award, the JTS shall inform in writing all lead beneficiaries whether their applications were selected for financing. If the decision is negative, the reasons for it shall be provided in the letter.

The JMC may approve the projects with conditions. If the conditions are not fulfilled by the lead beneficiary in the given timeframe before signing the grant contract with the MA, the project shall not be supported under the Programme.

The JMC may also establish a reserve list of projects, ranked by the scoring. If the lead beneficiary awarded a grant does not decide to follow the conditions set of the JMC or decides not to implement its project, the support may be granted to a project from a reserve list representing the same Thematic Objective and priority, starting from the project ranked on the first place.

4.5 Appeals

Lead beneficiaries believing that they have been harmed by an error or irregularity during the assessment or in case the lead beneficiary does not agree with the final decision of the JMC is entitled to file a complaint.

The complaint can be sent after each evaluation stage. The complaint can be filed in case if the decision:

- infringes the rights stipulated in the Programme legal basis and Regulations of the European Union, Poland and Russia;
- presents an encroachment to the published Call for Proposals or the procedures regulating the evaluation process.

MA shall be responsible for handling the complaint. Therefore, all complaints shall be submitted to the MA via the JTS not later than 21 calendar days (as evidenced by the date of dispatch, the postmark or the date of the deposit slip) after the respective letter from the JTS was sent by e-mail or fax.
Any complaint submitted after the deadline will be rejected.

The complaint has to be:

- written in English;
- sent to the MA via the JTS e-mail (plru@plru.eu) which should be followed by original sent by the regular mail at the address of the JTS;
- signed by the legal representative of the lead beneficiary;
- contain a clear and articulate reference to the nature of the encroachment based on the Programme legal basis, EU Regulations, and procedures for the Call for Proposals.

The MA shall answer within 45 calendar days of receipt of the complaint by e-mail (which should be followed by the regular mail). MA's reply to the appeal represents the final decision regarding the application.

5. After the grant award decision

5.1 Grant contract signature

IMPORTANT!

The Grant Contract needs to be signed no later than 6 months after the award decision of the JMC.

The JTS will closely work with the successful lead beneficiaries in order to prepare their project proposals for the grant contract signature. The lead beneficiaries will be given limited time for introducing all the JMC conditions (if any) and necessary corrections to their proposals
(if needed).

Apart from the corrected project proposals, in order to sign the grant contract, the lead beneficiaries will have to provide the JTS with inter alia:

- printed and signed Application form with annexes;
- original of signed partnership agreement (prepared in line with the **Partnership agreement template** that will be available on the Programme website);
- for infrastructure projects – the applicable documents constituting Annex A9 to the Application Form (see p. 3.2 above);
- the details of the lead beneficiary's EUR bank account on which payments for the project will be made by the MA;
- details on the legal status of the lead beneficiary and the person entitled to represent the project;
- information on the payment option, to be included in the Grant Contract.

Furthermore, the lead beneficiary as well as the project beneficiaries will have to select independent auditors for the purpose of verification of their expenditures.

5.2 Payments for the project

The projects selected for financing will have to choose one of the following options of receiving funds from the MA:

Option 1

First pre-financing payment representing maximum 35% of the grant foreseen for the implementation of the project will be paid by the MA within 30 days as from the date of receipt by the MA of the signed contract, accompanied by the following correct documents, approved by the JTS:

1. request for payment conforming to the model which will be provided on the Programme website,
2. the financial guarantee, if required[19].

Interim pre-financing payment representing maximum 50% of the grant foreseen for the implementation of the project will be paid by the MA within 60 days as from the date of receipt by the MA of the following correct documents, approved by the JTS:

1. request for payment conforming to the model which will be provided on the Programme website;
2. project interim report (narrative and financial parts);
3. expenditure verification certificates of all project beneficiaries, signed by independent auditors,
4. the financial guarantee, if required[20].

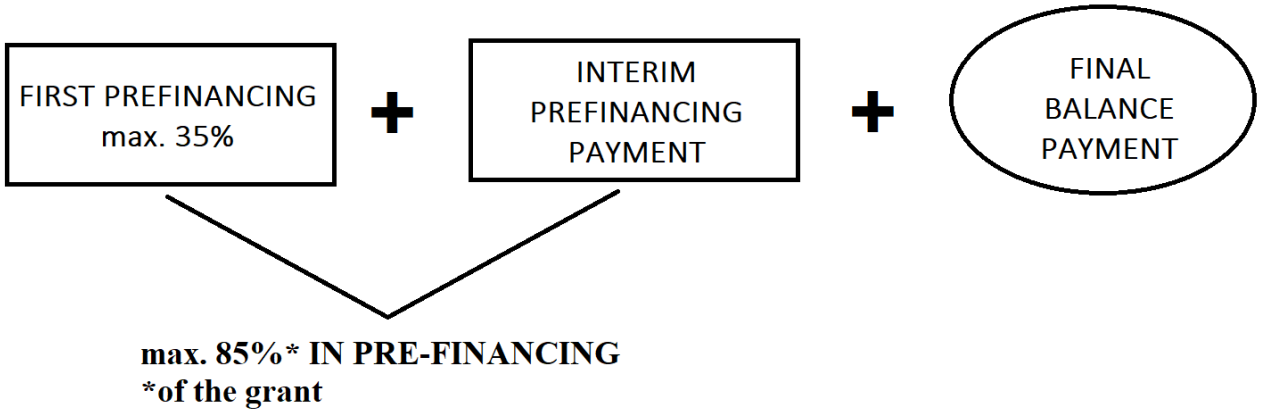
[19] If the pre-financing payment paid under the Contract is more than 1 million Euro, the payment must be fully covered by a bank guarantee or bill of exchange with relevant declaration of financial guarantee. Bank guarantee is required with regard to pre-financing of the entire project and LB, based in the Republic of Poland and in the Russian Federation, being a non-governmental organisation is obliged to submit it.

The final balance payment representing the difference between the expenditures incurred within the project during its whole period of implementation and the prior pre-financing, settled against the sum of the project budget annexed to the Grant Contract. The final balance payment will be paid by the MA within 60 days as from the date of receipt by the MA of the following correct documents, approved by the JTS:

1. request for payment conforming to the model which will be provided on the Programme website;
2. project final report (narrative and financial parts) submitted to the JTS not later than 3 months after the implementation period as defined in the grant contract;
3. expenditure verification certificates of all project beneficiaries signed by independent auditors.

---

[20] If the interim pre-financing payment as one of the pre-financing payments paid under the Contract is more than 1 million Euro, the payment must be fully covered by a bank guarantee or bill of exchange with relevant declaration of financial guarantee. Bank guarantee is required with regard to pre-financing of the entire project and LB, based in the Republic of Poland and in the Russian Federation, being a non-governmental organisation is obliged to submit it.



Option 2

If all activities in the project will be pre-financed by the lead beneficiary/beneficiaries, the expenditures incurred will be reimbursed (applicable only at the request of the lead beneficiary).

Final balance (one-off) payment representing 100% of the grant foreseen for the implementation of the project will be paid by the MA within 60 days as from the date ofreceipt by the MA of the following correct documents, approved by the JTS:

1. request for payment conforming to the model which will be provided on the Programme website;
2. project final report (narrative and financial parts) submitted to the JTS not later than 3 months after the implementation period as defined in the grant contract;
3. expenditure verification certificates of all project beneficiaries.

6. Cost eligibility criteria

The budget headings and related eligibility rules of the Programme are structured according to the requirements of the applicable EU regulations, in particular the Regulation (EU) No 236/2014, the Regulation (EU) No 232/2014 and the Regulation (EU) No 897/2014. The eligibility rules - laid down in this Guideline on the basis of art. 48 of the Regulation (EU) No 897/2014 - cannot be breached.

6.1 Settlement of costs incurred by beneficiaries

In order to simplify implementation of projects, the following forms of settlement of costs incurred by beneficiaries may be used:

1) settlement of the eligible **costs actually incurred (real costs).** Eligible costs shall be calculated in advance in the project budget on the basis of estimated expenditures which will be actually incurred by the beneficiary. When claiming those costs beneficiaries shall prove by relevant supporting documents that the expenditures have been incurred and paid;
2) **flat-rate financing**. Indirect (administrative) costs shall be clearly identified in advance in the project budget based on calculations made by the applicant. Appropriate justification of

the percentage rate of the flat rate will need to be provided in the Application Form, i.e. description of applied methodology. When claiming those costs beneficiaries will not need to prove by relevant documents that the expenditures have been incurred and paid;

3) **lump sums**. Grants shall cover certain specific categories of eligible costs (staff costs or preparation of strong partnerships) which shall be clearly identified in advance in the project budget. Beneficiaries can claim those costs only up to the certain threshold, in this case beneficiaries will not need to prove by relevant documents that the expenditures have been incurred and paid.

IMPORTANT!

In any case, grants shall not have the purpose or effect of producing a profit within the framework of the project.

6.2 Eligible costs

Only “eligible costs” can be financed by the grant. The costs must be presented in the project budget. The categories of costs considered as eligible and non-eligible are indicated below. The budget is both a cost estimate and a ceiling for “eligible costs”. Please note that the eligible costs must be based on real costs based on supporting documents.

6.2.1 General rules regarding the cost eligibility

Eligible costs are costs paid by the lead beneficiary/beneficiary during the implementation period of the project. An exception is

made for the costs related to preparation of the final report (limited to expenditure verification, audit and final evaluation of the project and salaries of project management staff up to 3 months after the implementation period), which may be paid afterwards, provided they are listed in the final report together with the estimated date of their payment.

In particular costs relating to services and works shall relate to activities performed during the implementation period. Costs relating to supplies shall relate to delivery and installation of items during the implementation period.

Signature of a contract, placing of an order, or entering into any commitment for expenditure within the implementation period for future delivery of services, works or supplies after expiry of the implementation period do not meet this requirement;

Cash transfers between the lead beneficiary and the other beneficiaries may not be considered as costs incurred.

Procedures to award contracts[21] may have been initiated and contracts may be concluded by the beneficiary(ies) before the start of the implementation period of the project, provided:

[21] Commission Implementing Regulation (EU) No 897/2014 of 18 August 2014 laying down specific provisions for the implementation of cross-border cooperation programmes financed under Regulation (EU) No232/2014 of the

a) the provisions of Art. 52 of the IR and following have been respected;

b) they are indicated in the project's estimated overall budget;

c) they are necessary for the project implementation;

d) they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary (separate accounts shall be created for the project purpose) and determined according to the accounting standards and the usual cost accounting practices applicable to the beneficiary;

e) they comply with the requirements of applicable tax and social legislation;

f) they are reasonable, justified, and comply with the requirements of sound financial management, in particular regarding economy and efficiency;

g) they are supported by invoices or documents of equivalent probative value[22]. The exception to this rule is expenditure

---

European Parliament and the Council establishing a European Neighbourhood Instrument.

[22] In case of expenditure covered by flat-rates or lump sums supporting documents will not be required for project reporting purposes. Expenditures related to lump sums should be documented by project results, for example, documents proving that the activities envisaged in the project have been accomplished. These do not have to be financial documents but rather proves of non-financial nature such as photographs, samples of project results, such as publications and other materials.

settled by using lump sums for project preparation costs and lump sums for staff costs, as well as flat rate for administrative costs.

h) they have not already been covered from different co-financing sources (no double-financing rule).

6.2.2 Eligibility of preparatory costs

Only beneficiaries with whom a grant contract is signed, could claim the reimbursement of preparatory costs. No grant may be awarded retroactively for projects already completed.

Concerns all projects - to allow the preparation of strong partnerships, costs incurred before submission of the grant application by projects to which a grant has been awarded are eligible provided that the following conditions are also met:

a) they are incurred after the publication of the call for proposals;

b) they are limited to travel and subsistence costs of staff employed by the beneficiaries, provided they meet the conditions of point 6.2.3 (b) below;

c) they do not exceed 5 000 EUR (they can be claimed as a lump sum only in the amount of 5 000 EUR per project).

IMPORTANT!

For projects with infrastructure component - in order to support beneficiaries in financing the preparation of **studies and documentation** related to infrastructure component, a grant may be awarded retroactively to cover such costs only if they were

incurred after the adoption of the JOP, i.e. after December 8th, 2016.

Other costs under the grant awarded retroactively could be considered as eligible if the applicant can demonstrate the need to start the project before the contract is signed. Such costs, however, shall not have been incurred prior to the date of the submission of the Application Form to the JTS.

6.2.3 Eligibility of direct costs

The following direct costs of the beneficiary shall be eligible:

a) the costs of staff assigned to the project under the following cumulative conditions:
   i. they relate to the costs of activities which the beneficiary would not carry out if the project was not undertaken;
   ii. they must not exceed those normally borne by the beneficiary unless it is demonstrated that this is essential to carry out the project;
   iii. they relate to actual gross salaries including social security charges and other remuneration-related costs;
b) travel and subsistence costs of staff and other persons taking part in the project, provided they exceed neither the costs normally paid by the beneficiary according to its rules and regulations nor the rates published by the Commission at the time of the mission if reimbursed on the basis of lump sums, unit costs or flat rate financing;

c) purchase or rental costs for equipment (new or used) and supplies specifically for the purpose of the project, provided they correspond to market prices;

d) the cost of consumables specifically purchased for the project;

e) costs entailed by contracts awarded by the beneficiaries for the purposes of the project;

f) costs deriving directly from requirements imposed by the Financing agreement and national legislation and the project (such as information and visibility operations, evaluations, external audits, translations) including financial service costs (such as costs of bank transfers and financial guarantees).

6.2.4 Eligibility of indirect (administrative) costs

Indirect costs may be calculated on a flat-rate of up to 7% of eligible direct costs per project, **excluding costs incurred in relation to the provision of infrastructure**, provided that the rate is calculated on the basis of a fair, equitable and verifiable calculation method.

As indirect costs for a project shall be considered those eligible costs which may not be identified as specific costs directly linked to the implementation of the project and may not be booked to it directly according to the conditions of eligibility[23]. For example, administrative costs may include costs of running the beneficiary's office (or part of the office) that is in his possession and is used for

[23] As defined in Article 48 of IR.

the day-to-day implementation of the project. Administrative costs may not include ineligible costs or costs already declared under another cost item or heading of the budget of the project.

The methodology of the administrative costs shall be submitted by the applicant along with the Application Form (see Annex3 to this Manual).

6.3 Non-eligible costs

6.3.1 List of non-eligible costs

The following costs relating to the implementation of the project shall not be considered eligible:

a) debts and debt service charges (interest);

b) provisions for losses or liabilities;

c) costs declared by the beneficiary and already financed by the Union budget or federal / regional / local budget of the Russian Federation.

d) purchases of land or buildings for an amount exceeding 10% of the eligible expenditure of the project concerned;

e) exchange-rate losses;

f) duties, taxes and charges, including VAT, except where non-recoverable under the relevant national tax legislation, unless otherwise provided in appropriate provisions negotiated with CBC partner countries;

g) loans to third parties;

h) fines, financial penalties and expenses of litigation;

i) contributions in kind;

j) other costs specified as ineligible in the budget heading description.

6.3.2 Contribution in kind

Any provision of non-financial resources free of charge by a third party shall be considered as contributions in kind at project level. **Contributions in kind are not eligible costs and may not be considered as a part of the minimum 10 % co-financing by the lead beneficiary/beneficiary.**

The cost of staff assigned to a project shall not be considered a contribution in kind and may be considered as a part of the minimum 10% co-financing presented in the budget when paid by the lead beneficiary/ beneficiaries. In the latter case, the option of real costs (not the lump sum) should be selected for the settlement of the staff costs within the project.

Notwithstanding the above, if the description of the action as proposed by the lead beneficiary foresees the contributions in kind, such contributions have to be clearly presented in the application form but must not be presented in the project budget.

6.4 Competition and public procurement

6.4.1 Beneficiaries registered in Poland

Beneficiaries registered in Poland have to comply with Polish law on public procurement. This law is compliant with the Union legislation applicable to procurement procedures.

Preparing and conducting public procurement, as well as awarding a contract within the project, should be carried out in a manner that guarantees compliance with the principle of transparency, fair competition and equal treatment of contractors, including potential contractors. In addition, with respect to all contracts awarded within the project, regardless of their value or the manner of selecting a contractor and awarding authority, it is required that the principle of sound financial management is complied with. Thus, this must be in accordance with the principles of economy, efficiency and effectiveness and the reasonability of spending public funds as well as with other conditions for the eligibility of expenditure as specified in the Programme.

In order to implement competition and public procurement principles referred to above, contracts within the project have to be awarded pursuant to EU and national regulations on tendering and awarding contracts if the regulations are applicable in awarding the given contract.

6.4.2 International organisations

Where **the beneficiary is an international organisation**, it may apply its own procurement rules if they offer guarantees equivalent to internationally accepted standards.

6.4.3 Beneficiaries established in Russia

6.4.3.1 Specific rules for public entities and legal entities established in Russia

Public entities and legal entities established in Russia which are subject to national procurement legislation as stipulated in the Financing agreement have to comply with Russian procurement legislation (Federal Law No 44-FZ and Federal Law No 223 – FZ as well as respective acts of the President and Government of the Russian Federation). The contract shall be awarded to the tender offering best value for money or as appropriate to the tenderer offering the lowest price. The beneficiary shall avoid any conflict of interests and respect the principles of equal treatment, non-discrimination, fair competition, transparency.

Procurement award procedures by the other beneficiaries established in Russia, which are private entities and do not fall under national procurement legislation, shall be subject to the rules defined in the Annex II to the Financing agreement and are described below.

Regardless whether the institution is a public, legal or private entity the rules of nationality and origin as described in subchapter 6.4.6 must be obeyed.

6.4.3.2 Specific rules for private entities established in Russia

I. General principles

Where implementation of the Programme/project requires the award of a procurement contract by beneficiaries established in the Russian Federation**, which are private entities**, the following principles shall be complied with:

(a) The contract shall be awarded to the tender offering best value for money, or as appropriate, to the tender offering the lowest price, while avoiding any conflict of interests;

(b) For contracts with a value of more than EUR 60 000, the following rules shall also apply:

1. an evaluation committee shall be set up to evaluate applications and/or tenders on the basis of the exclusion, selection and award criteria published by the beneficiary in advance in the tender documents. The committee must have an odd number of members with all the technical and administrative capacities necessary to give an informed opinion on the tenders/applications;
2. sufficient transparency, fair competition and adequate ex-ante publicity must be ensured;

3. equal treatment, proportionality and non-discrimination shall be ensured;
4. tender documents must be drafted according to best international practice;
5. deadlines for submitting applications or tenders must be long enough to give interested parties a reasonable period to prepare their tenders;
6. candidates or tenderers shall be excluded from participating in a procurement procedure if they fail within one of the situations described in point II, 2.2 of this subchapter. Candidates or tenderers must certify that they are not in one of these situations. In addition, contracts may not be awarded to candidates or tenderers which, during the procurement procedure fail within one of the situations referred to in point II, 2.3 of this subchapter;
7. procurement procedures set out in point III of this subchapter shall be followed.

II. Eligibility of contracts

II.1. Rules of nationality and origin

Provisions of section 6.4.6 shall be followed.

II.2 Grounds for exclusion from participation in procurement

A tenderer shall be excluded from participating in procurement procedures where:

a) The tenderer is bankrupt, subject to insolvency or winding-up

procedures, where its assets are being administered by a liquidator or by a court, where it is in an arrangement with creditors, where its business activities are suspended, or where it is in any analogous situation arising from a similar procedure provided for under national laws or regulations of the Russian Federation;

b) It has been established by a final judgment or a final administrative decision that the tenderer is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which the contracting authority is located or those of the country of the performance of the contract;

c) It has been established by a final judgment or a final administrative decision that the tenderer is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the tenderer belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:

    1. fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract;

2. entering into agreement with other tenderers with the aim of distorting competition;
3. violating intellectual property rights;
4. attempting to influence the decision-making process of the contracting authority during the procurement procedure;
5. attempting to obtain confidential information that may confer upon it undue advantages in the procurement procedure;

d) It has been established by a final judgment that the tenderer is guilty of any of the following:

1. fraud and corruption as defined in Article 18 of Annex I (General Conditions) of the Financing Agreement;
2. participation in a criminal organisation;
3. money-laundering or terrorist financing;
4. terrorist-related offences or offences linked to terrorist activities;
5. child labour or other forms of trafficking in human beings;

e) The tenderer has shown significant deficiencies in complying with main obligations in the performance of a contract financed by the budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by the Commission, OLAF or the Court of Auditors;

f) It has been established by a final judgment or final administrative decision that the tenderer has committed an irregularity.

The beneficiary shall exclude the tenderer where a person who is member of the administrative, management or supervisory body or has power of representation, decision or control on the tenderer is in a situation listed in points c), d), e) or f). This applies also where a natural or legal person that assumes unlimited liability for the debts of that tenderer is in a situation listed in points a) or b).

Point a) does not apply to the purchase of supplies on particularly advantageous terms from either a supplier which is definitively winding up its business activities or from liquidators of a bankruptcy, through an arrangement with creditors, or through a similar procedure under national law of the Russian Federation.

The beneficiary shall not exclude any tenderer where it can demonstrate that adequate measures have been adopted which ensure its reliability, except in the cases listed in point d), where it is indispensable for the continuity of the service for a limited duration and pending the adoption of remedial measures, where the exclusion would be disproportionate.

II.3 Exclusion from award of contracts

A contract for a given procurement procedure shall not be awarded to a tenderer who:

1. Is in an exclusion situation established in accordance with point 2.2;

2. Has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information;
3. Was previously involved in the preparation of procurement documents where this entails a distortion of competition that cannot be remedied otherwise.

III. Procurement procedures

III.1 Procurement procedures for service contracts

Service contracts with a value of **EUR 300 000 or more** shall be awarded by means of an International restricted tender procedure following publication of a procurement notice. The procurement notice shall be published in all appropriate media beyond the programme area, stating the number of candidates which will be invited to submit tenders within a range of four to eight candidates and ensuring genuine competition.

Service contracts with a value of **more than EUR 60 000 but less than EUR 300 000** shall be awarded by means of a competitive negotiated procedure without publication. The beneficiary shall consult at least three service providers of its choice and negotiate the terms of the contract with one or more of them.

III.2 Procurement procedures for supply contracts

Supply contracts with a value of **EUR 300 000 or more** shall be awarded by means of an international open tender procedure following publication of a procurement notice, which shall be published in all appropriate media beyond the programme area.

Supply contracts with a value of **EUR 100 000 or more but less than EUR 300 000** shall be awarded by means of an open tender procedure published in the programme area. Any eligible tenderer must be provided with the same opportunities as local firms.

Supply contracts with a value of **more than EUR 60 000 but less than EUR 100 000** shall be awarded by means of a competitive negotiated procedure without publication. The beneficiary shall consult at least three suppliers of its choice and negotiate the terms of the contract with one or more of them.

III.3 Procurement procedures for work contracts

Works contracts with a value of **EUR 5 000 000 or more** shall be awarded by means of an international open tender procedure, or in view of the specific characteristics of certain works by means of a restricted tender procedure, following publication of a procurement notice which shall be published in all appropriate media beyond the programme area.

Work contracts with a value of **EUR 300 000 or more but less than EUR 5 000 000** shall be awarded by means of an open tender procedure published in the programme area. Any eligible tenderer must be provided with the same opportunities as local firms.

Work contracts with a value of **more than EUR 60 000 but less than EUR 300 000** shall be awarded by means of a competitive negotiated procedure without publication. The beneficiary shall consult at least three contractors of its choice and shall negotiate the terms of the contract with one or more of them.

III.4 Low-value contracts

A low value contract **not exceeding EUR 60 000** may be awarded in accordance with the national rules of the Russian Federation applicable to the beneficiary, complying with the rules of nationality and origin set out in point II, 2.1 of this subchapter. In absence of such national rules of the Russian Federation, the negotiated procedure may be used.

III.5 Use of negotiated procedure

Regardless of the value of the contract, the beneficiary may decide to use negotiated procedure on the basis of a single tender in the following cases:

(a) In case of service contracts:

1. where strictly necessary, for reasons of extreme urgency brought about by events which the beneficiary could not have foreseen and are not attributable to it, making impossible to comply with the ordinary time limits for the procedures;
2. where the services are entrusted to public-sector bodies or to non-profit institutions or associations and relate to activities of an institutional nature (ie. services directly linked to the statutory mission of the body) or designed to provide assistance to people in the social field;
3. for the extension of an ongoing contract through the repetition of similar services entrusted to the original contractor, provided that the initial contract had been awarded following publication of a contract notice, and the latter referred to the possibility of using the negotiated

procedure for new services for the project as well as the relevant estimated cost;

4. where the tender procedure has been unsuccessful, that is to say, where no qualitatively and/or financially worthwhile tender has been received, in which case, after cancelling the tender procedure, the beneficiary may negotiate with one or more tenderers of its choice from among those that took part in the invitation to tender procedure, if they comply with the selection criteria, provided that the original procurement documents are not substantially altered and that the principle of fair competition is observed;
5. where the contract consists of the acquisition of a plan or design selected by a jury following a design contest and must, under the rules applying, be awarded to the winner or to one of the winners, in which case, all successful candidates shall be invited to participate in the negotiations;
6. where, for technical or artistic reasons, or for reasons connected with the protection of exclusive rights, the contract can be awarded only to a particular service provider, with no reasonable alternative or substitute existing, and the absence of competition is not the result of an artificial narrowing down of the parameters when defining the procurement;
7. for contracts declared to be secret, or for contracts whose performance must be accompanied by special security measures or when the protection of the essential interests of

the European Union or the Russian Federation so requires, provided the essential interests concerned cannot be guaranteed by other measures (eg. requirements to protect confidential information in the procurement procedure);

8. where a new contract has to be concluded after early termination of an existing contract
9. for legal services such as: representation and advice related to arbitration, conciliation or judicial proceedings; arbitration and conciliation services; document certification and authentication services which must be provided by notaries;
10. for financial services and loans;
11. for the purchase of electronic communication services;
12. where a service contract is to be implemented by an international organisation which cannot participate in competitive procedures according to its statute or act of establishment.

(b) In case of supply contracts:

1. where strictly necessary, for reasons of extreme urgency brought about by events which the beneficiary could not have foreseen and are not attributable to it, making impossible to comply with the ordinary time limits for the procedures;
2. where the supplies can only be provided by a single supplier because:
    a) the aim of the procurement is the creation or acquisition of a unique work of art or artistic performance;

b) competition is absent for technical reasons;

c) the protection of exclusive rights including intellectual property rights must be ensured (e.g., where performance of the contract is exclusively reserved for the holders of patents or licenses to use patents).

The exceptions in points b) and c) shall only apply when no reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters when defining the procurement;

3. for additional deliveries by the original supplier intended either as a partial replacement of supplies or installations or as the extension of existing supplies or installations, where a change of supplier would oblige the beneficiary to acquire supplies having different technical characteristics which would result in either incompatibility or disproportionate technical difficulties in operation and maintenance;

4. where the tender procedure has been unsuccessful, i.e. where no qualitatively and/or financially worthwhile tender has been received. In such cases, after cancelling the tender procedure, the beneficiary may negotiate with one or more tenderers of its choice, from among those that took part in the tender procedure, if they comply with the selection criteria, provided that the original procurement documents are not substantially altered and the principle of equal treatment is observed;

5. for contracts declared to be secret, or for contracts whose performance must be accompanied by special security measures,

in accordance with the administrative provisions in force or where the protection of the essential interests of the European Union or the Russian Federation so requires, provided the essential interests concerned cannot be guaranteed by other measures (such as requirements to protect the confidential nature of information which the beneficiary makes available in the procurement procedure);

6. for contracts in respect of supplies quoted and purchased on a commodity market;
7. for contracts in respect of purchases of supplies on particularly advantageous terms, either from a supplier which is definitively winding up its business activities, or the liquidators in an insolvency procedure, an arrangement with creditors, or a similar procedure under national law;
8. where a new contract has to be concluded after early termination of an existing contract;
9. where the products are manufactured purely for the purpose of research, experimentation, study or development; however such contracts shall not include quantity production to establish commercial viability or to recover research and development costs;
10. for the purchase of public communication networks.

(c) In case of work contracts:

1. where strictly necessary, for reasons of extreme urgency brought about by events which the beneficiary could not have foreseen

and are not attributable to it, making impossible to comply with the ordinary time limits for the procedures;

2. for new works consisting in the repetition of similar works entrusted to the original contractor, provided that the initial contract had been awarded after publication of a contract notice which referred to the possibility of using the negotiated procedure for the new works, their extent, the conditions under which they would be awarded, as well as their estimated cost;
3. where the tender procedure has been unsuccessful, that is to say where no qualitatively and/or financially worthwhile tender has been received. In such cases, after cancelling the tender procedure,
4. the beneficiary may negotiate with one or more tenderers of its choice, from among those that took part in the invitation to tender procedure, if they comply with the selection criteria, provided that the original procurement documents are not substantially altered and the principle of equal treatment is observed;
5. for contracts declared to be secret, or for contracts whose performance must be accompanied by special security measures or when the protection of the essential interests of the European Union or the Russian Federation so requires, provided the essential interests concerned cannot be guaranteed by other measures (such as requirements to protect the confidential nature of information which the contracting authority makes available in the procurement procedure);

6. for the purchase of public communication networks;
7. for the renting of buildings already constructed, after prospecting the local market;
8. where a new contract has to be concluded after early termination of an existing contract;
9. where the works can only be provided by a single tenderer for any of the following reasons:
   a) the aim of the procurement is the creation or acquisition of a unique work of art or artistic performance;
   b) competition is absent for technical reasons;
   c) the protection of exclusive rights including intellectual property rights must be ensured (e.g., where performance of the contract is exclusively reserved for the holders of patents or licenses to use patents).

The exceptions in the points b) and c) shall only apply when no reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters when defining the procurement.

For all procedures, a negotiation report must be produced, explaining how participant(s) in the negotiations were chosen, how the price was set and the grounds for the award decision.

Eligibility rules under point II of this subchapter shall be duly complied with.

6.4.3.3 Specific programme rules for entities established in Russia

In addition to the regulations described in the subchapters above, i.e. 6.4.3.1 and 6.4.3.2, the following procurement rules set up by the programme shall be obeyed in cases where national thresholds are higher[24]:

If the value of the procurement is over 10 000 € [25] but under the national threshold value:

- The Beneficiary consults minimum 3 candidates (or more) of its choice and negotiates the terms of the contract with them;
- The requests for the offer and responds of candidates shall be made in written;
- The Beneficiary must conclude the written contract;
- Procedure shall be documented and the criteria for the decision justified; the procurement note in accordance with Annex no. 9 to this Manual must be filled in and archived.

If the value of the procurement is under 10 000 €

- The request of the price is asked by phone/e-mail/webpages (minimum 3);
- Procedure shall be documented and the criteria for the decision justified.

[24] Please note that these rules refer to all public, legal and private beneficiaries.

[25] Conversion into euro shall be done at the rate published on the InfoEuro website for the month in which the procurement procedure is announced.

Regardless which procedure is used by the beneficiary (except for the procurement below 3 000 €), the beneficiary and/or the selection committee shall always sign a Declaration of impartiality and confidentiality which constitutes Annex no. 10 to this Manual.

6.4.4 Contracts awarded under projects

In any case, preparing and conducting public procurement, as well as awarding a contract within the project, should be carried out in a manner that guarantees compliance with the principle of fair competition and equal treatment of contractors.

6.4.4.1 Specific rules for Polish beneficiaries

Beneficiaries based in Poland have to comply with the following specific rules of awarding contracts under the project:

1) The beneficiary is obliged to prepare and conduct the procedure of awarding contracts with an estimated value exceeding PLN 50 000. PLN net[26], i.e. excluding value added tax (VAT), in the manner ensuring transparency and maintaining fair competition and equal treatment of

[26] Determination of the value of the contract shall be made no earlier than 3 months before the date of initiation of the contract award procedure, if the subject of the contract are deliveries or services, and not earlier than 6 months before the date of initiation of the contract award procedure, if the subject of the contract are construction works. Whenever in this subsection the value is expressed in the euro, the average exchange rate of the zloty against the euro constituting the basis for the conversion of the value of orders is determined based on the provisions issued on the basis of Article 35 (3) PPL.

contractors. The above requirements are met by means of Public Procurement Law (further: PPL) application or the competition principle, described in subchapter 6.4.4.2[27].

2) Expenditures under the project must be incurred in a transparent, reasonable and effective manner.

3) If the beneficiary is a public administration body, in accordance with Article 5(2)(1) of the Act of 24 April 2003 on public benefit activity and voluntary work it may entrust the implementation of public tasks under the procedure specified in the Act. In case of above mentioned entrustment the procedures specified in subchapter 6.4.4.2shall not apply.

4) If, pursuant to effective regulations other than the PPL, provisions of the PPL no longer apply, the beneficiary referred to in Article 3 of the PPL conducts a public procurement procedure in compliance with those regulations. In such a

[27] In accordance with the rules governing the disbursement of ESIF funds, EU funds are aimed at implementing a strategy for smart, sustainable and inclusive growth. These goals are implemented by spending funds in a way that ensures the creation of, among others, high quality jobs or environmental protection. In relation with the above for contracts which value exceeds the amounts specified in §1 point 1 of the Regulation of the Minister of Development and Finance of 22 December 2017 on the value of orders and competitions, on which the obligation to submit notices to the Publications Office of the European Union is required, it should be considered to oblige contractors to comply with labor law, social law, environmental law

case the procedures specified in subchapter 6.4.4.2 shall not apply.

5) The procedures specified in subchapter 6.4.4.2 this Section do not apply to:

a) contracts referred to in Article 4 of the PPL, except for contracts referred to in Article 4(8) of the PPL, whereas the award of a contract for the acquisition of ownership or other rights to the existing buildings or real property by an entity other than the contracting authority within the meaning of the PPL without application of the principle of competitiveness is only possible when no personal or capital ties referred to subchapter 6.4.4.2. (2)(a) exist,

b) contracts specified in Article 4d of the PPL;

c) expenditures settled by simplified methods referred to in this Programme Manual;

d) contracts awarded by the beneficiaries selected in accordance with the procedure specified in the Act on public-private partnership or in the Act on concession for construction works or services in order to implement the project under a public- private partnership (hybrid project[28]).

[28] Detailed regulations regarding hybrid projects can be found in the Guidelines on issues related to the preparation of investment projects, including income-generating projects and hybrid projects for the years 2014-2020.

e) contracts, subject of which are services provided in the scope of research and development works carried out in the project by persons constituting the human resources of the beneficiary indicated in the approved FAF.

6) Contracting authorities may be exempt from the obligation to follow the procedures specified in subchapter 6.4.4.2 with regard to awarding contracts in the following cases:[29]

a) where, as a result of a proper implementation of principle of competitiveness specified in subchapter 6.4.4.2., no offer fulfilling request for proposal was received; conclusion of an agreement on the implementation of the contract with the exception of the principle of competitiveness is possible when the original terms of the contract have not been substantially changed;

b) where the contract may only be performed by a sole contractor for any of the following reasons:

i. lack of competition for technical reasons of objective nature; i.e. there is only one contractor who is the only one who can execute the order,

ii. the subject of the contract is covered by the protection of exclusive rights, including intellectual property rights; i.e.

[29]The circumstances specified in Points 7 and 8 of this Section allowing for non-application of the procedures should be interpreted in the context of the interpretation of relevant provisions of the PPL, i.e. Articles 62 and 67, which permit to apply a non-competitive procedure if specific conditions are met.

there is only one contractor who has the exclusive right to dispose of the object of the contract, and this right is subject to statutory protection

The exemption may apply, unless there is an alternative or substitutive solution and lack of competition results from artificial narrowing down of the parameters of the contract;

c) where the supplies, services or construction works may only be provided by one contractor, in the case of contracts relating to creative or artistic activity;

d) in the case of contracts to which the principle of competitiveness applies, where the deadlines referred to in subchapter 6.4.4.2. cannot be kept due to the urgent need to award the contract which could not have been foreseen, such urgent need have not resulted from any action or negligence of the contracting authority;

e) in the case of contracts to which the principle of competitiveness applies, where the contract must be performed immediately and the deadlines referred to in subchapter 6.4.4.2. cannot be met due to the extraordinary situation which could not have been foreseen (e.g. natural disasters, catastrophes, breakdowns, unexpected accidents), and, such extraordinary situation have not resulted from any action or negligence of the contracting authority;

f) where the contract for supplies concerns items produced solely for research, experimentation, scientific or

development purposes, which do not lead to mass production by the contracting authority aimed at achieving economic viability or coverage of research and development costs;

g) where the contracting authority awards contracts for additional supplies to a contractor selected in accordance with the principle of competitiveness, and contracts consist in partial replacement of the supplied products or installations or in increasing the current supplies or in development of the existing installations, and a change of contractor would lead to a purchase of materials of different technical properties, which would result in technical incompatibility or disproportionately serious technical problems with the use and maintenance of such products or installations. Duration of an agreement on additional supplies cannot exceed three years;

h) where the contracting authority awards supplementary contracts for services or construction works provided for in the request for quotation to a contractor selected in accordance with the principle of competitiveness within three years from the date of award of the main contract, supplementary contracts consisting in repetition of similar services or construction works;

i) where the contract concerns supplies on particularly favourable conditions due to liquidation of operations of a

third entity, or due to enforcement or bankruptcy proceedings;

j) where the contract for supplies is executed on a commodity market within the meaning of regulations on commodity markets, including commodity markets of other European Economic Area member states;

k) where the contract is awarded by a foreign service post within the meaning of foreign service regulations;

l) where the contract is awarded for the exclusive purposes of a military unit within the meaning of regulations governing the use or stay of the Polish Armed Forces outside the territory of the Republic of Poland.

7) Contracting authorities may be exempt from the obligation to follow the procedures specified in this Sub-chapter in the cases specified in Article 67(1) (12) through (15) of the PPL. Such option applies solely to the entities specified in that provision.

8) Fulfilment of the conditions allowing for exemption from the obligation to follow the procedures specified in Points 6 and 7 must be proved in writing.

9) The basis for determining the value of the contract is the total estimated net remuneration of the contractor, excluding value added tax (VAT), determined with due diligence, taking into account possible orders referred to in point 6 lit. h (e.g. in the approved FAF or in the note from the estimation). Understatement of the estimated value of the contract or its

division resulting in the lowering of its estimated value is forbidden. In determination of the value of the contract, the three identities must be jointly met[30]:

a) services, supplies and construction works are identical in terms of type or function (subject identity);

b) contract may be awarded at the same time (time identity);

c) contract may be performed by a sole contractor (contractor identity).

If a contract is awarded in parts (for specific economic, organisational or functional reasons), contract value is determined as total value of its respective parts[31].

10) In the case of contracts performed by beneficiaries who are not contracting authorities within the meaning of the PPL, contract value is determined with regard to a specific project. Entities that are awarding entities in the meaning of the PPL shall as first step assess the value of the contract in accordance with the provisions of the PPL. After finding that the estimated value of the contract determined on the basis of the PPL does not exceed the value indicated in article 4 (8) of the PPL or in the case of sector contracts - the value indicated in the regulations issued on the basis of article

[30] The listed circumstances should be interpreted in line with the interpretation of the provisions of the PPL relating to estimation of the value of the contract.

[31] In the case of beneficiaries obliged to apply the PPL, it does not concern the contracts referred to in Article 6a of the PPL.

11(8) of the PPL, determine the value of their contracts in relation to a given project.

11) If the beneficiary violates the terms and procedures of soliciting a public contract defined in this Sub-chapter, all or part of the expenditures related to this public contract may be considered ineligible by the auditor, pursuant to the Ordinance of the minister competent for regional development issued on the basis of Article 24(13) of the implementation act.

6.4.4.2 Specific conditions for the performance of public contracts by entities obliged to apply the principle of competitiveness

1) The beneficiary awards the contract under the project in accordance with the principle of competitiveness in a situation:

   a) where the beneficiary is not the contracting authority within the meaning of the PPL and the value of the contract exceeds PLN 50,000 net, i.e. excluding value added tax (VAT);

   b) where the beneficiary is the contracting authority within the meaning of the PPL and the value of the contract is equal to or lower than the amount specified in Article 4(8) of the PPL, while exceeds PLN 50,000 net, i.e. excluding value added tax (VAT), or where the contract is a sectoral contract with the value that is lower than the amount specified in the regulations issued on the basis of Article

11(8) of the PPL while exceeds PLN 50,000 net, i.e. excluding value added tax (VAT).

2) In order to prevent a conflict of interests:

   a) in the case of beneficiaries not being the contracting authorities within the meaning of the PPL, contracts cannot be awarded to entities with personal or capital ties to such beneficiaries, excluding sectoral contracts and the contracts referred to in Sub-chapter 6.4.4.1 (6)(g) or (h)

   b) persons carrying out the activities relating to contractor selection procedure on behalf of the contracting authority, in particular persons participating in the tender evaluation process, cannot have any personal or capital ties to the contractors who submitted tenders. Such persons should be impartial and objective

3) Capital or personal ties mean mutual relationships between the beneficiary or persons authorised to undertake obligations on behalf of the beneficiary, or persons carrying out the activities relating to contractor selection procedure on behalf of the beneficiary, and the contractor, consisting in particular in:

   a) participation as a partner in a partnership or a civil law partnership;

   b) holding of at least 10% of shares or stocks, unless the effective regulations provide for a lower threshold;

   c) performance of the function of a member of the supervisory or management body, a proxy or an attorney;

d) being a spouse, relative by lineal consanguinity or affinity, secondary relative in the second degree of consanguinity or the second degree of affinity, or in a relationship of adoption, care or guardianship.

In the case the auditor finds the award of the contract to an entity with ties other than those listed in (a) through (d) , the auditor is obliged to demonstrate the existence of a breach of the principle of competitiveness through an existing link prior to reducing the eligible expenditure.

4) In the case of beneficiaries being the contracting authority within the meaning of the PPL, the principle of competitiveness will be considered satisfied if the public contract procedure is conducted based on the PPL.

5) The subject of the contract is described in an unambiguous and exhaustive way, using precise and understandable terms, taking into account all requirements and circumstances that may affect the preparation of the offer. The subject of the contract cannot be described by indicating the trademarks, patents or origin, source or special process that characterizes products or services provided by a specific contractor, if this could lead to privilege or elimination of some contractors or products, unless justified by the specificity of the subject of the contract and the contracting authority cannot describe the subject of the order by means of sufficiently precise terms, and the indication is accompanied by the words "or equivalent"

6) For business confidentiality reasons, it is possible to limit the scope of the description of the subject of the contract, but the contracting authority is obligated to share the supplemented description of the subject of the contract to a potential contractor who has committed to confidentiality in relation to the information provided, in a timely manner to prepare and submit the offer.

7) The subject of the contract is described by the names and codes specified in the Common Procurement Vocabulary referred to in Regulation (EC) No. 2195/2002 of the European Parliament and of the Council of 5 November 2002 on the Common Procurement Vocabulary (CPV) (OJ L 340 of 16.12.2002, p. 1, as amended; Special edition in Polish: Chapter 06, Volume 005, p. 3)[32].

8) Conditions of participation in the contract award procedure and description of the methodology of evaluation of their fulfilment, provided such conditions are included in the request for quotation referred to in Point 11 (a), are determined proportionally to the subject of the contract so as to ensure fair competition and equal treatment of contractors. The beneficiary cannot specify any conditions that would exceed the requirements sufficient for proper performance of the contract.

---

[32] Common Procurement Vocabulary is available e.g. at: http://kodv.uzp.gov.pl

9) The criteria for the evaluation of tenders submitted under the contract award procedure are formulated in the manner guaranteeing fair competition and equal treatment of contractors, whereas:

   a) each tender evaluation criterion must refer to a specific subject of the contract;

   b) each criterion (and description of its application) must be formulated in a clear and precise manner so that all well-informed tenderers could interpret it identically with due diligence;

   c) the weights (significance) of respective criteria should be defined in the manner allowing for selection of the best possible tender;

   d) tender evaluation criteria cannot relate to the properties of the contractor, in particular to their economic, technical or financial credibility. This reservation does not apply to contracts for social services and other special services[33],

[33] The list of social services and other special services forms Annex XIV to Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94 of 28.03.2014, p. 65) and Annex XVII to Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (OJ L 94 of 28.03.2014, p. 243).

nor to non- priority contracts in the field of defence and security[34];

e) price can be the only criterion for the evaluation of offers.,Apart from the price requirements, it is recommended to include other requirements relating to the subject of the contract, such as quality, functionality, technical parameters, environmental, social, innovative aspects, maintenance, contract performance deadline, operating costs and organization, professional qualifications and experience of persons appointed to perform the contract, if they can have a significant impact on the quality of the contract.

10) The deadline for submitting an offer (the date when the offer is received by the contracting authority decides) is at least 7 days for deliveries and services, at least 14 days for construction works and for sectorial contracts with a value lower than the amount specified in the regulations issued on the basis of Article 11 (8) of PPL. For contracts with an estimate value equal to or greater than the amounts specified in §1 point 1 of the Regulation of the Minister of Development

[34] The list of non-priority services in the fields of defence and security forms Annex II to Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security, and amending Directives 2004/17/EC and 2004/18/EC (OJ L 2009.216.76, as amended).

and Finance of 22 December 2017 on the value of orders and competitions, on which the obligation to submit notices to the Publications Office of the European Union is required the deadline is at least 30 days. The period starts on the day following the day the offer inquiry is made public and ends on the last day. If the deadline ends on a Saturday or a public holiday, the due date is the day following the day or days off from work.

11) In order to comply with the principle of competitiveness, the beneficiary should:

a) publish the request for quotation in line with the conditions referred to in Point 12 or 13, including at least:

i. description of the subject of the contract,

ii. conditions of participation in the procedure and description of the methodology of evaluation of the fulfilment of those conditions, whereas determination of participation conditions is not mandatory;

iii. tender evaluation criteria;

iv. information about the weights in points or per cent attributed to respective criteria of tender evaluation;

v. description of the methodology of awarding points for the fulfilment of a specific criterion of tender evaluation;

vi. deadline for submitting offers;

vii. agreement performance deadline;

viii. information about the required lack of personal or capital ties referred to in Point (2)(a)[35];

ix. determination of conditions of material amendment of the agreement executed as a result of the contract award procedure, if the contracting authority allows it;

x. information about the possibility of awarding a contract in the form of separate lots, if the contracting authority allows it;

xi. description of how to present variant offers and the minimum conditions that variant offers must meet, along with selected assessment criteria, if the contracting authority requires or permits their submission;

xii. information about the planned contracts referred to in Section 6.4.4.1 (6)(h), about their scope and the conditions on which the contracts will be awarded, if the contracting authority allows it.

b) select the best tender from the tenders submitted by the contractors who meet the conditions of participation in the procedure[36], based on the evaluation criteria defined in

[35] Not applicable to entities being contracting authorities within the meaning of the PPL.

[36] If the contracting authority allows awarding a contract in the form of separate lots, the procedure may result in selection of more than one contractor.

the request for quotation. Tender selection is documented by the report on the contract award procedure referred to in point 16. The procedure may end with the selection of several contractors, when the contracting authority allows separate lots.

12) Publication of the request for quotation by the beneficiary involves registration of such request in the competitiveness database[37] [38]. In case the operational functionality of such database is suspended, which has been confirmed by a relevant communication of the minister competent for regional development – the beneficiary directs the request for quotation to at least three potential contractors, if three potential contractors for a given contract exist on the market, and publishes the request at least on the beneficiary's website. Publication of the request for quotation means initiating the procurement procedure under the project.

13) Where due to the specific nature of the project an entity, that applies for the funds, begins to implement the project at its own risk before signing the subsidy contract, publication of

---

[37] Website indicated in the communication of the minister competent for development, used for publication of requests for quotation (https://bazakonkurencyjnosci.funduszeeuropejskie.gov.pl/).

[38] Publication of request for quotation in the competitiveness database takes place in the module "I want to add an advert - I am an Applicant (Ordering - Applicant). In the "Call for proposal number (* required)" field, enter the following number: STHB.01.01.00-IP.01-00-ROS/15

the request for quotation by the entity involves registration of such request in the competitiveness database[39] In case the operational functionality of such database is suspended, which has been confirmed by a relevant communication of the minister competent for regional development – the entity directs the request for quotation to at least three potential contractors, if three potential contractors for a given contract exist on the market, and publishes the request at least on the beneficiary's website. Publication of the request for quotation means initiating the procurement procedure under the project.

14) The request for quotation may be amended before the end of deadline for submission of tenders provided for in the request for quotation. In such situation, information about the amendment should be included in the request for quotation published in accordance with Point 12 or 13. Such information should contain at least the date of publication of the amended request for quotation and the description of the amendments. The contracting authority extends the deadline for the submission of tenders for the period required for tender

[39] Publication of request for quotation in the competitiveness database takes place also in the module "I want to add an advert - I am an Applicant (Ordering - Applicant). In the "Call for proposal number (* required)" field, enter the following number: STHB.01.01.00-IP.01-00-ROS/15

adjustment if it is necessary due to the scope of the amendments.

15) The content of questions regarding the request for quotation along with the explanations of the contracting authority is published in accordance with points 12 or 13.

16) The report on the contract award procedure (in writing) should include at least:

a) list of tenders submitted in response to the request for quotation with indication of the dates when the tenders were received by the contracting authority;

b) information about the fulfilment of the condition referred to in Point (2)(a);

c) information about the fulfilment of the conditions of participation in the procedure by contractors, if such conditions were formulated;

d) information about the weights in points or per cent attributed to respective criteria of tender evaluation and the methodology of awarding points to respective contractors for the fulfilment of a specific criterion;

e) identification of the selected tender with justification of such selection,

f) date of preparation of the report and signature of the contracting authority,

g) the following appendices:

i. confirmation of publication of the request for quotation in the manner specified in Point 12 or 13 along with amendments to the request for quotation referred to in point 14, if they have been made;

ii. submitted tenders,

iii. declaration(s) of lack of ties with the contractors who submitted tenders, signed by the contracting authority and persons carrying out the activities relating to contractor selection procedure on behalf of the contracting authority, including participation in the tender evaluation process (i.e. the ties referred to in Point 2(b)).

17) Information about the result of the procedure is published in the same manner as the request for quotation. Information about the result of the procedure should include at least the name of chosen contractor its location and price of the contact. Upon request of the contractor who submitted tender, the contracting authority is obliged to provide access to the report on the contract award procedure for such contractor, excluding the tenders covered by business confidentiality[40].

[40] Business confidentiality should be understood in accordance with the regulations on combating unfair competition (Act of 16 April 1993 on combating unfair competition, Dz. U. of 2018 item 419).

18) After the completion of the procedure described in this Section, an agreement with the contractor is concluded in a written or electronic form (together with a qualified electronic signature). If the contracting authority allows awarding a contract in the form of separate lots, the procedure may result in selection of more than one contractor. If the selected contractor withdraws from the execution of the agreement with the contracting authority, the agreement can be concluded with other contractor with the second highest number of points awarded in the contract award procedure.

19) Provisions of the executed agreement may not be materially amended[41] with regard to the content of tender on the basis of which the contractor was selected, unless:

[41] An amendment is considered material if it changes the general nature of the agreement with regard to the nature of the agreement in its initial wording, or if it does not change the general nature of the agreement and at least one of the following circumstances occurs: the amendment introduces conditions which, were they formulated in the course of the contract award procedure, would result in a situation where other contractors participated or could have participated in the procedure, or other tenders could be accepted, or the amendment affects the economic balance of the agreement to the benefit of the contractor in the manner originally unforeseen in the agreement, or the amendment significantly broadens or narrows the scope of services and obligations resulting from the agreement, or consists in the replacement of the contractor to whom the contracting authority awarded the contract with a new contractor in cases other than listed in (d).

a) possibility to amend the agreement was provided for by the contracting authority in the request for quotation and conditions of such amendment were specified, unless they result in a change of the nature of the agreement;

b) the amendments relate to additional supplies, services or construction works by the current contractor that had not been covered by the main contract, provided such supplies, services or construction works are necessary and the following conditions are jointly met:

   i. contractor cannot be changed for economic or technical reasons, in particular due to replacement potential or interoperability of the equipment, services or installations covered by the main contract;

   ii. change of contractor could cause serious inconvenience or significant increase in costs for the contracting authority;

   iii. the value of each subsequent amendment does not exceed 50% of the value of the contract initially determined in the agreement;

c) the amendment does not change the nature of the agreement and the following conditions are jointly met:

   i. the agreement must be amended for reasons the contracting authority could not have foreseen when acting with due diligence;

ii. the value of the amendment does not exceed 50% of the value of the contract initially determined in the agreement;

d) the contractor to whom the contracting authority awarded the contract is to be replaced by a new contractor:

i. on the basis of the contractual provisions referred to in (a);

ii. as a result of a merger, division, transformation, bankruptcy, restructuring or acquisition of the current contractor or their enterprise, provided that the new contractor meets the conditions of participation in the procedure, is not subject to exclusion and the replacement does not require any other material amendments to the agreement;

iii. as a result of taking over the contractor's obligations towards their subcontractors by the contracting authority; in case of change of subcontractor, the contracting authority may conclude a contract with a new subcontractor without changing the terms of the contract, taking into account payments made for the work carried out so far,

e) the amendment does not change the nature of the agreement and the total value of amendments does not exceed the amounts specified in §1 point 1 of the Regulation of the Minister of Development and Finance of 22 December 2017 on the value of orders and

competitions, on which the obligation to submit notices to the Publications Office of the European Union is required, and at the same time it does not exceed 10% of the value of the contract initially determined in the agreement in the case of supplies and services or, in the case of construction works, it does not exceed 15% of the value of the contract initially determined in the agreement.

6.4.4.3 The most common breaches in the area of awarding public contracts are related to the:

a) dividing or underrating the estimated value of the contract in order to avoid the application of the law;

b) conducting the procedure in the wrong manner (e.g. the award of contracts using non-competitive procedures where there are no grounds for applying such procedures; in the case of priority services, the application of the procedure dedicated to non-priority services);

c) non-competitive description of the subject of the contract by the groundless indication of trademarks, patents or the origin of goods, without allowing the equivalent tender submission and description of equivalence;

d) setting improper deadlines for tender submission or illegal shortening of deadlines for the tender submission;

e) determining improper conditions of participation in the public contract award procedure, leading to discrimination of contractors;

f) determining the conditions of participation in the public contract award procedure that exceed the needs necessary to achieve contract objectives;

g) demanding from consortium members to jointly meet all conditions of participation in the procedure;

h) demanding submission of documents not required by the regulations;

i) demanding proof of experience in the performance of contracts co-financed from EU or national funds where it is not necessary to confirm the contractor's abilities to perform the contract;

j) non-compliance with the regulations on publishing the contract notice or any amendments thereto;

k) illegal restriction of subcontracting;

l) setting the improper tender evaluation criteria;

m) conducting the procedure in breach of the principle of transparency, fair competition or equal treatment of contractors;

n) illegal amendment of the content of the agreement concluded with the contractor.

6.4.4.4.The most common breaches in the area of awarding contracts in accordance with the principle of competitiveness are related to the:

a) dividing or underrating the estimated value of the contract in order to avoid the application of the principle of competitiveness;

b) failure to publish the request for quotation on a dedicated website if such website was created;

c) if no website dedicated to the publication of requests for quotation was created, failure to send the request for quotation to the required number of potential contractors, or failure to publish the request for quotation on the contracting authority's website, if the contracting authority has such website;

d) failure to define the tender evaluation criteria;

e) setting deadlines for tender submission in the manner preventing potential contractors from submitting their tenders;

f) execution of an agreement with an entity having personal or capital ties to the contracting authority, if other potential contractor for a given public contract exists on the market;

g) failure to publish or improper publishing of information about the selection of the best tender;

h) concluding a verbal agreement.

6.4.5 The conflict of interests

In order to avoid a conflict of interests, persons who conduct the activities associated with the procedure of selecting the contractor on behalf of the contracting party, including participating in the evaluation of tenders, may not have personal or capital ties with the contractors. They should be impartial and objective.

A conflict of interests exists where the impartial and objective conducting the activities associated with the procedure of selecting the contractor by the project beneficiary and persons authorised to incur liabilities on behalf of the project partner or persons performing actions connected with preparing and conducting the contractor selection procedure on behalf of the project partner is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other interest shared with the contractors.

Capital or personal ties are understood as mutual ties between the project beneficiary and persons authorised to incur liabilities on behalf of the project beneficiary or persons performing actions connected with preparing and conducting the contractor selection procedure on behalf of the project beneficiary and the contractor which consist in particular of:

a) acting as a beneficiary in a civil partnership or a partnership,

b) holding at least 10% of stocks or shares,

c) acting as a member of the supervisory or management board, proxy, plenipotentiary,

d) being a spouse, relative by lineal consanguinity or affinity, secondary relative in the second degree of consanguinity or the second degree of affinity, in a relationship of adoption, care or guardianship.

In the event of conflict of interest the Beneficiaries shall immediately take all necessary steps to resolve it, in particular

shall replace, immediately and without compensation from the Managing Authority of the Programme, any member of its staff, participating in procurement procedures, in such a situation.

6.4.6 The rules of nationality and origin

The beneficiaries should follow the rules of nationality and origin set in Articles 8 and 9 of Regulation (EU) No 236/2014 of the European Parliament and of the Council.

1. The rule of nationality, that is, the eligibility conditions for the participation of economic operators in procurement procedures, is the same as the one applied in the Member States. Therefore, there is no restriction on nationality of tenderers.

2. The Common Implementing Rules (EC Regulation 236/2014) make reference to the threshold of the competitive negotiated procedure, which corresponds to EUR 100 000. When the value of the supplies to be purchased is below EUR 100 000 per purchase, the supplies do not have to originate from an eligible country (full untying).

3. In case of actions implemented under shared management with a Member State (as it is the case of the Programme), countries that are eligible under the rules of that Member State are also eligible. Since no restrictions regarding origin are foreseen by the Polish national rules, there is no restriction on the origin of supplies above EUR 100 000 per purchase.

For the beneficiaries form territory of the Russian Federation national preferences are prohibited, except for contracts with a value not exceeding EUR 20 000 in order to promote local capacities, markets and purchases. Failure to comply with this principle shall render the related expenditure ineligible.

The Russian Federation ensures that services, works and goods that are not originating from the Russian Federation receive the same treatment as compared to its own services, works and goods. Failure to comply with the above shall render the related expenditure ineligible.

6.4.7 The financial corrections

In case of breach of the regulations or principles on the award of public contracts (this applies to all project beneficiaries) or the Programme procurement principles, the relevant expenditure will be deemed, in whole or in part, ineligible and the financial correction will be made. The MA shall make the financial corrections taking into account the nature and gravity of the irregularities and the financial loss and shall apply a proportionate financial correction. The criteria for establishing the level of financial correction to be applied are **indicated in the Guidelines on expenditure verification.**

Where the grant may be awarded retroactively, the beneficiaries who launch the project before signing the grant contract are obliged to follow the above regulations and principles on the award of public contracts. In case of breach of the regulations or

principles on the award of public contracts the rules regarding the financial corrections mentioned above also apply.

Please be advised that public procurement procedures have to be well documented. Documents such as public procurement notes, terms of reference, offers/quotes, order forms, and contracts have to be available for financial control and audit purposes.

The information on the saving deriving from public procurement (either as a result of lower expenses or irregularities) should be immediately reported to the JTS.

The procedures on financial corrections apply also to public procurement launched before signing the grant contract if the expenditures were incurred in the project.

6.5 Project budget and description of the budget headings

During the preparation of the Application Form, the project budget (i.e. sheets 1.1 Budget and 1.2 Budget Justification), enclosed as Annex 2 to the Programme Manual Part I – Applicant should be filled-in. Please be thorough when preparing the budget and make sure that all expenditure is eligible, clearly described and justified and put into the right budget heading.

6.5.1 Staff costs

Definition

Budget Heading “Staff costs” shall include costs related to the project management (e.g. costs of project coordinator, project manager, financial manager, project manager assistant etc).

It includes costs of management staff members employed by the lead beneficiary/beneficiary organisation, who are formally engaged to work on the project on:

- Labour contract - full-time basis (an individual dedicates 100% of his/her working time to the project);
- labour contract - part-time basis:
  - part - time with a fixed percentage of time dedicated to the project per month (an individual dedicates a fixed percentage of his/her working time to the project);
  - part - time with a flexible number of hours worked on the project per month (an individual dedicates a flexible share of his/her working time to the project);
- contracts other than a labour contract.

Staff already employed in the organisation on the basis of labour contracts could be assigned to action by written orders of head of organization to carry out new tasks related to the project.

Specific requirements:

- Staff costs must relate to activities which the beneficiary organisation would not carry out if the project was not undertaken.

- Costs must not exceed those normally borne by the beneficiary unless it is demonstrated that this is essential to carry out the project.
- Staff costs cover real costs paid out based on supporting documents.
- The following costs are eligible components of staff costs:

  - salary payments fixed in the labour contract, or an appointment decision/contract considered as an employment document or by law.

  - any other costs directly linked to the salary payments, incurred and paid by the employer, such as employment taxes and social security as long as they are obligatory in accordance with the legislation in the employer's country.
- The salary payments must relate to responsibilities specified in a job description of the individual staff member.
- Holidays and sick leaves covered by beneficiaries as resulting from the labour legislation in the employer's country are eligible.
- In exceptional duly justified cases overtime is eligible, provided it is in conformity with the national legislation and the employment policy of the beneficiary organisation, and it is actually paid to the staff member. Number of hours and information on tasks related to the project shall be clearly indicated in the written order to work in overtime.
- Staff costs must be calculated and reflected in the project budget individually for each staff position. If staff are not

working full time on the project, the percentage should be indicated alongside the description of the item and reflected in the number of units (not the unit rate).

- Salaries of project management staff (project coordinator/project manager and financial manager) incurred during 3 months after the implementation period of the project shall be treated as costs relating to final reports and are eligible.
- Bonus payments are non-eligible, excepting cases when they are an obligatory component of salary in accordance with the employment policy of the beneficiary organisation or legislation in the employer's country.
- Unpaid voluntary work is non-eligible.
- Service contracts with legal entities cannot be concluded under this budget line.

Forms of reimbursement

Staff costs can be settled by the programme either on the basis of:
I. Lump sum (staff costs of up to 50 000 EUR of eligible costs per project), or
II. Real costs.
Every beneficiary must decide on the reimbursement option and indicate the choice in the project budget. The same reimbursement option will apply to all project management staff members employed by all beneficiaries. It will be set for the entire project duration. The level of staff costs assigned to the every beneficiary participating in the project (including the lump sum share) should be stipulated in the Partnership Agreement.

I. Lump sum.

Beneficiaries may indicate a lump sum of up to 50 000 EUR of eligible costs per project as the project management staff costs in the budget line 1.1 Salaries of project management staff. While applying for the lump sum option, beneficiaries do not need to provide relevant financial documents for reporting purposes proving that the expenditure has been incurred and paid, or that the lump sum corresponds to the reality. Instead, they will have to deliver the interim and the final reports in a timely manner (as described in paragraph 5 of the Grant Contract), and provide evidence that the activities and project results directly linked to those expenditures have been achieved.

In addition, the beneficiaries will be obliged to possess the documents confirming employment of staff working on the project. (The documents will be a proof of legitimacy of using a simplified cost option. They will not be used to compare the real salaries with the amount reimbursed by using the lump sum but only to prove that the project has indeed such a category of costs i.e. staff working on project).

II. Real costs.

In case the project management staff costs exceed 50 000 EUR they shall be settled on the basis of real costs. All the positions of management staff shall be indicated in the project budget in a separate line providing number of units and unit cost. Depending on the type of staff assignment beneficiaries shall prove that the expenditures have been incurred and paid by supporting documents

as provided below. In such case, the following documents must be available for control purposes (examples of supporting documents):

Full-time assignment

- Labour contract or an appointment decision.
- Job description providing information on responsibilities related to the project.
- Payslips, payrolls or other documents of equivalent probative value.
- Written order to work in overtime.
- Proof of payment of salaries and the employer's contribution.
- No registration of the working time (e.g. timesheets) is required.

Part-time assignment with a fixed percentage of time worked on the project per month

- Labour contract or an appointment decision.
- Document setting out the percentage of time to be worked on the project per month (if not specified in the contract).
- Job description providing information on responsibilities related to the project.
- Payslips, payrolls or other documents of equivalent probative value.
- Written order to work in overtime.
- Proof of payment of salaries and the employer's contribution.

- No registration of the working time (e.g. timesheets) is required.

Part–time assignment with a flexible number of hours worked on the project per month

- Labour contract or an appointment decision/contract considered as an employment document (including information on the monthly working time).
- Job description including information on tasks related to the project.
- Payslips, payrolls or other documents of equivalent probative value.
- Written order to work in overtime.
- Data from the working time registration system, e.g. time sheets, providing information on the number of hours spent per month on the project. The time registration system must cover 100% of the actual working time of the individual.
- Proof of payment of salaries and the employer's contribution.

Contract other than a labour contract

- Evidence of the procurement process (announcement, selection, award) in line with the national procurement rules (in case of beneficiaries from Poland) or Programme procurement rules[42] (in case of beneficiaries from Russia) depending on the amount of the contract.

[42] Set up in the Art. 52.2 of the IR.

- Contract with clear reference to the project and the programme.
- Invoice providing all relevant information in line with the applicable accountancy rules.
- Service acceptance note.
- Proof of payment.

6.5.2 Travel and subsistence costs

Definition

Expenditure on travel and accommodation costs of the management staff of the lead beneficiary/beneficiary organisation related to the project implementation.

Budget sub-heading	Examples of eligible costs

2.1Travel and accommodation	Cost of accommodation, daily allowance and/or meals of staff employed by the beneficiaries related to abroad missions. Cost of accommodation, daily allowance and/or meals of staff employed by the beneficiaries related to missions within the beneficiary country. Cost of transportation (e.g. bus tickets, train tickets, flight tickets-economy class (first/business class is eligible just in exceptional duly justified cases), other travel tickets for the use of public transport (taxi is non-eligible), checked baggage, travel insurance, car insurance, fuel, parking fees) and visa cost (if needed) of staff employed by the beneficiaries related to abroad missions, in accordance with national regulations. Cost of transportation (please see above) of staff employed by the beneficiaries related to missions within the beneficiary country.
2.2Preparation of strong partnership (LUMP SUM)	Cost of transportation, visa, accommodation, daily allowance and/or meals of staff employed by the beneficiaries related to joint preparation of the project.

Specific requirements:

Budget sub-heading 2.1:

- Travel and accommodation costs must clearly link to the project and be essential for effective implementation of the project activities.
- Costs must be borne by the lead beneficiary/beneficiary organisation. Direct payment by a staff member of the partner organisation must be supported by a proof of reimbursement from the employer.
- The principles of sound financial management and cost-efficiency should apply to the choice of transport and accommodation.
- Any expenditure item defined as travel costs, accommodation costs, costs of meals or visa costs that is already covered by a daily allowance, cannot be eligible in addition to the daily allowance, i.e. no double funding is allowed.
- Travel and accommodation costs of external experts and service providers as well as natural persons (e.g. speakers, teachers, etc.) engaged in the project events cannot be included under this budget line; they must be reported as service costs.
- Travel and accommodation costs must be justified by activities carried out within the project, e.g. participation in project meetings, project site visits, meetings with the Programme bodies, seminars, conferences, etc.

- In duly justified cases costs of travel and accommodation related to activities outside the Programme area[43]are eligible.
- Maximum daily rates for hotel and subsistence should be respected, in accordance with the national legislation or internal policy of the beneficiary organisation. In any case, per diem rates cannot exceed the rates published by the EC. To be comparable with EC rates[44], per diems reflected in the project budget shall cover accommodation, meals and local travel within the place of the mission and sundry expenses and should be understood as "overnight stays", that is, "per night".
- Travel and accommodation cost should be properly documented in line with the national legislation or internal policy of the partner organisation.

Examples of supporting documents.

The following documents must be available for control purposes:

- Agenda of the event (e.g. meeting/seminar/conference).
- Paid invoices (e.g. hotel bills, travel tickets).
- Appropriate calculation of daily allowance.
- Boarding passes.

[43] Please note that activities may take place in other regions from the outside Programme area, but on the territory of Poland or Russia.

[44] http://ec.europa.eu/europeaid/work/procedures/implementation/per_diems/index_en.htm_en

- Appropriate calculation of car expenses (in case of travelling by company car).
- Mission report.
- Proofs of payment.
- Proofs that staff was assigned to the project activities (applicable in case of lump sum option for the staff costs settlement).

Budget sub-heading 2.2 – see chapter 6.2.2.

6.5.3 Equipment and supplies

Definition

Expenditure for the financing of equipment purchased or rented by a partner, necessary to achieve objectives of the project.

Budget sub-heading	Examples of eligible costs
3.1 Purchase or rent of vehicles	Purchase or rent of vehicle (including rent of vehicle for local and abroad missions), fuel to run vehicles, maintenance and repair of vehicles, replacement/spare parts for vehicles needed for the project, cost of insurance.
3.2 Furniture	Furniture (including office furniture).

3.3 Computer equipment	Desktop computers, laptops, tablets, monitors, keyboards, mice, printers, scanners, IT software, digital projectors, digital/video cameras, mobile phones (in duly justified cases), maintenance and repairs of computer equipment, replacement/spare material for computer equipment needed for the project.
3.4 Other (please specify)	Laboratory equipment, machines, instruments, tools, exhibition equipment, chemicals for a research activity, other goods needed for the project (not necessarily assimilated to equipment).

Specific requirements:

- All costs are subject to applicable public procurement rules and each lead beneficiary/beneficiary is responsible for ensuring that these rules have been respected.
- Purchase cost of equipment is eligible, if it is used solely for the purpose of the project or the target group in line with objectives of the project and incurred within the eligible period.
- Full purchase cost of equipment (including cost of delivery and installation) is eligible, i.e. depreciation is non-eligible.

- Purchase cost of used equipment is eligible, provided the equipment complies with applicable norms and standards, unless it was bought from EU financed project (double financing).
- Provision of equipment as in-kind contribution is non-eligible.
- Equipment cannot be purchased or rented from another project beneficiary.
- Beneficiaries shall ensure that equipment is used in accordance with the project aims within five years of the project closure. Beneficiaries shall repay the Programme funds if it is subject to a substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives. Sums unduly paid in respect of the project shall be recovered by the MA in proportion to the period for which the requirement has not been fulfilled.

Examples of supporting documents.

The following documents must be available for control purposes:

- Evidence of the procurement process (announcement, selection, award) in line with the national procurement rules (in case of beneficiaries from Poland) or the Programme procurement rules[45](in case of beneficiaries from Russia) depending on the amount of the contract.
- Supply contract

[45] Set up in the Art. 52.2 of the IR.

- Invoice providing all relevant information in line with the applicable accountancy rules.
- Delivery note.
- Proof of payment.

6.5.4 Services

Definition

Cost of expertise and services related to the project implementation, with an exception of project management costs, provided by a public or private law body or a natural person other than the beneficiary.

Budget sub-heading	Examples of eligible costs
4.1 Technician staff (gross amounts)	Fees and other costs directly linked to the payments of external technician staff contracted by the lead beneficiary/beneficiary for the project
4.2 Publications	Publication of strategies, handbooks, research reports etc. not related to visibility actions.

4.3 Studies, research	Evaluations (other than the evaluation of the project), external research, design plans, technical documentation (except when technical documentation is a subject of the grant awarded retroactively, in such a case the costs of technical documentation shall be included under the budget sub-heading 6. Infrastructure component), environmental impact assessment of an investment, investment feasibility study, other external expertise and services related to investments, travel and accommodation for service providers, etc.
4.4 External audit costs	Cost of project expenditure verification.
4.5 Evaluation costs	Evaluation of the project.
4.6 Translation, interpreters	Translations (written or oral) not related to conferences, meetings and seminars.
4.7Financial services (bank guarantee costs etc.)	Provision of guarantees by a bank or other financial institution, bank fees for opening and administrating the account(s) where the separate account is opened.

4.8 Costs of conferences/seminars	Services related to organisation and implementation of events or meetings (e.g. rent of venue; catering, interpretation, external speakers), travel and accommodation for participants and speakers.
4.9 Visibility actions	Services on promotion, communication, publicity, information (e.g. design, edit, print, distribution of brochures, leaflets, publications, etc., publishing of promotion articles, inserts in newspapers, press releases, visibility items, etc.), website development, modifications and update.
4.10 Other (please specify)	Notarial services, intellectual property rights, other services related to the project activities.

Specific requirements:

- Costs shall be strictly related to the project activities or derive directly from requirements imposed by the IR.
- Cost must be specifically incurred for the project, clearly identifiable and not covered by any other heading of cost.
- Costs are eligible if they have been approved in the project budget.

- Service costs are subject to applicable public procurement rules and each lead beneficiary/beneficiary is responsible for ensuring that these rules have been respected.
- Communication and visibility activities should be properly planned and budgeted at each stage of the project planning. These activities shall be in line with the Programme Guideline for visibility and the relevant EU information and publicity requirements, set up in the Communication and Visibility Manual for EU External Actions[46] and ENI CBC Communication Guide[47].
- For the beneficiaries who will implement projects in the territory of the Russian Federation it is obligatory to obey by the Practical Recommendations for Project Participants on the Information Coverage of the Russian Federation Participation in Cross-Border Cooperation Programmes[48].
- Service contract cannot be awarded to another project beneficiary.
- Unpaid voluntary work is non-eligible.

Examples of supporting documents.

[46] http://ec.europa.eu/europeaid/work/visibility/index_en.htm

[47] http://admin.staging.enpi.interacteu.net/downloads/8403/INTERACT_ENPI_ENI_CBC_Communication_Guide_06_2015.pdf

[48] http://economy.gov.ru/wps/wcm/connect/25da76fc-fcf9-40b0-8f5a-9319d211618c/recommend.pdf?MOD=AJPERES&CACHEID=25da76fc-fcf9-40b0-8f5a-9319d211618c

The following documents must be available for control purposes:

- Evidence of the procurement process (announcement, selection, award) in line with the national procurement rules and Programme procurement rules[49] depending on the amount of the contract.
- Contract laying down the service to be provided, with clear reference to the project and the Programme.
- Invoice providing all relevant information in line with the applicable accountancy rules.
- Service acceptance note.
- Proof of payment.
- Sample of service contract results (e.g. visibility item, publication, handbook, published article etc.).
- Proofs of organised event (e.g. agenda, list of participants signed for the each day of event, photos, sample of distributed materials, presentations etc.).
- Examples of supporting documents related to the technician staff employed by beneficiaries on the basis of labor law are listed in the chapter 6.5.1 „Staff costs" (applicable for the "real costs" option).

6.5.5 Infrastructure component (works, services, other activities related to planned works)

Definition

[49] Set up in the Art. 52.2 of the IR.

Expenditures for financing of infrastructure and construction works. “Infrastructure and construction works” also covers costs related to creation of infrastructure that do not fall into the scope of other budget lines. This includes costs for site preparation, delivery, handling, installation, renovation, and purchase of land or building, other costs related to planned works, e.g.: costs of supplies including purchase of fixed assets, costs of technical documentation if they were incurred before implementation of the project under the grant awarded retroactively, etc., when applicable. Two stage projects (covering preparation of technical documentation and implementation of investment) will not be supported.

Specific requirements:

- All costs are subject to applicable public procurement rules and each lead beneficiary/beneficiary is responsible for ensuring that these rules have been respected.
- Full costs of infrastructure and construction works that form part of the project are eligible, i.e. no depreciation is eligible.
- Documents specifying the ownership of land and/or buildings where the works will be carried out must be provided.
- Purchase of land or buildings cannot exceed 10% of the total eligible expenditure of the project.
- All compulsory requirements set by the EU and national legislation related to the respective investment in infrastructure must be fulfilled (e.g. feasibility studies, environmental impact assessments, building permission, etc.).

- Programme visibility requirements regarding infrastructure-related actions shall be respected.
- Any project including an infrastructure component shall repay the Union contribution if, within five years of the project closure it is subject to a substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives. Sums unduly paid in respect of the project shall be recovered by the MA in proportion to the period for which the requirement has not been fulfilled.

Examples of supporting documents.

The following documents must be available for control purposes:

- Evidence of the procurement process (announcement, selection, award) in line with the national procurement rules (in case of beneficiaries from Poland) or the Programme procurement rules[50] (in case of beneficiaries from Russia) depending on the amount of the contract.
- Contract laying down the works/infrastructure to be provided, with clear reference to the project and the Programme.
- Invoice providing all relevant information in line with the applicable accountancy rules.
- Proof of works acceptance (interim and final).
- Proof of payment.

[50] Set up in the Art. 52.2 of the IR.

6.5.6 Administrative costs

Definition

Expenditure on office and administration costs. They cover operating and administrative expenses of the lead beneficiary/beneficiary organisation that support delivery of project activities.

Examples of eligible administrative costs: office rent, utilities (e.g. electricity, heating water), office supplies (e.g. pens, paper-clips, binders, paper, photocopy toner coffee/biscuits for small project meetings), archiving of documents, data archiving and storage, maintenance and cleaning of office premises, security, license fee for the use of software (e.g. accounting system), communication costs (e.g. telephone, mobile phone subscription, fax, Internet, postal services, charges to use Skype or other online applications for communication) etc.

Specific requirements:

- Administrative costs will be reimbursed by the Programme on the basis of a flat rate of up to 7% of eligible direct costs, excluding costs incurred in relation to the provision of infrastructure, provided that the rate is calculated on the basis of a fair, equitable and verifiable calculation method.
- As indirect costs for a project shall be considered those eligible costs which may not be identified as specific costs directly linked to the implementation of the project and may not be booked to it directly according to the conditions of eligibility as defined above. They may not include ineligible costs listed

below or costs already declared under another cost item or heading of the budget of the project.

- Office equipment, IT hardware and software, and furniture cannot be included under this budget line; the cost must be reported as equipment expenditure. This does not include IT system support of an administrative nature; the cost falls under the services budget heading.
- Costs of control and audit of the project cannot be included under this budget line; they must be reported as services costs.

As a rule the flat-rate funding in respect of indirect costs does not need to be supported by accounting documents. However, all beneficiaries of the project should maintain those accounting documents related to costs being the basis of the settlement of the flat-rate. However the lead beneficiary shall justify the requested percentage in the Application Form in accordance with methodology adopted by the Programme.

7. Practical recommendations on information and promotion of project activities

7.1 General remarks on the information coverage

The Practical Recommendations on information and promotion of project activities are obligatory for beneficiaries.

The main tasks of these Recommendations are:

- to ensure that the target audience is aware that the European Union and the Russian Federation implement the Programme jointly and on equal basis;
- to ensure that the potential applicants, beneficiaries, stakeholders as well as the general public will be provided with a wide access to information on the Programme and its financing sources as well as to strengthen the cooperation between partners and countries participating in the Programme and implement the Programme more effectively.

Communication is an important tool in the Programme implementation to:

- inform about the existence of the Programme and the projects (appropriate information is communicated to the public);
- ensure communication among Programme bodies and within the projects (internal communication);
- provide the necessary information to applicants, project partners and the final beneficiaries;
- inform about the Programme achievements and the results of the projects;
- enhance the transparency of EU funding (adequate visibility of the Union contribution to the Programme and projects is ensured);
- In the territory of the Russian Federation adequate visibility of the Russian funding is to be ensured.

7.1.1 Principles of information

Principles of information relating the Programme:

- **planning and systematic character**: information activities in the projects are carried out according to the plans, ensuring complementarity and coherence of individual events which are focused on continued cooperation between partners after the project implementation and on support of sustainable and mutually beneficial partnerships. The success of the projects will be also evaluated on the basis of the realization of information plans. The evaluation criteria of the project implementation will include compliance with the visibility rules stipulated in the JOP;
- **adaptability**: the content and delivery method of the information activities should be adapted to the needs of the target audience;
- **initiative character and efficiency**: project participants should promptly and adequately respond to newsbreaks, provide necessary information in time, to issue press releases, participate in press conferences with the aim to provide the potential applicants, beneficiaries, stakeholders as well as the general public with a wide access to information on the Programme and its financing sources as well as to strengthen the cooperation between partners and countries participating in the Programme and implement the Programme more effectively;
- **communication activities have to be an integral part of the project** and not viewed as separate additional activities.

The information policy of the Programme is stipulated in the JOP, planned visibility activities and campaigns will be stipulated in the Programme's Annual Communication Plan. Annual Communication Plans which are in line with the JOP will be agreed by the JMC. The communication activities which are in line with JOP and Annual Communication Plans at project level will be stipulated in the grant contract.

Mandatory visual elements

Programme logo and EU emblem are mandatory in all project communication products. There are separate guidelines (available at the Programme website) how to use the mandatory elements. The logo shall be accompanied by information about EU co-financing.

Please note that if visual elements are used in the territory of the Russian Federation, the EU flag is accompanied by an equal-sized flag of the Russian Federation.

7.1.2 Target audience of information activities

Local authorities

This group can be interested in the information **about** the implementation and the results of the projects, potential to use the projects to promote socio-economic development of the municipalities by the project activities within the Programme.

Mass media

Contacts with the media are to be aimed at the promotion of the projects, implemented under the Programme, as an efficient tool of joint problem-solving, developing cross-border regions and good-neighborly relations between the regions participating in the Programme, the European Union, Poland and the Russian Federation; the tool that is co-financed by the European Union and the Federal budget of the Russian Federation.

Potential project applicants

Information focused on the project participants should clarify of the procedures to participate in the calls for proposals, the

possibility to use the Programme funding for project implementation which is beneficial for the cross-border areas. Depending on the type and scope of a project this can be one or several groups of a certain age, profession, gender, marital status etc. For example: children (within a defined age limit), doctors, females, single people, foreign tourists etc.

NGOs

Non-governmental organizations should be engaged in spreading the information about the positive effect of ongoing projects for the cross-border areas.

General public

It should be attracted to the examples of the positive effect of ongoing projects for the cross-border areas.

7.1.3 Plans and means of information activities

Plans of information activities

A communication plan should be adopted within every project that is funded from the Programme's budget. This plan is aimed at informing people of cross-border regions about the content of the project, including time frames of its implementation, measures to be taken, project's budget, goals and tools to achieve them as well as how the project will facilitate the improvement of the living standards in a cross-border region.

Plans of the projects' information activities cover following issues:

goals and tasks, separate information activities of the projects, including approximate time frames, size and profile of the target audience.

Means of information activities within the Programme:

- Press releases at official websites (if available);
- Papers, studies, reports about the projects implementation;
- Printed materials, such as leaflets, booklets, brochures;
- Publications in media about important events within the projects;
- Articles, interviews and advertisement videos on the subject of projects in media;
- Press conferences;
- Conferences and seminars on the subject of projects;
- Speeches on the subject of projects at various events;
- Notes and announcements on the subject of projects in social networks.

Additional requirements for projects to ensure smooth implementation of the programme communication strategy and to follow the provisions of the grant contract

- Assign a person responsible for communication (key contact person);
- Maintain an archive with photographs, videos and media coverage about their projects and / or cluster activities;
- Maintain a project website (if the website is approved as a product that the project shall deliver) or a dedicated project section on partners' websites throughout the project lifetime

and for 5 years beyond the end of the project (the Programme shall take advantage of the information available at the project websites for the Programme website);

- All written outputs developed by projects must include the following disclaimer: “The contents of this [type of output] are the sole responsibility of the author[s] and under no circumstances can be regarded as reflecting the position of the European Union, the Managing Authority or the Joint Secretariat of the Poland-Russia CBC Programme 2014-2020“
- All foreground intellectual property, i.e. outputs created within a project must be made publically available.

Guidelines and references:

- Communication and Visibility Manual for EU External Actions: http://ec.europa.eu/europeaid/node/17974
- Graphics guide to the European emblem: http://ec.europa.eu/regional_policy/en/information/logos/
- Graphics guide to the Programme logo: www.plru.eu
- For the communication activities in the territory of the Russian Federation: Graphics guide to the flag of the Russian Federation http://eng.flag.kremlin.ru/flag/

7.2 General recommendations on the content of information activities and tools

7.2.1 Presentations and publications

General recommendations on the content of presentations and publications:

Following approaches are recommended for the speeches, press releases, articles and other public materials in a project:

- Following ideas are recommended for all the presentations at public events:
  - Poland and the Russian Federation are participants of the Programme;
  - Programme's aim is to support cross-border cooperation in the social, environmental, economic and institutional sphere;
  - the Programme is an example of beneficial and constructive cross-border cooperation;
- following structure of a presentation facilitates its understanding:
  - presentation of a project participant (name and their occupation),
  - steps which have been undertaken to participate in the Programme,
  - points that are worth paying attention to,

  - positive results that have been achieved (description of the problem that was solved with the project);

- target audience of information activities should not be considered as the ultimate consumers;
- materials should be prepared in such a way that the given information can be spread further. Thus a message should contain information relevant to the current stage of the Programme implementation (for example, pending a new call for proposals participation in previous ones is to be highlighted) along with the information that is directly focused on the target audience. If possible, it is recommended to illustrate the details of the Programme by concrete examples;
- News about cross-border cooperation is recommended to have a positive character. It is advisable to use such phrases as "further enhancement", "improvement" and alike. If it is impossible or inappropriate to avoid mentioning the problem it is better not to use affirmative statements of a negative character: "there are following shortcomings," "in need of improvement" and alike. Instead, it is better to use the following phrases: "shortcomings will be eliminated," "it will be improved", "further developed", "... with the help of the project the region will solve its burning problem ..." and alike;
- **Concerning Russian beneficiaries**: the titles of geographical objects in Russian are used according to the Russian toponymy rules. In English – either the titles in English toponymy or parallel titles in Russian and local toponymy;

- information has to be presented in an attractive manner (short and catchy title of the text, illustrations) in all the communication means (leaflets, brochures, internet pages).

7.2.2 Photo, video and audio materials

Photo and video made within the projects, including public events should comply with following recommendations:

- project activities should be presented on photo and video materials;
- photos and videos contain well-known objects associated with a specific project (buildings of a border crossing point, schools, playgrounds, disposal facilities and alike);
- pictures / videos are accompanied by the inscription with the name of the project, date and place of recording;
- pictures / videos shall contain visibility rules of the Programme and the Communication and Visibility Manual for EU External Actions like the logo of the Programme, EU flag and information about EU co-financing. If pictures / videos are displayed in the territory of the Russian Federation, provisions of Practical Recommendations for Project Participants on the Information Coverage of the Russian Federation Participation in Cross-Border Cooperation Programmes are to be applied as well.

7.2.3 Public events (conferences, press-conferences, journalists' group visits)

The important sources of information about the Programme are various public events: briefings and press conferences,

presentations, seminars, official launch and inauguration ceremonies of projects, conferences, launch and closure of the Programme. The promotion of the European Union's approaches to the Programme can be carried out in the events within other regional cooperation formats, for example, BEAC, CBSS, the "Northern Dimension", "Euro-regions" etc. can be used.

7.2.4 Websites of project participants

Websites allow reaching a large audience. The information should be focused on the whole target audience of the Programme.

Information materials published in a website should comply with the following principles in addition to the above-mentioned general recommendations:

- Universal, well-known terminology should be used. This will simplify a search of the website on the Internet by stakeholders;
- Keywords should be used in all the messages (for example, "cross-border cooperation programme", "projects", "calls for proposals" and others). The keywords should be placed as close as possible to the beginning of the message. It will also help Internet search engines to find the website.

7.2.5 Press releases

Press releases which are published in the websites of the project participants (if available) are an effective tool of communication about cross-border cooperation to a wider audience. It is worth

mailing out the press releases to subscribers and, above all, representatives of mass media.

The target audience of press releases is government authorities, potential beneficiaries and media. In this regard, press releases should emphasize the practical relevance of projects, tangible results of their implementation for the people of the regions, simple and transparent participation in the calls for proposals. Press releases may also include practically important information for the beneficiaries.

Press releases may be issued on all the significant events of a project. Such events include the approval of a project proposal by the JMC, launch of a project, significant events in the course of a project, closure of a project.

Press releases should published in Polish or Russian languages, depending on the country of dissemination.

7.2.6 Social networks

Social networks are a tool to spread information about projects and the Programme in general as well as about particular events. Social networks are characterised by efficient information dissemination, wide audience, as well as low cost. The content of messages published in social networks should be targeted at general public. Messages should be concise, accompanied by sufficient illustrative material (more detailed information may be published in a

website). In general, publications in social media should be aimed at demonstrating a positive effect of the Programme.

7.2.7 Papers, studies, reports

Reports are a tool to demonstrate positive effects of cross-border cooperation and may be issued at the completion of individual projects or all the projects within the one call for proposals. They should contain relevant statistics and demonstrate that the objectives of the projects or the Programme are achieved. Multiple reports can be summarized in an individual study or a report.

7.2.8 Publications in media

Such events of the projects as the launch, completion and others can be announced in articles and interviews which are published in media in advance if possible. Such publications should contain information about the current status of projects implementation, upcoming events within projects and explanation of their importance.

Above all, publications in media are aimed at arousing the interest of wider audience to the Programme. Hereafter people are able to get more detailed information in the websites of Programme bodies and government authorities on their own.

7.2.9 Information boards and plates, banners

Next to infrastructure facilities that are constructed with the financial support of the European Union, information boards are to be placed at visible places (for example, in the proximity to approaches to a building ground). Such boards should contain

visibility rules of the Programme and the Communication and Visibility Manual for EU External Actions like the logo of the Programme, EU flag and information about EU co-financing. If the infrastructure facility is constructed in the territory of the Russian Federation, corresponding provisions of Practical Recommendations for Project Participants on the Information Coverage of the Russian Federation Participation in Cross-Border Cooperation Programmes are to be applied as well.

Project participants are obliged to maintain the boards in a good condition and replace with the new ones in case of their damage or destruction.

A metal plate containing the logo of the Programme, EU flag and information about EU co-financing may be installed on the most visible part of the building (for example, next to the entrance) after the completion of the infrastructure facility. The operator of infrastructure facility is responsible for maintaining the plate in a proper condition. On the territory of the Russian Federation this plate must also contain the flag of the Russian Federation, the information on the co-financing by the Russian Federation.

Beneficiaries and project participants may also install a plate or poster containing the logo of the Programme, EU flag and information about EU co-financing on an information stand of the organization or next to the reception. On the territory of the Russian Federation such a stand must also contain the flag of the

Russian Federation, the information on the co-financing by the Russian Federation.

7.2.10 Languages

Participants should speak their own language, when reasonable and convenient at public events (the opening ceremonies, meetings with media and citizens participation and other similar events).

7.3 Additional Practical recommendations on information and promotion coverage of project activities applicable to the Russian Federation territory

Information activities implemented under the Programme on the territory of the Russian Federation are coordinated by the government authority - Ministry of Economic Development of the Russian Federation. Ministry should be informed in advance about any information activities under the Programme in accordance with these Recommendations.

Project participants shall on the annual basis and upon completion of the project send their reports about implemented information activities to the Ministry of Economic Development of the Russian Federation through the BO in Kaliningrad.

The aim of communication on the Russian Federation territory is to enhance the transparency of European Union and Russian funding and ensure adequate visibility of the European Union and Russian contribution to the Programme and projects.

The visual demonstration of Russian financial participation in the Programme on the Russian territory will consist of the European Union and Russian Federation flags along with the Programme logo. Such visualization would apply to projects activities implemented on the territory of Russia. Every mention of the EU co-financing of a project on the Russian territory shall be accompanied by the identical mention of the Russian co-financing.

A joint logo of the Programme, information about EU co-financing, the European Union flag shall be placed on all information and promotion materials (also for the purpose of promotion of particular projects implemented within the Programme), the Programme website and offices of the institutions that disseminate any external information on the Programme (e.g. to beneficiaries, partners etc.). The logo shall be accompanied by the flag of the Russian Federation and information about Russian co-financing. The flag of the Russian Federation can be found on the website of the Government of the Russian Federation: www.gov.ru/main/symbols/gsrf3_2.html.

The following points are recommended to be taken into account while delivering the information activities:

- project partners may invite representatives of Russian federal, regional or local authorities to participate in their information activities;
- project participants may also take part in the events related to cross-border cooperation after the project implementation, by

the invitation of the Ministry of Economic Development of the Russian Federation;

- plan of information activities shall include events that duly highlight the fact of the Russia and European Union financial contribution to the Programme;
- all information and material will be published in Russian but may also be published in English. Press releases which will be disseminated in other participating countries of the Programme are published in the languages of these countries;
- at the requests of the Russian Federation government authorities beneficiaries provide them with all the necessary information for press releases;
- all the communication activities in the territory of the Russian Federation should be conducted on the basis of equal visibility principle of co-financing parties of the Programme, applicable regulations of the Russian Federation and the Communication and Visibility Manual for EU External Actions, as in line the JOP.

Suggestions listed below are recommended for communication and visibility delivered at public events:

- the European Union and the Russian Federation are participants of the Programme and the Programme have European Union and Russian financial contribution;
- next to infrastructure facilities that are constructed with the financial support of the European Union and the Russian

Federation, information boards are to be placed at visible places. Such boards should contain visibility rules of the Programme and the Communication and Visibility Manual for EU External Actions such as the logo of the Programme, EU flag and information about EU co-financing as well as the flag of the Russian Federation, name and brief description of the project and information of the Russian Federation co-financing. The boards should be installed at the places where they can effectively inform about the financial participation of the European Union and Russian Federation in the project's implementation. Project participants are obliged to keep the boards in a proper condition and replace with the new ones in case of their damage or destruction;

- a metal plate containing the logo of the Programme, flags of the European Union and the Russian Federation, information of the European Union and Russian Federation co-financing in Russian shall be installed on the most visible part of the building (for example, next to the entrance) after the completion of the infrastructure facility. The operator of infrastructure facility is responsible for maintaining the plate in a proper condition;
- beneficiaries and project participants may also install a plate or poster containing the logo of the Programme, flags of the European Union and the Russian Federation, information of the European Union and the Russian Federation co-financing in Russian on an information stand of the organization or next to the reception;

- at press conferences, as well as for official photography, banners or screens of white / light gray color can be used with the logo of the Programme, flags of the European Union and the Russian Federation, information of the European Union and the Russian Federation co-financing in Russian (if necessary – in other languages of a press conference) placed in a checkerboard order;
- all the vehicles that are used by the projects funded by the Russian Federation shall have a relevant identification: the logo of the Programme, flags of the European Union and the Russian Federation, information of the European Union and the Russian Federation co-financing in Russian;
- if a project will be further implemented without the financial support of the Russian Federation, information materials about the project should include the logo of the Programme, flags of the European Union and the Russian Federation, information of the European Union's co-financing in Russian and the following phrase: "The initial stage of this project was implemented with the financial support of the Russian Federation";
- promotional products such as caps, T-shirts, bags, pens, etc., produced in the framework of the Programme, should include the logo of the Programme, flags of the European Union and the Russian Federation, information of the European Union and the Russian Federation co-financing in Russian (if necessary - in English or in the language of the country where these products are distributed);

- Russian participants should speak in Russian, when reasonable and convenient at public events (the opening ceremonies, meetings with media and citizens participation and other similar events).

8. Programme's support for applicants

A number of different tools and events will be provided by the Programme in order to support the applicants in participation in the Call. Information sessions will be held after the launch of the respective Call. The details concerning the information sessions and other relevant information on the Call will be provided on the Programme website www.plru.eu

A. Programme website

All the Programme documents necessary for preparation and submission of an Application Form will be available on the Programme website. More detailed guidelines on how to draft the application and its annexes will be elaborated and published for applicants.

B. Partner Search Forum and Partner Search Platform

To provide potential applicants with opportunity to present their project ideas and search for partners from Poland and Russia an open Partner Search Forum to be organized in June 2017.

A special Partner Search Platform was launched and available at the Programme website. It provides a place for the new potential applicants to submit or search for project ideas and profiles of potential partners through a web-based tool. All interested

potential applicants can post information on their institutions and type of projects to be visible for other interested entities or find respective partners for the future projects, both from Poland and Russia.

C. Project development workshops

The applicants are expected to participate in the trainings on the project development workshops which will take place after the launch of the Call. The aim of these workshops is to provide the applicants with knowledge on how to fulfil the Call requirements, prepare the eligible project and fill in the application using the dedicated e-application. The JTS will present also the requirements towards the annexes which are to be attached to the application. Back-to-back with the workshops, open and individual consultations with the JTS will be offered. For registration and updates on the project development workshops please check the Programme website. These trainings will be conducted in national languages. At the same time, such information as well as other national specific requirements may be also received during the Open Days which will be organised upon request in the premises of the JTS (Olsztyn) and Branch Office in Kaliningrad.

D. Individual consultations with the JTS

Individual consultations on development of applications (content, financial and communication issues) are offered by the JTS when filling in the Application Form. Consultations are recommended as a follow-up to participation in the trainings for applicants. If a project cannot participate in the lead beneficiary training, an

individual consultation becomes highly recommended before submitting an Application Form. This consultation aims at providing technical advice focusing on the work plan and budget and will cover all content, financial and communication issues.

E. Questions to the JTS

Questions in writing may be sent to the JTS by mail or e-mail (not later than 21 calendar days before the deadline for the submission of the Application Form) indicating clearly the reference of the Call. The JTS/MA has no obligation to provide further clarifications to questions received after this date. Replies in writing will be given no later than 14 calendar days before the deadline for the submission of the Application Form.

Questions with answers that may be relevant to other beneficiaries will be published on the Programme website: www.plru.eu. It is therefore highly recommended to regularly consult this website.

ADDRESSES:

Managing Authority

Ministry of Economic Development
3/5 Trzech Krzyży Sq.
00-507 Warsaw, Poland

Joint Technical Secretariat

Centre for European Projects
14 Bartosza Glowackiego street
10-448 Olsztyn, Poland
tel. +48 89 722 81 10
fax. +48 89 722 81 09

e-mail: plru@plru.eub

Branch Office of the Joint Technical Secretariat in Kaliningrad

Transboundary Initiatives Support Centre

Kaliningrad regional public organization

6 Chernyakhovskogo street, office 109

236006 Kaliningrad, Russia

tel.+7 4012 616200

fax. +7 4012 616222

e-mail: office@tisc.org.ru