1 Introduction

There are a number of terms and conditions that applicants must consider when preparing a proposal under the SEEDLING grants programme. Detailed instructions are given in Section 2 of this annex. The annex contains information on the procedures and requirements related to the stages after the proposal has been submitted.

2 Guidelines for the preparation of project proposals

In order to comply with the specific requirements of the SEEDLING call, CSOs should use the present Guidelines for Project Proposal Preparation, which explain the content of the final application. Before writing the proposal, CSOs should decide on partners and interested parties. The partners should meet and jointly write the project proposal.

2.1 Preparation of technical annexes

The project proposal is prepared in the local language and has the following structure:

2.1.1 Annexes A to F

Annex A: Proposal cover page — Must be clearly and fully completed by the lead CSO.

Annex B: Statement of cooperation — Must be clearly and fully completed and stamped by each partner.

Annex C: Narrative description of the project — Should be developed following the instructions given in Annex C.

Annex D1: Budget summary — The budget for the entire project should be outlined using Annex D1. The budget summaries are based on the budget justification explained below. Amounts must be stated in euros (EUR). Amounts committed by other donors to the project should be included in the budget summary (if applicable).

Annex D2: Budget justification — Annex E2 should be used to outline the detailed budget justification for the project, which is the basis for preparing the budget summary.
Annex E: Application statement — Must be clearly and fully completed by the lead CSO.

The budget categories are the following:

**Stipends/salaries** — Grants shall support the costs of the salaries of the CSO members that work on the project, only if this is well justified by the project proposal. The CSO must specify the amount of time (months or days) that the project coordinator, financial assistant and coordinators of each of the project activities who are part of the project team will spend on managing the project and their monthly/daily costs. The cost of **“salaries” should not exceed 30%** of the total budget.

**Consultants/contracted personnel (for occasional work)** — Each short-term service needed for this project should be placed under this budget item. The CSO should specify the amount of time (in months or days) and the unit cost. For any consultant (sub-contractor) that is selected with a cost above EUR 500, procurement regulations (see: Purchase of services/contracting) must be followed within the proposal preparation. Grant support may not be directed towards the public administration or local or national governmental authorities, their staff or officials. Costs of **“salaries” + “consultancy” should not exceed 40%** of the total budget.

**Travel** — The CSO must specify the number of trips, the destinations, the number of people travelling and the costs involved for their transportation.

**Accommodation and food** — The CSO must estimate the price of the accommodation per person per night, the per diem allowance per person, the number of people staying and the number of days.

**Equipment** — The CSO must specify the type of equipment, how much is needed and the price per unit, and explain why the equipment is needed (“equipment” is any good costing more than EUR 200 and which is useful for more than one year).

**Supplies** — The CSO must specify items and quantity, a price estimation per item, and the purpose. Supplies include paper, USBs, calculators and upgrades to computers.

**Communication costs** — The CSO must specify e-mail, telephone, fax and postage costs. Only communication costs charged to the organisation's name will be eligible.

**Publication costs** — The CSO must estimate the price of publication costs and number of copies.

**Translation services** — The CSO must estimate the price of translation services, specify languages, and estimate the number of hours or pages, the fee per hour or page, and the purpose.

**Other direct costs** — Costs that do not fit into any of the budget categories can be placed under “other direct costs” (e.g. rental of conference facility). Unjustified costs under this item will not be considered.

NB: Under this call the REC does not cover contingency costs or overhead costs not related to project implementation.
2.1.2 **Additional support documents:**

- a) Eligibility document — a copy of the CSO's registration is required.
- b) A photocopy of the court registration decision
- c) A photocopy of the tax office registration number
- d) Financial report for the last year
- e) Project references from the last three years

**b) Description of the CSO’s background (one page maximum)**

A description should be given, for each of the involved CSOs, of their background, activities, mission and capability/capacity to implement the project (with an emphasis on experience related to education for sustainable development). The description should specify:

- the number of CSO members;
- the number of paid staff;
- the number of volunteers; and
- the budget for the last three years (in EUR).

**c) CVs of project coordinators and other key persons involved in the project**

The REC requires CVs of the project coordinators and other key experts involved in project implementation.

The CVs should include:

- the person's name, date and place of birth, current employer;
- years of experience in the field, key qualifications (relevant to the project);
- education: summarise college/university and other specialised education, giving names of schools, dates attended and degrees obtained; and
- experience record: list all positions, titles, dates and employers; indicate the work undertaken that best demonstrates the person's ability to complete the project tasks.

**d) Co-sponsorship and co-financing documentation**

The REC is interested to know how the additional funds (if any) are secured. In-kind contributions may include materials and supplies, work, communication etc.

**e) Support documents from interested parties**

Interested parties may be other CSOs, local or central authorities, business people, academics, or any other concerned party. The interested parties are responsible for bringing their contribution to the project according to the description and the timeframe given in the proposal, providing input for the activities on time, as well as maintaining close cooperation with project stakeholders and beneficiaries. Support documents, letters of intention and any kind of proof of the interested party's support should be included in the proposal to indicate their commitment to the project.
3 Selection and awarding process

3.1 Pre-conditions

When registering the project proposals, country office staff will pre-screen the eligibility of the project proposals according to the following criteria:

- Applicants must be eligible to receive a grant.
- The project proposal must address the implementation of the UN Sustainable Development Goals.
- The application must follow REC standards (the form is complete, the budget and timeline are within the set limits etc.).

Project proposals that comply with these requirements are reviewed by the Local Advisory Board, which evaluates the proposals against the criteria given in the announcement (Section 2.8.3). The REC strongly recommends that applicants take the selection criteria into consideration when preparing their proposals. The project proposals will be rated, ranked and selected against these criteria.

The selected grants will be submitted to the REC head office for final approval.

In many cases, pre-conditions for a grant are set by the evaluation committee. These usually focus on content (mostly results and indicators) or financial issues, although they can sometimes refer to methodological or timing adaptation. In this call, the SEEDLING management will also comment on the proposals separately and may add additional recommendations and conditions. These must be met by a deadline stated in the award notification letter and award agreement, before the first grant payment can be transferred.

3.2 Winners’ meeting

Grant winners are expected to attend a grant winners’ meeting in the REC Office. At this meeting, each lead CSO will present its project, together with the partners, and meet the other grant winners and the REC grant and financial officers for training. Another important activity at the award meeting is the finalisation and signing of the award agreements.

3.3 Award agreement

All award agreements are prepared in euros (EUR).

The award agreement states the approved budget for the grant, the disbursement schedule and the reporting requirements. When signed by both the grantees and the REC’s country office director, the award agreement becomes a legal contract.

The award agreement also states that the project must be implemented as described in the grant application. If there is any significant change to the project proposal, it must be submitted and approved in writing by the REC grants officer before the change is
implemented. Significant changes include: a budget difference in any line item greater than 10 percent, a change in the dates of project implementation and changes in the purpose of the project.

The award agreement must include the signatures of:

- the project coordinator, who signs on behalf of the CSO; and
- the country office director, who signs on behalf of the donor organisation.

All signatures must be validated with the CSO stamp. With the signature of the executive director and the stamp of the REC, the award agreement is a legally binding document. Furthermore, the terms and conditions outlined in the guidelines and the grants announcement are legally binding.

4 Grant management

4.1 Grant payment

The CSOs must have separate bank accounts for this project. Grant funds are transferred from the REC’s account to the CSO’s bank account. Grant payments cannot be made in cash or by cheque. Grant payments will be made in the local currency, based on the budget calculation in EUR.

The funds are disbursed in the local currency (contracted EUR equivalent), in at least three instalments, based on the schedule included in the award documents and agreed at the winners’ meeting. If there are budget pre-conditions, the CSO must prepare new budget summaries to be discussed at the winners’ meeting.

The first payment of the grant (50%) is made when the pre-conditions have been met and the REC has received the signed award agreement. The next payment (40%) is made when the grants officer and financial assistant approve the progress report. After the final report has been approved by the REC, the last 10% is paid to the CSO.

4.2 Reporting requirements

The lead CSO is responsible for submitting one interim and one final project report. Copies of receipts must be included in the report. The project coordinator is responsible for the reporting of all cooperating partners.

The award agreement states the reporting requirements for each grant. Reports are to be results oriented, in line with the narrative description. The CSOs are required to demonstrate in particular the impacts, outcomes and outputs planned in the project proposal. They are required to submit:

- a mid-term report for the period January–March, 2018, due by April 30, 2018; and

At the winners’ meeting, the CSOs will receive detailed reporting instructions.
All reports must have a summary page in English.

4.3 Budget modifications

Although the REC cannot increase the overall amount of a grant award, the budget made in the award agreement can be altered. If it is necessary to transfer more than 10% of one budget line to another budget line, the CSO needs written approval from the REC grants officer.

4.4 Auditing

The SEEDLING project is regularly audited by an independent audit firm. The REC's internal dedicated staff or private audit firms may monitor project performance at any time to ensure satisfactory performance. In addition, the REC reserves the right to review finances and expenditures at any time during the grant period or one year after the completion of the project. All receipts must be maintained after the completion of the project, for a period that complies with the national legislation, or as prescribed by the grants programme.

4.5 Returning funds

If, for any reason, conditions are not met, the full grant amount should be returned to the REC. The award agreement is a legal document, and the CSO and the REC should meet all requirements. In the case of disagreement, national law is applicable, and the Court of Justice is used.

5 Information and acknowledgements

5.1 Access to information

Rejected full proposals are not made available to the public. All approved grant applications and their products are considered to be public domain. Any information resulting from grant projects is available for the public. The CSOs are encouraged to highlight the results of the implemented projects and promote them to other stakeholders. If a project results in a publication, the grantee is requested to include the REC and ADA logos and to provide complimentary copies for further distribution. The CSOs should ask the REC's grant manager for approval to use the logos, as their design may change over time.
5.2 Grants acknowledgement

Acknowledgement of ADA and the REC is appreciated. Any announcement published by the CSO, such as a newsletter article or conference brochure, should include the following acknowledgement:

"This project is implemented with a grant given through the Regional Environmental Center for Central and Eastern Europe’s SEEDLING project, which is funded by the Austrian Development Agency (ADA)."

5.3 Use of project and donor logos

Publications, brochures, posters, t-shirts, stickers etc. produced under the grants programme should feature the logos of the REC and ADA. The REC will provide the official logos to the CSO. The logos should be used together with the above acknowledgement sentence where possible.

5.4 Endorsement and disclaimer

Sponsorship by the implementing agency and the donor (REC and ADA) of any proposal does not suggest their endorsement of the results. The REC and ADA assume no liability, expressed or implied, for damages arising from any activity of the grantees. Opinions expressed in connection with the project (or publications) do not necessarily represent the policies or opinions of the donor or the implementing agency.

6 Special financial conditions

In the project preparation process, the CSOs should carefully follow the special financial conditions of this programme.

6.1 Procurement

This section applies to the purchase of goods and services for the grantees. These requirements refer to projects once implementation has started, and not to the application phase.

6.1.1 Purchase of fixed assets

Any item for longer-term use (more than 12 months) and with a purchase price above EUR 200 is regarded as a fixed asset. Fixed assets may be purchased only if both the financial resources (existing budget) and the need for the requested fixed asset are foreseen and justified in the proposal.

Any fixed assets purchased from the grant are the property of the REC during the project implementation phase. The REC will transfer property rights to the CSO only if the REC is satisfied with the grant results.

There are special conditions for grants used to purchase fixed assets:
1. The receipt should follow the local legislation for the purchase of fixed assets.
2. The invoice should be on the name of the CSO, although the Award Agreement states that the REC maintains ownership of the fixed assets for the project period. During this period, the REC lends the fixed assets to the CSO. In addition, the agreement states that if the CSO ceases to exist or no longer needs the fixed assets, then the fixed assets must be returned to the REC’s Country Office.
3. Based on the satisfactory performance of the CSO during grant implementation, the REC’s grant manager approves or rejects the longer ownership of the fixed asset/s by the CSO. If the grant ends abnormally, or if there is no proper justification for the further use of the fixed assets by the CSO, the REC has the power to request the prompt return of the fixed assets to the REC’s country office. Fixed assets may be transferred for the use of another CSO within the framework of the grants programme.
4. Three price quotes must be provided for contracted amounts above 500 EUR, as well as an evaluation statement of the selected price quote.

6.1.2 Purchase of goods

When purchasing goods that have a purchase price above EUR 500, grantees must provide three price quotes and an evaluation statement.

6.1.3 Purchase of services (contracting)

If, within the awarded project, the CSO intends to receive a service, then a formal contract must be prepared between the CSO and the person contracted to supply the service (legal or natural person) (this is required once the project starts). Services include, but are not limited to, expert consultation, printing contracts, and payment of works. In addition to this requirement, the purchase of services over a certain amount may require a specific procedure:

<table>
<thead>
<tr>
<th>Contract amount</th>
<th>Procedure</th>
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<tr>
<td>&lt; EUR 500</td>
<td>Agreed in proposal evaluation or with grants manager</td>
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</table>
| EUR 501 – 5,000 | • Three price quotes provided, plus evaluation statement of selected sub-contractor.  
                  • Terms of reference of service. |
| EUR > 5,000     | No contracts of this magnitude are eligible. |

6.2 Corruption and conflict of interest

The REC expects the grantees (both lead and partners) to:

- cooperate on preventing corruption within and through the granted project and take rapid legal measures to stop, investigate and charge any party suspected on good grounds of corruption or other willful misuse of resources;
- ensure that no offer, gift or payment, consideration of benefit of any kind that would or could be construed as an illegal or corrupt practice, shall be offered or accepted, either directly or indirectly, as an inducement or reward related to the implementation
of the granted project. Any such action will result in the termination of the award agreement forthwith; and
• not engage in any outside work, not be involved in any business or undertaking, and not hold any interest, either personally or through any company or agent, that will or may be in conflict with involvement in the grant.