



**Contracting Authority: European Commission**

**SWITCH-Asia II**  
**Promoting Sustainable Consumption and Production**

**Guidelines**  
**for grant applicants**

**Budget line: 21.021400**

**Reference: EuropeAid/136362/DH/ACT/Multi**

**Deadline for submission of Concept notes: 9 February 2015**

## **NOTICE**

This is a restricted Call for Proposals. In the first instance, only Concept Notes must be submitted for evaluation. Thereafter, applicants who have been pre-selected will be invited to submit a Full Application Form. After the evaluation of the Full Applications, an eligibility check will be performed for those which have been provisionally selected. Eligibility will be checked on the basis of the supporting documents requested by the Contracting Authority and the signed 'Declaration by the Applicant' sent together with the application.

# Table of contents

<b>1. SWITCH-ASIA II – PROMOTING SUSTAINABLE CONSUMPTION AND PRODUCTION</b>	<b>4</b>
1.1. Background.....	4
1.2. Objectives of the programme and priority issues .....	5
1.3. Financial allocation provided by the contracting authority .....	7
<b>2. RULES FOR THIS CALL FOR PROPOSALS</b>	<b>8</b>
2.1. Eligibility criteria.....	8
2.1.1. Eligibility of applicants (i.e. applicant and co-applicant(s)).....	8
2.1.2. Affiliated entities.....	10
2.1.3. Associates and Contractors .....	11
2.1.4. Eligible actions: actions for which an application may be made.....	11
2.1.5. Eligibility of costs: costs that can be included .....	18
2.2. How to apply and the procedures to follow .....	20
2.2.1. Concept Note content .....	21
2.2.2. Where and how to send Concept Notes.....	21
2.2.3. Deadline for submission of Concept Notes .....	22
2.2.4. Further information about Concept Notes .....	22
2.2.5. Full Application forms .....	22
2.2.6. Where and how to send Full Application forms.....	23
2.2.7. Deadline for submission of Full Application forms .....	24
2.2.8. Further information about Full Application forms .....	24
2.3. Evaluation and selection of applications .....	24
2.4. Submission of supporting documents for provisionally selected applications .....	29
2.5. Notification of the Contracting Authority’s decision .....	31
2.5.1. Content of the decision.....	31
2.5.2. Indicative timetable .....	31
2.6. Conditions for implementation after the Contracting Authority’s decision to award a grant.....	32
2.7. Early warning system and central exclusion database.....	32
<b>3. LIST OF ANNEXES</b>	<b>33</b>

# 1. SWITCH-ASIA II – PROMOTING SUSTAINABLE CONSUMPTION AND PRODUCTION

## 1.1. BACKGROUND

Economic growth has been the key word when describing the recent development in the Asia. The region has become the world's manufacturing hub, with all the pluses and minuses attached to it. On one hand, this development has successfully contributed to the poverty reduction in the region. On the other hand, increased growth and trade have multiplied demands on resources and are leading to severe environmental damages.

From both environmental and industrial development point of view, it is important that the growing Asian economies bypass the inefficient, polluting and ultimately costly phases of development by "leapfrogging" straight to sustainable consumption and production (SCP) practices. SCP offers an integrated approach to achieve overall development plans, reduce economic, social and environmental costs, strengthen economic competitiveness and reduce poverty. The success of such a "leapfrogging" is very much linked to involving the whole broad range of stakeholders and strengthening the regional cooperation.

Attention in the last decade on SCP in the Asian region, especially on the production side, has resulted in a number of good examples of how to apply the SCP –approach effectively in the Asian industry; tools have been customised and an initial network of intermediary service providers have been established. However, despite these achievements, the SCP-approach has not been replicated widely, especially not within SMEs who lack access to finance and information and the capacity to interpret information necessary for customised implementation. This is mainly due to the lack of appropriate exchange mechanisms, non-existent or inefficient business networks and dialogue structures between industry, financial intermediaries, government and civil society, and an inadequate enabling environment (insufficient legislative, economic and voluntary incentives to stimulate the uptake of SCP). Policies and legislation with regard to sustainable production quite often exist, but effective implementation and enforcement is lacking. The awareness for sustainable consumption is still at infant stage and needs to be further tackled.

*Promotion of a Green Economy* is one of the three priorities of the EU Multi-Annual Indicative Programme for Asia (2014-2020). SWITCH-Asia II (EU Contribution of EUR 120 million of 2014-2020) is the action response of the European Commission to the priorities set in the Strategy Paper for Asia (2014-2020) to tackle Sustainable Consumption and Production.

SWITCH-Asia II<sup>1</sup> seeks to tackle the above mentioned priority by continuing implementing 3 strategic components ongoing from SWITCH-Asia (2007-2013):

(1) Grant projects which aim to support the EU-Asia partnerships of non-profit organisations interested in applying sustainable consumption and production approaches. The projects are based on local demand –driven actions aiming to promote sustainable consumption and production in Asia and encourage EU-Asian partnerships.

(2) A **Network Facility** (renewed in 2014 to be implemented until December 2017) which aims to facilitate the information exchange between the grant projects and initiate an external dialogue by communicating the results of the projects to various stakeholders (e.g. networking events with the policy support component).

(3) A **Policy Support Component (PSC)** – already financed under previous decisions launched in 2010 to be implemented until June 2016 with the objective to strengthen national and regional policy framework to promote the shift towards sustainable consumption and production patterns and resource efficiency. The PSC covers all 19 Asian countries eligible under SWITCH-Asia programme and it is being regionally implemented through joint management with the United Nations Environment Programme. In addition, following intensive consultations with Asian partner governments who have already gathered experience in applying SCP tools, 4 national Policy Support Components are funded in

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<sup>1</sup> For more information on SWITCH-Asia please consult [www.switch-asia.eu](http://www.switch-asia.eu)

Indonesia, Malaysia, the Philippines and Thailand. Furthermore, Sri Lanka and Bangladesh are foreseen to start the implementation of the National Policy Support Component by the first trimester of 2015.

## 1.2. OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

The **global objective** of this Call for Proposals is to promote sustainable growth, to contribute to the economic prosperity and poverty reduction in Asia and to mitigate climate change.

The **specific objective** of this Call for Proposals is to promote *sustainable production* (development of less polluting and more resource efficient products, processes and services) and *sustainable consumption* patterns and behaviours in Asia (purchase of less polluting and more resource-efficient products; conducting more sustainable lifestyles and behaviour). This objective should be achieved through an improved understanding and strengthened cooperation between Europe and Asia and within Asia, notably by supporting Asian SMEs and consumers in adopting sustainable consumption and production practices and activities by getting access to finance, and by mobilizing the relevant actors such as the private sector, financial intermediaries, retailers, producers and consumer organisations and groups, individual consumers along with relevant public sector authorities.

The Programme aims at **identifying and scaling up successful SCP practices in Asia** in order to induce a systematic change in consumption and production patterns and behaviour. Furthermore, lessons learnt indicate that the consumption side of SCP needs more appreciation and that access to finance is a key bottleneck for a sustainable switch to SCP practices for SMEs in Asia.

**Projects should address one of the two listed priorities of the call explicitly<sup>2</sup>:**

Priority 1 (LOT 1): Support the switch to **sustainable consumption patterns** and behaviour amongst consumer groups, civil society stakeholders and the public sector

Priority 2 (LOT 2): Micro, small and medium enterprises support **for SCP uptake and access to finance**

In addition, activities should focus to address one or several of the programmes being developed under the 10YFP:<sup>3</sup> *consumer information, sustainable lifestyles, sustainable public procurement, sustainable buildings, sustainable tourism and food production, distribution, waste disposal*<sup>4</sup>.

In combination with the selected priority area identified for each lot projects will:

- 1) Employ a multi-stakeholder approach with strong and intensive working relationships with SMEs;
- 2) Build upon existing structures and networks;
- 3) Up-scale results achieved in earlier conducted pilot-type projects.

Projects will have to actively disseminate their results and facilitate exchange of good practices, and to cooperate with the SWITCH-Asia Network Facility on documenting the results of the overall programme. Moreover, projects are expected to work closely with the SWITCH-Asia Policy Support Component in order to maximise policy impact and sustainability (see also 2.1.4).

The projects should envisage **development and actual application of replication mechanisms** (e.g. voluntary agreements, product and service standards, public-private partnerships, sustainable supply chain management, reinforcement of SCP service providers, and engagement of financial institutions) for effective outreach towards a large number of SMEs and/or consumer groups. Evidence has shown that effective replication mechanisms are highly determined by country- and sector-specific characteristics.

In order to build upon existing capacity and best practices developed over the past decade (especially with regard to sustainable production), projects can include but should at the same time **go explicitly beyond**

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<sup>2</sup> Applicants have to ensure that the selected priority area is clearly mentioned in the application form

<sup>3</sup> 10 YFP is a global framework of action to enhance international cooperation to accelerate the shift towards SCP in both developed and developing countries - <http://www.unep.org/10yfp/>

<sup>4</sup> Applicants have to ensure that the 10YFP programme is clearly identified in the proposal.

**preparatory activities**, such as needs assessments, market surveys, awareness raising, tool and manual development and/or research. A wealth of sector specific information on best practices and applicable tools already exists, but unfortunately they are not adequately used for extensive and effective outreach.

To avoid duplication of activities applicants should check the activities already financed under SWITCH-Asia<sup>5</sup> and similar initiatives already implemented in the area of sustainable consumption and production in the region<sup>6</sup>.

Furthermore, a number of Asian Centres on SCP have been established during the last decade. Their organisational capacity, knowledge and strengths, especially outreach capacities have a good potential to be enhanced. These centres are expected to be involved in the SWITCH-Asia II Programme.

The Programme aims to engage particularly **business intermediaries** (e.g. industrial associations, research/finance academies, chambers of commerce) and **SMEs' business partners** (retailers, financial institutions, multi-national corporations) in the project activities.

The SWITCH-Asia II Programme is expected to achieve the following results:

1. Adoption of sustainable production and consumption practices, particularly among MSMEs
  - (i) increased use of environmentally-friendly technologies and practices by SMEs;
  - (ii) increased development/diversification/production and consumption of "green" products;
  - (iii) improved overall resource efficiency and reduced greenhouse gas (GHG) emissions
2. Move SCP practices from demonstration to replication, including:
  - (i) improved capacity of business intermediaries;
  - (ii) increased partnerships between SMEs and organisations with SCP "pull" potential (such as financial institutions or SMEs business partners);
  - (iii) increased capacity of SMEs as regards "green" finance issues and the preparation of credible "green" business proposals;
  - (iv) increased relative share of environmentally-friendly products and technologies in the EU-Asia and intra-Asia trade.
3. Implementation of policy instruments by Asian governments and local authorities
  - (i) strengthened SCP-related regulatory framework, and business-related environment on environmental/SCP issues;
  - (ii) Demonstrate effective policy instruments.

The SWITCH-Asia II Programme addresses the following **beneficiaries** and **target groups**:

SWITCH-Asia II has a *regional character*, but focuses on a customised approach for each specific country. Whenever relevant and complementary, cross-border and multi-country approaches and collaboration can be proposed.

The major **beneficiaries** are:

- (i) Intermediary (business) organisations and networks (e.g. chambers of commerce and industry associations);
- (ii) Not-for-profit organisations aiming at pursuing sustainable development, and
- (iii) Governmental institutions, both at the regional and local level<sup>7</sup>.

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<sup>5</sup> [www.switch-asia.eu](http://www.switch-asia.eu)

<sup>6</sup> <http://www.scpclearinghouse.org/scp-initiatives.html>

<sup>7</sup> The term "regional" refers to any legislative body of government that is below the national level. This can include district or city municipalities, or provincial governments, and local/ provincial governmental agencies. Ministries are not eligible.

The major **target groups** are:

- (i) Small and Medium-Sized Enterprises (SMEs)<sup>8</sup> which are the main beneficiaries of the improved environmental practices, technologies and management processes; Consumer organisations and consumer (groups) who will benefit from better-quality and environmentally friendly products;
- (ii) Government bodies procure responsibly .

### **1.3. FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY**

The overall indicative amount made available under this Call for Proposals is EUR 19 600 000.

The budget is distributed evenly among the 2 lots, each lot having an indicative budget of EUR 9 800 000. The Contracting Authority reserves the right not to award all available funds.

If the allocation indicated for a specific lot cannot be used due to insufficient quality or number of proposals received, or because the remaining funds after the final ranking of proposals are not sufficient to finance the following next ranked proposal under one lot, the Contracting Authority reserves the right to reallocate the remaining funds to another lot.

#### Size of grants

Any grant requested under this Call for Proposals must fall between the following minimum and maximum amounts:

- minimum amount: EUR 800 000
- maximum amount: EUR 2 500 000

Any grant requested under this Call for Proposals must fall between the following minimum and maximum percentages of total eligible costs of the action:

- Minimum percentage: 50 % of the total eligible costs of the action.
- Maximum percentage: 80 % of the total eligible costs of the action, and 90% if the action takes place in Least Developed Countries (LDCs) (see also Section 2.1.5).

The balance (i.e. the difference between the total cost of the action and the amount requested from the Contracting Authority) must be financed from sources other than the European Union Budget or the European Development Fund<sup>9</sup>.

The Programme aims at a balanced coverage of SWITCH-Asia grant projects in Asian countries. **To avoid over-representation of projects implemented in China and India the following provision is made:**

A maximum of **two** grant proposals may be awarded each to China (less developed areas only) and India respectively. **Applicants are particularly encouraged to implement projects in LDCs.**

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<sup>8</sup> The main target group are SMEs, but it does not exclude larger companies from participating in projects funded by SWITCH-Asia. In Asia it is estimated that 90% of the licensed companies are SMEs, who are often characterised by operating with older and labour intensive technologies. In EU SMEs are defined by the number of employees, but this is not possible in an Asian context, where you often find SMEs that still have more than 500 employees.

<sup>9</sup> Where a grant is financed by the European Development Fund, any mention of European Union financing must be understood as referring to European Development Fund financing.

## 2. RULES FOR THIS CALL FOR PROPOSALS

These guidelines set out the rules for the submission, selection and implementation of the actions financed under this Call, in conformity with the Practical Guide, which is applicable to the present call (available on the Internet at this address: <http://ec.europa.eu/europeaid/prag/document.do?locale=en>).

### 2.1. ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

(1) the actors:

- The **applicant**, i.e. the entity submitting the application form (2.1.1),
- its **co-applicant(s)** (**where it is not specified otherwise the applicant and its co-applicant(s) are hereinafter jointly referred as the "applicants"**) (2.1.1),
- and, if any **affiliated entity(ies)** to the applicant and/or to a co-applicant(s). (2.1.2);

(2) the actions:

Actions for which a grant may be awarded (2.1.4);

(3) the costs:

- types of cost that may be taken into account in setting the amount of the grant (2.1.5).

#### **2.1.1. Eligibility of applicants (i.e. applicant and co-applicant(s))**

##### **Applicant**

(1) In order to be eligible for a grant, the applicant **must**:

- be a legal person<sup>10</sup> **and**
- be **non-profit-making and**
- be a specific type of organisation such as: non-governmental organisation, public sector operator, local authority, international (inter-governmental) organisation as defined by Article 43 of the Rules of application of the EU Financial Regulation<sup>11</sup>. **and**
- be established in<sup>12</sup> a Member State of the European Union (Austria, Belgium, Bulgaria, Czech Republic, Croatia, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom), or

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<sup>10</sup> have been registered as a legal entity in accordance with the national law of the country of registration for a minimum of three years at the date of the eligibility verification (step 3 of the evaluation procedure, see below 2.3.).

<sup>11</sup> International organisations are international public-sector organisations set up by intergovernmental agreements as well as specialised agencies set up by them; the International Committee of the Red Cross (ICRC) and the International Federation of National Red Cross and Red Crescent Societies are also recognised as international organisations.

<sup>12</sup> To be determined on the basis of the organisation's statutes, which should demonstrate that it has been established by an instrument governed by the national law of the country concerned and that its head office is located in an eligible country. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a 'Memorandum of Understanding' has been concluded.



- be established in a Member State of the European Economic Area (Iceland, Lichtenstein, Norway) or
- be established in countries from the Instrument for Pre-accession Assistance (IPA II) (Albania, Bosnia and Herzegovina, Iceland, Kosovo, Montenegro, Serbia, Turkey, the former Yugoslav Republic of Macedonia), or
- be established in one of the following Asian countries: Afghanistan, Bangladesh, Bhutan, Cambodia, China, Democratic Republic of Korea, Indonesia, India, Lao PDR, Maldives, Mongolia, Myanmar, Nepal, Pakistan, Philippines, Sri Lanka, Thailand and Vietnam, or
- be established in member countries of the OECD, in case of contracts implemented in a Least Developed Country or a Highly Indebted Country as included in the list of ODA recipients, and
- be directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity(ies), not acting as an intermediary

(2) The potential applicant may not participate in calls for proposals or be awarded grants if it is in any of the situations listed in Section 2.3.3 of the Practical Guide ;

In part A, section 3 of the grant application form ('Declaration by the applicant'), the applicant must declare that the applicant himself, the co-applicant(s) and affiliated entity(ies) are not in any of these situations.

The applicant must act with co-applicant(s) as specified hereafter.

If awarded the Grant contract, the applicant will become the Beneficiary identified as the Coordinator in annex E3h1 (Special Conditions). The Coordinator is the main interlocutor of the Contracting Authority. It represents and acts on behalf of any other co-beneficiary (if any) and coordinate the design and implementation of the Action.

### **Co-applicant(s)**

Co-applicant(s) participate in designing and implementing the action, and the costs they incur are eligible in the same way as those incurred by the applicant.

Co-applicant(s) must satisfy the eligibility criteria as applicable to the applicant himself.

The partnerships (applicant + co-applicant/s) will include at least one organisation from a Member State of the European Union / European Economic Area or international organization and at least one organisation from an eligible Asian country.

Each member of a partnership must have a precise and clearly identified role in the implementation of the project. There is no upper limit on the number of members in a partnership. A partnership should be composed in such a way as to allow for the achievement of project objectives in the most effective and cost-efficient manner.

The role of each partnership member organisation must be clearly explained in the proposal. Even though the contracting authority concludes a contract with the Coordinator-beneficiary only (i.e. the applicant), the co-applicant/s should be shown to actively contribute to the implementation of the project. It is strongly recommended that the applicant and its co-applicant/s draw up an agreement defining the technical and financial rights and obligations of each partnership member. A clear written allocation of responsibilities and a balanced distribution of costs will contribute to the partnership's success.

Furthermore, it is stressed that the European applicant or **the main European co-applicant should spend the majority of their time in field activities in Asia**. This should be clearly reflected in the project description and budget.

Co-applicant(s) must sign the Mandate in Part B section 4 of the grant application form.

If awarded the Grant contract, the co-applicant(s) will become beneficiaries in the Action (together with the Coordinator)

### **2.1.2. Affiliated entities**

Affiliated entity(ies)

The applicant and its co-applicant(s) may act with affiliated entity(ies)

**Only the following entities may be considered as affiliated entities to the applicant and/or to co-applicant(s):**

Only entities having a structural link with the applicants, in particular a legal or capital link.

This structural link encompasses mainly two notions:

- (i) Control, as defined in Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings:

Entities affiliated to a beneficiary may hence be:

- Entities directly or indirectly controlled by the beneficiary (daughter companies or first-tier subsidiaries). They may also be entities controlled by an entity controlled by the beneficiary (granddaughter companies or second-tier subsidiaries) and the same applies to further tiers of control;
- Entities directly or indirectly controlling the beneficiary (parent companies). Likewise, they may be entities controlling an entity controlling the beneficiary;
- Entities under the same direct or indirect control as the beneficiary (sister companies).

- (ii) Membership, i.e. the beneficiary is legally defined as a e.g. network, federation, association in which the proposed affiliated entities also participate or the beneficiary participates in the same entity (e.g. network, federation, association) as the proposed affiliated entities.

The structural link shall as a general rule be neither limited to the action nor established for the sole purpose of its implementation. This means that the link would exist independently of the award of the grant; it should exist before the call for proposals and remain valid after the end of the action.

By way of exception, an entity may be considered as affiliated to a beneficiary even if it has a structural link specifically established for the sole purpose of the implementation of the action in the case of so-called “sole applicants” or “sole beneficiaries”. A sole applicant or a sole beneficiary is an entity formed by several entities (a group of entities) which together comply with the criteria for being awarded the grant. For example, an association is formed by its members.

### What is not an affiliated entity?

The following are not considered entities affiliated to a beneficiary:

- Entities that have entered into a (procurement) contract or subcontract with a beneficiary, act as concessionaires or delegates for public services for a beneficiary,
- Entities that receive financial support from the beneficiary,
- Entities that cooperate on a regular basis with the beneficiary on the basis of a memorandum of understanding or share some assets,
- Entities that have signed a consortium agreement under the grant contract.

### How to verify the existence of the required link with the beneficiary?

The affiliation resulting from control may in particular be proved on the basis of the consolidated accounts of the group of entities the beneficiary and its proposed affiliates belong to.

The affiliation resulting from membership may in particular be proved on the basis of the statutes or equivalent act establishing the entity (network, federation, association) which the beneficiary constitutes or in which the beneficiary participates.

If the applicants are awarded a contract, their affiliated entity(ies) will not become Beneficiary(ies) of the Action and signatory(ies) of the Contract. However, they will participate in the design and in the implementation of the Action and the costs they incur (including those incurred for Implementation Contracts and Financial Support to third parties) may be accepted as eligible costs, provided they comply with all the relevant rules already applicable to the Beneficiary(ies) under the Grant Contract.

Affiliated entity(ies) must satisfy the same eligibility criteria as the applicant and the co-applicant(s). They must sign the affiliated entity(ies) statement in Part B section 5 of the grant application form.

In addition to the categories referred to in section 2.1.1, the following are however also eligible: Legal entities from Malaysia.

### **2.1.3. Associates and Contractors**

The following entities are not applicant(s) nor affiliated entity(ies) and do not have to sign the "mandate" or "affiliated entities' statement":

- Associates

Other organisations may be involved in the action. Such associates play a real role in the action but may not receive funding from the grant, with the exception of per diem or travel costs. Associates do not have to meet the eligibility criteria referred to in section 2.1.1. Associates must be mentioned in Part B section 6 — 'Associates of the Applicant participating in the Action' — of the Grant Application Form.

- Contractors

The grant beneficiaries and their affiliated entities are permitted to award contracts. Associates or affiliated entity(ies) cannot be also contractors in the project. Contractors are subject to the procurement rules set out in Annex IV to the standard grant contract.

### **2.1.4. Eligible actions: actions for which an application may be made**

Definition:

An action is composed of a set of activities.

## Duration

The initial planned duration of an action may not be lower than 36 nor exceed 48 months.

## Location

Actions must take place in one or more of the following countries:

Europe		Asia	
Austria	Latvia	Afghanistan	Mongolia
Belgium	<b>Liechtenstein</b>	Bangladesh	Nepal
Bulgaria	Lithuania	Bhutan	DPR Korea
Cyprus	Luxembourg	Cambodia	Pakistan
Czech Republic	Malta	China*	Philippines
Denmark	Netherlands	India**	Sri Lanka
Estonia	<b>Norway</b>	Indonesia	Thailand
Finland	Poland	Laos	Vietnam
France	Portugal	Myanmar	
Germany	Romania	Maldives	
Greece	Slovak Republic	<i>* excluding Hong Kong, Macau, and Chinese Taipei</i>	
Hungary	Slovenia	<i>** Please note that the FCRA registration proof of entities and their partners receiving funds is currently needed.</i>	
<b>Iceland</b>	Spain		
Ireland	Sweden		
Italy	United Kingdom		

Organisations from Malaysia can participate as affiliated partners; however the activities should be primarily performed in the Asian countries enumerated above. For project proposals with an action focus in China and/or India, in case of equal merits and in line with section 1.3, preference will be given to those where the implementation takes place in the less developed regions of the country.

## Sectors or themes

SWITCH-Asia II is mainly addressing urban and rural areas. Improvement actions in the primary production sectors (mining, agriculture, fisheries, forestry) will not be explicitly addressed, as other more tailored EU programmes cover these; like the EU-FLEGT Programme (Forestry Law Enforcement, Government and Trade) covering sustainable production in forestry, trade in and use of certified wood. However, projects applying supply chain analysis or the life-cycle assessment (LCA) concept may address these sectors, provided that the focus is put on the subsequent subsectors in the value chain (e.g. agribusiness/food processing).

Applicants submitted under Lot 1 or Lot 2 should address explicitly at least one of the following 10YFP programmes:

CONSUMER INFORMATION, SUSTAINABLE LIFESTYLES, SUSTAINABLE PUBLIC PROCUREMENT, SUSTAINABLE BUILDINGS, SUSTAINABLE TOURISM and SUSTAINABLE FOOD

Possible activities to be covered in conjunction with the 10YFP by the projects are listed below:

<b>10 YFP</b>	<b>1.consumer Information</b>	<b>2.Sustainable lifestyles</b>	<b>3.sustainable public procurement</b>	<b>4.sustainable buildings</b>	<b>5.sustainable tourism</b>	<b>6.Sustainable food</b>
indicative Focus	Share information and tools	Awareness raising and capacity-building on sustainable lifestyles and education	Regional cooperation on certified sustainable products	Reduce resource consumption and energy efficiency improvements	Resource efficiency in the tourism sector and food supply	Resource efficiency in the food sector
	Raising awareness and engaging civil society	Mainstream education (curricula development) for sustainable consumption	Support development of new green products	Life-cycle approach	Waste management	Waste management
	Facilitating access to knowledge, finance, technology		Mainstream green products	Access to finance for SMEs	Access to finance for SMEs	Life-cycle approach
	Encouraging the 3Rs concept			Cleaner production	Cleaner supply - chains	Cleaner supply chains

All the 10 YFP programmes listed are applicable to proposals submitted for Lot 1 and 2. The initial choice of one above programmes should be targeted by applying the following criteria:

- Have a potential to significantly reduce overall pollution and emissions (especially water pollution and CO<sub>2</sub>-emissions)
- Have a potential to increase resource efficiency (in particular water and/or energy);
- Have potential to help alleviate poverty;
- Have potential for market demand; and
- Have sufficient potential for further replication in the country and/or region.

#### Types of activity

##### Lot 1

- **Design for Sustainability** - research and design of products with lower environmental impact in the entire life cycle and poverty reduction potential, including use and end-of-life stage (utilising concepts as Eco-design, Design for Recycling, Design for the Poor, etc.);
- **Stimulating sustainable consumption** – 1) greening the Public Procurement; 2) consumer awareness raising; 3) development of credible, robust and ambitious Eco-labelling schemes and procedures of environmental excellence; 4) marketing of environmentally friendly products; 5) Facilitate SMEs funding for SCP-related innovations; 6) market-based solutions inclusive of the

poor; 7) nudging consumers and use behavioural insights to promote sustainable behaviours; 8) prevention of misleading environmental claims and greenwashing; 9) work with retailers.

- **Sustainable usage** – closed-loop schemes in relation to re-use repair and recycle systems; promotion of waste treatment by consumers; prevention of waste (including food waste).

## Lot 2

- **Cleaner Production** – 1) introducing technical innovations, where possible with indigenous or locally produced technology (to tailor to the local conditions and avoid high transaction costs); 2) improved resource efficiency (materials, water, energy); 3) embedding in environmental management systems (e.g. ISO 14001, EMAS, and others) and application of environmental accounting systems; 4) Corporate Social Responsibility (CSR) and implementation of Occupational Health & Safety (OH&S) measures; 5) industrial symbiosis
- **Greening the supply chain** – 1) inducing environmental practices as part of the market push-pull mechanism in the whole chain of production; 2) demonstrate as part of the supply chain (B2B) and/or in close relation with retailers (B2C), how to enhance the production and sales of eco-friendly products in line with international product standards and codes of conducts; 3) CSR-reporting.
- In combination with the selected activities identified above, **projects in Lot 2 - support SMEs in the uptake of sustainable consumption and production practices and the access to finance, should provide:**
  - a clear analysis of the types of constraints in terms of access to finance encountered by firms and other productive actors involved in SCP-related activities;
  - the distinction between: (a) constraints that are to be dealt with at systemic level, and for which broader interventions of financial sector development would be needed (e.g. legal-regulatory and supervisory issues; financial infrastructure gaps); (b) constraints that can be dealt with by working with stakeholders at the meso and micro levels of the financial sector [e.g. banking training institutes/associations, technical providers in the financial sector, individual financial institutions (banks, leasing companies, in some cases also MFIs)]
  - concrete solutions and activities to facilitate the access to finance to support SCP, e.g. in terms of awareness raising on opportunities and challenges of green finance and capacity building of relevant stakeholders (e.g. at policy and industry levels).

The use of grant resources for the provision of liquidity or credit enhancements (guarantees) for local green finance schemes/institutions is not allowed.

Appropriate coordination (and synergy if possible) should be ensured between SWITCH-Asia projects proposed in Lot 2 - *support SMEs and MSMEs in the uptake of SCP practices and the access to finance*, and existing initiatives at country level on access to finance (in particular financial inclusion for SMEs) and on investment facilities (e.g. Asia Investment Facility) supported by the European Commission and/or other donors.

Furthermore, projects are encouraged to include activities related to **SCP policy framework development** and application of policy instruments. This complex and time-consuming process requires involvement of many stakeholders, and realistically, it is not expected to be achieved by SWITCH-Asia II projects. However, applicants should consider including policy-related activities to complement and increase the effectiveness of their action, (e.g. actively engaging policy-makers, preferably at a very early stage of the project implementation).

Initiation and/or contribution to policy dialogue at (sub) regional Asian level are also considered of importance. It is recommended that projects participate in existing and developing new regional networks and partnerships with centres of excellence for cooperation on sustainable consumption and production. This could support and promote capacity building and technology transfer activities. The Programme, through the Policy Support Component with support from the Network Facility, will endorse uptake of successful results from individual projects in environmental policies, as well as mainstreaming in other policies at (sub) regional Asian level, through linkage with dialogue networks like ASEM, ASEAN and the 10 YFP.

## **Key Principles to be taken in consideration for activities under Lot 1 and 2:**

### **1. Integrated Approach**

Sustainable Consumption and Production can be seen as the two faces of the same coin. The two elements – consumption and production – complement and mutually reinforce each other; stimulating the demand for sustainable products does affect the production patterns, as well as the availability and benefits of sustainable products will influence the demand. The aim of the SWITCH-Asia II Programme is to "switch" the market patterns by working on both the supply and demand side. In line with the life-cycle assessment (LCA)<sup>13</sup> concept, the Programme seeks to stimulate integrated approaches to achieve this purpose. Projects, bearing in mind the focus established under Lot 1 and 2 (as identified in chapter 1.2) should aim to integrate both production and consumption aspects in a complementary and mutually re-enforceable way. The projects should aim to employ LCA approach and integrate subsequent stages in the product or value chain.

### **2. Replication approach and engaging with policy makers**

Effective multiplier and replication mechanisms should be one of the core development activities of the projects. They should develop and apply innovative change mechanisms (e.g. challenge and incentive schemes, voluntary agreements, public-private partnerships, sustainable supply chain management, upgrading technical standards, capacity building of SCP service providers, strategic communication tactics, engaging financial institutions, taking a market-based approach to poverty alleviation, cost-efficient mechanisms to provide SCP services).

Projects should consider engaging policy-makers and/or representatives from the financial sector so as to reinforce and/or stimulate (push and pull) enterprises and consumers to change their behaviour. Projects should aim to include activities related to the policy framework level or can be mainly policy oriented, but always complementary to concrete interventions in businesses and consumer networks.

### **3. Building on existing competence**

The Programme seeks, wherever already in place, to build upon and strengthen already existing networks and institutions in order to create visible impact. In the last decade already a number of Asian Centres of SCP have been established. The organisational capacity, knowledge and strengths, especially outreach capacity, amongst these institutions vary greatly and certainly can be enhanced. These centres are expected to be intensively involved in the SWITCH-Asia II Programme.

### **4. Cooperation with the SWITCH-Asia Network Facility**

In order to perform properly its tasks as listed below, the projects funded under the SWITCH-Asia II Programme should provide the Network Facility with the description of the action (of the full application) and reporting documents. The Network Facility should be given the opportunity to make technical project visits in addition to the Delegations' supervision and monitoring task. Therefore, all projects must foresee sufficient budget and a number of working days/year to prepare input on case studies, dissemination material, assessing project and contribution to programme impact. As it is also obligatory for projects to participate in the annual networking events organised by the Network Facility sufficient travel and accommodation budget has to be foreseen (see also section 2.1.4).

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<sup>13</sup> Life Cycle Assessment (LCA) is an internationally standardised methodology (ISO 14040 ff). LCA helps to quantify the environmental pressures related to goods and services (products), the environmental benefits, the trade-offs and areas for achieving improvements taking into account the full life-cycle of the product. More information is available at: <http://ec.europa.eu/environment/ipp/lca.htm>

## Tasks of the SWITCH-Asia Network Facility

- reate internal and external dialogue;
- aggregate and disseminate successful project results for wider replication via an interactive website;
- development of a customised analytical method and performance indicator scheme;
- advice and support grant projects on how best to maximize their impact;
- prepare case studies and other specialised tools on SCP;
- strengthen existing networks and induce further partnership to leverage SCP-uptake;
- organise networking events to share experiences and lessons learnt, and develop new connections with other SCP experts and networks;
- promote SWITCH-Asia II at policy forums and other public events

The following types of action are **ineligible** for projects developed both under Lot 1 and Lot 2:

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, congresses;
- actions concerned only or mainly with individual scholarships for studies or training courses

### Establishment of Performance and impact indicators

Project proposals should include a section on Results and Indicators. Each project should define its own SMART<sup>14</sup> results related to the main objectives of the SWITCH-Asia II programme (see 1.2). For each result a clearly defined and measurable indicator should be provided. Results, and corresponding indicators, should refer not only to project outputs, but also outcomes and, to a lesser extent, impact<sup>15</sup>. In the proposal, or at the latest before the start of the implementation, baselines should be made available for all indicators included.

The number of Results – and therefore Indicators - should be manageable.

Indicators should rely on existing secondary data sources or on project internal monitoring systems. Wherever the latter is preferred, a specific budget to the measurement of the selected indicators must be allocated.

In their proposals, depending on the degree of relevance, applicants should include (and subsequently monitor) one or more of the following indicators established at the programme level:

- Number of SMEs applying Sustainable Consumption and Production practices with EU support;
- Proportion of consumers showing preference for greener consumption (based on national surveys where available)
- Number of governments applying i) green public procurement policies; ii) life-cycle approach policies implemented (from design, packaging, retail, maintenance, end-of-life)
- Level of GHG-emissions;
- Level of energy consumption
- Percentage of renewable energy consumed

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<sup>14</sup> SMART in this context stands for ‘specific, measurable, achievable, relevant and timebound’

<sup>15</sup> The sequence of indicators chosen at different levels should reflect the logical chain of EU funded interventions (Impact-Outcome-Output). Following OECD DAC definitions “Results” means the output, outcome or impact of an Action. “Impact” means primary and secondary, long term effects produced by the Action; “Outcome” means the likely or achieved short-term and medium-term effects of an Action’s outputs; “Output” means the products, capital goods and services which result from an Action’s activities.



- Number of voluntary agreements established, e.g. industrial codes of conduct, product eco-labels at country level, etc.

Results, indicators, sources of verification as well as baselines and eventual targets should be clearly presented in the proposal through a standard logframe matrix (see annex C).

It is expected that narrative progress reports as well as final reports will include an updated logframe showing the latest values of the indicators there included.

### Communication activities

A budgeted communication and visibility plan should be included in the work plan of any EU-funded or co-funded action, highlighting the external communication activities that need to take place at key stages in the life of the action. The communication plan should be developed alongside with the project planning to safeguard a coherent strategy.

Applicants to the SWITCH-Asia II Programme are required to outline a **communication and visibility plan at the stage of submission of full application** (a detailed plan should be prepared and submitted by the projects selected for funding at the inception stage). A strategic communication plan should include the following points:

- Objectives
- Communication Activities
- Indicators of Achievement
- Human and Financial Resources

### Visibility

The Applicants must take all necessary steps to publicise the fact that the European Union has financed or co-financed the Action. As far as possible, actions that are wholly or partially funded by the European Union must incorporate information and communication activities designed to raise the awareness of specific or general audiences of the reasons for the action and the EU support for the action in the country or region concerned, as well as the results and the impact of this support.

Applicants must comply with the objectives and priorities and guarantee the visibility of the EU financing (see the Communication and Visibility Manual for EU external actions specified and published by the European Commission at [http://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions\\_en](http://ec.europa.eu/europeaid/funding/communication-and-visibility-manual-eu-external-actions_en)).

### Financial support to third parties<sup>16</sup>

Applicants may not propose financial support to third parties.

### Number of applications and grants per applicants

The applicant may submit more than 1 application(s) per lot under this Call for Proposals.

The applicant may not be awarded more than 1 grant(s) per lot under this Call for Proposals.

The applicant may be a co-applicant or an affiliated entity in another application at the same time.

A co-applicant/affiliated entity may submit more than 1 application(s) per lot under this Call for Proposals.

A co-applicant/affiliated entity may be awarded more than 1 grant(s) per lot under this Call for Proposals.

A co-applicant/affiliated entity may be the applicant or an affiliated entity in another application at the same time.

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<sup>16</sup> These third parties are neither affiliated entity(ies) nor associates nor contractors.

## **2.1.5. Eligibility of costs: costs that can be included**

Only 'eligible costs' can be covered by a grant. The categories of costs that are eligible and non-eligible are indicated below. The budget is both a cost estimate and an overall ceiling for 'eligible costs'.

The reimbursement of eligible costs may be based on any or a combination of the following forms:

- actual costs incurred by the Beneficiary(ies) and affiliated entity(ies)
- one or more simplified cost options.

Simplified cost options may take the form of:

- **unit costs:** covering all or certain specific categories of eligible costs which are clearly identified in advance by reference to an amount per unit.
- **lump sums:** covering in global terms all or certain specific categories of eligible costs which are clearly identified in advance.
- **flat-rate financing:** covering specific categories of eligible costs which are clearly identified in advance by applying a percentage fixed ex ante.

The amounts or rates have to be based on estimates using objective data such as statistical data or any other objective means or with reference to certified or auditable historical data of the applicants or the affiliated entity(ies). The methods used to determine the amounts or rates of unit costs, lump sums or flat-rates must comply with the criteria established in Annex K, and especially ensure that the costs correspond fairly to the actual costs incurred by the Grant Beneficiary(ies) and affiliated entity(ies), are in line with their accounting practices, no profit is made and the costs are not already covered by other sources of funding (no double funding). Refer to Annex K for directions and a checklist of controls to assess the minimum necessary conditions that provide reasonable assurance for the acceptance of the proposed amounts.

The applicant proposing this form of reimbursement, must clearly indicate in worksheet no.1 of Annex B, each heading/item of eligible costs concerned by this type of financing, i.e. add the reference in capital letters to "UNIT COST" (per month/flight etc), "LUMPSUM" or "FLAT RATE" in the Unit column. (see example in Annex K)

Additionally in Annex B, in the second column of worksheet no.2, "Justification of the estimated costs" per each of the corresponding budget item or heading the applicant must:

- describe the information and methods used to establish the amounts of unit costs, lump sums and/or flat-rates, to which costs they refer, etc.
- clearly explain the formulas for calculation of the final eligible amount<sup>17</sup>
- identify the beneficiary who will use the simplified cost option (in case of affiliated entity, specify first the beneficiary), in order to verify the maximum amount per each beneficiary (which includes if applicable simplified cost options of its affiliated entity(ies))

At contracting phase, the Contracting Authority decides whether to accept the proposed amounts or rates on the basis of the provisional budget submitted by the applicant, by analysing factual data of grants carried out by the applicant or of similar actions and by performing checks established by Annex K.

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<sup>17</sup> Examples:- for staff costs: number of hours or days of work \* hourly or daily rate pre-set according to the category of personnel concerned;- for travel expenses: distance in km \* pre-set cost of transport per km; number of days \* daily allowance pre-set according to the country;- for specific costs arising from the organization of an event: number of participants at the event \* pre-set total cost per participant etc.

The total amount of financing on the basis of simplified cost options that can be authorised by the Contracting Authority for any of the applicants individually (including simplified cost options proposed by their own affiliated entities) cannot exceed EUR 60 000 (the indirect costs are not taken into account).

Recommendations to award a grant are always subject to the condition that the checks preceding the signing of the contract do not reveal problems requiring changes to the budget (such as arithmetical errors, inaccuracies, unrealistic costs and ineligible costs). The checks may give rise to requests for clarification and may lead the Contracting Authority to impose modifications or reductions to address such mistakes or inaccuracies. It is not possible to increase the grant or the percentage of EU co-financing as a result of these corrections.

It is therefore in the applicant's interest to provide a **realistic and cost-effective budget**.

#### Eligible direct costs

To be eligible under the Call for Proposals, costs must comply with the provisions of Article 14 of the General Conditions to the Standard Grant Contract (see Annex G of the Guidelines).

#### Contingency reserve

The budget may include a contingency reserve not exceeding 5 % of the estimated direct eligible costs. It can only be used with the **prior written authorisation** of the Contracting Authority.

#### Eligible indirect costs

The indirect costs incurred in carrying out the action may be eligible for flat-rate funding, but the total must not exceed 7 % of the estimated total eligible direct costs. Indirect costs are eligible provided that they do not include costs assigned to another budget heading in the standard grant contract. The applicant may be asked to justify the percentage requested before the contract is signed. However, once the flat rate has been fixed in the special conditions of the standard grant contract, no supporting documents need to be provided.

If any of the applicants or affiliated entity(ies) is in receipt of an operating grant financed by the EU, it may not claim indirect costs on its incurred costs within the proposed budget for the action.

#### Contributions in kind

Contributions in kind mean the provision of goods or services to a Beneficiary(ies) or affiliated entity(ies) free of charge by a third party. As contributions in kind do not involve any expenditure for a Beneficiary(ies) or affiliated entity(ies), they are not eligible costs.

Contributions in kind may not be treated as co-financing.

However, if the description of the action as proposed includes contributions in kind, the contributions have to be made and mentioned in the budget.

#### Costs incurred in connection with the Network Facility

It is obligatory for all projects funded under the SWITCH-Asia II Programme to participate in the activities organised by the Network Facility and to provide written documents for its secretariat upon request. Thus, costs must be included in the budget for fulfilling these obligations. This should include 8 days per year for participation in the annual SWITCH-Asia Networking Event (4 days for 2 people, including travel and associated costs to or within Asia) and 5 days per year to provide input for case studies and specialised studies. Furthermore, 4 days per year should be allocated for dissemination activities especially to contribute to Web2.0 networking applications on project process and results (videos, podcasts, blogs, webinars etc.) to be managed by the Network Facility.

## Ineligible costs

The following costs are not eligible:

- demonstration or hardware investments (e.g. machines/equipment that is deemed necessary to change production/consumption practices);
- debts and debt service charges (interest);
- provisions for losses or potential future liabilities;
- Interest owed;
- costs declared by the Beneficiary(ies) and financed by another action or work programme receiving a Union (including through EDF) grant;
- purchases of land or buildings, except where necessary for the direct implementation of the action, in which case ownership must be transferred to the final beneficiaries and/or local Beneficiary(ies), at the latest at the end of the action;
- currency exchange losses;
- credit to third parties.

## **2.2. HOW TO APPLY AND THE PROCEDURES TO FOLLOW**

Prior registration in PADOR for this Call for Proposals is obligatory:

- **Phase 1, concept note:** Registration in PADOR is obligatory for all applicants

Registration is optional though strongly recommended for:

- co-applicant(s) and affiliated entity(ies).
- **Phase 2, full proposal:** Registration in PADOR is obligatory for all pre-selected applicants, co-applicant(s) and all their affiliated entity(ies).

PADOR is an on-line database in which organisations register and update their data regularly, through the EuropeAid website: [http://ec.europa.eu/europeaid/work/onlineservices/pador/index\\_en.htm](http://ec.europa.eu/europeaid/work/onlineservices/pador/index_en.htm)

Before starting to register your organisation in PADOR, please read the ‘Quick guide’ on the website. It explains the registration process.

It is strongly recommended to register in PADOR when you start drafting your proposal and not to wait until just before the deadline of submission.

On the paper version of the proposal you must give your EuropeAid ID (EID). To get this ID, your organisation must enter PADOR to register, save and ‘sign’ certain obligatory data (the fields shown in orange on each screen) and the related documents (see section 2.4).

However, if it is impossible for the organisation to register in PADOR, it must submit a justification proving that this impossibility is general and beyond the control of the applicant and/or its affiliated entity(ies). In such cases, the applicants and/or affiliated entity(ies) concerned must complete the ‘PADOR off-line form’<sup>18</sup> attached to these Guidelines and send it by the submission deadline, together with the application, to the address indicated in sections 2.2.2 and 2.2.6. The registration in PADOR will then be carried out by the European Commission service in charge of the Call for Proposals. If, at a later stage, the organisation wishes to update its data itself, it will have to send an access request to the PADOR helpdesk.

All questions related to registration in PADOR should be addressed to the PADOR helpdesk at: [Europeaid-pador@ec.europa.eu](mailto:Europeaid-pador@ec.europa.eu).

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<sup>18</sup> Which corresponds to Sections 3 and 4 of Part B of the application form.

### **2.2.1. Concept Note content**

Applications must be submitted in accordance with the Concept Note instructions in the Grant Application Form annexed to these Guidelines (Annex A).

Applicants must apply in **English**.

In the Concept Note, applicants must only provide an estimate of the amount of contribution requested from the Contracting Authority and an indicative percentage of that contribution in relation to the total amount of the Action. Only the applicants invited to submit a full application in the second phase will be required to present a detailed budget. The elements outlined in the Concept Note may not be modified by the applicant in the full application form. The EU contribution may not vary from the initial estimate by more than 20%. Applicants are free to adapt the percentage of co-financing required within the minimum and maximum amount and percentages of co-financing, as laid down in these Guidelines in section 1.3. Own contributions by the applicants can be replaced by other donors' contributions at any time.

Any error or major discrepancy related to the points listed in the Concept Note instructions may lead to the rejection of the Concept Note.

Clarifications will only be requested when information provided is not sufficient to conduct an objective assessment.

Hand-written Concept Notes will not be accepted.

Please note that only the Concept Note form will be evaluated. It is therefore of utmost importance that this document contains ALL relevant information concerning the action. No additional annexes should be sent.

### **2.2.2. Where and how to send Concept Notes**

The Concept Note together with its relating Checklist and Declaration by the applicant (to be found in **Part A sections 2 and 3** of the grant application form) must be submitted in one original in A4 size, each bound.

An electronic version of the Concept Note must also be submitted. A CD-Rom with the Concept Note in electronic format will be included, along with the paper version, in a sealed envelope as described below. The electronic file must contain **exactly the same** application as the paper version enclosed.

Where applicants send several different Concept Notes (if allowed to do so by the Guidelines of the Call), each one must be sent separately.

The outer envelope must bear the **reference number and the title of the call for proposals**, together with the lot number and title, the full name and address of the applicant, and the words 'Not to be opened before the opening session'.

Concept Notes must be submitted in a sealed envelope by registered mail, private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) to the address below:

#### **Postal address**

#### **European Commission**

DG for Development and Co-operation – EuropeAid  
Directorate H, Asia, Central Asia, Middle East/Gulf and Pacific  
Unit H3, Finances, Contracts, Audit J-54 08/16  
Office J-54 08/16  
Avenue du Bourget 1  
B-1049 Belgium

### **Address for hand delivery or by private courier service**

#### **European Commission**

DG for Development and Co-operation – EuropeAid  
Directorate H, Asia, Central Asia, Middle East/Gulf and Pacific  
Unit H3, Finances, Contracts, Audit J-54 08/16  
Avenue du Bourget 1  
B-1140 Brussels, Belgium

Concept Notes sent by any other means (e.g. by fax or by e-mail) or delivered to other addresses will be rejected.

**Applicants must verify that their Concept Note is complete using the Checklist for Concept Note (Part A section 2 of the grant application form). Incomplete concept notes may be rejected.**

#### ***2.2.3. Deadline for submission of Concept Notes***

The deadline for the submission of Concept Notes is 9 February 2015 as evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at 12:00 hours local time as evidenced by the signed and dated receipt. Any Concept Note submitted after the deadline will be rejected.

However, for reasons of administrative efficiency, the Contracting Authority may reject any Concept Note sent in due time but received after the effective date of approval of the Concept Note evaluation (see indicative calendar under section 2.5.2)

#### ***2.2.4. Further information about Concept Notes***

An information session on this Call for Proposals will be organised in Brussels on 14<sup>th</sup> of January 2015. Details on the time and location will be published timely on the dedicated SWITCH-Asia website: [www.switch-asia.eu](http://www.switch-asia.eu)

Questions may be sent by e-mail no later than 21 days before the deadline for the submission of Concept Notes to the address(es) below, indicating clearly the reference of the Call for Proposals:

E-mail address: [EuropeAid-SWITCH-ASIA@ec.europa.eu](mailto:EuropeAid-SWITCH-ASIA@ec.europa.eu)

The Contracting Authority has no obligation to provide clarifications to questions received after this date.

Replies will be given no later than 11 days before the deadline for submission of Concept Notes.

To ensure equal treatment of applicants, the Contracting Authority cannot give a prior opinion on the eligibility of applicants, affiliated entity(ies), an action or specific activities.

Questions that may be relevant to other applicants, together with answers and other important notices in the course of the evaluation procedure, will be published on the EuropeAid website <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome> as the need arises. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

All questions related to PADOR registration should be addressed to the PADOR help desk:

[Europeaid-pador@ec.europa.eu](mailto:Europeaid-pador@ec.europa.eu)

#### ***2.2.5. Full Application forms***

An applicant invited to submit a full application form following pre-selection of their Concept Note must do so using Part B of the application form annexed to these Guidelines (Annex A). Applicants should then keep strictly to the format of the application form and fill in the paragraphs and pages in order.

The elements outlined in the Concept Note cannot be modified by the applicant in the full application form. The EU contribution may not vary from the initial estimate by more than 20 %, although applicants are free to adapt the percentage of co-financing required within the minimum and maximum amount and percentages of co-financing, as laid down in these Guidelines under section 1.3.

Applicants must submit their full applications in the same language as their Concept Notes.

Please complete the full application form carefully and as clearly as possible so that it can be assessed properly.

Any error related to the points listed in the Checklist (Part B, Section 7 of the Grant Application form) or any major inconsistency in the full application form (e.g. if the amounts in the budget worksheets are inconsistent) may lead to the rejection of the application.

Clarifications will only be requested when information provided is unclear and thus prevents the Contracting Authority from conducting an objective assessment.

Hand-written applications will not be accepted.

Please note that only the full application form and the published annexes which have to be filled in (budget, logical framework) will be transmitted to the evaluators (and assessors, if used). It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action. **No supplementary annexes should be sent.**

#### **2.2.6. *Where and how to send Full Application forms***

Applications must be submitted in a sealed envelope by registered mail, private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) to the address below:

##### **Postal address**

European Commission  
DG for Development and Co-operation – EuropeAid  
Directorate H, Asia, Central Asia, Middle East/Gulf and Pacific  
Unit H3, Finances, Contracts, Audit  
Office J-54 08/16  
Avenue du Bourget 1  
B-1049 Belgium

##### **Address for hand delivery or by private courier service**

European Commission  
DG for Development and Co-operation – EuropeAid  
Directorate H, Asia, Central Asia, Middle East/Gulf and Pacific  
Unit H3, Finances, Contracts, Audit  
Avenue du Bourget 1  
B-1140 Brussels, Belgium

Applications sent by any other means (e.g. by fax or by e-mail) or delivered to other addresses will be rejected.

Applications must be submitted in one original in A4 size, each bound. The full application form, budget and logical framework must also be supplied in electronic format (CD-Rom) in a separate and single file (i.e. the full application form must not be split into several different files). The electronic file must contain **exactly the same** application as the paper version.

The Checklist (Section 7 of Part B of the grant application form) and the Declaration by the applicant (Section 8 of Part B of the grant application form) must be stapled separately and enclosed in the envelope

Where applicants send several different applications (if allowed to do so by the Guidelines of the Call), each one must be sent separately.

The outer envelope must bear the **reference number and the title of the Call for Proposals**, together with the number and title of the lot, the full name and address of the applicant, and the words ‘Not to be opened before the opening session’.

**Applicants must verify that their application is complete using the checklist (Section 7 of Part B of the grant application form). Incomplete applications may be rejected.**

#### **2.2.7. *Deadline for submission of Full Application forms***

The deadline for the submission of applications will be indicated in the letter sent to the applicants whose application has been pre-selected.

However, for reasons of administrative efficiency, the Contracting Authority may reject any application sent in due time but received after the date of approval of the evaluation report for full applications (see indicative calendar under Section 2.5.2)

#### **2.2.8. *Further information about Full Application forms***

Questions may be sent by e-mail no later than 21 days before the deadline for the submission of applications to the addresses listed below, indicating clearly the reference of the Call for Proposals:

E-mail address: [EuropeAid-SWITCH-ASIA@ec.europa.eu](mailto:EuropeAid-SWITCH-ASIA@ec.europa.eu)

The Contracting Authority has no obligation to provide clarifications to questions received after this date.

Replies will be given no later than 11 days before the deadline for the submission of applications.

To ensure equal treatment of applicants, the Contracting Authority cannot give a prior opinion on the eligibility of applicants, affiliated entity(ies), or an action.

No individual replies will be given to questions. All questions and answers as well as other important notices to applicants during the course of the evaluation procedure, will be published on the website <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

### **2.3. EVALUATION AND SELECTION OF APPLICATIONS**

Applications will be examined and evaluated by the Contracting Authority with the possible assistance of external assessors. All actions submitted by applicants will be assessed according to the following steps and criteria.

If the examination of the application reveals that the proposed action does not meet the eligibility criteria stated in paragraph 2.1, the application will be rejected on this sole basis.



## (1) STEP 1: OPENING & ADMINISTRATIVE CHECKS AND CONCEPT NOTE EVALUATION

The following will be assessed:

- Compliance with the submission deadline. If the deadline has not been met, the application will automatically be rejected.
- The Concept Note satisfies all the criteria specified in points 1-5 of the Checklist (Section 2 of Part A of the grant application form). If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The Concept Notes that pass the first administrative check will be evaluated on the relevance and design of the proposed action.

The Concept Note will receive an overall score out of 50 using the breakdown in the evaluation grid below. The evaluation will also check on compliance with the instructions on the Concept Note, which can be found in Part A of the Application Form.

The evaluation criteria are divided into headings and subheadings. Each subheading will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

### Scores

<b>1. Relevance of the action</b>	Sub-score	<b>30</b>
1.1 How relevant is the proposal to the objectives and priorities of the Call for Proposals?*	5x2*	
1.2 How relevant to the particular needs and constraints of the target country(ies) or region(s) is the proposal (including synergy with other EU initiatives and avoidance of duplication)?	5x2*	
1.3 How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs been clearly defined and does the proposal address them appropriately?	5	
1.4 Does the proposal contain specific added-value elements, such as environmental issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and rights of indigenous peoples, or innovation and best practices [ <i>and the other additional elements indicated under 1.2. of these Guidelines</i> ]?	5	
<b>2. Design of the action</b>	Sub-score	<b>20</b>
2.1 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 relevant stakeholders?	5x2**	
2.2 Is the action feasible and consistent in relation to the objectives and expected results?	5x2**	

**TOTAL SCORE 50**

\*these scores are multiplied by 2 because of their importance.

Once all Concept Notes have been assessed, a list will be drawn up with the proposed actions ranked according to their total score.

Firstly, only the Concept Notes with a score of at least 30 will be considered for pre-selection.

Secondly, the number of Concept Notes will be reduced, taking account of the ranking, to the number of Concept Notes whose total aggregate amount of requested contributions is equal to at least twice the available budget for this Call for Proposals. The amount of requested contributions of each concept note will be based on the indicative financial envelopes for each lot.

After the evaluation of Concept Notes, the Contracting Authority will send letters to all applicants, indicating whether their application was submitted by the deadline, informing them of the reference number they have been allocated, whether the Concept Note was evaluated and the results of that evaluation. The pre-selected applicants will subsequently be invited to submit full applications.

## (2) STEP 2: EVALUATION OF THE FULL APPLICATION

Firstly, the following will be assessed:

### Restricted Call for Proposals

- Compliance with the submission deadline. If the deadline has not been met, the application will automatically be rejected.
- The full application form satisfies all the criteria specified in points 1-9 of the Checklist (Section 7 of Part B of the grant application form). If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The quality of the applications, including the proposed budget and capacity of the applicants and affiliated entity(ies), will be evaluated using the evaluation criteria in the evaluation grid below. There are two types of evaluation criteria: selection and award criteria.

**The selection criteria** help to evaluate the applicant(s)'s and affiliated entity(ies)'s operational capacity and the applicant's financial capacity and to ensure that they:

- have stable and sufficient sources of finance to maintain their activity throughout the proposed action and, where appropriate, to participate in its funding;
- have the management capacity, professional competencies and qualifications required to successfully complete the proposed action. This also applies to any affiliated entity(ies) of the applicants.

**The award criteria** help to evaluate the quality of the applications in relation to the objectives and priorities, and to award grants to projects which maximise the overall effectiveness of the Call for Proposals. They help to select applications which the Contracting Authority can be confident will comply with its objectives and priorities. They cover the relevance of the action, its consistency with the objectives of the Call for Proposals, quality, expected impact, sustainability and cost-effectiveness.

*Scoring:*

The evaluation grid is divided into sections and subsections. Each subsection will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

### Evaluation Grid

Section	Maximum Score
<b>1. Financial and operational capacity</b>	<b>20</b>
1.1 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient experience of project management?	5
1.2 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient technical expertise? (especially knowledge of the issues to be addressed)	5
1.3 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient management capacity? (Including staff, equipment and ability to handle the budget for the action)?	5
1.4 Does the lead applicant have stable and sufficient sources of finance?	5

<b>2. Relevance of the action</b>	<b>30</b>
<i>Score transferred from the Concept Note evaluation</i>	
<b>3. Effectiveness and feasibility of the action</b>	<b>20</b>
3.1 Are the activities proposed appropriate, practical, and consistent with the objectives and expected results?	5
3.2 Is the action plan clear and feasible?	5
3.3 Does the proposal contain objectively verifiable indicators for the outcome of the action? Is any evaluation planned?	5
3.4 Is the co-applicant(s)'s and affiliated entity(ies)'s level of involvement and participation in the action satisfactory?	5
<b>4. Sustainability of the action</b>	<b>15</b>
4.1 Is the action likely to have a tangible impact on its target groups?	5
4.2 Is the proposal likely to have multiplier effects? (Including scope for replication, extension and information sharing.)	5
4.3 Are the expected results of the proposed action sustainable?  - 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> )  - environmentally (if applicable) ( <i>will the action have a negative/positive environmental impact?</i> )	5
<b>5. Budget and cost-effectiveness of the action</b>	<b>15</b>
5.1 Are the activities appropriately reflected in the budget?	/ 5
5.2 Is the ratio between the estimated costs and the expected results satisfactory?	/ 10
<b>Maximum total score</b>	<b>100</b>

*Note on section 1. Financial and operational capacity*

If the total score for section 1 is less than 12 points, the application will be rejected. If the score for at least one of the subsections under section 1 is 1, the application will also be rejected.

### *Provisional selection*

After the evaluation, a table will be drawn up listing the applications ranked according to their score and within the limits of the funds available. In addition, a reserve list will be drawn up following the same criteria to be used if more funds should become available during the validity period of the reserve list.

### **(3) STEP 3: VERIFICATION OF ELIGIBILITY OF THE APPLICANTS AND AFFILIATED ENTITY(IES)**

The eligibility verification, based on the supporting documents requested by the Contracting Authority (see Section 2.4) will only be performed for the applications that have been provisionally selected according to their score and within the available financial envelope.

- The Declaration by the applicant (Section 8 of Part B the grant application form) will be cross-checked with the supporting documents provided by the applicant. Any missing supporting document or any incoherence between the Declaration by the applicant and the supporting documents may lead to the rejection of the application on that sole basis.
- The eligibility of applicants, the affiliated entity(ies), and the action will be verified according to the criteria set out in Sections 2.1.1, 2.1.2 and 2.1.3.

Any rejected application will be replaced by the next best placed application on the reserve list that falls within the available financial envelope.

### **2.4. SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS**

An applicant that has been provisionally selected or placed on the reserve list will be informed in writing by the Contracting Authority. It will be requested to supply the following documents in order to allow the Contracting Authority to verify the eligibility of the applicant, (if any) of the co-applicant(s) and (if any) of their affiliated entity(ies)<sup>19</sup>:

Supporting documents may/must be provided through PADOR, see Section 2.2

1. The statutes or articles of association of the applicant, (if any) of each co-applicant(s) and (if any) of each affiliated entity(ies)<sup>20</sup>. Where the Contracting Authority has recognised the applicant's, or the co-applicant(s)'s, or their affiliated entity(ies)'s eligibility for another call for proposals under the same budget line within 2 years before the deadline for receipt of applications, it should be submitted, instead of the statutes or articles of association, a copy of the document proving their eligibility in a former Call (e.g. a copy of the special conditions of a grant contract received during the reference period), unless a change in legal status has occurred in the meantime<sup>21</sup>. This obligation does not apply to international organisations which have signed a framework agreement with the European Commission.
2. An external audit report produced by an approved auditor, certifying the applicant's accounts for the last financial year available where the total amount of the grant exceeds EUR 750 000 (EUR 100 000 for an operating grant). The external audit report is not required from the co-applicant(s).

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19 No supporting document will be requested for applications for a grant not exceeding EUR 60000.

20 Where the applicant and/or a co-applicant(s) and or an affiliated entity(ies) is a public body created by a law, a copy of the said law must be provided.

21 To be inserted only where the eligibility conditions have not changed from one call for proposals to the other.

This obligation does not apply to public bodies and international organisations provided that the international organisation in question offers the guarantees provided for in the applicable Financial Regulation, as described in Chapter 6 of the Practical Guide.

This obligation does not apply to secondary and higher education establishments.

3. A copy of the applicant's latest accounts (the profit and loss account and the balance sheet for the last financial year for which the accounts have been closed)<sup>22</sup>. A copy of the latest account is neither required from the co-applicant(s) nor from (if any) affiliated entity(ies).
4. Legal entity sheet (see annex D of these Guidelines) duly completed and signed by each of the applicants (i.e. by the applicant and by each co-applicant(s), accompanied by the justifying documents requested there. If the applicants have already signed a contract with the Contracting Authority, instead of the legal entity sheet and supporting documents, the legal entity number may be provided, unless a change in legal status occurred in the meantime.
5. A financial identification form of the applicant (not from co-applicant(s)) conforming to the model attached at Annex E of these Guidelines, certified by the bank to which the payments will be made. This bank should be located in the country where the applicant is established. If the applicant has already submitted a financial identification form in the past for a contract where the European Commission was in charge of the payments and intends to use the same bank account, a copy of the previous financial identification form may be provided instead.

Where the requested supporting documents are not uploaded in PADOR they must be supplied in the form of originals, photocopies or scanned versions (i.e. showing legible stamps, signatures and dates) of the said originals. However, the Legal entity sheet and the financial identification form must always be submitted in original.

Where such documents are not in one of the official languages of the European Union or in the language documents proving the applicant(s)'s eligibility, must be attached for the purpose of analysing the application.

Where these documents are in an official language of the European Union other than English, it is **strongly** recommended, in order to facilitate the evaluation, to provide a translation of the relevant parts of the documents, proving the applicants' eligibility, into English.

If the abovementioned supporting documents are not provided before the deadline indicated in the request for supporting documents sent to the applicant by the Contracting Authority, the application may be rejected.

After verifying the supporting documents, the Evaluation Committee will make a final recommendation to the Contracting Authority, which will decide on the award of grants.

**NB :** In the eventuality that the Contracting Authority is not satisfied with the strength, solidity, and guarantee offered by the structural link between one of the applicants and its affiliated entity, it can require the submission of the missing documents allowing for its conversion into co-applicant. If all the missing documents for co-applicants are submitted, and provided all necessary eligibility criteria are fulfilled, the above mentioned entity becomes a co-applicant for all purposes. The applicant has to submit the application form revised accordingly.

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<sup>22</sup> This obligation does not apply to natural persons who have received a scholarship or that are in most need in receipt of direct support, nor to public bodies and to international organisations. It does not apply either when the accounts are in practice the same documents as the external audit report already provided pursuant to Section 2.4.2.

## 2.5. NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

### 2.5.1. *Content of the decision*

The applicants will be informed in writing of the Contracting Authority's decision concerning their application and, if rejected, the reasons for the negative decision.

An applicant believing that it has been harmed by an error or irregularity during the award process may lodge a complaint. See further Section 2.4.15 of the Practical Guide.

### 2.5.2. *Indicative timetable*

	<b>DATE</b>	<b>TIME*</b>
<b>Information meeting (if any)</b>	14 January 2015	14:00 – 16:30
<b>Deadline for requesting any clarifications from the Contracting Authority</b>	19 January 2015	12:00 (noon) CET
<b>Last date on which clarifications are issued by the Contracting Authority</b>	29 January 2015	-
<b>Deadline for submission of Concept</b>	9 February 2015	12:00 (noon) CET
<b>Information to applicants on opening, administrative checks and concept note evaluation (Step 1)</b>	February 2015*	-
<b>Invitations to submit Full Application Form</b>	March 2015*	-
<b>Deadline for submission of Full Application Form</b>	May 2015*	-
<b>Information to applicants on the evaluation of the Full Application Form (Step 2)<sup>23</sup></b>	July 2015*	-
<b>Notification of award (after the eligibility check) (Step 3)</b>	September 2015*	-
<b>Contract signature<sup>24</sup></b>	December 2015	-

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<sup>23</sup> Note that according to the financial regulation, in direct management, applicants must be notified the outcome of the evaluation of their applications within 6 months following the submission deadline of the full application. This time-limit may be exceeded in exceptional cases, in particular for complex actions (including Multi-beneficiary calls), large number of proposals or in case of delays attributable to the applicants.

\***Provisional date.** All times are in the time zone of the country of the Contracting Authority.

This indicative timetable may be updated by the Contracting Authority during the procedure. In such cases, the updated timetable will be published on the EuropeAid web site

<https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>

Or [http://ec.europa.eu/europeaid/where/asia/regional-cooperation/environment/switch\\_en.htm](http://ec.europa.eu/europeaid/where/asia/regional-cooperation/environment/switch_en.htm)

## **2.6. CONDITIONS FOR IMPLEMENTATION AFTER THE CONTRACTING AUTHORITY'S DECISION TO AWARD A GRANT**

Following the decision to award a grant, the Beneficiary(ies) will be offered a contract based on the Contracting Authority's grant contract (see Annex G of these Guidelines<sup>25</sup>). By signing the application form (Annex A of these Guidelines), the applicants agree, if awarded a grant, to accept the contractual conditions of the standard grant contract.

### Implementation contracts

Where implementation of the action requires the Beneficiary(ies) and its affiliated entity(ies) (if any) to award procurement contracts, those contracts must be awarded in accordance with Annex IV to the standard grant contract.

## **2.7. EARLY WARNING SYSTEM AND CENTRAL EXCLUSION DATABASE**

The applicants and, if they are legal entities, the persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations mentioned in:

- Commission Decision of 16.12.2008 on the Early Warning System (EWS) for the use of authorising officers of the Commission and the executive agencies (OJ, L 344, 20.12.2008, p.125) or
- Commission Regulation of 17.12.2008 on the Central Exclusion Database (CED) (OJ L344, 20.12.2008, p.12),

their personal details (name, given name (if natural person), address, legal form and name and given name of the persons with powers of representation, decision-making or control (if legal person)) may be registered in the EWS only or both in the EWS and CED, and communicated to the persons and entities listed in the above-mentioned Decision and Regulation, in relation to the award or the execution of a grant agreement or decision.

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<sup>24</sup> Note that according to the financial regulation, in direct management the grant contract must be signed within 3 months following the notification of the award decision. This time-limit may be exceeded in exceptional cases, in particular for complex actions (including Multi-beneficiary calls), large number of proposals or in case of delays attributable to the applicants

<sup>25</sup> Complemented by the provisions in Annex e3h11 where at least one of the beneficiaries is an international organisation.



### 3. LIST OF ANNEXES

#### DOCUMENTS TO BE COMPLETED

Annex A: Grant Application Form (Word format)

Annex B: Budget (Excel format)

Annex C: Logical Framework (Excel format)<sup>26</sup>

Annex D: Legal Entity Sheet<sup>27</sup>

Annex E: Financial identification form

Annex F: PADOR off Line Form<sup>28</sup>

#### DOCUMENTS FOR INFORMATION

Annex G: Standard Grant Contract

- Annex II: General conditions
- Annex IV: contract award procedures
- Annex V: standard request for payment
- Annex VI: model narrative and financial report
- Annex VII: model report of factual findings and terms of reference for an expenditure verification of an EU financed grant contract for external action
- Annex VIII: model financial guarantee
- Annex IX: standard template for transfer of ownership of assets

Annex H: Daily allowance rates (Per diem), available at the following address:  
[http://ec.europa.eu/europeaid/applicable-rates-diems-framework-ec-funded-external-aid-contracts-05072013\\_en](http://ec.europa.eu/europeaid/applicable-rates-diems-framework-ec-funded-external-aid-contracts-05072013_en)

Annex K: Guidelines and Checklist for assessing Budget and Simplified cost options.

ANNEX J: Information on the tax regime applicable to grant contracts signed under the call.

#### Useful links:

##### Project Cycle Management Guidelines

[https://ec.europa.eu/europeaid/aid-delivery-methods-project-cycle-management-guidelines-vol-1\\_en](https://ec.europa.eu/europeaid/aid-delivery-methods-project-cycle-management-guidelines-vol-1_en)

##### The implementation of grant

<http://ec.europa.eu/europeaid/companion/document.do?nodeNumber=19>

##### Financial Toolkit

[https://ec.europa.eu/europeaid/funding/procedures-beneficiary-countries-and-partners/financial-management-toolkit\\_en](https://ec.europa.eu/europeaid/funding/procedures-beneficiary-countries-and-partners/financial-management-toolkit_en)

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<sup>26</sup> Optional where the total amount of the grants to be awarded under the Call for Proposals is EUR 100000 or less.

<sup>27</sup> Only applicable where the European Commission is the Contracting Authority or will make the payments under the contracts to be signed.

<sup>28</sup> [https://ec.europa.eu/europeaid/search/site/pador\\_en](https://ec.europa.eu/europeaid/search/site/pador_en) Only applicable in calls under direct management where PADOR is used.