



CALL FOR PROPOSALS

**Grants to support amalgamation/ inter-municipal co-operation
and to improve the quality of selected municipal services
(competitive procedure)**

Programme	Decentralisation and Territorial Consolidation in Ukraine
Awarding entity	COUNCIL OF EUROPE Centre of Expertise for Local Government Reform Directorate of Democratic Governance Directorate General II – Democracy
Funding	Council of Europe Action Plan for Ukraine (2015 – 2017) BH 8417 / VC3375 - 3402
Duration	Projects shall be implemented by 15 November 2017. Reporting requirements shall be completed by 30 November 2017.
Estimated starting date	03 July 2017
Issuance date	30 May 2017
Deadline for applications	21 June 2017

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APPENDICES:

- Appendix I - Application Form
- Appendix II - Provisional budget (Template)
- Appendix III - Template Grant Agreement (for information only)

HOW TO APPLY?

- Complete and sign the **Application Form** (See **Appendix I**)
- Attach a provisional budget (using the template reproduced in **Appendix II**)
- Attach the other supporting documents (See **Section V**)

Send these documents in electronic form (Word and/or PDF), in English and/or in Ukrainian (as indicated on page 7), to: **mg.decentralisation@coe.int** with the following reference in subject: **“application_grants”**. Applications must be received **before 11.00 pm, 21 June 2017 (CET, GMT + 1)**.

I. INTRODUCTION

This call for proposals is launched in the framework of the Council of Europe Programme “Decentralisation and Territorial Consolidation in Ukraine” (hereafter the Programme). The Programme is implemented by the Centre of Expertise for Local Government Reform, Directorate of Democratic Governance, Directorate General II – Democracy, as part of the Council of Europe Action Plan for Ukraine 2015-2017 (Chapter 3 Democratic Governance, Section 3.1 De-centralisation and local government reform). The Programme duration is 1 July 2015 - 31 December 2017.

The current call for proposals aims to support the implementation of local initiatives, jointly by non-governmental organisations and communities in Ukraine. Selected non-governmental organisations will benefit from an overall grant and be considered as Grantees; they will then implement community projects in partnership with local municipalities, and provide practical support and expertise. The Grantees will remain responsible for administration of the funds which have been granted.

The proposals shall aim to produce an added value to the Council of Europe efforts aimed at the establishment of a sustainable local governance system in Ukraine, in compliance with the provisions of the European Charter of Local Self-Government (ECLSG, CETS n°122), ratified by Ukraine in 1997 and its Additional Protocol on the right to participate in the affairs of a local authority (CETS n°207), ratified by Ukraine ratified in 2014.

II. BACKGROUND INFORMATION ON THE COUNCIL OF EUROPE PROGRAMME

The purpose of the Programme “Decentralisation and Territorial Consolidation in Ukraine” is to support the establishment of sustainable local governance system in Ukraine. In particular, it aims to:

- Providing legal expertise and practical assistance relevant to the territorial consolidation of the country;
- Strengthening the capacity of elected and appointed officials within pilot amalgamated communities;
- Improving the legal and institutional framework for decentralisation and sustainable local government;
- Strengthening the professionalism, efficiency and administrative capacity in central and local government.

The Programme partners are the Ministry of Regional Development, Construction, Housing and Utilities of Ukraine, Verkhovna Rada (Parliamentary Committee of State Building, Regional Policy and Local Self-Government), Secretariat of the Cabinet of Ministers, Administration of the President of Ukraine, National Agency of Ukraine on Civil Service, National Academy for Public Administration, local authorities and their associations, academic institutions.

III. BUDGET AVAILABLE

The indicative available budget under this call for proposals is UAH 6,650,000.00 (Six Million Six Hundred Thousand Hryvnias). The Council of Europe intends to award 3 (three) grants in amounts of:

- UAH 3,250,000.00 maximum (Three Million Two Hundred Fifty Thousand Hryvnias);
- UAH 2,000,000.00 maximum (Two Million Hryvnias);
- UAH 1,400,000.00 maximum (One Million Four Hundred Thousand Hryvnias).

Subject to availability of funds and extension of the Project initial duration, the Council of Europe reserves the right not to award all available funds, and/or to redistribute the available funds in a different manner depending on the project proposals received and on the outcome of the call for proposals.

IV. REQUIREMENTS

1. General objective

The grants will fund initiatives designed to support amalgamation and inter-municipal co-operation, improve and ensure the sustainability of municipal services offered to citizens, promote mechanisms in order to better align communities' (local self-government authorities of basic level) behaviour with environmental sustainability and long-term public interest, develop innovations which can be embedded within community practice.

2. Means of action

1. Partnerships:

The grants shall be directed to the implementation of a number of separate projects contributing to the achievement of the general objective. Grantees should collaborate with the communities which will benefit from the projects, and may form partnerships with local municipalities. Local communities should be involved in the implementation of each project and be given support and consultancy advice by the Grantee.

The grantee shall remain responsible for administration of the funds. In particular, they shall carry out any procurement for the projects and cover their own costs under the project budget. The funds must not be transferred to the local municipality (sub-granting is prohibited), although they can be used to purchase items which will subsequently be donated to the local authority.

2. Projects may include the following actions directly linked to the general objective:

- a. purchase of equipment, materials and durable goods aimed at offering services to the citizens;
- b. renovation/repair of community owned premises open to the citizens and/or equipment aimed at offering services to the citizens;
- c. capacity-building activities to support amalgamation and inter-municipal co-operation;
- d. elaboration of strategic documents (spatial planning, local economic or other development strategies) adopted and at least partially implemented.

Please note that the above list is not exhaustive and projects may propose other approaches, in line with the general objective and the local needs.

3. Implementation period

The implementation period of the projects should start on **3 July 2017** (see indicative timetable under VIII. below) and shall not be extended beyond **15 November 2017**.

Projects completed prior to the date of submission of the applications will be automatically excluded. As regards projects started prior to the date of submission of the applications, or prior to the date of signature of the grant agreement, only those costs incurred after the date of submission of the grant application may be eligible (provided the agreement concerned so provides).

4. Target stakeholders

Projects should target in particular the following key stakeholders:

- local communities (local self-government authorities of basic level);
- local population, civil society organisations, communal enterprises, educational institutions, professional groups, media.

The above list is not exhaustive and projects may propose to target other relevant stakeholders, while keeping in mind the general objective.

5. Budgetary requirements

Project proposals shall be accompanied by a draft budget (See **Template Budget, in Appendix II**) amounting to a maximum of UAH 3,250,000.00 maximum (Three Million Two Hundred Fifty Thousand Hryvnias) or UAH 2,000,000.00 maximum (Two Million Hryvnias) or UAH 1,400,000.00 maximum (One Million Four Hundred Thousand Hryvnias):

- Project amounting to a maximum of UAH 3,250,000.00 maximum (Three Million Two Hundred Fifty Thousand Hryvnias) should foresee at least 5 projects providing for direct support to selected communities. Each project shall amount to minimum UAH 440,000.00 (Four Hundred Forty Thousand Hryvnias) maximum EUR 585,000.00 (Five Hundred Eighty Five Thousand Hryvnias);
- Project amounting to a maximum of UAH 2,000,000.00 maximum (Two Million Hryvnias) should foresee at least 5 projects providing for direct support to selected communities. Each project shall amount to minimum UAH 230,000.00 (Two Hundred Thirty Thousand Hryvnias) maximum UAH 350,000.00 (Three Hundred Fifty Thousand Hryvnias);
- Project amounting to a maximum of UAH 1,400,000.00 maximum (One Million Four Hundred Thousand Hryvnias) should foresee at least 5 projects providing for direct support to selected communities. Each project shall amount to minimum UAH 145,000.00 (One Hundred Forty Five Thousand Hryvnias) maximum 230,000.00 (Two Hundred Thirty Thousand Hryvnias).

The estimated budget must be consistent, accurate, clear, complete and cost-effective, in the light of the activities proposed. Each Grantee is entitled to include a total maximum of 7% of indirect costs for the management of the project implementation. By definition, indirect costs do not include the costs of staff directly assigned to the project.

Applicants should submit their budgets in UAH (see Appendix II, estimated budget). Grants shall be paid in UAH and all financial reporting shall be done in UAH.

Each Grantee shall also be required to contribute to the project either by way of its own resources or by contribution from third parties. Co-financing may take the form of financial or human resources, in-kind contributions or income generated by the action or project.

6. Further to the general objective, preference will be given to:

- Projects/actions proposed by non-governmental organisations with proven experience in the field of local self-government reform, including territorial consolidation, and capacity-building for local authorities, experience in implementation of donor-funded projects/actions in Ukraine, those having “in-house” experts in the areas of planned interventions, those who present support and/or recommendation letters by potential participants (beneficiaries);
- Projects/actions foreseeing investments into durable goods, equipment, repurposing of existing municipal infrastructure;
- Projects/actions targeting different geographical regions of Ukraine, with at least 1 project dedicated to Donetsk/Luhansk oblast;
- Projects/actions encouraging partners to provide cost-sharing from additional sources and use highly skilled volunteers as an element of cost-sharing;
- Projects/actions involving responding to the needs of all citizens ensure consultation with community groups equally represented and especially women and children, elder people and disabled people, IDPs, Roma and minorities’ specific interests are represented or taken in consideration.

7. The following types of action will not be considered:

- Projects/actions concerning only or mainly individual scholarships for studies or training courses;
- Projects/actions supporting political parties;
- Projects/actions concerning private foundations;
- Projects/actions concerning memorial campaigns;
- Projects/actions operated by religious organisations for religious purposes;
- Projects/actions that discriminate based on race, ethnicity, sex, religion, age, national origin, ancestry, citizenship, sexual orientation, gender identity and/or expression, disability, marital status, genetic information, veteran status or other factors that are protected by law.

8. Funding conditions:

The funds for each overall grant should in principle be distributed as follows:

- 50 % will be paid when the Grant Agreement between the two parties is signed;
- 35% will be paid at the mid-term point of project implementation, after presentation of mid-term narrative report for the Grant implementation and its acceptance by the Council of Europe (mid-term narrative report to be presented not later than **13 October 2017**);
- the balance will be paid based on actual expenditures incurred, and after the presentation and acceptance by the Council of Europe of the final narrative and financial reports for the Grant implementation.

9. Reporting requirements:

Reporting requirements shall be completed in English and by **30 November 2017 at the latest**.

- **narrative reporting:** requires i) a full narrative report on the use made of the grant; ii) a copy of the register of the persons present during each of the activities, including names and signatures of participants; iii) recommendations for improvement and amendments of the national legislative framework on amalgamation and inter-municipal co-operation, based on the findings and experience through the projects' implementation course;
- **financial reporting:** requires i) a statement in the currency in which the Grant Agreement is concluded (UAH), in English, stating all the payments made for the implementation of the activities, certified by the responsible financial officer of the Grantee, ii) accompanied by "appropriate original supporting documents" (see below). The Council of Europe reserves the right to ask for summary translations of invoices into English to be paid by the Grantee. If for legal reasons the original documents must be retained by the Grantee, certified copies must be submitted with the financial statement.

"Appropriate original supporting documents" refers to signed contracts, invoices and acceptances of work (for all transactions), payment authorisation for all transactions should also be provided in case the Grantee uses such practice, and reliable evidence of payment (authorised payment order and bank statement).

As regards round tables / conferences, presenting "appropriate original supporting documents" requires presentation of a programme indicating the title, dates, venue, and agenda of the event; the names of persons facilitating the event, a signed list of participants, the contracts with the owner of venue of the event (e.g. hotel) for the rent of premises, food and beverages of participants, invoices from the owner of the venue of the event for the above services, and a report on the results of the event (see narrative reporting above).

As regards consultancy services, presenting "appropriate original supporting documents" requires presentation of evidence of the outputs produced, contracts with experts and consultants containing a specific description of

services to be carried out, invoices produced after the works have been performed and delivered (the specialities of the consultants shall correspond to the nature of activities for which they are contracted).

As regards travel fees / lodging of experts and participants, presenting “appropriate original supporting documents” requires presentation, where relevant, of contracts with a travel agency for travel fees and lodging, invoices of the travel agency indicating destinations, dates, ticket costs, and names of the travelling persons, a programme of the event indicating the names of the experts and signed lists of participants.

The above description is not comprehensive. Any doubt regarding the interpretation of the notion of “appropriate original supporting documents” should lead the Grantee to consult the Council of Europe.

V. HOW TO APPLY?

1. Documents to be submitted

Each application shall contain:

Compulsory

- the completed and signed Application Form (See Appendix I – in English and Ukrainian);
- a provisional budget (using the template reproduced in Appendix II – in English only);
- the other supporting documents:
 - registration documents of the applicant (in Ukrainian only);
 - documents reflecting the applicant’s financial capacity, such as turnover or equivalent (annual budget) for the last 2 (two) years, net earnings (if any), total balance sheet or budget, or medium and long-term debt (in Ukrainian only);
 - CVs of the person designated to ensure the co-ordination of the project, and the key personnel to be involved in the project (same format for the whole team), describing in particular any relevant qualifications, professional experience and knowledge of the current situation in Ukraine, the national legislation in the fields of the call (in English and Ukrainian);
 - concept for each project contacting background information and indicative action plan (in English and Ukrainian);
 - support letters from communities intending to participate in the project (in Ukrainian only);

Non-compulsory but advisable

- other materials considered to be relevant in order to increase the applicant’s credibility and complement the project proposal; recommendation letters from other donors; developed materials: studies, strategies, manuals, informative materials, etc (in the language of original).

Please also provide a list of the documents submitted.

Applications must be submitted **in English and/or in Ukrainian (indicated above)**. The English version will serve as the basis for evaluation.

Applications that are incomplete will not be considered.

2. Questions

General information can be found on the website of the Programme website (<http://www.slg-coe.org.ua/>), Council of Europe Office in Ukraine (<http://www.coe.int/uk/web/kyiv>).

Other questions regarding this specific call for proposals must be sent at the latest one week before the deadline for the submission of proposals, in English or Ukrainian, and shall be exclusively sent to the following address: **mg.decentralisation@coe.int**, with the following reference in subject: “**question_grants**”.

3. Deadline for submission

The application form, **completed and signed**, together with the supporting documents, must be submitted in electronic form (Word and/or PDF) to the following e-mail address: **mg.decentralisation@coe.int**. Emails should contain the following reference in subject: “**application_grants**”.

Applications must be received **before 11.00 pm, 21 June 2017 (CET, GMT + 1)**.

Applications received after the above mentioned date will not be considered.

4. Change, alteration and modification of the application file

Any change in the format, or any alteration or modification of the original application file, will cause the immediate rejection of the application concerned.

VI. EVALUATION AND SELECTION PROCEDURE

The projects presented will be assessed by an Evaluation Committee composed of 5 members: one staff member of the Council of Europe, one representative of the Ministry of Regional Development, Construction, Housing and Utilities of Ukraine, one representative of the Secretariat of the Parliamentary Committee on State Building, Regional Policy and Local Self-Government, one representative of the Swiss Cooperation Office in Ukraine and one independent expert in the field of local self-government reform.

The procedure shall be based on the underlying principles of grant award procedures, which are transparency, non-retroactivity, non-cumulative awards, not-for-profit, co-financing and non-discrimination, in accordance with [Rule 1374 of 16 December 2015 on the grant award procedures of the Council of Europe](#).

The applicants, and their projects, shall fulfil all of the following criteria:

1. Exclusion criteria:

Applicants shall be excluded from the grant award procedure where they:

- a. have been sentenced by final judgment on one or more of the following charges: participation in a criminal organisation, corruption, fraud, money laundering;
- b. are in a situation of bankruptcy, liquidation, termination of activity, insolvency or arrangement with creditors or any like situation arising from a procedure of the same kind, or are subject to a procedure of the same kind;
- c. have received a judgement with res judicata force, finding an offence that affects their professional integrity or constitutes a serious professional misconduct;
- d. do not comply with their obligations as regards payment of social security contributions, taxes and dues, according to the statutory provisions of the country where they are established.

By signing the Application Form, applicants shall declare on their honour that they are not in any of the above-mentioned situations (See **Appendix I, Item 12. Declaration**).

The Council of Europe reserves the right to ask applicants at a later stage to supply the following supporting documents:

- for the items set out in paragraphs a), b) and c), an extract from the record of convictions or failing that an equivalent document issued by the competent judicial or administrative authority of the country where the applicant is established, indicating that these requirements are met;
- for the items set out in paragraph d), a certificate issued by the competent authority of the country of establishment.

2. Eligibility criteria

In order to be eligible for a grant, an applicant must:

- be a non-governmental organisation registered in line with the national legislation;
- be entitled to carry out activities described in its project proposal;
- have sufficient financial capacity (stable and sufficient sources of funding) to maintain its activity throughout the period for which the grant is awarded and to participate by way of its own resources (including human resources or in-kind contributions);
- have sufficient operational and professional capacity, including staff, to carry out activities described in its project proposal;
- indicate an official bank account in UAH which the receiving entity can securely deposit the funds for the grant.

Multiple applications are not allowed and shall lead to the exclusion of all applications concerned. The funds must not be transferred to the local municipality (sub-granting is prohibited).

3. Award criteria

Applications will be assessed against the following criteria:

#	Criteria	Weight
1.	Relevance and added value to the Council of Europe efforts in the domain aimed at establishment of a sustainable local governance system in Ukraine, relevance of the experience of the applying organisation and staff	40%
2.	Quality, accuracy, clarity, completeness and cost-effectiveness of the application, strategy and the estimated budget, including investment of resources by the grantee	20%
3.	Sustainability in time and replicability of the action, including commitment of the grantee to continue or replicate the project after the implementation period	20%
4.	Innovativeness: new approaches and methods applied	10%
5.	Inclusivity of the process: active involvement of vulnerable groups in the whole consultation and implementation process	10%
TOTAL		100%

VII. NOTIFICATION OF THE DECISION AND SIGNATURE OF GRANT AGREEMENTS

On completion of the selection process, all applicants will be notified in writing of the final decision concerning their respective applications as well as on the next steps to be undertaken.

The selected Grantees will be invited to sign a Grant Agreement (See Appendix III, for information only), formalising their legal commitments. **Potential applicants are strongly advised to read the draft contract, in particular its requirements in terms of payment and reporting.**

VIII. TIMETABLE

Phases	Timing
Publication of the call	30 May 2017
Deadline for submitting applications	21 June 2017
Implementation period	3 July to 15 November 2017
Reporting	15 to 30 November 2017

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