



Contracting authority: European Commission

**The European Union Emergency Trust Fund for Stability and Addressing the
Root Causes of Irregular Migration and Displaced Persons in Africa**

Decentralization of Disaster Risk Management in Ethiopia

**Stimulating Economic Development and Job Opportunities in Oromia and
Southern Nations, Nationalities and People (SNNP) Regions of Ethiopia**

**Guidelines
for grant applicants**

Budget line(s): T05-EUTF-HOA-72

Reference: T05-EUTF-HOA-72-01

Deadline for submission of application: **30 September 2019**

Notice

This is an open call for proposals, where all documents are submitted together (concept note and full application). In the first instance, only the concept notes will be evaluated. Thereafter, for the lead applicants who have been pre-selected, the full applications will be evaluated. After the evaluation of the full applications, an eligibility check will be performed for those which have been provisionally selected. Eligibility will be checked on the basis of the supporting documents requested by the contracting authority and the signed 'declaration by the lead applicant' sent together with the full application.

Online submission via PADOR

To apply to this call for proposals, organisations must register in PADOR

Preparation: Information session **30 August 2019**

Should you be interested in this session, please send an email by **25 August 2019** to DELEGATION-ETHIOPIA-JOBCENTER@eeas.europa.eu, indicating: name, surname, nationality and email address of the persons who are going to participate as well as their organisation (max. two participants per organisation). No costs incurred by the applicants for attending this information session are reimbursable.

TABLE OF CONTENTS

1. STIMULATING ECONOMIC DEVELOPMENT AND JOB OPPORTUNITIES IN OROMIA AND SOUTHERN NATIONS, NATIONALITIES AND PEOPLES REGIONS OF ETHIOPIA	4
1.1. Background.....	4
1.2. Objectives of the programme and priority issues	5
1.3. Financial allocation provided by the contracting authority	6
2. RULES FOR THIS CALL FOR PROPOSALS	7
2.1. Eligibility criteria.....	7
2.1.1. Eligibility of applicants (i.e. lead applicant and co-applicant(s)).....	8
2.1.2. Affiliated entities.....	9
2.1.3. Associates and contractors	10
2.1.4. Eligible actions: actions for which an application may be made.....	10
2.1.5. Eligibility of costs: costs that can be included	12
2.2. How to apply and the procedures to follow	16
2.2.1. Application forms.....	17
2.2.2. Where and how to send applications	17
2.2.3. Deadline for submission of applications	18
2.2.4. Further information about applications	18
2.3. Evaluation and selection of applications	19
2.4. SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS	23
2.5. Notification of the Contracting Authority's decision	25
2.5.1. Content of the decision.....	25
2.5.2. Indicative timetable	25
2.6. Conditions for implementation after the contracting authority's decision to award a grant.....	26
3. LIST OF ANNEXES	27
Annex A: Grant application form (Word format)	27
Annex B: Budget (Excel format)	27
Annex C: Logical framework (Excel format)	27
Annex D: Legal entity sheet.....	27
Annex E: Financial identification form	27
Annex F: EuropeAid offline registration form	27
Annex G: Standard grant contract	27
Annex H: Daily allowance rates (per diem), Available at the following address: http://ec.europa.eu/europeaid/funding/about-procurement-contracts/procedures-and-practical-guide-prag/diems_en.....	27
Annex J: Information on the tax regime applicable to grant contracts signed under the call.	27
Annex K: Guidelines for assessing simplified cost options.	27

1. STIMULATING ECONOMIC DEVELOPMENT AND JOB OPPORTUNITIES IN OROMIA AND SOUTHERN NATIONS, NATIONALITIES AND PEOPLES REGIONS OF ETHIOPIA

1.1. BACKGROUND

Ethiopia is frequently affected by natural disasters, mainly drought, leading to chronic and acute food insecurity and high prevalence of malnourishment. In a "normal year" at least 10 million people will depend of food aid to survive. The recent drought of 2015-2016 affected the lives and livelihoods of almost 20 million people. The 2017 Humanitarian Requirements Document reported 3.6 million children, pregnant and breastfeeding mothers falling into Moderate Acute Malnutrition (MAM) and 375,000 of them developing Severe Acute Malnutrition (SAM). During 2018, the humanitarian situation has become even more complicated with almost 2.3 million Ethiopians uprooted from their homes due to inter-communal conflicts that flared at the beginning of the year.

Although the country registered strong economic growth over the last consecutive years, marginal rural areas still remain chronically food insecure and/or highly vulnerable to drought. It has become increasingly clear that although most rural areas are benefitting from the agricultural growth and becoming more resilient, there are substantial geographic areas that are struggling to attain self-reliance. This is a structural problem which is exacerbated in drought situations, where the vulnerability of the population leaves them in need of massive assistance. The underlying pressures include:

- Over 2 million new entrants into the workforce every year,
- Over 80% of people still live in rural areas,
- Education system providing better access to school, but with lower quality, producing unqualified entrants into the workforce

Youth unemployment is a major concern for Ethiopia because it has negative effects on the welfare of young people, and may also adversely affect economic performance and social stability of the country. Thus, job creation for a rapidly growing labour force has continued as one of the most pressing development challenges that Ethiopia faces today. On the other side, Ethiopia is trying to create large number of jobs, both through rapid economic growth and the industrial strategy that is based on absorbing the surplus rural populations into the modern economy, expanding job opportunities is one of the priority areas in the second Growth and Transformation Plan (GTP II) particularly among small and medium scale enterprises. However, new job creation is currently well below this. The challenge is in developing the workforce needed to fill the jobs well, and to build a positive cycle of economic growth.

The EU has been supporting the government efforts to address these challenges through direct supports to the government flagship programmes and through sector-specific interventions implemented by different implementing partners. The AGP, the PSNP, the SLMP, the Regional Development and Protection Programme (RDPP), and the EU-RESET are among the ongoing programmes that the EU is financing. These programmes are largely aiming at contributing to diversification of livelihoods and job creation, access to basic services, natural resources management/watershed management, and building service delivery/disaster management capacities at community and woreda level including capacity building of local stakeholders.

The proposed action, designed on the basis of lessons and success of the previous related programmes, is part of the new EU financing decision under the EUTF, namely, ***Decentralization of Disaster Risk Management in Ethiopia***, which focuses on the Livelihood Support and Disaster Risk Reduction pillars but with much greater focus on directly supporting the Government structures (at Federal, Regional and District Level), making sure that they have the capacity and resources to proactively and effectively respond to shocks, so reducing their impact, including mitigating and helping lessen the level and duration of displacement. The programme was designed to achieve three Results/components:

Result 1: People affected by shocks, in particular women and youth, including host and displaced communities, have increased access to diversified economic opportunities.

Result 2: The capacities of regional and local (woreda) administrations have been strengthened to improve disaster risk management.

Result 3: Effective DRR regional Contingency Funds (DRR-CF) are in place to reinforce preparedness and early response

The first Component/Result, to be implemented in Oromia and SNNPR Regions in selected woredas (see Section 2.1.4 for the selected woredas), is the subject of this call for proposal.

1.2. OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

The **global objective** of this Call for Proposals (CfP) is to enhance the capacities of the local authorities to proactively support job-seekers to have better access to information on available job opportunities and job placements.

The **specific objective(s)** of this CfP is to enhance economic development and access to job opportunities for the youth and women.

This CfP is for implementation of Component/Result 1 under the Decision "Decentralization of Disaster Risk Management in Ethiopia: People affected by shocks, in particular women and youth, including host and displaced communities, have increased access to diversified economic opportunities. In consultation with the zonal, regional Job Creation Commissions Entrepreneurship Development Centres (EDCs), and the Rural Jobs Opportunity Creation Directorate of the Ministry of Agriculture, applicants are expected to make detail gap assessments with regard to the job opportunities in the selected implementation woredas.

The top-line activities will include, but not limited to:

At woreda level - Develop Woreda Job Centres (One-Stop-Job-Centre) in order to facilitate the matching of employment offer-demand for successful job placement as well as to organise access to service/support listed below:

- 1) Conduct youth employability assessment for further targeting of the support;
- 2) Conduct gap assessment of the ((Agri-)Technical, Vocational Education Training (TVET) and ATVET),
- 3) As required, renovate and furnish the ATVET/TVET;
- 4) In association with existing skills trainings programmes of the TVET and ATVET, adapt and support skill training in order to ensure that the skill levels of the available pool of persons match the type of skills required by the economy (improve the labour market supply);
- 5) Support the development of "job market access portal" at woreda level where job offers can match the job demand of "employable"¹ youth. The job offer will have to include:
 - a) The identification of value chains that could provide employment for youth and women;
 - b) The identification of access need of job purveyors/employers: private sector partners, government programmes, civil society organisations, etc
- 6) Support the development of standard youth training and youth integration packages for their progressive integration in the job market;
- 7) Support the definition and the integration of a set of measures ranging from protection to empowerment of women. Empowerment will include adapted messages and links with gender-based violence and family planning;
- 8) Include in the above conflict-sensitive measures to ensure equal access for host communities and displaced population, in order not to exacerbate conflict/ethnic tensions and respect the "DO NO HARM" principle;
- 9) When required, renovate/refurbish the "One Stop Job Centre" according to the status of the premises/land received from the administration
- 10) Equip the premises according to the agreed scope of activities
- 11) Define the job description and train the "One Stop Job Centre" managers
- 12) Coordinate with the different concerned regional bureaux, private sector actors and other stakeholders on job creation matters.

¹ Having the minimum and sufficient skills

- 13) Integrate as part of the "One Stop Job Center" the local Entrepreneurship Development Centres (EDCs) to promote youth entrepreneurship. For this purpose:
- a) Support the establishment/strengthening of business incubation services to provide entrepreneurial mentorship and advisory services for those who are able to engage in businesses;
 - b) Facilitate access to finance with existing finance institutions existing in the woredas, develop and support outreach interventions targeting women and youth;
 - c) In association with existing agriculture/livestock programmes (public or private), identify the potential of job creation for the youth in the programmes' outreach including job related to improved access to markets.
 - d) During the first 6 month inception phase refine the key outcome indicators that will inform the performance of the project at woreda level

At all levels of government (federal, regional, zonal, woreda) - Inform the National Rural Job Creation Strategy by:

- 1) Coordinating with the other EU pilot projects on job creations (Siti, Waghimra, Jijiga, etc) in order to expand the baseline information for standard solutions, system configuration and associated capacity needs assessment.
- 2) Conducting, after the initial 12 months of implementation, a need assessment to lay out system configuration requirements in terms of:
 - a) Job market with access portals at woreda, regional and national levels; .
 - b) Standard methodology and guides for youth employability assessment;
 - c) Standard training packages addressing the different category of unemployed youth and training needs including short-term training packages for youth job-placement
 - d) Standard referral mechanisms available in the "One stop Job Centre" for youth in distress including specific needs of young women.
 - e) Standard M&E to inform the National Rural Job Creation Strategy
- 3) Facilitate the monitoring of the project by the regional and federal directorates' staff in the project areas.

The main indicators of achievement of this action will be:

Indicative outcome indicators:

- a. System requirement adopted and government decision in place for implementation
- b. Government decision (federal, regional, woreda) on the final format of the One-Stop-Job-Centre
- c. Job market solution tested and functional in all the targeted woredas

Indicative output indicators

- a) Number of jobs placements facilitated and/or supported;
- b) Number of jobs created among those facilitated
- c) Number of Micro Small Enterprises supported;
- d) Number of youth and women benefitting from professional trainings (TVET/ATVET) and/or skills development after transiting through the "One-Stop-Job-Centre"
- e) Number of staff from local authorities benefitting from capacity building on Rural Job Creation and youth integration

1.3. FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this call for proposals is **EUR 8,700,000.00**. The contracting authority reserves the right not to award all available funds.

Size of grants

Any grant requested under this call for proposals must fall under a maximum amounts **EUR 8,700,000.00, with not more than EUR 5,500,000.00 allocated to Oromia and not more than EUR 3,200,000.00 allocated to SNNPR.**

Though this fund allocation is separated between the two regions, in light of the nature of the action (within project but cross-regional sharing of expertise and lessons, more similarities of activities and expected output/outcomes of the action, and cost effectiveness), **this CfP is considered as one lot, and hence, only one application with a consolidated budget, but also clearly depicting the breakdown of activities and budget allocation for the respective regions, will be selected and awarded a grant.** Moreover, applicants are encouraged to present ambitious but realistic proposals, aimed at exploiting the maximum amounts of fund indicated above. Any applications presented only for one region or another, or two separate applications for the two regions (one each) will be rejected.

Any grant requested under this CfP must be to a maximum 90% of the total eligible costs of the action (see also Section 2.1.5).

The balance (i.e. the difference between the total cost of the action and the amount requested from the contracting authority) must be financed from sources other than the general budget of the Union or the European Development Fund².

The grant may cover the entire eligible costs of the action if this is deemed essential to carry it out. If that is the case, the lead applicant must justify full financing in Section 2.1 of Part B of the grant application form. The validity of the justification provided will be examined during the evaluation procedure. The absence of any justification may lead to the rejection of the application.

2. RULES FOR THIS CALL FOR PROPOSALS

These guidelines set out the rules for the submission, selection and implementation of the actions financed under this call, in conformity with the practical guide, which is applicable to the present call (available on the internet at this address <http://ec.europa.eu/europeaid/prag/document.do?locale=en>).³

2.1. ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

(1) the actors:

- The **'lead applicant'**, i.e. the entity submitting the application form (2.1.1),
- if any, its **co-applicant(s) (where it is not specified otherwise the lead applicant and its co-applicant(s) are hereinafter jointly referred as 'applicant(s)')** (2.1.1),
- if any, **affiliated entity(ies)** to the lead applicant and/or to a co-applicant(s). (2.1.2)

(2) the actions:

Actions for which a grant may be awarded (2.1.4);

² Where a grant is financed by the European Development Fund, any mention of European Union financing must be understood as referring to European Development Fund financing.

³ Note that a lead applicant (i.e. a coordinator) whose pillars have been positively assessed by the European Commission and who is awarded a grant will not sign the standard grant contract published with these guidelines but a contribution agreement based on the contribution agreement template. All references in these guidelines and other documents related to this call to the standard grant contract shall in this case be understood as referring to the relevant provisions of the contribution agreement template.

(3) the costs:

- types of cost that may be taken into account in setting the amount of the grant (2.1.5).

2.1.1. Eligibility of applicants (i.e. lead applicant and co-applicant(s))

Lead applicant

(1) In order to be eligible for a grant, the lead applicant must:

- be a legal person,
- be non-profit-making,
- non-governmental organisation,
- be established in⁴ a Member State of the European Union or any country considered eligible for contracts implemented in Least Developed countries as defined under the Annex IV of Cotonou Agreement.

For British applicants: Please be aware that eligibility criteria must be complied with for the entire duration of the grant. Unless sector specific eligibility rules provide otherwise⁵, if the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible to participate) or will be required to leave the project on the basis of Article 12 of the General Condition of the grant agreement’.

- be directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity(ies), not acting as an intermediary, and

(2) Potential applicants may not participate in calls for proposals or be awarded grants if they are in any of the situations listed in Section 2.6.10.1 of the practical guide;

Lead applicants, co-applicants, affiliated entities and, in case of legal entities, persons who have powers of representation, decision-making or control over the lead applicant, the co-applicants and the affiliated entities are informed that, should they be in one of the situations of early detection or exclusion according to Section 2.6.10.1 of the practical guide, personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the early detection and exclusion system, and communicated to the persons and entities concerned in relation to the award or the execution of a grant contract.

In Part B Section 8 of the grant application form (‘declaration(s) by the lead applicant’), the lead applicant must declare that the lead applicant itself, the co-applicant(s) and affiliated entity(ies) are not in any of these situations.

The lead applicant may act individually or with co-applicant(s).

If awarded the grant contract, the lead applicant will become the beneficiary identified as the coordinator in Annex E3h1 (special conditions). The coordinator is the main interlocutor of the contracting authority. It represents and acts on behalf of any other co-beneficiary (if any) and coordinate the design and implementation of the action.

⁴ To be 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 and that its head office is located in an eligible country. 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.

⁵ For instance, Article 9(1)(f) of Regulation (EU) No 236/2014 provides for eligibility of member countries of the OECD, in the case of contracts implemented in a Least Developed Country or a Highly Indebted Poor Country, as included in the list of ODA recipients.

Co-applicant(s)

Co-applicants participate in designing and implementing the action, and the costs they incur are eligible in the same way as those incurred by the lead applicant.

Co-applicants must satisfy the eligibility criteria as applicable to the lead applicant itself.

Co-applicants must sign the mandate in Part B Section 4 of the grant application form.

- (3) Applicants included in the lists of EU restrictive measures (see Section 2.4. of the PRAG) at the moment of the award decision cannot be awarded the contract⁶.

If awarded the grant contract, the co-applicant(s) (if any) will become beneficiary(ies) in the action (together with the coordinator)

2.1.2. *Affiliated entities*

Affiliated entity(ies)

The lead applicant and its co-applicant(s) may act with affiliated entity(ies).

Only the following entities may be considered as affiliated entities to the lead applicant and/or to co-applicant(s):

- Only entities having a structural link with the applicants (i.e. the lead applicant or a co-applicant), in particular a legal or capital link.

This structural link encompasses mainly two notions:

- (i) Control, as defined in Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings:

Entities affiliated to an applicant may hence be:

- Entities directly or indirectly controlled by the applicant (daughter companies or first-tier subsidiaries). They may also be entities controlled by an entity controlled by the applicant (granddaughter companies or second-tier subsidiaries) and the same applies to further tiers of control;
- Entities directly or indirectly controlling the applicant (parent companies). Likewise, they may be entities controlling an entity controlling the applicant;
- Entities under the same direct or indirect control as the applicant (sister companies).

- (ii) Membership, i.e. the applicant is legally defined as a e.g. network, federation, association in which the proposed affiliated entities also participate or the applicant participates in the same entity (e.g. network, federation, association) as the proposed affiliated entities.

The structural link shall as a general rule be neither limited to the action nor established for the sole purpose of its implementation. This means that the link would exist independently of the award of the grant; it should exist before the call for proposals and remain valid after the end of the action.

By way of exception, an entity may be considered as affiliated to an applicant even if it has a structural link specifically established for the sole purpose of the implementation of the action in the case of so-called 'sole applicants' or 'sole beneficiaries'. A sole applicant or a sole beneficiary is a legal entity formed by several entities (a group of entities) which together comply with the criteria for being awarded the grant. For example, an association is formed by its members.

⁶ The updated lists of sanctions are available at www.sanctionsmap.eu.

Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

What is not an affiliated entity?

The following are not considered entities affiliated to an applicant:

- Entities that have entered into a (procurement) contract or subcontract with an applicant, act as concessionaires or delegates for public services for an applicant,
- Entities that receive financial support from the applicant,
- Entities that cooperate on a regular basis with an applicant on the basis of a memorandum of understanding or share some assets,
- Entities that have signed a consortium agreement under the grant contract (unless this consortium agreement leads to the creation of a 'sole applicant' as described above).

How to verify the existence of the required link with an applicant?

The affiliation resulting from control may in particular be proved on the basis of the consolidated accounts of the group of entities the applicant and its proposed affiliates belong to.

The affiliation resulting from membership may in particular be proved on the basis of the statutes or equivalent act establishing the entity (network, federation, association) which the applicant constitutes or in which the applicant participates.

If the applicants are awarded a grant contract, their affiliated entity(ies) will not become beneficiary(ies) of the action and signatory(ies) of the grant contract. However, they will participate in the design and in the implementation of the action and the costs they incur (including those incurred for implementation contracts and financial support to third parties) may be accepted as eligible costs, provided they comply with all the relevant rules already applicable to the beneficiary(ies) under the grant contract.

Affiliated entity(ies) must satisfy the same eligibility criteria as the lead applicant and the co-applicant(s). They must sign the affiliated entity(ies) statement in Part B Section 5 of the grant application form.

2.1.3. Associates and contractors

The following entities are not applicants nor affiliated entities and do not have to sign the 'mandate for co-applicant(s)' or 'affiliated entities' statement':

- Associates

Other organisations or individuals may be involved in the action. Such associates play a real role in the action but may not receive funding from the grant, with the exception of per diem or travel costs. Associates do not have to meet the eligibility criteria referred to in Section 2.1.1. Associates must be mentioned in Part B Section 6 — 'Associates participating in the action' — of the grant application form.

- Contractors

The beneficiaries and their affiliated entities are permitted to award contracts. Associates or affiliated entity(ies) cannot be also contractors in the project. Contractors are subject to the procurement rules set out in Annex IV to the standard grant contract.

2.1.4. Eligible actions: actions for which an application may be made

Definition:

An action is composed of a set of activities.

Duration

The initial planned duration of an action may not be lower than **36 months** nor exceed **48 months**.

Sectors or themes

The main theme of this action is economic development (livelihood) and employability that is prioritizing the specific needs of women and youth.

Location

Given the limited amount allocated to this project and the existing similar pilots developed in Waghimra (Amhara Region) under RESET Plus and in Jijiga (Somali Region) under the CRRF EU-TF, this action will be implemented in Oromia and SNNPR Regions of Ethiopia in 3 to 4 woredas each selected by the Regions. The selection criteria will be:

- low level but potential of socio-economic development and potential of agricultural/agribusiness development;
- the potential link with agro-industries located nearby;
- access to existing TVET and ATVET;
- possible synergies with other livelihood and job related activities;
- Proximity/accessibility for joint monitoring and evaluation and cross-sharing of lessons and good practices; and
- woreda commitment to provide land and possible premises as well as committed administration staff for the development of woreda job centres.

Considering these criteria, the following woredas were proposed by the two regional bureaus of Job Creation Commission (SNNPR) and Entrepreneurship Development Bureau (Oromia).

Region	Zone	Woreda
Oromia	West Arsi	1. Gedeb Asasa
	East Shewa	2. Adama Zuria
	West Wollega	3. Gimbi Woreda
	East Wollega	4. Sibu Sire
SNNPR	Sidama	1. Dale
	Gedeo	2. Dila Zuria
	Silte	3. Sankura
	Wolaita	4. Dugna Fango

Types of action

Types of action, which may be financed under this call, are those that can enhance achievement of the general and specific objectives and desired outcomes of this call.

The following types of action are ineligible:

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences and congresses;
- actions concerned only or mainly with individual scholarships for studies or training courses;

Types of activity

Types of activity which may be financed under this call are activities that contribute to increasing access to diversified economic development and job opportunities, prioritizing the specific needs of women and youth. It shall target in particular the development of small and medium-sized enterprises (SMEs) focussing on establishment of systems and enhancement of local capacities identified in consultation with the regional Jobs Creation Commission and Enterprise and Industry Development Bureaus. Implementation of the intervention should primarily involve the woreda staff and private sector actors, with the support provided by the Action. This result needs to have a solid gender and conflict-sensitive lens in ensuring equal access for host communities and displaced populations, in order not to exacerbate conflict/ethnic tensions and respect the 'DO NO HARM' principle. As such, as part of capacity enhancement, with due attention to the administrative and program cost ratio requirement of the Charities and Societies Agency (CSA) of Ethiopia,

modest infrastructure development and/or rehabilitation of the existing structures that serve the purpose of job-centre could be considered.

Financial support to third parties⁷

Applicants may propose financial support to third parties.

Applicants may propose financial support to third parties in order to help achieving the objectives of the action. The maximum amount of financial support per third party is less than EUR 60,000.

In compliance with the present guidelines and notably of any conditions or restrictions in this Section, the lead applicant should define mandatorily in Section 2.1.1 of the grant application form:

- (i) the overall objectives, the specific objective(s) and the outputs⁸ (i.e. the results) to be achieved with the financial support;
- (ii) the different types of activities eligible for financial support, on the basis of a fixed list;
- (iii) the types of persons or categories of persons which may receive financial support;
- (iv) the criteria for selecting these entities and giving the financial support;
- (v) the criteria for determining the exact amount of financial support for each third entity, and
- (vi) the maximum amount which may be given.

In all events, the mandatory conditions set above for giving financial support (points (i) to (vi)) have to be strictly defined in the grant contract as to avoid any exercise of discretion.

Visibility

The applicants must take all necessary steps to publicise the fact that the European Union has financed or co-financed the action. As far as possible, actions that are wholly or partially funded by the European Union must incorporate information and communication activities designed to raise the awareness of specific or general audiences of the reasons for the action and the EU support for the action in the country or region concerned, as well as the results and the impact of this support.

Applicants must comply with the objectives and priorities and guarantee the visibility of the EU financing (see the Communication and Visibility Manual for EU external actions specified and published by the European Commission at http://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions_en).

Number of applications and grants per applicants/affiliated entities

- The lead applicant may not submit more than one application(s) under this call for proposals.
- The lead applicant may not be awarded more than one grant(s) under this call for proposals.
- The lead applicant may not be a co-applicant or an affiliated entity in another application for another lot/region at the same time.
- A co-applicant/affiliated entity may not be the co-applicant or affiliated entity in more than one application(s) under this call for proposals.
- A co-applicant/affiliated entity may not be awarded more than one grant(s) under this call for proposals.

2.1.5. Eligibility of costs: costs that can be included
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Only 'eligible costs' can be covered by a grant. The categories of costs that are eligible and non-eligible are indicated below. The budget is both a cost estimate and an overall ceiling for 'eligible costs'.

The reimbursement of eligible costs may be based on any or a combination of the following forms:

- financing not linked to costs of the relevant operations based on:
 - (i) either the fulfilment of conditions set out in sector specific legislation or Commission Decisions; or

⁷ These third parties are neither affiliated entity(ies) nor associates nor contractors.

⁸ As per OECD DAC definition, the term 'results' includes: 'impact' (overall objective), 'outcome(s)' (specific objective(s) and 'output(s)').

- (ii) the achievement of results measured by reference to the previously set milestones or through performance indicators;
- actual costs incurred by the beneficiary(ies) and affiliated entity(ies);
- one or more simplified cost options.

Simplified cost options may take the form of:

- **unit costs:** covering all or certain specific categories of eligible costs which are clearly identified in advance by reference to an amount per unit.
- **lump sums:** covering in global terms all or certain specific categories of eligible costs which are clearly identified in advance.
- **flat-rate financing:** covering specific categories of eligible costs which are clearly identified in advance by applying a percentage fixed ex ante.

Simplified costs options (SCOs) are divided in two categories:

1/ "output or result based SCOs": this category includes costs linked to outputs, results, activities, deliverables in the framework of a specific project (for example the determination of a lump sum for the organization of a conference, or for the realisation of a determined output/activity). Where possible and appropriate, lump sums, unit costs or flat rates shall be determined in such a way to allow their payment upon achievement of concrete outputs and/or results. This type of SCO can be proposed by the Beneficiary (no threshold is applicable) at proposal's stage. In case the evaluation committee and the contracting authority are not satisfied with the quality of the justification provided reimbursement on the basis of actually incurred costs is always possible.

2/ "other/recurrent SCOs". This second category entails simplified cost options embedded in the accounting practices of the beneficiary, for which an ex-ante assessment is deemed necessary, considering the need of a consistent application of the conditions required. Examples are: an additional percentage on actual salaries to cover remuneration-related costs or the use of an allocation method to apportion costs of a project office foreseen in the Description of the Action. In order the use of systemic/recurrent SCOs, the beneficiary's accounting practices need to have been positively assessed by an audit firm based on standard ToRs provided by the Commission. To obtain reimbursement of this category of SCOs, the beneficiary shall make reference to the previously obtained ex-ante assessment in the budget justification sheet (annex e3c).

The amounts or rates have to be based on estimates using objective data such as statistical data or any other objective means or with reference to certified or auditable historical data of the applicants or the affiliated entity(ies). Determining SCO is possible also through 'expert judgement' provided by internally available experts or procured in accordance with the applicable rules. Experts must be either commissioned auditors or chartered accountants, or staff of the Commission but cannot be staff of the beneficiary. The methods used to determine the amounts or rates of unit costs, lump sums or flat-rates must comply with the criteria established in Annex K, and especially ensure that the costs correspond fairly to the actual costs incurred by the beneficiary(ies) and affiliated entity(ies), are in line with their accounting practices, no profit is made and the costs are not already covered by other sources of funding (no double funding). Refer to Annex K for the details of the procedure to be followed depending on the type and amount of the costs to be declared as SCO.

Applicants proposing this form of reimbursement, must clearly indicate in worksheet no.1 of Annex B, each heading/item of eligible costs concerned by this type of financing, i.e. add the reference in capital letters to 'UNIT COST' (per month/flight etc.), 'LUMPSUM', 'FLAT RATE' in the Unit column (see example in Annex K).

Additionally in Annex B, in the second column of worksheet no.2, 'Justification of the estimated costs' per each of the corresponding budget item or heading applicants must:

- describe the information and methods used to establish the amounts of unit costs, lump sums and/or flat-rates, to which costs they refer, etc for output or result based SCO.

- clearly explain the formulas for calculation of the final eligible amount for output or result based SCO⁹
- make reference to the previously obtained ex-ante assessment for other/recurrent SCOs.

In case of output or result based SCOs the evaluation committee and the contracting authority decide whether to accept the proposed amounts or rates on the basis of the provisional budget submitted by the applicants, by analysing factual data of grants carried out by the applicants or of similar actions. In case the evaluation committee and the contracting authority are not satisfied with the quality of the justification provided reimbursement on the basis of actually incurred costs is always possible.

No threshold is set ex-ante for the total amount of financing that can be authorised by the contracting authority on the basis of simplified cost options. Other/recurrent SCOs can be declared only if previously successfully ex-ante assessed.

Recommendations to award a grant are always subject to the condition that the checks preceding the signing of the grant contract do not reveal problems requiring changes to the budget (such as arithmetical errors, inaccuracies, unrealistic costs and ineligible costs). The checks may give rise to requests for clarification and may lead the contracting authority to impose modifications or reductions to address such mistakes or inaccuracies. It is not possible to increase the grant or the percentage of EU co-financing as a result of these corrections.

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

The responsible authorising officer may consider that the usual cost accounting practices of the beneficiary are compliant with the conditions applicable to simplified cost options, if they are accepted by national authorities under comparable funding schemes. In this case, the grant beneficiary shall demonstrate that the national authority accepted the cost accounting practices and will have to specify in which context this acceptance is given.

The evaluation committee and the contracting authority will assess if the funding scheme is comparable and in case of positive outcome will consider these practices as if they were ex-ante assessed by an external auditor.

Eligible direct costs

To be eligible under this CfP, costs must comply with the provisions of Article 14 of the general conditions to the standard grant contract (see Annex G of the guidelines).

The applicants (and where applicable their affiliated entities) agree that the expenditure verification(s) referred to in Article 15.7 of the general conditions to the standard grant contract (see Annex G of the guidelines) will be carried out by the contracting authority or any external body authorised by the contracting authority.

Contingency reserve

The budget may include a contingency reserve not exceeding 5 % of the estimated direct eligible costs. It can only be used with the **prior written authorisation** of the contracting authority.

Eligible indirect costs

The indirect costs incurred in carrying out the action may be eligible for flat-rate funding, but the total must not exceed 7 % of the estimated total eligible direct costs. Indirect costs are eligible provided that they do not

9 Examples:- for staff costs: number of hours or days of work * hourly or daily rate pre-set according to the category of personnel concerned;- for travel expenses: distance in km * pre-set cost of transport per km; number of days * daily allowance pre-set according to the country;- for specific costs arising from the organization of an event: number of participants at the event * pre-set total cost per participant etc.

include costs assigned to another budget heading in the standard grant contract. The lead applicant may be asked to justify the percentage requested before the grant contract is signed. However, once the flat rate has been fixed in the special conditions of the grant contract, no supporting documents need to be provided.

If any of the applicants or affiliated entity(ies) is in receipt of an operating grant financed by the EU, it may not claim indirect costs on its incurred costs within the proposed budget for the action.

Contributions in kind

Contributions in kind mean the provision of goods or services to beneficiaries or affiliated entities free of charge by a third party. As contributions in kind do not involve any expenditure for beneficiaries or affiliated entities, they are normally not eligible costs.

As an exception, contributions in kind may include personnel costs for the work carried out by volunteers under an action or work programme (which are eligible costs).

Contributions in kind from third parties in the form of volunteers' work, valued on the basis of unit costs defined and authorised by the contracting authority, shall be presented in the estimated budget, separately from the other eligible costs (i.e. as an accepted costs together with other contributions in kind).

Volunteers' work may comprise up to 50% of the co-financing. For the purposes of calculating this percentage, contributions in kind and other co-financing shall be based on estimates provided by the applicant.

When the estimated costs include volunteers' work, the grant shall not exceed the estimated eligible costs other than the costs for volunteers' work.

Contributions in kind may not be treated as co-financing. However, if the description of the action as proposed includes contributions in kind, the contributions have to be made.

Ineligible costs

The following costs are not eligible:

- debts and debt service charges (interest);
- provisions for losses or potential future liabilities;
- costs declared by the beneficiary(ies) and financed by another action or work programme receiving a European Union (including through EDF) grant;
- purchases of land or buildings, except where necessary for the direct implementation of the action, in which case ownership must be transferred in accordance with Article 7.5 of the general conditions of the standard grant contract, at the latest at the end of the action;
- currency exchange losses;
- credit to third parties;
- salary costs of the personnel of national administrations

Ethics clauses and Code of Conduct

a) Absence of conflict of interest

The applicant must not be affected by any conflict of interest and must have no equivalent relation in that respect with other applicants or parties involved in the actions. Any attempt by an applicant to obtain confidential information, enter into unlawful agreements with competitors or influence the evaluation committee or the contracting authority during the process of examining, clarifying, evaluating and comparing applications will lead to the rejection of its application and may result in administrative penalties according to the Financial Regulation in force.

b) **Respect for human rights as well as environmental legislation and core labour standards**

The applicant and its staff must comply with human rights. In particular and in accordance with the applicable act, applicants who have been awarded contracts must comply with the environmental legislation including multilateral environmental agreements, and with the core labour standards as applicable and as defined in the relevant International Labour Organisation conventions (such as the conventions on freedom of association and collective bargaining; elimination of forced and compulsory labour; abolition of child labour).

Zero tolerance for sexual exploitation and sexual abuse:

The European Commission applies a policy of 'zero tolerance' in relation to all wrongful conduct which has an impact on the professional credibility of the applicant.

Physical abuse or punishment, or threats of physical abuse, sexual abuse or exploitation, harassment and verbal abuse, as well as other forms of intimidation shall be prohibited.

c) Anti-corruption and anti-bribery

The applicant shall comply with all applicable laws and regulations and codes relating to anti-bribery and anti-corruption. The European Commission reserves the right to suspend or cancel project financing if corrupt practices of any kind are discovered at any stage of the award process or during the execution of a contract and if the contracting authority fails to take all appropriate measures to remedy the situation. For the purposes of this provision, 'corrupt practices' are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or execution of a contract already concluded with the contracting authority.

d) Unusual commercial expenses

Applications will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a payee who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

Grant beneficiaries found to have paid unusual commercial expenses on projects funded by the European Union are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from receiving EU/EDF funds.

e) Breach of obligations, irregularities or fraud

The contracting authority reserves the right to suspend or cancel the procedure, where the award procedure proves to have been subject to breach of obligations, irregularities or fraud. If breach of obligations, irregularities or fraud is discovered after the award of the contract, the contracting authority may refrain from concluding the contract.

2.2. HOW TO APPLY AND THE PROCEDURES TO FOLLOW

To apply for this call for proposals, lead applicants need to provide information about the organisations involved in the action. Please note that the registration of this data in PADOR is obligatory for all lead applicants, co-applicant(s) and affiliated entity(ies).

PADOR is an on-line database in which organisations register and update information concerning their entity. Organisations registered in PADOR get a unique ID (EuropeAid ID), which they must mention in their application. PADOR is accessible via the website: http://ec.europa.eu/europeaid/pador_en.

If it is impossible for the organisation to register online in PADOR for technical reasons, applicants and/or affiliated entity(ies) must complete the 'PADOR off-line form'¹⁰ attached to these guidelines. This form must be sent **together with the application**, by the submission deadline (see section 2.2.2.).

Before starting using PADOR, please read the user guides available on the website. All technical questions related to the use of these systems should be addressed to the IT helpdesk at EuropeAid-IT-support@ec.europa.eu

2.2.1. Application forms

Applications must be submitted in accordance with the instructions on the concept note and the full applications in the grant application form annexed to these guidelines (Annex A1 and Annex A2).

Applicants must apply in English.

Any error or major discrepancy related to the points listed in the instructions on the concept note or any major inconsistency in the application e.g. if the amounts in the budget worksheets are inconsistent) may lead to the rejection of the application.

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

Hand-written applications will not be accepted.

Please note that only the grant application form and the published annexes which have to be filled in (budget, logical framework) will be evaluated. It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action.

With the application the lead applicant also has to submit completed organisation data forms (Annex F) for the lead applicant, each (if any) co-applicants and each (if any) affiliated entities.

No additional annexes should be sent.

2.2.2. Where and how to send applications

The applicant must send its application in a sealed envelope (Annex A.1: concept note and Annex A.2.: full application form), budget and logical framework. In particular, the lead applicant must send, in a sealed envelope as described below the following items:

- a. One original signed copy of the complete application form (Annex A.1: concept note and Annex A.2: full application form), the budget and logical framework. The declaration by the lead applicant (Annex A.2., section 8 of the full form) must be stapled separately and enclosed in the envelope
- b. Three additional copies in A4 size, each bound.
- c. An electronic version (CD-ROM or USB disk) of the items under point (a). The electronic file must contain exactly the same application as the paper version enclosed

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

To reduce expense and waste, we strongly recommend that you do not use plastic folders or dividers. Please also use double-sided printing if possible.

¹⁰ Which corresponds to sections 3 and 4 of Annex A.2.

Applications must be submitted in a sealed envelope by registered mail, private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) at the address below. Where a lead applicant sends several different applications (if allowed to do so by the guidelines of the call), each one has to be sent separately:

Postal address

Delegation of the European Union to Ethiopia
Att: Head of Finance, Contracts and Audit Section
Cape-Verde Road, Addis Ababa
P.O. Box 5570
Addis Ababa, ETHIOPIA

Address for hand delivery or by private courier service

Delegation of the European Union to Ethiopia
Att: Head of Finance, Contracts and Audit Section
Cape-Verde Road, Addis Ababa
P.O. Box 5570
In front of Desalegn Hotel
Addis Ababa, ETHIOPIA

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

Please note that incomplete applications may be rejected. Lead applicants are advised to verify that their application is complete using the checklist (Annexes A.1 and A.2, Instructions).

2.2.3. Deadline for submission of applications

The applicants' attention is drawn to the fact that there are two different systems for sending applications/full proposals: one is by post or private courier service, the other is by hand delivery.

In the first case, the application/full proposal must be sent before the date for submission, as evidenced by the postmark or deposit slip, but in the second case it is the acknowledgment of receipt given at the time of the delivery of the application/full proposal which will serve as proof.

The deadline for the submission of applications is **30 September 2019** as evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at **30 September 2019, before 17h00** local time, as evidenced by the signed and dated receipt. Any application submitted after the deadline will automatically be rejected.

The contracting authority may, for reasons of administrative efficiency, reject any application submitted on time to the postal service but received, for any reason beyond the contracting authority's control, after the effective date of approval of the first evaluation step (i.e. concept note), if accepting applications that were submitted on time but arrived late would considerably delay the award procedure or jeopardise decisions already taken and notified. (see indicative calendar under Section 2.5.2).

2.2.4. Further information about applications

An information session on this call for proposals will be held on **30 August 2019 at 09h30** at the EU Delegation to Ethiopia. Confirmation of attendance to this information session should be sent by e-mail to the EU Delegation DELEGATION-ETHIOPIA-JOBCENTER@eeas.europa.eu by **25 August 2019**.

Questions may be sent by e-mail no later than 21 days before the deadline for the submission of applications to the below address(es), indicating clearly the reference of the call for proposals:

E-mail address: DELEGATION-ETHIOPIA-JOBCENTER@eeas.europa.eu

The contracting authority has no obligation to provide clarifications to questions received after this date.

Replies will be given no later than 11 days before the deadline for the submission of applications.

To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities.

No individual replies will be given to questions. All questions and answers as well as other important notices to applicants during the course of the evaluation procedure will be published on the website of the EU Delegation https://eeas.europa.eu/delegations/ethiopia_en. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

2.3. EVALUATION AND SELECTION OF APPLICATIONS

Applications will be examined and evaluated by the contracting authority with the possible assistance of external assessors. All applications will be assessed according to the following steps and criteria.

If the examination of the application reveals that the proposed action does not meet the eligibility criteria stated in Section 2.1, the application will be rejected on this sole basis.

STEP 1: OPENING & ADMINISTRATIVE CHECKS AND CONCEPT NOTE EVALUATION

During the opening and administrative check the following will be assessed:

- If the deadline has been met. Otherwise, the application will be automatically rejected.
- If the application satisfies all the criteria specified in the checklist in Section 7 of Part B of the grant application form. This includes also an assessment of the eligibility of the action. If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The concept notes that pass this check will be evaluated on the relevance and design of the proposed action.

The concept notes will receive an overall score out of 50 using the breakdown in the evaluation grid below. The evaluation will also check on compliance with the instructions on how to complete the concept note, which can be found in Part A of the grant application form.

The evaluation criteria are divided into headings and subheadings. Each subheading will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

Scores*

1. Relevance of the action	Sub-score	20
1.1 How relevant is the proposal to the objectives and priorities of the call for proposals and to the specific themes/sectors/areas or any other specific requirement stated in the guidelines for applicants? Are the expected results of the action aligned with the priorities defined in the guidelines for applicants (section 1.2)?	5	
1.2 How relevant is the proposal to the particular needs and constraints of the target country(ies), region(s) and/or relevant sectors (including synergy with other development initiatives and avoidance of duplication)?	5	
1.3 How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs (as rights holders and/or duty bearers) and constraints been clearly defined and does the proposal address them appropriately?	5	
1.4 Does the proposal contain particular added-value elements (e.g. innovation, best practices) <i>and the other additional elements indicated under 1.2. of the guidelines for applicants?</i>	5	

2. Design of the action		Sub-score	30
2.1	How coherent is the overall design of the action? Does the proposal indicate the expected results to be achieved by the action? Does the intervention logic explain the rationale to achieve the expected results?	5x2**	
2.2	Does the design reflect a robust analysis of the problems involved, and the capacities of the relevant stakeholders?	5	
2.3	Does the design take into account external factors (risks and assumptions)?	5	
2.4	Are the activities feasible and consistent in relation to the expected results (including timeframe)? Are results (output, outcome and impact) realistic?	5	
2.5	To which extent does the proposal integrate relevant cross-cutting elements such as environmental/climate change issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and rights of indigenous peoples, youth, combating HIV/AIDS (if there is a strong prevalence in the target country/region)?	5	
TOTAL SCORE			50

* Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses more than the required minimum number of priorities as indicated in Section 1.2 (objectives of the programme) of these guidelines.

**this score is multiplied by 2 because of its importance

Once all concept notes have been assessed, a list will be drawn up with the proposed actions ranked according to their total score.

Firstly, only the concept notes with a score of at least 30 will be considered for pre-selection.

Secondly, the number of concept notes will be reduced, taking account of the ranking, to the number of concept notes whose total aggregate amount of requested contributions is equal to at least 200% of the available budget for this call for proposals. The amount of requested contributions of each concept note will be based on the indicative financial envelopes for each lot, where relevant.

After the evaluation of concept notes, the contracting authority will send letters to all lead applicants, indicating whether their application was submitted by the deadline, informing them of the reference number they have been allocated, whether the concept note was evaluated and the results of that evaluation. The evaluation committee will then proceed with the lead applicants whose proposals have been pre-selected.

STEP 2: EVALUATION OF THE FULL APPLICATION

Firstly, the following will be assessed:

- If the full application satisfies all the criteria specified in the checklist (Section 7 of Part B of the grant application form). This includes also an assessment of the eligibility of the action. If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The full applications that pass this check will be further evaluated on their quality, including the proposed budget and capacity of the applicants and affiliated entity(ies). They will be evaluated using the evaluation criteria in the evaluation grid below. There are two types of evaluation criteria: selection and award criteria.

The selection criteria help to evaluate the applicant(s)'s and affiliated entity(ies)'s operational capacity and the lead applicant's financial capacity and are used to verify that they:

- have stable and sufficient sources of finance to maintain their activity throughout the proposed action and, where appropriate, to participate in its funding (this only applies to lead applicants);
- have the management capacity, professional competencies and qualifications required to successfully complete the proposed action. This applies to applicants and any affiliated entity(ies).

For the purpose of the evaluation of the financial capacity, lead applicants must ensure that the relevant information and documents (i.e. accounts of the latest financial year and external audit report, where applicable) in their PADOR profile are up to date. If the information and documents in PADOR are outdated and do not allow for a proper evaluation of the financial capacity, the application may be rejected.

The award criteria help to evaluate the quality of the applications in relation to the objectives and priorities set forth in the guidelines, and to award grants to projects which maximise the overall effectiveness of the call for proposals. They help to select applications which the contracting authority can be confident will comply with its objectives and priorities. They cover the relevance of the action, its consistency with the objectives of the call for proposals, quality, expected impact, sustainability and cost-effectiveness.

Scoring:

The evaluation grid is divided into Sections and subsections. Each subsection will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

Evaluation grid

Section	Maximum Score
1. Financial and operational capacity	20
1.1. Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in-house experience of project management?	5
1.2. Do the applicants and, if applicable, their affiliated entity(ies) have sufficient technical in-house expertise (especially knowledge of the issues to be addressed)?	5
1.3. Do the applicants and, if applicable, their affiliated entity(ies) have sufficient management in-house capacity (including staff, equipment and ability to handle the budget for the action)?	5
1.4. Does the lead applicant have stable and sufficient sources of finance?	5
2. Relevance of the action	20
2.1. How relevant is the proposal to the objectives and priorities of the call for proposals and to the specific themes/sectors/areas or any other specific requirement stated in the guidelines for applicants? Are the expected results of the action aligned with the priorities defined in the guidelines for applicants (section 1.2)?	5
2.2. How relevant is the proposal to the particular needs and constraints of the target country(ies), region(s) and/or relevant sectors (including synergy with other development initiatives and avoidance of duplication)?	5
2.3. How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs (as rights holders and/or duty bearers) and constraints been clearly defined and does the proposal address them appropriately?	5
2.4. Does the proposal contain particular added-value elements (e.g. innovation, best practices) ? [and the other additional elements indicated under 1.2. of the guidelines for	5

applicants]	
3. Design of the action	15
3.1. How coherent is the design of the action? Does the proposal indicate the expected results to be achieved by the action? Does the intervention logic explain the rationale to achieve the expected results? Are the activities proposed appropriate, practical, and consistent with the envisaged outputs and outcome(s)?	5
3.2. Does the proposal/Logical Framework include credible baseline, targets and sources of verification? If not, is a baseline study foreseen (and is the study budgeted appropriately in the proposal)?	5
3.3. Does the design reflect a robust analysis of the problems involved, and the capacities of the relevant stakeholders?	5
4. Implementation approach	15
4.1. Is the action plan for implementing the action clear and feasible? Is the timeline realistic?	5
4.2. Does the proposal include an effective and efficient monitoring system? Is there an evaluation planned (previous, during or/and at the end of the implementation)?	5
4.3. Is the co-applicant(s)'s and affiliated entity(ies)'s level of involvement and participation in the action satisfactory?	5
5. Sustainability of the action	15
5.1. Is the action likely to have a tangible impact on its target groups?	5
5.2. Is the action likely to have multiplier effects, including scope for replication, extension capitalisation on experience and knowledge sharing?	5
5.3. Are the expected results of the proposed action sustainable?- Financially (e.g. financing of follow-up activities, sources of revenue for covering all future operating and maintenance costs)- Institutionally (will structures allow the results of the action to be sustained at the end of the action? Will there be local 'ownership' of the results of the action?)- At policy level (where applicable) (what will be the structural impact of the action — e.g. improved legislation, codes of conduct, methods) - Environmentally (if applicable) (will the action have a negative/positive environmental impact?)	5
6. Budget and cost-effectiveness of the action	15
6.1. Are the activities appropriately reflected in the budget?	5

6.2. Is the ratio between the estimated costs and the expected results satisfactory?	5x2**
Maximum total score	100

** : this scores is multiplied by 2 because of its importance

If the total score for Section 1 (financial and operational capacity) is less than 12 points, the application will be rejected. If the score for at least one of the subsections under Section 1 is 1, the application will also be rejected.

If the lead applicant applies without co-applicants or affiliated entities the score for point 3.3 shall be 5 unless the involvement of co-applicants or affiliated entities is mandatory according to these guidelines for applicants.

Provisional selection

After the evaluation, a table will be drawn up listing the applications ranked according to their score. The highest scoring applications will be provisionally selected until the available budget for this call for proposals is reached. In addition, a reserve list will be drawn up following the same criteria. This list will be used if more funds become available during the validity period of the reserve list.

STEP 3: VERIFICATION OF ELIGIBILITY OF THE APPLICANTS AND AFFILIATED ENTITY(IES)

The eligibility verification will be performed on the basis of the supporting documents requested by the contracting authority (see Section 2.4). It will by default only be performed for the applications that have been provisionally selected according to their score and within the available budget for this call for proposals.

- The declaration by the lead applicant (Section 8 of Part B of the grant application form) will be cross-checked with the supporting documents provided by the lead applicant. Any missing supporting document or any incoherence between the declaration by the lead applicant and the supporting documents may lead to the rejection of the application on that sole basis.
- The eligibility of applicants and the affiliated entity(ies) will be verified according to the criteria set out in Sections 2.1.1, 2.1.2 and 2.1.3.

Any rejected application will be replaced by the next best placed application on the reserve list that falls within the available budget for this call for proposals.

2.4. SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS

A lead applicant whose application has been provisionally selected or placed on the reserve list will be informed in writing by the contracting authority. It will be requested to supply the following documents in order to allow the contracting authority to verify the eligibility of the lead applicant, (if any) of the co-applicant(s) and (if any) of their affiliated entity(ies)¹¹:

1. The statutes or articles of association of the lead applicant, (if any) of each co-applicant and (if any) of each affiliated entity¹². Where the contracting authority has recognised the lead applicant's, or the co-applicant(s)'s, or their affiliated entity(ies)'s eligibility for another call for proposals under the same

¹¹ No supporting document will be requested for applications for a grant not exceeding EUR 60 000.

¹² Where the lead applicant and/or a co-applicant(s) and or an affiliated entity(ies) is a public body created by a law, a copy of the said law must be provided.

budget line within 2 years before the deadline for receipt of applications, it should be submitted, instead of the statutes or articles of association, a copy of the document proving their eligibility in a former call (e.g. a copy of the special conditions of a grant contract received during the reference period), unless a change in legal status has occurred in the meantime¹³. This obligation does not apply to international organisations which have signed a framework agreement with the European Commission.

2. For action grants exceeding EUR 750 000 and for operating grants above EUR 100 000, the lead applicant must provide an audit report produced by an approved external auditor where it is available, and always in cases where a statutory audit is required by EU or national law. That report shall certify the accounts for up to the last 3 financial years available. In all other cases, the applicant shall provide a self-declaration signed by its authorised representative certifying the validity of its accounts for up to the last 3 financial years available.

This requirement shall apply only to the first application made by a beneficiary to an authorising officer responsible in any one financial year.

3. The external audit report is not required from (if any) the co-applicant(s) or affiliated entities.
4. A copy of the lead applicant's latest accounts (the profit and loss account and the balance sheet for the last financial year for which the accounts have been closed)¹⁴. A copy of the latest account is neither required from (if any) the co-applicant(s) nor from (if any) affiliated entity(ies)).
5. Legal entity sheet (see Annex D of these guidelines) duly completed and signed by each of the applicants (i.e. by the lead applicant and (if any) by each co-applicant), accompanied by the justifying documents requested there. If the applicants have already signed a contract with the contracting authority, instead of the legal entity sheet and supporting documents, the legal entity number may be provided, unless a change in legal status occurred in the meantime.
6. A financial identification form of the lead applicant (not from co-applicant(s)) conforming to the model attached as Annex E of these guidelines, certified by the bank to which the payments will be made. This bank should be located in the country where the lead applicant is established. If the lead applicant has already submitted a financial identification form in the past for a contract where the European Commission was in charge of the payments and intends to use the same bank account, a copy of the previous financial identification form may be provided instead.

The requested supporting documents (uploaded in PADOR or sent together with the PADOR offline form) must be supplied in the form of originals, photocopies or scanned versions (i.e. showing legible stamps, signatures and dates) of the said originals.

Where such documents are not in one of the official languages of the European Union, a translation into English of the relevant parts of these documents proving the lead applicant's and, where applicable, co-applicants' and affiliated entity(ies)' eligibility, must be attached for the purpose of analysing the application.

Where these documents are in an official language of the European Union other than the language of the call for proposals, it is **strongly** recommended, in order to facilitate the evaluation, to provide a translation of the relevant parts of the documents, proving the lead applicant's and, where applicable, co-applicants' and affiliated entity(ies)' eligibility, into English.

¹³ To be inserted only where the eligibility conditions have not changed from one call for proposals to the other.

¹⁴ This obligation does not apply to natural persons who have received a scholarship or that are in most need in receipt of direct support, nor to public bodies and to international organisations. It does not apply either when the accounts are in practice the same documents as the external audit report already provided pursuant to Section 2.4.2.

Applicants have to take into consideration the time necessary to obtain official documents from national competent authorities and to translate such documents in English while registering their data in PADOR.

If the abovementioned supporting documents are not provided before the deadline indicated in the request for supporting documents sent to the lead applicant by the contracting authority, the application may be rejected. After verifying the supporting documents, the evaluation committee will make a final recommendation to the contracting authority, which will decide on the award of grants.

NB : In the eventuality that the contracting authority is not satisfied with the strength, solidity, and guarantee offered by the structural link between one of the applicants and its affiliated entity, it can require the submission of the missing documents allowing for its conversion into co-applicant. If all the missing documents for co-applicants are submitted, and provided all necessary eligibility criteria are fulfilled, the above mentioned entity becomes a co-applicant for all purposes. The lead applicant has to submit the application form revised accordingly.

2.5. NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

2.5.1. Content of the decision

The lead applicants will be informed in writing of the contracting authority's decision concerning their application and, if rejected, the reasons for the negative decision. This letter will be sent by e-mail and will appear online automatically in the PADOR profile of the user who submitted the application. Lead applicants who, in exceptional cases (see section 2.2), had to submit their application by post or hand-delivery will be informed by e-mail or by post if they did not provide any e-mail address. Therefore, please check regularly your PROSPECT profile, taking into account the indicative timetable below.

An applicant believing that it has been harmed by an error or irregularity during the award process may lodge a complaint. See further Section 2.4.15 of the practical guide.

2.5.2. Indicative timetable

	DATE	TIME
1. Information meeting (if any)	30 August 2019	09h30 Addis Ababa time
2. Deadline for requesting any clarifications from the contracting authority	9 September 2019	17h00 Addis Ababa time
3. Last date on which clarifications are issued by the contracting authority	19 September 2019	17h00 Addis Ababa time
4. Deadline for submission of application	30 September 2019	17h00
5. Information to lead applicants on opening, administrative checks and concept note evaluation (Step 1)	15 October 2019	-
6. Information to lead applicants on the evaluation of the full applications (Step 2)	8 November 2019	-
7. Notification of award (after the eligibility check) (Step 3)	25 November 2019	-
8. Contract signature	13 December 2019	-

All times are in the time zone of the country of the contracting authority.

This indicative timetable refers to provisional dates (except for dates 2, 3, and 4) and may be updated by the contracting authority during the procedure. In such cases, the updated timetable will be published on the web site of the EU Delegation to Ethiopia (https://eeas.europa.eu/delegations/ethiopia_en).

2.6. CONDITIONS FOR IMPLEMENTATION AFTER THE CONTRACTING AUTHORITY'S DECISION TO AWARD A GRANT

Following the decision to award a grant, the beneficiary(ies) will be offered a contract based on the standard grant contract (see Annex G of these guidelines). By signing the application form (Annex A of these guidelines), the applicants agree, if awarded a grant, to accept the contractual conditions of the standard grant contract. Where the coordinator is an organisation whose pillars have been positively assessed, it will sign a contribution agreement based on the contribution agreement template. In this case references to provisions of the standard grant contract and its annexes shall not apply. References in these guidelines to the grant contract shall be understood as references to the relevant provisions of the contribution agreement.

Implementation contracts

Where implementation of the action requires the beneficiary(ies) and its affiliated entity(ies) (if any) to award procurement contracts, those contracts must be awarded in accordance with Annex IV to the standard grant contract.

In this context, a distinction should be made between awarding implementation contracts and subcontracting parts of the action described in the proposal, i.e. the description of the action annexed to the grant contract, such subcontracting being subject to additional restrictions (see the general terms and conditions in the model grant contract).

Awarding implementation contracts: implementation contracts relate to the acquisition by beneficiaries of routine services and/or necessary goods and equipment as part of their project management; they do not cover any outsourcing of tasks forming part of the action that are described in the proposal, i.e. in the description of the action annexed to the grant contract .

Subcontracting: Subcontracting is the implementation, by a third party with which one or more beneficiaries have concluded a procurement contract, of specific tasks forming part of the action as described in annex to the grant contract (see also the general terms and conditions in the model grant contract).

3. LIST OF ANNEXES

DOCUMENTS TO BE COMPLETED

- Annex A: Grant application form (Word format)
- Annex B: Budget (Excel format)
- Annex C: Logical framework (Excel format)
- Annex D: Legal entity sheet¹⁵
- Annex E: Financial identification form
- Annex F: EuropeAid offline registration form (*ONLY IF IMPOSSIBLE TO REGISTER IN PADOR*)

DOCUMENTS FOR INFORMATION¹⁶

- Annex G: Standard grant contract
- Annex II: General conditions
 - Annex IV: Contract award rules
 - Annex V: Standard request for payment
 - Annex VI: Model narrative and financial report
 - Annex VII: Model report of factual findings and ToR for an expenditure verification of an EU financed grant contract for external actions
 - Annex VIII: Model financial guarantee
 - Annex IX: Standard template for transfer of ownership of assets

Annex H: Daily allowance rates (per diem), Available at the following address:

http://ec.europa.eu/europeaid/funding/about-procurement-contracts/procedures-and-practical-guide-prag/diems_en

Annex J: Information on the tax regime applicable to grant contracts signed under the call.

Annex K: Guidelines for assessing simplified cost options.

Useful links:

Project Cycle Management Guidelines

http://ec.europa.eu/europeaid/aid-delivery-methods-project-cycle-management-guidelines-vol-1_en

The implementation of grant contracts

A Users' Guide

<http://ec.europa.eu/europeaid/companion/document.do?nodeNumber=19&locale=en>

Financial Toolkit

http://ec.europa.eu/europeaid/funding/procedures-beneficiary-countries-and-partners/financial-management-toolkit_en

Please note: The toolkit is not part of the grant contract and has no legal value. It merely provides general guidance and may in some details differ from the signed grant contract. In order to ensure compliance with their contractual obligations beneficiaries should not exclusively rely on the toolkit but always consult their individual contract documents.

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¹⁵ Only applicable where the European Commission will make the payments under the contracts to be signed.

¹⁶ These documents should also be published by the contracting authority.