

CENTRAL EUROPE PROGRAMME 2007-2013



Lead Applicant Briefings
February 2009

Launch of the 2nd call for
proposals

- ETC is not just about cooperation
- ETC projects should lead to real benefits and results
- ETC should promote regional competitiveness and excellence and lead to growth and jobs
- In line with these goals CENTRAL EUROPE has a high quality orientation



CENTRAL EUROPE PROGRAMME AREA



**Eight EU
Members,
one
programme!**



**Cooperating
for success!**

PROGRAMME GOALS



- ✓ Strengthening territorial cohesion
- ✓ Promoting internal integration
- ✓ Enhancing competitiveness of Central Europe



Priority 1: Facilitating Innovation across Central Europe

Priority 2: Improving Accessibility of and within Central Europe

Priority 3: Using our Environment Responsibly

Priority 4: Enhancing Competitiveness and Attractiveness of Cities and Regions



Programme Implementation

Results of the 1st call



- 95 applications received
- 920 partners from the public and private sector
- Around 196 Mio Euro ERDF requested

- 29 projects (30,5% of submitted proposals) have been approved for funding
- 66,8 Mio. EURO ERDF allocated



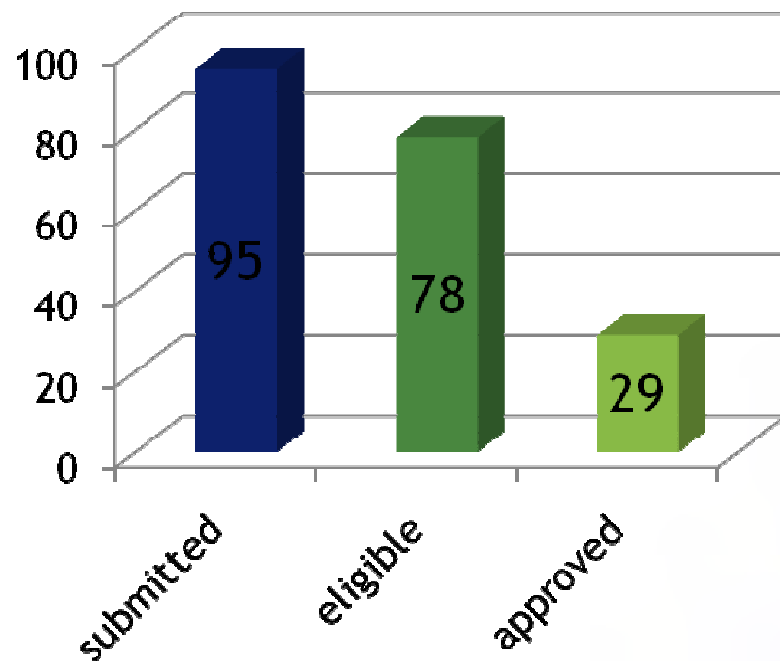
Programme Implementation

Results of the 1st call



Overview 1st call -

- 82% of the submitted proposals considered as eligible
- 30,5 % of the submitted proposals approved for funding

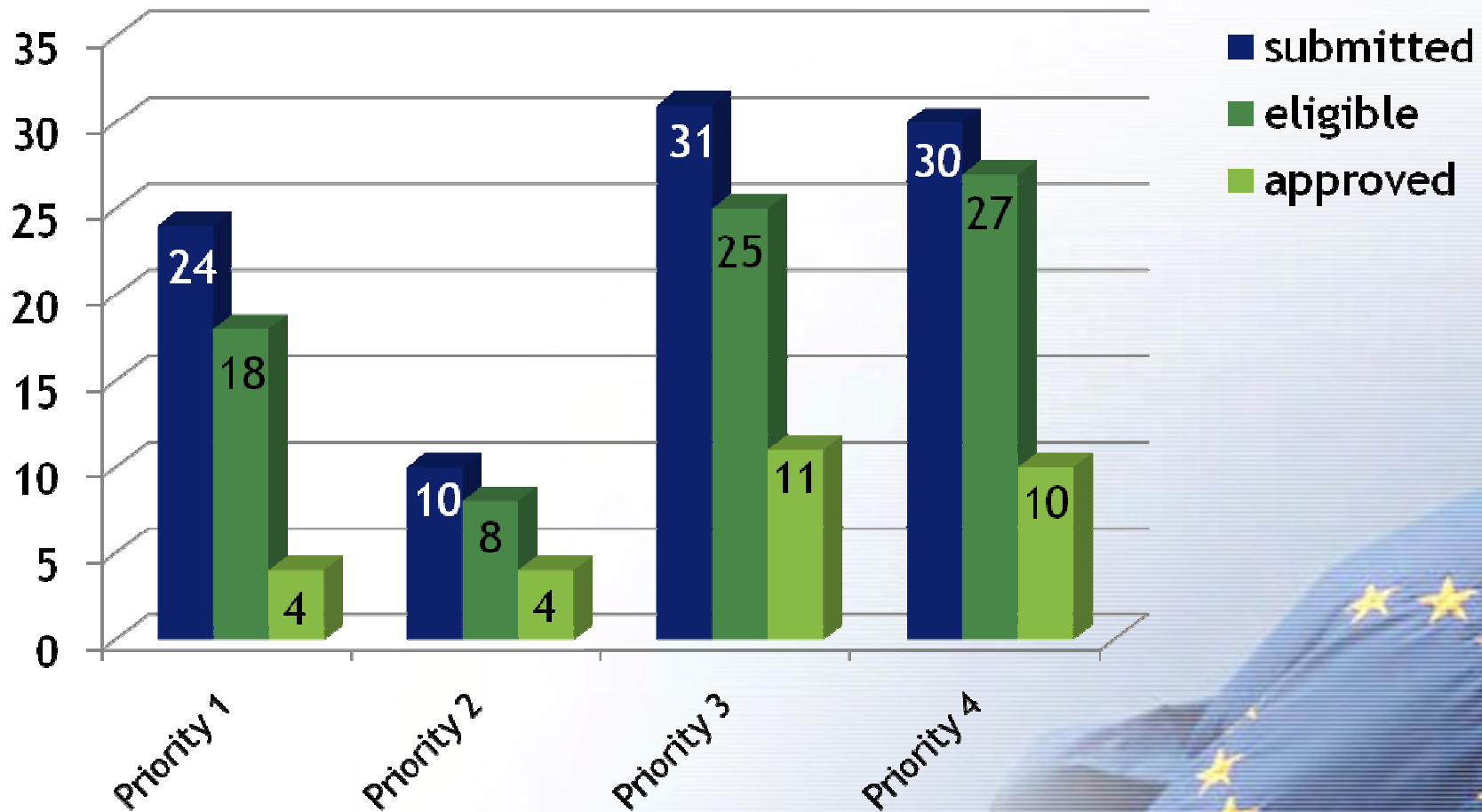


Underestimating eligibility and quality requirements shall jeopardize all your efforts in the phase of elaboration of the proposal!



Programme Implementation

Results of the 1st call



Financial Allocation



ERDF Funds allocated in the 1st call

	ERDF budget	ERDF funds allocated in the 1st call	ERDF funds allocated in %
Priority 1	49 Mio. EUR	8,1 Mio. EUR	16,5%
Priority 2	64 Mio. EUR	11,8 Mio. EUR	18,43%
Priority 3	64 Mio. EUR	24,2 Mio. EUR	37,81%
Priority 4	54 Mio. EUR	22,7 Mio. EUR	42,03%
total	231 Mio. EUR	66,8 Mio. EUR	28,91%



2nd Call for Proposals



- Launched: 7 January 2009
- Closure: 18 March 2009
- ERDF amount to be allocated: ca 70 Mio EUR
- Open to all Programme Priorities
- Application Package available on the Programme website



Eligible Partners



- National, regional and local public authorities
- Public Equivalent Bodies
- International Organisations
- Private institutions including private companies



Minimum Partnership Requirements



At least:

- **three financing partners;**
- from at least three countries;
- being at least two of the partners located in EU CENTRAL EUROPE area.



Lead Partner's Requirements



Located in the EU CENTRAL EUROPE area*:

- National, regional and local public authorities
- Public Equivalent Bodies
- International Organisations acting under national law
- Private institutions (only for projects submitted under Priority 1)

** for IT and DE assimilated partners can also act as Lead Partners*



Project size, Duration and Funding



Indicative Project size

From 1-5 million EUR total eligible budget;

In exceptional cases also smaller or larger projects can be funded.

Indicative Project duration

Between 30 - 36 months (max 48 months).



Co-financing Rates



Up to 75%: Austria, Germany, Italy

Up to 85%: Czech Republic, Hungary, Poland
Slovakia, Slovenia

Up to 75%: EU partners located outside the EU CENTRAL EUROPE area



Respect of EU policies



Project proposals have to respect:

- Equal opportunities
- Protection and improvement of the environment
- Public procurement rules
- State Aid



State Aid discipline in a nutshell (1/4)



Art. 87.1 of the Treaty of the European Union says:

„ (...) any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the common market“.



State Aid discipline in a nutshell (2/4)



All the following three conditions have to be met in order to consider the aid subject to the State Aid discipline:

1. The aid is provided by a public body;
2. The final beneficiary is an undertaking, that is “any entity engaged in an economic activity, regardless of its legal status and the way in which it is financed”;
3. The aid distorts or can potentially distort competition and affects trade among the Member States.



State Aid discipline in a nutshell (3/4)



It is not, therefore, the legal status of the partner but the nature of the activities that it intends to implement that determines whether the State Aid discipline is applicable or not.



State Aid discipline in a nutshell (4/4)



- In case the activities of a partner are considered as State Aid relevant, *de minimis* applies.
- Max amount of aid is limited to EUR 200.000 (EUR 100.000 in the road transport sector) over a timescale of three fiscal years.
- Percentages of co-financing established by the ERDF Regulation and applicable according to the location of the partner apply (75%-85%).

In case activities to be carried out by EU partners outside CENTRAL EUROPE will be considered as State Aid relevant, the participation of these partners will not be finally allowed.



The involvement of Private Institutions as Lead Applicants



Involvement of Private Institutions as Lead Applicants requires *ad hoc* check and further requirements from the side of the applicants in case of project approval:

- a) Additional documents to be submitted, including the filling-in of a Simplified Financial Statement;
- b) Additional check on their financial capacity must be performed;
- c) In case of approval, the private Lead Partner will be asked to provide, before the signature of the subsidy contract, proof that a financial guarantee is in force.

Please note that in case the private Lead Applicant within Priority 1 declares being a Public Equivalent Body but after the checks on legal status results being a private institution, the project proposal will be considered as not eligible.

Get in touch with your Contact Point beforehand!

Private Lead Applicants Financial Capacity Check



Check on financial capacity:

- - Self declaration within the Application Form is considered as not enough;
- - Additional check will be done by the programme bodies aimed at verifying that:
 - The Lead Applicant's financial capacity to incur its expenditure in advance;
 - The Lead Applicant's capacity to manage the project budget along the project duration.



Private Lead Applicants Financial Capacity Check



Private Commercial Organisations:

At least 3 of the following criteria must be respected:

- 1. Subvention rate
- 2. Liquidity rate
- 3. Debt rate
- 4. Operating Profit rate

Also the fulfilment of 2 criteria can bring to the positive evaluation on condition that Liquidity and Debt rates are respected.



Private Lead Applicants Financial Capacity Check



Private Non-Commercial Organisations (NGOs):

At least 2 of the following criteria must be respected:

- 1. Subvention rate
- 2. Liquidity rate
- 3. Debt rate



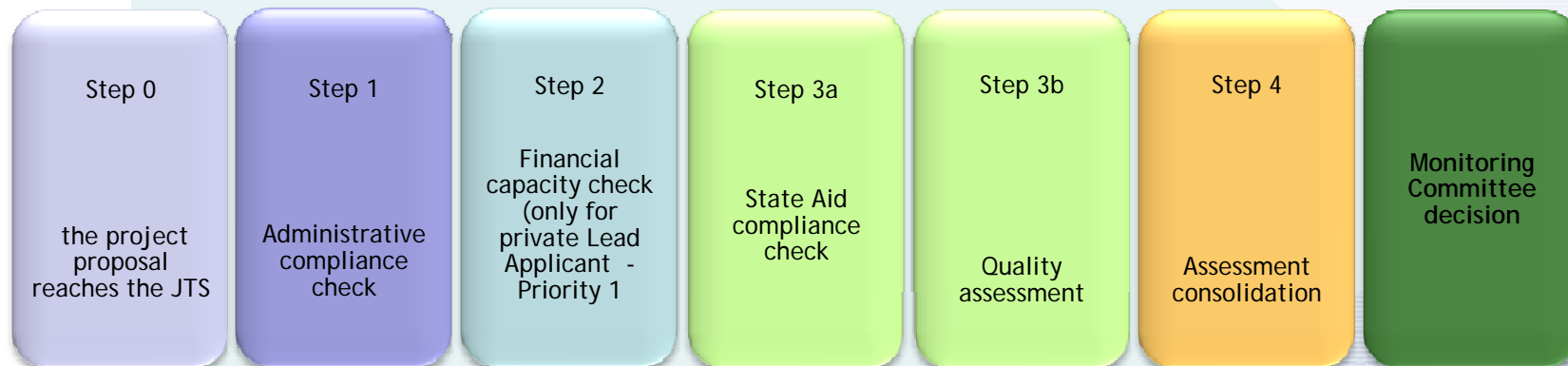
Private Lead Applicants & Financial Guarantee



- In case of project approval, the Private Lead Applicant shall show proof, before the signature of the subsidy contract, that a financial guarantee is in force.
- The financial guarantee:
 - shall be issued for the amount of the Lead Applicant eligible budget (ERDF + national co-financing);
 - shall be in force at least until the project closure, i.e.: about one year after the submission of the final report;
 - if issued by a public institution, its duration shall be until the Programme closure;
 - related costs shall not be eligible.



The evaluation process (1/2)



If the project proposal does not pass this step, the further steps do not take place and the project is rejected



If the project proposal does not pass this step, the further steps do not take place and the project is rejected



Results validated by the MC



The evaluation process (2/2)

Communication to Lead Applicants



Thank you for your attention!



EUROPEAN UNION
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DEVELOPMENT FUND

