



**PROJECT
SUPPORT
FACILITY**

MANUAL

Approved as amended on 4 February 2015

THE PURPOSE OF THE PROJECT SUPPORT FACILITY

The decision to establish the CBSS Project Support Facility (PSF) was taken by the CBSS Committee of Senior Officials and came into power after endorsement by the Heads of Government of the CBSS Member States at the 9th Baltic Sea States Summit in Stralsund, Germany on 31 May 2012. The planned timeframe of the facility is March 2013 until 2015, with a continuous open call for applications. The main purpose of the CBSS PSF is to co-finance the development and implementation of Baltic Sea macro-regional cooperation projects, which would bring added value for the Baltic Sea Region, show impact in regional cooperation and foster longterm partnerships. The total amount of the PSF is one million euro.

The decision by the Council of the Baltic Sea States on a review of the CBSS longterm priorities adopted through silent procedure on 20 June 2014.

The PSF should be used to facilitate project preparation and implementation in relation to the politically defined 3 new priority areas of the CBSS:

1. **Regional Identity** aims to develop and foster the concept of Baltic Sea Region identity and a sense of belonging to the Baltic Sea Region through engagement, dialogue, people-to-people contacts, macro-regional networks and multilevel governance.
2. **Sustainable & Prosperous Region.** The actions under the priority to the eradication of obstacles hampering the comprehensive and sustainable development of the region, seek to the overall competitiveness of the Baltic Sea region through sustainable economic growth and labour markets, research and development, innovative infrastructure, an integrated maritime policy, transport and communications.
3. **Safe & Secure Region.** Its goal is to enhance societal security and safety in the Baltic Sea Region, and to ensure that people of the Region are protected from and resilient to violence, accidents and emergencies through preparedness, and safeguarded against harm caused by criminal exploitation and human trafficking. The priority's objectives are to counteract all forms of trafficking in human beings in the Baltic Sea Region via preventive and protective activities and projects based on a coherent and multidisciplinary approach, and to promote comprehensive and sustainable child protection in order to prevent and respond to all forms of violence against children through a multi-sectorial approach and increased cooperation between relevant authorities and other stakeholders in the Baltic Sea Region. The priority also works towards strengthening societal resilience to disasters and hazards in all stages of crises through adequate prevention, preparedness, response and recovery and seeks to enhance interoperability and strategic macro-regional cooperation enabling assistance and rapid response to cross-border accidents and emergencies, including disasters that may have cross-border consequences and impact.

For more information on our activities in each of the three priority areas, please visit the respective sections of our website at www.cbss.org.

1. WHICH PROJECTS QUALIFY FOR SUPPORT?

Projects/actions financed from the CBSS PSF shall fulfil the following criteria:

- a. Support the implementation of the above mentioned three longterm priority areas of the CBSS.
- b. Bring added value and visibility for macro-regional cooperation in the Baltic Sea Region.
- c. Have a clear transnational impact.
- d. Bring together different sectors and actors to increase coherence in cooperation among the CBSS Member States.
- e. Have outcomes of a sustainable character.
- f. The results of the project should be disseminated to all relevant stakeholders in the Baltic Sea Region.
- g. Have the potential to become a basis for a network, partnership or cooperation model that would become viable beyond the duration of the project itself.
- h. The project must cover at least three CBSS Member States.

2. WHO CAN APPLY?

Projects proposals to be funded by the PSF may be initiated from different sources:

- a. Members of the CBSS Expert Groups (EGs) and Networks;
- b. National, regional and local public authorities;
- c. Public equivalent bodies (any legal body governed by public or private law);
- d. Associations formed by one or several bodies governed by public law;
- e. NGOs and other non-profit making bodies;
- f. External actors as CBSS Observer States or institutions of the CBSS non-member states can propose project ideas together with the CBSS Member State organisations mentioned above.
- g. The CBSS structures can invite third parties (public or public equivalent body or the NGOs` umbrella organizations, including Observers and Strategic Partners) to make joint proposals for projects to be funded by the PSF.
- h. Applying entities must demonstrate having the necessary financial and managerial capacities to carry out the project from initiation to the end. This means that the organisation will need to confirm, if the project is selected, that the other sources of funds are secured in order to implement the project as described.
- i. Only legal entities are eligible for funding;
- j. Organisations with at least two years existence.

3. FUNDING TERMS AND CONDITIONS

- a. Projects must have secured a minimum of 10% co-funding (funding in-kind included).
- b. PSF funding will range between 10 000 euro and 50 000 euros.
- c. The PSF does not provide grants to individuals and does not provide funding for scholarships or tuition assistance for undergraduate or postgraduate studies.
- d. Tax liabilities arising from the payment from the PSF are the responsibility of the recipients.

4. BUDGET STRUCTURE AND ELIGIBILITY RULES

Every project applicant has to indicate the planned budget in the application form. The planned costs are divided per beneficiary into different budget lines. Projects have to plan and report within the following budget lines:

| Eligible cost categories | € | Financing Plan | € | % of eligible costs |
|------------------------------|---|--|---|---------------------|
| Personnel costs | | CBSS PSF funding | | |
| Travel and subsistence costs | | Contribution of the Coordinating beneficiary | | |
| Sub-contracting | | Contribution of the CO-beneficiary | | |
| Other direct costs | | Other sources of funding | | |
| Administration/overhead | | | | |
| TOTAL ELIGIBLE COSTS | | TOTAL FUNDING | | |

Costs which are not included in any of these budget lines (e.g. equipment, investments) are not eligible.

The main preconditions for eligibility of expenditure are:

- All activities are provided for in the budget of the project;
- All activities comply with the principles of efficiency, sound financial management and cost-effectiveness;
- All expenditure is directly linked to and necessary for project's implementation;
- Expenditure has to have incurred during the lifetime of the project;
- Expenditure is compliant with applicable tax and social legislation.

Personnel costs shall be charged in respect of the actual time devoted to the project. They shall be calculated on the basis of the actual gross salary plus obligatory social charges and any other statutory costs include in the remuneration. The time which each employee spends working on the project, shall be recorded on a timely basis using timesheets or an equivalent time registration system.

Travel and subsistence costs shall be charged in accordance with the internal rules of the beneficiary.

Sub-contracting costs relates to work undertaken by external companies.

Other direct costs are costs necessary for the project not falling within a defined category. Expenses listed must be verifiable.

Administration/overhead may be charged at a flat-rate of a maximum of 7% of the total amount of eligible costs actually incurred.

Financial charges (e.g. charges for transnational financial transactions, bank charges for opening and administering the bank account(s) of the project) are not eligible as costs. This may also apply to debit interests and exchange rate losses, which have to be borne by project partners.

Exchange rate

Amounts indicated in the application form and expenditure reported in the financial report must be denominated in EUR. Project partners whose national currency is EUR must report the EUR amount booked in their accounting system. Project partners whose national currency is not EUR must convert the expenditure incurred and paid in national currency into EUR, with an accuracy of four digits after the decimal point using the monthly accounting exchange rate of the European Commission. The monthly exchange rate is the rate of the month during which the expenditure was paid by the project partner. The European Commission publishes the monthly exchange rates at: <http://ec.europa.eu/budget/infocoreuro>

Any exchange risk has to be borne by project partners.

Value added tax

Value added tax (VAT), which is recoverable by whatever means, cannot be considered eligible, even if it is not actually recovered by the final beneficiary or individual recipient. Only non-recoverable VAT borne by the project partner that may not be refunded or offset by the tax authorities or by any other means may be included in the final report.

5. APPLICATION PROCEDURE

From 5 March 2013 onwards, applications can be submitted at any time within the financial period of the PSF.

The official language of the CBSS Project Support Facility is English. Therefore, the application, the reports and all obligatory templates must be filled in English.

The CBSS Secretariat will endeavour to notify all applicants as to the outcome of their application within a five month period after the submission of the application.

Applications that have been selected for financing will receive an explanation of the action required to complete the contractual procedures.

Submission of applications

Applications with all required documents shall be sent to the CBSS electronically at psf@cbss.org and by post to the address:

Council of the Baltic Sea States Secretariat
Slussplan 9 P.O. Box 2010
SE-103 11 Stockholm,
Sweden

6. EVALUATION OF APPLICATIONS AND SELECTION OF PROJECTS

Technical eligibility check of the application shall be carried out by the CBSS Secretariat. If applicants comply with the conditions defined in the previous sections of this document, Selection Committee may task the Secretariat to consult the application, when applicable, with relevant CBSS Expert Groups or Networks for opinion. When no relevant EG/Network exists, the Secretariat may give an opinion.

The Selection Committee will, taking opinions received into account, make a quality assessment and as a result elaborate a ranking list of the projects, accompanied by recommendations as to financing. The main evaluating criteria are following: CBSS longterm priority area; Relevance of the project for the Baltic Sea Region; Coherence, durability and dissemination of results; Partnership of the project; Quality of results/Sustainability; Quality of the methodological approach concerning the content of the project; Innovation of the project; Budget and project management capacity; Risks of the project.

The Director General will present the list with recommendations to the CBSS Committee of Senior Officials (CSO) for approval by consensus ten working days before a CSO decision to be taken.

7. REPORTING, CONTROL AND AUDIT

Projects that are up to 12 months are requested to submit only one report after the implementation of the project is finalised. The projects have up to three months to fulfil this obligation.

For projects that are longer than 12 month, progress reports shall be submitted as agreed in the grant agreement.

In case the project encounters any difficulties in the implementation phase, the CBSS Secretariat should be contacted as soon as possible.

The CBSS Secretariat shall take appropriate measures to prevent irregularity, fraud or

corruption relative to the use of the resources and funds. Thus the Secretariat reserves the right to suspend payments or claim repayment in full of the unused portion of the funds or in part including the interest accrued to the contribution if the funds are found to be misused or not satisfactorily accounted.

The accounts for the project shall be audited according to the beneficiary's internal rules. All project beneficiaries are obliged to keep all financial and accounting documents concerning the activities financed under the PSF until seven years after the project finalisation (date of the final payment). In particular, originals of the submitted copies of invoices, tickets/boarding cards and other accounting documents must be kept available upon request.

Templates of PSF project report, both narrative and financial can be found on PSF web page <http://www.cbss.org/project-support-facility/>.

PSF project full report (both narrative and financial parts) shall be sent to the CBSS electronically at psf@cbss.org and by post to the address:

Council of the Baltic Sea States Secretariat
 Slussplan 9 P.O. Box 2010
 SE-103 11 Stockholm,
 Sweden

8. GLOSSARY

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| CBSS Member States | The Council of the Baltic Sea States Member States are Denmark, Estonia, Finland, Germany, Iceland, Latvia, Lithuania, Norway, Poland, Russia, Sweden and a representative from the European Commission. |
| CSO | Committee of Senior Officials |
| EG | Expert Group |
| In-kind contribution | In-kind contributions may include personnel, materials, equipment or services that are given without charge to the project. |
| Public body | A public sector body or a legal entity governed by private law with a public-service mission providing adequate financial guarantees. |
| PSF | Project Support Facility |