

INTERREG V A Italy – Croatia CBC Programme

Strategic Calls for proposals

Factsheet n. 5

Project Selection

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TABLE OF CONTENTS

A. OVERVIEW.....	2
B. ADMISSIBILITY CHECK.....	3
C. ELIGIBILITY CHECK.....	5
D. QUALITY CHECK.....	6
E. STATE AID CHECK.....	12
F. COMPLIANT PROCEDURE.....	14
G. WHERE TO FIND ASSISTANCE.....	17

A. OVERVIEW

Within the INTERREG V A Italy-Croatia CBC Programme the selection of project proposals is carried out in compliance with art. 12 of ETC Regulation (No. 1299/2013) by the Monitoring Committee (henceforth “MC”), with the support of the Joint Secretariat (henceforth “JS”), on the basis of the methodology and criteria approved by the MC.

This document illustrates, for the purposes of transparency, the project selection procedures. These procedures are made available to the public in order to allow applicants to be aware of the criteria which are used to assess the proposals and thus develop high quality projects to support the Programme in reaching its objectives.

The project assessment procedure is based on criteria divided into:

1. Admissibility criteria;
2. Eligibility criteria;
3. Quality Assessment criteria, divided into the following sub-groups:
 - i. *Overall strategic assessment criteria;*
 - ii. *Operational assessment criteria;*
 - iii. *Strategic theme assessment criteria*
4. Assessment according to State Aid relevance.

Project applications shall be submitted in English language via the SIU system within the deadline set in the Call announcement, according to the procedures detailed in factsheet n. 4 “Project Application”. The SIU system performs a number of automatic checks on the data inserted and saved into the system. These checks should be considered a supportive tool for lead applicants. The checks do not substitute in any form the lead applicant’s responsibility to verify the compliance of the submitted proposal with all Programme and strategic Call requirements including the respect of formal and eligibility criteria.

All regularly submitted project proposals are duly and officially registered by the Managing Authority through the Regional record system registration, for the subsequent assessment phase, which will be performed by the JS with the support of some checks which are done

automatically by the SIU system, and with possible involvement of external experts, on the basis of the specificity of the project contents and the expertise available within the JS.

After the submission, the procedural steps to be carried out shall include:

1. Admissibility check of applications, to be performed by JS with the support of some checks which are done automatically by the SIU system;
2. Eligibility check on the basis of eligibility criteria, to be carried out by the JS with the support of some checks which are done automatically by the SIU system;
3. Quality check on the basis of the whole set of quality selection criteria, to be carried out by JS. In this phase, also the involvement of external experts is possible, on the basis of the specificity of the project contents and the expertise available within the JS. Minimum quality thresholds will be applied for each group of quality criteria; moreover, an overall quality threshold is set;
4. State Aid check for projects recommended for funding, to be carried out by JS, if needed with the support of external experts.

Information provided in the application form and related annexes included in the SIU system shall be subject to the assessment.

The following paragraphs illustrate in detail each step of the assessment procedure.

The following annexes to this document are available to the applicants:

- the tables of approved selection criteria;
- some useful information on the Programme, strategic orientation and horizontal principles as well as strategic theme expected outputs, which will be evaluated during the assessment phase.

The MC is in charge of the final decision on the selection of the operations for funding.

B. ADMISSIBILITY CHECK

The first step of the assessment procedure is aimed at verifying the administrative compliance with requirements set in the related Call for proposals. This phase of the assessment is carried out by the JS, supported by some checks done automatically by the SIU system.

In particular, the admissibility check is aimed at confirming that the proposal has been submitted via the SIU system within the set deadline, that the application form is complete, filled-in in English and duly signed.

The admissibility criteria are of “*knock-out nature*” thus shall be clearly answered by YES or NO. Failure to meet admissibility requirements leads to the rejection of the proposal. In this case Programme authorities shall not bear any responsibility for missing or misleading information causing the rejection of the project (please see also factsheet n. 4 “Project Application”).

For details on admissibility assessment criteria please see “ANNEXES Selection criteria - ANNEX I- Admissibility selection criteria”.

Applications that will not fulfill one of the admissibility criteria will be considered as inadmissible and will not enter the subsequent assessment phase.

Moreover, as a result of this first check, in order to fulfill to the Italian law in force on the transparency of the administrative procedure, the list of validly submitted applications is published on the Programme website, containing some essential information such as:

- Identification (Name and tax number) of the lead applicant with the specification of its location (Country);
- acronym of the project;
- priority axis/specific objective;
- reference of the administration in charge of the procedure;
- the office and the person in charge of the procedure;
- the office where documents related to the procedure are available and can be accessed;
- the date of submission and number of Regional record system registration.

Lead applicants (henceforth “LAs”) of inadmissible applications shall be informed by Managing Authority.

C. ELIGIBILITY CHECK

The second step of the assessment procedure is aimed at verifying the eligibility compliance with requirements set in the related Call for proposals. Only proposals that successfully passed the admissibility check shall proceed to the eligibility check. This phase of the assessment is carried out by the JS, with the support of some checks which are done automatically by the SIU system.

In particular, the eligibility check is aimed at ensuring the respect of the minimum compulsory requirements as regards to partnership (including lead partner's nationality, project partner minimum participation and the completeness of LP's and project partners' data/documents) duration, budget, specific theme, horizontal principles and cooperation. The eligibility check includes the verification of additional requirements per Specific Objective aimed at the respect of legislation, plans and Programmes which are thematically relevant.

In case that more than one proposal is submitted by the same lead applicant, all submitted proposals will be rejected.

Eligibility criteria are of “*knock-out nature*” thus shall be clearly answered by YES or NO, if only one of the mentioned eligibility criteria is answered with NO, the project has to be rejected as ineligible and it will not undergo quality assessment, unless the failure of the criteria leads to the rejection of a single project partner and the general partnership requirements are still met by the proposal.

However, at this stage the Managing Authority/Joint Secretariat may contact the lead applicant if additional information is needed to clarify or demonstrate the fulfillment of some of the eligibility requirements; to this aim, the Managing Authority/Joint Secretariat will give to the lead partner specific instructions and deadlines.

In order to verify the nationality and legal status of the applicants, the Managing Authority/Joint Secretariat may ask support to Croatian and Italian National Authorities for any evidence supporting the respect of these criteria.

Only the applications that will successfully pass the eligibility check will be progressed to the quality check.

For details on eligibility assessment criteria, please see “ANNEXES Selection criteria - Annex II Eligibility assessment criteria”.

In case the content of the application form does not coincide with the content of the Annexes, information included in the SIU system shall prevail unless it is possible to clearly identify which information is the correct one.

It is the responsibility of the lead applicant to check the uploaded information before finally submitting the proposal. Programme authorities shall not bear any responsibility for missing or misleading information causing the rejection of the project.

Result of the eligibility check shall be communicated to the MC for approval.

All LAs shall be informed about the results of the eligibility check.

D. QUALITY CHECK

The third step of the assessment procedure is aimed at evaluating the quality of admitted and eligible proposals. Only those applications which passed the admissibility and eligibility checks shall be assessed from a quality point of view. This phase of the assessment is carried out by the JS, with possible involvement of external experts, on the basis of the specificity of the project contents and the expertise available within the JS. The assessment is based on 3 different groups of criteria:

1. Overall strategic assessment criteria
2. Operational assessment criteria
3. Strategic theme assessment criteria

The goal of quality check is to provide the MC with an overall picture of all relevant information on each application in order to decide whether it is worthy of being financed or not.

Overall strategic criteria are the same for all strategic themes and their main aim is to assess the contribution of the project proposals to the Cooperation Programme objectives, outputs and results. A strong focus is given to the result-oriented approach with clear demand for visible outputs and concrete results. Overall strategic criteria also assess the cross-border cooperation approach, the quality and relevance of partnership and Programme horizontal principles.

Operational criteria main aim is to assess the viability and the feasibility of the proposed project, as well as its value for money in terms of resources used vs. foreseen achievements and communication items.

Strategic theme assessment criteria are specific for each strategic theme and assess to what extent the project proposals support the specific topics, activities and expected results as indicated in the Strategic Theme Concepts, which form an integral part of the Call announcement.

Each criterion is appraised according to one of the following scales:

- on a YES/NO basis (0 to 1);
- on a NO/PARTIALLY/YES (0-1-2) basis;
- on a NO/PARTIALLY(a)/ PARTIALLY(b) /YES (0-1-2-3) basis.

Each scale has a different multiplier depending on the weight of each criterion. For quality assessment criteria and related scoring, please see “ANNEXES Selection criteria - Annex III Quality assessment criteria”.

Each score is described as follows:

Value	Score	Description
NO	0	Information missing (not filled in or not provided in the text). Information provided but proves the inexistence of the requirements.
YES	1	Information provided and consistent with the requirements.
Value	Score	Description
NO	0	Information missing (not filled in or not provided in the text). Information provided but proves the inexistence of the requirements or information provided only for up to a half of the aspects that are being assessed

PARTIALLY	1	Information provided is adequate, however some aspects are not clearly or sufficiently detailed or information provided for more than a half but not for all the aspects that are being assessed
YES	2	Information provided in detail, clearness and coherence and it covers all the aspects that are being assessed
Value	Score	Description
NO	0	Information missing (not filled in or not provided in the text). Information provided but proves the inexistence of the requirements.
PARTIALLY (a)	1	Information provided is adequate, however some weaknesses are identified or information provided only for some (up to a half) of the aspects that are being assessed and other half is missing
PARTIALLY (b)	2	Information provided is clear and coherent but details are partially missing or information provided for the major part (more than a half) but not for all the aspects that are being assessed and other half is missing
YES	3	Information provided in detail, clearness and coherence and it covers all the aspects that are being assessed

The maximum total score within the whole quality assessment are 150 points (100%), divided in criteria as highlighted in the table below.

C.1 Overall strategic assessment criteria	maximum score	% on strategic criteria	overall %
C.1.1 Project context – relevance and strategy	9	18,0%	6%
C.1.2 Cooperation character	14	28,0%	9%
C.1.3 Project's contribution to Programme's objectives	15	30,0%	10%

C.1.4 Partnership	12	24,0%	8%
Total score for strategic criteria	50	100,0%	33%
C.2 Operational assessment criteria	maximum score	% on operational criteria	overall %
C.2.1 Management	10	25,0%	7%
C.2.2 Communication	7	17,5%	5%
C.2.3 Work Plan	15	37,5%	10%
C.2.4 Budget	8	20,0%	5%
Total score for operational criteria	40	100,0%	27%
C.3 Strategic theme assessment criteria	maximum score	% on per strategic criteria	overall %
OVERALL	60	100%	40,00%
TOTAL OVERALL	150	-	100,00%

There are some minimum quality thresholds to be reached: 65% of the score of the strategic criteria section which is equal to 33/50 points, 60% of the score of the operational criteria section which is equal to 24/40 points and 65% of the score of the Criteria per strategic theme which is equal to 39/60.

Although the sum of above mentioned sub-category thresholds is 96, also an overall minimum quality threshold, equal to 105/150 points (70% of total score) shall be reached in order to be proposed for financing.

The sub-criteria are scored differently, as illustrated in the table below:

Overall strategic assessment criteria	Max score for each sub-criterion	Max score for each criterion
C.1.1 Project context		
C.1.1.a	2	9
C.1.1.b	2	
C.1.1.c	2	
C.1.1.d	1	
C.1.1.e	1	
C.1.1.f	1	
C.1.2 Cooperation character		
C.1.2.a	4	14
C.1.2.b	6	
C.1.2.c	4	
C.1.3 Project's contribution to Programme's objectives		
C.1.3.a	3	15
C.1.3.b	4	
C.1.3.c	2	
C.1.3.d	2	
C.1.3.e	2	
C.1.3.f	2	
C.1.4 Partnership		
C.1.4.a	4	12
C.1.4.b	2	
C.1.4.c	2	
C.1.4.d	2	
C.1.4.e	2	
Total score for overall strategic assessment criteria		50

C.2 Operational assessment criteria	Max score for each sub-criterion	Max score for each criterion
C.2.1 Management		
C.2.1.a	2	10
C.2.1.b	2	
C.2.1.c	2	
C.2.1.d	2	
C.2.1.e	2	
C.2.2 Communication		
C.2.2.a	2	7
C.2.2.b	2	
C.2.2.c	2	
C.2.2.d	1	
C.2.3 Work Plan		
C.2.3.a	9	15
C.2.3.b	2	
C.2.3.c	4	
C.2.4 Budget		
C.2.4.a	2	8
C.2.4.b	2	
C.2.4.c	2	
C.2.4.d	2	
Totalscore for operational assessment criteria		40

C.3 Strategic theme assessment criteria	Max score for each sub-criterion	Max score for each criterion
Total score for strategic theme assessment criteria	60	60
TOTAL		150

After the closure of the quality check each application shall get a final score.

One ranking list will be defined per each strategic theme and it will be subdivided in:

- applications above the minimum quality threshold and recommended for funding on the basis of the ERDF budget available for strategic theme;
- applications reaching the minimum quality threshold but without available funds;
- applications not reaching the minimum threshold for funding and not recommended for selection, unless none of the applications reaches the minimum threshold where the following paragraph is applied.

For each strategic theme, if none of the submitted proposals reaches the minimum threshold for being proposed for funding, the MC is duly informed about the weaknesses of the best scored proposal and may decide to give the mandate to the Joint Secretariat to set up a number of conditions to be cleared by the concerned lead applicant in a given timeframe. If necessary, the Joint Secretariat will provide technical assistance in order to improve the level of project quality. If clarification and needed improvements are not provided within the set deadline, the project will be proposed for MC decision ranked as application not reaching the minimum threshold for funding.

Applications recommended for funding shall thus be assessed in order to verify the compliance of the proposal with the European State Aid legislation according to Article 107(1) of the Treaty.

E. STATE AID CHECK

Public support given to an undertaking in the framework of the Interreg V-A Italy-Croatia Programme is granted under the de minimis rule (Regulation (EU) No 1407/2013, and Regulation (EU) No 360/2012 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid granted to undertakings providing services of general economic interest") by the Member State of Italy, accordingly to the "Commission Notice on the notion of State aid as referred to in Article 107(1) of the Treaty on the Functioning of the European Union" (2016/C 262/01).

This implies that undertakings can receive grants from the Programme only if they have not

received public aid by Italy under the *de minimis* rule amounting to more than EUR 200.000,00 within three fiscal years from the date of granting the aid.

The amount of *de minimis* aid granted to an undertaking within a project co-funded by the Interreg V A Italy-Croatia Programme is ultimately linked to the respect of the *de minimis* threshold at the moment of granting the aid.

The JS, supported by external experts if needed, shall verify State Aid compliance of the submitted applications through a dedicated assessment that will be performed during the project assessment phase after the quality check.

Responsibilities will be shared with Italian and Croatian National Authorities in the framework of the MC. Information concerning previous aid received under the *de minimis* rule is to be provided through lead partner and project partner self-declaration, signed by the legal representative, indicating any *de minimis* grant received from Italy. This self-declaration is to be provided when submitting the proposal and then updated if the project proposal is selected for funding and if further *de minimis* relevant aid occurred.

When granting the *de minimis* aid, the undertaking will be duly notified in writing by the Programme authorities about the amount of the aid and of its *de minimis* character.

The analysis of State Aid, that has to be considered as a recommendation, will get to the identification of a high or low risk of State Aid compliance associated with each project proposal, as follow:

- the project activities are not State Aid relevant and the Application Form does not allow identifying the risk of State Aid compliance;
- the project does contain a risk of State Aid compliance and has been identified by the partnership (list shall be provided);
- the project does contain a risk of State Aid compliance and has not been identified by the partnership (the lead applicant may be contacted by the JS for clarifications);

The results of this assessment, focused on the five criteria as defined by Article 107(1) of the TFEU, shall identify one of the following solutions to ensure the compliance of the approved project with State aid rules:

- Reduction of the overall project budget (and consequently of ERDF contribution) to be granted to;
- beneficiaries acting as undertakings in the framework of the project, in respect of *de*

minimis thresholds;

- Project modifications aimed at minimize/reduce or eliminate the State aid cause (e.g. wide dissemination, also to competitors, of a project output) to be addressed to the affected partners ensuring a future sound and balanced project implementation;
- Project modifications addressing specific project activities and aimed at removing indirect aid granted to project final beneficiaries (e.g. some SMEs attending for free to a training course organized within the project).

Results of State Aid check shall be approved by the MC and may lead to conditions for approval of those projects that are relevant to State Aid.

Project applicants shall bear in mind that sometimes State Aid relevance can be removed by adapting the activities of the project.

Should State Aid relevance be given, the INTERREG V A Italy – Croatia Cross-Border Cooperation Programme might ask the project participants to exclude certain activities from the project proposal or to take other measures in order to remove State Aid relevance.

Otherwise, if no countermeasures and conditions can be adopted ensuring compliance of the approved project with State Aid rules, the Programme may exclude the concerned partner or reject the proposal.

Additionally, State Aid relevant activities will be regularly checked during the project implementation by the Managing Authority/Joint Secretariat supported by the Programme bodies and authorities in both Member States (e.g. JS, MC, First Level Control Body, etc.) in order to ensure that the Italy-Croatia projects comply with the applicable State Aid regulations and that the above mentioned basic principles of the Programme are observed.

F. COMPLIANT PROCEDURE

According to the Article 74(3) of Regulation (EU) No 1303/2013 the Interreg V A Italy-Croatia Programme sets up a complaint procedure in order to find an amicable and mutually acceptable solution avoiding any form of litigation between the Managing Authority and the lead applicant.

In principle, the complaint procedure must be well grounded and can pertain to formal and administrative aspects and/or quality and State Aid aspects.

Reasons for complaints shall only refer to the following aspects:

- a) The assessment did not take into account the information provided in the application form;
- b) The project assessment procedure did not follow what was reported in the Call for proposals and/or in the Programme documents.

Any complaint related to the assessment and selection of the project proposals shall be addressed by the lead applicant (complaints received by project partners individually shall not be taken into consideration) on behalf of the entire partnership, to the Managing Authority (via certified e-mail or via email).

The complaint procedure is specified for every assessment phase as follows:

a) Admissibility check: lead applicants will be informed in writing about the reasons why an application was not progressed in the assessment procedure; no complaint procedure can be activated at this stage, except in case it can be demonstrated that late or incomplete submission are due to SIU system malfunctioning

b) Eligibility checks: lead applicants will be informed in writing about the reasons why an application did not progress in the assessment procedure. Not later than 10 working days after the receipt of the communication by the Managing Authority on the MC decision the lead applicant can communicate to the Managing Authority duly justified observations to the reasons for exclusion. The Managing Authority, will present the complaint and the provided information for examination to a Complaint Committee composed by representatives designated by the MC and by representatives of the Managing Authority/Joint Secretariat. In the absence of valid observations, the Managing Authority will adopt the definitive act of exclusion on the basis of the final decision of the Complaint Committee. In case the complaint is accepted, the project proposal shall be further evaluated in the quality assessment.

c) Quality assessment and State Aid assessment: LAs will receive in writing the notification of the Managing Authority on the results of the selection procedure as decided by the MC. The lead applicant can file a formal complaint under the terms and conditions established in the Managing Authority communication, providing all the information useful for complaint examination. In this case, the Managing Authority will present the case for examination to the

Complaint Committee (same as above). The Managing Authority will inform the lead applicant on such a procedure including a provisional timeline for the settlement of the case, where possible. The lead applicant will finally receive in writing from the Managing Authority the final decision taken by the Complaint Committee.

The complaint should include:

- name and address of the lead partner (or the concerned partner);
- reference number of the application which is a subject of the complaint;
- clearly indicated reasons for the complaint, including listing of all elements of the assessment which are being complaint and/or failures in adherence with procedures limited to those criteria mentioned previously;
- date, signature and stamp of the legal representative of the claimant;
- any supporting documents.

The decisions taken after each complaint procedures will be final, binding to all parties and not subject to any further complaint proceedings within the Programme if the complaint is based on the same grounds. Against the final decision at every step of the selection procedure, an official litigation process could start and in this case the legal proceedings will take place in Italy. The venue is the Civil County Court in Venice. The Italian laws regulating the statute of limitations (suspension or interruption) shall not be affected by the present complaint procedure.

G. WHERE TO FIND ASSISTANCE

The Joint Secretariat (JS) is based in Venice, with the branch office in Zadar and can be contacted at any time by LAs for any queries related to project development.

Contact details of the JS are:

INTERREG V A Italy – Croatia CBC Programme Joint Secretariat

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