

# **INTERREG V A Italy – Croatia CBC Programme**

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## **Factsheet n. 5 Project Selection**

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## 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 MC, with the support of the JS, on the basis of the methodology and criteria approved by the MC.

This document illustrates clearly and transparently 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. *Content related assessment – strategic criteria;*
  - ii. *Implementation related assessment – operational criteria;*
  - iii. *Specific criteria per SO.*
4. Assessment according to State Aid relevance.

Project applications shall be submitted via the SIU system, 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 requirements including the respect of formal and eligibility criteria.

In case the SIU systems undergoes any malfunctioning which prevents proper submission of the applications, the MA is formally delegated by the MC to postpone each call deadline of a number of days equal to the days of malfunctioning.

All regularly submitted project proposals, are duly and officially received by the MA through the Regional record system registration, for the subsequent assessment phase, which will be performed by the JS.

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

1. Admissibility check of applications, to be performed by JS; some checks are done automatically by the SIU system;

2. Eligibility check on the basis of eligibility criteria, to be carried out by the JS; some checks are done automatically by the SIU system;
3. Quality check on the basis of the whole set of quality assessment criteria, to be carried out by JS. Minimum quality thresholds will be applied both to the strategic and operational checks. Only those project proposals reaching the strategic criteria threshold will be subject to the operational assessment and only those proposals reaching the operational criteria threshold will be fully appraised;
4. State Aid check for projects recommended for funding, to be carried out by JS with the support of external experts.

The following paragraphs illustrate in detail each step of the assessment procedure. As annexes to this document the table of approved criteria are also made available to applicants together with some useful information on the Programme or on strategies/principles 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.

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

## **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 partially done automatically by the SIU system and partially carried out by the JS.

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 and accompanied by all relevant LP annexes.

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. 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”).

Applications that will not fulfil one or more 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 fulfil 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 LA (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 Regional record system registration.

Lead Applicants of inadmissible applications will be informed by MA.

### **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 be proceed to the eligibility check. This phase of the assessment is partially carried out by the JS.

In particular, the eligibility check is aimed at verifying the completeness and correctness of PP annexes as well as confirming that the proposal complies with requirements on: partnership, duration, budget, eligibility of partner organisations, secured co-financing, project focus and other call-specific criteria (if any).

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 PP and the general partnership requirements are still met by the proposal.

In case the content of the AF does not coincide with the content of the Annexes, information included in the SIU system shall prevail unless it is possible to 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. MA/JS might contact the Lead Applicant in case additional information is needed for clarifying nationality and status of the applicants. The JS may ask support to Croatian and Italian National Authorities for any evidence supporting the respect of these criteria.

All Lead Applicants shall be informed about the results of the eligibility check. List of eligible applications will be published on the web-site. LAs of ineligible applications will be informed by MA.

#### **D. QUALITY CHECK**

The third step of the assessment procedure is aimed at evaluating the quality of admitted and eligible proposals. This phase of the assessment is carried out by the JS and is based on 3 different groups of criteria:

1. Strategic criteria
2. Operational criteria
3. Specific criteria per SO

The goal of quality check is to provide the MC with an overall picture of all relevant information on each application in order to allow its approval or rejection.

Broadly, strategic criteria measure the relevance and strategy of the content of the project proposal, determining the extent of the project's contribution to the achievement of the Programme objectives. A strong focus is given to the result-oriented approach with clear demand for visible outputs and concrete results. Strategic criteria also assess the cross-border cooperation approach, the quality of partnership and Programme horizontal principles.

Operational criteria assess the viability of implementation of the project proposal, its value for money - in terms of used resources versus delivered results, and communication items.

Criteria per SO assess Programme guiding principles, cross-cutting issues and other specific topics.

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

- on a YES/NO basis (0 to 1);
- on a 0-1-2 basis;
- on a 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 Annex III – Quality assessment criteria.

Each score is described as follows:

<b>Score</b>	<b>Description</b>
<b>0</b>	Information missing (not filled in or not provided in the text).  Information provided but proves the inexistence of the requirements.
<b>1</b>	Information provided and consistent with the requirements.
<b>Score</b>	<b>Description</b>
<b>0</b>	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
<b>1</b>	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
<b>2</b>	Information provided in detail, clearness and coherence and information covers all the aspects that are being assessed
<b>Score</b>	<b>Description</b>
<b>0</b>	Information missing (not filled in or not provided in the text).  Information provided but proves the inexistence of the requirements
<b>1</b>	Information provided is adequate, however some weaknesses are identified or information provided only for up to a half of the aspects that are being assessed and other half is missing
<b>2</b>	Information provided is clear and coherent but details are partially missing or information provided for more than a half but not for all the aspects that are being assessed and other half is missing
<b>3</b>	Information provided in detail, clearness and coherence and information covers all the aspects that are being assessed

The maximum total score within the whole quality assessment are 120 points (100%), divided in criteria as highlighted in the table below.

<b>C.1 Strategic criteria</b>	<b>maximum score</b>	<b>% on strategic criteria</b>	<b>overall %</b>
C.1.1 Project context	15	23%	13%
C.1.2 Cooperation character	12	18%	10%
C.1.3 Project's contribution to Programme's objectives	22	34%	18%
C.1.4 Partnership	16	25%	13%
<b>Total score for strategic criteria</b>	<b>65</b>	<b>100%</b>	<b>54%</b>
<b>C.2 Operational criteria</b>	<b>maximum score</b>	<b>% on operational criteria</b>	<b>overall %</b>
C.2.1 Management	10	29%	8%
C.2.2 Communication	6	17%	5%
C.2.3 Work Plan	11	31%	9%
C.2.4 Budget	8	23%	7%
<b>Total score for operational criteria</b>	<b>35</b>	<b>100%</b>	<b>29%</b>
<b>C.3 Criteria per S.O.</b>	<b>maximum score</b>	<b>% on per SO criteria</b>	<b>overall %</b>
<b>OVERALL</b>	<b>20</b>	<b>100%</b>	<b>17%</b>
<b>TOTAL OVERALL</b>	<b>120</b>	<b>-</b>	<b>100%</b>

There are some minimum quality thresholds to be reached both to the strategic and operational checks of project proposals (respectively, 65% of the score of the strategic criteria section which is equal to 42/65 points, and 46% of the score of the operational criteria section which is equal to 16/35 points).

Only those project proposals reaching the strategic criteria threshold will be subject to the operational assessment, and only those proposals reaching the operational criteria threshold will be subject to the criteria per SO assessment and therefore fully appraised.

The minimum overall threshold to be reached in order to be proposed for financing is 78/120 points (65% of total score).

It shall be highlighted that for some sub-criteria “Standard” and “Standard+” proposals are scored differently, as illustrated in the table below:

C.1 Strategic criteria	“Standard”	“Standard+”	overall each criterion
<b>C.1.1 Project context</b>			
C.1.1.a	4	4	<b>15</b>
C.1.1.b	4	6	
C.1.1.c	4	2	
C.1.1.d	1	1	
C.1.1.e	1	1	
C.1.1.f	1	1	
<b>C.1.2 Cooperation character</b>			
C.1.2.a	6	6	<b>12</b>
C.1.2.b	2	4	
C.1.2.c	4	2	
<b>C.1.3 Project's contribution to Programme's objectives</b>			
C.1.3.a	6	6	<b>22</b>
C.1.3.b	2	2	
C.1.3.c	4	4	
C.1.3.d	4	4	
C.1.3.e	6	6	
<b>C.1.4 Partnership</b>			
C.1.4.a	4	4	<b>16</b>
C.1.4.b	4	4	
C.1.4.c	4	4	
C.1.4.d	4	4	
<b>Total score for strategic criteria</b>			<b>65</b>

C.2 Operational criteria	“Standard”	“Standard+”	overall each criterion
<b>C.2.1 Management</b>			
C.2.1.a	2	2	<b>10</b>
C.2.1.b	2	2	
C.2.1.c	2	2	
C.2.1.d	2	2	
C.2.1.e	2	2	
<b>C.2.2 Communication</b>			
C.2.2.a	2	2	<b>6</b>
C.2.2.b	1	1	

C.2.2.c	2	2	
C.2.2.d	1	1	
<b>C.2.3 Work Plan</b>			
C.2.3.a	6	6	<b>11</b>
C.2.3.b	1	1	
C.2.3.c	4	4	
<b>C.2.4 Budget</b>			
C.2.4.a	2	2	<b>8</b>
C.2.4.b	2	2	
C.2.4.c	2	2	
C.2.4.d	2	2	
<b>Total score for operational criteria</b>			<b>35</b>

C.3 Criteria per SO	“Standard”	“Standard+”	overall each criterion
<b>Total score for Specific Objective</b>	<b>20</b>	<b>20</b>	<b>20</b>
<b>TOTAL</b>			<b>120</b>

After the closure of the quality check each application shall get a final score. A distinct ranking list will be produced for each call, i.e. for each type of project and Priority Axis by the JS, handed to the MA for the acknowledgment of results. Each ranking list will be subdivided in:

- applications not reaching the minimum threshold for funding in any of the quality criteria and not recommended for selection;
- applications reaching the minimum threshold for funding but not in a ranking position useful for selection on the basis of the ERDF budget available for the specific call;
- applications reaching the minimum threshold for funding and in a useful ranking position, thus recommended 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<sup>1</sup>.

<sup>1</sup> Article 107 (1) "Save as otherwise provided in the Treaties, any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favoring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the internal market".

### State Aid Check

Public support given to an undertaking in the framework of the Interreg VA Italy-Croatia Programme is granted under the *de minimis* rule (Regulation (EU) No 1407/2013) by the Member State of Italy.

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 following the Quality check.

Responsibilities will be shared with Italian and Croatian National Authorities in the framework of the Monitoring Committee. Information concerning previous aid received under the *de minimis* rule is to be provided through LP and PP 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 AF 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 minimise/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 organised within the project).

Results of State Aid check shall be approved by the Monitoring Committee 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 MA/JS supported by the Programme bodies and authorities in both Member States (e.g. JS, MC, FLCB, 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.

State Aid check can be performed by external assessors coordinated by the JS.

## **E. 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 MA and the LA.

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 AF;
- b) The project assessment procedure did not followed what 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 MA (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.

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 MA on the MC decision the Lead Applicant can communicate to the MA duly justified observations to the reasons for exclusion. The MA, will present the complaint and the provided information for examination to a Complaint Committee composed by the MC and by representatives of the MA/JS. In the absence of valid observations, the MA will adopt the definitive act of exclusion on the basis of the final decision of the Complaint Committee.

c) **Quality assessment and State Aid assessment:** Lead Applicants will receive in writing the notification of the MA 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 MA communication, providing all the information useful for complaint examination. In this case, the MA will present the case for examination to the Complaint Committee (same as above). The MA 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 MA 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 complained 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.

## **F. WHERE TO FIND ASSISTANCE**

The Joint Secretariat (JS) is based in Venice, with two branch offices one in Zadar and one in Dubrovnik and can be contacted at any time by Lead Applicants for any queries related to project development.

Contact details of the JS are:

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