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**Contracting Authority**: European Commission

ACP digital financial services (Digital4Inclusion)

Guidelines for grant applicants

11th European Development Fund[[1]](#footnote-2)

Reference:  
EuropeAid/161066/DH/ACT/Multi

Deadline for submission[[2]](#footnote-3) of concept notes:

01/10/2019 at 12:00 (Brussels date and time)

(in order to convert to local time click [here](http://www.timeanddate.com/worldclock/converter.html)[[3]](#footnote-4))

NOTICE

These guidelines are published in English and French. In case of any discrepancy between the linguistic versions of this call, the English version will prevail.

This is a restricted call for proposals. In the first instance, only concept notes (Part A of the grant application form) must be submitted for evaluation. Thereafter, lead applicants who have been pre-selected will be invited to submit a full application. 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.

**To apply to this call for proposals organisations must register in PADOR and submit their application in PROSPECT (see section 2.2.2 of the guidelines).** The aim of PROSPECT is to increase the efficiency of the management of the call for proposals and to offer a better service to civil society organisations through a new panel of functionalities such as the on-line submission and the possibility to follow up online the status of their application.

All organisations can find the e-learning (Annex L) and the PROSPECT users' manual (Annex M) and the FAQ published together with the documents of this call. You may also contact our technical support team via the online support form in PROSPECT[[4]](#footnote-5).

**Preparation:** Information session of 19/07/2019 at 16.00 at the ACP House, Avenue Georges Henri 451, 1200 Bruxelles, Belgium and user manuals.

The recording of the Information Session will be available at the following link: <https://youtu.be/iwdttYJSD1s>

To help applicants familiarise themselves with the system before the online submission, an information session will be organised on 19/07/2019 at 16.00 at the ACP House, Avenue Georges Henri 451, 1200 Bruxelles, Belgium. Should you be interested in this session, please send an email by to [ACP-Privatesector@acp.int](mailto:ACP-Privatesector@acp.int), 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.

A functional mailbox specifically dedicated to this call has been set up:

[**EuropeAid-161066@ec.europa.eu**](mailto:EuropeAid-161066@ec.europa.eu)

It shall be used exclusively for sending clarification requests within the deadlines set in paragraph 2.2 of these guidelines, No other functional mailbox will be used. The Contracting Authority reserves the right to close this mailbox without prior notice once this call for proposals is closed and not to reply to requests which do not fall under one of the afore-mentioned category.

**Concept notes or full applications submitted by e-mail via this mailbox or any other mailbox will not be considered.**

**IMPORTANT**

Even though the verification of eligibility is foreseen to be carried out only for the provisionally selected applicants at the end of the procedure, the Evaluation Committee may decide to verify this point at any previous step of the procedure. Consequently, any proposal found to be non-compliant with all the mandatory conditions set in these guidelines can be automatically rejected on that sole basis, at any stage of the procedure and without any prior notice or clarification request. Applicants are therefore strongly advised to fill in scrupulously the "Check List for Concept Note" (Part A of the grant application form) (Annex A1) and the "Checklist for the Full Application form" (Part B of the grant application form)Any missing supporting document or any incoherence between the declarations and the supporting documents may lead to the rejection of the proposal on that sole basis.

**Please note that all information encoded in PROSPECT must be exhaustive and in line with the content of the concept note and full application. The administrative check will be performed taking into consideration only the information available in sections 1 - Contact, 2 - Project and 3 – Co-applicants. Please make sure that there are no inconsistencies between the information in PROSPECT and the text in the concept note and full application.**

Complaints about administrative rejections related to this kind of inconsistencies will not be considered and will not lead to a modification of the decision.

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1. ACP digital financial services (DIGIFI)

Glossary of definitions

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| --- | --- | --- |
| DFS | Digital Financial Services | Digital financial services are the delivery of basic financial services through innovative digital channels and technologies like mobile-phone-enabled solutions, electronic money models and digital payment platforms |
| DFS + | Digital Financial Services Plus | Access to essential services for the people living in poverty in energy, water and education through the use of mobile and other digital payment systems. |
| FI | Financial Inclusion | Financial inclusion means that all individuals and businesses have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way. |
| BB | Branchless banking | The delivery of financial services outside conventional bank branches. Banking beyond branches uses agents or other third-party intermediaries as the primary point of contact with customers and relies on technologies such as card-reading point of sale (POS) terminals and mobile phones to transmit transaction details. |
| MF | Microfinance | A wide range of financial services (credit, savings mobilisation, insurance schemes, payment systems, etc.) aiming at serving the population living in poverty (normally neglected by the formal financial system) made up of both micro enterprises and poor households. Microfinance thus encompasses microcredit, microsavings, microinsurance, … |
| MSME | Micro, Small and Medium Enterprise | Firms that are the smaller in their environment, including informal and single-person businesses. Specific definitions vary by country, but they are characterised by sub-optimal access to financial services as they are considered as too risky to be credit-worthy. |
| G2P, G2B, P2P, P2B and further combinations | G: Government  P: Person  B: Business | Any financial flow between or among the three parties. G2P could be the payment of benefits or pensions, B2B could be the payment of providers, P2P could be the purchase of goods or services… |

* 1. Background

Financial inclusion is a key factor of economic and social progress and is high on the inclusive growth agenda. It has a proven impact on small business growth, local economic activity and job creation, on the reduction of financial vulnerability of people living in poverty, on women’s empowerment, on access to education, health and basic utilities, and generally on the formalisation of the economic activity. A lot remains to be done in the developing countries, where around 2 billion people do not have access to a basic bank account, among of them a high percentage of youth and of women (60%) -, and where more than 200 million micro, small and medium enterprises (MSMEs) lack adequate financing for their growth.

Globally sub-Saharan Africa remains the region with the largest portion of people excluded from formal financial services and the situation is not much better in the Caribbean and the Pacific. Africa’s financial systems are shallow, costly and with limited outreach. Only 12% of adults have a bank account and the situation is direst in rural areas where the large majority of the 1.2 billion people in Africa live. Cost, distance, and documentation requirements remain the main impediments to the development of inclusive financial systems. Low-income population depends on very expensive informal mechanisms for loans, savings and to protect themselves against risks such as uneven cash flows, seasonal incomes or sickness. Micro, small, and medium enterprises in African, Caribbean, and Pacific (ACP) countries, many of which are part of the informal economy, are important drivers of growth and employment in economies across ACP markets. However, the lack of access to finance is limiting their ability to sustain and grow their businesses due to a lack of working capital. Broadening the access to more adequate financial services will mobilize greater capital for investment, household savings, expand entrepreneurship, and enable more people to invest in themselves and their families (education, health, housing, energy, food).

The Caribbean offers diverse economic opportunities, and the countries have a lot to gain from mainstreaming digital payments, potentially saving US$110 billion per year from reduced leakage in public spending and tax collection as it indicated in relevant analysis. Recently, in May 2018, Caribbean Digital Finance and Free Trade System (CariNet) was launched – a digital financial services platform initiated by the Caribbean Free Trade Zone aimed at reinvigorating the declining financial industry in the region by using blockchain technology to simplify business processes and reduce risk and transaction costs.

**Financial inclusion and digital financial services present significant opportunities for the Pacific**, as it is one of the least banked continents in the world. According to estimates of the UNDP, in some Pacific islands, less than 10% of the population have access to basic financial services. Against the backdrop of increased broadband connectivity in the region, DFS could offer a game changer to turn the tables on the remoteness of the islands, and leapfrog into the digital age, to reliable, and cost-efficient banking solutions with clear cost and efficiency benefits for the local businesses sector.

The provision of financial services to people living in poverty , particularly women and youth, to informal businesses and in the remote areas has traditionally been limited by the high cost of transaction and of network extension. However, over the last ten years, digitalisation has brought dramatic improvement in financial inclusion. Digitalisation allows a reduction in transaction costs through disintermediation, reduced paperwork and increased safety. Digitalisation also allows extended outreach well beyond bricks and mortar points of sale, a leap summarised by one expression: “from brick to click”. One billion people in developing countries now have a mobile phone. Banks and non-banks have started to use digital financial services to overcome the limits of traditional banks to reach new customers in remote and underserved segments. By the end of 2016, there were 95 countries in the world with at least one active mobile money service. In sub-Saharan Africa, at least 19 markets have now more mobile accounts than bank accounts. Initially mobile phones were used to conduct payments, but recently have initiated to extend to other services, such as credit, savings, insurance and basic services such as energy, water and agriculture. Digitalisation has allowed the development of services between persons (P2P), such as money transfers, from people to business (P2B), for utility payments, but also from government to people (G2P) for instance for a fast and secure payment of social benefits, and from people to government (P2G) to pay taxes for example, and so on. The European Union, in its new Consensus on Development[[5]](#footnote-6), recognises digitalisation as a key tool for increased access to financial and other such as training, skills development or energy. In spite of the great potential of digital finance, there are still many challenges to overcome, from policy and regulation, replication of responsible successful business models to issues related to consumer protection.

The private sector continues to invest in promoting competition that can work well for bringing affordable services for the bottom of the pyramid population. Leveraging public aid to bring in the private sector to attain developmental goals is the rationale of the new European External Investment Plan (EIP)[[6]](#footnote-7). The approach is two pronged: On the one hand, there is a need to develop or consolidate the appropriate business enabling environment through structured dialogue with the public and private sector and through specific support for the development of proper and inclusive regulation and services; on the other hand, there is a need to bring in private investors with adequate and conducive financial instruments such as investment grants or guarantees, but also through showcasing new and unexpected market opportunities. Digital financial services growth and sustainability also requires this two pronged approach: a proper environment to grow safely, bringing value without putting the financial sector or the clients at risk; and private sector involvement which can only be encouraged by the success of on-going initiatives that have reached scale and profitability through new products and partnerships with segments such as utility providers.

* 1. Objectives of the programme and priority issues

The **global objective** of this call for proposals is to deepen financial inclusion in ACP countries by promoting inclusive and responsible Digital Financial Services (DFS) ecosystems that can benefit people living in poverty and entrepreneurs (in particular women and youth).

The **specific objectives** of this call for proposals are:

**Specific objective 1**

**Partnerships to promote Policy and Regulatory environment for digital financial inclusion:** Promotepublic/public and public/privatepartnerships and multi-stakeholder alliances to support ACP countries in their efforts for responsive financial inclusion policies, regulatory frameworks and financial infrastructure for digital financial inclusion, namely the access to digital financial services for financially excluded and underserved populations. The **expected outcome** is improved capacities of ACP Countries to put in place policies and regulatory frameworks enabling the development of digital financial products and services in support of financial inclusion.

**Specific objective** **2**

**Partnerships to promote innovative and scalable digital financial solutions**: Promotepublic/private partnerships and multi-stakeholder alliances to support ACP countries to scale digital financial solutions and advance their digital entrepreneurship ecosystems. Digital financial solutions can range from financial services (credit, savings, payments, insurance, remittances, etc.) to agricultural finance, rural electrification /clean energy finance, financial services for education and health, etc. The **expected outcome** is an acceleration of digital entrepreneurship ecosystems and appropriate digital financial solutions in ACP countries.

In an ACP perspective, specific objectives 1 and 2 complement each other to perform a market development strategy at regional level, which can stimulate private and public actors to partner and perform missing market functions in inclusive financial systems. While complementary, the two specific objectives might differ regarding their importance and specific needs in the various ACP countries. Policy, regulatory environments, ecosystems and DFS mobilisation are unevenly developed among the different ACP regions and countries. While in more mature markets (Kenya or Uganda for instance) regulation and support services still need development, there already is a framework and ongoing initiatives that can be brought to scale and/or targeted to new users or used as leading experiences in other ACP countries (Specific Objective 2). In less advanced contexts, the priority might be to build an enabling environment that sets the rules, reduces market failures, and provides safeguards for future developments on the basis of experiences and lesson in more advanced countries (Specific Objective 1).

In order to focus proposals on each specific objective, this Call for Proposals is divided in two lots.

In this context, **Lot 1** shall correspond to Specific Objective 1 and **Lot 2** to Specific Objective 2.

**Lot 1** supports the development of a rights-based responsible market environment, required to set the stage of a healthy and sustainable DFS development, with the development of a regulation that is adequate, informed and enforceable, the setup of a framework for client education and protection. Or the development of supporting services such as payment systems, network interoperability or credit bureaus.

**Lot 2** focusses on upscaling existing initiatives with new targets, new partnerships and technical innovation, to showcase sustainable and inclusive initiatives for replication. A preference will be allocated to those proposals addressed to women and youth.

In an ACP perspective, specific objectives 1 and 2 complement each other to perform a market development strategy at regional level, which can stimulate private and public actors to partner and perform missing market functions in inclusive financial systems.

The **priority(ies)** of this call for proposals:

* The actions will be based on a market system development approach based on a strong understanding on the market failures and needs and with strong emphasis on impact and measurable results, taking into account trade and investment.
* The actions will favour multi-stakeholder alliances, in particular private-public sector partnerships.
* The actions will integrate in their design the need for replicability in further ACP countries for extended outreach over time.
* The actions will promote women's economic empowerment, youth skills and entrepreneurship, access to basic utilities and servicing rural population.
* The actions will use various sources of funds in a complementary way, avoiding overlap and maximising resource allocation.
* The actions will be designed as aiming at sustainability and will have a clear exit strategy for the post-grant period that may include using private investor funding, potentially from an EIP connected investment project.
* The actions will have a regional approach avoiding fragmentation and ensuring a regional impact.
* The actions will abide by the 'do no harm principle' to avoid unintended negative impact in terms of human rights and will  be implemented following the rights-based approach working principles  (all rights,  participation, non-discrimination, accountability and  transparency). The actions will develop the capacities of the stakeholders as  ‘rights-holders’ to claim their rights and ‘duty-bearers’ to meet their obligations.
* The actions will favour inclusive access to digital financial services with a particular focus on youth and women, ensuring that DFS are accessible and charged at a minimum cost and that personal data of users are strictly protected.
* A Joint Steering Committee, composed of representatives of the European Commission, the ACP Secretariat and the ACP PSD Platform/TSF – Business, will ensure institutional overview of the implementation process and provide strategic guidance in conformity with the objectives of this Call for Proposals. When deemed necessary, the Steering Committee will invite to its meeting representatives of the implementing partnerships.
* The selected partnerships will need to ensure a structured working relationship with the ACP PSD Platform/TFS guaranteeing knowledge sharing and the identification of best practice.
  1. Financial allocation provided by the contracting authority

The overall indicative amount made available under this call for proposals is **EUR 24,500,000.** The Contracting Authority reserves the right not to award all available funds. Likewise, this amount could be increased should more funds become available.

**Indicative allocation of funds by lot:**

If the allocation indicated for a specific lot cannot be used due to insufficient quality or number of proposals received, the Contracting Authority reserves the right to reallocate the remaining funds to other lot.

The indicative allocation for the two lots is as follows:

* **Lot 1**: EUR 12,000,000
* **Lot 2**: EUR 12,500,000

**Size of grants**

**Lot 1**

Any EU contribution requested under this lot must fall between the following minimum and maximum amounts:

* **Minimum amount**: EUR 3,000,000
* **Maximum amount:** EUR12,000,000

Any EU contribution requested under this lot must fall between the following minimum and maximum percentages of total eligible costs of the action:

* **Minimum percentage:** 30 % of the total eligible costs of the action.
* **Maximum percentage:** 70 % of the total eligible costs of the action (see also section 2.1.5).

**Lot 2**

Any EU contribution requested under this lot must fall between the following minimum and maximum amounts:

* **Minimum amount:** EUR 4,000,000
* **Maximum amount:** EUR 6,000,000

Any EU contribution requested under this lot must fall between the following minimum and maximum percentages of total eligible costs of the action:

* **Minimum percentage:** 30 % of the total eligible costs of the action.
* **Maximum percentage:** 70 % of the total eligible costs of the action (see also section

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 European Union Budget or the European Development Fund[[7]](#footnote-8).

The requested EU contribution 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. If the evaluation committee considers that the justification is not valid, only the maximum percentage allowed (70%) will be accepted.

Note that the lead applicant can either ask for a maximum co-financing of 70% or exceptionally 100% (under the conditions described above). A percentage between 70.01% and 99.99% is not allowed and it will lead to the rejection of the application.

As per section 6.3.10. of the Practical Guide, **the grant** **must not give rise to profits for neither the Beneficiaries (Coordinator/lead applicant and co-beneficiaries/co-applicants) nor any affiliated entity** (in the context of this call, profit is defined as a surplus of the receipts over the eligible costs approved by the Contracting Authority when the request for payment of the balance is made). Expected revenue of the action may be accepted as co-financing. However, action revenues in excess of the total costs will be considered as profit. As such, it will need to be deducted when calculating the final amount of the EU grant.

1. 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>) [[8]](#footnote-9).

* 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),
* and, if any, **affiliated entity(ies)** to the lead applicant and/or to a co-applicant(s). (2.1.2);

1. the actions:

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

1. the costs:

* types of cost that may be taken into account in setting the amount of the grant (2.1.5).
  + 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 **and**
* Be a specific type of organisation such as: non-governmental organisation, social business, foundation, inter-professional or intermediary organisation, international (inter-governmental) organisation as defined by Article 156 of the Rules of application of the EU Financial Regulation[[9]](#footnote-10) **and**
* Be established in[[10]](#footnote-11) one of the following eligible country or territories (see Annex N):

1. an ACP State **or**
2. a Member State of the European Union **or**

*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 otherwise[[11]](#footnote-12), 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 12.2 of the grant agreement’.*

This obligation does not apply to international organisations.

1. a beneficiary country of the Instrument for Pre-accession Assistance **or**
2. a Member State of the European Economic Area **or**
3. an Overseas Country and Territory (OCTs) covered by Council Decision 2013/755/EU of 25 November 2013 on the association of the overseas countries and territories with the European Union **or**
4. a developing country or territory, included in the OECD-DAC list of ODA recipients , which is not member of the G20 group, without prejudice to the status of the Republic of South Africa, as governed by Protocol 3 of the partnership Agreement:
   * Least Developed Countries (LDCs);
   * Other Low Income Countries;
   * Lower Middle Income Countries and Territories;
   * Upper Middle Income Countries and Territories;

**or**

1. a Member State of the OECD[[12]](#footnote-13) only when contracts are implemented in Least Developed Countries (LDC)[[13]](#footnote-14) and/or in Highly Indebted Poor Countries (HIPC)[[14]](#footnote-15) only **and**

* Demonstrate the following specific experience:
  + At least 5 years of experience in project management;
  + Experience in the management of at least 1 Public-Private Parnership project in ACP countries;
  + Be able to demonstrate having carried out activities in the field of digital financial inclusion.

**The specific experience of the Lead Applicant will be assessed under section 1.1 and 1.2 of the Evaluation Grid of the Full Application.**

* 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.

(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 A, Section 3 and Part B Section 8 of the grant application form (‘declaration by the lead applicant’), the lead applicant must declare that the lead applicant himself, the co-applicant(s) and affiliated entity(ies) are not in any of these situations.

**The lead applicant must act with co-applicant(s) as specified hereafter.**

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.

**Co-applicant(s)**

**Lot 1**

The lead applicant must act with **at least three (3) co-applicants.**

**Lot 2**

The lead applicant must act with **at least two (2) co-applicants**.

**For both lots,** partnerships must include **at least one (1) applicant,** either the lead applicant or a co-applicant, established in each of the ACP regions[[15]](#footnote-16) where the action will take place (see section 2.1.4. “Location”) in order to ensure geographical coverage among the ACP regions selected for the Action.

**Given the regional scope of the action, partnerships reflecting regional and institutional diversity as well as deep sector knowledge are strongly encouraged.**

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**, **except for criteria related to specific experience described above.**

In addition to the categories referred to in section 2.1.1, the following are however also eligible:

* Public bodies;
* Private sector actors[[16]](#footnote-17);
* Financial institutions.

**Given the objectives of this call, partnerships with co-applicants having experience in the field covered by this call will receive a higher score under section 1.2 of the Evaluation Grid of the Full Application.**

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 contract[[17]](#footnote-18).

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

**Please note that all information encoded in PROSPECT must be exhaustive and in line with the content of the concept note/full application. The administrative check will be performed taking into consideration only the information available in sections 1 - Contact, 2 - Project and 3 – Co-applicants. Please make sure that there are no inconsistencies between the information in PROSPECT and the text in the concept note/full application.**

Complaints about administrative rejections related to this kind of inconsistencies will not be considered and will not lead to a modification of the decision.

* + 1. Affiliated entities

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 applicant may hence be:

* Entities directly or indirectly controlled by an applicant (daughter companies or first-tier subsidiaries). They may also be entities controlled by an entity controlled by an 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.

##### 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 an 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 co-applicant(s).** They must sign the affiliated entity(ies) statement in Part B Section 5 of the grant application form.

* + 1. 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.

* + 1. 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 60 months.

Sectors or themes

**Develop and implement financial consumer protection and financial education strategies in partner countries.**

**Under Lot 1** actions will need to ensure a regulatory framework enabling **Digital Financial Services in the widest sense, including Digital Finance Plus.**

**Under Lot 2** action will need to ensure the **scaling-up of sustainable and successful digital financial model**. Partnerships will need to ensure the engagement of the private sector.

Location:

* **For Lot 1:** Actions must take place in at least three (3) ACP regions[[18]](#footnote-19) including a minimum of two (2) countries per region, explaining the rationale for having chosen the specific regions and countries.
* **For Lot 2**: Actions must take place in at least two (2) ACP regions[[19]](#footnote-20) including a minimum of two (2) countries per region, explaining the rationale for having chosen the particular regions and countries.

**The rationale for the selection of the action locations will be evaluated under section 1.2 of the Evaluation Grid of the Concept Note.**

**Geographical balance will be taken into account by the Evaluation Committee at any stage of the technical evaluation.**

Types of action

Proposals need to be relevant to the particular needs and constraints of the target country(ies) or region(s) (including synergy with other EU initiatives and avoidance of duplication).

**For Lot 1**: They must relate to the build-up of an enabling environment for Digital Financial Services, with adequate and efficient regulation, adapted infrastructure and upgraded financial consumer capability and protection. A public and private dialogue mechanism between the key private actors (innovators, utilities, telecoms) and the public authorities (regulators, supervisors, legislators, etc) should also be foreseen.

**Actions might include:**

* Capitalise on existing participatory country diagnostics and develop relevant participatory diagnostic campaign when needed and roadmaps to better understand partner countries needs and constraints as well as their engagement in terms of financial inclusion.
* Foster conducive policies and regulatory frameworks for inclusive financial systems in relation to digital finance solutions accessible at minimum costs for users.
* Strengthen partner countries financial infrastructure (electronic payment systems, credit information bureaus and collateral registries).

**For Lot 2**: They must relate to the development to new markets or products of existing successful sustainable DFS technology business models with one or more ongoing deployments. Technical platforms can be mobile phones (including but not only smartphones) and other handheld devices, computers or any other remote terminals. Services relate to financial but also other services such as utility installation or payment, or access to a service (health, school, vocational or financial education). Flows can be of any combination between individuals, businesses or government (B2P, G2P, B2B, etc.). It should be ensured that the access to DFS is at minimum cost for users, particularly for the persons in the most vulnerable situations, ensuring the maximum inclusivity.

**Actions might include:**

* Engaging with the private sector to develop and scale-up sustainable and rights-based responsive business models for Digital Finance and Digital Finance Plus[[20]](#footnote-21) solutions.
* Expanding existing DFS delivery systems into remote areas and/or conflict zones, generally for underserved populations, with a special focus on women and youth.
* Expanding existing DFS delivery services to new customers (youth, women), new markets (funding access to and payment of utilities) or integrated value chains (agricultural or otherwise).

For both lots, 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;
* actions intended to raise funds or promote the visibility of the applicant or its partner(s);
* actions consisting mainly of research or of study;
* actions which consist exclusively or primarily in capital expenditure, such as infrastructure, land, equipment;
* actions which discriminate against individuals or groups of people on grounds of their gender, sexual orientation, religious beliefs or lack of them, or their ethnic origin;
* actions supporting directly political parties;
* actions which include proselytising activities.

Types of activity

**For Lot 1:** Activities may include but are not limited to:

* Creating country or region-specific knowledge, economic and social diagnostics and roadmaps, aimed at paving the way for the development of DFS.
* Guiding and supporting to the regulatory and supervision authorities in setting an enabling environment for the development of DFS.
* Guiding and supporting the local stakeholders involved in the support of financial services -trade associations, auditors, IT firms, payment systems providers (+ operability etc..), credit bureaus - in adapting the systems to DFS.
* Bringing about the development of client protection and financial education with all stakeholders involved -regulatory authorities, ministries of finance and of education, financial service providers, etc.- ahead of large-scale DFS deployments, to prevent inappropriate usage leading over-indebtedness and negative social and reputational impact.
* Developing a solid economic and social impact measurement system.

**For Lot 2**: Activities may include but are not limited to:

* Expanding an existing DFS initiative to new areas such as remote, conflict-prone, rural, fragile. New clients such as youth, women, informal entrepreneurs, unserved MSMEs, will be the focus of this action.
* Scaling-up innovative and sustainable business models (G2P, B2P) for Digital Finance solutions affordable for all users, with strong data protection plans, in agriculture, electrification energy including capacity building in ACP countries.
* Setting up innovative partnerships with the private sector to use DFS channels for better client access and service in a win-win deal and with respect to the UN Guiding Principles on Business and Human Rights.
* Upscaling existing DFS initiatives by leveraging private sector skills and funding with the aim of reaching full financial sustainability.
* Developing a solid impact measurement system (including disaggregated data by sex and age).

Cross-cutting issues

* The action will promote the efficient use of resources and support access to more sustainable technologies, such as renewable energies and energy efficiency (Digital Finance Plus actions). It will contribute to boosting access to clean, safe and modern energy for poor consumers, producers and households living in off-grid areas, through innovative business models, (e.g. "pay as you go solar systems"). Actions contributing to the EU commitment to address climate change and allocating at least 20% of the budget of the action to climate change-related actions, targeting both climate change mitigation and adaptation RIO markers are strongly encouraged. Please fulfil the worksheet 4. Climate change-related actions in Annex IV (at the Full Application stage).

The action will contribute to gender equality and women’s empowerment and will be informed by a gender analysis in line with the EU Gender Action Plan 2016-2020[[21]](#footnote-22). Each selected proposal will have to report against relevant "SMART" sex-age disaggregated and gender sensitive indicators. **Application proposing funds as above mentioned for climate change-related actions will receive a higher score under section 6 of the Evaluation Grid of the Full Application.**

* Applicants should anticipate a methodology and an initial set of indicators allowing disaggregated data gathering and monitoring of the implementation of the said cross-cutting issues throughout the action.
* All activities should be in compliance with the principles and criteria of the European Commission Communication COM(2014)263 - "A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries".

Monitoring and evaluation

* Monitoring and evaluation (M&E) of the action are essential to ensure its success. M&E should include robust baseline and qualitative and quantitative reporting based on the adequate set of indicators. Special attention should be paid to the elaboration of the logical framework of the proposed action, so as to ensure the effective planning and implementation of the project, the relevance and feasibility of the outcomes and of the proposed activities and the achievability/measurability of the indicators and outputs. Indicators should be well-defined, realistic and disaggregated at least by sex and age.

Financial support to third parties[[22]](#footnote-23)

Applicants may propose financial support to third parties.

The maximum amount of financial support per third party is EUR 60 000, with a maximum support to all third parties **limited to 10% of the EU contribution**.

Under this call, financial support to third parties is not considered essential to achieve the objective of the action.

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:

1. the overall objectives, the specific objective(s) and the outputs[[23]](#footnote-24) (i.e. the results) to be achieved with the financial support
2. the different types of activities eligible for financial support, on the basis of a fixed list
3. 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

1. the criteria for determining the exact amount of financial support for each third entity, and
2. the maximum amount which may be given
3. the system of control set-up to verify the eligibility of costs.

In all events, the mandatory conditions set above for giving financial support (points (i) to (vii)) 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 <https://ec.europa.eu/europeaid/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 1 application per lot under this call for proposals\*.
* The lead applicant may not be awarded as lead applicant more than 1 grant under this call for proposals.

**In case two (2) applications from the same lead applicant are provisionally selected under two different lots, the application with a higher score will be selected.**

* The lead applicant may be a co-applicant or an affiliated entity only in another application at the same time.
* A co-applicant/affiliated entity may not participate in more than 2 applications under this call for proposals\*.

**\*Should this be the case, the Evaluation Committee will only consider the first proposal arrived on the basis of submission date and hour. Any other proposal submitted by the applicant/co-applicant/affiliated entity will be rejected.**

**It is the responsibility of each lead applicant to verify that its co-applicants/affiliated entities are not involved as lead applicant or co-applicant/affiliated entities in other proposals.**

* + 1. Eligibility of costs: costs that can be included

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:

* 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.

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" or "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 SCO [[24]](#footnote-25).
* make reference to the previously obtained ex-ante assessment for other/recurrent SCOs.

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.**

Eligible direct costs

To be eligible under this call for proposals, costs must comply with the provisions of Article 14 of the General Conditions to the standard grant contract (see Annex G of the guidelines).

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 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 a 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 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) Error, 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 substantial errors, irregularities or fraud. If substantial errors, irregularities or fraud are discovered after the award of the contract, the contracting authority may refrain from concluding the contract.

* 1. How to apply and the procedures to follow

To apply for this call for proposals the lead applicants need to:

1. Provide information about the organisations involved in the action. Please note that the registration of this data in **PADOR is obligatory[[25]](#footnote-26)** for this call for proposals:

**Concept note step:** Registration is obligatory for lead applicants applying for EU contributions of more than EUR 60 000.

**Full application step:** Registration is obligatory for co-applicant(s) and affiliated entity(ies). Lead applicants must make sure that their PADOR profile is up to date.

1. Provide information about the action in the documents listed under sections 2.2.2 (concept note) and 2.2.5 (full application). Please note that online submission via **PROSPECT is obligatory** for this call.

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>

**It is strongly recommended to register in PADOR well in advance and not to wait until the last minute before the deadline** **to submit your application in PROSPECT. Please note that once the ECAS account (EU Login) is created, the synchronisation/validation may take up to 24 hours before PADOR/PROSPECT recognize the user’s ID and allow the access.**

If it is impossible to register online in PADOR for technical reasons, the applicants and/or affiliated entity(ies) must complete the ‘PADOR off-line form[[26]](#footnote-27) attached to these guidelines. This form must be sent **together with the application,** by the submission deadline (see sections 2.2.2 and 2.2.5).

Before starting using PADOR and PROSPECT, please read the user guides available on the website. All technical questions related the use of these systems should be addressed to the IT helpdesk at [EuropeAid-IT-support@ec.europa.eu](mailto:EuropeAid-IT-support@ec.europa.eu) **via the online support form in PROSPECT.**

* + 1. Concept note content

Applications must be submitted in accordance with the concept note instructions in the grant application form annexed to these guidelines (Annex A).

Applicants must apply in **English** or **French**. Applicants must apply in the language most commonly used by the target population in the country in which the action takes place.

Please note that:

1. In the concept note lead applicants must provide only **an estimate of the** **requested EU contribution,** as well as an indicative percentage of this contribution in relation to the total eligible costs of the action. A detailed budget is to be submitted only by lead applicants invited to submit a full application in the second phase.

2. The elements outlined in the concept note may not be modified in the full application form. **The EU contribution may not vary from the initial estimate by more than 20 %**. Lead applicants are free to adapt the percentage of co-financing required within the minimum and maximum amount and percentages of co-financing, as laid down in these guidelines in Section 1.3. **The lead applicant may add, remove or replace a co-applicant or an affiliated entity only in duly justified cases (e.g. bankruptcy of initial co-applicant or affiliated entity).** In this case the new co-applicant/affiliated entity must be of a similar nature as the initial one. The lead applicant may adjust the duration of the action if unforeseen circumstances outside the scope of the applicants have taken place following the submission of the concept note and require such adaptation (risk of action not being carried out). In such cases the duration must remain within the limits imposed by the guidelines for applicants. **An explanation/justification of the relevant replacement shall be included in section 2.1.1 of the grant application form.** **Should the explanation/justification not be accepted by the Evaluation Committee, the proposal may be rejected on this sole basis.**

Own contributions by the applicants can be replaced by other donors' contributions at any time.

3. Only the concept note form will be evaluated. It is therefore of utmost importance that this document contains **ALL relevant information** concerning the action. **No additional annexes should be sent.**

Any error or major discrepancy related to the concept note instructions may lead to the rejection of the concept note.

Clarifications will only be requested when information provided is not sufficient to conduct an objective assessment.

**Hand-written concept notes will not be accepted.**

* + 1. Where and how to send concept notes

The concept note together with the declaration by the lead applicant (Annex A.1 section 2) **must** **be submitted online** **via PROSPECT** <https://webgate.ec.europa.eu/europeaid/prospect> following the instructions given in the PROSPECT user manual.

Upon submission of a concept note online, the lead applicant will receive an automatic confirmation of receipt in its PROSPECT profile.

**If it is impossible for lead applicants to submit their concept note online via PROSPECT for technical reasons,** they must send their proposal in a sealed envelope and attach the concept note together with the declaration by the lead applicant (**Annex A.1** **section 2**). In particular, the lead applicant must send, in a sealed envelope as described below the following items:

a. One original of the concept note. The signed declaration by the lead applicant (Annex A.1 section 2) must be printed and stapled separately and enclosed in the envelope

b. One additional bound copy in A4 size

c. An electronic version (CD-Rom or USB stick) of the items under point (a). The electronic file must contain **exactly the same** application as the paper version enclosed.

Please note that **"technical reasons"** should be understood **ONLY** in a situation when PROSPECT is not responding. Paper submission when PROSPECT is working may lead to the rejection of the application. **The validity of the submission off-line will be examined by the Evaluation Committee.**

**Concept notes sent by any other means (e.g. by fax or by e-mail) or delivered to other addresses will be rejected. Hand-written concept notes will not be accepted.**

The envelope must bear the **reference number and the title of the call for proposals**, together with the lot number and title 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.

Concept notes 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) to the address below. Where lead applicants send several concept notes (if allowed to do so by the guidelines of the call), each one must be sent separately:

Postal address

European Commission

Directorate General for International Cooperation and Development

Unit B6 - Finance and Contracts

Attn. Head of Unit

L-41 03/110

Avenue du Bourget, 1

1049 Brussels

Belgium

Tel : +32 2 2997916

Address for hand delivery or by private courier service

European Commission

Directorate General for International Cooperation and Development

Unit B6 - Finance and Contracts

Attn. Head of Unit

L-41 03/110

Avenue du Bourget, 1

1049 Brussels

Belgium

Tel : +32 2 2997916

**Please note that incomplete concept notes may be rejected.** Lead applicants are advised to verify that their concept note is complete by using the checklist for concept note (Annex A.1, Instructions).

All IT technical questions related to **PROSPECT** should be addressed to the PROSPECT helpdesk at: [EuropeAid-IT-support@ec.europa.eu](mailto:EuropeAid-IT-support@ec.europa.eu)

* + 1. Deadline for submission of concept notes

The deadline for the submission of concept notes is 1/10/2019 at 12:00 (Brussels date and time).

In order to convert this deadline to local time you can use any online time converter tool that takes into account timezones and winter/summer time changes (example available here)[[27]](#footnote-28). **The lead applicant is strongly advised not to wait until the last day to submit** its concept note, since heavy Internet traffic or a fault with the Internet connection (including electricity failure, etc.) could lead to difficulties in submission. The Contacting Authority cannot be held responsible for any delay due to such afore-mentioned difficulties.

In the exceptional case of submission by post or by hand delivery (see section 2.2.2), there are two different systems for sending concept notes: one is by post or private courier service, the other is by hand delivery.

In the first case, the concept note must be sent before the date for submission, as evidenced by the postmark or deposit slip[[28]](#footnote-29), but in the second case it is the acknowledgment of receipt given at the time of the delivery of the concept note which will serve as proof.

The deadline for the submission of concept notes is 01/10/2019 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 01/10/2019 before 12:00 (Brussels date and time) as evidenced by the signed and dated receipt. **Any concept note submitted after the deadline will be rejected.**

The contracting authority may, for reasons of administrative efficiency, reject any concept note 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 concept note evaluation, if accepting concept notes that were submitted on time but arrived late would considerably delay the evaluation procedure (for instance when concept notes are received after the evaluation committee has finished its work and evaluating them would imply re-calling the evaluation committee) or jeopardise decisions already taken and notified (see indicative calendar under Section 2.5.2)

* + 1. Further information about concept notes

An information session on this call for proposals will be held on 19/07/2019 h 16.00 at the ACP House, Avenue Georges Henri 451, 1200 Bruxelles.

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

E-mail address: [**EuropeAid-161066@ec.europa.eu**](mailto:EuropeAid-161066@ec.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 submission of concept notes.

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 DG International Cooperation and Development: <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>, as the need arises. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

All questions related to registration in PADOR or the online submission via PROSPECT should be addressed to the IT helpdesk at [EuropeAid-IT-support@ec.europa.eu](mailto:EuropeAid-IT-support@ec.europa.eu) **via the online support form in PROSPECT.** Please note that the working languages of the IT support are: English French and Spanish. Therefore users are invited to send their questions in English, French or Spanish should they wish to benefit from an optimum response time.

* + 1. Full applications

Lead applicants invited to submit a full application following pre-selection of their concept note must do so using Part B of the grant application form annexed to these guidelines (Annex A). Lead applicants should then keep strictly to the format of the grant application form and fill in the paragraphs and pages in order.

The elements outlined in the concept note cannot be modified by the lead applicant in the full application form. **The EU contribution may not vary from the initial estimate by more than 20 %**, although lead applicants are free to adapt the percentage of co-financing required within the minimum and maximum amount and percentages of co-financing, as laid down in these guidelines under section 1.3. **The lead applicant may add, remove or replace a co-applicant or an affiliated entity only in duly justified cases (e.g. bankruptcy of initial co-applicant or affiliated entity).** In this case the new co-applicant/affiliated entity must be of a similar nature as the initial one. The lead applicant may adjust the duration of the action if unforeseen circumstances outside the scope of the applicants have taken place following the submission of the concept note and require such adaptation (risk of action not being carried out). In such cases the duration must remain within the limits imposed by the guidelines for applicants. **An explanation/justification of the relevant replacement/adjustment shall be included in section 2.1.1 of the grant application form. Should the explanation/justification not be accepted by the Evaluation Committee, the proposal may be rejected on this sole basis**

Lead applicants must submit their full applications in the same language as their concept notes.

A copy of the lead applicant’s accounts of the latest financial year (the profit and loss account and the balance sheet for the last financial year for which the accounts have been closed) must be uploaded in PADOR by the full application deadline. A copy of the latest account is neither required from (if any) the co-applicant(s) nor from (if any) affiliated entity(ies)).

Please complete the full application form carefully and as clearly as possible so that it can be assessed properly.

Any error related to the points listed in the checklist (Part B, Section 7 of the grant application form) or any major inconsistency in the full 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 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 full application form and the published annexes which have to be filled in (budget, logical framework) will be transmitted to the evaluators (and assessors, if used). It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action.

**No additional annexes should be sent.**

* + 1. Where and how to send full applications

Full application forms together with the budget, the logical framework and the declaration by the lead applicant must be submitted online via PROSPECT [https://webgate.ec.europa.eu/ europeaid/prospect](https://webgate.ec.europa.eu/europeaid/prospect) following the instructions given in the users’ manual.

Upon submission of the full application online, the lead applicants will receive an automatic confirmation of receipt in their PROSPECT profile.

(a) If the lead applicant submitted the concept note by post / hand delivery (see section 2.2.3) it must send the full application by the same means (by post or hand delivery).

(b) If the lead applicant submitted the concept note online via PROSPECT but it is technically impossible for the organisation to submit the full application online:

In the above two cases the lead applicant must send by post the application, i.e the full application form, the budget, the logical framework and the declaration by the lead applicant. The lead applicant must send, in a sealed envelope as described below, the following items:

a. One original signed copy of the full application form, the budget and the logical framework. The declaration by the lead applicant (Annex A.2, section 5) must be printed and stapled separately and enclosed in the envelope

b. One additional bound copy in A4 size.

c. An electronic version (CD-Rom or USB stick) of the items under point (a). The electronic file must contain exactly the same application as the paper version enclosed.

To reduce expense and waste, we strongly recommend that you use only paper for your file (no plastic folders or dividers). Please also use double-sided printing if possible.

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) to the address below. Where lead applicants send several applications (if allowed to do so by the guidelines of the call), each one must be sent separately:

Postal address

European Commission

Directorate General for International Cooperation and Development

Unit B6 - Finance and Contracts

Attn. Head of Unit

L-41 03/110

Avenue du Bourget, 1

1049 Brussels

Belgium

Tel : +32 2 2997916

Address for hand delivery or by private courier service

European Commission

Directorate General for International Cooperation and Development

Unit B6 - Finance and Contracts

Attn. Head of Unit

L-41 03/110

Avenue du Bourget, 1

1049 Brussels

Belgium

Tel : +32 2 2997916

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

**Applications sent by any other means (e.g. by e-mail) or delivered to other addresses will be rejected. Hand-written applications will not be accepted.**

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

* + 1. Deadline for submission of full applications

The deadline for the submission of full applications will be indicated in the letter sent to the lead applicants whose application has been pre-selected. This letter will appear online automatically in the PROSPECT profile of the lead applicant. Lead applicants who, in exceptional cases (see section 2.2.6) had to submit their application by post or hand-delivery, will receive the letter by email or by post if no e-mail address was provided.

**Lead applicants are strongly advised not to wait until the last day to submit their full applications**, since heavy Internet traffic or a fault with the Internet connection (including electricity failure, etc.) could lead to difficulties in submission. The Contacting Authority cannot be held responsible for any delay due to such afore-mentioned difficulties.

In the case of submission by post, (see section 2.2.6), the date of submission is 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 12:00 Brussels local time[[29]](#footnote-30) as evidenced by the signed and dated receipt.

**Any application submitted after the deadline will be rejected.**

However, for reasons of administrative efficiency, the Contracting Authority may also reject any full application sent in due time but received after the effective date of approval of the full application evaluation (see indicative calendar under section 2.5.2).

* + 1. Further information about full applications

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

E-mail address: [**EuropeAid-161066@ec.europa.eu**](mailto:EuropeAid-161066@ec.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), or an action.

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 DG International Cooperation and Development: <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>, as the need arises.. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

All questions related to registration in PADOR or the online submission via PROSPECT should be addressed to the IT helpdesk at [EuropeAid-IT-support@ec.europa.eu](mailto:EuropeAid-IT-support@ec.europa.eu) **via the online support form in PROSPECT.** Please note that the working languages of the IT support are: English French and Spanish. Therefore users are invited to send their questions in English, French or Spanish should they wish to benefit from an optimum response time.

* 1. 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.

1. **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 concept note satisfies all the criteria specified in the checklist in Section 2 of Part A 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.

**Evaluation Grid**

|  |  |
| --- | --- |
| **Section** | **Maximum Score** |
| **1. Relevance of the action** | **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) or 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 contraints been clearly defined and does the proposal address them appropriately? Does the proposal contribute to women’s and youth’s empowerment? | 5 |
| 1.4. Does the proposal contain particular added-value elements (e.g. innovation, best practices) and the other additional elements indicated under 1.2. of these guidelines for applicants? | 5 |
| **2. Design of the action** | **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 people with disabilities, rights of minorities and rights of indigenous peoples, youth, combating HIV/AIDS (if there is a strong prevalence in the target country/region)? | 5 |
| **Maximum total score** | **50** |

\*\***these scores are multiplied by 2 because of their importance**

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.

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.

Lead applicants will receive a letter indicating the reference number of their application and the respective results. This letter will automatically appear online in the PROSPECT profile of the lead applicant. Lead applicants who, in exceptional cases (see section 2.2), had to submit their application by post or hand-delivery will receive the letter by email or by post if no e-mail address was provided.

The pre-selected lead applicants will subsequently be invited to submit full applications.

**(2) STEP 2: OPENING & ADMINISTRATIVE CHECK AND EVALUATION OF THE FULL APPLICATION**

Firstly, the following will be assessed:

* + - If the submission deadline has been met. Otherwise, the application will automatically be rejected.
    - 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 the 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-houseexperience of project management?  *The lead applicant has at least 5-year experience in project management and experience in the management of at least 1 Public-Private Parnership project in ACP countries (see section 2.1.1).* | 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)?  *The lead applicant has carried out activities in the field of digital financial inclusion (see section 2.1.1).* | 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 these guidelines for applicants? | 5 |
| **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 does not have the minimum experience detailed in section 2.1.1 of the Guidelines, the score in sub-sections 1.1 and 1.2 of the evaluation grid will be 1. Therefore, the application will be rejected.**

*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.

**(3) 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 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.

* 1. 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)[[30]](#footnote-31):

Supporting documents must be provided through PADOR (see section 2.2)

The statutes or articles of association of the lead applicant, (if any) of each co-applicant and (if any) of each affiliated entity[[31]](#footnote-32). 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 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 meantime[[32]](#footnote-33). This obligation does not apply to international organisations which have signed a framework agreement with the European Commission.

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.

The external audit report is not required from (if any) the co-applicant(s)) or affiliated entities.

This obligation does not apply to public bodies and international organisations provided that the international organisation in question offers the guarantees provided for in the applicable Financial Regulation, as described in Chapter 6 of the practical guide.

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)[[33]](#footnote-34). A copy of the latest account is neither required from (if any) the co-applicant(s) nor from (if any) affiliated entity(ies)).

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.

A financial identification form of the lead applicant (not from co-applicant(s), nor from affiliated entity(ies)) conforming to the model attached at 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 one of the languages of the call for proposals 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 one of the languages 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 applicants' and, where applicable, co-applicants' and affiliated entity(ies)' eligibility, into one of the languages of the call for proposals.

Applicants have to take into consideration the time necessary to obtain official documents from national competent authorities and to translate such documents in the authorised languages 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.

* 1. Notification of the Contracting Authority’s decision
     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 PROSPECT 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 email 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 2.12 of the Practical Guide.

Applicants who were unsuccessful at the **Opening and Administrative Check stages** of the procedure wishing to obtain further information should send their request by letter, indicating the reference of the Call for Proposals and the reference allocated to the proposal, to:

European Commission

Directorate-General for International Development and Cooperation

Unit B.6 - Finance and Contracts

Attn. Head of Unit

Rue de la Loi, 41 – 03/110

B-1049 Brussels

Belgium

Applicants who were unsuccessful at the **Technical evaluation** stages of the procedure or at the **Eligibility check** stage wishing to obtain further information should send their request, by letter indicating the reference of the Call for Proposals and the reference allocated to the proposal, to:

European Commission

Directorate-General for International Development and Cooperation

Unit C4 -Private Sector, Trade

Attn. Head of Unit

Rue de la Loi, 41 – 08/108

B-1049 Brussels

Belgium

* + 1. Indicative timetable

|  |  |  |
| --- | --- | --- |
|  | **DATE** | **TIME** |
| **1. Information meeting, if any** (local time) | 19/07/2019 | 16.00 |
| **2. Deadline for requesting any clarifications from the Contracting Authority** | 10/09/2019 | - |
| **3. Last date on which clarifications are issued by the Contracting Authority** | 20/09/2019 | - |
| **4. Deadline for submission of concept notes** | 01/10/2019 | 12:00 |
| **5. Information to lead applicants on opening, administrative checks and concept note evaluation (Step 1)** | October 2019 | - |
| **6. Invitations to submit full applications** | October 2019 | - |
| **7. Deadline for submission of full applications** | January 2020 | - |
| **8. Information to lead applicants on the evaluation of the full applications (Step 2)** | January 2020 | - |
| **9. Notification of award (after the eligibility check) (Step 3)** | March 2020 | - |
| **10. Contract signature** | June 2020 | - |

**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 website of DG International Cooperation and Development: <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>

* 1. 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 ).

1. 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 Sheet

Annex E: Financial identification form

Annex F: PADOR off Line Form ***(ONLY IF IMPOSSIBLE TO REGISTER IN PADOR)***

**DOCUMENTS FOR INFORMATION[[34]](#footnote-35)**

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 terms of reference for an expenditure verification of an EU financed grant contract for external action

-Annex VIII: model financial guarantee

-Annex IX: standard template for transfer of ownership of assets

-Annex X: Derogations for international organisations

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 and Checklist for assessing Budget and Simplified cost options.

Annex L : E-learning : <https://webgate.ec.europa.eu/europeaid/prospect/external/>

Annex M : User manual for PROSPECT :

<https://webgate.ec.europa.eu/europeaid/prospect/external/>

Annex N: List of eligible countries and territories referred to in section 2.1.1 of the guidelines “Eligibility of applicants”

Annex O: List of eligible countries and territories referred to in section 2.1.4 of the guidelines “Eligible actions”

**Useful links**

Project Cycle Management Guidelines

[https://ec.europa.eu/europeaid/aid-delivery-methods-project-cycle-management-guidelines-vol-1\_en](http://ec.europa.eu/europeaid/multimedia/publications/publications/manuals-tools/t101_en.htm)

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.

\* \* \*

1. Any reference to European Union financing also refers to European Development Fund grants where applicable. [↑](#footnote-ref-2)
2. Online submission via PROSPECT is mandatory for this call for proposals (see Section 2.2.2). In PROSPECT all dates and times are expressed in Brussels time. Applicants should note that the IT support is open Monday to Friday from 08:30 to 18:30 Brussels time (except for public holidays). Applicants should take note of the weekly maintenance hours mentioned in the PROSPECT user manual. [↑](#footnote-ref-3)
3. An example of a time converter tool available online: <http://www.timeanddate.com/worldclock/converter.html> [↑](#footnote-ref-4)
4. If PROSPECT is unavailable, the IT support can also be reached via email: [EuropeAid-IT-support@ec.europa.eu](mailto:EuropeAid-IT-support@ec.europa.eu) [↑](#footnote-ref-5)
5. <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:C:2017:210:TOC> [↑](#footnote-ref-6)
6. <https://ec.europa.eu/commission/eu-external-investment-plan_en> [↑](#footnote-ref-7)
7. 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. [↑](#footnote-ref-8)
8. 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. [↑](#footnote-ref-9)
9. International organisations are international public-sector organisations set up by intergovernmental agreements as well as specialised agencies set up by them; the International Committee of the Red Cross (ICRC) and the International Federation of National Red Cross and Red Crescent Societies are also recognised as international organisations. [↑](#footnote-ref-10)
10. 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. [↑](#footnote-ref-11)
11. 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. [↑](#footnote-ref-12)
12. With regard to Israeli entities, please follow Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards (OJ C 205, 19.7.2013, p. 9). [↑](#footnote-ref-13)
13. Provided they all comply with eligibility rules applying to action location (see Annex O). [↑](#footnote-ref-14)
14. Provided they all comply with eligibility rules applying to action location (see Annex O). [↑](#footnote-ref-15)
15. For the purpose of this call for proposals, the ACP Regions are: Caribbean, Pacific, and one of the four Sub Saharan African regions (Eastern Africa, Central Africa, Southern Africa and Western Africa). See Annex O to the Guidelines. [↑](#footnote-ref-16)
16. As per section 6.3.10. of the Practical Guide, the grant must not give rise to profits for neither the Beneficiaries (Coordinator/lead applicant and co-beneficiaries/co-applicants) nor any affiliated entity (in the context of this call, profit is defined as a surplus of the receipts over the eligible costs approved by the Contracting Authority when the request for payment of the balance is made). Expected revenue of the action may be accepted as co-financing. However, action revenues in excess of the total costs will be considered as profit. As such, it will need to be deducted when calculating the final amount of the EU grant. [↑](#footnote-ref-17)
17. The updated lists of sanctions are available at [www.sanctionsmap.eu](http://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. [↑](#footnote-ref-18)
18. For the purpose of this call of proposals, the ACP Regions are: Caribbean, Pacific, and one of the four Sub Saharan African regions (Eastern Africa, Central Africa, Southern Africa and Western Africa). See Annex O of the Guidelines. [↑](#footnote-ref-19)
19. For the purpose of this call of proposals, the ACP Regions are: Caribbean, Pacific, and one of the four Sub Saharan African regions (Eastern Africa, Central Africa, Southern Africa and Western Africa). See Annex O of the Guidelines. [↑](#footnote-ref-20)
20. \*Digital finance plus initiative (DF+, basic services through digital finance) aims at broadening access to essential services for the poor in energy, water and education through the use of mobile and other digital payment systems. It is expected to motivate private sector actors to adopt digital platforms to extend these basic services. [↑](#footnote-ref-21)
21. https://ec.europa.eu/europeaid/joint-staff-working-document-gender-equality-and-womens-empowerment-transforming-lives-girls-and\_en [↑](#footnote-ref-22)
22. These third parties are neither affiliated entity(ies) nor associates nor contractors. [↑](#footnote-ref-23)
23. As per OECD DAC definition, the term ‘results’ includes: ‘impact’ (overall objective), ‘outcome(s)’ (specific objective(s) and ‘output(s)’. [↑](#footnote-ref-24)
24. 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. [↑](#footnote-ref-25)
25. Natural persons who apply for a grant (if so allowed in the guidelines for applicants) do not have to register in PADOR. In this case, the information included in PROSPECT and the grant application form is sufficient. [↑](#footnote-ref-26)
26. Which corresponds to sections 3 and 4 of the full application form – Annex A.2. [↑](#footnote-ref-27)
27. For example: http://www.timeanddate.com/worldclock/converter.html. [↑](#footnote-ref-28)
28. It is recommended to use registered mail in case the postmark would not be readable. [↑](#footnote-ref-29)
29. Please use an online time converter tool, such as http://www.timeanddate.com/worldclock/converter.html. [↑](#footnote-ref-30)
30. No supporting document will be requested for applications for a grant not exceeding EUR 60,000. [↑](#footnote-ref-31)
31. 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. [↑](#footnote-ref-32)
32. To be inserted only where the eligibility conditions have not changed from one call for proposals to the other. [↑](#footnote-ref-33)
33. 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. [↑](#footnote-ref-34)
34. These documents should also be published by the Contracting Authority. [↑](#footnote-ref-35)