



GUIDE FOR APPLICANTS

Published by NGO SUPPORT CENTRE and GRANTXPRT CONSULTING LTD on behalf of the consortium of the Active Citizens Fund in Cyprus

For the Open Call for projects focused on:

Increased Citizen Participation in Civic Activities

**Vulnerable Groups Empowered
Enhanced Capacity and Sustainability of Civil Society**

AVAILABLE FUNDING: €1,165,000

**DEADLINE FOR SUBMISSION:
05/11/2021
at 13:00 EEST (Cyprus local time)**

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1. Introduction

The **Active Citizens Fund (ACF)** is established under the **EEA Financial Mechanism (EEA & Norway Grants) 2014-2021** with an overall budget of €2.8 billion that is granted by the Donor States of the European Economic Area Financial Mechanism - **Iceland, Liechtenstein, and Norway** - to fifteen EU countries in Central and Southern Europe and the Baltics.

The EEA and Norway Grants 2014-2021 contribute to the overall objectives of **reducing economic and social disparities in the European Economic Area** and **strengthening bilateral relations and cooperation between the beneficiary states and the donor states**.

The Active Citizens Fund recognises the fundamental role that civil society sector plays in ensuring democratic governance, human rights, and social cohesion across the European Economic Area. The Active Citizens Fund Cyprus reflects the firm recognition of the sector's role and focuses on the following two main objectives: strengthening civil society and active citizenship and empowering vulnerable groups in Cyprus.

The Active Citizens Fund Cyprus Programme seeks to develop the long-term sustainability and capacity of the civil society sector, strengthening its role in promoting democratic participation, active citizenship, and human rights through the financial support of projects that boost collaboration, development and learning for the sector and the above topics. Projects will be funded under the Active Citizens Fund Cyprus through open calls for submission of applications. All organisations and activities funded by the programme shall be based on the common values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities.

The Active Citizens Fund Cyprus **Fund Operator (FO)** is the consortium of **NGO Support Centre** and **GrantXpert Consulting Limited**, appointed by the Financial Mechanism Office (FMO) of the EEA and Norway Grants through an open tender process. The FO manages the programme on behalf of the donor countries and is responsible for the selection, contracting and follow-up of projects.

Support to civil society is a key priority for the EEA and Norway Grants 2014-2021, with a minimum of 10% of the total country allocations set aside for the Active Citizens Fund. The Memorandum of Understanding (MoU) on the implementation of the EEA Financial Mechanism 2014-2021, signed by the

donors and the Republic of Cyprus on 5 March 2019, establishes an allocation of €2.7 million for Civil Society, of which €1.5 million is allocated to the Active Citizens Fund Cyprus programme (which amounts to a 25% of the EEA Grants total allocation).

The following guide outlines the terms and procedures to apply for funding for the published **Active Citizens Fund Cyprus Open Call**, with a **total amount for grant support of €1,165,000**.

The Active Citizens Fund Cyprus will also publish a Bilateral Fund Open Call, with a total allocation for grant support of the amount of €25,000.

An overview of the Open Calls, as well as other activities supported by the programme, can be found on the website of the Active Citizens Fund Cyprus: www.activecitizensfund.cy.

2. Focus of the Call

2.1 Objectives and Areas of Support

The overall objectives of the Active Citizens Fund Cyprus programme are to have civil society and active citizenship strengthened and vulnerable groups empowered. The programme supports the following areas: democracy, active citizenship, good governance, and transparency, human rights and equal treatment through combating any discrimination on the grounds of racial or ethnic origin, religion or belief, gender, disability, age, sexual orientation, or gender identity and promoting social justice and inclusion of vulnerable groups.

The Active Citizens Fund Cyprus aims for the following **Outcomes**:

- Outcome 1: “Increased citizen participation in civic activities”
- Outcome 2: “Vulnerable groups empowered”
- Outcome 3: “Enhanced capacity and sustainability of civil society (organisations and the sector)”

2.2 Specific Priorities

Strengthening Capacity and Sustainability of the Civil Society Sector

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A key priority of the programme is to develop the long-term sustainability and capacity of the civil society sector in Cyprus, particularly towards projects that also include less experienced, smaller organisations.

Ensuring Outreach to Underserved Geographic Areas and Target Groups

The programme encourages applications for funding from entities based in rural, under-served regions of the island and those whose activities are directed towards under-served and hard-to-reach target groups.

Actively Supporting Bicomunal Cooperation and Fostering intercultural Dialogue

The programme has a strong focus on the empowerment and capacity building of civil society in Cyprus, through the support towards projects that strengthen intercultural dialogue, peace and bicomunal partnership and cooperation. Projects proposing the implementation of activities through bicomunal partnerships will be awarded extra points during the application evaluation phase (See article 8).

The programme also encourages activities involving young people and partnerships with youth organisations and youth informal groups.

2.3 Call Tiers

The Open Call contains two project Tiers with the following characteristics:

Call Tiers	Maximum grant amount per project	Minimum grant amount per project	Project Duration	Indicative Start of Project Implementation
Tier 1	€100,000	€25,001	Between 12 and 20 months	Quarter 2, 2022
Tier 2	€25,000	€5,000	Between 6 and 12 months	

2.4 Bilateral Relations Support

The Active Citizens Fund Cyprus aims to contribute to strengthening bilateral relations between civil society and other entities in Cyprus and entities in the donor states (**Donor project partner**). Such a partnership could include networking, exchange, sharing and transfer of knowledge, technology, experience, and best practice and should be reflected in the development and establishment of cooperation at project level within the project application.

Strengthening bilateral relations within the Active Citizens Fund Cyprus can be achieved in two ways:

1. **Open Call:** Applicants are encouraged to include partnerships with Donor project partners as part of their project application for the Open Call.
2. **Bilateral Fund Open Call:** Applicants are encouraged to include a partnership with a Donor project partner as part of their project application for the Bilateral Fund Open Call. **The Bilateral Fund Open Call will be published in 2022.**

The following **Donor Contact Points** have been set up to assist applicants to identify potential partners from the donor states for both Open Calls mentioned above:

The Norwegian Helsinki Committee: www.ngonorway.org

This site also includes a database to facilitate the identification of partners: <https://ngonorway.org/partners/>

The Icelandic Centre for Human Rights: <https://www.humanrights.is/en>

More information on **establishing partnerships** can be found in the Active Citizens Fund Cyprus website: www.activecitizensfund.cy

3.Expected Results

The Active Citizens Fund Cyprus programme takes a **results-based approach**. The Fund Operator will monitor the success of the selected projects by the beneficiaries' ability to achieve and report upon a hypothesis about how change is expected to take place through the project.

Each project can contribute towards the achievement of only **one of the two Thematic Outcomes (Outcome 1 or Outcome 2)** and must contribute towards the achievement of the **Mandatory Outcome 3 (Enhanced capacity and sustainability of civil society (organisations and the sector))**.

Each of the thematic outcomes have predefined specific objectives (hereinafter referred to as **Project Outputs**) and **Indicators**¹.

Projects must comply with the relevant thematic outcome, correspond to the chosen project output, and contribute to the achievement of the predefined indicators.

Consequently, the project must fulfil **at least one indicator per each chosen project output**. If the applicant offers additional indicators, these additional indicators should also be directly related to the specific objective/project output chosen.

All projects selected under this Open Call must contribute towards the overall objective of the Active Citizens Fund, to have civil society and active citizenship strengthened, and vulnerable groups empowered. All projects must fulfil the indicator **“Number of people engaged in civil society organisation activities”**.

Overall Objective	Indicators	Guidance for Applicants
Civil society and active citizenship strengthened, and vulnerable groups empowered	<i>Number of people engaged in civil society organisation activities</i>	 <p>All projects will report against this indicator during implementation</p>

¹ Indicator: a quantitative or qualitative variable that specifies what is to be measured along a scale or dimension.

3.1 Outcome 1: Increased Citizen Participation in Civic Activities

To increase citizen participation in civic activities, the programme will focus on enhancing citizens' awareness about the role of civil society organisations, fostering civic engagement and volunteerism, and supporting civic education.

Outcome 1 & Outputs	Indicators	Guidance for Applicants
Outcome 1: Increased citizen participation in civic activities	<i>Number of people engaged in participatory processes initiated by a public decision-making body</i>	The project must report against this indicator (If Outcome 1 is selected)
Output 1.1 Enhanced citizens' awareness about the role of the CSOs in society	<i>Number of awareness raising campaigns carried out</i>	The project must report against at least one indicator per each selected output (If Outcome 1 is selected)
	<i>Number of people reached through awareness campaigns and other actions about the role of CSOs in society</i>	
Output 1.2 Civic engagement and volunteerism fostered	<i>Number of CSO initiatives jointly implemented by Turkish Cypriot (T/C) and Greek Cypriot (G/C) entities promoting civic participation and volunteerism</i>	
Output 1.3 Civic and human rights education supported	<i>Number of CSOs providing civic and human rights education (non-formal and formal education)</i>	
	<i>Number of people educated about civic and human rights (formal and non-formal)</i>	

Indicative List of Activities for Outcome 1 (the list is non-exhaustive):

- Involvement of citizens in specific public consultations and decision-making processes.
- Support of volunteering and active interest in civic life in both communities (G/C and T/C).
- Consultations and mentoring schemes.
- Wide-range discussions and debates.
- Research, studies, and analyses identifying current status and needs, and suggesting optimal solutions.
- Campaigns strengthening civic participation.

- Educational programmes for children, youth, and adults on civic and human rights.

3.2 Outcome 2: Vulnerable Groups Empowered

With the aim to empower vulnerable groups and thus maximise the beneficiaries of relevant services, the programme will emphasize the promotion of new and/or improved methods and approaches of inclusion of vulnerable groups in society.

Outcome 2 & Outputs	Indicators	Guidance for Applicants
Outcome 2: Vulnerable groups empowered	<i>Number of beneficiaries of services provided or improved</i>	The project must report against this indicator (If Outcome 2 is selected)
Output 2.1 Outreach to and empowerment of vulnerable groups supported	<i>Number of vulnerable individuals from both communities (Greek Cypriot (G/C) and Turkish Cypriot (T/C)) trained in advocating for their needs/the needs of their communities</i>	The project must report against at least one indicator per each selected output (If Outcome 2 is selected)
Output 2.2 New or improved methods and approaches of inclusion of vulnerable groups into community promoted	<i>Number of new or improved methods/approaches developed by supported CSOs for inclusion of vulnerable people</i>	
	<i>Number of vulnerable individuals informed about new or improved methods/approaches for inclusion</i>	
	<i>Number of supported CSOs conducting research, analysis and data collection with the aim to improve their support to vulnerable group</i>	

Indicative List of Activities for Outcome 2 (the list is non-exhaustive):


- Trainings on advocacy, lobbying and awareness raising.
- Research, studies, and analyses identifying current status and needs of vulnerable groups, and suggesting optimal solutions.

- Exchange of good practices/methodologies for the social inclusion of vulnerable groups.
- Bicommunal discussions and campaigns on the needs of vulnerable groups.
- Development of new tools that support the participation of vulnerable groups in decision-making processes.
- Development of new methods that support the social inclusion of vulnerable groups.

3.3 Outcome 3: Enhanced Capacity and Sustainability of Civil Society (organisations and the sector)

A key priority of the Active Citizens Fund is to develop the long-term sustainability and capacity of the civil society sector in Cyprus. Thus, every applicant is required to invest 20-25% of the required grant support into capacity building activities and comply with at least one of the indicators of Outcome 3.

Applicants are expected to provide a brief description of the main capacity needs they plan to address (both their needs and the needs of the sector) as well as the indicative activities to be funded with the earmarked allocation for capacity building (under Outcome 3).

Outcome 3 & Outputs	Indicators	Guidance for Applicants
Outcome 3: Enhanced capacity and sustainability of civil society (organisations and the sector)	<i>Share of CSOs with transparent and accountable governance</i>	 The project must report against at least one indicator of this mandatory outcome
	<i>Share of joint initiatives conducted by CSOs in collaboration with other CSOs</i>	
Output 3.1 Capacity building provided to CSOs and informal groups	<i>Number of CSO and informal groups staff, representatives and volunteers participating in capacity building and learning initiatives</i>	The project must report against at least one indicator

Output 3.2 Partnerships and networks among CSOs developed or sustained	<i>Number of partnerships between established and less experienced CSOs</i>	per each selected output
	<i>Number of CSOs participating in experience sharing and networking events</i>	
	<i>Number of new or improved methods/approaches, jointly developed by Turkish Cypriot (T/C) and Greek Cypriot (G/C) entities, to support bicommunal cooperation</i>	

Indicative List of Activities for mandatory Outcome 3 (the list is non-exhaustive):

- Strategic planning.
- Development of advocacy tools.
- Impact evaluation of actions and activities.
- Networking and cooperation workshops.
- Trainings on specific skill sets (e.g., fundraising, financial management, communication, advocacy, data analysis etc.)
- Strengthening of leadership skills and team building.
- Development of tools for bicommunal cooperation and networking.
- Development of constituency building tools and tools that strengthen membership bases.

3.4 Location of Project Activities

The activities foreseen in the selected projects of the Call must take place in Cyprus.

4. Eligibility

4.1 Administrative Criteria

Administrative criteria are conditions for accepting each application. Without compliance with the administrative criteria, the application shall not be further assessed.

Applications must meet the following administrative criteria:

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1. The application has been submitted by the specified deadline: **05/11/2021 at 13:00 EEST (Cyprus local time)**.
2. The application has been submitted in accordance with the **permissible method of delivery** (See article 7.1).
3. All mandatory fields in the application form and Annex I have been filled in and submitted in **either English or Greek**.
4. The application satisfies all the administrative criteria found in the **Checklist for Applicants** available in the Open Call and in the application form.

4.2 Eligibility Criteria

Eligibility criteria are conditions to assess whether the applicant, the partner (if applicable) and the application are qualified for funding. The eligibility criteria shall be assessed only if the application has fulfilled the administrative criteria.

4.2.1 Eligibility of Applicants

Applicants are invited to apply either as **Sole Applicants** or as **Lead Applicants** in a partnership with other public or private entities and/or informal organisations (**Project Partners**). The applicant is the entity responsible for the overall initiation, preparation, and implementation of the project (**Project Promoter**).

Eligible applicants are **Civil Society Organisations (CSOs) that are established in the Republic of Cyprus** and fall within the following definition:

“A non-profit voluntary organisation established as a legal entity, having a non-commercial purpose, independent of local, regional and central government, public entities, political parties and commercial organisations”

More specifically, applicants must meet the following general criteria:

- They are non-profit, being organisations that have not been created nor operate to generate personal profit. Although they may have paid staff and may engage in revenue-generating activities, they do not distribute profits to their members nor to their board. Where revenue-generating activities are undertaken, these should not represent the purpose of the CSO, but should be a means to support its mission and values.
- They have members who do not have any direct commercial interest in the outcome of the work of the organisation or of its commercial

activities and should not pursue the commercial or professional interests of their members. This requirement therefore excludes trade and professional associations, where the aims and purposes of the association is to further the specific interests of its members only.

- They are voluntary in nature, formed voluntarily by groups or individuals and usually involving an element of voluntary participation in the organisation.
- They act in the public arena and for the public good on concerns and issues related to the well-being of people, groups, or society.
- They have some degree of formal or institutional existence, unlike informal or ad hoc groups, involving formal statutes or other governing document(s) defining their mission, objectives, and scope.
- They have transparent structures and elected chair/board and are accountable to their members and donors.
- They are independent of local, regional, and national government and other public authorities.
- They are independent of political parties and commercial organisations.

Faith-based organisations are eligible if they meet the principles identified above and if the funded activities do not directly or indirectly promote a religious doctrine, mission or proselytism related to the beliefs of a particular faith.

Political parties, religious institutions, social partners, or profit-distributing cooperatives are **not** eligible applicants.

All eligible applicants must abide by the principles of democratic values and human rights.

Documents required to prove eligibility of applicant (Lead Applicant or Sole Applicant) include:

- **Proof (Registration Document)** that the applicant is legally registered with the competent authority of the Republic of Cyprus.
- **If applicable:** Eligible entities established under the legal and regulatory framework governing the establishment of Foundations, Associations and Clubs (Law 104(I)/2017 and its relevant amendments), must submit a **Letter from the Registrar** that confirms compliance with this framework at the deadline for submission of applications.
- **An electronic copy of the signed decision** of the applicant's decision-making body (Board of Directors, Annual General Meeting or otherwise

depending on the type of organisation), clearly indicating the legal representative.

- An electronic copy of the signed **Applicant's Declaration**. The document should be signed by the legal representative. Please use the relevant template available on the programme website: www.activecitizensfund.cy
- **Only for larger/more experienced entities:** Audited accounts/financial statements of the **last three (3) years**. (See article 4.2.3).

4.2.2 Eligibility of Project Partner(s)

The programme **encourages the formation of partnerships to enhance the value, impact, and sustainability of proposed projects**. Project partners shall share common values and goals with the project promoter, as well as common economic or social goals, which are to be realised through the implementation of the project. They should have the will to contribute to the outcomes of the project and their participation should be an essential part of the action plan to reach the aims and outputs of the projects. Partners should be actively involved in the preparation, implementation, and evaluation phases of the project.

Partnerships between **larger/more experienced and smaller/less experienced entities** are strongly recommended.

Applicants are also **encouraged to include a partnership with a Donor project partner** as part of their application.

Projects proposing the implementation of activities through **bicommunal partnerships will be awarded extra points during the application evaluation phase**.

A **maximum of three (3) partners** – including the lead applicant - are recommended per project.

The following entities are eligible to be project partners:

- Any public or private entity, commercial or non-commercial, as well as non-governmental organisations, all of whose primary locations are either in the Donor States (Norway, Iceland and Liechtenstein), the Beneficiary States (Republic of Cyprus, Bulgaria, Croatia, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia, Slovenia) or a country outside the

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European Economic Area that has a common border with the Republic of Cyprus or any international organisation.

- Informal, ad hoc and self-help organisations (including grassroots organisations). Such entities must prove that they are not for personal profit, act for public good, are voluntary and non-discriminatory in nature, are independent of local, regional, and national government and other public authorities, and are independent of political parties, religious institutions, and commercial organisations. These entities shall be represented by one single person. The representative will sign the **Partnership Commitment Declaration**, and, if the application is successful, they will also sign the Partnership Agreement on behalf of the entity.
- Informal, ad hoc and self-help organisations (including grassroots organisations), and Civil Society Organisations that are operating in the areas of the Republic of Cyprus not under the effective control of the Government of the Republic of Cyprus, none of which need to be registered legal entities in the Republic of Cyprus. Such entities must prove that they are not for personal profit, act for public good, are voluntary and non-discriminatory in nature, are independent of local, regional, and national government and other public authorities, and are independent of political parties, religious institutions, and commercial organisations. These entities shall be represented by one single person. This representative will sign the **Partnership Commitment Declaration**, and, if the application is successful, they will also sign the Partnership Agreement on behalf of the entity.

Note: A project partner cannot be a direct recipient of the project grant. Expenditure related to the involvement of the project partner shall be managed and borne by the project promoter. The financial contribution to the project will be distributed among the partners in accordance with the partnership agreement.

Political parties, religious institutions, social partners, or profit-distributing cooperatives are **not** eligible partners. Project partners cannot be members of the applicant entity².

All eligible partners must abide by the principles of democratic values and human rights.

² For instance, if the applicant is a Federation, an organization that is a member of that Federation cannot be an eligible project partner in that application.

Documents required to prove eligibility of Project Partner(s) include:

- **If applicable: Proof (Registration Document)** that the project partner is legally registered with the competent authority of the Republic of Cyprus or any other country³.
- **If applicable:** Eligible entities established under the legal and regulatory framework governing the establishment of Foundations, Associations and Clubs (Law 104(I)/2017 and its relevant amendments), must submit a **Letter from the Registrar** that confirms compliance with this framework at the deadline for submission of applications.
- **If applicable:** An electronic copy of a **signed letter from the partner's decision-making body**⁴ clearly indicating the (legal) representative.
- **Only for informal, ad hoc and self-help organisations, and CSOs that are operating in the areas of the Republic of Cyprus not under the effective control of the Government of the Republic of Cyprus:** An electronic copy of the **Declaration of Project Partner's Status**, signed by the representative, that states that the project partner does not exist for personal profit, acts for public good, is voluntary and non-discriminatory in nature, is independent of local, regional and national government and other public authorities, and is independent of political parties, religious institutions and commercial organisations. Please use the relevant template available on the programme website: www.activecitizensfund.cy
- An electronic copy of the **Partnership Commitment Declaration**, signed by the representative(s) of the project partner entity and the legal representative of the lead applicant. Please use the relevant template available on the programme website: www.activecitizensfund.cy
- **Only for larger/more experienced entities:** Audited accounts/financial statements of the **last three (3) years** (See article 4.2.3).

4.2.3 Eligibility of Application

³ This does not apply to CSOs that are operating in the areas of the Republic of Cyprus not under the effective control of the Government of the Republic of Cyprus

⁴ For Civil Society Organisations decision making bodies are considered: Board of Directors or otherwise depending on the type of organisation.

For informal groups, ad hoc and self-help, and Civil Society Organisations that are operating in the areas of the Republic of Cyprus not under the effective control of the Government of the Republic of Cyprus, decision making bodies are considered: at least two representatives of the organisation (one being the representative eventually signing the project partnership agreement).

The Open Call ensures that newly established, smaller/less experienced civil society organisations and other entities can submit applications for projects that have a shorter duration.

Call Tiers	Maximum grant amount per project	Minimum grant amount per project	Eligible Lead/Sole Applicant	Eligible Project Partner	Project Duration
Tier 1	€100,000	€25,001	Larger/more experienced entities	Larger/more experienced entities And/or Smaller/less experienced entities	Between 12 and 20 months
Tier 2	€25,000	€5,000	Smaller/less experienced entities	Smaller/less experienced entities	Between 6 and 12 months

Larger/more experienced entities are defined by the following characteristics:

- have completed two (2) years of operation since their legal establishment⁵,
- have implemented at least three (3) funded or sponsored projects as coordinating or partner entities,
- have an annual turnover of €40,000 minimum in one of the years 2018, 2019 or 2020.

Smaller/less experienced entities are defined by the following characteristics:

- have completed twelve (12) months of operation since their legal establishment⁶,
- have implemented at least one (1) funded or sponsored project as partner entities.

⁵ This requirement does not apply to informal, ad hoc, and self-help organisations (including grassroots organisations), and Civil Society Organisations that are operating in the areas of the Republic of Cyprus not under the effective control of the Government of the Republic of Cyprus

⁶ This requirement does not apply to informal, ad hoc, and self-help organisations (including grassroots organisations), and Civil Society Organisations that are operating in the areas of the Republic of Cyprus not under the effective control of the Government of the Republic of Cyprus

In **all applications** submitted for the Open Call, the **following criteria** needs to be met:

- The requested grant amount is within the permissible limits provided in the Open Call (for Tier 1 and Tier 2 projects respectively).
- The proposed implementation period is within the permissible limits provided in the Open Call (for Tier 1 and Tier 2 projects respectively).
- A range of 20% - 25% of the grant is allocated to capacity building activities (under Outcome 3).
- Larger/more experienced entities **can only submit one application under Tier 1**, either as lead applicant or sole applicant or as a project partner.
- Smaller/less experienced entities can **submit one application under Tier 2** as lead or sole applicant and **can also be project partner in one application under Tier 1**.

The application is **automatically excluded** from further evaluation if one or more eligibility criteria are not met. However, prior to an application being rejected based on any of the above eligibility criteria, the applicant will be given the opportunity to supplement any missing supporting documents as specified in the Checklist for Applicants included in the Open Call and in the application form. If the applicant fails to provide the missing documentation within the period stipulated by the FO, the application will not proceed to the next step of the evaluation.

4.2.4 Right to Appeal

Applicants whose applications are rejected due to non-compliance with **administrative or eligibility criteria** shall be informed of the reasons for rejection and have a period of **three (3) working days** to appeal the decision, counted from the day after the notification. Appeals should be fully justified and submitted via e-mail, with subject-title “ACF CY 2014-2021 Appeal”, and sent to info@activecitizensfund.cy.

Appeals shall be reviewed by the Executive Board of the Fund Operator and the applicants will be informed about its decision within **ten (10) working days**, via e-mail. The appeal’s resolution will be irreversible.

5. Financial Scope

5.1 Double Funding

The project being proposed for funding under the Open Call shall not be funded from other sources, either national or international. Double funding of activities is not permissible. Should there be an indication of double funding of project activities, the project promoter will be obliged to refund the funds in question to the Fund Operator and the Project Contract between the project promoter and the Fund Operator will be automatically terminated.

When a project promoter implements more than one project at the same time or receives funding from other donors, there shall be a mechanism in place to verify potential double financing on expenditure items funded under the programme.

5.2 Period of Eligibility

Expenditures within projects may be eligible from the date on which the grant is awarded or from a later date set in the Project Contract. The Project Contract shall set the final date of eligibility of expenditures which shall be no later than 30 April 2024. Expenditures incurred after that date are not eligible.

5.3 Project Grant Rate and Co-Financing

A project grant will be paid in Euro (€) for up to 100% of the total eligible expenditures. However, the successful applicants (project promoters) are encouraged to contribute to the project budget with co-financing (e.g. 10%). The co-financing can be provided in the form of cash or in-kind contribution. The in-kind contribution in the form of voluntary work may present up to 100% of the co-financing rate.

The cost of the voluntary work is calculated based on the minimum gross hourly wage in the Republic of Cyprus and the average gross hourly wage in the Republic of Cyprus, including the employer's social contribution, depending on the character of delivered work. Please note that according to recent national statistics and formal government regulations, the minimum gross hourly wage in the Republic of Cyprus is €6 and the average gross hourly wage is €14. The aforementioned rates can be amended following an official amendment by the Government of the Republic of Cyprus.

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5.4 Eligible Expenditures

5.4.1 General Principles

Eligible expenditures of projects are those actually incurred by the project promoter or the project partner, which meet the following criteria:

- a) they are incurred between the first and final dates of eligibility of a project, as specified in the Project Contract.
- b) they relate to the subject of the Project Contract, and they are indicated in the detailed budget of the project.
- c) they are proportionate and necessary for the implementation of the project.
- d) they are used for the sole purpose of achieving the objective of the project and its expected outcome(s), in a manner consistent with the principles of economy, efficiency and effectiveness.
- e) they are identifiable and verifiable, through being recorded in the accounting records of the project promoter and determined according to the applicable accounting standards and generally accepted accounting principles.
- f) they comply with the requirements of applicable tax and social legislation.

The eligibility of expenditures incurred by any project partner is subject to the same limitations and principles, outlined in this article, as would apply if the expenditures were incurred by the project promoter.

Please note that the inclusion of an expenditure item in the project budget approved by the Fund Operator shall not be considered as confirmation of the eligibility of that expenditure item.

5.4.2 Direct Expenditures

The eligible direct expenditures for a project are those expenditures which are identified by the project promoter and/or the project partner, in accordance with their accounting principles and usual internal rules, as specific expenditures directly linked to the implementation of the project, and which can therefore be booked to it directly.

Provided they satisfy the criteria set out in article 5.4.1, the following direct expenditures are eligible:

a) Cost of personnel assigned to the project, comprising actual remuneration including social security charges and other statutory costs as applicable, as long as this corresponds to the project promoter's and project partner's usual policy on remuneration.

Internal staff costs are to be calculated based on the actual hours worked by the persons directly carrying out tasks under the project.

Example of an hourly rate calculation-personnel costs:

Total days in a year	365
Weekends	-104
Annual holidays	-21
Statutory holidays	-15
Illness/Other	-15
Workable days in a year	210
Total productive hours	210 x 7.5 hours = 1,575 hours
Total remuneration (statutory costs, including holiday pay, etc.)	€9,000/year
Hourly rate	€9,000/1,575 = €5.71 per hour
Total hours worked for the project	650
Total costs charged to the project	650 x €5.71 = €3,712

Statutory costs include social security and other (usual) allowances.

b) Travel and subsistence allowances for personnel and volunteers taking part in the project, provided they are in line with the project promoter's and project partner's usual practices on travel costs.

The following principles apply to travel and subsistence costs:

- Travel must be clearly linked to the delivery of the project and borne by the entity's personnel or volunteers.
- Any expenditure item covered by the daily allowance cannot be eligible in addition to the daily allowance.
- The amount of daily allowances must be in line with the relevant national legislation and internal rules of the entity (if applicable).
- The principle of sound financial management should apply to the choice of transport and accommodation.

- A proof of expenditure for costs incurred shall be available. It should demonstrate that the travel actually took place and was directly linked to the project (e.g., invoice of travel agent, plane tickets, e-tickets, boarding pass, meal receipts, list of participants, minutes, agenda etc.).
- Direct payment by a personnel member or the partner organisation must be supported by a proof of reimbursement by the entity.
- Travel and accommodation costs of participants of trainings/events should be budgeted for and reported under category 1.5 *Costs of consumables and supplies*.
- Travel and accommodation costs of external experts and service providers should be budgeted for and reported under category 1.6 *Costs entailed by other contracts awarded by a project promoter for the purposes of carrying out the project*.

Please see article 9.4 for conditions connected to legal entry and exit points for travel.

c) Cost of new or second-hand equipment, provided it is depreciated in accordance with generally accepted accounting principles applicable to the project promoter and generally accepted for items of the same kind. Only the portion of the depreciation corresponding to the duration of the project and the rate of actual use for the purposes of the project may be considered by the Fund Operator

In case the Fund Operator determines that the equipment is an integral and necessary component for achieving the outcomes of the project, the entire purchase price of that equipment may be eligible. In the case of the latter, the Fund Operator shall ensure that the project promoter:

- keeps the equipment in its ownership for a period of at least five years following the completion of the project and continues to use the equipment for the benefit of the overall objectives of the project for the same period;
- keeps the equipment properly insured against losses such as fire, theft or other normally insurable incidents both during project implementation and for at least five years following the completion of the project;
- sets aside appropriate resources for the maintenance of the equipment for at least five years following the completion of the project.

The specific means for the implementation of the above obligations for new or second-hand equipment shall be specified in the Project Contract. The Fund

Operator may release any project promoter from the above obligations with respect to any specifically identified equipment where the Fund Operator is satisfied that, having regard to all relevant circumstances, continued use of that equipment for the overall objectives of the project would serve no useful economic purpose.

d) Costs of consumables and supplies, as long as they are identifiable and assigned to the project.

e) Costs entailed by other contracts awarded by a project promoter for the purposes of carrying out the project, provided that the awarding complies with the applicable rules on public procurement (See article 9.3).

f) Costs arising directly from requirements imposed by the Project Contract for each project.

Costs related to reconstruction, renovation, or refurbishment of a real estate, provided they do not exceed 50% of the eligible direct cost of the project.

5.4.3 Indirect Costs

Indirect costs are all eligible costs that cannot be identified by the project promoter and/or the project partner as being directly attributed to the project, but which can be identified and justified by its accounting system as being incurred in direct relationship with the eligible direct costs attributed to the project. They may not include any eligible direct costs. Indirect costs of the project shall represent a fair apportionment of the overall overheads of the project promoter or the project partner. Project promoters and project partners may apply a flat rate of up to 15% of direct eligible personnel costs (See article 5.4.2) to cover these costs.

In case of project partners that are international organisations, or bodies or agencies thereof, indirect costs may be identified in accordance with the relevant rules established by such organisations.

5.4.4 Excluded Costs

The following costs shall not be considered eligible during the implementation of funded projects:

a) Interest on debt, debt service charges and late payment charges.

- b) Charges for financial transactions and other purely financial costs, except costs related to accounts and financial services imposed by the Project Contract.
- c) Costs related to purchase of land or real estate.
- d) Provisions for losses or potential future liabilities
- e) Exchange losses.
- f) Recoverable VAT.
- g) Costs that are covered by other source.
- h) Fines, penalties, and costs of litigation, except where litigation is an integral and necessary component for achieving the outcomes of the project.
- i) Excessive or reckless expenditure.

5.4.5 VAT

The project promoters must be able to justify, providing official legal proof, whether their organisation is VAT exempt, for the Fund Operator to be able to assess if the VAT can be considered an eligible project expense.

5.4.6 Proof of Expenditure

Expenditures are considered to have been incurred when the cost has been invoiced, paid and the subject matter delivered (in case of goods) or performed (in case of services and works).

Costs in respect of which an invoice has been issued in the final month of eligibility are also deemed to have incurred within the dates of eligibility if the costs are paid within thirty (30) days of the final date of eligibility. Overheads and depreciation of equipment are considered to have been incurred when they are recorded on the accounts of the project promoter and/or project partner.

The project promoter's internal accounting and auditing procedures must permit direct reconciliation of the expenditures and revenue declared in respect of the project with the corresponding accounting statements and supporting documents.

Indirect Costs (See article 5.4.3) do not need to be supported by proof of expenditure.

5.4.7 Auditing

At least 10% of expenditures incurred by the project promoters, covering at least 15% of all projects funded by the programme, will be subject to an independent external financial and compliance audit, commissioned by the Fund Operator.

The FMO (Fund Mechanism Office) and the EFTA Board of Auditors (and The Office of the Auditor General of Norway) may conduct audits of the programme and its projects.

6. Communication Guidelines

6.1 Preparation of a Communication Plan

A submitted application must include a communication plan, with the aim of acknowledging the support received from the Active Citizens Fund Cyprus and creating **awareness of the existence, the objectives, the implementation, the results, and the impact of the suggested project**, in accordance with the overall objectives of the programme, to the relevant audiences at national, and/or local level. The communication plan should also highlight any bilateral cooperation with entities in the donor countries (Iceland, Liechtenstein, and Norway).

Applicants must develop a communication plan as part of the project application, by filling in the **Project Communication Plan** in the application form. The communication plan must include at least the following:

- a. The aims and target groups, including stakeholders on national, regional and/or local levels and the public.
- b. The strategy and content of the information and communication measures, including activities, communication tools and timeframe, having regard to the added value and impact of the funding from the donor countries.
- c. At least two information activities on progress, achievements, and results in the project, such as a seminar or a conference with stakeholders, a press conference or press event, including a launch activity and/or a closing activity for the project. For projects whose grant size is less than €50,000, one information activity is sufficient and can be of a smaller scale.

- d. The main channels of communication that will be used to reach the target audience(s). These communication channels should include a webpage(s) on the website of the applicant and its partners, if any. Every project will be featured on the dedicated Active Citizens Fund Cyprus website.
- e. Information on the web shall include information about the project, its progress, achievements and results, the cooperation with entities in donor states, beneficiary state and other states with relevant photos, contact information and a clear reference to the Active Citizens Fund Cyprus programme and the EEA and Norway Grants.
- f. Information on the administrative departments or bodies responsible for implementation of the information and communication measures, including a contact person.
- g. An indication of how the information and communication measures are to be assessed in terms of visibility and awareness of the project its objectives and impact, and the donor countries.

6.2 Implementation of a Communication Plan

Once a project has been granted support, the project promoter is responsible for the implementation of the communication plan, as outlined in the application, and ensuring that those taking part in the project have been informed of the programme's funding.

Any activity and deliverable implemented under the supported project must **make the support of the donor countries through the Active Citizens Fund Cyprus explicitly stated and visible.**

6.3 Responsibilities of the Project Promoter

The project promoter must provide information on the project to the widest possible audience at the appropriate national, regional and/or local levels, through the development and implementation of the communication plan. The project promoter must report to the Fund Operator on information and communication obligations.

Every supported project will be featured on the dedicated Active Citizens Fund Cyprus website. Project promoters shall make information about any updates and achievements of the project available to the Fund Operator, in order to

be included on the website of the programme, throughout the implementation phase.

Project promoters will need to follow specific guidelines from the **Communication Guidelines** that can be found in the Active Citizens Fund Cyprus website: www.activecitizensfund.cy

7. Application Process

7.1 Application Submission

Applications can be submitted **in English or in Greek**. The applicants must submit the application form and Annex I, which can be downloaded from the programme website: www.activecitizensfund.cy. Please note that **only one language** shall be used when completing the application form and Annex I (either Greek or English).

The applications must be accompanied by the supporting documentation as specified in the eligibility criteria (See article 4.2).

Please note that only the application form (including Annex I) and the supporting documentation will be evaluated. It is therefore of utmost importance that these **documents contain all the relevant information**. No additional documents should be sent.

Applicants must verify that their application is complete using the **Checklist for Applicants**, which is included in the Open Call and in the application form. Incomplete applications may be rejected.

Applicants must submit the completed application form (including Annex I) along with the relevant supporting documentation in the following way: **in one electronic file** named ACF CY_Application_[Lead Applicant Name], sent via e-mail at info@activecitizensfund.cy. Zipped files ending in .zip will also be accepted. The subject-title of the e-mail must be "ACF CY 2014-2021 Call Application".

The completed application form must be duly signed on the first page, by the applicant's legal representative.

The deadline for applications is **05/11/2021 at 13:00 EEST (Cyprus local time)**. Applicants will receive a confirmation via e-mail upon receipt of the application. Late delivery will lead to rejection of the application.

7.2 Questions and Answers

Any clarifying questions may be sent via e-mail to info@activecitizensfund.cy. **No individual replies will be given to any submitted questions**, in order to ensure the equal treatment of all applicants. Questions and answers will be published on the programme's website: www.activecitizensfund.cy. It is therefore advisable to consult the website regularly.

The deadline for submitting questions is the **25th of October 2021**, ten (10) working days prior to the deadline for the submission of applications.

7.3 Support to Applicants

Aiming to provide a fair and equal opportunity for all applicants to submit their applications successfully and to improve the possibility for the selection of their application, the Active Citizens Fund Cyprus programme will provide several tools and activities developed to support applicants, including those from under-served geographic areas:

1. A series of workshops that will take place. These workshops will serve as information sessions for potential applicants, including useful tips for the application process and a Q&A.
2. A workshop that will serve as an information session for applicants with a specific focus on supporting projects that include bicomunal cooperation with one or more project partner(s) that is operating in the areas of the Republic of Cyprus not under the effective control of the Government of the Republic of Cyprus. The aim of the workshop will be to both support the process of finding a partner and to provide support and information regarding specific concerns related to bicomunal cooperation.
3. An Active Citizens Fund Cyprus helpline for applicants who have questions relating to the Open Call and application process. No individual replies will be given to questions over the phone, to ensure the equal treatment of all applicants. Questions and answers will be

published on the programme website: www.activecitizensfund.cy. It is therefore advisable to consult the website regularly.

4. A Frequently Asked Questions section, available on the Active Citizens Fund Cyprus website: www.activecitizensfund.cy

More information on the workshops will become available on the website of the Active Citizens Fund Cyprus programme in due time.

8. Evaluation and Selection Procedure

8.1 Evaluation Procedure

Each submitted project application that meets the administrative and eligibility criteria shall then be **scored by two impartial experts** appointed by the Fund Operator.

The experts shall, separately and independently, score each project application according to the **evaluation criteria** below. The final score is an average of the points given by each of the evaluators. The experts shall justify, in writing, the scores for each criterion they evaluate. For the purposes of ranking the project applications, the average of the scores awarded by the experts shall be used.

The **maximum total score for an application is 100 points**. The minimum of 60 points is set as a threshold score for an application to be recommended for funding.

In the case where the difference between the scores given by the two experts is more than 30% of the higher score, the project application shall be scored by a third, independent expert. This expert shall be commissioned by, and be independent of, the Fund Operator. In such cases, the average score of the two closest scores shall be used for the ranking of the applications.

8.2 Evaluation Criteria

Proposed projects which are in compliance with administrative and eligibility criteria will be assessed by the evaluation experts, according to the following evaluation criteria and with scores assigned on a scale between 0 and 100, as follows:

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Evaluation criteria		Max. score
1	Relevance and coherence between the project and the programme objective, outcomes, and project outputs.	30
1.1	The application demonstrates coherence with the outcomes and the project outputs of the programme. <i>Evaluation Breakdown:</i> <i>1. The number of outcomes and project outputs is in accordance with the Open Call guidelines and is accurately included in the project application.</i>	10
1.2	The application includes verifiable and measurable indicators for the outputs of the project, in line with the relevant programme indicators. <i>Evaluation Breakdown:</i> <i>1. The number of indicators corresponding to the relevant project outputs.</i>	10
1.3	The project is relevant to the needs of target groups. The target groups and their needs have been clearly defined and the application addresses them appropriately. <i>Evaluation breakdown:</i> <i>1. The project relevance to target groups.</i> <i>2. The needs of the target groups are defined.</i> <i>3. The needs of the target groups are addressed.</i>	10
2	Implementation of the project, feasibility of the suggested activities and measures.	30
2.1	The activities proposed are feasible, practical, and consistent with the project objectives and expected results. <i>Evaluation breakdown:</i> <i>1. Activities are specific.</i> <i>2. Activities are achievable.</i> <i>3. Activities are relevant</i>	10
2.2	The chosen indicators are realistic and correspond to the outcomes, outputs, and activities of the project. <i>Evaluation breakdown:</i> <i>1. Indicators are specific.</i> <i>2. Indicators are measurable.</i> <i>3. Indicators are achievable.</i>	10

2.3	<p>The work plan is feasible and corresponds to the project activities.</p> <p><i>Evaluation breakdown:</i></p> <ol style="list-style-type: none"> 1. The work plan is achievable. 2. The work plan includes all project activities. 	5
2.4	<p>The communication plan corresponds to the programme rules and the capacity of the applicant and project partners (where applicable) to implement it.</p> <p><i>Evaluation breakdown:</i></p> <ol style="list-style-type: none"> 1. The communication plan includes a clear target audience. 2. The communication means/channels are identified. 	5
3	Partnership	10
3.1	<p>The project is implemented by the lead applicant in collaboration with one or more project partners, and the partners' level of involvement and participation in the action is satisfactory and clearly outlined in the application.</p> <p><i>Evaluation breakdown:</i></p> <ol style="list-style-type: none"> 1. The project is implemented as a partnership. 2. The choice of partners is justified and relevant to the project objectives. 3. Partners have significant and clearly assigned roles in the project. 	5
3.2	<p>The project includes a bicommunal partnership.</p> <p><i>Evaluation breakdown:</i></p> <ol style="list-style-type: none"> 1. Bicommunal partnership and collaboration included in the application. 	5
4	Experience of applicant and capacity to implement the project.	10
4.1	<p>The applicant (lead or sole applicant) demonstrates sufficient experience to manage the project.</p> <p><i>Evaluation breakdown:</i></p> <ol style="list-style-type: none"> 1. The applicant has implemented previous funded or sponsored projects (according to the minimum requirements per Tier). 	5
4.2	<p>The applicant (lead or sole applicant) and project partner(s) (where applicable) have sufficient knowledge of the issues to be addressed.</p> <p><i>Evaluation breakdown:</i></p>	5

	<p>1. The applicant has experience in working on the topic addressed in the project application.</p> <p>2. The partners (where applicable) carried out relevant work on the topic addressed in the project application.</p>	
5	Project sustainability	5
5.1	<p>The long-term impact of the project is identified and justified correctly.</p> <p><i>Evaluation breakdown:</i></p> <p>1. The application outlines how the project impact will continue after the end of the project.</p> <p>2. The application demonstrates how the target group will be involved in the sustainability of the project.</p>	5
6	Economic efficiency (reasonable and justifiable budget, coherence with the proposed activities)	15
6.1	<p>The proposed expenditures included in the project budget are proportional, realistic, and necessary for the project activities.</p> <p><i>Evaluation breakdown:</i></p> <p>1. The proposed costs are connected with the subject of the project, and they are indicated in the detailed project budget.</p> <p>2. The proposed costs are proportionate and necessary for the implementation of the project.</p> <p>3. The proposed costs are realistic.</p>	10
6.2	<p>The project budget is clear, comprehensible, and individual expense items can be easily matched with relevant outcomes.</p> <p><i>Evaluation breakdown:</i></p> <p>1. The proposed costs are clearly defined under the relevant sections of the project budget template (Annex I).</p> <p>2. The proposed costs correspond to the matching outcomes.</p> <p>3. The allocation of indirect costs is equal or less than 15% of direct eligible personnel costs.</p> <p>4. A range of 20%-25% of the grant is allocated to capacity building (organisations and the sector).</p>	5
	Total score	100

8.3 Selection Procedure

Following the evaluation process, the Fund Operator shall provide an appointed **Selection Committee** with a list of project applications ranked in

accordance with the evaluation procedure, without making any changes to the ranking or the scoring awarded by the experts.

The Selection Committee shall consist of at least three persons with the relevant sector expertise and experience of working on topics that directly concern civil society. At least one of them shall be external to the Fund Operator. The FMO, the National Focal Point and the Royal Norwegian Embassy in Athens shall be invited to participate in the meetings of the Selection Committee as observers. The Selection Committee shall operate in an open, transparent, and accountable manner, and its composition will ensure that due attention is paid to possible areas of conflict of interest. All members of the Selection Committee (both voting members and observers) shall sign a declaration of no conflict of interest.

The Selection Committee shall review the ranked list of project applications. It may modify the ranking of the project applications in justified cases based on transparent criteria. The justification for the modifications shall be detailed in the minutes of the meeting of the Selection Committee. The Selection Committee may decide to approve a project application with conditions. These conditions could relate to reducing the budget, obtaining clarification on some elements of the application etc. The Selection Committee minutes shall clearly reflect the justification for applying a condition, and the opinion of the members in this regard. The Selection Committee may also decide to establish a reserve list, including project applications that are recommended for support, but due to lack of funding cannot be supported at the time of the decision. The Selection Committee minutes shall clearly state whether a reserve list has been established, including the list of applications on the reserve list.

Experts can be invited to the meeting of the Selection Committee, to provide explanations of their scoring, their overall assessment of the project, and to answer any questions that the members of the Selection Committee might have. If the experts are invited to the meeting, this should be clearly reflected in the minutes of the meeting. The experts shall in no way influence the Selection Committee members in their decisions and should limit themselves to information already provided during their evaluation and to clarifications requested by the Selection Committee.

The Selection Committee shall then submit its recommendations to the Fund Operator. The Fund Operator shall verify that the selection process has been conducted in compliance with the rules and objectives of the programme. Following such verification, **the Fund Operator shall, based on the**

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recommendation of the Selection Committee, decide on which projects shall be supported. The Fund Operator may modify the decision of the Selection Committee in justified cases. If such a modification results in a rejection of a project that would otherwise have been approved, the applicant in question shall be informed in writing about the justification for the modification.

8.4 Conflict of Interest

A conflict-of-interest situation is deemed to be present when a person involved in the selection process (e.g. evaluation experts, members of Selection Committees, members of the Board, staff involved in reviewing compliance with administrative and eligibility criteria, or decision-makers for the Fund Operator) has direct or indirect interests that are, or appear to be, incompatible with the impartial and/or objective exercise of the functions related to the selection process. Such interests may be related to economic interests, political or national affinities, family or emotional ties, other shared interests with the applicant or its partner, or any other interests liable to influence the impartial and objective performance of the person involved in the selection of projects.

The Fund Operator shall take every reasonable measure to prevent a conflict of interest from occurring. If a conflict of interest arises, the Fund Operator shall, in consultation with the FMO, take all the necessary measures to prevent that such a situation affects the integrity of the selection process.

8.5 Communication of Results

The result of the evaluation and selection procedures of each submitted application shall be communicated individually to the respective applicant, **via e-mail, within ten (10) working days following the final decision.**

Following a confirmation of implementation of approved projects by the applicant, the Programme Director will sign a **Project Contract** with all selected project promoters and information on approved projects will be published on the Active Citizens Fund Cyprus website.

Unsuccessful applicants shall be informed as to the reasons why their application was not selected.

9. Implementation

9.1 Project Contract

For each approved project, **a Project Contract shall be concluded between the Fund Operator and the project promoter.**

The Project Contract sets out the terms and conditions of grant assistance as well as the roles and responsibilities of the parties. The obligations of the project promoter under the Project Contract shall be valid and enforceable under the applicable national law of Cyprus.

A Project Contract should at least include the following necessary elements:

- Identification of the parties.
- Description of the project, objectives, and outputs.
- The maximum amount of the project grant in euros and the maximum project grant rate.
- Eligible expenditures.
- The start and completion date of the project.
- Reference to partnership agreements, if relevant.
- Provisions on equipment for which the entire purchase price is eligible
- Adopted rate for indirect costs.
- Requirements for the submission of proof of expenditure.
- Obligations regarding communication and reporting that enable the Fund Operator to monitor the technical and financial implementation of the project, and to evaluate its results.
- Provision on modifications of the project.
- Provisions that ensure that obligations regarding record keeping are complied with.
- Provisions that ensure timely access for the purposes of monitoring, audits, and evaluations.
- Provisions that ensure that obligations regarding information and communication are complied with.
- The conditions under which the Fund Operator may suspend payments and request reimbursement from the project promoter.
- Resolution of disputes and jurisdiction.
- Detailed budget, including cost and unit prices.
- Waiver of responsibility of the EEA Financial Mechanism Office.

- Provisions about the consequences to the Project Contract of an eventual termination of the agreement between the EEA Financial Mechanism Office and the Fund Operator.

Projects must necessarily begin within three (3) months after the date of notification of the grant decision otherwise the decision may be revoked. The final date of the project cannot exceed the duration set for the project, counted from the start date indicated in the Project Contract.

Project promoters will be required to execute all approved projects timely and diligently under the terms and conditions agreed in the Project Contract.

The Project Contract and all supplementary documentation (including reporting templates and guidelines), during the Implementation phase of supported projects, as well as all communication between the Fund Operator and the project promoters will be in English.

9.2 Partnership Agreement

A project may be implemented in partnership with one or more project partners. If a project is implemented in such a partnership, **the project promoter needs to sign a Partnership Agreement with each of the project partners.**

The Partnership Agreement should at least include the following elements:

- Provisions on the roles and responsibilities of the parties.
- Provisions on the financial arrangements between the parties including, but not limited to, the expenditure for which project partners can be reimbursed from the project budget.
- Currency exchange rules for such expenditure and reimbursement.
- Adopted rate for indirect costs.
- Requirements for the submission of proof of expenditure.
- Provisions on audits of the project.
- Detailed budget, including cost and unit prices.
- Resolution of disputes and jurisdiction.

The partnership agreement shall be **in English**. The creation and implementation of the relationship between the project promoter and the

project partner shall comply with the applicable national and European Union law on public procurement.

The draft partnership agreement needs to be submitted to the Fund Operator before the signing of the Project Contract between the project promoter and the Fund Operator.

9.3 Public Procurement

National and European Union law on public procurement will be complied with at any level in the implementation of the supported projects. The relevant legislation in the Republic of Cyprus regarding public procurement was updated in 2016 under Decree Law 73(1)/2016, in line with the EU Directive (2014/24/EE). The Project Contracts with the project promoters will include relevant provisions specifying that in the cases of purchases (consumables, supplies, services, equipment) related to an amount of €5,000 or higher but below the relevant European Union thresholds, the project promoters shall invite at least three (3) suppliers/service providers to submit offers.

In the case of contracts with third parties for the provision of consumables, equipment, supplies and services, the project promoters will be asked to confirm that no conflict of interest exists (between the project promoter and the third party). Thus a “no conflict” declaration form must be signed between the project promoters and the third parties for any purchase that exceeds the total amount of €5,000. It should be noted that there are not allowed any circumventions of the €5,000 limit, e.g., by assigning several contracts in the amount of €4,900. The Fund Operator will review all contracts between the project promoters and third parties and in the case that such circumventions appear, the relevant contracts (supporting documentation for justifying project expenses) will not be accepted.

The highest ethical standards shall be observed during the procurement and execution of contracts (between the project promoters and third parties). The awarding of such contracts (including the procedures prior to the awarding) and the terms and conditions of such contracts shall comply with best economic practices, including accountability, allow fair competition between potential providers, for example by way of effective price comparison, and ensure the optimal use of resources from the EEA and Norwegian Financial Mechanisms 2014-2021. To this end, the project promoters must submit to the Fund Operator the contract terms and conditions as well as the offers submitted by the suppliers/service providers. In case a project promoter

decides to award a contract not based on the lowest price but considering the technical aspects of an offer, a detailed justification must be provided for the Fund Operator to assess whether the contract complies with best economic practices (value for money).

9.4 Country-specific Conditions

1) The Fund Operator and the project promoters and project partners shall refrain from any acts or omissions that:

- Are incompatible with the property rights of natural or legal persons protected under the applicable laws of the Republic of Cyprus, the Convention for the Protection of Human Right and Fundamental Freedoms or the case law of the European Court of Human Rights;
- Imply acceptance of entry or exit points of the Republic of Cyprus beyond those that are compatible with international law.

2) Payments to project promoters and project partners shall only be made through legally operating banking institutions in the Republic of Cyprus.

3) Any supporting evidence for expenditures provided for payments shall not be considered eligible if these are derived from a so-called “public authority” or any other so-called “official institution” in the areas of the Republic of Cyprus where the Government of the Republic of Cyprus does not exercise effective control.

4) The overall objective of bi-communal projects and their guiding principle is to contribute to the reunification of Cyprus, as set out in the relevant UN Security Council resolutions.

5) No action or omission of the Fund Operator, project promoters or any project partner is intended to imply recognition of any public authority in Cyprus, other than the Government of the Republic of Cyprus.

9.5 Project Reports

The Fund Operator will **monitor and record progress** towards the programme's outcomes and project outputs through specific reports that project promoters will need to submit.

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9.5.1 Progress Reports

Every project promoter will be required to submit to the Fund Operator a Progress Report **every six (6) months of the project implementation period** and a Final Report within thirty (30) days following the end of their projects, as defined within their Project Contract.

Note: Projects under Tier 2 with a duration of six (6) months will only be required to submit a final report.

The aim of the progress reports is to provide key information on the implementation of the project, progress on achieving the expected project outputs and identification of any issues which affect the implementation of the projects and the measures taken to address them.

Progress and financial reports will be submitted to the Fund Operator through an online system, dedicated to the management of the projects, which will be made available to project promoters upon signing the Project Contract.

9.5.2 Financial Reports

Each project promoter will be required to submit to the Fund Operator Financial Reports for their projects, **every six (6) months of the project implementation period**.

The financial reports must include relevant supporting documentation (e.g. invoices, proofs of payment, timesheets, presence lists, proofs of delivery, bank statements, others). The supporting documentation required from the project promoters will additionally include a schedule of the individual expenditure items (based on the project budget and on the template for the budget, provided by the Fund Operator), totalled, and showing the expenditure amount, the references of the related invoices, the date of payment and the payment reference number and list of contracts signed (if applicable). Electronic invoices and payments or copies of invoices and proof of payment should be provided by the project promoters, for all expenditure items reported for.

Supporting documentation will be requested for justifying expenses in accordance with the eligible expenditures specified in article 5.4 of the existing Guide.

9.5.3 Reporting Schedule

The following reporting schedule will apply to supported projects under the Active Citizens Fund Cyprus Programme:

Project duration	Frequency of Progress Report & Interim Financial Report	Submission of Final Report & Final Financial Report
6– 20 months	Every 6 months	1 month after project completion
6 months		1 month after project completion

9.6 Verifications of Projects

To ensure suitable assessment of the projects' progress towards targets in accordance with the expected results (Results Framework), the Fund Operator will also conduct regular monitoring of the projects that can take the following form:

- **Administrative verifications** in respect of incurred expenditures reported by project promoters through the financial reports.

The verifications of projects can cover administrative, financial, technical and physical aspects of projects. In particular the verifications should cover: adequacy of supporting documents and existence of an adequate audit trail, compliance with all the eligibility rules, compliance with generally accepted accounting principles, compliance with the Project Contract as well as applicable national and EU legislation, respect of the rules on publicity (photographs of billboards, copies of promotional brochures, training course materials and diplomas may be used to provide evidence of the verification of compliance with the publicity requirements), no double funding, physical progress of the project and delivery of the product or service.

Within the context of the administrative verification, the Fund Operator will examine the project promoters' financial reports (submitted every six months) and the relevant supporting documentation (e.g., invoices, proofs of payment, timesheets, presence lists, proofs of delivery, bank statements, others).

- **On-the-spot verifications** of projects.

On-the-spot monitoring visits will be performed, in order to check the physical existence of assets, the projects' progress, the project promoters' respect for the rules on publicity, and the original relevant administrative and financial documentation. The Fund Operator will notify the project promoters prior to the on-the spot-visits to schedule a meeting, making sure that the relevant personnel and documentation will be available during the verification. In the case of suspected irregularities, the Fund Operator may perform an on-the-spot visit, without prior notice.

On-the-spot monitoring visits will include the following:

- Review of original supporting/accounting documents. Specifically, two types of expenditures from each budget category from the project budget will be checked (e.g., invoices, receipts, bank statements, timesheets, employment contracts, product/services contracts, presence lists, proofs of delivery, etc).
- Review of any other (original) documents relevant to the financing of the project (e.g., ledger report generated from the project promoter's accounting system).
- Review of the project promoter's records for verifying the projects' results (e.g., attendance sheets, publications, social media records, internal reports, etc).
- Verification of physical progress of maintenance/construction works and physical existence of equipment.
- Verification that the rules on publicity are being respected.

9.7 Payments to Projects

The Fund Operator will ensure that payments to the project promoters are made in timely manner. Interim and final payments will be based on the approved project reports. The grant will be paid to project promoters by the Fund Operator, in instalments, as follows:

Grant size	Project implementation duration	Advance payment	Interim payments	Final payment
Tier 1: Minimum grant amount per project	Minimum duration of project 12 months –	40% of the funding amount	Interim payments (every six months) upon	20% or the remaining balance of the funding

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€25,001 – Maximum grant amount per project €100,000	Maximum duration of project 20 months	upon signing the Project Contract	approval of the interim financial reports	upon approval of the final project report
Tier 2: Minimum grant amount per project €5,000 - Maximum grant amount per project €25,000	Minimum duration of project 6 months – Maximum duration of project 12 months	65% of the funding amount upon signing the Project Contract	n/a	35% or the remaining balance of the funding upon approval of the final project report

Tier 1 projects:

- **Advance payment:** 40% of the funding amount upon signing the Project Contract.
- **Interim payments** will be calculated and transferred every six months, after the submission and approval of the interim financial reports. These payments will also be based on the assessment of the level of consumption of the previous pre-financings. The Fund Operator will set thirty (30) working days for making the interim payments after the date of approval of the interim financial reports.
- **Final payment:** 20% or the remaining balance of the funding will be transferred as soon as the final project report submitted by each project promoter is approved by the Fund Operator. Final payment is to be made up to thirty (30) working days after the date of approval of the final project report.

Tier 2 projects:

- **Advance payment:** 65% of the funding amount upon signing the Project Contract.
- **Final payment:** 35% or the remaining balance of the funding will be transferred as soon as the final project report submitted by each project promoter is approved by the Fund Operator. Final payment is to be made up to thirty (30) working days after the date of approval of the final project report.

In exceptional cases where projects have been assessed as posing a high risk for the programme, the Fund Operator may make a justified decision to change the above payments' scheme.

9.8 Support to Project Promoters & Capacity Building

The Fund Operator will develop **a series of capacity building activities** to support project promoters and other CSOs with information, knowledge on and skills for project implementation:

1) Two workshops will be organised to provide tailor-made support for smaller/less experienced organisations, particularly those located in under-served geographic areas, and organisations that will be implementing projects under a bicommunal partnership.

These workshops will offer the ability for the Fund Operator to mentor, coach and guide project promoters with the aim of strengthening their (and their potential partner's) organisational capacity to successfully manage their approved project. During the workshops, clear guidelines will be given to project promoters, and their partners if any, on any questions that they might have on their project implementation.

2) Two capacity building workshops will be organised in Cyprus.

The first workshop will focus on one-on-one or small group work on fundraising and preparation of funding applications, as a capacity building process for CSOs, with simple and clear guidelines and templates, formulated to enable smaller/less experienced organisations to apply for funding through national and EU funding programmes.

The second workshop will provide mentoring to organisations for improving transparency and accountability within their structures, with the aim of enhancing sustainability and improving public understanding of and support for the civil society sector.

To complement these capacity building workshops, training material and capacity building tools will be made available and accessible in the specific section of the Active Citizens Fund Cyprus website: www.activecitizensfund.cy.

10. Complaints Procedure

Any complaint specifically relating to the selection process or, more broadly to the Active Citizens Fund Cyprus programme, should be submitted via e-mail to info@activecitizensfund.cy, with subject-title "ACF CY 2014-2021 Complaint".

All complaints shall first be assessed by the Fund Operator. A complainant who is not satisfied with the conclusion made by the Fund Operator has the right to take the case to the Complaints Committee, which shall again assess the complaint and conclude on the case.

The **Complaints Committee** will include two members of the Executive Board of the Fund Operator, the senior manager of the Fund Operator and one member who is external to the Fund Operator and its Board.

The Complaints Committee will not address issues related to the administrative and eligibility criteria of the applications that were rejected. Such issues will only be addressed through the appeal procedure (See article 4.2.4).

11. Definitions

About Associations and Foundations and other related issues Law of 2017 (L. 104(I)/2017): The legal and regulatory framework governing the establishment of Foundations, Associations and Clubs in the Republic of Cyprus. For all entities established under this law, compliance must be ensured at the deadline for submission of applications and throughout the duration of the project's implementation should the application receive funding.

Active Citizens Fund: According to an agreement between Iceland, Liechtenstein and Norway and the EU, a minimum of 10% of the EEA Grants is allocated to civil society through the Active Citizens Fund. It is noted that in the MOU signed between the EEA and the Republic of Cyprus, the Active Citizens Fund Cyprus received 25% (€1.5 million) from the EEA Grants total allocation.

Donor project partner: A legal entity actively involved in, and effectively contributing to, the implementation of a project, and whose primary location is in one of the donor states (Iceland, Liechtenstein, and Norway).

EEA Financial Mechanism (EEA & Norway Grants): The EEA and Norway Grants are funded by Iceland, Liechtenstein, and Norway. The Grants have two goals

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– to contribute to a more equal Europe, both socially and economically – and to strengthen the relations between Iceland, Liechtenstein, and Norway, and the 15 beneficiary countries in Europe.

Financial Mechanism Office (FMO): The Brussels- based secretariat for the EEA Grants which serves as a contact point between the donor and beneficiary countries. The FMO is affiliated with the European Free Trade Association (EFTA) and reports to the Foreign Ministries of Iceland, Liechtenstein, and Norway.

Fund Operator (FO): In each country, the Fund is managed by operators which are independent of local, regional, and central government, political parties, and religious institution. The Active Citizens Fund Cyprus FO is the consortium of NGO Support Centre and GrantXpert Consulting Limited who manages the programme on behalf of the donor countries and is responsible for the selection, contracting and follow-up of projects.

Lead Applicant: The applicant organisation who submits the project application to the Fund Operator. Applicants shall be directly responsible for the implementation of the project for which they are seeking a grant and must not act as intermediaries.

Project Promoter: The applicant organisation (lead applicant) whose project application is approved for funding and who signs the Project Contract with the Fund Operator. The project promoter is the entity responsible for the overall initiation, preparation, and implementation of the project.

Project Partner: Public or private entity and/or informal organisation who enter a partnership with the project promoter and who is actively involved in, and effectively contributing to, the implementation of a project.

Sole Applicant: An applicant organisation who applies for a grant individually, without proposing a partnership for the implementation of the project.