

# Danube Strategic Project Fund (DSPF)

# Implementation Manual

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**11.11.2016**

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## 1 Introduction and aim of the document

This document provides all bodies involved in the implementation of the Danube Strategic Project Fund (DSPF) with an overview of the governance structure, the implementation process (incl. the application, assessment and selection process) and the eligibility criteria. It also gives an outline of the implementation procedure of selected DSPF projects and summarises the main responsibilities of DSPF Lead and Project Partners.

This document does not describe each mentioned process in detail, it shall be understood as an overview document, more detailed guidelines for specific processes are provided by EuroVienna in time.

## 2 Bodies involved in the governance and implementation of the DSPF

### EUSDR Priority Area Coordinator 10, City of Vienna, Austria (PAC10): DI Rudolf Schicker

PAC10 is responsible for stepping up institutional capacity and cooperation in the Danube Region and the implementation of the DSPF as **Managing Authority** in close cooperation with the European Commission (EC) DG Regio. PAC10 is also member of the DSPF Jury (see below).

### EuroVienna

EuroVienna is affiliated entity to PAC10, the City of Vienna and **Implementing Body (IB)** in regard to the Danube Strategic Project Fund (DSPF). The IB provides support and technical assistance to PAC10, the Advisory Board, the DSPF Jury and the Lead Partners of the DSPF projects. In addition, the IB conducts a formal check of received applications (on technical eligibility criteria) and acts as contracting body to the Lead Partners of the selected DSPF projects. EuroVienna monitors the progress of individual projects and of the DSPF implementation.

### Advisory Board (AB)

The AB is composed of experts strongly involved in the macro region EUSDR and/or in the process of enlargement and neighbourhood policies. Its members are nominated by PAC10 and the European Commission.

The AB has the following main responsibilities:

- Making recommendations for selection criteria for DSPF projects to be considered by the Jury
- Making recommendations for setting up the DSPF selection Jury
- Making recommendations of forwarding a limited number of DSPF project applications to the Jury (pre-assessment)

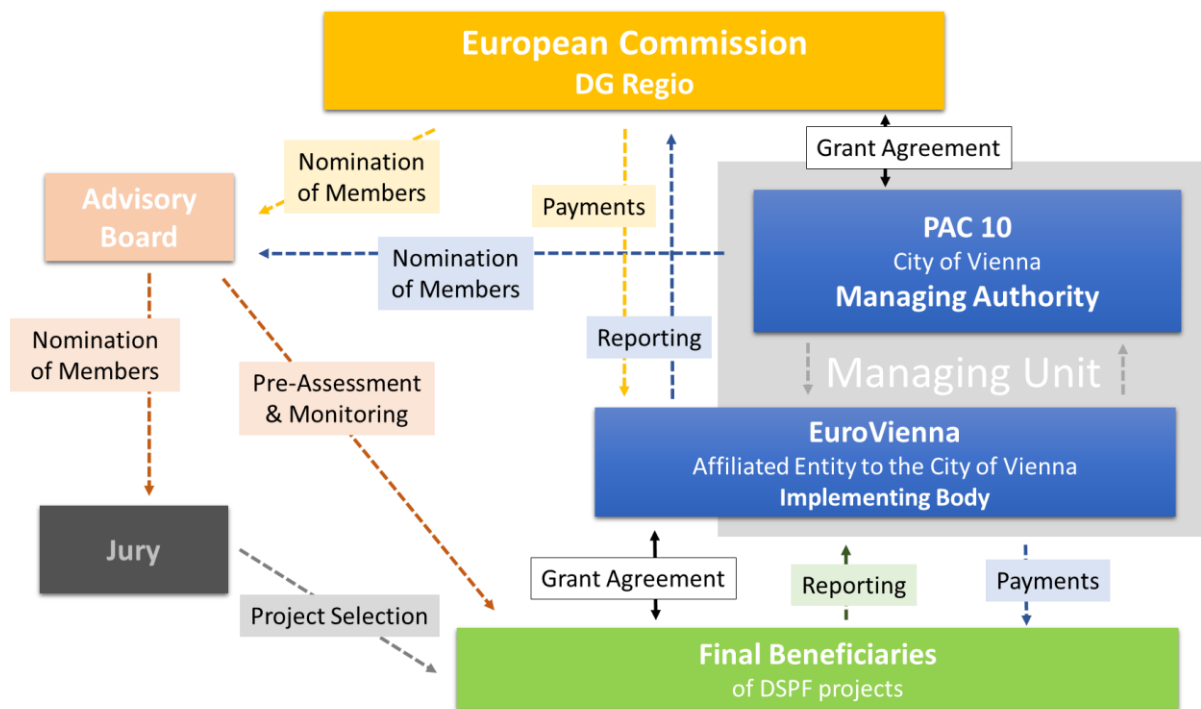
### EUSDR Priority Area Coordinators (PACs) and their Steering Groups (SGs)

PACs and their SGs are experts for the matters addressed by potential project applicants of the DSPF and therefore play a central role in the DSPF Application Process. PACs together with their Steering Groups can invite eligible organisations that are working on the preparation or implementation of strategic projects to submit an application for DSPF funding.

### DSPF Jury

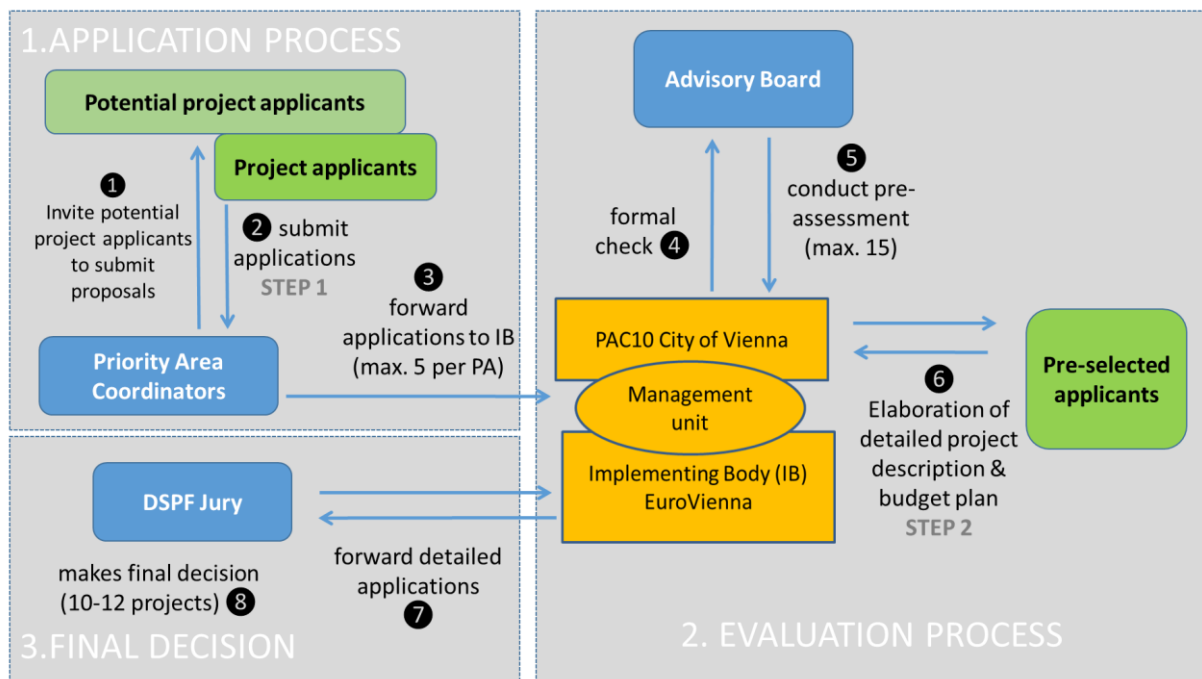
The members of the DSPF Jury are composed of EC-DG Regio, PAC 10 Vienna and experts nominated by the Advisory Board. The jury makes the final decision on the DSPF projects that will receive funding through the initiative.

### Governance Structure



### 3 Implementation Process of the DSPF initiative

#### 3.1 Overview



#### 3.2 Application Process

##### Inviting potential DSPF applicants to submit project proposals by PACs ① & ②

Priority Area Coordinators (PACs) of the EUSDR and their Steering Groups (SGs) are experts on the needs in the Danube Region and have for this reason a central role in the DSPF Application Process. PACs and their SGs are asked to invite organisations / clusters that are active in the Danube Region and qualify as potential DSPF applicants to submit an application for DSPF funding. The concrete procedure on how PACs and their SGs organise the invitation and the selection procedure is not specified by the IB. PACs can e.g. collect as many applications as they want, can conduct a pre-selection if necessary or can decide on a first come first served principle to decide which applications they want to forward to the IB. In any case, the procedure must be documented (see procedure below).

##### Forwarding of DSPF applications to IB ③

Each PA can forward **up to 5 DSPF applications** to the IB for further assessment. By forwarding a DSPF project application, the Priority Area Coordinators give their full support to the project. No additional Letter of Support is needed.

The following documents are provided to PACs and their Steering Groups for inviting potential DSPF applicants and for collecting the applications:

**1. Guidelines for DSPF Applicants**

This document provides potential applicants all information on the DSPF and the eligibility criteria for funding. It shall be made available to potential applicants together with the DSPF Application Template & Budget Overview Template.

**2. DSPF Application Template & Budget Overview Template**

In the DSPF Application Template the DSPF applicants must summarise their project idea including planned project activities. In the Budget Overview Template planned project expenses must be illustrated. Both templates must be completed by the DSPF applicant, submitted to the PAC and finally forwarded to the IB as:

- open word & excel form
- and as signed scan

**3. Template: Documentation of application process**

This template is not part of the DSPF application pack which is forwarded to the potential DSPF applicants. In this template PACs shall document how the application process was organised: Which organisations were invited and how were they invited? How many applications were received? If more than 5 were submitted to the PACs, how was the pre-selection done? How was the Steering Group involved? Etc. The completed template shall be sent to the IB together with the DSPF applications.

### 3.3 Evaluation Process

**Formal Check by IB ④**

After all applications have been forwarded to the IB, a formal check is conducted on the following criteria:

- Is the application formally correct and signed?
- Are technical eligibility criteria fulfilled?

**Pre-Assessment by the Advisory Board ⑤**

All formally correct applications will be forwarded to the Advisory Board for pre-assessment. Each Advisory Board Member has the possibility to assess all applications according to the procedure described in the Guidelines for Advisory Board Members.

The following documents are provided to the Advisory Board to conduct the pre-assessment:

**1. Guidelines for Advisory Board Members on the pre-assessment procedure**

This document provides Advisory Board Members concrete information and guidance on the pre-assessment procedure.

**2. Application Forms & Budget overviews of all formally correct submitted DSPF project**

The project application forms & budget overviews are the basis for the pre-assessment.

**3. Pre-Assessment Template**

In this template the results of the pre-assessment shall be documented for each project. Details concerning the selection criteria are provided in chapter 4.

### **Submission of pre-assessed project applications to IB, summary of results & ranking list**

After the Advisory Board Members sent the completed Pre-Assessment Template to the IB, the results are summarised. Based on the assessments conducted by the Advisory Board Members a ranking list of all project proposals is established. The 15 best projects of this list are considered to be of highest priority to the EUSDR and to best fulfil the criteria of the DSPF. These 15 projects will advance to the 2<sup>nd</sup> step of the application / evaluation procedure and form the basis for the final decision by the DSPF Jury.

### **Elaboration of detailed project concept and budget plan with IB ⑥**

The IB will get in contact with the Lead Partners of the 15 projects to induce and support the elaboration of a detailed project description (including activities, indicators and outputs) and a detailed project budget plan.

In case of severe doubts that a given project will be implemented successfully and that the awarded funds will be used responsibly, the application will not be subject to the final selection.

In case project proposals from the list of the best 15 were reduced to a number so that the total DSPF funds available cannot be allocated entirely, the highest ranked project from the ranking list established as a result of the assessment by the AB members will be considered next in the evaluation process.

### **Submission of pre-assessed project applications to the DSPF jury ⑦**

The maximum 15 best project applications will be forward to the DSPF Jury for selection.

The following documents will be sent to each Jury Member to conduct the selection:

#### **1. Guidelines for Jury Members to the Selection Procedure**

This document provides Jury Members concrete information and guidance to the selection procedure.

#### **2. Detailed project description & budget plan for each project**

The detailed project descriptions & budget plans are the basis for the final selection.

#### **3. Template for the documentation of the results**

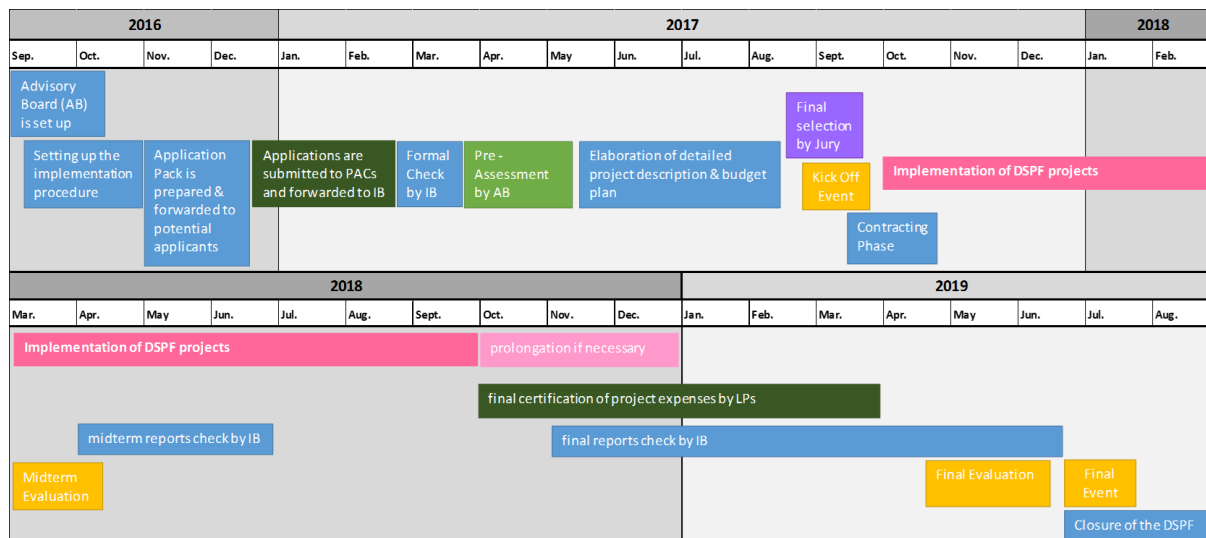
In the documentation template the results of the final selection are documented by each Jury member individually.

### **Final decision on selected DSPF projects ⑧**

After all Members of the Jury submitted their completed template regarding their selection results to the IB, a summary of the results is established. The final decision on the selected DSPF projects can be taken from the summary of all individual documentation templates. The selected projects are presented in the DSPF Kick Off Meeting.

In case the projects selected by the Jury were reduced to a number so that the total DSPF funds available cannot be allocated entirely, the highest ranked project from the ranking list established as a result of the assessment by the AB members will be considered next in the evaluation process.

### 3.4 Timeline



## 4 Eligibility Criteria

### General eligibility criteria

- The project responds to the actual needs in the Danube Region and is of high value for the EUSDR
- The project has not received funding so far, double funding is excluded
- The project does not fit into any other national and/or EU programme
- The project is sustainable and has a clear follow-up strategy (future investment and/or policy perspective)

### 4.1 Technical eligibility criteria

#### Eligible types of projects

The DSPF is designed to support 2 different types of projects:

- The development of a larger strategic project, which will be launched as a result of the DSPF project**
- The implementation of an entire strategic project**

The elaboration of the sole preparation of a project application for a funding initiative / programme is **not eligible** within the DSPF.

## 2 types of DSPF Projects

A. DEVELOPMENT of a future strategic project	B. IMPLEMENTATION of an entire strategic project
<p><b>Eligible activities are:</b></p> <ol style="list-style-type: none"> <li>1. Setting up a transnational project partnership / consortium, etc.</li> <li>2. Preparation of a concrete project design / work plan / concept / action plan;</li> <li>3. Calculation of a project budget;</li> <li>4. Identification of funding options;</li> <li>5. Establishing of an action plan;</li> <li>5. Organisation of strategic meetings / networking events;</li> <li>6. Preparation of studies / surveys, etc.</li> </ol> <p><b>Not eligible:</b> Sole preparation and submission of an application for funding;</p>	<p><b>No restrictions!</b></p>

### Eligible project duration

The duration for all DSPF projects is planned to be **12 months**.

### Eligible project budget

- The DSPF amount for each project is **min. € 70.000,00** and max. **€ 100.000,00**
- The DSPF co-financing rate is max. **90 %** and shall not be lower than 50%

The partner's contribution must be provided by the Lead and/or Project Partners and cannot come from any other EU funding source.

### Eligible Lead & Project Partners

Each DSPF project must be implemented by a project partnership consisting of:

- the **Lead Partner**, that is responsible for the entire implementation of the project and one or more work-packages
- **min. 1 or max. 3 Project Partners**, that are responsible for the implementation of one or more work packages (active role must be guaranteed)
- **Max. 3 Strategic Partners** that do support the project, however have no active role in the implementation and do not co-finance the project (Strategic Partners are not compulsory)

The Lead or Project Partners must be:

- ✓ Bodies established under public or private law, having legal personality
- ✓ Belong to one of these categories:
  - National, regional and local authorities;
  - SMEs or start-ups;
  - Academies and Universities (in particular applied research and development units);
  - Associations and social partners;



### Not eligible Lead Partners, Project Partners and Strategic Partners

- PACs (and their organisational unit / department)
- Organisations that are represented in the DSPF Advisory Board
- Organisations that are represented in the DSPF selection Jury
- EuroVienna as Implementing Body

### Eligible Countries & geographic area of project implementation

The **Lead Partner** must have its seat or legal competence in the **Danube Region**, Project or Strategic Partners can also come from the **Adriatic and Ionian Region** (Greece, Italy or Albania). The partnership must consist of organisations from at least **2 different countries**.

Eligible Countries		
Lead Partners	Project - & Strategic Partners	
<b>From the EUSDR:</b> <u>EU Countries:</u> <ul style="list-style-type: none"> <li>• Austria</li> <li>• Bulgaria</li> <li>• Croatia</li> <li>• Czech Republic</li> <li>• Germany</li> <li>• Hungary</li> <li>• Romania</li> <li>• Slovakia</li> <li>• Slovenia</li> </ul>	<b>From the EUSDR:</b> <u>EU Countries:</u> <ul style="list-style-type: none"> <li>• Austria</li> <li>• Bulgaria</li> <li>• Croatia</li> <li>• Czech Republic</li> <li>• Germany</li> <li>• Hungary</li> <li>• Romania</li> <li>• Slovakia</li> <li>• Slovenia</li> </ul>	<b>From the EUSAIR:</b> <u>EU Countries:</u> <ul style="list-style-type: none"> <li>• Croatia</li> <li>• Greece</li> <li>• Italy</li> <li>• Slovenia</li> </ul>
<b>Accession Countries:</b> <ul style="list-style-type: none"> <li>• Bosnia and Herzegovina</li> <li>• Montenegro</li> <li>• Serbia</li> </ul>	<b>Accession Countries:</b> <ul style="list-style-type: none"> <li>• Bosnia and Herzegovina</li> <li>• Montenegro</li> <li>• Serbia</li> </ul>	<b>Accession Countries:</b> <ul style="list-style-type: none"> <li>• Albania</li> <li>• Bosnia and Herzegovina</li> <li>• Montenegro</li> <li>• Serbia</li> </ul>
<b>Neighbourhood Countries:</b> <ul style="list-style-type: none"> <li>• Moldova</li> <li>• Ukraine</li> </ul>	<b>Neighbourhood Countries:</b> <ul style="list-style-type: none"> <li>• Moldova</li> <li>• Ukraine</li> </ul>	<b>Special attention is paid to projects that include:</b> <ul style="list-style-type: none"> <li>→ Countries being part of the Adriatic and Ionian Region and the Danube Region</li> <li>→ Accession and Neighbouring Countries</li> </ul>

Activities of the DSPF projects must be implemented in the **Danube Region** or **Adriatic and Ionian Region**.

### Eligible applications

- Lead Partners (organisational unit / department) can only submit 1 DSPF application
- Lead Partners (organisational unit / department) cannot act as Project or Strategic Partners for other DSPF projects / applications
- Organisations / bodies (organisational unit / department) can only act as Project and Strategic Partners for one DSPF project / application

## 4.2 Content related eligibility criteria

### General objectives of a DSPF project

DSPF projects must address **two or more** of the **6 DSPF objectives**. Objective **No. 1** is **obligatory**, at least one other must be addressed by the project.

DSPF objectives	How to reach the objective? <u>possible options</u> (not exhausted list):
1. Have a strategic dimension, including cross-cutting and/or horizontal measures covering several Priority Areas of the Strategy	<ul style="list-style-type: none"> <li>- Involvement of partner organisations of different key sectors (technology, civil society, environment, research &amp; innovation, business, etc.)</li> <li>- Cooperation of different stakeholders (SMEs, universities, associations, etc.)</li> <li>- Objectives of more than one PA of the EUSDR are addressed</li> <li>- Objectives of more than one thematic pillar of the EUSDR are addressed</li> <li>- The project has a clear follow-up investment or policy perspective</li> </ul>
2. Have a strategic dimension, especially in view of Enlargement and Neighbourhood policies	<ul style="list-style-type: none"> <li>- Involvement of partner organisations of different countries, especially Accession or Neighbouring Countries</li> </ul>
3. Have connections and/or spill-over effects in the territory covered by the EU Strategy for the Adriatic and Ionian Region	<ul style="list-style-type: none"> <li>- Involvement of partner organisations of the 5 Countries being part of the Adriatic and Ionian Region and the Danube Region</li> </ul>
4. Follow a multi-level governance approach	<ul style="list-style-type: none"> <li>- Involvement of partners of different governmental levels (national, regional and local level)</li> </ul>
5. Support the establishment of economic and social cooperation	<ul style="list-style-type: none"> <li>- E.g. Economic cooperation through the development of business ideas or networks with added value for the Danube Region</li> <li>- Social cooperation through the development of joint actions in the fields of education, social welfare, etc.</li> </ul>
6. Foster integration and reconciliation of Danube countries, with a particular focus on the role of young people	<ul style="list-style-type: none"> <li>- A topic of relevance for integration of young people in the Danube Region is addressed, in particular through vocational training</li> <li>- Provision of capacity-building activities</li> </ul>

Special attention is paid to projects that focus on **young people** or **vocational training**.

## 5 Implementation of a DSPF project

### 5.1 Responsibilities of the Lead Partner (LP) and Project Partners (PPs)

Once the project is selected, a Grant Agreement is signed between the Lead Partner (LP) and the IB. The IB has no contractual relationship to the Project Partners. All payments will be done from the IB to the LP. The LP acts as link between the Project Partners and the IB and takes on the full responsibility for the project management, communication, implementation, reporting and coordination of activities among the project partners. The LP is in particular responsible for the financial reports of the entire DSPF project including the submission of the individual audit certification reports of each Project Partner to the IB. The LP is also responsible for the payments to all Project Partners.

Project Partners (PPs) are responsible for the implementation of certain work packages of the DSPF project. Each PP is in addition responsible for reporting the implementation progress to the LP and for subcontracting an external auditor for the certification of the incurred project expenses. The audit certification reports must be delivered to the LP in a way that all reporting deadlines for the DSPF project can be met.

### 5.2 Partnership Agreement

In order to ensure high quality and fulfilment of project objectives it is compulsory to conclude one Partnership Agreement between the LP and all Project Partners. The Partnership Agreement formalises the division of mutual responsibilities and rights of the partners. The Partnership Agreement shall include the following:

1. Definition of the work packages / activities to be implemented by each Project Partner (from the detailed project description)
2. Payment Procedure from LP to PPs
3. Confirmation of respecting the DSPF regulations and reporting obligations (especially the subcontracting of an external auditor for the certification of project expenses)
4. Declaration of honour

Setting up of the Partnership Agreement is under full responsibility of the LP. The signed agreement must be submitted to the IB during the 2<sup>nd</sup> step of the project assessment.

### 5.3 Project Description & Project Budget Plan

The Lead Partner and all Project Partners must implement the activities foreseen in the **detailed Project Description**, elaborated with the IB in the 2<sup>nd</sup> step of the application process (see also chapter 3). The detailed Project Description must be in line with the budget calculated in the detailed **Project Budget Plan**. All project activities must be visible in the project budget plan. Activities that are funded by different sources cannot be part of the DSPF project.

## 5.4 Reporting

The implementation progress of the project activities and the project expenses must be reported to the IB by the Lead Partner submitting two written reports:

- **Midterm report: 30 days** after the midterm day of the project, a technical and financial midterm report has to be submitted to the IB. The reports outline the project activities, outputs, results and incurred expenses for the first reporting period. In case more than 40% of the total project budget were spent in the first reporting period, an interim payment claim of 30% of the total DSPF amount can be submitted within **60 days** after the midterm day, together with the certification report of an external auditor certifying all project expenses incurred in this period.
- **Final report: 30 days** after the project is completed, a final technical and financial report has to be submitted to the IB. The final reports summarise the project activities, outputs, results and total expenses incurred for the entire project period. The balance payment claim must be submitted within **90 days** after the project is completed, together with the certification report of an external auditor certifying all project expenses.

## 5.5 Payments

All payments will be done from the IB to the Lead Partner. The IB is not responsible for the payments to the Project Partners. The Lead Partner is responsible for the payments to all Project Partners.

The payment to the Lead Partners will be composed of one **pre-financing payment**, an **interim payment** and a **balance payment** as follows:

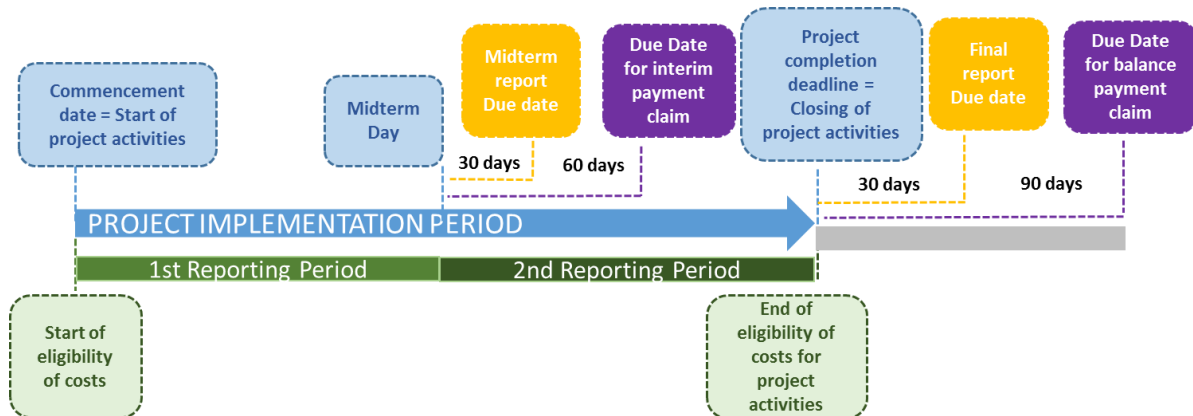
- A **pre-financing payment of 40%** of the DSPF amount will be paid after signing the Grant Agreement by the IB and the Lead Partner. This pre-payment provides the cash-flow necessary to begin project activities.
- An **interim payment claim of 30%** can be submitted by the Lead Partner within **60 days** after the midterm day of the project if:
  - at least **40%** of the approved project budget has been spent and declared with the midterm report.
  - **Certification reports** of external auditors certifying all project expenses incurred to the Lead and each Project Partner in the first project period are submitted together with the interim payment claim.

The IB reserves the right to conduct sample or detailed checks on invoices before releasing the interim payment.

- The **balance payment claim** must be submitted within **90 days** after the project is completed, together with **certification reports** of an external auditor certifying all project expenses incurred to the Lead and each Project Partner for the entire project period. In case a certification report was already submitted for the 1<sup>st</sup> project period, the 2<sup>nd</sup> certification report can only cover the 2<sup>nd</sup> project period.

It is not possible to receive a higher DSPF amount than approved in the Grant Agreement, even if the project declares higher total costs.

### Overview Timeline



### 5.6 Ex-post availability of documents

The originals of all financial and accounting documents concerning the DSPF project need to be kept available for at least **seven years** after the date of the final payment.

## 6 Official language

The official language of the DSPF is **English**. All documents provided by the IB are in English and must be completed in a comprehensible English by the LP or PPs. Also the certification reports of the external auditors must be in English. Projects where a communication in English is not guaranteed will not be funded.