Programmatic Cooperation Framework for
Armenia, Azerbaijan, Georgia, Republic of Moldova, Ukraine and Belarus

Funded by the European Union and the Council of Europe

EUROPEAN UNION

COUNCIL OF EUROPE

CONSEIL DE L'EUROPE

Implemented by the Council of Europe

CALL FOR PROPOSALS

LOCAL INITIATIVES ON ETHICAL GOVERNANCE AND TRANSPARENCY

EU/CoE Programmatic Co-operation Framework (PCF) for
Armenia, Azerbaijan, Georgia, Moldova, Ukraine and Belarus

Project	"Strengthening Institutional Frameworks for Local Governance"
Awarding entity	**COUNCIL OF EUROPE** Congress of Local and Regional Authorities of the Council of Europe
Funding	Programme funded by the European Union and the Council of Europe
Duration	Projects shall be implemented by **31 August 2017**. Reporting requirements shall be completed by **30 September 2017**.
Estimated starting date	**30 January 2017**
Issuance date	**10 November 2016**
Deadline for applications	**7 December 2016**

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- Appendix I - Application Form
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HOW TO APPLY?

- Complete and sign the **Application Form** (See **Appendix I**)
- Attach a provisional budget (using the template in **Appendix II**)
- Attach the other supporting documents:
  - CVs of the person delegated to submit and ensure the co-ordination of the project, and the key personnel to be involved in the project (same format for the whole team);
  - Other materials considered to be relevant in order to increase the applicant's credibility and complement the project proposal: recommendation letters from other donors; annual activity reports, developed materials: studies, stategies, manuals, informative materials; copies of written, audio and video materials etc.
- The application package will be submitted in English or in an official language of the country of the applicant municipality. Applications which are submitted in a language other than English must be accompanied by an (unofficial translation) into English.
- Please send these documents in electronic form (Word and/or PDF) to the following e-mail address: congress.cooperation@coe.int. Emails should contain the following reference in subject: **APPLICATION: 2016-Local initiatives on ethical governance and transparency**
- Applications must be received **before 7 December 2016 (at midnight, CET, GMT + 1)**.

I. INTRODUCTION

This call for proposals is launched in the framework of the Council of Europe thematic programme "Strengthening institutional frameworks for local governance", implemented by the Congress of Local and Regional Authorities and the Council of Europe Centre of Expertise for Local Government Reform, Directorate General of Democracy. The programme is funded by the European Union and the Council of Europe, and implemented by the Council of Europe, through the Programmatic Co-operation Framework (PCF) 2015-2017 for Armenia, Azerbaijan, Georgia, Moldova, Ukraine and Belarus.

The current call for proposals aims to support the implementation of projects by local municipalities in **Armenia, Georgia, Moldova and Ukraine**.

Project proposals shall aim to deliver an added value to the Congress of Local and Regional Authorities of the Council of Europe efforts in the establishment of a transparent, reliable and efficient local self-government, in line with the provisions of the European Charter of Local Self-Government.

II. BACKGROUND INFORMATION ON THE COUNCIL OF EUROPE PROGRAMME

The purpose of the thematic programme is to support the on-going processes of local government reform and to promote ethical behaviour by local elected representatives in the respective countries. In particular, it aims to foster a more efficient, transparent and ethical governance at the local level, and increase citizen participation.

Project beneficiaries include local and regional authorities and their respective associations, ministries responsible for local self-government, Non-Governmental Organisations (NGOs) and citizens.

III. BUDGET AVAILABLE

The Council of Europe intends to award a maximum of 12 grants, to municipalities in the target countries.

The Council of Europe is therefore seeking proposals:

- For municipalities with up to 5,000 inhabitants, a maximum budgeted amount of EUR 8,000 (eight thousand Euros).
- For municipalities with between 5,000 and 12,000 inhabitants, a maximum budgeted amount of EUR 12,000 (twelve thousand Euros).
- For municipalities with above 12,000 inhabitants, a maximum budgeted amount of EUR 18,000 (eighteen thousand Euros).

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

IV. REQUIREMENTS

1. General objective

The grants will fund projects designed to increase **transparency, accountability and integrity of local government** in the targeted countries, by introducing **higher ethical standards** and **fostering citizen participation**.

2. Means of action

Projects may include:

A. Adopting transparency mechanisms that ensure systematical and sustainable collection of feedback and public oversight.

- Setting up mechanisms to ensure public oversight;
- Development of regular surveying processes of public perceptions with regard to ethics and conduct of elected and public servants and service satisfaction;
- Creation of independent monitoring structures of ethical standards in place (e.g., public and expert committees);
- Development of tools and methodologies to ensure transparent local decision-making and accountability (e.g. focus and interest groups, public meetings, polls and surveys, web use etc.).

B. Developing ethical standards and specific mechanisms (i.e., rules and procedures, codes) addressing ethical standards of participating local government unit.

- Development and/or improvement of procedures and tools that ensure transparency of administrative procedures;
- Development and/or enactment of a Code of Ethics for local authorities;
- Development and/or enactment of Code of Conduct for local elected representatives and/or local government public officials;
- Development of training programmes on the Code of Conduct for local elected representatives, when such exist;
- Development and/or improvement of rules and procedures regarding transparent relations with the business sector, including public contracts for the supply of goods or services; delegation of public services to the private sector; privatisation of public undertakings; subsidising associations and delegating public services to them; licensing and management of municipal assets.

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

3. Implementation period

Following the conclusion of the selection process, grantees will benefit from guidance and assistance provided by the consultants throughout the project implementation period.

The implementation period of the projects should **start no later than 30 January 2017** (see indicative timetable under VIII. below) and shall **not extend beyond 31 August 2017** (although the implementation of activities may extend beyond this date). Reporting requirements shall be completed on **30 September 2017 at the latest**.

Projects completed prior to the date of submission of the applications will be automatically excluded. For projects that started prior to the date of submission of the applications, or prior to the date of signature of the grant agreement, only those costs incurred after the date of submission of the grant application could be eligible (provided the agreement concerned so provides). For more information, please see the **Item VIII. Indicative timetable.**

4. Target stakeholders

Projects should target in particular the following key stakeholders:
- local and regional authorities;
- citizens, civil society organisations, etc.

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

5. Budgetary requirements

Project proposals shall be accompanied by a draft budget (See **Appendix II Estimated Budget**) amounting to a maximum of:

- EUR 8,000 (eight thousand Euros) for municipalities with up to 5,000 inhabitants;

- EUR 12,000 (twelve thousand Euros) for municipalities with between 5,000 and 12,000 inhabitants;

- EUR 18,000 (eighteen thousand Euros) for municipalities with above 12,000 inhabitants.

Municipalities should submit their budgets in the local currency with an indicative conversion into EUR at the conversion rate determined by the central national bank in each respective country on the day of submission of their proposal (see Appendix II, estimated budget). Grants shall be paid in the local currency and all financial reporting shall be done in the local currency.

The estimated budget must be consistent, accurate, clear, complete and cost-effective, in the light of the activities proposed. Municipal staff should not be included in the estimated budget and no more than 40% should be spent on technical services.

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

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

- aiming to adopt meaningful dialogue processes with the public during the design and implementation phases;
- fostering citizen involvement in local decision-making;
- aiming to provide gender representation throughout implementation;
- ensuring sustainability following completion of the project;
- introducing initiatives with the potential to be replicated at country or regional level;

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

- Projects/actions providing financial support to third parties (re-granting schemes);
- Projects/actions concerning only or mainly individual scholarships for studies or training courses;
- Projects/actions supporting political parties;
- Projects/actions not corresponding to the call for proposal's objectives;
- Current activity of the applicant.

8. Funding conditions:

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

- 80% will be paid when the Grant Agreement between the two parties is signed;
- the balance will be paid based on actual expenditures incurred, and after the presentation and acceptance by the Congress of Local and Regional Authorities of the Council of Europe of the final narrative and financial reports for the Grant implementation.

Changes to the proposed payment structure will only be accepted where legal or technical constraints related to the operation of municipality funding, in the specific country, make this unavoidable.

Any funds which are not spent by the municipality in pursuit of the grant agreement must be fully refunded to the Council of Europe.

9. Reporting requirements:

- **narrative reporting** requires a full narrative report on the use made of the grant and a copy of the register of the persons present during each of the activities, including names and signatures of participants. Narrative reports shall include:
  - a summary of the project activities and results achieved;
  - monitoring and evaluation means (including problems encountered during the implementation process and remedies applied; lessons learnt);
  - a section on the sustainability (what steps were taken towards ensuring the sustainability of the current initiative);
  - a brief summary of the findings; and
  - the annexes on documentation / publications / visibility (what activities have been carried out to present project results; lists of participants in project activities etc.).

- **financial reporting** requires in particular a statement in the currency in which the Grant Agreement will be concluded (the local currency), in English, stating the payments made for the implementation of the activities, certified by the responsible financial officer of the Grantee, accompanied by "appropriate original supporting documents" (*see below*). The Council of Europe reserves the right to ask for summary translations of invoices into English. If for legal reasons the original documents must be retained by the Grantee, certified copies must be submitted with the financial statement.

"Appropriate original supporting documents" refers to signed contracts, invoices and acceptances of work (for all transactions), payment authorisation for all transactions should also be provided in case the Grantee uses such practice, and reliable evidence of payment (authorised payment order and bank statement).
As regards round tables / conferences, presenting "appropriate original supporting documents" requires presentation of a programme indicating the title, dates, venue, and agenda of the event; the names of persons facilitating the event, a signed list of participants, the contracts with the owner of venue of the event (e.g. hotel) for the rent of premises, food and beverages of participants, invoices from the owner of the venue of the event for the above services, and a report on the results of the event (see narrative reporting above).

As regards consultancy services, presenting "appropriate original supporting documents" requires presentation of evidence of the outputs produced, contracts with experts and consultants containing a specific description of services to be carried out, invoices produced after the works have been performed and delivered (the specialities of the consultants shall correspond to the nature of activities for which they are contracted).As regards travel fees / lodging of experts and participants, presenting "appropriate original supporting documents" requires presentation, where relevant, of contracts with a travel agency for travel fees and lodging, invoices of the travel agency indicating destinations, dates, ticket costs, and names of the travelling persons, a programme of the event indicating the names of the experts and signed lists of participants. The above description is not comprehensive. Any doubt regarding the interpretation of the notion of "appropriate original supporting documents" should lead the Grantee to consult the Council of Europe.

V. HOW TO APPLY?

1. Documents to be submitted:

Each application shall contain:

(compulsory)

- The completed and signed **Application Form** (See **Appendix I**);
- A provisional budget (using the template in **Appendix II**);
- Other supporting documents:
  - CVs of the person delegated to ensure the co-ordination of the project, and the key personnel to be involved in the project (same format for the whole team);
  - CVs of the experts to be involved in project implementation (where known);

(non-compulsory but advisable)

- Other materials considered to be relevant in order to increase the LGU's credibility and to complement the project proposal: recommendation letters from other donors; annual activity reports, developed materials: studies, stategies, manuals, informative materials; copies of written, audio and video materials etc.

Please also provide a list of the documents submitted.

Applications may be submitted in English or in an official language of the country of the applicant municipality. Applications which are submitted in a language other than English **must be accompanied by an unofficial translation into English**.

Applications that are incomplete will not be considered.

2. Questions

General information can be found on the website of the Council of Europe, Congress of Local and Regional Activities http://www.coe.int/t/congress/Activities/cooperation/PCF/PCF_en.asp and the web pages of the Council of Europe Offices in: Yerevan(www.coe.int/yerevan), Tbilisi (www.coe.int/tbilisi), Chisinau (www.coe.int/chisinau), and Kyiv (/www.coe.int/kyiv).

Other questions regarding this specific call for proposals must be sent at the latest one week before the deadline for the submission of proposals, in English or Russian, and shall be exclusively sent to the following address: congress.cooperation@coe.int with the following reference in subject: **QUESTIONS: 2016 - Local initiatives on ethical governance and transparency.**

3. Deadline for submission

The application form, **completed and signed**, together with the supporting documents, must be submitted in electronic form (Word and/or PDF) to the following e-mail address: congress.cooperation@coe.int. Emails should contain the following reference in subject: **APPLICATION: 2016 - Local initiatives on ethical governance and transparency.**

Applications must be received **before 7 December 2016 (at 12.00 CET, GMT + 1)**. Applications received after the above mentioned date will not be considered.

4. Change, alteration and modification of the application file

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

VI. EVALUATION AND SELECTION PROCEDURE

The projects presented will be assessed by an Evaluation Committee composed of at least three members, including experts in the field of local governance and/or ethics, and staff members of the Council of Europe. For each eligible country, one local expert shall also sit on the Evaluation Committee and support the assessment of applications of municipalities from the respective country.

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

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

1. Exclusion criteria:

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

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

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

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

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

2. Eligibility criteria:

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

- be a local government unit from **Armenia, Georgia, Moldova** or **Ukraine**, whose mayors have participated in the workshops "Mayors, leaders for change" organised during 2015 - 2016.[1]
- be entitled to carry out activities described in its project proposal;
- not apply with a proposal which has been completed or shall be completed prior to 30 January 2017 phase;
- have sufficient financial capacity (stable and sufficient sources of funding) to maintain its activity throughout the period for which the grant is awarded and to participate by way of its own resources (including human resources or in-kind contributions);
- have sufficient operational and professional capacity, including Human Resources, to carry out activities described in its project proposal;
- indicate an official bank account in which the receiving entity can securely deposit the funds for the grant.

Multiple applications are not allowed and shall lead to the exclusion of all applications concerned.

[1] Yerevan, Armenia: 8 – 10 December 2015, 9 – 11 March 2016; Tbilisi, Georgia: 24 – 26 November 2016, 23 – 25 February 2016; Chisinau, Moldova: 5 – 7 October 2015, 2 – 4 February 2016; Kyiv, Ukraine: 29 – 30 March 2016

3. Award criteria

Applications will be assessed against the following criteria:

#	*Criteria*	*Weight*
1.	the relevance and added value of the project with regard to the promotion of ethical, transparent and accountable governance	30%
2.	the extent to which the action meets the requirements of the call	25%
3.	the quality, accuracy, clarity, completeness and cost-effectiveness of the application, strategy and the estimated budget	20%
4.	Involvement of the community in project design and implementation, and the prospects for sustainability	20%
5.	the relevance of the experience and expertise of the applying municipality and staff	5%
TOTAL		**100%**

VII. NOTIFICATION OF THE DECISION AND SIGNATURE OF GRANT AGREEMENTS

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

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

VIII. INDICATIVE TIMETABLE

Phases	Indicative timing
Publication of the call / Launching the call for proposals	10 November 2016
Deadline for submitting applications	7 December 2016
Information to applicants on the results of the award procedure	Week beginning 19 December 2016
Signature of the grant agreements	Mid-January 2017
Implementation period	Maximum seven months between end of January and end of August 2017

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