

Guidelines for SMEs as Final Recipients

“SEAS”

Sustainable enterprises advancing blue solutions

Interreg VI-A Italy - Croatia 2021 – 2027 Programme

**Open Call
Multi cut-off:**

From 8 October 2026; throughout

[SEAS Platform](#)



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List of abbreviations:

EU – European Union

LP – Lead Partner (HAMAG-BICRO)

PP – Project Partner (t2i)

FR – Final Recipient

JS – Joint Secretariat

MA – Managing Authority

SC – Selection Committee

GfA – Guidelines for Applicants

SCO – Simplified Cost Options

SME – Small and Medium-sized Enterprises

SP – Small Project

SPA – Small Project Application

This call is a joint call. Consequently, it is published both by the Lead Partner and Project Partner of the SEAS project, who bear shared responsibility for the publication and the selection of the final recipient SMEs. The joint procedures are the basis for the Lead Partner's and Project Partner's grant awards and contracts to the respective SMEs, located in their own country.



1. Introduction

The Guidelines for the Small Project Applicants (hereinafter referred to as Final Recipient or FR) establish detailed procedures for the management and implementation of the Small Project. The purpose of the Guidelines is to provide an overview of the SEAS project operation and to serve as a basis for all activities of the Final Recipients: including selection procedure, eligible activities and costs of Small Projects, and other relevant information on the Call for Proposals.

The SEAS project is part of the Interreg VI-A Italy-Croatia Programme for the financial period 2021-2027. (hereinafter referred to as the "Programme"), which is implemented in cross-border area between Italy and Croatia.

SEAS focuses on stimulating SME innovation and cross-border cooperation in key Blue Economy sectors that are both strategic and under-supported in terms of technology adoption. These include Coastal Tourism, Boat Repair and Blue Technologies – particularly marine renewable energy, blue biotechnology, and ICT solutions applied to maritime domains. These sectors were identified as priority through a dedicated need analysis involving 160 SMEs in Italy and Croatia, conducted prior to the project launch, but additional sectors will be engaged as well. The analysis highlighted the strategic relevance, innovation barriers, and sustainability needs in each sector, ensuring strong alignment between SME needs and project design.

The involved SMEs are primarily micro and small enterprises, many of which are family-owned and often lack internal R&D functions – especially in Croatia (62% without R&D staff). Despite this, a strong interest in innovation emerged:

- **Over 70% of SMEs have already introduced or plan to introduce digital innovations** (79% Italy; 65% Croatia).
- **Only a minority have operational advanced technologies** such as IoT, AI, or simulation tools.
- **Many lack internal skills:** digital marketing, 4.0 tech management, sustainability planning.



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A clear correlation exists between in-house training and the level of innovation, confirming that capacity building is key to unlock SME innovation potential.

1.1. Programme background

The Interreg VI-A Italy–Croatia Programme is funded by the European Regional Development Fund (ERDF) under the European Territorial Cooperation goal of EU Cohesion Policy 2021-2027.

Programme finances cross-border cooperation projects focusing on innovation in the blue economy, capitalises previous cooperation experiences, and creates stronger synergies with EUSAIR. Priority 1 of the Programme, within Specific Objective 1.1. aims at developing and enhancing research and innovation capacities and the uptake of advanced technologies.

The overall SEAS objective is to stimulate SMEs to develop business models based on the creation of added value product and services, to encourage their involvement in technology transfer activities and to strengthen their innovation capacities.

1.2. Legal background

The regulatory framework for the management of Interreg VI-A Italy–Croatia Programme is based on the Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union. Furthermore, all general rules concerning the structural and investment funds are also applicable unless differently specified.

The following legal norms and documents apply (non-exhaustive list):

2021-2027 key European legislation

- Regulation (EU) No 2021/1060 of the European Parliament and of the Council of 24 June 2021, laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund, and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy, and repealing Council Regulation (EC) No 1303/2013 and any amendment;



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- Regulation (EU) No 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund, and repealing Regulation (EC) No 1301/2013, and any amendment;
- Regulation (EU) No 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial goal (Interreg) supported by the European Regional Development Fund and external financing instruments, and repealing Regulation (EC) No 1299/2013, and any amendment;
- Commission Delegated Regulation (EU) No 240/2014 of 7 January 2014 on the European code of conduct on partnership in the framework of the European Structural and Investment Funds;
- Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union;
- Commission Decision C 2019 (3452) of 14/05/2019 laying down the guidelines for determining financial corrections to be made to expenditure financed by the Union for non-compliance with the rules on public procurement;
- Articles 107 and 108 of the Treaty on the Functioning of the European Union; Commission Regulation (EU) 2023/2831 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid; Commission Regulation (EU) No 717/2014 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid in the fishery and aquaculture sector; Commission Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (General Block Exemption Regulation – GBER) and its amendments, in particular Commission Regulation (EU) 2021/1237 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty; Delegated and Implementing acts, as well as all applicable decisions and rulings in the field of state aid;
- All other EU legislation and the underlying principles applicable to the LP and its Project Partners (hereinafter referred to as PPs) including the legislation laying down provisions on public procurement, on competition and entry into the markets, the protection of the environment, the equal opportunities between men and women.



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Programme documents

- The Interreg VI A IT-HR - Italy-Croatia CBC Programme adopted by the European Commission on August 10th, 2022, Decision C (2022) 5935 final (CCI 2021TC16RFCB038) and further amendments;
- All manuals, guidelines and any other documents relevant for project implementation (e.g. PIM) in their latest version as published on the Programme official website or provided by the Programme bodies to the LP directly during the project implementation;
- The Operations of Strategic Importance (OSIs Call for Proposal of the Interreg VI A Italy-Croatia CBC Programme as approved by MC during the 6th meeting held in Roma on June 24th, 2024, and published in the official Programme website).

National laws and regulations

- Decision n. 78 of December 22nd, 2021 of the Italian Interministerial Committee for Economic Programming and Sustainable Development (CIPESS) “2021-2027 Cohesion Policy Programming - Approval of the 2021-2027 partnership agreement proposal and definition of national public co-financing criteria for European programs for the 2021-2027 programming cycle”;
- Italian Law n. 241 of August 7th, 1990 “The Italian Administrative Procedure Act”, and subsequent modifications and supplements;
- National laws applicable to the LP and its PPs and their activities.

Additional Principles

- In case EU Regulations are in force for a certain topic, these take precedence. In the absence of EU Regulations and/or Programme specific regulations, national laws shall apply;
- In case of amendment of the aforementioned legal norms and documents, and any other documents of relevance for the contractual relationship the latest version shall apply.



1.3. Programme level bodies

Programme

The cross-border cooperation programme the Interreg VI - A Italy-Croatia Programme is funded by the European Regional Development Fund (ERDF) under the European Territorial Cooperation goal of EU Cohesion Policy 2021-2027.

Monitoring Committee – MC

The MC steers the Programme, verifies its sound implementation and it approves the projects for funding. It is composed of representatives of Italy and Croatia.

Managing Authority – MA

The MA is responsible for the management and implementation of the Programme in accordance with the principle of sound financial management and in line with the applicable EU regulations. The MA pays out ERDF shares to LP and Italian co-financing to PP.

Joint Secretariat – JS

The JS is established by the MA and it assists the MA and the MC in carrying out their respective functions. The JS also undertakes the day-to-day implementation of the Programme and provides guidance and support to project applicants and beneficiaries. The head office is in Italy (Venice) and branch office is set in Croatia (Zadar) to ensure smooth and efficient programme implementation.

National Authorities – NA

In cooperation with the JS, NAs provide information to potential applicants, advise and assist beneficiaries, communicate Programme achievements and support Programme management. NAs may also organise National Committees.

National Controllers

Each Member State has a control system to verify that co-financed activities and costs are implemented in line with applicable laws as well as Programme rules and requirements.

- Italy - Decentralised control system – individual professionals are appointed as controllers. Italian public administration can appoint controllers internally.



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- Croatia - Centralised control system - controls are performed by Ministry of Regional Development and EU Funds.

Steering and Selection Committee – SC

The SC is the internal project body responsible for carrying out the selection of the SPs.

1.4. The main project partners

The SEAS project includes a Lead Partner and Project Partner, who are responsible for implementation of the project, its activities and this Call for Small project proposals.

- **Lead Partner – LP**

Lead Partner is HAMAG-BICRO – Croatian Agency for SMEs, Innovation and Investments. LP is responsible for coordinating the overall support scheme for SMEs within the SEAS project.

Croatian SMEs (FRs) participating in Small Project will sign a grant contract with Lead Partner. The LP will provide support during Small Project implementation and reporting to ensure that all participants meet project requirements and comply with the Programme's objectives and rules.

Croatian SMEs report their expenditures to the LP. The LP verifies the reported expenditures and, based on approved reports, issue certificates. The LP is responsible for transferring the grant amounts corresponding to expenditures approved to the SMEs. The LP report the expenditures to the National Controller, who validates them for submission to the MA.

The LP is obliged to sound administrative and financial management of the SP, including submission of the project level progress reports and final report, accompanied by the payment claims to the MA.

The corresponding amounts for both LP and PP expenditures will be reimbursed by the MA to the LP. The LP shall reimburse the PP for the corresponding ERDF share of the grant.

In case of ineligible expenditures or irregularities identified by National Controllers or Auditors (including Audit Authority, EC auditors and Court of Auditors) and where corrections are applied, the Managing Authority shall recover the corresponding amounts from the LP or deduct them if yet not paid. The LP shall subsequently recover the relevant amounts from the respective Croatian SMEs or from PP, who shall subsequently recover the amounts from the respective Italian SMEs.



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The LP operates the online platform as the official web portal of the Project. The Small Project Applications need to be submitted online only through this platform.

HAMAG-BICRO – Hrvatska agencija za malo gospodarstvo, inovacije i investicije (Croatian Agency for SMEs, Innovations and Investments)

Address: Ksaver 208, Zagreb | **Phone:** +385 1 4881001 | **E-mail:** seas@hamagbicro.hr

- **Project Partner - PP**

Project partner is t2i – technology transfer and innovation. PP is responsible for coordinating the overall support scheme for SMEs within the SEAS project.

Italian SMEs (FRs) participating in Small Project will sign a grant contract with Project Partner. The PP will provide support during Small Project implementation and reporting to help ensure that all participants meet project requirements and comply with the Programme's objectives and rules.

Italian SMEs report their expenditures to the PP. The PP verifies the reported expenditures and, based on approved reports, issue certificates. The PP is responsible for transferring the grant amounts corresponding to expenditures approved to the SMEs. The PP report the expenditures to the National Controller, who validates them for the submission to the MA. The corresponding amounts will be reimbursed by the MA/LP to the PP.

The PP is obliged to sound administrative and financial management of the SP, including preparing the project level progress reports and final report, and supporting the preparation of payment claims to the JS.

In case of ineligible expenditures or irregularities identified by National Controllers or Auditors (including Audit Authority, EC auditors and Court of Auditors) and where corrections are applied, the PP shall recover the relevant amount from the respective Italian SMEs.

t2i – trasferimento tecnologico e innovazione (t2i – technology transfer and innovation)

Address: Piazza delle Istituzioni 34/a, Treviso | **Phone:** +39 0422 1742100 | **E-mail:** innovazione@t2i.it



2. Eligibility of applicants

Project requirements are composed of several elements written in detail below. Including eligibility with reference to the classification of SMEs according to the partnership requirements, number of employees, total annual turnover, geographic requirements, years of operation, professional and financial background.

2.1. Partnership requirements

SPs must consist at least two (2) cooperating FRs, one (1) from Croatia and one (1) from Italy, both of which must be located within the Programme area. The maximum number of FRs in one SP is three (3).

Each SP Applicant must be legally established and registered in the Programme area of Croatia or Italy or have a branch office registered as an autonomous legal entity in the Programme area for at least one year prior to date of Small Project application submission.

By signing the Partnership Statement and Declaration in the Small Project Application (SPA) form, FRs make a statement on the partnership in the SP. **In case an entrepreneur has enterprises operating in the Programme area in both countries under the same and/or different name, only one of these companies can apply per call. Partnerships consisting of companies owned by the same person in different countries or regions are not allowed.**

After the selection of the project for granting by the Steering and Selection Committee (SC), to clarify the roles and responsibilities on the level of the project, Croatian partners shall sign a grant contract with the Lead Partner (LP), while Italian partners shall sign grant contract with the Project Partners (PP), including the commonly defined project level indicators and results before contracting.

Like regular cross-border cooperation project partnerships, a partnership of each SP should be well balanced with a rational and efficient division of tasks and responsibilities among FR. A SP partnership shall be composed of FRs that may be linked professionally to the SEAS Project and that may have a significant contribution and impact within the partnership. For the sake of an operable and effective partnership, it must aggregate partners with common needs and objectives, while specific knowledge and expertise have to be ensured throughout.



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2.2. Legal status

FRs should fall into one of the following categories: micro, small and medium-sized enterprises (SMEs) as defined Annex 1 of Regulation (EU) No 651/2014 or start-up.

Classification of enterprises:

Micro enterprise (<= 10 employees and annual turnover ≤ EUR 2 million, or balance sheet ≤ EUR 2 million);

Small enterprise (10-49 employees and annual turnover >EUR 2 million ≤ EUR 10 million or balance sheet > EUR 2 million ≤ EUR 10 million)

Medium enterprise (50-249 employees and annual turnover ≤ EUR 50 million or balance sheet total ≤ EUR 43 million)

Start-up companies

Start-up companies, defined as enterprises younger than 5 years, not yet profitable but with high growth potential, are also considered eligible FRs.

2.3. Geographic eligibility rules

The Interreg Italy – Croatia Programme Area includes 25 Italian provinces and 8 Croatian counties, which are listed in Table 1.

Each SP must involve at least two partners – one from an eligible Italian province and one from an eligible Croatian county, both located within the Programme Area.

Italy	Teramo, Pescara, Chieti (Abruzzo Region), Brindisi, Lecce, Foggia, Bari, Barletta-Andria-Trani (Apulia Region), Ferrara, Ravenna, Forlì-Cesena, Rimini (Emilia-Romagna Region), Pordenone, Udine, Gorizia, Trieste (Friuli Venezia Giulia Region), Pesaro e Urbino, Ancona, Macerata, Ascoli Piceno, Fermo (Marche Region), Campobasso (Molise Region), Venezia, Padova, Rovigo (Veneto Region)
Croatia	Dubrovnik-Neretva County, Istria County, Karlovac County,



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	Lika-Senj County, Primorje-Gorski Kotar County, Split-Dalmatia County, Šibenik-Knin County, Zadar County
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Table 1. Italian provinces and Croatian counties included in the Interreg Italy – Croatia Programme Area.



Figure 1: Geographical structure of the Programme area

2.4. Professional and financial background

To gain a better understanding of the real economic position of SMEs and to remove from that category groups of enterprises whose economic power may exceed that of genuine SMEs, a distinction should be made between various types of enterprises, depending on whether they are autonomous, whether they have holdings which do not entail a controlling position (partner enterprises), or whether they are linked to other enterprises. **In order to achieve this, FRs are obligated to fill in relevant data in the Joint Statement that is an obligatory addendum to the SPA (Small Project Application).**



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Basic eligibility criteria for FRs are as follows (examined by company register extracts/company annual financial reports):

- FR (and/or its owner company having more than 50% of ownership rights over the FRs, and/or its linked enterprises through a natural person, cumulatively) is a SME (small and medium sized enterprise) or start-up;
- FRs must be legally established and registered in the Programme area in Croatia or Italy, or have branch office registered as autonomous legal entity in the Programme area;
- FRs must have at least one closed business year for seat and/ or branch in the Programme area;
- FRs must employ at least one full-time employee based on working hours (1 FTE) in its last closed business year in the Programme area;
- FR's equity is positive for the last closed business year for seat and/ or branch in the Programme area.

Furthermore, FRs need to comply with the following set of criteria related to their professional and financial background:

- FRs have to take direct responsibility for the preparation and management of their SP part both in a professional and financial point of view and may not act as intermediaries;
- FRs must be experienced and able to demonstrate their capacity to manage their share of activities in the SP;
- FRs must prove their financial and administrative capacity to manage their share of the SP (ensuring pre-financing and private co-financing).

The professional and financial background mentioned above is a part of the SPA and subject of assessment. This step is necessary to assess the capacity of the SMEs to implement project activities.

All the following criteria are included in the SP Checklist for eligibility criteria (Annex II) that can be found in a separate document.



2.5. Sectoral criteria

FR must operate within the blue economy sector and carry out activities related to one or more of the following sectors:

- Marine living resources: Processing and distribution of fish and aquaculture products
- Marine non-living Resources: Desalination
- Marine renewable energy
- Marine mineral resources
- Blue biotechnology
- Maritime Infrastructure and Robotics
- Port activities: Cargo and warehousing and Port and water projects
- Sustainable maritime transport
- Coastal tourism.

FR must be registered to carry out the business activity or activities to which their Small Project relates.

2.6. Exclusion criteria

All potential FRs shall prove their professional and financial liability by not falling under any of the cases presented below.

State aid cannot be received in all cases not provided for by the scope of the COMMISSION REGULATION (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (General Block Exemption Regulation - GBER) – Article 20

The FRs containing the development of the following activities are not eligible:

- primary production, processing and marketing of agricultural products
- the production, processing, and marketing of tobacco and tobacco products;
- forestry;
- primary fishery and aquaculture;
- financial and insurance activities, including cryptocurrency trading;
- real estate activities;
- employment activities;



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- gambling and betting activities;
- the disposal of waste in landfills; and
- activities and assets related to fossil fuels.

FRs cannot receive funding if one or more of the following cases apply to them:

- The establishment and operation of a distribution network towards third countries or Member States;
- Their business is an undertaking in a difficulty as defined in Article 2(18) of COMMISSION REGULATION (EU) No 651/2014 (GBER);
- They are subject to a recovery order for unlawful State aid pursuant to Article 1(4)(a) of COMMISSION REGULATION (EU) No 651/2014 (GBER);
- An enterprise according to Article 2(24) of COMMISSION REGULATION (EU) No 651/2014 (GBER);
- They are bankrupt, being wound up, liquidated or having their affairs administered by the courts;
- They have entered into an agreement with creditors;
- They have suspended business activities;
- They are subject to proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- They do not have valid registration to pursue their activities or they have been convicted of an offence concerning their professional conduct by a judgement which has the force of 'res iudicata', further they have been guilty of grave professional misconduct proven by any means which the LP/PP can justify;
- They have not fulfilled their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the national legal provisions;



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- The applicant has received or is in the process of receiving co-financing from other sources for the same expenses, funds from the state or local budget (Statement on used grants).

2.7. Other requirements

Other requirements are listed in detail in the SPA in the final page Declaration of the SPA form.



3. Co-financing of Small Projects

3.1. Type of co-financing

Grant contribution to FRs financed from the SEAS project is a non-repayable grant, granted under the General Block Exemption Regulation (GBER).

3.2. Grant contribution rate

The Grant contribution rate per directly financed partner is up to **80% of the total eligible expenditure and can be requested as a grant from the SEAS project**. The rest shall be covered as private co-financing of FRs. At the same time, the Grant contribution is co-financed up to 80 % by the European Regional Development Fund (ERDF) and for the rest by HAMAG-BICRO in Croatia and by the Fondo di Rotazione in Italy, in other words Small Projects are co-financed 64% by the ERDF and 16% by the LP/PP co-financing.

3.3. Private co-financing

Each FR should provide a **minimum of 20%** of the total eligible expenditure as its private co-financing. The recipient's private co-financing must not contain any element of State aid and can be composed of any kind of financial resources (e.g. money in the bank account, a bank loan and other fund donors) except for grants requested from the EU or from National co-financing resources. **Double financing of the same eligible costs from different sources containing state aid is not allowed.**

3.4. Small Project size

Minimum and maximum Small project size for eligible expenditure:

	Grant contribution (80%)	Private co-financing (20%)	Total SP budget
Minimum per SP	80.000,00 EUR	20.000,00 EUR	100.000,00 EUR
Maximum per SP	125.000,00 EUR	31.250,00 EUR	156.250,00 EUR



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The total budget of the Small project includes the Grant contribution (80%) and the FR's private co-financing (20%).

The minimum amount of the budget of each FR in the SP is 20% of the total project budget.

The admissible maximum Grant contribution to each participating SME is 62.500,00 EUR, with 15.625,00 EUR private co-financing, for a total 78.125,00 EUR per project partner.

The total value of Grant contribution in a SP cannot be below 80.000,00 EUR or exceed 125.000,00 EUR, regardless of the number of FRs.

The project works based on the reimbursement principle, which means that FRs have to pre-finance their activities and the amounts paid are reimbursed after the submission and assessment of the project progress reports.

The total allocation for the Call is 2.050.000,00 EUR. Half of the total allocation is reserved for Croatian SMEs and the other half for Italian SMEs. LP/PP reserves the right to modify the allocation depending on the quality of the SPAs.



4. Operation state aid rules

The Grant contribution equal to 80% of the total project budget will be granted under the General Block Exemption Regulation (GBER).

The General Block Exemption Regulation (GBER) allows to implement a wide range of public support measures without prior notification to the EC, as long as all criteria given in the regulation are fulfilled. It includes a block exemption for aid granted in the context of Interreg projects under Article 20 of the GBER.

The applicants will be obliged to declare the State aid relevance in Joint Statement, which is an annex of the GfA, to assess whether the operation activities are considered as State aid.

Financing to SMEs cannot be cumulated with other State aid or de minimis aid for same eligible costs. SMEs receiving the Grant from the Programme under the GBER regime cannot receive any additional public co-financing for the same eligible costs covered by the project proposal submitted within the framework of SEAS Interreg Project (e.g., Italian PPs cannot receive the Italian public co-financing - i.e. "Fondo di Rotazione").

The applicants must report any support granted or applied for within the State-aid declaration (declaration is a part of FRs statements which are parts of the SPA).

All FRs must:

- immediately inform the LP/PP of any grants of public funding received after the completion of the self-declaration,
- the LP/PP will keep all records regarding State aid for a minimum of 10 years after receiving the final payment.

The LP/PP will support the applicants/recipients in the assessment of the existence of state aid/de minimis aid during contracting/implementation period of the operation.



5. Cooperation criteria

The required cooperation level requirement within a SP is a value-added cross-border joint technology, service and product development (from TRL 5¹ onward) or bringing to the market already developed innovative products/services taking into account sustainability and green transition by the cooperating FRs operating on different sides of the border for setting up cross-border supplier networks and/or for jointly engaging in new markets.

Reaching the following additional eligible levels of cooperation means more valuable SP:

- Previous record of development activities and cross-border business cooperations of the FRs;
- Human capacities of FRs and their competencies in relation to the SP content;
- Innovative character of product, technology, or service development;
- Business potential of product, technology, or service development;
- Methodology of project implementation;
- Relevance and readiness of SP budget.

The level of cooperation is measured following the marketing concept of the Ansoff matrix, determining the SP's product, technology, or service (see Figure 2).

		Product	
		Present	New
Market	Present	MARKET PENETRATION Placing an existing product to an existing market – NOT ELIGIBLE	PRODUCT DEVELOPMENT Introduction of a new product to an existing market
	New	MARKET DEVELOPMENT Finding a new market to an existing product	DIVERSIFICATION Development of a new product to a new market

Figure 2: Application of the Ansoff matrix in measuring level of cooperation of SPs.

¹ Technology Readiness Level (TRL) is a standardized scale used to assess the maturity of a technology, from basic scientific research to a fully operational commercial system.

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According to the Ansoff matrix the following levels of business cooperation intensity may be identified concerning the SPs (from the lowest to the highest intensity):

PENETRATION: Placing existing product, technology, or service to existing markets of FRs, without entering into each other's market or third markets. Provision of only promotional intervention that may result a better knowledge about the product, technology, or service on the existing markets. – This is INELIGIBLE for granting from SEAS project.

MARKET DEVELOPMENT: Finding a new market to an existing product: an already developed product, technology or service will be placed on a new market (the partner country's market or a third one), which can be made possible through this cooperation. In this case one of the FRs is the owner of the product, the other one provides an access to the new market (in its own or third country). – This is CONDITIONALLY ELIGIBLE if entering the new market does not mean parallelly reduction of market presence in the FR's existing markets but increase in total selling.

PRODUCT DEVELOPMENT: Introduction of a new product to an existing market: a new product, technology or service will be developed to a market where one of the FRs are already present. In this case both FRs are co-developers of the product that will be placed on one of their existing markets. In this type of cooperation, the product know-how represents the added value of cooperation. This is ELIGIBLE for granting from SEAS project.

DIVERSIFICATION: Development of a new product to a new market: both the developed product, technology or service and the gained market are new. This represents the most advanced level of cooperation that may involve several modality options: one (or more) of the FRs do the product development, other FR(s) give the access to the new market which may be in the partner countries or in third countries. This is the level of cooperation intensity where cooperation of more than two FRs may be necessary. This is the MOST PREFEREABLY ELIGIBLE for granting from the SEAS project.

If a new product/technology/service is developed, FRs are obliged to sign a Contract/Partnership Agreement clearly defining the distribution of ownership and related rights concerning the product/technology/service.

Joint development will be realized through new products/technologies/processes/services which are the results of SME's SP's and which will affect the development of both cross-border areas.



5.1. Small Project duration

The duration of the Small Projects is **6-12 months and must be completed by the end of the March 2028 at the latest.**

Activities must not start before the submission of the Small Project Application.

Activities may start after submission, but costs incurred will only be eligible for reimbursement if the project is approved. If the project is not approved, all costs will remain the responsibility of the applicant and will not be reimbursed.

5.2. Activities outside of the Programme area

Project partners may implement activities outside the Programme area under the following conditions:

- The activity contributes to the objective of the Programme;
- The activity is essential and is for the benefit of the Programme area.

These activities must be included and described in the SPA.

5.3. EU Strategy for the Adriatic and Ionian Region

The EU Strategy for the Adriatic and Ionian Region (EUSAIR) is a macro-regional strategy adopted by the European Commission and endorsed by the European Council in 2014.

As Synergies with EUSAIR are concerned, the SPs should contribute to the EUSAIR Flagship Pillar 1 – Blue growth - Fostering quadruple helix ties in the fields of marine technologies and blue bio-technologies for advancing innovation, business development and business adaptation in blue bio-economy. Flagship's overall goal is strengthening quadruple helix ties in the field of blue technologies.

Flagship's Indicative types of actions to be eligible:

- Encouragement & creation of clustering, especially of quadruple helix
- Research on blue technologies & prioritisation of its adoption by SMEs in the Macro region



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- Promotion of blue skills
- Reinforcement of networking, knowledge sharing & creation of databanks
- Enhancement of competitiveness and sustainability of relevant local and European industry sectors through utilization of marine bio-discoveries
- Allowing development of novel eco-friendly end products that serve circular economy
- Development of solutions to decarbonize fishing fleets - One-stop-shops' operation for SMEs support

SPs must demonstrate clear contributions to relevant EUSAIR flagships, such as marine technologies, sustainable tourism, blue biotechnology, and sustainable aquaculture, but not limited.

In addition, activities should contribute to improving digitalisation of business activities and the development of innovative eco-friendly products. Priority blue economy sectors in which most of the activities should be carried out include coastal tourism, blue biotechnologies (marine renewable energy, blue biotechnology and ICT solutions applied to maritime domains), but not limited to.

Applicants are required to indicate expected macro-regional impact in their Application Form (e.g. innovation in blue economy sectors or cross-border cooperation).

Assessors will assess each proposal's alignment with EUSAIR as a formal assessment dimension. Proposals demonstrating a clear, coherent and well-justified contribution to the EUSAIR flagships will be awarded additional points.

5.4. Horizontal principles

These principles shall be integrated at the project level: during project planning and project implementation.

Projects supported under SEAS project will comply the following horizontal principles:

- respecting fundamental rights and complying with the EU Charter of Fundamental Rights;



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- preventing all kinds of discrimination and taking all appropriate steps to guarantee accessibility for people with disabilities;
- ensuring the promotion of gender equality;
- promoting sustainable development, in line with UN Development Goals, the Paris Agreement and the “do no significant harm” principle.

Sustainable development stands for meeting the needs of present generations without endangering the capacity of future generations to meet their own needs, ensuring balanced economic growth, social progress, protection, and improvement of the quality of the environment at the same time. This shall relate not only to the (future) impact of the project outputs and results but also to such project implementation activities and solutions (e.g. “green” approach in project event organisation, travels, public procurements, energy-efficient solutions, etc.) which can reduce the ecological and carbon footprint of the project implementation. The concrete contributions of the selected projects to sustainable development and (potential) impacts on the environment will be regularly monitored by the Programme through the project progress reports and by other means, if necessary. The required minimum is a neutral contribution.

Equal opportunities and non-discrimination stand for inclusion of all. Discrimination can be based on racial or ethnic origin, religion or belief, disability, age, or sexual orientation. This shall relate to the importance of sharing knowledge, good practices, and the principle of equal access to information. The required minimum is a neutral contribution.

Gender equality aims of the equality between women and men is one of the fundamental values of the EU. This shall relate to the promotion of actions and measures where gender-mainstreaming aspects, such as gender equality or women’s empowerment, are part of SP activities. The required minimum is a neutral contribution.

The activities carried out by the project must absolutely respect the horizontal principles set forth in Article 9 of the CPR. The impacts must be at least at the level of neutrality if it is not possible to ensure positive impacts

The FRs have to describe in the SPA form (which will be the subject of assessment), how their proposed project would promote sustainable development, equal opportunities and non-discrimination and equality between men and women.



5.5. DNSH

If Small Projects include activities in projects with investment components (equipment), they must comply with the 'do no significant harm' principle (DNSH).

Applicants need to specify with concrete details any element of the SPA, which would have the potential risk of significant harm to the EU environmental objectives, as well as the planned measures of the SP to eliminate such negative impacts. At the same time, the potential direct or indirect positive impacts of the planned project measures and outcomes to these objectives shall be clearly described, what exactly would improve, by which SP element and how and reflected by the SPA.

According to the Common Provisions Regulation (CPR), in the context of tackling climate change, the objectives of the Funds shall be pursued in line with the DNSH principle and in accordance with the EU Taxonomy Regulation (EU) 2020/852.

According to the Commission Explanatory Note "Application of the "Do No Significant Harm" Principle under Cohesion Policy", for the purposes of the Interreg Italy-Croatia Programme, DNSH is to be interpreted within the meaning of Article 17 of the „Taxonomy Regulation “which defines what constitutes ‘significant harm’ for the six environmental objectives covered by the “Taxonomy Regulation”:

- 1) An activity is considered to do significant harm **to climate change mitigation** if it leads to significant greenhouse gas (GHG) emissions.
- 2) An activity is considered to do significant harm to **climate change adaptation** if it leads to an increased adverse impact of the current climate and the expected future climate, on the activity itself or on people, nature or assets.
- 3) An activity is considered to do significant harm to **the sustainable use and protection of water and marine resources** if it is detrimental to the good status or the good ecological potential of bodies of water, including surface water and groundwater, or to the good environmental status of marine waters.
- 4) An activity is considered to do significant harm to the **circular economy, including waste prevention and recycling**, if it leads to significant inefficiencies in the use of materials or in the direct or indirect use of natural resources, or if it significantly



increases the generation, incineration or disposal of waste, or if the long-term disposal of waste may cause significant and long-term environmental harm.

- 5) An activity is considered to do significant harm to **pollution prevention and control** if it leads to a significant increase in emissions of pollutants into air, water or land.
- 6) An activity is considered to do significant harm to the **protection and restoration of biodiversity and ecosystems** if it is significantly detrimental to the good condition and resilience of ecosystems, or detrimental to the conservation status of habitats and species, including those of Union interest.

5.6. Durability of operations

Durability of project outputs and results is crucial for ensuring territorial impact and long-term benefits which continue after the project end, in order to reach the project's overall objectives. Therefore, projects must ensure that outputs obtained, and results achieved are durable and suitable to be continued after project closure. This may include follow-up activities, handover to the policy level, ownership, financing through other initiatives or funds, leverage of investments, etc. In order to achieve durability, projects need to adopt from the beginning a long-term, strategic perspective that leads to desired results for the target groups over an extended time frame. In order to achieve such long-term benefits, it is essential to consider the needs of key stakeholders as well as the institutional context already when designing the project. In particular, key stakeholders should be actively involved from the early stages of the project development. The ownership of the investment in the project is to be retained by the project partner.

A SP comprising investment in equipment shall reimburse the Grant contribution if within three (3) years of the final payment to the FR, it is subject to any of the following:

- a) cessation or transfer of a productive activity outside the Programme area;
- b) a change in ownership of an item of equipment which gives a firm an undue advantage;
- c) a substantial change affecting the nature, objectives or implementation conditions which would result in undermining its original objectives.



The LP/PP are obliged to conduct a durability check at least once in the period of three (3) years after the final payment. FRs are obligated to provide to LP/PP all requested and needed documentation and information.

5.7. Procurement rules

SMEs, even though not directly applying the National Public Procurement legislation, shall still apply the key principles of economy, efficiency and effectiveness. Resources used by SMEs in the implementation of activities shall be made available in due time, in appropriate quantity and quality, and at the best price, ensuring the best relationship between resources employed and results achieved.

Furthermore, SMEs shall strive to ensure a fair, transparent and open competition among service providers, in proportion to the value of the services procured.

In order to guarantee a harmonized standard in contracting procedures in both Italy and Croatia and to accomplish the sound financial management principle, the Programme requires FRs to give evidence of adequate market research, depending on the contract value:

- **Value less than EUR 10.000,00 (excluding VAT),** the adequacy of costs must always be ensured and documented as well as sound financial management. FRs must obtain at least 1 quotation/market price offer.
- **Value equal or over EUR 10.000,00 (excluding VAT),** FRs are required to apply the **“Bid at three” procedure**, meaning that at least 3 quotations/market price offers must be obtained².

Detailed information will be given in [the Procurement Guidelines](#).

² Requests for quotation/market price offers must be sent to at least 3 different suppliers. It is acceptable if at least one offer is received, provided that there is proof that the requests were sent.

6. Eligibility criteria

6.1. Eligible activities

Eligible economic activities of SP business cooperation should belong to the following target economic sectors of SEAS:

- Marine living resources: Processing and distribution of fish and aquaculture products
- Marine non-living Resources: Desalination
- Marine renewable energy
- Marine mineral resources
- Blue biotechnology
- Maritime Infrastructure and Robotics
- Port activities: Cargo and warehousing and Port and water projects
- Sustainable maritime transport
- Coastal tourism.

All eligible activities of each FR should belong to any of the above-listed economic sectors. Activities outside these economic sectors are ineligible.

Eligible project activities of cooperating SPs supported within the SEAS project should include but are not limited to:

- Development of business models based on the creation of products, services and processes with added value.
- Enhancing SMEs and Start-ups cross-border business cooperation.
- Development of new technology, service or product (from TRL 5 onward).
- Bringing to the market already developed innovative products/services.
- Purchase of new equipment for the sake of joint technology, service and product development.



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- Purchase of new equipment for the sake of moving materials, packaging and storing in the phase of joint technology, service and product development (purchase of vehicles is prohibited).
- Activities for entering new markets of jointly developed technology, service and product:
 - Appearance at events, fairs, business meetings and international project development workshops organised outside the Programme area;
 - Organisation of business seminars, workshops and conferences;
 - International market surveys;
 - Development or upgrading of marketing tools and materials in foreign language (design, layout, elaboration);
 - Marketing actions targeting markets outside the Programme area.
- External expertise for the sake of developing joint technology, service and product.
- Supporting local SMEs to face challenges related to their size, limited resources (such as skills and finance) or industry and market conditions.
- Improving the capacity of entrepreneurs regarding marketing, branding, e-business, competitiveness including education and training in entrepreneurship skills.
- Developing and supporting existing business networks of SMEs and Start-ups in applying ICT (purchase and installation of new hardware and software equipment (except for general office use), innovation and new technologies to develop and promote common products for local cross-border and international market.
- Implementing joint pilot actions to introduce product and new business solutions and/or process innovations.

Purchase of second-hand equipment is not eligible.

6.2. Eligible costs

The Programme decided to use different Simplified Cost Options (SCOs) for specific cost categories to ensure an easy reporting process, swift money flow, and proper validation of expenditures:



Cost category	Form of reimbursement
Preparation costs	Lump sum
Staff costs	20 % flat rate of direct costs (real costs)
Office and administrative costs	15 % flat rate of staff costs
Travel and accommodation costs	15% flat rate of staff costs
External expertise and services costs	Real costs
Equipment costs	Real costs

External expertise and services costs, and/ or Equipment costs must be used in the SP budget. External expertise and services costs, and/ or Equipment costs categories must be used for the purpose of SP activity implementation!

Eligible costs must fulfil all the following criteria as listed below:

- they are incurred by the FR and paid solely by the FR where reimbursement is based on Real Costs. Where reimbursement is based on Simplified Cost Options, flat rate shall apply, and a lump sum for preparation costs;
- they incurred during the eligibility period of the SP, i.e. starting from the date of submission application to the Call until the end of the SP's implementation, with the exception of preparation costs (lump sum);
- they are indicated in the estimated overall budget of the SP;
- they are necessary for the implementation of the SP which is the subject of the grant;
- they are identifiable, verifiable and documented (e.g. contract, invoice, order form), in particular being recorded in the accounting records of the FR and determined according to the applicable accounting standards of the country where the FR is located and according to the usual cost accounting practices of the FR;
- they comply with the requirements of applicable tax and social security legislation;



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- g) they are reasonable, justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency;
- h) they are incurred in accordance with the relevant EU legislation, Programme rules, and when applicable national legislation;
- i) they are not listed as an ineligible expenditure;
- j) they are not double funded (i.e. they are not financed from other sources under the EU Funds or other (national) Funds);
- k) one expenditure item (e.g., one cost) cannot be declared twice;
- l) in case when one expenditure/invoice/procurement contains more items, they can be reported under different cost categories/budget lines, depending on the type of item;
- m) amounts declared in Partner Report do not exceed amounts in the latest approved Small Project budget F(in line with the provisions of the Contract/Addendum/accepted modifications).

6.2.1. Preparation costs

Preparation costs represent a special eligible expenditure that is automatically granted to the SPs who successfully sign grant contract with the LP/PP to an amount of total 1.200,00 EUR per SP as a lump sum cost related to the preparation of the SPAs.

The total lump sum amount of 1.200,00 EUR for Preparation costs must be budgeted in the SP.

The lump sum may be distributed among the FRs participating in SP in any proportion, according to their needs and agreed between them. In Application Form, each FR has to budget its respective share of the lump sum.

The applicable grant intensity for preparation costs is 80%. Therefore, a maximum of the 960,00 EUR (representing 80% of the lump sum) will be reimbursed to FRs, while remaining 20% shall be covered by the FR's private co-financing.

The lump sum shall cover the following costs:



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- Staff costs of the FR involved in developing the SP;
- Administration costs (e.g. office costs such as internet, electricity, paper, etc.);
- External services costs such as translation and consultation (e.g. external expert contracted for supporting the preparation of SP proposal);
- Travel costs for meetings and other events such as: internal preparatory meeting/s, workshops, etc.

The following eligibility rules apply to preparatory costs:

- The lump sum of 1.200,00 EUR per SP is acceptable;
- Preparatory costs need to be planned in budget of each FR in any proportion agreed between them;
- FRs are responsible to use the granted lump sum only for the preparatory activities of the respective SP;
- Reallocations of preparatory costs are not acceptable;
- In the occurrence that the SP is not implemented following the signature of the Contract, FRs will have to recover in full the amount granted as preparatory costs.

Certain conditions must be fulfilled in order for the LP/PP to pay a lump sum for preparatory costs:

- The SP is selected for funding by the Selection Committee (hereinafter SC);
- The Grant Contract is signed with the LP/PP.

During submission of the first progress report FRs need to indicate the costs in the budget, upon approval of the progress report alongside other costs the lump sum for preparatory cost (i.e. 80%, representing the Grant contribution) will be transferred to the bank account of each FR.

Any difference between the granted lump sums and the costs occurred in reality for these activities is neither checked nor further monitored by the LP/PP.



6.2.2. Staff costs

The costs of staff are expenditures incurred connected to the personnel involved in the implementation of the SP on behalf of the FRs. The staff involved in SP implementation with a valid contract can work full-time or part-time and can do administrative and/or professional tasks. Staff costs shall be clearly connected to the SP and its activities.

SP Applicants are not allowed to amount staff costs less or more than 20% flat rate of direct costs (real cost).

Staff costs for FRs are eligible for both existing and newly hired employees, employed for the purposes of the implementation of the SP. **Each FR shall appoint one contact person, SP manager for communication with LP or PP.** When nominating SP manager (internal or external), recommendations to be consider are experience in EU project management and fluent in English.

The following documents must be available for verification purposes as an audit trail (at the beginning of the implementation and if a change within personnel occurs):

List of personnel who will work on the SP (free form) should be enclosed when applying. At least one employee must be involved in the implementation of an operation (a free form list or a declaration issued by the beneficiary's legal representative or delegated person should be delivered for audit trail purposes).

The FR is responsible to ensure that under this cost category only staff costs are incurred.

6.2.3. Office and administrative costs

As regard to the eligibility of office and administrative expenditure, it is automatically calculated as a **flat rate of 15% of the staff costs.**

Office and administrative expenditure shall be limited to the following elements:

- Office rent;
- Insurance and taxes related to the buildings where the staff is located and to the equipment of the office (e.g. fire, theft insurances);



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- Utilities (e.g. electricity, heating, water);
- Office supplies;
- General accounting provided inside the FR organization;
- Archives;
- Maintenance, cleaning and repairs;
- Security;
- IT systems (operating/administrative IT services of general nature, linked to the implementation of the SP);
- Communication (e.g. telephone, fax, internet, postal services, business cards);

Cost items accounted under the office and administration cost category cannot be reimbursed under any other cost category.

Any difference between the granted flat rate-based sums and the costs occurred in reality for these activities is neither checked nor further monitored by the Programme implementing structure. FRs do not need to document that the office and administration expenditure has been incurred and paid or that the flat rate corresponds to the reality.

6.2.4. Travel and accommodation costs

Travel and accommodation costs of the staff – being employed by the FRs – involved in the implementation of the SP are eligible costs if they are incurred for performing tasks directly related to the SP activities.

Travel and accommodation costs are automatically calculated as a **flat rate of 15% of the staff costs**.

FRs are recommended to ensure that travel arrangements are reasonable and cost-efficient when incurring such costs. In this context, travel costs may include the following:

- Travel costs: as a general rule for travelling, the most economical way of transportation has to be used:



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- Travelling by car – it is allowed to use a private or company car only if it is the most economical way of transportation and it is proven to be a time-saving solution;
- Travelling by rail / bus / ship / plane – as a general rule the most economical and efficient way of transport should be used. No first or business class tickets are eligible;
- Local travel fares (bus, underground, taxi etc.);
- Insurance fees – to cover the costs of insurance for the whole trip.
- Accommodation and meal costs can be reimbursed if they are in a reasonable price range and if per diem does not cover them. Middle price range accommodation has to be used; 3-stars hotels are generally accepted within this category. The use of higher category accommodation has to be justified. Duration of the mission must be clearly in line with its purpose. Costs of longer duration are eligible only if it results savings made in the costs of transportation.
- Visa costs.
- Per diems (daily allowances) of the SP staff shall be defined by the employer. They must not exceed the rate set by the European Commission on the following [link³](#).

Per diems can be paid to SP staff that travel abroad for the purpose of the SP. Per diems generally cover meal, accommodation and local travel expenses. In case of receiving per diem other subsistence costs are not eligible.

When preparing reports about SP implementation progress, FRs shall prepare description about conducted travel.

³https://international-partnerships.ec.europa.eu/document/download/167fc5d8-015b-4a51-85b1-266891fbcc21_en?filename=per-diem-rates-20241108_en.pdf



6.2.5. External expertise and services

Expenditure on external expertise and service costs is **eligible on a real cost basis** including the following services and expertise provided by a public or private law body, or a natural or legal person other than the FRs' staff such as:

- Studies or surveys (such as evaluations, strategies, concept notes, design plans, handbooks)
- Events, conferences, seminars, trainings, SP meetings – the budget line shall include all costs emerging related to a SP event, including fees of lecturers / performers / trainers / experts, as well as costs like interpretation, translation of documents, rental costs, technical background, catering. Activities closely related to the organization of events can be externalized separately based on the activity type as well (e.g. transportation, translation, rental activities etc.);
- Cost related to publicity, promotion and communication: IT systems and website development, modifications and updates; promotion, communication, publicity or information, participation in promotional events (e.g. registration fees);
- Other: intellectual property rights, other specific expertise and services needed for the SP;
- Services related to SP administration and management: collection of documents of expenditure, maintenance of files, public procurement activities on level of the FRs.

The 'external expertise and services' category cover costs paid on the basis of contracts or written agreements and against invoices or requests for reimbursement to external experts and service providers, sub-contracted to carry out certain tasks or activities directly linked to the implementation of the SP.

These services must be necessary for the implementation of cross-border activities planned by FRs. Services without a clear cross-border added value are not eligible.

6.2.6. Equipment costs

Purchase of new equipment is eligible only if the items are essential and directly related to the implementation of the SP, and if they are listed in the approved SP budget.



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All equipment shall be other than that covered by the expenditure under the cost category 'Office and administration' and shall be necessary and exclusively be used for SP implementation, having a clear contribution to the achievement of the SP's objectives.

Equipment shall be distinguished according to its purpose:

- Content-related / thematic equipment, directly linked to (or forming part of) the SP outputs or deliverables which will be used by FRs and target groups in line with the SP objectives. Purchase of the following types of equipment is eligible costs on real cost basis:
 - IT hardware and software (clear SP relevance is necessary);
 - Furniture and fittings;
 - Laboratory equipment;
 - Machines and instruments;
 - Tools or devices;
 - Other specific equipment needed for the SP.
- Equipment for general (office) use, such as computers, office furniture etc. which is used for the daily work of the SP staff, and which is not already included under 'Office and administration'.

Depreciation costs are not eligible, equipment for SP sustainability can be charged in its full amount to the SP.

For all equipment purchased, the relevant visibility and publicity requirements of the Programme must be respected.

Equipment must be necessary for the implementation of cross-border activities planned by FRs. Equipment without a clear cross-border added value are not eligible.

6.3. Value Added Tax (VAT)

Value added tax (VAT) is not eligible if it is recoverable under the national legislation.

When VAT is not recoverable, it is eligible if:

- a) It is established that it is borne by the FR;



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- b) It is clearly identified in the invoice.

When VAT is eligible expenditure, it must be planned in the SP budget. **Therefore, all budgeted amounts should be presented as VAT-inclusive.**



7. Application procedure

The Call has an open application process with multiple assessment cut-off dates. Application received by each cut-off date will be assessed in the corresponding assessment round. Following each assessment round, the remaining Call allocation will be reviewed. If the available budget is fully allocated, the Call will be closed, and the remaining cut-off dates will not take place. If the available budget is not allocated after first three cut-off dates, additional cut-off dates may be announced. The final deadline for the submission of applications is the date on which the last application fulfilling all eligibility and quality requirements is approved, at which point the available financial allocation has been fully allocated.

Call opening	8 October 2026
Cut-off dates	• 1st cut-off 9 November 2026 (23:59 CEST) • 2nd cut-off 8 January 2027 (23:59 CEST)* • 3rd cut-off 8 March 2027 (23:59 CEST)* <i>*Cut-off dates/deadlines (except for the 1st one) may be subject to adjustments that will be timely communicated</i>

SP Applicants must use [the SEAS platform](#) to create a SPA and submit it, and later report on the progress of their SP implementation (both content-wise and financially). The application form with the budget and annexes (statements/declarations) have to be written in English, while the accompanying documentation (other documentation) can be either in English or in national languages and scripts. The LP/PP reserve the right to request an authorized English translation from applicants of any document submitted in a national language or script if its content is not sufficiently clear or understandable.

The following documents will be requested when applying:

1. **Small Project Application form** (completely filled in English in MS Excel, signed, stamped and scanned in pdf format) – filled in jointly. In case there is a discrepancy between the SPA for in Excel and PDF, the PDF version shall prevail.



2. **Joint Statement** (filled in, signed, stamped and scanned in pdf format) – for each FR
3. **State-aid declaration** (filled in, signed, stamped and scanned in pdf format) – for each FR
4. **Tax Administration Certificate** (Croatian FR - not older than 30 days, Italian FR – DURC not older than 120 days)
4. **Quotation/Market price offer⁴** for external expertise and services costs and equipment costs (not older than 30 days) – for each FR
5. **Annual financial report** for the previous year – for each FR, accompanied by the confirmation of receipt.

Only one SPA shall be submitted per Small Project Partnership. The SPA shall be submitted through the SEAS platform by a person designated by the Small Project Partnership to carry out the submission on its behalf, regardless of whether that person is a representative of a project partner or an external consultant.

Each FR can apply only for one SP per Call. Applications submitted after the Call is closed will not enter the assessment process and will be automatically rejected.

After uploading the SPA and all supporting documents, the applicant is obliged to perform the **“Submit”** action.

Upon execution of the “Submit” action, the system automatically notifies the applicant that, in order to complete the submission procedure, **the application must be confirmed via the verification link sent to the applicant’s e-mail address** provided in the application.

The SPA shall be considered timely and validly submitted only after successful confirmation via the aforementioned verification link.

SPAs that are not confirmed via the verification link or that are submitted after the deadline specified in the Call shall not be considered for evaluation and are automatically rejected.

⁴ See Section 5.7. Procurement rules

7.1. Questions and Answers

During the Call period, potential applicants may submit questions to request clarifications on the Call provisions. Questions shall be submitted in English. Answers will be published on the SEAS platform / Project documentation.

Questions referencing the Call may be sent via e-mail to: seas@hamagbicro.hr

Questions will be accepted **no later than 7 days before the call closes**. Any questions and answers received after that deadline will not be published.

To ensure equal treatment of all applicants, no prior opinions or guidance on the award procedure, whether general or Small Project-specific, will be provided.

7.2. Activities and outputs

Activities must be defined to outline the implementation steps that the SP will undertake in a work package to achieve the project specific objective. They must be jointly designed and implemented by SP partners.

Outputs are outcomes of project activities. Only one type of output is expected for SP, which should contribute to achieving the expected result. It may take the form of different types of joint strategies, action plans, pilot actions leading to solutions, and/or joint training schemes developed by the project. Project outputs are the key tangible products of project activities.

Project outputs must be of high quality, relevant and properly defined. They must be of transnational value and:

- be the result of intense cross-border cooperation of several FRs;
- be of practical use for the defined project target group in FRs regions;
- be usable as a potential model solution that can be transferable to other locations within existing partner territories or in the longer term to other regions or countries.

Within the project work package, having the ability to include as many activities and deliverables as needed provides projects with the space to express their work plan in detail. However, having too many activities and deliverables can also lead to confusion rather than



clarity. Applicants are asked to be as focused and efficient as possible when designing their work plans.

7.3. Small Project objective

A (overall) Small Project objective is a qualitative description of the desired change that the partnership will implement on the Programme area during the project.

- The objective outlines the overall goal of the project, specifically the change it wants to bring about in the Programme area.
- It defines the benefits or improvements that the partnership expects to achieve on the Programme territory (or parts of it).

A well-formulated project objective:

- Is clear and concise;
- Provides a concrete description of the project's outcome;
- Is not a description of activities;
- Is developed in a participatory process by the FRs;
- Addresses the project's target groups and stakeholders and is accepted by them;
- Is realistic and achievable by the end of the SP.

The objective should be clear and leave no room for misinterpretation. Technical jargon and acronyms should be avoided. It should be easy to understand by external readers and non-experts in the themes tackled by the project. The project objective should fit within and be relevant to the Specific Objective under which the project has submitted.

7.4. Project result

A project result is the societal benefit of the project outputs. It measures the ultimate change that the partnership aims to accomplish in Programme area by the end of the project and



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relates to the challenges tackled. The project result is tied to the project objective and quantifies the degree to which the objective has been achieved during the project lifetime.

The result provides an answer to:

- Is anyone in better off?
- Has anything been improved?

The desired result must be measurable, in line with the SEAS project result indicator definitions. It must have a target value to be reached by the end of the project.

The project result is the impact of the development or upscaling of an output.

7.5. Indicators

Small Projects are required to contribute to the SEAS project indicators.

Required Small Project indicators include:

- **Programme Result Indicator** (values are defined on the Programme level)

RCR 03 – Small and medium-sized enterprises (SMEs) introducing product or process innovation, target value: 8

The number of SMEs that introduced product or process innovation due to the support provided. Product innovation is the market introduction of a new or significantly improved good or service with respect to its capabilities, user-friendliness, components or subsystems. Process innovation is the implementation of a new or significantly improved production process, distribution method, or supporting activity. Product or process innovations must be new to the enterprise supported, but they do not need to be new to the market. The innovations could have been originally developed by the supported enterprises or by other enterprises or organisations.

Evaluation activities will be carried out by LP and PP at the project closure in order to evaluate the achievement of project result and the contribution to the SEAS project indicator. The achievement of the project result will be evaluated based on the information provided in the FRs' final project report. Additionally, FRs supported by SEAS project will be obligated to



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participate in evaluation activities and provide the necessary information, completing the surveys or other data collection tools, in order to demonstrate the achievement of the project result.



8. Assessment and selection

The assessment and selection procedures are carried out jointly by the SEAS Lead Partner and Project Partner, under shared responsibility.

The project assessment and selection process aims to provide an objective selection process and offer the best and most suitable candidates for financing. The Small Project assessment and selection process shall be conducted in **three steps/phases**:

- 1. Administrative check**
- 2. Eligibility check and**
- 3. Content evaluation.**

The LP and PP shall appoint persons (assessors) to perform the administrative check of the FRs that have submitted applications. Assessors will check if the SPA form has been properly completed and if all the required documentation has been submitted.

- If the SPA is not submitted by the deadline, the application will automatically be rejected.
- If one of the FRs has submitted more than one SPA, only the first one will be assessed.

Assessors will conduct the administrative check of submitted material, and they will determine whether the application is complete, for each SPA, two administrative check outputs are possible:

- a) Documentation is complete and can continue the assessment process if assessor confirms the correct content of the material
- b) Documentation is invalid and the SP is rejected – if submitted documentation is not valid and/or adequately filled out within the given deadline.

Assessors will confirm the verification of the submitted material, and they will determine whether the application is eligible, according to the Checklist for eligibility criteria for each SPA, two eligibility check outputs are possible:

- a) All FRs are eligible and can continue to selection process if assessor confirms the eligibility.



- b) One or more FRs are ineligible, and the SP is rejected - if one or more eligibility criteria for one or more FRs are not fulfilled.

After positive eligibility check, each SPA shall be further subject to content evaluation (assessed for quality) against the criteria measuring the relevance and the feasibility of the small project.

SPAs are ineligible for approval if the total score of SPs is **less than 60 points**.

The deadline for the entire assessment process is 60 calendar days after respective cut-off date.

8.1. Steering and Selection Committee (SC)

The project's main decision-making body is the Steering and Selection Committee (SC). The SC is responsible for the selection of the granted SP proposals. The SC is composed of 4 members, 2 representatives from LP and 2 representatives from PP. Decisions of the SC are taken by voting only if quorum is met. Each of the four voting members has equal voting rights. For a decision to be valid, it must be unanimous. Each SC member shall have a designated alternate member, who shall assume the same rights and obligations when acting in place of member. All SC members and their designated alternates are required to sign a Declaration confirming the absence of any conflict of interest.

After every respective cut-off date and the assessment process is finished the LP will organise an SC meeting, however the postponement of the deadline is possible if the quality check of the assessment or the appointment of new assessors is necessary.

8.2. Resolution of Complaints

FRs are strongly encouraged to submit a request for clarification before submitting a formal complaint, as many issues may be resolved through the clarification process. Requests for clarification shall be submitted to the Lead Partner (HAMAG-BICRO) via official SEAS email seas@hamagbicro.hr. LP team will provide the necessary clarification in a timely manner.

If, after receiving the clarification, the FR is still not satisfied with the outcome, the FR has the right to file a complaint if their submitted SPA has been rejected due to administrative reasons, and after receiving notification of the results of the administrative verification.



Italy – Croatia



A formal complaint may be submitted after receiving the notification of the administrative verification. Complaints must be submitted to the LP (HAMAG-BICRO) **within 10 calendar days** of receiving the notification, via email to seas@hamagbicro.hr.

The complaint letter must clearly specify any errors or shortcomings during the administrative assessment of the SPA and provide references to relevant documents (*Guidelines for Applicants, Assessment Manual, or other Call-specific documents*) and the SPA in question.

The complaint must comply with the following minimum requirements:

- the name and address of the FR are indicated,
- the reference number of the SPA in question is stated,
- reasons for the complaint are clearly described,
- the complaint is signed by the legal representative of the FR.

If a complaint does not comply with the above stated requirements or includes an incomplete description of a case that does not allow LP to perform a thorough assessment of a complaint, the LP may request further information from the FR.

Complaint must be submitted in writing in English.

If an FR submits a complaint regarding the administrative verification, **the LP is required to make a decision and notify the FR**. The Project Partner is going to be consulted for all complaints related to SMEs located in the Project Partner country as to reach a joint decision.

Both LP and PP shall endorse and publish the award, as a result of the joint selection procedure, which constitutes the basis for the future grant contracts.

Formal complaints will be assessed by LP team members (HAMAG-BICRO), in cooperation with the assessors responsible for the administrative verification of the respective SPA and the Project Partner. The LP team members responsible for the assessment of complaints shall sign a Declaration confirming the absence of any conflict of interest.

SPA that meet the administrative criteria will proceed to the eligibility check. SPAs that meet the eligibility criteria will subsequently move on to the Content Evaluation phase.



Rank list of projects that successfully pass the Content Evaluation phase will then be submitted to the Steering and Selection Committee (SC), which is responsible for making the final decisions with respect to financing, based on the assessment results.

Please note that notifications regarding the completion of each assessment phase will be sent to Final Recipients (FRs) only if, upon completion of the relevant phase, it is determined that they have not met the required criteria and are therefore excluded from further assessment.

Following the SC's decision on project selection for funding, all FRs whose projects passed the Content Evaluation phase will be informed by the LP/PP as to whether their projects have been selected for funding, placed on the reserve list, or not selected due to insufficient funds available.

A list of projects proposed for funding will also be published on the SEAS platform.

8.3. Fulfilment of conditions and contracting

Once a SP Proposal is selected for funding, it may have to fulfil conditions for approval, set forth by the LP/PP, before a contract is offered. In such cases, this requires revisions of the SPA form, submitted by the FR, within a given deadline. This contracting phase ends upon confirmation by the LP/PP that all conditions for approval were fulfilled by the project.

It is important to note that costs incurred by the partnership in the contracting phase shall be covered by the lump sum for preparation costs. If foreseen in the SPA form, the lump sum is paid to projects that successfully sign the contract with the LP/PP. Consequentially, such costs shall not be claimed under project implementation.

If one or more FR withdraw from the partnership at any point of the fulfilment of conditions phase, the SP will be ineligible for funding. In this case, SP that is next on the Rank List of assessed applications should be recommended for funding.

When all conditions for approval are fulfilled, a contract between the LP and Croatian FR and the PP and Italian FR is concluded. The contract constitutes the legal framework for the implementation of the project. The contract must be signed (in written or with a qualified electronic signature) by the LP or PP and FRs.



The LP/PP has 45 working days for the entire precontracting procedure to set. Upon signature the LP shall send to the MA/JS copies of the contracts.

8.4. Implementation and monitoring

For SPs monitoring will be conducted in order to check the implementation of the project after any project period has ended. The project reporting periods will be defined by the FR and LP/PP at the precontracting phase called Fulfilment of Conditions, with reporting to be carried out every **four (4) months**. Only a selected number of projects per each call will be subject to on-the-spot checks (5-10 percentage of total contracted projects).

As a general rule, on-the-spot verifications must be performed by LP or PP on all FRs included in a SP. If a FR is selected for an on-the-spot check, an obligatory on-the-spot check is required. In case that the on-the-spot check is not done within the given deadline, the costs of the relevant project report can be excluded from reimbursement. Once the on-the-spot check is performed, the costs can be included in the finance report which is due after the performance of the check.

8.5. Modifications of operations

During the operation implementation period, some modifications may be necessary in relation to the specific details of the operation defined in the approved SPA. In all such cases, the FR must inform the LP/PP of the planned modification as soon as possible.

The operation can be modified only during its implementation period, and the modification should not affect the basic purpose of the operation, the grant award decision or be contrary to the equal treatment of FRs. Depending on the impact of the changes on the project, there are minor and major project changes.

Minor modifications are adjustments of the project, which do not have a significant impact on the project objectives and / or its implementation and require LP/PP approval. The request for minor project modification should be submitted to the LP or PP.

Major modifications are substantial deviations from the approved SPA. They are considered exceptional cases, which need the previous decision of the LP/PP, based on thorough justification.



FRs can only submit one modification in writing for the duration of the SP.

Modifications will be accepted only in duly justified cases. It is important to note that project modifications should not in any way put into question the basic purpose of a project and the SC decision on the selection of the project. A detailed explanation of the procedure and template for modifications will be given in the Implementation and Reporting Manual for the Final Recipients under SEAS project.

8.6. Communication requirements

Each FR is responsible to ensure that all information material distributed by the operation are properly labelled and contain all the necessary information about the Grant contribution to the SP according to the rules. Therefore, each FR must devote adequate time and resources to SP's communication in all phases of the implementation.

The FR are required to:

- ensure that those taking part in the SP have been informed of the contribution from the present Programme,
- provide clear notice to the effect that the SP being implemented has been selected under the present Programme,
- ensure a statement included in any document, attendance or other certificate about the effect that the Programme was financed by the EU,
- when communicating on all the matters related to the SP, the FR should use their normal stationery but should always use the logo of the Project, as well as the Interreg EU logo.

The FRs are obliged to:

- use both the Project logo and the Interreg logo with the Grant reference (as described in the visibility and communication guidelines for the Final Recipients under the SEAS project) and in the English language when using any of the communication tools and whenever communication and promoting project results as well as the results of the Programme;
- place at least one poster with information about the project (minimum size A3), including the financial support from the EU, at a location readily visible to the public such as the entrance area of a building.



- place a sticker or plaque on equipment purchased within the Small Project, where applicable, clearly indicating EU and Programme financial support.

Figure 3. Programme logo and SEAS Project logo

The FR shall be authorised to publish, in whatever form and on or by whatever medium, including the Internet, the following information:

- SEAS logo;
- Name of the LP/PP;
- Name of the Small Project and name of Final Recipients working on the Small Project;
- Description of the Small Project, including its aims, results, expected achievements, outputs, activities, etc;
- Total Small Project budget (in EUR);
- The amount of the Grant Contribution (in EUR);
- Duration of the Small Project (dd.mm.yyyy. – dd.mm.yyyy.);
- The location of the Small Project and the countries concerned;
- A reference to the SEAS Small Project website (for example, as a hyperlink on the SEAS logo);
- A reference to relevant Funds as described in visibility guidelines for the FR;
- Disclaimer, as described in visibility guidelines for the FR.



9. Reporting procedure

Project reporting is an essential project management task. Project reporting allows the necessary monitoring of the project regarding its implementation in line with the SPA and the Grant Contract. Both project reporting and project monitoring are the basis for the reimbursement of funds to the FRs. Reporting and monitoring take place at partner and project level.

All Small Projects will report on the implementation of project activities. Project Reports have to be prepared and submitted on the [SEAS platform](#). Therefore, FRs are obliged to report on their activities and expenditures (incurred and paid) for a given reporting period, according to the reporting schedule defined in the contract with LP/PP. Each FR reports on the progress made in the relevant reporting period compared to what was planned in the SPA.

The SPs will submit progress reports on a 4-month basis. The SP reports must be submitted online through the [SEAS platform](#).

The FR is responsible for submission of the SP Report **within 10 days from the end** of the relevant reporting period, with the exception of the **final report within 30 days**, accompanied by relevant supporting documents (e.g. invoices, proof of payments, contracts, etc.).

SPs will be paid after approved report (on 4-month basis) based on proven results and costs.

The submitted reports about SP implementation progress will be reviewed by the LP for the Croatian FRs and by the PP for the Italian FRs) LP and PP can request clarifications or additional information if needed and accept / approve the submitted report. After approval, LP will issue a certificate for the Croatian FRs, while PP will issue a certificate for the Italian FRs. The certificate serves as the basis for the payment to the FRs.

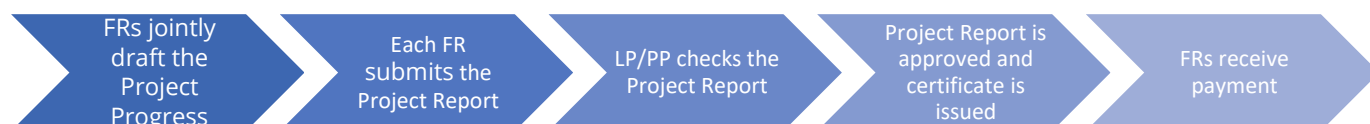


Figure 3: Process of reporting



Payment confirmations about each payment toward FRs will be issued by LP/PP. Following the approval of the Small Project Report, the FR shall receive a total amount of eligible costs due in full **within 80 days** from the date of submission of the Small Project Report/payment claim to the LP/PP, whereby any request of corrections or clarifications suspend this deadline. The co-financing rate per directly financed partner is up to 80% Grant contribution. **Payment will be in euros.** The remaining budget (min. 20%) is to be covered by private resources.

After payments and in case future requests are made by National Controllers or Auditors for corrections or clarifications to the LP/PP, the FRs shall support the respective LP/PP and make available the documentation required.

9.1. Advance payment

Small Projects cannot require advance payment of grants from the SEAS project.

9.2. Audit trail

Setting up and maintaining an adequate project audit trail is a basic requirement for the eligibility of the expenditure. The audit trail should provide (documented) evidence of the sequence of steps undertaken by the FRs when implementing their approved project. An adequate audit trail allows retracing any given step incurred during project implementation or any given control performed, at any time

The following documents must be available for control purposes as an audit trail:

- a) evidence of the implemented procurement procedure (e.g. announcement, selection, award) if applicable;
- b) for real costs claimed within the project, the invoices or documents of equivalent probative value and proof of their payment by beneficiary (e.g. a receipt, bank account statement), as well as accounting records of the beneficiary (e.g. extract from a reliable accounting system of the beneficiary);
- c) for costs taking the form of Simplified costs, documents evidencing costs declared under other categories of costs to which a flat rate applies;
- d) proof of existence (pictures, delivery note, etc.);
- e) proof of respect of Programme visibility rules;
- f) any other supporting document applicable to each cost category.



10. Financial guarantees

The FRs will have to **provide a financial guarantee** when contracting their SPs on the full amount of the requested grant for each FR. If a SP will be selected, FRs will be obliged to submit:

- for Croatian FR: **1 (one) blank promissory note** (*zadužnica*) of the FR and **1 (one) personal blank promissory note** (*zadužnica*) of the founder
- for Italian FR: **1 (one) bank or insurance guarantee** (fideiussione)

up to full amount of the FR's requested Grant Contribution.

The financial guarantees shall remain valid for six (6) months after the end date of the Small Project.

In case of a failure of the SP part of the respective FR during the time of project implementation due to e.g. becoming bankrupt or being wound up, having affairs administrated by the court, have been entering into an agreement with creditors, having suspended business activities, becoming the subject of proceedings concerning those matters, or being in any analogous situation arising from a similar procedure provided for in national legislation or regulations, the FR cannot receive funding and will not be supported further.

In such a case the remaining SP part of the remaining FR(s) should be implemented and all activities should be funded as eligible – or if a partner change is possible, the appropriate modifications should be implemented by approval of the LP/PP.



11. Annexes to GfA

1. Application Form
2. Grant Contract
3. State-aid declaration
4. Joint Statement

