



Monitoring and Good Governance Department

GRANT SCHEME FOR INTER MUNICIPAL COOPERATION 2009

GUIDELINES FOR APPLICANTS

Table of contents

1. Background
2. Objective of the OSCE IMC Programme
3. Rules for this call for proposal
- 3.1. Eligibility criteria
- 3.1.2. Eligibility of proposals
- 3.1.3. Eligibility of Costs
4. How to apply and procedures to follow
5. Evaluation and Selection of Applications
- 5.1 Criteria for evaluation

1. Background

Inter Municipal Cooperation – IMC in many countries is considered as an effective tool for delivery of services to citizens, particularly by financially weak municipalities. Initiatives of partnerships between two or more units of local self government are already a practice in the country, and many administrations considers IMC a strategy for overcoming difficulties in managing all competences deriving from the 2002 Law on Local Self Government.

The concept of Inter-Municipal Cooperation (IMC) is aloud and regulated by the Law on Local Self-Government. The Law only authorizes cooperation among municipalities, leaving the optional and voluntary nature of the instrument. Nonetheless, some local administrations already profited of the chance of sharing the staff and by that sharing the costs by which they realized considerable savings insofar.

2. Objective of the OSCE grant scheme for IMC 2009

The principal objective of OSCE grant scheme for IMC 2009 is to foster the exercise of inter-municipal partnerships by provision of necessary financial start up. The grant scheme shall be therefore conceived as contribution to realize initiatives of mutual benefit to all proposing partners and shall by no means be used to finance expenditures within the reach and under the competence of individual municipalities.

Proposed IMC should contributes to foster inter community cooperation of neighbouring municipalities. The grant scheme seeks to support initiatives proposed by representatives of the different ethnic communities that live in certain region. Joined activities will provide mutual benefits and by that build cooperative relations, trust and cohesion among communities.

3. Rules of the OSCE grant scheme for IMC 2009

Subject to availability OSCE will provide three grants not exceeding Euro 20.000. Total amount of this grant scheme is Euro 60.000. These guidelines – which abide to the OSCE project implementation and procurement rules and regulations – stipulate the rules for submission, selection and implementation of the IMC proposals. For the issues that are not regulated by these guidelines the OSCE rules and regulations will apply.

3.1. Eligibility criteria

There are three sets of eligibility criteria

- applicants which may request the grant
- proposals for which a grant may be awarded – eligible IMC arrangements
- types of costs that are eligible for the grant

3.1.1. Eligibility of applicants

These criteria have to met in cumulative terms

The **grant scheme refers only to municipalities**; applications shall come exclusively from consortium of two or more municipalities. Therefore, applications received from public companies and NGOs will not be accepted. However, activities could be outsourced to third parties only if the latter record the proposing municipalities as their only shareholders. Third parties must have been registered at least 12 months before the date of publishing of the present guidelines.

- only one application per municipality is allowed

In case more than one application is submitted per municipality/ies, the municipality/ies will have to choose only one of the projects that will participate.

- applications must be for IMC between at least two municipalities

The application should involve at least two municipalities.

The application should state which municipality will be responsible for the management of the Programme. Each project application must define one applicant as the overall lead partner who will sign – in the person of the Mayor – and submit the proposal on behalf of the other(s). Applications shall include endorsement letters by all municipal councils involved, and a document signed and sealed by the relevant authorities of the municipalities stipulating that all the activities undertaken in relation to this project will be fully in compliance with the domestic laws. The lead municipality will sign a contract with the OSCE.

- proposals already funded are not to be admitted

The applicant shall not submit a proposal that is already being implemented with funds secured from another donor. Funds under this grant may be used for complementary activities to projects financed by another donor only with an official consensus of the donor, to be attached to the application. If the project proposal – entirely or partially – has already been submitted to other donors as part of the applicant's fund-raising activities, a relevant note should be made.

3.1.2. Eligibility of proposals

IMC arrangements comprise a set of activities which should be clearly described in the Grant Application Form, including relevant documentation when required.

Projects demanding for infrastructural intervention will not be receivable under the hereby described grant scheme.

All activities comprised among competences listed under the 2002 Law on Local Self Government are eligible for proposals.

All selected projects will have to be converted into legal agreements between the OSCE and the proposing consortia; the agreements will contain the starting date of activities. **All activities and related costs must finish by 31st December 2009**

Under no circumstances the following types of arrangements will be considered eligible:

- Establishment of joint communal (public enterprise) and request for equity
- Establishment of private companies

- One-off conferences and/or workshops: conferences and or workshops can be financed only if they form part of the wider range of activities implemented throughout the duration of the Programme. Publication of materials regarding workshops and conferences outside of the scope of the wider range of activities will not be accepted..

3.1.3 Eligibility of Costs

Only eligible costs will be considered for the grant. The budget of the Application is a cost estimate and a ceiling for eligible costs.

During the process of evaluation of the proposal the Evaluation Committee reserves the right to ask for clarification and to request for modifications or reductions in order to comply with OSCE rules and procedures.

Human resources

Project management staff (if necessary to be outsourced) costs shall not exceed 20 % of the overall budget. Civil servants (including municipal staff) cannot receive any fee related to project management tasks; however their support to the management of the project may be listed and considered as in kind contribution by the consortium of applicants.

Hiring of expertise related to the scope of the proposal is allowed. Experts employed for the implementation of the project shall be selected by open competition.

The municipality acting as project leader is responsible for observing that the public administration officials, who can only be hired as experts/consultants, are delivering services outside their working hours, and if within, that they have approved annual leave or special leave without pay.

Goods and services

The purchase of goods and services whose total value equals or exceeds 500 euros shall be carried out through a quotation procedure in which at least three substantially responsive price quotations are obtained. Proposals shall clearly indicate the final beneficiary of goods purchased with OSCE funds. The costs for procurement of goods cannot be higher than the 50% of the budget of the project. All assets, which value exceeds the amount of 500 euros, shall be procured and administered by OSCE Mission

Contribution from municipalities

Proposals shall contain evidence of contributions by the applicants for an overall value of at least 20% of the proposed budget. Details on the kind of contribution must be provided in accordance to the requirements outlined in the application form and will be subjected to the evaluation of the selection panel.

The in-kind contribution is the actual expenditure borne by the applicant(s) and should be listed in separate budget. The in-kind contributions may be the salaries of the staff assigned for the project, renting of premises, usage of the equipment and similar.

Under no circumstances the following types of costs will be considered eligible:

- payment of debts
- budget items financed by other donor and/or municipal budget
- purchase of land, buildings
- equity for establishment of public enterprises and or for purchase of stocks

- credits to third parties

4. How to apply and procedures to follow

Interested municipalities must submit their proposals using the application form available at <http://www.osce.org/tenders/38551.html>

Applications must be submitted in Macedonian Language. If so desired they may also be submitted additionally (next to the version in Macedonian) in any official language that is in official use in the Municipalities concerned. A short summary of the proposal must be submitted in English using the pattern in Annexes. Applications must be bound (no loose papers), hand-written applications will not be accepted. All documents required by the present guidelines must be attached to the proposal.

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

Postal address/Address for hand delivery/Delivery by private courier service:

Monitoring and Good Governance Department
OSCE Spillover Monitor Mission to Skopje
11 Oktomvri Str, no.25,
1000 Skopje
QBE Makedonija Building (2nd floor)

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 and four copies.

The deadline for the receipt of applications is 31 **July 2009 at 17.30 hrs CET**; any application received after the deadline will be automatically rejected even if the postmark indicates a date preceding the deadline or if the delay is due to the private courier service.

5. Evaluation and Selection of Applications (Selection panel + timing)

Applications matching all requirements outlined in the previous sections of these guidelines will be evaluated by a selection panel composed by:

- 3 representatives of the OSCE SMMS Monitoring and Good Governance Department
- 1 representative from the Ministry of Local Self Government
- 1 representative EU office in Skopje

Results of the selection will be published on the OSCE website 15 days after the deadline for submission of applications. Applicants of the selected proposals will be informed by mail. Applicants will receive the evaluation results of their proposals upon request.

The process of selection and evaluation will be carried out in accordance with fixed criteria.

Applicants of the selected proposals will be contacted by OSCE SMMS Public Administration Reform Department representatives; the OSCE shall conclude an agreement with the first 3 selected consortia whose proposals, according to the panel's decision will be

selected to be implemented with the grants of this project. The OSCE retains the right of modifying selected project proposals before entering into contractual agreements with the leading municipalities of the consortia.

5.1. Criteria for evaluation

The evaluation panel will revise all eligible proposals in accordance with the criteria outlined here below:

The evaluation of the Applications will be carried out in two stages, i.e. A) the administrative compliance and B) the technical compliance.

A) The administrative compliance:

The administrative compliance includes the following criteria:

- 1) A municipality has submitted only ONE proposal as Lead or as a Partner Municipality
- 2) The Application Form is sealed and stamped on each page by the Mayors of ALL participating municipalities
- 3) Verification that the Application Form is accompanied by an endorsement of ALL municipal councils regarding the IMC arrangement and a document signed and sealed by the relevant authorities of the municipalities stipulating that all the activities undertaken in relation to this project will be fully in compliance with the domestic laws.
- 4) Verification that all the sections of the Application Form have been completed
- 5) Verification that the requested amount of the grant does not exceed the budget ceiling of 20.000 Eur, excluding the in-kind contribution

IMPORTANT: An Application which does not fully comply with the criteria for administrative compliance will not be reviewed nor take in consideration.

B) The technical compliance:

The evaluation of the technical compliance will be carried out in accordance with the fixed criteria as outlined in the Evaluation Grid:

- 1) Participating consortium of municipalities must have mixed ethnic composition.
- 2) The Application contributes towards or creates system and/or conditions for joint service provision or system for joint administration or creation for partnership for planning and coordination of joint activities
- 3) The applicant municipalities should present brief assessment for the need and benefits of forging a joined administration or service provision.
- 4) The Application proposes a management structure for decision making for IMC composed of representatives from all participating municipalities. The management structure should reflect equitable representation of communities living in the cooperating municipalities.
- 5) The modality of implementation of the project (quality of proposed project management)
- 6) The Application clearly explains the impact of the proposed IMC on the improvement of performance of an administrative duty or service provision or performance of joint activity
- 7) The Application demonstrates sustainability of the IMC beyond the completion of the project
- 8) The proposed amount of the in-kind contribution (at least 20% of the total amount of the grant) and eventual cash contribution (min. 4%)
- 9) Proposed IMC should contribute to foster inter community cooperation of neighbouring municipalities. The grant scheme seeks to support initiatives proposed by representatives of the different ethnic communities that live in certain region.

Evaluation grid

<i>Criteria</i>	<i>score</i>
Participating municipalities are of mixed ethnic composition	10
Existence of assessment for the need and benefits of joined administration or service provision	5
joint administration or service provision components present in the proposal	5
Cooperating municipalities should represent natural, geographical and territorial unit or connection	5
all municipalities applying are bordering	5
Gender and multi-ethnicity components are present in the proposal	5
cash contribution from applicants (at least 4% of the overall budget)	5
<i>quality of the proposal:</i>	
<i>1) feasibility of the proposed actions (timeliness and resources vs objectives)</i>	<i>1-10</i>
<i>2) Proposed joint management structure and mechanism of coordination among partners</i>	<i>1-10</i>
<i>3) sustainability beyond project closure</i>	<i>1-10</i>
<i>4) equitable distribution of benefits/outputs among applicants</i>	<i>1-10</i>
<i>5) Benefits to foster inter community relations and building trust and cohesion among communities</i>	<i>1-10</i>

The criteria related to the quality of the proposal will receive a score from 1 to 10 in line with the following guidelines:

- 1 = extremely poor
- 2 = very poor
- 3 = poor
- 4 = insufficient
- 5 = meagre
- 6 = acceptable
- 7 = reasonable
- 8 = good
- 9 = very good
- 10 = excellent