



# **EEA GRANTS – NGO PROGRAMME MALTA**

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## **GUIDELINES FOR APPLICANTS**

**SOS MALTA**

**April 2014**

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## 1. GENERAL INFORMATION ABOUT EEA FUND MECHANISM 2009-2014

### INTRODUCTION

The “NGO Fund” is a specific programme area within the EEA Financial Mechanism 2009-2014 which aims to contribute to the reduction of economic and social disparities in the European Economic Area (EEA) and to strengthen bilateral relations between EEA EFTA States (Iceland, Liechtenstein and Norway) and the beneficiary states. The programme has been earmarked to provide flexible and accessible funding to eligible NGOs, with the aim to foster an enabling environment for the sector, strengthen its capacity and enhance its contribution to social justice, democracy and sustainable development. NGO Fund in Malta is established with the Memorandum of Understanding between the Donor States and the Republic of Malta. The Fund Operator for the Programmes is Solidarity Overseas Malta (SOS Malta). During the programme Period 2013-2016 altogether, two open calls are organised for supporting projects of public benefit NGOs in the amount of €396,232.00. These guidelines regulate the terms and procedures for applying for grants from the NGO Programme Malta.

SOS Malta has been appointed Fund Operator for the NGO Programme Malta. SOS Malta is a registered Voluntary Organisation (VO/033). Its work is involved with local and international organizations in order to assist socially disadvantaged groups in improving their quality of life. SOS Malta is built on four pillars:

- Overseas Development
- Social Integration
- Research and Training
- Volunteering.

## 2. OBJECTIVES AND AREAS OF SUPPORT

The general objective establishing the NGO Programme Malta is:

***“To strengthen civil society development and enhanced contribution to social justice, democracy and sustainable development in Malta.”***

### **Core Areas of Support:**

The following core areas shall be supported by the programme:

- a) Strengthening civil society through the development and consolidation of NGO Networks and Platforms and the improvement of their advocacy and representation activities as well as efforts to strengthen democracy;
- b) Protection of the environment and climate change focusing on the specific needs of Malta;
- c) Tackling Human Rights and discrimination in society, in particular issues caused by migration (racism and xenophobia);
- d) Addressing Gender Equality;
- e) Tackling Social Inequality, Poverty and Exclusion, in particular for young people at risk, people living with disability and those suffering from Domestic Violence.

For the second call of year 2014, the annual priorities are the following. Through the above-mentioned core areas, the NGO Programme in Malta will be organised into 2 Priority Axes:

PRIORITY AXIS 1:

**A: OUTCOME 1: STRENGTHENING CIVIL SOCIETY THROUGH THE DEVELOPMENT AND CONSOLIDATION OF NGO NETWORKS AND PLATFORMS AND THE IMPROVEMENT OF THEIR ADVOCACY AND REPRESENTATION ACTIVITIES.**

- Calls under this Priority Axis will be open for existing networks / platforms as well as for the set up of new networks / platforms as long as there is no duplication of existing structures
- Funds are aimed at:
  - ☞ Providing institutional support to platforms and networks
  - ☞ Developing more effective advocacy and civil society responses to the issues affecting network / platform
- Priority will be given to proposals from networks/platforms working in one or more of the following areas:
  - ☞ Social
  - ☞ Environment
  - ☞ Migration
  - ☞ Gender Equality
  - ☞ Access to basic services in the Community

PRIORITY AXIS 2:

**B: OUTCOME 2: DEMOCRATIC VALUES, INCLUDING HUMAN RIGHTS, PROMOTED**

Thematic areas which may be tackled through project proposals submitted under this Outcome:

- ☞ Human rights and democratisation including hate-speech
- ☞ Youth with major focus on extra-curricular educational projects
- ☞ Poverty and social exclusion
- ☞ Gender equality
- ☞ Migration with major focus on minors and integration
- ☞ Elderly care with major focus on community support and informal carers
- ☞ Domestic violence
- ☞ Mental health with major focus on community support
- ☞ Disability with major focus on accessibility services
- ☞ Volunteering with major focus on community support
- ☞ Research project on one or more of the above-mentioned thematic areas

PRIORITY AXIS 2:

**C. OUTCOME 3 – INCREASED CONTRIBUTION TO SUSTAINABLE DEVELOPMENT ACHIEVED.**

**The main aim is the protection of the environment and climate change focusing on the specific needs of Malta.** Thematic areas which may be tackled through project proposals submitted under this Outcome:

- ☞ Bio-Diversity
- ☞ Water conservation
- ☞ Climate change

- ☞ Renewable energy
- ☞ Research project on one or more of the above-mentioned thematic areas

### 3. CROSS CUTTING ISSUES AND HORIZONTAL CONCERNS

The following cross cutting issues are a major concern in the EEA NGO Programme:

- ☞ Principles of Good Governance
- ☞ Sustainable Development
- ☞ Gender Equality

These cross cutting issues shall be applied in all implementation phases. These three issues must be reflected in the general approach and everyday operation of the organizations. Therefore no organization can be supported whose mode of operation contradicts the cross-cutting issues and only those organizations can be supported which incorporate and promote the realization of these principles in everyday practice as well. It must be demonstrated in the application how these are present in the project and the activity of the organization – as appropriate according to its type and nature. In the evaluation these concerns play an important role.

Projects should address the following horizontal concerns of the EEA/Norway Grants to the extent possible:

- ☞ Hate speech<sup>1</sup>
- ☞ Extremism and hate crime
- ☞ Racism and xenophobia<sup>2</sup>
- ☞ Homophobia<sup>3</sup>
- ☞ Tolerance and multicultural understanding
- ☞ Sexual harassment
- ☞ Violence against women
- ☞ Trafficking
- ☞ Roma<sup>4</sup>
- ☞ Anti-Semitism

### 4. EXPECTED PROGRAMME OUTCOMES

The EEA NGO Programme as a whole has a complete set of outcomes and associated indicators which it is expected to achieve through its various programmes. All projects funded by the EEA Fund Mechanism are expected to contribute to the achievement of the programme outcomes. The Malta NGO Programme specifically seeks to address outcomes 1, 2 and 3 (related to the two priority axes). As such all projects submitted must address a specific programme expected outcome:

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<sup>1</sup> **Hate Speech** is any speech, gesture or conduct, writing, or display which is forbidden because it may incite violence or prejudicial action against or by a protected individual or group, or because it disparages or intimidates a protected individual or group

<sup>2</sup> **Xenophobia** is an irrational or unreasoned fear of that which is perceived to be foreign or strange

<sup>3</sup> **Homophobia** covers a range of negative attitudes and feelings toward homosexuality

<sup>4</sup> **Roma**, or the **Romani** are an ethnic group found mainly in Europe. They are a nomadic people that originally came from the Indian subcontinent. They migrated northwest into Europe via the Middle East. Today there are populations of Romanis found all over Europe, although the largest populations are in Eastern Europe.

EEA Programme Expected Outcomes	Standard Programme Outcome Indicators	Related Priority Axis of the NGO Malta Programme
1. Developed Networks and Coalitions of NGOs working in Partnership	1.1 Trainings on coalition building provided, involving small/grassroots NGOs and local <b>NGOs</b> 1.2 Coalitions and networks of human rights NGOs, including environment protection, developed/sustainability increased	1
2. Democratic Values and Human Rights Promoted	2.1 Number of awareness raising campaigns on human rights implemented including anti-Semitism, xenophobia, hate-speech, gender-related issues, migration issues and combating domestic violence. 2.2 NGO/Media partnerships built in social and human rights areas. 2.3 Cross-border cooperation contributing to building democracy and protecting human rights	2
3. Increased contribution to sustainable development	3.1 Changed thinking, through methodologies and processes, which demonstrate different ways of engaging people in responses to the needs in their communities. 3.2 Mitigation and adaption of climate change with particular focus on water issues in line with Malta's national policies on water and energy 3.3 Projects tackling renewable energy in line with Malta's national polices on water and energy.	2

## 5. ELIGIBLE APPLICANTS

The call for applications is aimed at Non-Governmental Organisations established and registered in Malta meeting the following criteria:

- Non-profit, being organisations that have not been created nor operate to generate personal profit. Although they may have paid staff and may engage in revenue-generated activities they do not distribute profits to their members, nor to their board. Where revenue-generating activities are

undertaken, these should not represent the purpose of the NGO but solely a means to support its missions and values;

- Have members who do not have any direct commercial interests in the outcome of the work of the organisation or of its commercial activities and should not pursue the commercial or professional interests of their members. The requirement therefore excludes trade and professional associations, where the aims and purposes of the associations are to further the specific interests of its members only.
- Are voluntary in nature, formed voluntarily by groups or individuals and usually involving an element of voluntary participation in the organisation;
- Act in the public arena and for the public good on concerns and issues related to the well-being of people, groups or society as a whole
- Have some degree of formal or institutional existence, unlike informal or ad-hoc groups, involving formal statutes or other governing documents defining their mission, objective and scope;
- Are membership-based, with transparent structures and an elected chair/board, and are accountable to their members and donors;
- Are independent of local, regional and national government and other public authorities; Are independent of political parties and commercial organisations.

**All applicants must be registered or in the process of registering with the Voluntary Organisations Office.<sup>5</sup>**

Political parties, religious institutions<sup>6</sup>, social partners or profit-distributing cooperatives are not considered NGOs. Social enterprises, foundations, faith-based organizations and the national Red Cross societies are considered eligible NGOs as long as they fulfil the above principles.

## 6. PROJECT PARTNERSHIP

The NGO Fund promotes the formation of partnerships to enhance project applications. Partners shall have as their aim, the will to contribute to the outcome/s of the project, whose participation in the project is needed for reaching aims of the project and which is actively involved in the preparation, implementation and evaluation phases of the project.

Partners<sup>7</sup> in projects may include public or private entities, commercial or non-commercial, as well as non-governmental organisations, all of whose primary locations are:

- Malta or any other beneficiary states of EEA Grants<sup>8</sup>;
- Donor States Norway, Iceland or Liechtenstein;

Project partnership shall conform to national legislation on public procurement and state aid.

Some examples may include:

- think-tanks and academic institutions where they will contribute expertise to a project, particularly where a project is innovative in nature and where research into the outcomes/results of a project would be valuable for wider learning, dissemination and replication.

<sup>5</sup> Details: <http://www.maltacvs.org/>

<sup>6</sup> Religious institutions do not include faith-based organizations as described below, which are eligible.

<sup>7</sup> Meaning **not** the Lead Partner but the Co-Partner/s

<sup>8</sup> Beneficiary states of EEA Grants: Bulgaria, Czech Republic, Cyprus, Estonia, Greece, Hungary, Latvia, Lithuania, Poland, Portugal, Romania, Slovakia, Slovenia, Spain

- Statutory bodies and agencies, (local governments, national government agencies etc), in building cross-sectoral partnerships;
- Local informal, ad-hoc and self-help organisations (if not for personal profit, act for the public good, are voluntary and non-discriminatory in nature, are membership-based and entirely independent of local, regional and national government and other public authorities and are independent of political parties, and commercial organisations.

Project partnerships shall be established through partnership agreements with the partners and will be written in English in the case of partnerships involving an entity from the donor states. Partnership agreement templates shall be proposed by the Fund Operator and shall reflect the need for proportionality.

## 7. DEVELOPMENT OF BILATERAL RELATIONS

Bilateral Relations between Beneficiary States and Donor States shall be encouraged through the NGO Programme Malta in order to facilitate dialogues and cooperation on various thematic areas in line with the overall objective of the EEA Financial Mechanism.

Bilateral Cooperation shall include outreach, networking and exchange of knowledge and/or be reflected in the development and establishment of cooperation at project level both within partnership projects and on a more *ad-hoc* basis by projects without a formal partnership agreement through exchange activities.

SOS Malta will facilitate cooperation by:

- Encouraging bilateral relations that can actively contribute to the expected objective and outcomes of the NGO Programme;
- Encouraging cooperation that is mutually beneficial and based on common interests;
- Making use of Donor State information tools and channels available to facilitate bilateral cooperation. In the case of Norway, the Norwegian Helsinki Committee shall act as facilitator in building bilateral contacts, including through the website [www.ngonorway.org](http://www.ngonorway.org)

Relevant costs are to be included in the proposed budget.

## 8. ELIGIBLE ACTIVITIES

The NGO Programme shall aim to strengthen the sector, and its contribution to key challenges. In this respect, the following activities are suggested for support under **all the NGO Programme outcomes**:

- Fostering active citizenship and participatory democracy, including grassroots/local level
- Advocacy, watchdog and monitoring activities
- Awareness-raising activities
- Multicultural dialogue activities
- Participation in policy and decision-making processes
- Capacity-building and organizational support to NGOs
- Strengthening governance in membership-based NGOs
- Network and coalition building



- Mutual learning and dissemination
- Education and training activities
- Cultural initiatives to promote key areas of support as mentioned above
- Provision of welfare and basic services.

## 9. DURATION AND LOCATION OF PROJECTS

The duration of the projects submitted under Call 2 shall be **not less than 12 months and not more than 18 months of operation.**

The duration shall be counted from the date of signing of the project contract with the Fund Operator.

## 10. VISIBILITY

The project promoters must communicate the achievements of their project and must acknowledge the support received from the EEA Grants to the relevant audiences at national, regional and/or local levels thus the following steps should preferably be followed:

- ☞ Develop a publicity plan as part of the project application that details the aims of the communication activities, target groups, methods and timescales.
- ☞ Carry out three information activities, such as an event or a press conference, on progress achievements and results (one of these should be a launch or closing activity for the project).
- ☞ Make information about the project available on a dedicated website or a webpage on an existing website in both the national language(s) and in English.
- ☞ Where applicable, put up a billboard at the site of the project, which will be replaced with a commemorative plaque upon completion.

The following logos shall be presented on all printed matters giving credit to funding authorities. High Resolution versions will be sent to all beneficiaries:



## 11. FINANCIAL PARAMETERS

The total available funds for the second call to be distributed in terms of grants are **€277,724.75**. The provisional budgetary breakdown is as follows:

- ☞ **Priority Axis 1-** Strengthening of civil society platforms and networks in Malta for the effective representations of civil society organizations at local and national level: **€154,336.12**
- ☞ **Priority Axis 2 –** Thematic calls for proposals covering focused thematic areas:
  - Democratic Values, including Human Rights, promoted **€83,765.63**
  - Increased contribution to sustainable development achieved **€39,623.00**

If there are no proposals scoring 50% or more under a given priority axis, the Selection Committee may decide to reallocate the remaining funds to support projects receiving the highest scores under another priority axis.

Project Proposals targeting children and youth will be given priority during the evaluation and selection process.

Total project cost (i.e. 100%) will be composed of 90% EEA Funding and 10 % Co-Financing. The co-financing element can be covered by the contribution of voluntary work (up to a maximum of 50% of the co-financing element) (details are explained further under Clause no. 13.5).

**SIZE OF GRANTS\*\* SPECIFIED PER OUTCOME:**

OUTCOME 1	OUTCOME 2	OUTCOME 3
<ul style="list-style-type: none"> <li>• Minimum Grant per Proposal €20,000</li> <li>• Maximum Grant per Proposal €50,000</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum Grant per Proposal €10,000</li> <li>• Maximum Grant per Proposal €25,000</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum Grant per Proposal €10,000</li> <li>• Maximum Grant per Proposal €19,925</li> </ul>

**(\*\* Grant is referring to the 90% of the project budget)**

**12. SOURCE OF FUNDING**

The Project being proposed for funding shall not be funded from other sources, both on national and international level, other than these EEA Grants. Double-funding of activities are not permissible. Thus, proposals must be referred to the State Aid Monitoring Board to ensure no state aid is granted for activities proposed. A declaration from the SAMB confirming partial funding or no funding at all shall be enclosed with the project application.

Contact Details of Dr. Yana Haber – State Aid Monitoring Board Office (SAMB)

**Dr. Yana Haber**  
**Executive Secretary**  
**State Aid Monitoring Board**  
 Tel: (356) 21 252 757  
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Nevertheless financial backing offered to the applicant by another entity, disassociated with the project as well as not specifically directly towards the implementation of the project, is permissible.

If the applicant is found liable for seeking or receiving double-funding for project/activities proposed, agreement between applicant and Fund Operator will be automatically terminated and any grants forwarded by the latter to the applicant will have to be redeemed in full by the beneficiary.

## 13. PAYMENTS TO PROJECTS

A separate current bank account<sup>9</sup> will have to be opened with any local bank of the choice of the applicant in order for the Fund Operator to transmit the advance, interim and final payments throughout the implementation of the Project.

The use of a separate bank account specifically used for the Project ensures full accountability and transparency by the beneficiary.

### FINANCIAL FLOW CHART:

- ☞ Advance payment covering up to two reporting periods will be transmitted after award of project, signing of agreement and opening of bank account.
- ☞ Financial and technical reporting by applicant shall be submitted to Fund Operator on a quarterly basis (i.e. every 3 months). Interim payments shall be paid after approval of the interim report unless money transferred in previous periods is greater than actual costs incurred up to relevant reporting periods.
- ☞ Interim Payments will be composed of variance between actual costs incurred less monies transferred before (point 2 above refers) plus projected expenditure for the following quarter / reporting period.
- ☞ Final balance of 10% shall be paid after approval of final report.

Example: A 12-month project with time-frame January 20XX – December 20XX:

### Proposed Payment and Reporting Schedule

Quarter / Month **	Reporting Period (where applicable)	Task	Responsible Party	Remarks	Total Proposed Disbursement / Financing	90% EEA Funding	Regrant -ing Amount
					€	€	€
January 2014 - March 2014	RP 1				Y	90% of Y = Z	
April 2014 - June 2014	RP 2				R	90% of R - S	
December 2013 ***	RP 1	Pre-Financing	Fund Operator			Z + S = T	T
15th April 2014	RP 2	Report No. 1	Beneficiary	Report No. 1 covering actual costs incurred during period January 2013 - March 2014			
15th May 2014	RP 2	Interim Payment 1	Fund Operator	Interim Payment 1 covering 90% of estimated costs for period July 2013 - September 2013	D	90% of D = E	E

<sup>9</sup> If a savings account is opened, interest earned shall be declared and deducted accordingly from the final tranche of the grant.

15th July 2014	RP 3	Report No. 2	Beneficiary	Report No. 2 covering actual costs incurred during period April 2013 - June 2014			
18th August 2014	RP 3	Interim Payment 2	Fund Operator	Interim Payment 2 covering 90% of estimated costs for period October 2014 - December 2014 less unspent funds from Pre-Financing			To be calculated upon submission of actual costs
15th October 2014	RP 4	Report No. 3	Beneficiary	Report No. 3 covering actual costs incurred during period July 2014 - September 2014			
17th November 2014	RP 4	Interim Payment 3	Fund Operator	Interim Payment 3 covering 90% of estimated costs for period January 2015 - March 2015 less: (a) unspent funds from (Pre-Financing + Interim Payment 1) and less (b) 10% of the 90% estimated costs for period January 2015 - March 2015			To be calculated upon submission of actual costs
15th January 2015	RP 5	Report No. 4	Beneficiary	Report No. 4 covering actual costs incurred during period October 2014 - December 2014			
15th April 2015	N/A	Report No. 5 / FINAL REPORT	Beneficiary	Report No. 5 covering actual costs incurred during period January 2015 - March 2015			
June 2015	N/A	FINAL PAYMENT	Fund Operator	Final payment covering 90% of total actual costs incurred less all payment effected to NGO ****			

\*\* *Specific dates represent working days*

\*\*\* *Date of transferring pre-financing amount to Beneficiary depends by when re-granting funds reach SOS MALTA*

\*\*\*\* *Being the balancing figure based on 90% of the total costs incurred and paid for the implementation of the Project not exceeding applicable maximum threshold of relevant EEA Grant*

The above principle takes into account the NGO's specificity: no personal financial resources and projects-based functioning, i.e. projects are implemented and functioning through the grant itself rather than absorbing the general resources of the beneficiary.

## **14. ELIGIBLE EXPENDITURE**

Eligible Expenditure refers to the expenditure incurred by the beneficiary when implementing the actions of the projects and that can be charged to the project. Expenditure cannot be considered eligible under a project if it has not been approved by the Fund Operator.

Expenditure shall be eligible only if it falls within the time-frame of the Project and descriptions of eligible costs outlined below. Eligible expenditure shall result in payments justified by receipted invoices and other accounting documents of equivalent value.

The EEA Grants financial contribution may not exceed 90% of the total eligible costs of the action. The Applicant must submit budget estimates (budget forecast) in Euro using the standard budget form that forms part of the set of documents of the Call for Proposals.

### **14.1 General Principles on the eligibility of costs in projects:**

1. Eligible expenditures of projects are those actually incurred by the project promoter or the project partner, which meet the following criteria:
  - a. They are incurred between the first and the final dates of eligibility of a project as specified in the project contract;
  - b. They are connected with the subject of the project contract and they are indicated in the estimated overall budget of the project;
  - c. They are proportionate and necessary for the implementation of the projects;
  - d. They must be used for the sole purpose of achieving the objective(s) of the project and its expected outcome(s), in a manner consistent with the principles of economy, efficiency and effectiveness;
  - e. They are identifiable and verifiable, in particular through being recorded in the accounting records of the project promoter and determined according to the applicable accounting standards and generally accepted accounting principles; and#
  - f. They are incurred by a project promoter or a project partner duly authorised to operate by the appropriate authorities in Malta.
2. Expenditures are considered to have been incurred when the cost has been invoiced, paid and the subject matter delivered (in case of goods) or performed (in case of services and works). Exceptionally, costs in respect of which an invoice has been issued in the final three months of eligibility are as deemed to be incurred within the dates of eligibility. Overheads and depreciation of equipment are considered to have been incurred when they are recorded on the accounts of the project promoter.
3. The project promoter's internal accounting and auditing procedure must permit direct reconciliation of the expenditures and revenue declared in respect to the project with the corresponding accounting statements and supporting documents.

#### 14.1 Direct Expenditures:

☞ The eligible direct expenditure for a project are those expenditures which are identified by the project promoter or the project partner, in accordance with their accounting principles and usual internal rules, as specific expenditures directly linked to the implementation of the project and which can therefore be booked to it directly. In particular, the following direct expenditures may be eligible:

- a. The cost of staff assigned to the project, comprising actual salaries plus social security charges and other statutory costs included in the remuneration, provided that this corresponds to the project promoter's and project partner's usual policy on remuneration.

Internal Staff costs are to be calculated on the basis of the following formula:

☞ **Eligible staff costs = hourly rate X number of hours worked on the project**

❖ Hourly Rate = Annual Salary / Total number of hours worked in a year

- Annual Salary = annual gross salary pre-tax + employer's share of national insurance + statutory bonuses

❖ Overtime and any additional allowances will not be considered eligible

Total number of hours worked in a year = [(52 weeks per year X number of working hours in a week<sup>10</sup>) – (hours of: vacation leave<sup>11</sup> + (public/national holidays not falling either on Saturday or Sunday for the year X normal working hours p/day))]

❖ Multiplication of hourly rate by the actual number of hours worked each day<sup>12</sup> on the Project = Eligible Staff Costs to be claimed

☞ Claim for Staff Costs must include the following documentation:

- ❖ Letter of Assignment
- ❖ Detailed time-sheet including tasks carried out related to project implementation
- ❖ Staff cost calculator based on above equation/s
- ❖ Payslip/s in connection with period of claim to confirm workings as well as a proof of payment by the employer/applicant to the employee

- b. Travel and subsistence allowances for staff taking part in the project, provided that they are in line with the project promoter's and the project partner's usual practices on travel costs are within the scales set by the Fund Operator:

☞ Travel Costs:

Only the amount equivalent to economy tickets may be claimed, hence travelling which occurred in business class is requested to be backed by a quotation for an economy ticket for reimbursement purposes

☞ Subsistence Allowance:

<sup>10</sup> Being pro-rata to employment of staff in question; i.e. if an individual is employed on a 20-hour basis per week thus number of working hours per week shall read 20 in above equation

<sup>11</sup> Being pro-rata to employment of staff in question; i.e. if an individual is employed on a 20-hour basis per week thus vacation leave shall read 50% of total vacation leave application for full-time basis

<sup>12</sup> Being actual hours worked per day

This consists of a fixed subsistence allowance based on number of nights abroad. Per Diem rates shall be in line with the rates stipulated by the European Commission applicable for the period in question.<sup>13</sup>

- c. Depreciation of new and second-hand equipment provided that it is depreciated in accordance with generally accepted accounting principles applicable to the project promoter and generally accepted for terms of the same kind. Only the portion of the depreciation corresponding to the duration of the project and the rate of actual use for the purposes of the project may be taken into account by the Fund Operator:

- ☞ New Equipment – such equipment shall be deemed eligible if:
  - ❖ it is directly essential for the implementation of the action and
  - ❖ purchased and paid by the applicant within the first three months of the project time-frame
  - ❖ An inventory list must be kept and available for analysis for the Fund Operator.
- ☞ Depreciation shall be calculated using the Straight Line method i.e.:
  - ❖ Step 1: Deduct VAT from full cost of equipment assuming VAT is not an eligible item of expenditure (Cost x 18/118 = VAT element)
  - ❖ Step 2: Net Cost divided by the depreciation number of months over which equipment is to be depreciated
  - ❖ Step 3: Calculate the depreciation for the reporting period in question and produce claim accordingly supported by above calculations
  - ❖ Only the portion of the depreciation corresponding to the duration of the project and the rate of actual use for the purposes of the project may be taken into account
  - ❖ Depreciation of equipment is considered to have been incurred when they are recorded on the accounts of the Project Promoter.

The below table shall provide a guide for the depreciation number of months per equipment:

<b>ASSET USED IN PRODUCTION</b>	<b>DEPRECIATION (years)</b>
Air-conditioners	6
Catering Equipment	6
Communication and Broadcasting Equipment	6
Computer software	4
Computers and Electronic Equipment	4
Furniture, Fixtures, Fittings and Soft Furnishings	10
Lifts and Escalators	10
Medical Equipment	6
Motor Vehicles	5
Other machinery	5
Other plant	10

<sup>13</sup>EC Per Diem Rates -

[http://ec.europa.eu/europeaid/work/procedures/implementation/per\\_diems/documents/update\\_december\\_2012.pdf](http://ec.europa.eu/europeaid/work/procedures/implementation/per_diems/documents/update_december_2012.pdf)

- d. Costs of consumables and supplies, provided that they are identifiable and assigned to the project
- e. Costs related to reconstruction, renovation, or refurbishment of a real estate shall not exceed 50% of the eligible direct costs of the project
- f. Costs entailed by other contracts awarded by a project promoter for the purposes of carrying out specific tasks of the project, provided that the awarding complies with the applicable rules on public procurement to ensure principles of transparency, competition and good governance. This may consist of website design, event organization, etc...

External expertise shall be paid on the basis of definite contracts and are to be contracted solely for the project. The commissioning of such task/s shall be supported by a service agreement between the applicant and external expert outlining rules and responsibilities of external expert as well as payment terms by the applicant.

- g. Costs arising directly from requirements imposed by the project contract for each project (e.g. dissemination of information, specific evaluation of the action, audits, translations, reproduction), including the costs of any financial services (especially the costs of financial guarantees)

Costs related to promotion and visibility of project

### **14.3 INDIRECT COSTS:**

Indirect costs of the projects may:

- ☞ Represent up to 7% of the total direct eligible costs of the Project excluding direct eligible costs for subcontracting and the costs of resources made available by third parties which are not used on the premises of the NGO.

- Example:

▪ Staff Costs	€ A
▪ Travel & Subsistence Allowance	€ B
▪ Equipment	€ C
▪ Real Estate	€ D
▪ Consumables, Supplies & General Services	€ E
▪ Subcontracting	€ F
▪ Costs deriving directly from EEA requirements	€ G
▪ Exert Fees	€ H
▪ Specific expenses in relation to Target Groups	€ I
▪ TOTAL DIRECT ELIGIBLE COSTS	(sum of €A TO €I) = € J
▪ Indirect Costs @ 7% Max.:	
✓ € J - € F – Any contribution from third parties <sup>14</sup> = € K	
✓ € K x 7% - € L being the indirect costs to be claimed under Project	

OR

- ☞ Be based on actual indirect costs – this option is advisable to those project promoters and project partners that have an analytical accounting system making it available to identify

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<sup>14</sup> Contribution from Third Parties refers to any financial support, either in terms of actual cash transaction or use of any in-kind services/goods, provided by third parties who are not co-partners in the Project.



respective indirect costs incurred in direct relationship with the eligible direct costs attributed to the Project.

#### **14.4 EXCLUDED COSTS**

The following costs shall not be considered eligible:

- a) Interest on debt, debt service charges and late payment charges;
- b) Charges for financial transactions and other purely financial costs, except costs related to accounts required by the FMO or the Fund Operator;
- c) Costs related to purchase of land and real estate;
- d) Provisions for losses or potential future liabilities;
- e) Exchange losses;
- f) Recoverable VAT;
- g) Costs that are covered by other sources;
- h) Fines, penalties and costs of litigation; and excessive or reckless expenditure.

#### **14.5 Co-Financing:**

Co-financing, which can be a contribution of the project promoter, partner or other funder, should cover at least 10% of the project's total eligible costs. Co-financing can be in-cash or in-kind contribution. If there are other funders to the project, the project promoter has to submit a guarantee letter verifying the support received to the project from the third party.

Co-financing to the project should be recognizable. Activities and costs undertaken as part of other projects or budgets of the promoter are not acceptable as co-financing for projects funded by this NGO Programme.

Voluntary work may partially contribute towards the coverage of the 10% co-financing. Voluntary work may constitute up to 50% of required co-financing. For the calculation of the in-kind contribution, the price for each hour of voluntary work shall be in accordance with salary normally paid for such work in Malta, including the required social security contributions, based on the country's national minimum wage for year when work is actually being carried out and shall be calculated according to officially available statistics. The national minimum wage for year 2014 for ages 18 and over reads €165.68 basic per week for a full-time job excluding government bonuses and the employer's share of social security contributions. It can be converted to €4.14 basic per hour calculated on a 40-hour week salary.

The project leader should keep a record of working hours of volunteers, with names of volunteers, their tasks and working hours. Clearly workings shall be made available.

Additional hours contributed by otherwise paid staff of the project, cannot be reported as voluntary work.

Overheads cannot be covered as part of co-financing.

Existing premises/facilities are not considered as in-kind contributions.

#### **14.6 PROCUREMENT REGULATIONS:**

While NGOs are not bound to the public procurement procedures of the Republic of Malta, operating within the spirit of the public procurement regulations is advisable in order to transmit transparent and faire procurement processes.<sup>15</sup>

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<sup>15</sup>'SUBSIDIARY LEGISLATION 174.04 - PUBLIC PROCUREMENT REGULATIONS' - <http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=9532&l=1>

## 15. APPLICATION PROCESS

An applicant can submit an application under different priority axes. However, only one application per applicant is permissible under each priority axis. Applicants are allowed to be a partner in one single further application during a particular funding period.

Current beneficiaries are permitted to submit a new application under the second call for proposals, as long as there is no duplication of activities and costs of the current approved projects.

An application must be filled in the form provided by the Programme Operator. The application shall be in English. The following attachments are to be annexed to the application:

<ul style="list-style-type: none"> <li>One (1) original application <b>bound and signed</b> (in blue) and stamped (including supporting documentation) <b>[obligatory]</b></li> </ul>
<ul style="list-style-type: none"> <li>Three (3) further bound copies of applications, signed and initialized on each page by a legal representative<sup>16</sup> (including supporting documentation) <b>[obligatory]</b></li> </ul>
<ul style="list-style-type: none"> <li>One (1) soft copy (on CD - in both Word and PDF format) of the Application Form (including a scanned copy of any supporting documentation) <b>[obligatory]</b></li> </ul>
<ul style="list-style-type: none"> <li>Proof of Co-Financial Capacity– Joint declaration signed by executive/head and treasurer/financial controller <b>[obligatory also by Co-Partners in case of Partnership]</b></li> </ul>
<ul style="list-style-type: none"> <li>Proof of Co-Financial Capacity– this must be a note from the organization’s auditor/bank stating that the organization/lead partner/co-partner are able to meet the co-financing obligations and cover any ineligible costs <b>[obligatory also by Co-Partners in case of Partnership]</b></li> </ul>
<ul style="list-style-type: none"> <li>Audited accounts/Financial Statements of the last 2 financial years<sup>17</sup> <b>[obligatory also by Co-Partners in case of Partnership]</b></li> </ul>
<ul style="list-style-type: none"> <li>Financial Analysis of Sustainability of the Project.<sup>18</sup> (obligatory)</li> </ul>
<ul style="list-style-type: none"> <li>Copy of the statute of the organization <b>[obligatory also by Co-Partners in case of Partnerships]</b></li> </ul>
<ul style="list-style-type: none"> <li>In the case of new platforms/networks, a draft statute of the platform/network should be submitted (where available).</li> </ul>
<ul style="list-style-type: none"> <li>Financial Identification Form</li> </ul>
<ul style="list-style-type: none"> <li>Copy of Voluntary Organization Certificate<sup>19</sup> <b>[obligatory also for partner organizations]</b></li> </ul>
<ul style="list-style-type: none"> <li>Declaration by Partner Organization / s <b>[obligatory in case of Partnership]</b></li> </ul>
<ul style="list-style-type: none"> <li>Partnership Agreement [where partnership is already set up]</li> </ul>
<ul style="list-style-type: none"> <li>Detailed Budget Breakdown</li> </ul>

<sup>16</sup> Signatory should be the same as stated in Section 16

<sup>17</sup> In cases where the organization has been set up for only one year, the audited accounts of the year would suffice. In the case of a newly established NGO, a declaration from the bank, confirming sufficient funds covering own co-financing.

<sup>18</sup> Further explained in the application form

<sup>19</sup> In the case of a newly established NGO, a copy of the receipt of enrolment would suffice. As soon as the certificate is received, a copy must be submitted.

<ul style="list-style-type: none"> <li>CVs of Staff Contribution to Project Proposed where staff are already engaged within the organization [<b>obligatory also for Co-Partners in case of Partnership and where the latter will provide human resources</b>]</li> </ul>
<ul style="list-style-type: none"> <li>Project Organizational Framework / Organigram</li> </ul>
<ul style="list-style-type: none"> <li>Site plans of area of intervention, including technical designs, maps, diagrams and drawings, in case of physical works (where applicable)</li> </ul>
<ul style="list-style-type: none"> <li>Copy of official correspondence with MEPA<sup>20</sup> (where applicable)</li> </ul>
<ul style="list-style-type: none"> <li>Copy of official correspondence with SAMB<sup>21</sup> (<b>obligatory</b>)</li> </ul>

Applications are to be submitted in one copy electronically and in paper (x1 original and x3 copies of original application). Electronically submitted applications have to be signed and scanned by authorised persons and these should be sent on [eeamalta@sosmalta.org](mailto:eeamalta@sosmalta.org).

Four copies of the applications in paper must be submitted by hand-delivery to the address of SOS Malta: 10, Triq il-Ward, Santa Venera, SVR 1640, Malta.

All the applications have to be submitted by **30<sup>th</sup> May 2014 by noon**.

## 16. CONFLICT OF INTEREST

A conflict of interest situation is deemed to be present when a person involved in the selection process (e.g. independent experts, members of Selection Committees, staff involved in review compliance with administrative and eligibility criteria) has direct or indirect interests that are or appear to be incompatible with the impartial and/or objective exercise of the functions related to the selection process. Such interests may be related to economic interests, political or national affinities, family or emotional ties, other shared interests with the applicant or its partner, or any other interests liable to influence the impartial and objective performance of the person involved in the selection of projects.

SOS Malta shall take every reasonable measure to prevent a conflict of interest situation from occurring in the selection process. If such a situation arises, SOS Malta must take all the necessary measures to prevent such a situation affecting the integrity of the selection process.

## 17. EVALUATION AND SELECTION PROCEDURE

All submitted applications are reviewed for compliance with administrative and eligibility criteria.

Administrative and eligibility compliance check will be made by administrative staff of SOS Malta. This includes, including eligibility of the applicant, application and planned costs; required co-financing for the project. If an application does not include all required information nor has a miscalculation in budget, the applicant shall be given three (3) days for completing the proposal.

If an applicant, activities or costs planned for the project do not fall under the eligibility criteria, or applicant fails to provide missing information in a given time, the application will be subject to rejection. Rejected

<sup>20</sup> Malta Environment and Planning Authority

<sup>21</sup> The Project Promoter should ideally include the State Aid Monitoring Board (SAMB) position with the application. In any case, the Project Promoter must submit the state aid position within four (4) weeks from the closing date of the submission of this form.

applicants will be informed and they have the right to appeal that decision within three (3) days of being notified about the rejection. An appeal should be reasoned. Appeals are reviewed by the Board of SOS Malta.

Projects which are in compliance with administrative and eligibility criteria are subject to quality assessment, which is undertaken by independent experts (each application is review by two experts).

SOS Malta, as Fund Operator, shall appoint external experts, who are impartial and independent of the Fund Operator itself, its partners, of the applicants, and their partners, to score projects according to the selection criteria. The experts shall justify in writing the scores for each criterion they evaluate. For the purposes of ranking the projects, the average of the scores awarded by the experts shall be used.

If the difference between the scores given by the two experts is more than 30% of the higher score, a third expert shall be commissioned by the Fund Operator to score the project independently. In such cases the average score of the two closest scores shall be used for the ranking of the projects.

Following the scoring given by the external evaluators, the Selection Committee shall review the ranked list of projects. It may modify the ranking of the projects in justified cases. The Selection Committee will consist of three or more persons possessing the relevant sector expertise and experience on/with working with civil society. Such experts shall have no direct or indirect interests that are or appear to be incompatible with the impartial exercise of their function.

The Selection Committee shall operate in an open, transparent and accountable manner, and its composition will ensure that due attention is paid to possible areas of conflict of interest. The selection procedure must provide equal treatment of all applicants. The Financial Mechanism Committee or its representatives as well and the National Focal Point shall be invited to participate in the meetings of the Selection Committee as observers. The board of SOS Malta takes the final decision on the projects to be supported based on the Selection Committee's recommendation. Modifications to the recommendations of the Selection Committee shall be justified. SOS Malta shall keep a record of the selection process and decisions taken.

Projects are evaluated according to the selection criteria:

<b>Section</b>	<b>Maximum Score</b>
<b>1. Financial and operational capacity</b>	<b>15</b>
1.1 Do the applicant and partners (where applicable) have sufficient <b>experience of project management</b> ?	5
1.2 Do the applicant and partners (where applicable) have sufficient <b>technical expertise</b> (notably knowledge of the issues to be addressed)?	5
1.3 Do the applicant and partners (where applicable) have or are proposing sufficient <b>management capacity</b> (including staff, equipment and ability to handle the budget for the action)?	5
<b>2. Relevance</b>	<b>25</b>
2.1 How relevant is the proposal to the <b>objectives</b> and the <b>priority</b> of the call for proposals? <b>Note:</b> A score of 10 (very good) will only be allocated if the proposal contains specific added-value elements tackling the cross-cutting issues and horizontal concerns respectively referred to under Section 3 above (such as promotion of gender equality and equal	10

opportunities, hate-speech etc...), in addition to the main scope of the priority axis being chosen	
2.2 How relevant to the particular <b>needs and constraints</b> of the target country or region(s) is the proposal (including avoidance of duplication and synergy with other national and/or international initiatives)?	5
2.3 How clearly defined and strategically chosen are those involved (final beneficiaries, <b>target groups</b> )? Have their <b>needs</b> been clearly defined and does the proposal address them appropriately?	7
2.4 Children and / or Youth – Driven Projects	3
<b>3. Methodology</b>	<b>25</b>
3.1 Are the <b>activities</b> proposed appropriate, practical, and consistent with the objectives and expected results?	5
3.2 How coherent is the overall design of the action? (In particular, does it reflect the analysis of the problems involved, take into account external factors and anticipate an <b>evaluation</b> ?)	5
3.3 Is the partners' level of involvement and participation in the action satisfactory?	5
3.4 Is the <b>action plan</b> clear and feasible?	5
3.5 Does the proposal contain <b>objectively verifiable indicators</b> for the outcome of the action?	5
<b>4. Sustainability</b>	<b>20</b>
4.1 Is the action likely to have a tangible <b>impact</b> on its target groups?	10
4.2 Is the proposal likely to have <b>multiplier effects</b> (including scope for replication and extension of the outcome of the action and dissemination of information)?	5
4.3 Are the expected results of the proposed action <b>sustainable</b> :  - Financially ( <i>how will the activities be financed after the funding ends?</i> )  - Institutionally ( <i>will structures allowing the activities to continue be in place at the end of the action? Will there be local "ownership" of the results of the action?</i> )  - At policy level (where applicable) ( <i>what will be the structural impact of the action – e.g. will it lead to improved legislation, codes of conduct, methods, etc?</i> )	5
<b>5. Budget and cost-effectiveness</b>	<b>15</b>
5.1 is the ratio between the estimated costs and the expected results satisfactory?	5
5.2 Is the proposed expenditure <b>necessary</b> for the implementation of the action?	10
<b>Maximum total score</b>	<b>100</b>

*Scoring:*

The selection criteria are divided into sections and subsections. Each subsection will be given a score between 1 and 10 in accordance with the following guidelines: 1 = very poor and 10 = very good.

## **18. NOTIFICATION AND GRANT AWARDING**

Successful applicants will be informed in writing of their award. Unsuccessful applicants will also be informed in writing including feedback regarding the proposal and suggestions for improvements for future proposals.

If requested, a meeting may be held with the fund operator and the unsuccessful grantee to discuss in more detail the proposal and the reason why it was not selected.

Applicants are notified about the results of applying process via e-mail within 10 working days after final decisions are made.

SOS Malta concludes a project contract with all selected Project Promoters and the list of selected projects is published on the SOS Malta Website.

Payments to the Project Promoters are made in advance payments of 90% of estimated costs; last interim payment will be 80% (i.e. 90% EEA Grant Less 10% retention money) whereby the 10% will be left for the final balance after the final report is approved by SOS Malta.

## **19. CONTACTS**

The main reference documentation for the present Call for Proposals is the Guidelines for Applicants and the Application Form which can be found at [www.sosmalta.org](http://www.sosmalta.org). Any question may be sent by e-mail on [eeamalta@sosmalta.org](mailto:eeamalta@sosmalta.org). The management of the NGO Programme Malta at SOS Malta may be contacted on same e-mail or on telephone number 21335097 or 21244123.

For additional information on the EEA Grants in general can be found at [www.eeagrants.org](http://www.eeagrants.org).